

TITLE 17

TREASURY—GENERAL

CHAPTER 1

GENERAL ADMINISTRATION

Authority

N.J.S.A. 52:18A-96 et seq.

Source and Effective Date

R.1998 d.240, effective April 22, 1998.
See: 30 N.J.R. 1023(a), 30 N.J.R. 1847(a).

Executive Order No. 66(1978) Expiration Date

Chapter 1, General Administration, expires April 22, 2003.

Chapter Historical Note

Chapter 1, General Administration, was adopted and became effective prior to September 1, 1969.

Subchapter 6, Judicial Pension Fund, was repealed by R.1973 d.258, effective September 12, 1973. See: 5 N.J.R. 292(d), 5 N.J.R. 358(b).

Subchapter 10, Prescription Drug Program, was adopted as R.1977 d.117, effective April 1, 1977. See: 9 N.J.R. 142(c), 9 N.J.R. 243(a).

Subchapter 11, Dental Expense Program, was adopted as R.1978 d.99, effective March 15, 1978. See: 10 N.J.R. 38(b), 10 N.J.R. 175(d).

Subchapter 12, Administrative Practices, was adopted as R.1982 d.350, effective October 18, 1982. See: 14 N.J.R. 329(a), 14 N.J.R. 1164(a).

Pursuant to Executive Order 66(1978), Chapter 1, General Administration, was readopted as R.1983 d.174, effective May 16, 1983. See: 15 N.J.R. 523(a), 15 N.J.R. 930(b).

Pursuant to Executive Order No. 66(1978), Chapter 1, General Administration, was readopted as R.1988 d.243, effective May 6, 1988. See: 20 N.J.R. 636(a), 20 N.J.R. 1208(a). Pursuant to Executive Order No. 66(1978), Chapter 1, General Administration, expired on May 6, 1993.

Pursuant to Executive Order No. 66(1978), Chapter 1, General Administration, was adopted as new rules by R.1993 d.376, effective August 2, 1993. See: 25 N.J.R. 1955(a), 25 N.J.R. 3506(a).

Pursuant to Executive Order No. 66(1978), Chapter 1, General Administration, was readopted as R.1998 d.240, effective April 22, 1998. See: Source and Effective Date. See, also, section annotations.

Subchapter 2, Alternate Benefit Program, was recodified as N.J.A.C. 17:7 by R.2001 d.159, effective May 21, 2001. See: 33 N.J.R. 988(a), 33 N.J.R. 1601(a).

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SUBCHAPTER 1. ACCOUNTING

17:1-1.1 Receipts deposited

(a) All routine receipts as of noon of any working day, which are identifiable as to origin and propriety, are to be deposited the same day.

(b) All other checks are to be deposited as soon as possible.

(c) If checks are not in the amount of the billing and there is no dispute as to the amount involved, such checks will be returned to the remitter and the obligation will be considered as not having been paid; the remitter will be so advised.

Amended by R.1981 d.427, effective November 2, 1981.

See: 13 N.J.R. 616(c), 13 N.J.R. 779(d).

Added (c).

17:1-1.2 Remittance; limitation

The monthly transmittal remittances for pension contributions to the Division by employers shall be by electronic fund transfer (EFT). All other remittances to the Division shall be by check, bank draft or money order.

Amended by R.1998 d.241, effective May 18, 1998.

See: 30 N.J.R. 537(a), 30 N.J.R. 1847(b).

Rewrote the section.

17:1-1.3 Due dates for transmittals and reports

(a) Monthly remittances and transmittals for the Police and Firemen's Retirement System and the monthly remittances and reports for the Consolidated Police and Firemen's Pension Fund are due in the Division of Pensions the 10th day of the month following the close of the preceding month for which contributions are required.

(b) Monthly retirements and transmittals for the Public Employees' Retirement System, the Judicial Retirement System and the Teachers' Pension and Annuity Fund are due in the Division of Pensions from the State monthly locations and local employers the 10th day of the month following the close of the preceding month for which contributions are required.

(c) The monthly report to the carriers of the Alternate Benefit Program shall be due from the Centralized Payroll Unit on the 20th day of the month following the close of the preceding month for which deductions or reductions were required.

