

[First Reprint]

# ASSEMBLY, No. 2158

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# STATE OF NEW JERSEY

## 220th LEGISLATURE

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INTRODUCED FEBRUARY 3, 2022

**Sponsored by:**

**Assemblyman ANTHONY S. VERRELLI**

**District 15 (Hunterdon and Mercer)**

**Senator NICHOLAS P. SCUTARI**

**District 22 (Middlesex, Somerset and Union)**

### **SYNOPSIS**

Allows member of PFRS who is police chief and fire department chief to serve until age 67 under certain conditions.

### **CURRENT VERSION OF TEXT**

As reported by the Assembly State and Local Government Committee on March 17, 2022, with amendments.



(Sponsorship Updated As Of: 3/24/2022)

1   **AN ACT** concerning mandatory retirement age of police chiefs and  
2   fire department chiefs and **1****[amending]** **supplementing****1**  
3   P.L.1944, c.255 **1****(C.43:16A-1 et seq.)**1****.

4

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

7

8   **1****[1.** Section 5 of P.L.1944, c.255 (C.43:16A-5) is amended to  
9   read as follows:

10   5. (1) Any member in service who has attained age 55 years  
11   may retire on a service retirement allowance upon filing a written  
12   and duly executed application to the retirement system, setting forth  
13   at what time, not less than one month subsequent to the filing  
14   thereof, he desires to be retired. Any member in service who attains  
15   age 65 years shall be retired on a service retirement allowance  
16   forthwith on the first day of the next calendar month, except that a  
17   member hired prior to January 1, 1987 may remain a member of the  
18   system until the member attains age 68 years or 25 years of  
19   creditable service, whichever comes first. **A member appointed as a**  
20   **police chief of a law enforcement agency or a chief of a fire**  
21   **department may remain a member of the system until the end of the**  
22   **calendar year in which the member attains age 67 years provided:**

23    (a) **the member was appointed as a police or fire department**  
24   **chief prior to attaining 65 years of age; and**

25    (b) **the appointing authority affirmatory votes by a majority of**  
26   **its members to retain a police or fire department chief who is older**  
27   **than 65 years of age.**

28   (2) Upon retirement for service a member shall receive a service  
29   retirement allowance which shall consist of:

30    (a) An annuity which shall be the actuarial equivalent of his  
31   aggregate contributions and

32    (b) A pension in the amount which, when added to the member's  
33   annuity, will provide a total retirement allowance of one-sixtieth of  
34   his average final compensation multiplied by the number of years of  
35   his creditable service, or 2% of his average final compensation  
36   multiplied by the number of years of his creditable service up to 30  
37   plus 1% of his average final compensation multiplied by the number  
38   of years of creditable service over 30, or 50% of his final  
39   compensation if the member has established 20 or more years of  
40   creditable service, whichever is greater.

41   (3) (a) Any member of the retirement system as of the effective  
42   date of P.L.1999, c.428 who has 20 or more years of creditable  
43   service at the time of retirement shall be entitled to receive a  
44   retirement allowance equal to 50% of the member's final  
45   compensation plus, in the case of a member required to retire

**EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is  
not enacted and is intended to be omitted in the law.**

Matter underlined **thus** is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Assembly ASL committee amendments adopted March 17, 2022.

1 pursuant to the provisions of subsection (1) of this section, 3% of  
2 final compensation multiplied by the number of years of creditable  
3 service over 20 but not over 25.

4       (b) Any member of the retirement system who was enrolled  
5 prior to the effective date of P.L.2021, c.52 and who is a member on  
6 that effective date may retire on or after the effective date of  
7 P.L.2021, c.52 but no later than the first day of the 25th month  
8 following that effective date on a service retirement allowance,  
9 regardless of age, upon attaining 20 or more years of creditable  
10 service and shall be entitled to receive a service retirement  
11 allowance equal to 50% of the member's final compensation.

12       (4) Upon the receipt of proper proofs of the death of a member  
13 who has retired on a service retirement allowance, there shall be  
14 paid to his beneficiary an amount equal to one-half of the  
15 compensation upon which contributions by the member to the  
16 annuity savings fund were based in the last year of creditable  
17 service.

18 (cf: P.L.2021, c.52, s.1)]<sup>1</sup>

19

20       '1. (New section) a. A member of the Police and Firemen's  
21 Retirement System, established pursuant to P.L.1944, c.255  
22 (C.43:16A-1 et seq.), who:

23       is serving as a police chief of a law enforcement agency or a  
24 chief of a fire department on the effective date of this act, P.L. , c.  
25 (pending before the Legislature as this bill); and

26       will attain the age of 65 years during the period commencing on  
27 the effective date of this act and ending on the last day of the 24th  
28 calendar month following that effective date,

29       may remain a member of the system, notwithstanding the  
30 mandatory retirement provision of section 5 of P.L.1944, c.255  
31 (C.43:16A-5), until the end of the calendar year in which the  
32 member attains the age of 67 years if the appointing authority  
33 approves, in writing, the retention and continued service after the  
34 age of 65 years of the police or fire chief as the chief.

35       b. Within 30 days after the last day of the 24th calendar month  
36 following the effective date of this act, the Board of Trustees of the  
37 Police and Firemen's Retirement System shall submit a report to the  
38 Governor, and the Legislature pursuant to section 2 of P.L.1991,  
39 c.164 (C.52:14-19.1), on the effect of this section on the retirement  
40 system. The report shall include the number of members who were  
41 retained and continued to serve as the police or fire chief, the length  
42 of that service after the age of 65 years, and the impact of that  
43 extended service on the retirement system.<sup>1</sup>

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45       2. This act shall take effect immediately.