

CHAPTER 5

STATE POLICE RETIREMENT SYSTEM

Authority

N.J.S.A. 53:5A-30h.

Source and Effective Date

R.1991 d.2, effective November 30, 1990.
See: 22 N.J.R. 3200(a), 23 N.J.R. 123(a).

Executive Order No. 66(1978) Expiration Date

Chapter 5, State Police Retirement System, expires November 30, 1995.

Historical Note

Chapter 5, State Police Retirement System, was filed and became effective prior to September 1, 1969. Revisions became effective July 6, 1971 as R.1971 d.108. See: 3 N.J.R. 90(b), 3 N.J.R. 164(b). Further amendments became effective January 19, 1973 as R.1973 d.26. See: 4 N.J.R. 283(b), 5 N.J.R. 60(b). Further amendments became effective May 31, 1974 as R.1974 d.131. See: 6 N.J.R. 156(b), 6 N.J.R. 277(b). Further amendments became effective April 5, 1976 as R.1976 d.104. See: 7 N.J.R. 523(a), 8 N.J.R. 262(c). Further amendments became effective September 21, 1977 as R.1977 d.359. See: 9 N.J.R. 386(a), 9 N.J.R. 496(a). Further amendments became effective March 30, 1978 as R.1978 d.113. See: 10 N.J.R. 27(a), 10 N.J.R. 209(b). Further amendments became effective March 3, 1980 as R.1980 d.101. See: 11 N.J.R. 648(b), 12 N.J.R. 224(c). Further amendments became effective May 12, 1980 as R.1980 d.209. See: 12 N.J.R. 216(a), 12 N.J.R. 355(d). Further amendments became effective October 8, 1981 as R.1981 d.361. See: 13 N.J.R. 459(b), 13 N.J.R. 708(e). Further amendments became effective March 15, 1982 as R.1982 d.65. See: 13 N.J.R. 459(b), 13 N.J.R. 708(e). Subchapter 4 became effective March 15, 1982 as R.1982 d.66. See: 13 N.J.R. 939(a), 14 N.J.R. 284(e). Further amendments to Chapter 5 became effective March 7, 1983 as R.1983 d.46. See: 14 N.J.R. 1292(a), 15 N.J.R. 343(a). Further amendments to Chapter 5 became effective March 7, 1983 as R.1983 d.48. See: 14 N.J.R. 1448(a), 15 N.J.R. 342(e). Pursuant to Executive Order No. 66(1978), the individual subchapters expired on May 12, 1985 and were adopted as new, effective December 2, 1985 as R.1985 d.614. See: 17 N.J.R. 2018(a), 17 N.J.R. 2914(a). Pursuant to Executive Order No. 66(1978), Chapter 5 was readopted as R.1991 d.2, effective November 30, 1990. See: Source and Effective Date.

See section annotations for further rulemaking.

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SUBCHAPTER 1. ADMINISTRATION

17:5-1.1 Board meetings

The Board of Trustees shall meet at the call of the chairperson and secretary, subject to the prescribed requirements and procedures of C.231, P.L. 1975.

As amended, R.1981 d.361, eff. October 8, 1981.

See: 13 N.J.R. 459(b), 13 N.J.R. 708(e).
"chairperson" was "chairman"; "subject to ... 1975" added.

17:5-1.2 Fiscal year

(a) Fiscal year shall mean the 12-month period of fiscal transactions commencing July 1 and running until June 30 following.

(b) All reports and statements will consider such a fiscal year except special reports not having direct relationship to the financial transactions of the retirement system.

17:5-1.3 Officers and committees

(a) The chairperson of the board will be elected by a majority vote of the members in attendance at the first meeting of each fiscal year, not less than three members to be present at such a meeting. The chairperson of the board shall preside at all meetings he attends and in the absence another member selected by the majority of the members in attendance will preside for that single meeting.

(b) The secretary of the board will be the Chief of the Bureau of Police and Fire Funds, Division of Pensions. Upon recommendation of the chief, the board will also select from the staff of such bureau, an assistant secretary who will serve in the absence of the secretary.

(c) The chairperson will appoint such committees from the board members as he deems necessary to facilitate the board's operations. Such committee appointment will be for a one-year period, commencing each July 1.

As amended, R.1973 d.26, eff. January 19, 1973.