(d) Monthly reports for Alternate Benefit Program participants of county colleges and State monthly locations are due in the Division of Pensions the fifth day of the month following the close of the preceding month, with the exception that those institutions which are prepaying both the employer and employee contributions and have agreed to be completely accountable and responsible for the timely submission of such contributions shall submit the monthly reports to the Division of Pensions by the fifteenth day of the month following the close of the preceding month.

(e) Quarterly transmittals and reports, including the remittance for the third month of the calendar quarter, for the Police and Firemen's Retirement System are due in the Division of Pensions the 10th day of the month following the close of the preceding quarter.

(f) Quarterly transmittals and reports, including the remittance for the third month of the calendar quarter, for the Public Employees' Retirement System, the Judicial Retirement System and the Teachers' Pension and Annuity Fund are due in the Division of Pensions the 10th day of the month following the close of the preceding year.

(g) Payroll deductions for pension, contributory insurance and the Supplemental Annuity Program and salary reductions for the Tax Sheltered Supplemental Annuity Program shall be remitted on a biweekly basis immediately following the payroll payment dates for State employees reported by the Centralized Payroll System.

(h) Monthly remittances and transmittals for the State Health Benefits Program are due the 24th day of each month preceding the month for which such premium payments are required. Reporting agencies will be considered in default if premiums are not paid within the 31-day period, which begins on the first of the month following the due date for which premiums are required.

(i) Semi-monthly remittances and transmittals for Social Security are due in the State Agency for Social Security from all covered entities on the 5th day of the month representing contributions due for the last half of the preceding month and on the 20th day of the current month representing contributions due for the first fifteen days of the month. Annual reports and Federal forms are due in the State Agency for Social Security on February 1st, following the end of the preceding calendar year.

As amended, R.1971 d.16, effective February 1, 1971.

See: 3 N.J.R. 11(b), 3 N.J.R. 52(a).

As amended, R.1980 d.301, effective July 1, 1980.

See: 12 N.J.R. 351(a), 12 N.J.R. 497(c).

As amended, R.1982 d.491, effective January 17, 1983.

See: 14 N.J.R. 1290(a), 15 N.J.R. 95(b).

The Judicial Retirement System, added.

As amended, R.1983 d.546, effective November 21, 1983.

See: 15 N.J.R. 1457(a), 15 N.J.R. 1957(b).

Due days change from 1st to 5th day of month; exceptions articulated.

As amended, R.1983 d.599, effective January 17, 1984.

See: 15 N.J.R. 174(a), 16 N.J.R. 148(a).

(i) deleted and replaced with instructions about semi-monthly remittances and transmittals.

Amended by R.1986 d.86, effective April 7, 1986.

See: 18 N.J.R. 59(a), 18 N.J.R. 706(a).

Added text in (f) "Division of Pensions the 10th day of the".

17:1-1.4 Delinquent notices

(a) Reporting agencies which do not file timely reports, transmittals or remittances will receive a delinquent notice.

(b) In the event the employer does not respond to the delinquent notice, the group will be added to a list of the

delinquent agencies to be sent to the field service counselors, who will contact the delinquent employers to secure the data needed by the Division.

17:1-1.5 Interest charges; delinquent transmittals

(a) If payment in full, representing the monthly transmittal and report of contributions or charges is not made within 15 days of the due dates for such transmittals and reports, interest at the rate of six percent per annum shall commence to run against the total transmittal of contributions or charges for the period on the first day after such 15th day.

(b) The penalty will apply where the moneys have been forwarded but without the report necessary to distribute such moneys to the proper accounts.

As amended, R.1983 d.77, effective March 21, 1983.

See: 15 N.J.R. 80(b), 15 N.J.R. 448(b).

Reference to charges as well as contributions were added.

17:1-1.6 Disbursement authorizations

All checks disbursed, requiring the signature of the State Treasurer, are forwarded with signed authorizations to the Department of the Treasury.

17:1-1.7 Disbursement Schedules

(a) All disbursements, other than the regular pension payrolls, including the payment of loans, withdrawals and rebates should be made once a week.

(b) The pension payrolls are disbursed by the cash control section of the Treasury Department at the end of each calendar month.

As amended, R.1974 d.62, effective March 12, 1974.

See: 6 N.J.R. 84(a), 6 N.J.R. 158(b).

17:1-1.8 Disbursement; limitations

All disbursements returned by the Federal post office as "undelivered" shall be redeposited promptly. Disbursements shall be made by check, delivered by the Federal post office or as provided by the Director of the Division of Pensions.

