

FLOOR AMENDMENT STATEMENT:

Yes

LEGISLATIVE FISCAL ESTIMATE:

No

VETO MESSAGE:

No

GOVERNOR'S PRESS RELEASE ON SIGNING:

Yes

FOLLOWING WERE PRINTED:

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SENATE, No. 1207

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED JANUARY 25, 2018

Sponsored by:

Senator STEPHEN M. SWEENEY

District 3 (Cumberland, Gloucester and Salem)

Senator STEVEN V. OROHO

District 24 (Morris, Sussex and Warren)

Assemblyman LOUIS D. GREENWALD

District 6 (Burlington and Camden)

Co-Sponsored by:

Senator Greenstein and Assemblywoman McKnight

SYNOPSIS

Requires State to pay full cost of health care benefits coverage in retirement for SPRS members who retire at mandatory retirement age of 55 with more than 20 but less than 25 years of service.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/25/2018)

S1207 SWEENEY, OROHO

2

1 AN ACT concerning health care benefits coverage for certain
2 retirees of the State Police Retirement System and their
3 dependents, and amending P.L.1965, c.89.

4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7

8 1. Section 8 of P.L.1965, c.89 (C.53:5A-8) is amended to read as
9 follows:

10 8. a. The Legislature finds and declares that the public health,
11 safety and welfare require the ongoing health and fitness of all
12 members of the New Jersey State Police so that they may safely and
13 efficiently protect the public. The Legislature further finds and
14 declares that such continued health and fitness cannot be determined
15 except with reference to age, and therefore finds and concludes that
16 retirement of all members of the State Police at age 55, except as
17 provided for in subsection c. of this section, shall constitute a bona fide
18 occupational qualification which is reasonably necessary to the normal
19 operation of the State Police, which qualification the Legislature
20 hereby promulgates and establishes.

21 b. Any member of the retirement system may retire on a service
22 retirement allowance upon the completion of at least 20 years of
23 creditable service as a State policeman, which includes the creditable
24 service of those members appointed to the Division of State Police
25 under section 3 of P.L.1983, c.403 (C.39:2-9.3) and the creditable
26 service of those members appointed to the Division of State Police
27 under section 1 of P.L.1997, c.19 (C.53:1-8.2). Upon the filing of a
28 written and duly executed application with the retirement system,
29 setting forth at what time, not less than one month subsequent to the
30 filing thereof, he desires to be retired, any such member retiring for
31 service shall receive a service retirement allowance which shall consist
32 of:

33 (1) An annuity which shall be the actuarial equivalent of his
34 aggregate contributions; and

35 (2) A pension in the amount which, when added to the member's
36 annuity, will provide a total retirement allowance of 50% of his final
37 compensation.

38 c. Except for the Superintendent of State Police, any member of
39 the retirement system, including a member appointed to the State
40 Police under section 3 of P.L.1983, c.403 (C.39:2-9.3) and a member
41 appointed to the State Police under section 1 of P.L.1997, c.19
42 (C.53:1-8.2), who has attained the age of 55 years, shall be retired
43 forthwith on the first day of the next calendar month following the
44 effective date of this 1985 amendatory act. Any member of the
45 retirement system so retired shall receive a service retirement

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 allowance pursuant to this section or section 27 of P.L.1965, c.89
2 (C.53:5A-27), as appropriate.

3 d. Any member of the retirement system who is required to retire
4 pursuant to subsection c. of this section and who has more than 20 but
5 fewer than 25 years of creditable service at the time of retirement shall
6 be entitled to continued health benefits coverage during retirement as
7 provided in the "New Jersey State Health Benefits Program Act,"
8 P.L.1961, c.49 (C.52:14-17.25 et seq.). Notwithstanding the
9 provisions of section 8 of P.L.1961, c.49 (C.52:14-17.32) , or any
10 other law enacted prior to the effective date of P.L. , c. (pending
11 before the Legislature as this bill) requiring persons who have retired
12 from public employment to make contributions toward the cost of
13 health care benefits coverage in retirement, to the contrary, the State
14 shall pay in full the premium or periodic charge for the benefits
15 provided under this subsection to a member retiring under subsection
16 c. of this section with fewer than 25 years of service credited in the
17 retirement system, and the member's dependents covered under the
18 program, but not including survivors. This provision shall be the sole
19 provision applicable to these specified members of the retirement
20 system with regard to the obligations of the State for the payment of
21 premiums and periodic charges and any contributions toward the cost
22 of health care benefits coverage during retirement for a retired member
23 and the member's dependents.

24 e. Any member of the retirement system as of the effective date
25 of P.L.1985, c.175 who is required to retire pursuant to subsection c.
26 of this section shall be entitled to the retirement allowance provided
27 for by subsection b. of this section, notwithstanding that the member
28 shall have fewer than 20 years' creditable service.

29 f. Any member of the retirement system as of the effective date
30 of P.L.1985, c.175 who is required to retire pursuant to subsection c.
31 of this section and who has more than 20 but less than 25 years of
32 creditable service at the time of retirement shall be entitled to the
33 retirement allowance provided for by subsection b. of this section plus
34 3% of his final compensation multiplied by the number of years of
35 creditable service over 20 but not over 25.

36 g. Upon the receipt of proper proofs of the death of a member
37 who has retired on a service retirement allowance, there shall be paid
38 to the member's beneficiary an amount equal to one-half of the final
39 compensation received by the member.