See: 4 N.J.R. 283(b), 5 N.J.R. 60(b).

As amended, R.1981 d.361, eff. October 8, 1981.

See: 13 N.J.R. 459(b), 13 N.J.R. 708(e).

(a) and (c): "chairperson" was "chairman".

17:5-1.4 Certifying officer (employer)

(a) The official properly designated by the Division of State Police will serve as the certifying officer.

(b) The prime purpose of the certifying officer will be to certify facts of enrollment, retirement, withdrawal and to implement proper procedures for the reports and transmittal of employee deductions and to act as liaison for all dealings between the Division of State Police and the retirement system.

As amended, R.1981 d.361, eff. October 8, 1981.

See: 13 N.J.R. 459(b), 13 N.J.R. 708(e).

Heading (a) and (b): "officer" was "agent".

17:5-1.5 Records

(a) The minutes of the board are a matter of public record and may be inspected during regular business hours in the office of the board secretary.

(b) The mailing addresses of all active and retired members are considered to be a part of the member's confidential files and shall not be released for any purpose.

(c) All medical testimony obtained in connection with an application for disability retirement shall be restricted for the confidential use of the Board of Trustees.

As amended, R.1973 d.26, eff. January 19, 1973.

See: 4 N.J.R. 283(b), 5 N.J.R. 60(b).

17:5-1.6 Appeal from board decisions

The following statement shall be incorporated in every written notice setting forth the board's determination in a matter where such determination is contrary to the claim made by the claimant or his legal representative:

If you disagree with the determination of the Board of Trustees in this matter, you may appeal by sending a written statement to the board within 45 days from the date of this letter informing the board of your disagreement and all of the reasons therefor. If no such written statement is received within the 45-day period, this determination shall be considered final.

As amended, R.1971 d.108, eff. July 6, 1971.

See: 3 N.J.R. 90(b), 3 N.J.R. 164(b).

17:5-1.7 Suspension of pension checks

(a) Monthly retirement allowances will be suspended under the following circumstances and the suspension will continue during the period of default:

1. If a disability retiree fails to timely file a report with the system of his annual earned income pursuant to the provisions of N.J.S.A. 53:5A-1 et seq.;

2. If a widow, widower, parent or guardian of a minor child(ren) fails to file a certificate of eligibility which is normally mailed to such beneficiaries on an annual basis;

3. If a retiree or beneficiary becomes mentally or physically incompetent. The disbursement of pension checks in this event shall be suspended until a proper legal representative has been appointed.

As amended, R.1980 d.101, eff. March 3, 1980.

See: 11 N.J.R. 648(b), 12 N.J.R. 224(c).

As amended, R.1980 d.209, eff. May 12, 1980.

See: 12 N.J.R. 216(a), 12 N.J.R. 355(d).

17:5-1.8 State employees; biweekly salaries

(a) Retirement and death benefits as well as service credit will be determined on the basis of biweekly pay periods for State employees paid by centralized payroll.

(b) In the event a member is reported on a combination of monthly and biweekly pay periods, his last year's salary or final compensation as well as his service credit will be computed on a proportional basis.

R.1974 d.131, eff. May 31, 1974.

See: 6 N.J.R. 156(b), 6 N.J.R. 277(b).

17:5-1.9 Proof of age

(a) All members may be required to establish proof of their age with the System. A person enrolling in the System may be requested to submit proof of his or her age at the time of such enrollment and will be required to submit such proof of age before a period of six years has elapsed from the date of enrollment.

(b) No further proof of age will be required by the Division of Pensions if proof of age of a State Policeman is fully documented in the personnel records of the Division of State Police.

(c) In the event a member dies before satisfactory evidence of his or her date of birth has been filed with the System, appropriate evidence may be required before any death claim is processed for settlement.

(d) In the event proof of age has not been filed with the System before retirement, such proof must be filed before any retirement benefits may be disbursed.

R.1983 d.49, eff. March 7, 1983.
See: 14 N.J.R. 1205(a), 15 N.J.R. 342(d).

SUBCHAPTER 2. INSURANCE AND DEATH BENEFITS

17:5-2.1 Computation of insurance benefits

(a) Full salary credit will be given for the biweekly pay period in which a member dies, if he was paid salary to the date of death and the salary paid was sufficient to permit a full normal month's pension and insurance contribution deduction, provided such deduction was made by the employer.

