

## TITLE 17

## TREASURY—GENERAL

## CHAPTER 1

## GENERAL ADMINISTRATION

## Authority

N.J.S.A. 52:18–96 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

The provisions of this chapter 1 were originally adopted by the Director, Division of Pensions, and became effective prior to September 1, 1969.

1969 Revisions: Amendments became effective December 19, 1969 as R.1969 d.34. See: 1 N.J.R. 10(a), 2 N.J.R. 7(a).

1971 Revisions: Amendments became effective February 1, 1971 as R.1971 d.16. See: 3 N.J.R. 11(b), 3 N.J.R. 52(a).

1972 Revisions: Amendments became effective October 30, 1972 as R.1972 d.214. See: 4 N.J.R. 310(d).

1973 Revisions: Subchapter 6 "Judicial Pension Fund" was repealed effective September 12, 1973 as R.1973 d.258. See: 5 N.J.R. 292(d), 5 N.J.R. 358(b). Amendments became effective June 28, 1973 as R.1973 d.171. See: 5 N.J.R. 203(b), 5 N.J.R. 294(a). Further amendments became effective September 12, 1973 as R.1973 d.258. See: 5 N.J.R. 292(d), 5 N.J.R. 358(b).

1974 Revisions: Amendments became effective March 12, 1974 as R.1974 d.62. See: 6 N.J.R. 84(a), 6 N.J.R. 158(b). Further amendments became effective August 8, 1974 as R.1974 d.219. See: 6 N.J.R. 277(a), 6 N.J.R. 360(a).

1975 Revisions: Amendments became effective February 14, 1975 as R.1975 d.30. See: 7 N.J.R. 33(a), 7 N.J.R. 122(a). Further amendments became effective August 1, 1975 as R.1975 d.235. See: 7 N.J.R. 346(b), 7 N.J.R. 446(a). Further amendments became effective December 31, 1975 as R.1975 d.385. See: 7 N.J.R. 577(c), 8 N.J.R. 88(a).

1976 Revisions: Amendments became effective February 5, 1976 as R.1976 d.36. See: 7 N.J.R. 578(a), 8 N.J.R. 140(d). Further amendments became effective March 26, 1976 as R.1976 d.95. See: 8 N.J.R. 140(b), 8 N.J.R. 262(a). Further amendments became effective July 2, 1976 as R.1976 d.212. See: 8 N.J.R. 312(d), 8 N.J.R. 407(b). Further amendments became effective October 28, 1976 as R.1976 d.338. See: 8 N.J.R. 489(c), 8 N.J.R. 586(b).

1977 Revisions: Amendments became effective February 8, 1977 as R.1977 d.32. See: 9 N.J.R. 43(b), 9 N.J.R. 147(c). Subchapter 10 became effective April 1, 1977 as R.1977 d.117. See: 9 N.J.R. 142(c), 9 N.J.R. 243(a). Further amendments became effective November 1, 1977 as R.1977 d.416. See: 9 N.J.R. 493(e), 9 N.J.R. 601(a).

1978 Revisions: Amendments became effective March 14, 1978 as R.1978 d.96. See: 10 N.J.R. 37(b), 10 N.J.R. 175(b). Further amendments became effective March 15, 1978 as R.1978 d.98. See: 10 N.J.R. 175(c). Subchapter 11 became effective March 15, 1978 as R.1978 d.99. See: 10 N.J.R. 38(b), 10 N.J.R. 175(d). Further amendments became effective December 12, 1978 as R.1978 d.421. See: 10 N.J.R. 516(a), 11 N.J.R. 52(a).