As amended, R.1974 d.62, effective March 12, 1974.

See: 6 N.J.R. 84(a), 6 N.J.R. 158(b).

As amended, R.1975 d.235, effective August 1, 1975.

See: 7 N.J.R. 346(b), 7 N.J.R. 446(a).

As amended, R.1982 d.491, effective January 17, 1983.

See: 14 N.J.R. 1290(a), 15 N.J.R. 95(b).

(b): "accrue" changed to "accrue."

Amended by R.1985 d.348, effective July 1, 1985.

See: 17 N.J.R. 1068(a), 17 N.J.R. 1673(a).

(a) and (b) deleted.

Amended by R.1989 d.37, effective January 17, 1989.

See: 20 N.J.R. 2639(a), 21 N.J.R. 173(b).

Deleted text “and in no . . . the post office” and added “Disbursements shall be . . .”.

17:1-1.9 Adjustment statements

(a) Adjustment statements are mailed as audits are completed.

(b) Ten days after an overpayment notice is mailed a check is issued unless the employing agency offers an explanation for the variance.

(c) Overpayments are returned to the source from which they were received; however, for those overpayments covering State employees reported on a biweekly basis, multiple members, and on post audit overpayments, the member is made the payee.

As amended, R.1971 d.16, effective February 1, 1971.
See: 3 N.J.R. 11(b), 3 N.J.R. 52(a).
As amended, R.1974 d.62, effective March 12, 1974.
See: 6 N.J.R. 84(a), 6 N.J.R. 158(b).

17:1-4.17 Retroactive salary increases

In no event will individual retroactive salary adjustments that have been authorized after the member's effective date of retirement or date of death be used as creditable salary for pension or insurance purposes even if the period covered by the salary adjustment extends to a period before the member's effective date of retirement or date of death.

As amended, R.1974 d.62, effective March 12, 1974.
See: 6 N.J.R. 84(a), 6 N.J.R. 158(b).

17:1-4.18 Final compensation

(a) In computing retirement benefits salary increments in excess to 15 percent over the previous year's salary preceding retirement may be considered as possibly a violation of the statute governing the definition of final compensation and all such cases should be investigated.

(b) Those cases where a violation of the statute is suspected shall be referred to the respective board or commission.

Case Notes

Borough attorney's salary increase did not result from creation of new position and statute limiting compensation to be used for pension calculation was applicable. *DiMaria v. Board of Trustees of Public Employees' Retirement System*, 225 N.J.Super. 341, 542 A.2d 498 (A.D.1988) certification denied 113 N.J. 638, 552 A.2d 164.

Case Notes

Policeman was not entitled to reopen denied application for accidental disability retirement benefits. *Obsuth v. Board of Trustees of the Police and Firemen's Retirement System*, 93 N.J.A.R.2d (TYP) 175.

17:1-5.2 through 17:1-5.6 (Reserved)

R.1982 d.491, effective January 17, 1983.
See: 14 N.J.R. 1290(a), 15 N.J.R. 95(b).
Deleted sections.

SUBCHAPTER 6. (RESERVED)**Authority**

Unless otherwise expressly noted, all provisions of this subchapter concerning the judicial Pension Fund were rescinded pursuant to authority of N.J.S.A. 52:18A-95 et seq. and such recession was filed and effective September 12, 1973, as R.1973 d.258. See: 5 N.J.R. 292(d), 5 N.J.R. 358(b).

SUBCHAPTER 7. PENSION ADJUSTMENT PROGRAM**17:1-7.1 Employer payments; multiple enrollees**

The liability of the several employers in the case of multiple enrollees (a pensioner receiving benefits from a retirement system on the basis of several positions covered by the same system) will be prorated on the basis of the final salaries reported to the system prior to retirement.

As amended, R.1969 d.34, effective December 19, 1969.
See: 1 N.J.R. 10(a), 2 N.J.R. 7(a).

17:1-7.2 Employer payments; delinquencies

(a) The division will inform all retirants and beneficiaries of the reason for the suspension of payments.

(b) Retroactive adjustments will be made once the employer's appropriation has been paid.

As amended, R.1976 d.212, effective July 2, 1976.
See: 8 N.J.R. 312(d), 8 N.J.R. 407(b).