(b) Death benefits shall be based on the base salary upon which contributions to the Annuity Savings Fund were actually made during the 26 biweekly pay periods immediately preceding the member's death, plus maintenance received by the member concurrent with such salary. The salary, in the biweekly pay period in which no salary was paid, shall be counted as zero.

(c) If a member dies during the first year following his date of enrollment, the insurance benefit shall be $3\frac{1}{2}$ times the average compensation on which he contributed or would have contributed immediately prior to his death, plus the maintenance received by the member concurrent with such salary.

(d) Where a post-audit of insurance claim payments indicates the pension contributions reported by an employer were incorrect and resulted in the overpayment of an insurance claim to the member's designated beneficiary or estate, the employer will be billed for the value of the overpayment of the insurance benefits. Where post-audits establish the insurance benefits were underpaid, an additional check would be sent to the beneficiary for the value of the underpayment.

(e) Refunds of a deceased member's pension contributions will be made to the member's designated beneficiary or the employer after written confirmation is received from

the employer setting forth the reason for the refund of pension contributions to either the beneficiary or to the employer.

(f) Members who prove their insurability for the group life insurance benefits shall have their insurance benefit calculated on the basis of the salary upon which pension contributions were based or received during their last 26 biweekly pay periods of service prior to death, regardless of their effective date of insurance coverage.

(g) In computing the salary upon which pension contributions were based during the member's last year of service, a total of 26 biweekly pays will be used including any retroactive salary payments made within the prescribed period. The total salary will be adjusted by multiplying the total by the factors supplied by the actuary; such adjustment will compensate for State biweekly payroll schedules.

(h) If a member was reported on a biweekly basis on any combination of 10 and 12-month contract years, the last year's salary prior to death or retirement shall be determined on a proportional basis. The biweekly pay periods for which no contributions were made shall be counted as zero.

As amended, R.1971 d.108, eff. July 6, 1971.
See: 3 N.J.R. 90(b), 3 N.J.R. 164(b).
As amended, R.1973 d.26, eff. January 19, 1973.
See: 4 N.J.R. 283(b), 5 N.J.R. 60(b).
As amended, R.1974 d.131, eff. May 31, 1974.
See: 6 N.J.R. 156(b), 6 N.J.R. 277(b).
As amended, R.1978 d.113, eff. March 30, 1978.
See: 10 N.J.R. 27(a), 10 N.J.R. 209(b).

17:5-2.2 Survivor benefits

(a) Payment of pension benefits to eligible survivors shall become effective on the first of the month of the member's death and shall terminate as of the month in which the survivor no longer qualifies for such benefits.

(b) In the instance of survivors of members who die in service, the initial pension payment will be for the month following the month in which the member died, and the last payment will cover the month immediately preceding the month the survivor dies or ceases to qualify for the continuance of benefits.

As amended, R.1973 d.26, eff. January 19, 1973.
See: 4 N.J.R. 283(b), 5 N.J.R. 60(b).
As amended, R.1976 d.104, eff. April 5, 1976.
See: 7 N.J.R. 523(a), 8 N.J.R. 262(c).
As amended, R.1981 d.361, eff. October 8, 1981.
See: 13 N.J.R. 459(b), 13 N.J.R. 708(e).
(a): "pension" added before "benefits".

17:5-2.3 Proof of insurability

When proof of insurability is required, the member's opportunity to prove such insurability shall expire one year (12 months) from the date the initial written notice is sent

advising him that he must prove insurability by taking a medical examination.

R.1980, d.101, eff. March 3, 1980.
See: 11 N.J.R. 648(b), 12 N.J.R. 224(c).

17:5-2.4 (Reserved)

R.1981 d.361, eff. October 8, 1981.
See: 13 N.J.R. 459(b), 13 N.J.R. 708(e).
As amended, R.1983 d.48, eff. March 7, 1983.
See: 14 N.J.R. 1448(a), 15 N.J.R. 342(e).

Section formerly contained rules on insurance liability for unenrolled members.

17:5-2.5 Leave for illness

Coverage during a leave of absence without pay due to illness shall apply only to the personal illness of the member. A leave of absence on account of another person's illness will not entitle the member to continue insurance coverage.