1979 Revisions: Amendments became effective May 1, 1979 as R.1979 d.169. See: 11 N.J.R. 209(b), 11 N.J.R. 304(d).

1980 Revisions: Amendments became effective February 5, 1980 as R.1980 d.63. See: 12 N.J.R. 52(d), 12 N.J.R. 163(a). Further amendments became effective July 1, 1980 as R.1980 d.301. See: 12 N.J.R. 351(a), 12 N.J.R. 497(c). Further amendments became effective July 1, 1980 as R.1980 d.301. See: 12 N.J.R. 351(a), 12 N.J.R. 497(c). Further amendments became effective November 5, 1980 as R.1980 d.487. See: 12 N.J.R. 614(a), 12 N.J.R. 729(a).

1981 Revisions: Amendments became effective March 6, 1981 as R.1981 d.85. See: 13 N.J.R. 109(a), 13 N.J.R. 247(c). Further amendments became effective July 9, 1981 as R.1981 d.239. See: 13 N.J.R. 308(b), 13 N.J.R. 458(a). Further amendments became effective August 6, 1981 as R.1981 d.291. See: 13 N.J.R. 374(e), 13 N.J.R. 525(a). Further amendments became effective September 10, 1981 as R.1979 d.343. See: 13 N.J.R. 459(a), 13 N.J.R. 617(a). Further amendments became effective November 2, 1981 as R.1981 d.427. See: 13 N.J.R. 616(c), 13 N.J.R. 779(d).

1982 Revisions: Amendments became effective January 2, 1981 as R.1981 d.1. See: 12 N.J.R. 727(c), 13 N.J.R. 111(c). Further amendments became effective February 2, 1982 as R.1982 d.20. See: 13 N.J.R. 883(a), 14 N.J.R. 161(b). Further amendments became effective October 18, 1982 as R.1982 d.347. See: 14 N.J.R. 328(b), 14 N.J.R. 1163(e). Subchapter 12 became effective October 18, 1982 as R.1982 d.350. See: 14 N.J.R. 329(a), 14 N.J.R. 1164(a). Further amendments became effective October 19, 1982 as R.1982 d.358. See: 14 N.J.R. 200(a), 14 N.J.R. 1163(c). Further amendments became effective December 20, 1982 as R.1982 d.438. See: 14 N.J.R. 1149(a), 14 N.J.R. 1464(a).

1983 Revisions: Amendments became effective January 3, 1983 as R.1982 d.470. See: 14 N.J.R. 1200(a), 15 N.J.R. 36(b). Subchapter 7 was changed from Pension Increase Program to Pension Adjustment Program, effective January 17, 1983 as R.1983 d.491. See: 14 N.J.R. 1290(a), 15 N.J.R. 95(b). Further amendments became effective January 17, 1983 as R.1983 d.491. See: 14 N.J.R. 1290(a), 15 N.J.R. 95(b). Further amendments became effective February 22, 1983 as R.1983 d.39. See: 14 N.J.R. 1447(b), 15 N.J.R. 245(a). Further amendments became effective March 21, 1983 as R.1983 d.77. See: 15 N.J.R. 80(b), 15 N.J.R. 448(b). Further amendments became effective May 2, 1983 as R.1983 d.132. See: 15 N.J.R. 319(b), 15 N.J.R. 696(a). This chapter was readopted pursuant to Executive Order 66(1978) effective May 16, 1983 as R.1983 d.174. See: 15 N.J.R. 523(a), 15 N.J.R. 930(b). Further amendments became effective June 20, 1983 as R.1983 d.216. See: 15 N.J.R. 525(a), 15 N.J.R. 1037(d). Further amendments became effective July 5, 1983 as R.1983 d.265. See: 15 N.J.R. 687(a), 15 N.J.R. 1104(a). Further amendments became effective August 15, 1983 as R.1983 d.334. See: 15 N.J.R. 1012(b), 15 N.J.R. 1383(b). Further amendments became effective October 3, 1983 as R.1983 d.416. See: 15 N.J.R. 1238(a), 15 N.J.R. 1688(c). Further amendments became effective November 21, 1983 as R.1983 d.546. See: 15 N.J.R. 1457(a), 15 N.J.R. 1597(b).

