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Office of the Governor
NEWS RELEASE

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**GOVERNOR SIGNS LEGISLATION SAVING TAXPAYERS \$67 MILLION BY
ELIMINATING PAYMENTS FOR NEW BENEFITS FOR POLICE AND FIREFIGHTERS**

Gov. Christie Whitman today signed legislation that will save New Jersey taxpayers approximately \$45 million this year and \$22 million next year by eliminating the need for special payments into the Police and Firemen's Retirement System (PFRS) to pay for pension benefits for police and firefighters and their dependents.

The legislation, A-2213, allocates \$36.7 million to cities and towns and \$8.09 million to counties this year to cover in part the cost of providing the new benefits, which were granted under legislation signed by Gov. Whitman on January 18. The January legislation gave uniform police and firefighters the option of retiring after 20 years of service regardless of age at half pay, and provided benefits for their dependents.

"As I announced earlier this year, the crime rate continues to drop. We haven't had a crime rate this low in more than a quarter-century. This is truly remarkable, and it's a tribute to our police officers," the Governor said in an address at the New Jersey State Policemen's Benevolent Association Mini-Convention in Atlantic City.

"Words alone aren't enough to show police officers that we appreciate all that they do. Words alone aren't enough to recognize that this is dangerous work. That's why I was pleased to take actions to properly reward police officers' efforts through a more generous Police and Firemen's Retirement System," she said.

"The new law now recognizes the stress that can come with this career by permitting all police officers the option of early retirement through the 20-and-out benefit at half-pay. Perhaps the most important thing this legislation achieves is one I wish will never have to be invoked: namely, expanding the eligibility for a pension benefit for the spouse and children of a police officer who dies while on active service," Gov. Whitman said.

"These changes will ensure that members of the Police and Firemen's Retirement System achieve benefit equity with members of the State Police," she said.

"New Jersey is one family with many faces. Our police officers keep our family safe, and keep our family secure. I will always be grateful. As long as I am governor, I will continue to look for ways to support New Jersey's police officers in every way I can. The competence and dedication of our police officers is one of the reasons New Jersey is such a great place to live, work and raise a family," the Governor said.

The Governor said in addition to saving taxpayers \$45 million this year and \$22 million next year, **A-2213** will eliminate the need for the state to make special payment into PFRS for the 20-and-out benefits. Also, she said, the legislation will completely eliminate the unfunded liability in the PFRS.

The bill, which calls for using a portion of the surplus in PFRS to provide the aid to municipalities and counties, was sponsored by Assembly Members Francis J. Blee (R-Atlantic) and John V. Kelly (R-Bergen/Essex/Passaic), and Senators Diane B. Allen (R-Burlington/ Camden) and Norman M. Robertson (R-Essex/Passaic).