17:1-7.3 Administration fees; investment earnings

(a) The certification by the Director of the Division of Pensions of the amounts payable by local employers shall include an administrative fee to reimburse the State for the cost of administering the Pension Adjustment Program on behalf of their employees. The fee shall be \$1.00 per pensioner or beneficiary.

(b) Administrative fees, assessable to local employers participating in the Pension Adjustment Program, will be recovered from investment earnings on contributions as long as such earnings exceed the fees assessable. Employers will be

billed for the difference whenever the investment earnings are less than the administrative fees assessed.

(c) Excess earnings, remaining after the recovery of the assessment of the administrative fees, shall be transferred to the State of New Jersey—General Fund.

As amended, R.1971 d.16, effective February 1, 1971.
See: 3 N.J.R. 11(b), 3 N.J.R. 52(a).
As amended, R.1978 d.421, effective December 12, 1978.
See: 10 N.J.R. 516(a), 11 N.J.R. 52(a).
As amended, R.1981 d.291, effective August 6, 1981.
See: 13 N.J.R. 374(e), 13 N.J.R. 525(a).

Rule concerning administration fees and investment earnings replaces "Reserved" section.

17:1-7.4 Return to public employment; pension adjustments

(a) When a retiree returns to public employment to a position covered by the same retirement system from which he or she retired and subsequently retires from the post-retirement employment, each retirement will be treated separately for pension adjustment purposes.

(b) The benefit year for each retirement will be the initial year in which the retirement is effective and the member shall satisfy the 24 month waiting period for each retirement before the pension adjustment benefits may be received for that retirement.

(c) If a member was receiving pension adjustment benefits at the time that the initial retirement was cancelled due to the post-retirement employment, he or she shall begin to receive pension adjustment benefits based upon the initial retirement immediately upon the reinstatement of the initial retirement.

As amended, R.1971 d.16, effective February 1, 1971.
See: 3 N.J.R. 11(b), 3 N.J.R. 52(a).
New Rule, R.1987 d.128, effective March 16, 1987.
See: 19 N.J.R. 51(b), 19 N.J.R. 456(b).

17:1-7.5 (Reserved)

As amended, R.1971 d.16, effective February 1, 1971.
See: 3 N.J.R. 11(b), 3 N.J.R. 52(a).

17:1-7.6 Waiver

(a) Application for waiver in whole or part by a retirant or beneficiary who is eligible to receive the increased allowance shall be made at least 30 days prior to the desired effective date on a form prescribed by the Division of Pensions and shall be effective on the first day of a subsequent month.

(b) A waived benefit may be reinstated by application to the Division of Pensions at least 30 days prior to the reinstatement date and shall be effective on the first of a subsequent month.

As amended, R.1969 d.34, effective December 19, 1969.
See: 1 N.J.R. 10(a), 2 N.J.R. 7(a).

17:1-7.7 Accrued increase; limitations

Upon the death of a retirant or a beneficiary receiving a pension, any payments which were due to the deceased shall be paid to a named beneficiary as established in the records of the State-administered retirement system, or if none is named, to the deceased's estate.

As amended, R.1969 d.34, effective December 19, 1969.

See: 1 N.J.R. 10(a), 2 N.J.R. 7(a).

17:1-7.8 Employer payments

The employers shall review the detailed tabulations of retirants and beneficiaries provided with the invoice for employer liability submitted by the Division of Pensions and shall report any corrections or revisions within 60 days of receipt of the invoice, otherwise invoices must be paid as submitted.

SUBCHAPTER 8. SOCIAL SECURITY**17:1-8.1 (Reserved)**

Repealed by R.1981 d.1, effective January 2, 1981.

See: 12 N.J.R. 727(c), 13 N.J.R. 111(c).

Section was "Director's responsibility".

17:1-8.2 Records

(a) The records of the State Agency for Social Security are public records and may be inspected during regular business hours at the office of Chief of the Bureau of Contribution Accounting under the supervision of the chief or other representative of the office.

(b) Records are considered confidential where no official purpose or reason for inspection is indicated.

17:1-8.3 Social Security referendum

(a) As the provisions of P.L. 1956, c.169, contemplate the termination of an entire pension fund and the transfer of its assets, liabilities and membership to the Public Employees' Retirement System upon a successful referendum on the issue of Social Security coverage by a majority vote, when the referendum involves the use of a divided system approach in accordance with the provisions of P.L. 1980, c.86, all of the provisions of P.L. 1956, c.169, shall apply except on a pro rata basis.