1984 Revisions: Amendments became effective January 17, 1984 as R.1983 d.599. See: 15 N.J.R. 174(a), 16 N.J.R. 148(a). Further amendments became effective August 20, 1984 as R.1984 d.374. See: 16 N.J.R. 703(a), 16 N.J.R. 2302(b). Further amendments became effective December 17, 1984 as R.1984 d.559. See: 16 N.J.R. 2420(a), 16 N.J.R. 3478(b).

1985 Revisions: Amendments became effective February 4, 1985 as R.1985 d.8. See: 16 N.J.R. 3192(a), 17 N.J.R. 320(a). Further amendments became effective July 1, 1985 as R.1985 d.348. See: 17 N.J.R. 1068(a), 17 N.J.R. 1673(a). Further amendments became effective June 17, 1985 as R.1985 d.321. See: 17 N.J.R. 900(a), 17 N.J.R. 1586(a). Further amendments became effective September 3, 1985 as R.1985 d.442. See: 17 N.J.R. 1642(b), 17 N.J.R. 2144(b).

1986 Revisions: Amendments became effective January 6, 1986 as R.1985 d.664. See: 17 N.J.R. 2603(a), 18 N.J.R. 93(a). Further amendments became effective April 7, 1986 as R.1986 d.86. See: 18 N.J.R. 59(a), 18 N.J.R. 706(a). Further amendments became effective June 16, 1986 as R.1986 d.211. See: 18 N.J.R. 626(b), 18 N.J.R. 1310(c). Further amendments became effective October 6, 1986 as R.1986 d.390. See: 18 N.J.R. 1450(b), 18 N.J.R. 2059(a). Further amendments became effective October 20, 1986 as R.1986 d.425. See: 18 N.J.R. 1686(a), 18 N.J.R. 2135(a).

1987 Revisions: Amendments became effective February 2, 1987 as R.1987 d.76. See: 18 N.J.R. 2320(a), 19 N.J.R. 304(a). Further amendments became effective February 17, 1987 as R.1987 d.108. See: 18 N.J.R. 2377(a), 19 N.J.R. 380(a). Further amendments became effective March 16, 1987 as R.1987 d.128. See: 19 N.J.R. 51(b), 19 N.J.R. 456(b). Further amendments became effective May 4, 1987 as R.1987 d.198. See: 19 N.J.R. 353(a), 19 N.J.R. 772(b). Further amendments became effective July 20, 1987 as R.1987 d.293. See: 19 N.J.R. 626(a), 19 N.J.R. 1320(b). Further amendments became effective August 3, 1987 as R.1987 d.317. See: 19 N.J.R. 446(a), 19 N.J.R. 1456(a).

1988 Revisions: Amendments became effective February 16, 1988 as R.1988 d.68. See: 19 N.J.R. 2129(a), 20 N.J.R. 408(a). This chapter was readopted pursuant to Executive Order 66(1978) effective May 6, 1988 as R.1988 d.243. 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 readopted 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.

## CHAPTER TABLE OF CONTENTS

### SUBCHAPTER 1. ACCOUNTING

- 17:1-1.1 Receipts deposited
- 17:1-1.2 Remittance; limitation
- 17:1-1.3 Due dates for transmittals and reports
- 17:1-1.4 Delinquent notices
- 17:1-1.5 Interest charges; delinquent transmittals
- 17:1-1.6 Disbursement authorizations
- 17:1-1.7 Disbursement schedules
- 17:1-1.8 Disbursement; limitations
- 17:1-1.9 Adjustment statements
- 17:1-1.10 Minimum adjustments
- 17:1-1.11 Mail distribution
- 17:1-1.12 Annual statements; retirement system
- 17:1-1.13 Annual statements; supplemental annuity
- 17:1-1.14 Annual reports of salary changes
- 17:1-1.15 Endorsements
- 17:1-1.16 Lost pension checks
- 17:1-1.17 Administrative expenses; proration among systems
- 17:1-1.18 Manual charge
- 17:1-1.19 Retired employees, health insurance charges
- 17:1-1.20 State employees; biweekly salaries
- 17:1-1.21 Discontinuance of allowance
- 17:1-1.22 through 17:1-1.24 (Reserved)

