

CHAPTER 259

AN ACT concerning retirement benefits for workers compensation judges and supplementing P.L.1954, c.84 (C.43:15A-1 et seq.).

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

C.43:15A-142 Definitions relative to retirement benefits for workers compensation judges.

1. As used in this act, P.L.2001, c.259 (C.43:15A-142 et seq.):

“Aggregate public service” includes service as a workers compensation judge and in an office, position, or employment of this State or of a county, municipality, board of education, or public agency of this State.

"Beneficiary" means any person entitled to receive any benefit pursuant to the provisions of this act by reason of the death of a member or retirant.

"Child" means a deceased member's or retirant's unmarried child who is (a) under the age of 18; (b) of any age who, at the time of the member's or retirant's death, is disabled because of mental retardation or physical incapacity, is unable to do any substantial, gainful work because of the impairment, and the impairment has lasted or can be expected to last for a continuous period of not less than 12 months, as affirmed by the medical board; or (c) under the age of 21 and is attending school full time.

"Final salary" means the annual salary received by the member at the time of retirement or death.

"Retirant" means any former member receiving a pension or retirement allowance as provided by this act.

"Widow" means the woman to whom a member was married at least four years before the date of his death and to whom he continued to be married until the date of his death. The eligibility of a widow to receive a survivor's benefit shall be considered terminated by the marriage of the widow subsequent to the member's or the retirant's death. In the event of accidental death, the four-year qualification shall be waived. When used in this act, the term "widow" shall mean and include "widower" as may be necessary and appropriate to the particular situation.

"Widower" means the man to whom a member was married at least four years before the date of her death and to whom she continued to be married until the date of her death. The eligibility of a widower to receive a survivor's benefit shall be considered terminated by the marriage of the widower subsequent to the member's or the retirant's death. In the event of accidental death, the four-year qualification shall be waived.

“Workers compensation judges” means the Chief Judges, administrative supervisory judges, supervisory judges and judges of compensation of the Division of Workers' Compensation of the Department of Labor.

C.43:15A-143 Membership in Workers Compensation Judges Part.

2. Notwithstanding the provisions of any other law, workers compensation judges shall be members of the Workers Compensation Judges Part, established pursuant to this act, P.L.2001, c.259 (C.43:15A-142 et seq.), of the Public Employees' Retirement System, established pursuant to P.L.1954, c.84 (C.43:15A-1 et seq.), and shall be subject to the same membership and benefit provisions as State employees, except as provided by P.L.2001, c.259. Membership in the retirement system shall be a condition of employment for service as a judge of compensation.

C.43:15A-144 Separate accounts contributions.

3. a. Notwithstanding the provisions of section 25 of P.L.1954, c.84 (C.43:15A-25) to the contrary, a separate account shall be established in the annuity savings fund for each workers compensation judge and all contributions based on the judge's salary shall be credited to this account. This account shall be separate from any other account that the member may have as a result of other public service covered by the retirement system.

b. A workers compensation judge shall contribute at a rate equal to 5% of the judge's salary, which contribution shall be deducted from the salary at the time or times it is paid, and which shall be exclusive of any other contribution required of the member for Social Security, contributory death benefits or deductions for any other purpose.

c. A workers compensation judge who is enrolled on the basis of other public service

before, during, or after service as a judge of compensation shall contribute for such other service at the rate of contribution required of other members as provided by section 25.

C.43:15A-145 Date of retirement; continued service permitted, certain circumstances.

4. a. Any workers compensation judge who has reached the age of 70 years shall be retired forthwith on the first day of the next calendar month. Any other eligible workers compensation judge may be retired on the first day of the next calendar month subsequent to the filing of a written and duly executed application with the retirement system. Such application shall be accompanied by a copy of the member's resignation which has been filed in the office of the Director of the Division of Workers' Compensation.

b. Notwithstanding the provisions of subsection a. of this section or any other law to the contrary, a workers compensation judge who is 60 years of age or older on the effective date of P.L.1999, c.380 shall be permitted to continue service as a judge until attaining 10 years of service credit under the Workers Compensation Judges Part of the retirement system.

C.43:15A-146 Conditions for receipt of retirement allowance of three quarters of final salary.

5. Any workers compensation judge who has served at least 10 years as a judge of compensation and attained the age of 70 years shall be retired and shall receive the retirement allowance prescribed by this section.

Any workers compensation judge who has served at least 15 years as a judge of compensation and attained the age of 65 years, or served at least 20 years as a judge of compensation and attained the age of 60 years, may retire and receive the retirement allowance prescribed by this section. The retirement allowance shall consist of an annuity that shall be the actuarial equivalent of the member's accumulated deductions together with regular interest, and a pension that, when added to the member's annuity, shall provide a retirement allowance during the remainder of the member's life in the amount equal to three-quarters of the member's final salary.