R.1982 d.65, eff. March 15, 1982.
See: 13 N.J.R. 938(b), 14 N.J.R. 284(d).
New rule.

SUBCHAPTER 3. MEMBERSHIP

17:5-3.1 Creditable salary

(a) "Earnable compensation" or the phrase "compensation upon which contributions by the member to the Annuity Savings Fund were based" shall not include retroactive salary adjustments if the increases are not of a normal, overall, published program of increases.

(b) Bonus or overtime payments are not to be considered for such purpose.

(c) Longevity, terminal leave or vacation payments will not be considered if paid in a lump sum or other than as a regular salary disbursement.

(d) All claims involving an increase in compensation of more than 15 percent over that of the previous year, as reported to the retirement system, shall be investigated. Those cases where a violation of the statute is suspected shall be referred to the board.

As amended, R.1973 d.26, eff. January 19, 1973.
See: 4 N.J.R. 283(b), 5 N.J.R. 60(b).
As amended, R.1977 d.359, eff. September 21, 1977.
See: 9 N.J.R. 386(a), 9 N.J.R. 496(a).

17:5-3.2 Revaluation

(a) If a member is off the payroll for a period of eight months or less, any loan or arrearage outstanding will have the ending date of the loan or arrearage extended to cover the period off the payroll.

(b) In the event the member is off longer than eight months, the loan or arrearage will be revalued and an additional interest charge made.

As amended, R.1971 d.108, eff. July 6, 1971.
See: 3 N.J.R. 90(b), 3 N.J.R. 164(b).

17:5-3.3 Deductions

(a) A member shall receive credit toward retirement for any payroll period in which a full normal pension deduction has been received by the retirement system.

(b) A full deduction is required in all instances where the salary exceeds the amount of normal deduction.

(c) Credit, as established in the retirement system, will be reduced by breaks in service, and leaves or absences without pay, the total of such credit adjusted to the nearest month.

17:5-3.4 Minimum adjustment

In order to facilitate the reconciliation of a member's account no rebates or additional contributions shall be made where an adjustment involves an amount of \$3.00 or less.

As amended, R.1973 d.26, eff. January 19, 1973.
See: 4 N.J.R. 283(b), 5 N.J.R. 60(b).

17:5-3.5 Suspension

(a) A suspended member will have insurance coverage continued for the period of the suspension, terminated by resignation or dismissal.

(b) No retirement deductions will be made during such a break in service, nor will any retirement credit accrue.

(c) If, during the period of suspension or at the conclusion of the penalty period, adjustment is made in favor of the member, the board may allow the payment of pension deductions to reflect the lesser penalty or the entire elimination of the suspension.

17:5-3.6 Military leave

At the withdrawal of a member for whom contributions were made during a military leave, the military contributions will not be paid if he did not return to the payroll and resume contributions for a period of 90 days. The contributions would in such instance be transferred from the Annuity Savings Fund to the Pension Accumulation Fund.

17:5-3.7 Eligibility for loan

Only an active contributing member of the system may exercise the privilege of obtaining a loan and the maximum loan shall be 50 percent of the accumulated deductions posted to the member's account.

As amended, R.1973 d.26, eff. January 19, 1973.
See: 4 N.J.R. 283(b), 5 N.J.R. 60(b).

17:5-3.8 Termination; withdrawal

(a) Under the terms of the statutes a member may withdraw from the system only if he terminates all employment. No application shall be approved if:

1. The member is on official leave of absence;
2. The member certifies that his employment has not ended or that he has taken another position subject to coverage;
3. The member has been dismissed or suspended from employment. In this event, such a member will be eligible to withdraw if he has formally resigned from his position or there is no legal action contemplated or pending and the dismissal has been adjudged final.
4. The member has a claim pending for Workers' Compensation benefits.

As amended, R.1973 d.26, eff. January 19, 1973.
See: 4 N.J.R. 283(b), 5 N.J.R. 60(b).
As amended, R.1980 d.101, eff. March 3, 1980.
See: 11 N.J.R. 648(b), 12 N.J.R. 224(c).

SUBCHAPTER 4. PURCHASES AND ELIGIBLE SERVICE

17:5-4.1 Eligibility for purchase

Only active contributory members of the system shall be eligible to make application for purchase of credit.