### SUBCHAPTER 2. ALTERNATE BENEFIT PROGRAMS

- 17:1-2.1 Designated carriers
- 17:1-2.2 Salary reduction agreements authorized
- 17:1-2.3 Salary reduction agreements; salary deductions; limitations
- 17:1-2.4 Death or retirement; notice
- 17:1-2.5 Proof of age
- 17:1-2.6 Certifying officer
- 17:1-2.7 Appeal from division decisions
- 17:1-2.8 Records
- 17:1-2.9 Part-time faculty members

- 17:1-2.10 Enrollment eligibility; general provisions
- 17:1-2.11 (Reserved)
- 17:1-2.12 Interprogram transfers; transfer to the Alternate Benefit Program from another State retirement system by employees of the Commission of Higher Education or Office of Student Assistance
- 17:1-2.13 Assignments; group life insurance
- 17:1-2.14 Leave without pay or change in status
- 17:1-2.15 Termination; return
- 17:1-2.16 Retention of contributions; incomplete enrollment applications
- 17:1-2.17 Termination; withdrawal
- 17:1-2.18 Contributions
- 17:1-2.19 Death before payment to insurer
- 17:1-2.20 Base or contractual salary
- 17:1-2.21 Base monthly salary for disability benefits
- 17:1-2.22 Life insurance
- 17:1-2.23 Long term disability insurance
- 17:1-2.24 (Reserved)
- 17:1-2.25 Ten month participants
- 17:1-2.26 Leave for illness
- 17:1-2.27 Military leave
- 17:1-2.28 Military leave; withdrawal
- 17:1-2.29 Travel
- 17:1-2.30 Voluntary back contributions
- 17:1-2.31 Repurchases; employer's share
- 17:1-2.32 (Reserved)
- 17:1-2.33 Minimum adjustment
- 17:1-2.34 Insurance liability for unenrolled members
- 17:1-2.35 County colleges; agents
- 17:1-2.36 Transfers; interest
- 17:1-2.37 Contributions; late payment

### SUBCHAPTER 3. CENTRAL PENSION FUND

- 17:1-3.1 Application required
- 17:1-3.2 Disability certification form
- 17:1-3.3 Proof of veteran's status
- 17:1-3.4 Withholding forms
- 17:1-3.5 Surrogate's certification

### SUBCHAPTER 4. CLAIMS AND CREDIT

- 17:1-4.1 Records
- 17:1-4.2 Compulsory enrollments; failure to enroll
- 17:1-4.3 Multiple enrollments; contributions
- 17:1-4.4 Enrollment schedules
- 17:1-4.5 Proof of veteran's status
- 17:1-4.6 Intrafund transfers
- 17:1-4.7 Insurance coverage; ineligibility
- 17:1-4.8 Deduction schedules
- 17:1-4.9 Multiple beneficiaries
- 17:1-4.10 Compulsory purchase, employee notice
- 17:1-4.11 Purchase terms; computation; employee pay-all
- 17:1-4.12 Purchase terms; grace period
- 17:1-4.13 Purchases; cancellation, interest on outstanding purchases or cash discount requested
- 17:1-4.14 Withdrawal application; processing
- 17:1-4.15 Withdrawal; waiver required
- 17:1-4.16 Retirement quotations
- 17:1-4.17 Retroactive salary increases
- 17:1-4.18 Final compensation
- 17:1-4.19 Biweekly salary computation; retirement and death benefits (final compensation or last year's salary)
- 17:1-4.20 Disability applications; priorities
- 17:1-4.21 Disability retirants; reexaminations
- 17:1-4.22 Disability retirants; availability of medical records
- 17:1-4.23 Survivor certifications
- 17:1-4.24 Due date; retired health benefits coverage
- 17:1-4.25 Indictments, litigation or appeals
- 17:1-4.26 Medical examinations; out-of-State
- 17:1-4.27 Final compensation; salaries to be used for a period of purchased service
- 17:1-4.28 Post-retirement employment; employer certification
- 17:1-4.29 Employer resolution; involuntary disability application