C.43:15A-147 Conditions for receipt of one-half of final salary.

6. Any workers compensation judge who has:

a. served at least five years successively as a judge of compensation and attained the age of 65 years or more while serving in such office and has served at least 15 years of aggregate public service, or

b. served at least five years successively as a judge of compensation and attained the age of 60 years or more while serving in such office and has served at least 20 years of aggregate public service, may retire and receive the retirement allowance prescribed by this section. The retirement allowance shall consist of an annuity that shall be the actuarial equivalent of the member's accumulated deductions together with regular interest, and a pension that, when added to the member's annuity, shall provide a retirement allowance during the remainder of the member's life in an amount equal to one-half of the member's final salary.

C.43:15A-148 "Early" retirement; formula, conditions.

7. Any workers compensation judge who has served at least five years successively as a judge of compensation and at least 25 years of aggregate public service, and who resigns or is not reappointed before reaching age 60, may elect "early" retirement, provided, that such election is communicated by the member to the retirement system by filing a written application, duly attested, stating at what time subsequent to the execution and filing thereof the member desires to be retired. Any member of the retirement system, eligible to retire under the provisions of this section, shall receive a retirement allowance consisting of an annuity which shall be the actuarial equivalent of the member's accumulated deductions together with regular interest, and a pension which, when added to the member's annuity, shall provide a retirement allowance during the remainder of the member's life in the amount of 2% of the member's final salary multiplied by the number of years of service up to 25 plus 1% of the member's final salary multiplied by the number of years of service over 25. Such retirement allowance shall be reduced in accordance with a table of actuarial equivalents recommended by the actuary and adopted by the retirement system reflecting all months that the member lacks of being age 60.

The board of trustees shall retire the member at the time specified or at such other time within one month after the date so specified as the board finds advisable.

C.43:15A-149 Deferred retirement; formula, conditions.

8. Any workers compensation judge who has served at least five years successively as a judge of compensation and at least 10 years of aggregate public service, and who resigns or is not reappointed before reaching age 60, and not by removal for cause on charges of misconduct or delinquency, may elect to receive:

a. all of the member's accumulated deductions standing to the credit of the member's individual account in the annuity savings fund as provided under subsection a. of section 41 of P.L.1954, c.84 (C.43:15A-41), or

b. a deferred retirement allowance, beginning on the first day of the month following the member's attainment of age 60 and the filing of an application therefor, which shall consist of an annuity derived from the accumulated deductions standing to the credit of the member's account in the annuity savings fund at the time of severance from service together with regular interest, and a pension which, when added to the annuity, shall produce a retirement allowance in the amount of 2% of the member's final salary multiplied by the number of years of service up to 25 plus 1% of the member's final salary multiplied by the number of years of service over 25, provided that such inactive member may elect to receive payments provided under section 7 of this act, P.L.2001, c.259 (C.43:15A-148), if the member had qualified under that section at the time of leaving service, except that in order to avail the member of the option, the member shall exercise such option at least one month before the effective date of retirement.

If such inactive member shall die after attaining age 60 but before filing an application for retirement benefits pursuant to this section or section 7 of this act and for which benefits the member would have qualified, or in the event of death after retirement, there shall be paid to such member's beneficiary the death benefits prescribed by section 10 of this act.

No beneficiary shall be eligible for a pension or survivor's benefit if the member who elected to receive a deferred pension shall die before attaining age 60. Upon receipt of the proper proofs of death, the beneficiary of a member who elects to receive a deferred retirement allowance shall be paid the member's accumulated deductions at the time of death together with regular interest.

Any member who, having elected to receive a deferred pension or deferred retirement allowance, again becomes a member while under the age of 60, shall thereupon be reenrolled. The member shall be credited with all service as a member standing to the member's credit at the time of the member's election to receive a deferred pension or deferred retirement allowance.

C.43:15A-150 Benefits to survivors of judges on active service.

9. a. Upon the receipt of proper proofs of the death in active service of a workers compensation judge member of the retirement system, there shall be paid to the member's widow a survivor's benefit of 25% of final salary for the use of the widow, to continue during widowhood, plus 10% of final salary payable to one surviving child or plus 15% of final salary to two or more surviving children; if there is no surviving widow or in case the widow dies or remarries, 15% of final salary shall be payable to one surviving child, 20% of final salary to two surviving children in equal shares and if there are three or more children, 30% of final salary shall be payable to such children in equal shares. If there is no surviving widow or child, 20% of final salary shall be payable to one surviving parent or 30% of final salary shall be payable to two surviving parents in equal shares.

b. In addition to the benefits payable under subsection a. of this section, there shall also be paid in one sum to the member's beneficiary an amount equal to one and one-half times the final salary received by the member.