17:5-4.2 Optional purchases of eligible service

(a) The types of purchases indicated below will be calculated on the basis of the actuarial factor established for the member's age at the time of the purchase times his current salary:

1. Former State Police Retirement System membership credit: Service covered by former membership in this system will be included in the computation of retirement benefits in the same manner and value as current service. All the service from a former membership must be included in the purchase of such service.
2. Former membership service established in another State supported retirement system: Such service cannot be used to qualify former members of the State Police Retirement and Benevolent Fund for retirement under the minimum service requirements of 20 years at age 50 or "Special Retirement." All the service from a former membership must be included in the purchase of such service.
3. Leaves of absence:
 - i. All of the period of the leave for personal reasons which does not exceed two months;

- ii. All of the period of the leave up to two years for personal illness or maternity.

17:5-4.3 Methods of repayment

(a) Methods of repayment include the following:

1. Lump sum;
2. Partial lump sum of \$250.00 or more; balance by extra payroll deductions;
3. Extra deductions equal to at least one-half of the full regular pension deduction for a maximum period of 10 years;
4. Extra payroll deductions will include regular interest for the term of the installment.

Amended by R.1992 d.4, effective January 6, 1992.
See: 23 N.J.R. 1896(a), 24 N.J.R. 109(b).
Revised (a)3.

SUBCHAPTER 5. RETIREMENT

17:5-5.1 Applications

(a) Applications for retirement must be made on forms prescribed by the system. Such forms must be completed in all respects and filed with the system before the requested date of retirement.

(b) In the event a member files an incomplete application, the deficiency shall be brought to his or her attention and he or she will be required to file a completed application with the system to enable acceptance for processing.

(c) Before an application for retirement may be accepted for processing, it must be supported by a certificate from the Division of State Police setting forth the employment termination date and the salaries reported for contributions in the member's final year of employment.

As amended, R.1977 d.359, eff. September 21, 1977.
See: 9 N.J.R. 386(a), 9 N.J.R. 496(a).
Amended by R.1986 d.439, effective November 3, 1986.
See: 18 N.J.R. 1520(a), 18 N.J.R. 2216(a).
Divided text into three subsections.

17:5-5.2 Effective dates; changes

(a) A member shall have the right to withdraw, cancel or change an application for retirement at any time before his retirement allowance becomes due and payable; thereafter, the retirement shall stand as approved by the board.

(b) Except in the event of deferred retirement, if a member requests a change in his retirement application before his retirement allowance becomes due and payable, said change will require approval of the board and the revised retirement allowance shall not become due and

payable until 30 days have elapsed following the effective date or the date the board met and approved the change in the member's retirement application, whichever is later.

(c) If the applicant should die within 30 days following the date the board of trustees approved the revised application, the member shall be considered to be retired on the basis of the originally approved application for retirement, provided that the initial 30-day requirement was satisfied.

(d) A deferred retirement shall become effective on the first of the month following the member's 55th birthday.

(e) In the case of deferred retirement, if an applicant desires to amend his retirement application, the amended application must be filed with the system a minimum of one month prior to his effective date of retirement.

(f) Should the member continue to receive a salary for services rendered beyond the effective date of retirement after approval of the retirement by the Board of Trustees, no retirement benefits shall be paid for the period where the member received salary and no salary or service credit shall be provided for the service rendered after the approved, effective date of retirement.

As amended, R.1973 d.26, eff. January 19, 1973.
See: 4 N.J.R. 60(b).

As amended, R.1977 d.359, eff. September 21, 1977.
See: 9 N.J.R. 386(a), 9 N.J.R. 496(a).

As amended, R.1981 d.360, eff. October 8, 1981.
See: 13 N.J.R. 461(a), 13 N.J.R. 708(f).

(f) added.

17:5-5.3 Effective date; death prior thereto

(a) A member's retirement allowance shall not become due and payable until 30 days after the date the board approved the application for retirement or 30 days after the date of the retirement, whichever is later.

(b) A member who files an application for retirement and whose insurance coverage has not lapsed prior to filing the retirement application is covered under the insurance program as an active member in the event of death prior to the date the retirement allowance becomes due and payable.

Amended by R.1977 d.359, effective September 21, 1977.
See: 9 N.J.R. 386(a), 9 N.J.R. 496(a).

