



State of New Jersey

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DIVISION OF PENSIONS AND BENEFITS
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TO: Certifying Officers – Public Employees’ Retirement System
FROM: New Jersey Division of Pensions & Benefits (NJDPB)
SUBJECT: **New Legislation Notice – P.L. 2017, c. 344**

This letter serves as notification of a law change for certain elected public officials* who may qualify for Public Employees’ Retirement System (PERS) reenrollment. A 2007 law made newly-elected officials eligible for the Defined Contribution Retirement Program (DCRP). However, elected officials already enrolled in the PERS on July 1, 2007, were eligible to remain in the PERS as long as they remained in the same elected office. If these individuals accepted a different elective public office, they were required to enroll in the DCRP and were no longer eligible to contribute to the PERS.

P.L. 2017, c. 344 (Chapter 344), permits an elected public official who held an elective public office on July 1, 2007, and who served continuously through January 16, 2018 (or 30 days prior) in elective public office but in different elective capacities, the opportunity for reenrollment in the PERS retroactively to the date upon which they were no longer eligible for participation in the PERS. Elected officials who do not have 15 years of continuous service in an elective public office or who were elected to public office **after** July 1, 2007, are ineligible to (re)enroll in the PERS.

MEMBER RESPONSIBILITIES

Elected officials who are eligible for reenrollment in the PERS must notify the NJDPB of their interest by completing a *Notification of Eligibility for Reenrollment in the Public Employees’ Retirement System under P.L. 2017, c. 344*. The completed form, along with proof of holding continuous elective public office for 15 years, proof of holding elective public office on July 1, 2007, **and** proof of holding elective public office on January 16, 2018 (or 30 days prior), must be received by the Enrollment Section of the New Jersey Division of Pensions & Benefits (NJDPB) by July 16, 2018 (180 days from the date of enactment of this law). See the *Notification of Eligibility for Reenrollment in the Public Employees’ Retirement System under P.L. 2017, c. 344* for acceptable forms of proof.

**In accordance with N.J.S.A. 19:1.1, “Election” means the procedure whereby the electors of this State or any political subdivision thereof elect persons to fill public office or pass on public questions.*

If eligible to reenroll, members will be responsible for paying all PERS pension contributions retroactively to the date they became ineligible to contribute to the PERS in order to receive PERS service credit. Members who are currently enrolled in the DCRP or who were previously enrolled in the DCRP as a result of the same service for which they are seeking PERS credit, and who have funds in their DCRP accounts, will be eligible to use those funds toward any retroactive PERS pension contributions for which the member is responsible if reenrolling.

Members who are collecting a PERS retirement will also be responsible for the repayment of all retirement checks in addition to the retroactive PERS pension contributions. Former members of the PERS who had withdrawn their contributions under an account established as a result of service as an elected official will be responsible for the repayment of the withdrawn funds including interest in addition to the retroactive PERS pension contributions.

EMPLOYER RESPONSIBILITIES

Upon notification of a member's interest in PERS reenrollment, the NJDBP will require **each political subdivision for which the member held an elected position** to complete an *Employment Verification Form* to verify the dates and salary earned while serving in elected office. The verification will be used to calculate the rate of back deductions for which the member and possibly the employer will be responsible.

NJDPB RESPONSIBILITIES

Upon receipt of the completed *Notification of Eligibility for Reenrollment in the Public Employees' Retirement System* and aforementioned proofs, and the *Employment Verification Form(s)* from each political subdivision, the NJDBP will determine reenrollment eligibility based in conjunction with the existing laws that govern the State-administered retirement systems. If eligible, the NJDPB will calculate an estimated cost for reenrollment in the PERS and, if applicable, calculate the estimated amount of monies due the pension system for the repayment of retirement checks or withdrawn contributions and provide the member written notification.

ADDITIONAL INFORMATION

Once written notification of all costs associated with reenrollment is issued, members will have 45 days in which to accept or decline reenrollment in the PERS. If no response is received by the NJDPB after the 45-day timeframe, the NJDPB will consider such action a declination by the member to reenroll in the PERS pursuant to Chapter 344. The decision whether or not to reenroll in the PERS pursuant to Chapter 344 is irrevocable.

FOR MORE INFORMATION

The *Notification of Eligibility for Reenrollment in the Public Employees' Retirement System under P.L. 2017, c. 344* and the *Employment Verification Form* can be found on our website at www.nj.gov/treasury/pensions

If you would like further information about Chapter 344, please visit www.njleg.state.nj.us