

## CHAPTER 326

AN ACT concerning membership in the Police and Firemen's Retirement System of New Jersey and supplementing P.L.1944, c.255.

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

C.43:16A-3.15 Certain firemen eligible for enrollment in PFRS; credit for PERS service, certain.

1. a. Upon the approval by the municipal governing body, any fireman employed by a municipality on the effective date of this act who (1) was not eligible for membership in the Police and Firemen's Retirement System (PFRS), established pursuant to P.L.1944, c.255 (C.43:16A-1 et seq.), at the time of appointment to a paid position pursuant to N.J.S.40A:14-42 through 40A:14-44, (2) meets the requirements for membership in the retirement system as set forth in the definition of "fireman" in section 1 of P.L.1944, c.255 (C.43:16A-1) and (3) is enrolled in the Public Employees' Retirement System of New Jersey (PERS), established pursuant to P.L.1954, c.84 (C.43:15A-1 et seq.), on the effective date of this act, is eligible to become a member of PFRS, regardless of age, and may transfer membership from PERS to PFRS in accordance with the provisions of the law and regulations governing the retirement system relative to interfund transfers by waiving, within 90 days of the effective date of this act, all rights and benefits which would otherwise be provided by PERS. If an eligible person does not file a timely waiver of PERS benefits, the person's pension status shall remain unchanged and the person's membership shall not be transferred to PFRS. Transfers under this section shall take effect on the first day of the first full calendar month following the effective date of this act by at least 180 days. PERS shall transmit to PFRS an amount equal to the present value of the benefit under PERS accrued to the date of transfer by each person transferring to PFRS. The service credit accrued in PERS to the date of transfer shall be transferred to PFRS and may be used to meet any service credit requirement for benefits under PFRS. Any benefit of a member who transfers membership from PERS to PFRS under this act based upon service credit shall be the amount of benefit determined as provided under PFRS based upon the total amount of service credit multiplied by the ratio of the service credit under PFRS from the date of transfer to the total amount of service credit, plus a benefit comparable to a PERS deferred, early or regular service retirement benefit, as appropriate, based upon the age of the member at the time of retirement and the amount of PERS service credit transferred to PFRS, determined as provided under the law and regulations governing PERS for the benefit. The total amount of service credit in PFRS, including the transferred PERS service credit, may be used to meet the service credit requirement for the benefit comparable to a PERS deferred or early retirement benefit, but the benefit shall be calculated only on the transferred PERS service credit.

Active and retired death benefits, accidental death benefits, and ordinary and accidental disability retirement benefits for members transferring to PFRS under this act shall be the benefits provided under PFRS.

For members transferring to PFRS under this act, the widows' or widowers' pensions provided under section 26 of P.L.1967, c.250 (C.43:16A-12.1) shall be the amount of the benefit determined as provided in section 26 multiplied by the ratio of the service credit under PFRS from the date of transfer to the total amount of service credit. Transferring members shall be entitled to elect optional retirement allowances for the portions of their retirement benefits based upon their PERS service credit as provided under the laws and regulations governing selection of optional retirement allowances under PERS.

b. Notwithstanding the provisions of subsection a. of this section, a fireman who transfers membership from PERS to PFRS may receive full credit toward benefits under PFRS for the transferred PERS service credit if the member agrees to pay the full cost of the accrued liability for the transferred PERS service credit in the same manner and subject to the same terms and conditions provided for the purchase of credit for military service under section 3 of P.L.1991, c.153 (C.43:16A-11.11).

c. The State shall not be liable for additional costs incurred by a local employer as a result of the transfers permitted by this section.

2. This act shall take effect immediately.

Approved January 12, 2006.