17:5-5.4 Willful negligence

(a) Willful negligence is defined as:

1. Deliberate act or deliberate failure to act; or
2. Such conduct as evidences reckless indifference to safety; or
3. Intoxication operating as the proximate cause of injury.

17:5-5.5 Outstanding loan

(a) A member who has an outstanding loan balance at the time of retirement shall repay the loan balance, with interest, as follows:

1. In full as provided by N.J.S.A. 53:5A-29; or
2. By retention of retirement payments, excluding authorized deductions by the retirement system, until the loan balance, with interest, is repaid.

(b) In calculating a disability retirement allowance where there is an outstanding loan, the annuity shall be the actuarial equivalent of the amount which actually appears in the member's account, and the total allowance shall be reduced by the amount of the actuarial equivalent of the outstanding obligation.

Amended by R.1974 d.131, effective May 31, 1974.

See: 6 N.J.R. 156(b), 6 N.J.R. 277(b).

Amended by R.1981 d.361, effective October 8, 1981.

See: 13 N.J.R. 459(b), 13 N.J.R. 708(e).

In (a), added "extreme hardship" exception.

Amended by R.1990 d.518, effective November 5, 1990.

See: 22 N.J.R. 1348(b), 22 N.J.R. 3386(c).

Payment of balances by actuarial reduction not permitted.

17:5-5.6 Retirement credit

(a) A member shall receive credit toward retirement for any biweekly payroll period in which a full normal deduction is received by the system.

(b) A member who appeals the suspension or termination of his or her employment and is awarded back pay for all or a portion of his or her employment for the period of such suspension or termination shall receive retirement credit for the period covered by the award, regardless of the amount of the back pay awarded, provided a full normal pension contribution is received from the member or deducted from the value of the award. The amount of the pension contribution will be determined by the provisions of the award. If the member receives full back pay, including normal salary increases, then the contribution will be computed on the base salaries that the employee would have earned for the reinstated suspended or terminated period. When the settlement is less than the full back pay, the pension contribution will be based upon the salary that the member was receiving for pension purposes prior to the suspension or termination of employment. In the event that the amount of back payment is insufficient to deduct the value of the normal pension contributions due, such contribution shall be paid by the member.

(c) It is the responsibility of the certifying officer to provide a letter attesting to the base salary or salaries to be used to compute pension contributions and to provide a copy of the resolution or legal document that details the terms of the settlement.

Amended by R.1974 d.131, effective May 31, 1974.

See: 6 N.J.R. 156(b), 6 N.J.R. 277(b).

Amended by R.1981 d.360, effective October 8, 1981.

See: 13 N.J.R. 461(a), 13 N.J.R. 708(f).

(b) added.

Amended by R.1991 d.131, effective March 18, 1991.

See: 22 N.J.R. 3474(a), 23 N.J.R. 882(d).

In (b), amended method of computing back pay awards. Added (c).

17:5-5.7 Disability determination

(a) A member for whom an application for accidental disability retirement allowance has been filed by the member, by his employer or by one acting in behalf of the member, will be retired on an ordinary disability retirement allowance if the board finds that:

1. The member was under the normal retirement age at the time of filing application for a disability retirement allowance; and
2. The member is physically or mentally incapacitated for the performance of duty and such incapacity is likely to be permanent; and
3. The member is not eligible for accidental disability since the incapacity is not a direct result of a traumatic event occurring during and as a result of the performance of his regular or assigned duties; and
4. The member meets the service requirement for ordinary disability.

Amended by R.1973 d.26, effective January 19, 1973.

See: 4 N.J.R. 283(b), 5 N.J.R. 60(b).

Amended by R.1980 d.209, effective May 12, 1980.

See: 12 N.J.R. 216(a), 12 N.J.R. 355(d).

Amended by R.1981 d.361, effective October 8, 1981.

See: 13 N.J.R. 459(b), 13 N.J.R. 708(e).

In (a)2, added "such incapacity is likely to be permanent".

17:5-5.8 (Reserved)

Repealed by R.1980 d.209, eff. May 12, 1980.

See: 12 N.J.R. 216(a), 12 N.J.R. 355(d).

