



State of New Jersey

DEPARTMENT OF THE TREASURY
DIVISION OF PENSIONS AND BENEFITS
P. O. BOX 295

TRENTON, NEW JERSEY 08625-0295
Telephone (609) 292-7524 / Facsimile (609) 777-1779
TRS 711 (609) 292-6683
www.nj.gov/treasury/pensions

ELIZABETH MAHER MUOIO
State Treasurer

JOHN D. MEGARIOTIS
Acting Director

PHILIP D. MURPHY
Governor

SHEILA Y. OLIVER
Lt. Governor

July 22, 2021

Sent via email to: [REDACTED]

Thomas Ryan
[REDACTED]

RE: PERS [REDACTED]

Dear Mr. Ryan:

FINAL ADMINISTRATIVE DETERMINATION

I am writing in reference to the decision of the Board of Trustees ("Board") of the Public Employees' Retirement System (PERS) denying your request to remove your Option D pension beneficiary. The Board originally denied the request at its meeting of March 17, 2021. You appealed the Board's decision via letter dated April 4, 2021. At its meeting of June 16, 2021, the Board considered your appeal and denied your request for an administrative hearing as no disputed issues of material facts were in dispute. Thereafter, the Board denied your request for reconsideration and directed the undersigned to draft findings of fact and conclusions of law for its review at its July 21, 2021, meeting. After careful consideration, the Board approved this Final Administrative Determination.

FINDINGS OF FACT

The Board made the following findings of fact.

The record before the Board establishes that you filed an *Application for Retirement Allowance* on June 23, 2009, requesting an Early retirement effective January 1, 2010. On said application, you selected Option A and [REDACTED] as your Option A pension beneficiary. You received an *Estimate of Retirement Benefits*, dated June 23, 2009. On

September 11, 2009, you amended your selection from Option A to Option D. You were issued an *Estimate of Retirement Benefits*, dated September 17, 2009 and November 9, 2009. Subsequently, you were issued a *Quotation of Retirement Benefits* dated January 8, 2010.

It is important to note that the three Estimates and Quotation included all options payable (Maximum, A, B, C, D, 1, 2, and 3) and listed [REDACTED] as your beneficiary. They also advised:

Once you retire, **you cannot change your payment method option**. If you chose payment method options A, B, C, D, 2, 3, 4 **Under no circumstances can you change your beneficiary selection** once you retire, even if your beneficiary dies before you. You have the right to withdraw, cancel, or change your application for retirement at any time before the later of 30 days after your retirement date or 30 days after the Board of Trustees approves your retirement.
[(Emphasis in original.)]

By letter dated January 20, 2010, you were notified that on said date the Board approved your application for a January 1, 2010 Early retirement under Option D. The letter advised:

In accordance with law, you have thirty days after (A) the effective date of your retirement, or (B) the date your retirement was approved by the Board of Trustees, whichever is the later date, to make any changes to your retirement.

Therefore, you had 30 days from the date of Board approval, or your effective date of retirement, whichever is later, to make a change to your retirement application. The deadline to make any changes would have been February 19, 2010 (30 days after Board approval of your retirement). Thereafter, you were precluded from changing your retirement option selection.

However, by letter dated December 10, 2020, you requested to remove [REDACTED] as your Option D pension beneficiary. The Board noted the request was nearly eleven years after the period during which you had the opportunity to amend your retirement application had elapsed. You assert it was [REDACTED] idea to make [REDACTED] pension beneficiary and that due to medical issues you lacked sound judgment at the time the selection was made. You indicate

██████████ has a long criminal record and you have had no contact with ██████ in 10 years. To support your position, you included a letter from your treating doctor noting you were ██████████ ██████████ and that ██████████ impacted your decision making.

Based on the above, the Board denied your request to remove your beneficiary designation at its meeting of March 17, 2021. You appealed the Board's decision via letter dated April 4, 2021. In your appeal, you argue that ██████████ had ██████████ and used your medical condition to manipulate ██████████ against you to ultimately list ██████ name on your retirement application. At its meeting of June 16, 2021, the Board, finding no genuine issue of material fact in dispute, denied your request for a hearing and directed the undersigned to draft this Final Administrative Determination for review at its meeting of July 21, 2021.

CONCLUSIONS OF LAW

The Board made the following conclusions of law.

The Board noted that pursuant to N.J.A.C. 17:2-6.3, PERS members may change their retirement options, including the beneficiary designation. The regulation states, in pertinent part:

a member shall have the right to withdraw, cancel, or change an application for retirement at any time before the member's retirement allowance becomes due and payable through MBOS or by sending a written request signed by the member. Thereafter, the retirement shall stand as approved by the Board.

[bid.]

The Board also noted that both the *Estimate of Retirement Benefits*, dated September 17, 2009 and November 9, 2009, and the *Quotation of Retirement Benefits* dated January 8, 2010, advised that:

Once you retire, **you cannot change your payment method option.** If you chose payment method options A, B, C, D, 2, 3, 4 **Under no circumstances can you change your beneficiary selection** once you retire, even if your beneficiary dies before you. You have the right to withdraw, cancel, or change your application for retirement at any time before the later of 30 days after your

retirement date or 30 days after the Board of Trustees approves your retirement.
[(Emphasis in original.)]

By letter dated January 20, 2010, you were notified that on said date the Board approved your application for a January 1, 2010 Early retirement under Option D. The letter advised:

In accordance with law, you have thirty days after (A) the effective date of your retirement, or (B) the date your retirement was approved by the Board of Trustees, whichever is the later date, to make any changes to your retirement.

In addition, you were also advised by letter dated January 20, 2010 that the Board had approved your application for a January 1, 2010, Early retirement under Option D. The letter also advised:

In accordance with law, you have thirty days after (A) the effective date of your retirement, or (B) the date your retirement was approved by the Board of Trustees, whichever is the later date, to make any changes to your retirement.

Although you have asserted that you were not mentally competent to file your retirement application, the Board noted that 10 years has passed since you retired and began receiving retirement benefits.

Based on the above, the Board found that you failed to effectuate your beneficiary designation change within the thirty day period as required by law. Accordingly, your request to remove [REDACTED] as your Option D pension beneficiary is denied.

As noted above, the Board has considered your written submission and all documentation in the record. Because this matter does not entail any disputed questions of fact, the Board was able to reach its findings of fact and conclusions of law on the basis of the retirement system's enabling statutes and without the need for an administrative hearing. Accordingly, this correspondence shall constitute the Final Administrative Determination of the Board of Trustees of the Public Employees' Retirement System.

Thomas Ryan
July 22, 2021
Page 2

You also have the right to appeal this final administrative action to the Superior Court of New Jersey, Appellate Division, within 45 days of the date of this letter in accordance with the Rules Governing the Courts of the State of New Jersey.

All appeals should be directed to:

Superior Court of New Jersey
Appellate Division
Attn: Court Clerk
PO Box 006
Trenton, NJ 08625

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff S. Ignatowitz". The signature is fluid and cursive, with a large loop at the end.

Jeff Ignatowitz, Secretary
Board of Trustees
Public Employees' Retirement System

G-10/JSI

C: D. Dinkler (ET)