- 17:1-4.30 Optional settlements; group life insurance
- 17:1-4.31 Normal retirement age
- 17:1-4.32 Workers' Compensation: Reduction of retirement allowance
- 17:1-4.33 Leaves of absence for maternity; benefits; nondiscrimination
- 17:1-4.34 Credit for partial month service
- 17:1-4.35 Purchase pursuant to Chapter 226, Laws of 1985
- 17:1-4.36 Peacetime military service; service credit
- 17:1-4.37 Ordinary disability applications; medical examinations
- 17:1-4.38 Compensation limit for exclusion from membership after retirement

#### SUBCHAPTER 5. HEARINGS

- 17:1-5.1 Hearing request
- 17:1-5.2 through 17:1-5.6 (Reserved)

#### SUBCHAPTER 6. (RESERVED)

#### SUBCHAPTER 7. PENSION ADJUSTMENT PROGRAM

- 17:1-7.1 Employer payments; multiple enrollees
- 17:1-7.2 Employer payments; delinquencies
- 17:1-7.3 Administration fees; investment earnings
- 17:1-7.4 Return to public employment; pension adjustments
- 17:1-7.5 (Reserved)
- 17:1-7.6 Waiver
- 17:1-7.7 Accrued increase; limitations
- 17:1-7.8 Employer payments

#### SUBCHAPTER 8. SOCIAL SECURITY

- 17:1-8.1 (Reserved)
- 17:1-8.2 Records
- 17:1-8.3 Social Security referendum
- 17:1-8.4 Federal-State agreement; modifications
- 17:1-8.5 Coverage and wage issues
- 17:1-8.6 Benefit and claim issues
- 17:1-8.7 Single check; contributions
- 17:1-8.8 Single check; administrative fee
- 17:1-8.9 Wage reports and transmittals; copies
- 17:1-8.10 Wage reports; forms
- 17:1-8.11 Wage reports; transmittals and remittances, and Federal forms; employer responsibility
- 17:1-8.12 Late filing penalties
- 17:1-8.13 Social Security coverage; Excluded services
- 17:1-8.14 Administrative fee

#### SUBCHAPTER 9. UNEMPLOYMENT INSURANCE

- 17:1-9.1 Due dates for contributions and reports
- 17:1-9.2 Employer responsibility; benefit claims
- 17:1-9.3 Employer verification of claim payments
- 17:1-9.4 Employee eligibility for coverage
- 17:1-9.5 Termination of employment; separation notice
- 17:1-9.6 Designated contractor

#### SUBCHAPTERS 10 THROUGH 11. (RESERVED)

#### SUBCHAPTER 12. ADMINISTRATIVE PRACTICES

- 17:1-12.1 Priorities
- 17:1-12.2 Loans; cash discount value requests
- 17:1-12.3 Bankruptcy; subsequent loans
- 17:1-12.4 Transfers; court attendants/sheriff's officers
- 17:1-12.5 Interfund transfers; accumulated interest
- 17:1-12.6 Purchase of service credit; continuation of death benefits coverage; maternity leaves of absence
- 17:1-12.7 (Reserved)
- 17:1-12.8 Delinquent enrollment; employer liability
- 17:1-12.9 Deadline for county and municipal early retirement incentive resolutions

#### SUBCHAPTER 13. NEW JERSEY STATE EMPLOYEES' CAFETERIA PLAN

- 17:1-13.1 Establishment of plan
- 17:1-13.2 Unreimbursed medical spending account
- 17:1-13.3 Premium conversion
- 17:1-13.4 Dependent care spending account
- 17:1-13.5 Salary reduction elections
- 17:1-13.6 Claims for payment from plan accounts
- 17:1-13.7 Forfeiture of account balances
- 17:1-13.8 Compliance with Internal Revenue Code

#### 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.

i. The retirement system of which the person is a member, or was a member in the case of a retired person; or

ii. The Division of Pensions in the case of a former member of a State-administered retirement system who is not retired or is not a current member.