17:5-5.9 Determination of final compensation

(a) In computing the salary upon which pension contributions were based during the member's last year of service, a total of 26 biweekly pays will be used including any retroactive salary payments made within the prescribed period. The total salary will be adjusted by factors supplied by the actuary to compensate for State biweekly payroll schedules.

(b) If a member was reported on a biweekly basis on any combination of 10- and 12-month contract years, the last year's salary prior to death or retirement shall be determined on a proportional basis. The biweekly pay periods for which no contributions were made shall be counted as zero.

Amended by R.1974 d.131, effective May 31, 1974.

See: 6 N.J.R. 156(b), 6 N.J.R. 277(b).

Amended by R.1978 d.113, effective March 30, 1978.

See: 10 N.J.R. 37(a), 10 N.J.R. 209(b).

17:5-5.10 Employer application; employee notice

(a) If an application for an accidental disability retirement benefit or for an ordinary disability retirement benefit

is filed by an employer for one of his employees, the member will be promptly notified by letter that:

1. His employer has initiated a disability application, on the member's behalf;
2. His employer has certified that the member is permanently and totally disabled for the continued performance of duty and, if appropriate;
3. His employer has certified that the member should be retired as a direct result of a traumatic event occurring during and as a result of the performance of his regular or assigned duties;
4. He has a period of 30 days to contest his involuntary retirement before the board acts on his employer's application;
5. He will be required to appear for an examination before a physician designated to conduct such an examination for the retirement system;
6. In the event the board finds that he is totally and permanently incapacitated for the performance of duty, and shall be granted the retirement allowance prescribed by the statute; and
7. In the event the board finds that he is not totally and permanently disabled for the performance of duty, the employer shall be so advised that the application has been rejected.

As amended, R.1973 d.26, eff. January 19, 1973.

See: 4 N.J.R. 283(b), 5 N.J.R. 60(b).

As amended, R.1981 d.361, eff. October 8, 1981.

See: 13 N.J.R. 459(b), 13 N.J.R. 708(c).

(a)7: Old text deleted, new text substituted therefor.

17:5-5.11 Service retirement; eligibility

A member becomes eligible for "service" retirement on the first of the month following the month in which the member satisfies the conditions of retirement for age and service.

17:5-5.12 Disability retiree; annual report

(a) Where applicable, the total earnings permitted without reduction of pension is the difference between the retirement allowance and the salary now attributable to the member's former position in the Division of State Police.

(b) The pension will be reduced to an amount which, together with the earnings, will equal the salary now attributable to the former position in the Division of State Police. The annuity portion of the allowance will not be reduced.

(c) Reported earnings at the end of a calendar year will be the basis for pension reduction in the following calendar year. The reduction in pension, if any, will follow the testing on an April 1 to the following April 1 basis.

(d) "Salary now attributable to his former position" will mean the actual annual salary the employee would be receiving if he were reinstated to such position.

As amended, R.1981 d.360, eff. October 8, 1981.

See: 13 N.J.R. 461(a), 13 N.J.R. 708(f).

(a): "Where applicable," added.

(b): "earnings" was "annuity"

As amended, R.1981 d.361, eff. October 8, 1981.

See: 13 N.J.R. 459(b), 13 N.J.R. 708(e).

(a): "Now" was "not".

17:5-5.13 Compulsory retirement

Compulsory retirements will be effective on the first day of the month following the month in which the member attains the condition of compulsory retirement. The mandatory retirement age of 55 years can, at the option of the member, be extended to the date he accumulates 25 years of creditable service from all sources. In such an instance, the compulsory retirement date will be the first day of the month following the completion of such service.

As amended, R.1981 d.361, eff. October 8, 1981.

See: 13 N.J.R. 459(b), 13 N.J.R. 708(e).

"The mandatory retirement age ... completion of such service." added.

17:5-5.14 Employer and employee notices

If an applicant for accidental disability retirement is found to be physically or mentally incapacitated for the performance of duty but is rejected for accidental disability retirement because the board finds that the disability was not a direct result of a traumatic event occurring during and as a result of the performance of his regular or assigned duties, and if the applicant does not meet the minimum statutory requirements for any other type of retirement allowance, the system will notify both the member and his employer that the member was found to be physically or mentally incapacitated for the continued performance of duty, as was previously certified to the system by both the employee and his employer. Both the employer and the employee will also be advised that a copy of such notice will be placed in the member's file and will be given full consideration in any future claim for disability retirement benefits.