C.43:15A-151 Benefits to survivors of retired judges.

10. a. Upon the receipt of proper proofs of the death of a workers compensation judge who has retired on a pension or retirement allowance based on age and service, or pursuant to section 7 of this act, P.L.2001, c.259 (C.43:15A-148), there shall be paid to the member's beneficiary, an amount equal to one-fourth of the final salary received by the member.

b. Upon the receipt of proper proofs of the death of a member who has retired on a disability pension or retirement allowance, there shall be paid to the member's beneficiary, an amount equal to one and one-half times the final salary received by the member if such death occurs before the member shall have attained 60 years of age but if such death occurs thereafter, an amount equal to one-fourth of the final salary received by the member.

C.43:15A-152 Credit for previous service; purchase, conditions.

11. a. Any workers compensation judge who wishes to receive credit for previous service as a judge of compensation or in an office, position, or employment of this State or of a county, municipality, board of education, or public agency of this State, shall file an application therefore with the board of trustees and pay into the annuity savings fund the amount required by applying the factor, supplied by the actuary, as being applicable to the judge's age at the time of purchase and the type of service to be purchased, to the member's salary at that time. Such purchase may be made in regular installments, equal to at least one-half the full normal contribution to the retirement system over a maximum period to be determined by the board of trustees.

In the case of any judge coming under the provisions of this section, full pension credit for the period of employment for which arrears are being paid shall be given upon the payment of at least one-half the total arrearage obligation and the completion of one year of membership and the making of such arrears payments, except that in the case of retirement, the total membership credit for such service shall be in direct proportion as the amount paid bears to the total amount of arrearage obligation.

b. The State shall pay to the retirement system the employer's accrued liability obligation on behalf of such judge purchasing prior service credit.

C.43:15A-153 Return of accumulated contributions; election of retirement allowance.

12. a. A workers compensation judge making contributions pursuant to the provisions of this act, P.L.2001, c.259 (C.43:15A-142 et seq.), and who is not eligible for any benefits under the Workers Compensation Judges Part, may, upon termination of such service as a judge of compensation, elect to receive the return of the judges' accumulated contributions in accordance with the provisions of subsection a. of section 41 of P.L.1954, c. 84 (C. 43:15A-41). If a workers compensation judge is a member of the retirement system on the basis of other public service, no application for a return of contributions shall be approved until the judge has terminated all service covered by the system and makes application for a return of all contributions made to the retirement system. If all or any part of a member's service as a workers compensation judge is applied toward qualifying for benefits under any other provision of P.L.1954, c.84 to which this act, P.L.2001, c.259 (C.43:15A-142 et seq.), is a supplement, no return of contributions made on the basis of the workers compensation judge salary shall be approved, and in that event, service established as a workers compensation judge and salary pertaining thereto shall be credited in the same manner as all other service and salary covered by the retirement system.

b. At the time of retirement, a member enrolled on the basis of service as a judge of compensation as well as other public service shall be permitted to elect the largest possible retirement allowance, if the member qualifies for benefits under both the provisions of this act and the act to which this is a supplement. An application for a return of contributions made on the basis of such other public service not used for the calculation of a retirement allowance or to qualify for State payment for health care benefits in retirement may be approved.

c. A workers compensation judge electing to receive a retirement allowance under the Workers Compensation Judges Part shall be ineligible to receive a retirement allowance or pension for the same service under any other law of the State.

C.43:15A-154 Determination of unfunded accrued liability.

13. The actuary for the Public Employees' Retirement System shall determine the unfunded accrued liability for the Workers Compensation Judges Part of the retirement system and the benefits provided for workers compensation judges under that part in the same manner provided for the determination of the unfunded accrued liability of the retirement system by section 24 of

P.L.1954, c.84 (C.43:15A-24). This unfunded accrued liability shall be amortized in the manner provided by section 24 over an amortization period of 30 years. Accrued liability and normal contributions for workers compensation judges shall be paid by transfers from the Second Injury Fund as provided by subsection j. of R.S.34:15-94. The Commissioner of Labor may, with the authorization of and appropriation by the Legislature, pay this unfunded accrued liability in a lump sum or over a period of time shorter than 30 years.

14. This act shall take effect immediately.

Approved December 6, 2001.