8. The contributions required to obtain the service credit shall be based upon the person's salary and full percentage contribution rate at the time of return to employment.

9. The contributions required to obtain the service credit may be paid by any method authorized for purchases of service credit under the retirement system.

10. If a person retires prior to paying the total amount of contributions required to obtain service credit for the military service, the total amount of service credit shall be in direct proportion as the amount paid bears to the total amount of contribution obligation.

New Rule, R.1987 d.198, effective May 4, 1987.



See: 19 N.J.R. 353(b), 19 N.J.R. 772(b).

#### **17:1-4.37 Ordinary disability applications; medical examinations**

(a) Applicants for ordinary disability retirement shall submit with their applications all the medical information they can supply relative to their disability, including reports of their personal physicians and consulting physicians, hospital records, diagnostic test results, and any other medical information which would assist the Medical Review Board and the board or commission of the retirement system in determining eligibility of the applicants for disability retirement. The Disability Review Section shall forward the applications and the accompanying medical information to the Medical Review Board.

(b) If the medical information supplied by the applicant is sufficient for the Medical Review Board to make a medical recommendation, it shall return the case to the Disability Review Section with its recommendation. If the Medical Review Board deems that the medical information supplied by the applicant is not sufficient for it to make a medical recommendation, it shall advise the Disability Review Section to arrange to have the applicant examined by a physician or physicians under contract with the Division of Pensions to perform disability examinations, or to obtain additional information needed to make its medical recommendation.

(c) The board or commission which governs the pension fund or retirement system may request that an applicant be examined or reexamined by a physician or physicians under contract with the Division of Pensions, or that additional information be obtained, if it deems that the medical information available is insufficient to make a decision on the eligibility of the applicant for ordinary disability retirement.

New Rule, R.1988 d.231, effective June 6, 1988.  
See: 20 N.J.R. 231(a), 20 N.J.R. 1286(b).

#### **17:1-4.38 Compensation limit for exclusion from membership after retirement**

Beginning with the calendar year 1999, and for any calendar year thereafter, the Director of the Division of Pensions and Benefits may adjust the compensation limit for exclusion from membership after retirement. The compensation limit shall be adjusted by increments of \$1,000, when \$10,000 increased by  $\frac{3}{8}$  times the change in the Consumer Price Index as defined in N.J.S.A. 43:3B-1f from the Index applicable to calendar year 1997 to the Index applicable to the calendar year immediately preceding the year of adjustment, rounded to the next highest 100 dollars, exceeds the previous compensation limit by \$1,000.

New Rule, R.1998 d.242, effective May 18, 1998.  
See: 30 N.J.R. 1024(a), 30 N.J.R. 1847(c).

### SUBCHAPTER 5. HEARINGS

#### **17:1-5.1 Hearing request**

(a) The division, board or commission shall cause to be given to the applicant written notice of its decision. Said notice shall inform the applicant of his or her right to request a hearing in the event the applicant disagrees with the decision of the agency and the manner in which such request must be made.

(b) The decision by the agency shall be final unless the applicant shall file a request for a hearing within 45 days after the date of the written notice of the decision.

(c) Administrative hearings will be conducted by the Office of Administrative Law pursuant to the provisions of N.J.S.A. 52:14B-1 et seq. and N.J.A.C. 1:1.1.

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

Hearings conducted by Office of Administrative Law.

#### **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.