R.1973 d.26, eff. January 19, 1973.

See: 4 N.J.R. 283(b), 5 N.J.R. 60(b).

17:5-5.15 Medical examinations; physicians

Where the statute prescribes that a physician be designated by the system to perform a medical examination, such physician shall be selected from the current membership directory of the Medical Society of New Jersey and the New Jersey Association of Osteopathic Physicians and Surgeons; however, in the cases of those members whose personal physician has identified them as having a probable abbreviated life expectancy, such "imminent death" cases may be processed without the necessity of an examination by a physician designated by the system if corroborating medical evidence of the diagnosis can be obtained.

As amended, R.1973 d.26, eff. January 19, 1973.

See: 4 N.J.R. 283(b), 5 N.J.R. 60(b).

As amended, R.1976 d.104, eff. April 5, 1976.

See: 7 N.J.R. 523(a), 8 N.J.R. 262(c).

As amended, R.1977 d.359, eff. September 21, 1977.

See: 9 N.J.R. 386(a), 9 N.J.R. 496(a).

As amended, R.1982 d.67, eff. March 15, 1982.

See: 13 N.J.R. 939(b), 14 N.J.R. 285(a).

Deleted "in order to expedite ... by the fund" and replaced with "in the cases of ... can be obtained".

SUBCHAPTER 6. TRANSFERS

17:5-6.1 Interfund transfers; other State systems

(a) Interfund transfers between State-administered pension funds are permitted by reciprocal transfer arrangements. Such transfers would not apply where the member has credit in the present system for service after the date of enrollment in the new system or where a person has ceased to be a member of the present system before establishing sufficient service credit to be eligible for deferred retirement.

(b) Membership credit so transferred shall be included in the computation of a retirement allowance. Such credits cannot be used to satisfy the statutory requirements of those benefits which specifically require a minimum number of years of creditable service as a State police employee.

(c) The system will transfer membership to any State-administered system as follows:

1. A member, desiring to transfer his or her credit to any State-administered system must file an application for "Transfer of Membership Credit" in place of the customary application for withdrawal of accumulated contributions. This application will void all possible claims against the present system when approved and the new membership shall commence in the new system.

2. A check covering the member's accumulated contributions, full interest included, less any outstanding loan, shall be drawn payable to the new system for the account of the respective member. Any outstanding loan or arrears obligation will be scheduled for repayment.

3. A statement reflecting the member's status as of the date of transfer shall accompany the check.

4. The member shall enjoy the same service credits established in the present system, subject to the provisions of the new system.

5. A copy of the transfer application, together with a check covering the withdrawal value and a statement of the service credits being transferred, is to be forwarded to the new system.

(d) The present system will cause to be valued the reserves accrued to such employee as compared to the reserves required in the new system.

1. If the reserves accumulated or provided for in the present system are less than those required in the new system, the full reserve will be transferred.

2. If the reserves accumulated or provided for in the present system are more than those required in the new system, only the amount required to establish the credit will be transferred.

(e) Years of credit will be subject to the benefit formula of the new system after transfer.

(f) A member who makes a timely transfer in accordance with N.J.S.A. 43:2-1 et seq. will contribute to the new system at a rate based on his or her age at the time of enrollment in the present system and no refund of pension contributions will be made except for those contributions made by veterans covering service prior to January 1, 1955, where applicable. The contribution rate for a member granted a deferred retirement in the present system who

makes a timely transfer at the time of enrollment in the new system will be determined in accordance with the rules concerning enrollment after deferred retirement in the new system. A member who does not make a timely transfer will contribute to the new system at a rate based on his or her age at the time of enrollment in the new system.

As amended, R.1983 d.46, eff. March 7, 1983.

See: 14 N.J.R. 1292(a), 15 N.J.R. 343(a).

Section 2, formerly contained eligibility criteria have been subsumed in this section.

Amended by R.1988 d.302, effective July 5, 1988.

See: 20 N.J.R. 47(b), 20 N.J.R. 1570(b).

(a): transfer applicability criteria expanded.

(c)4: "same service credits" was "same rate of contribution and service credits".

(f): basis for contribution rates clarified.