40 (cf: P.L.2001, c.316, s.1)

41

42 2. The provisions of subsection d. of section 8 of P.L.1965, c.89
43 (C.53:5A-8), as amended by P.L. , c. (pending before the
44 Legislature as this bill), shall apply to each eligible retiree of the State
45 Police Retirement System who had more than 20 but fewer than 25
46 years of service credit as of the date of retirement and who retired
47 within 24 months before the effective date of P.L. , c. (pending
48 before the Legislature as this bill). The State Health Benefits Program

S1207 SWEENEY, OROHO

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1 shall reimburse each eligible retiree of the State Police Retirement
2 System for whom the provisions of subsection d. of section 8 of
3 P.L.1965, c.89 (C.53:5A-8), as amended by P.L. , c. (pending
4 before the Legislature as this bill), have been made applicable pursuant
5 to this section the total amount of contributions made by the eligible
6 retiree for the cost of health care benefits coverage for the retiree and
7 the retiree's dependents during the 24 months prior to the effective
8 date of P.L. , c. (pending before the Legislature as this bill). The
9 reimbursement shall be made within 30 days following that effective
10 date.

11

12 3. This act shall take effect immediately.

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STATEMENT

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17 This bill provides that any member of the State Police
18 Retirement System who is required to retire at the mandatory age of
19 55 and who has at least 20 but less than 25 years of service credit in
20 the retirement system will receive health care benefits coverage
21 through the State Health Benefits Program for the member and the
22 member's dependents that is paid in full by the State. The retiree
23 shall not be required to make any contribution for the cost of the
24 coverage.

25 The bill will apply retroactively to each eligible retiree of the
26 State Police Retirement System who had at least 20 but less than 25
27 years of service on the date of mandatory retirement that occurred
28 with 24 months prior to the effective date of this bill. Retirees who
29 made contributions for the cost of health care benefits coverage
30 within 24 months before the bill's effective date will have those
31 contributions reimbursed by the State Health Benefits Program.

SENATE STATE GOVERNMENT, WAGERING, TOURISM &
HISTORIC PRESERVATION COMMITTEE

STATEMENT TO

SENATE, No. 1207

STATE OF NEW JERSEY

DATED: FEBRUARY 1, 2018

The Senate State Government, Wagering, Tourism and Historic Preservation Committee reports favorably Senate Bill No. 1207.

This bill provides that any member of the State Police Retirement System who is required to retire at the mandatory age of 55 and who has at least 20 but less than 25 years of service credit in the retirement system will receive health care benefits coverage through the State Health Benefits Program for the member and the member's dependents that is paid in full by the State. The retiree shall not be required to make any contribution for the cost of the coverage.

The bill will apply retroactively to each eligible retiree of the State Police Retirement System who had at least 20 but less than 25 years of service on the date of mandatory retirement that occurred within 24 months prior to the effective date of this bill. Retirees who made contributions for the cost of health care benefits coverage within 24 months before the bill's effective date will have those contributions reimbursed by the State Health Benefits Programs.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 1207

STATE OF NEW JERSEY

DATED: FEBRUARY 5, 2018

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 1207.

This bill provides that any member of the State Police Retirement System (“SPRS”) who is required to retire upon reaching the mandatory retirement age of 55 and who has at least 20, but less than 25, years of service credit in the retirement system will receive health care benefits coverage through the State Health Benefits Program (“SHBP”) for that member and that member’s dependents. Under the bill, the State pays the full cost of the health benefits coverage and the retiree is not required to make any contribution for the cost of this coverage.

The bill applies retroactively to each eligible retiree of the SPRS who has at least 20, but less than 25, years of service as of the date of mandatory retirement, which occurred within 24 months prior to the effective date of this bill. Such retirees who made contributions towards the cost of health care benefits coverage within 24 months before the bill’s effective date will have those contributions reimbursed by the SHBP.

FISCAL IMPACT:

The OLS does not have information on the number of current and future State Police Retirement System (“SPRS”) retirees who will be eligible for the benefit provided by this bill. Although the Comprehensive Annual Financial Report of the Divisions of Pension and Benefits sets forth the number of scheduled service retirements from SPRS, this report does not differentiate between mandatory and voluntary retirements. Therefore, the OLS cannot provide an estimate of the annual cost to the State.

The OLS notes that the Plan Year 2018 annual cost for health care benefits coverage in the State Health Benefits Plan covering the greatest number of enrolled retired State employees is \$14,776 for single coverage (without Medicare) and \$36,645 for family coverage (without Medicare). The coverage is without Medicare because the retiree is less than 65 years of age.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 1207

STATE OF NEW JERSEY

DATED: MAY 17, 2018

The Assembly Appropriations Committee reports favorably Senate Bill No. 1207.

This bill provides that any member of the State Police Retirement System (“SPRS”) who is required to retire upon reaching the mandatory retirement age of 55 and who has at least 20, but less than 25, years of service credit in the retirement system will receive health care benefits coverage through the State Health Benefits Program (“SHBP”) for that member and that member’s dependents. Under the bill, the State pays the full cost of the health benefits coverage and the retiree is not required to make any contribution for the cost of this coverage.

The bill applies retroactively to each eligible retiree of the SPRS who has at least 20, but less than 25, years of service as of the date of mandatory retirement, which occurred within 24 months prior to the effective date of this bill. Such retirees who made contributions towards the cost of health care benefits coverage within 24 months before the bill’s effective date will have those contributions reimbursed by the SHBP.

As reported, this bill is identical to Assembly Bill No. 3086, as also reported by the committee.

FISCAL IMPACT:

The OLS does not have information on the number of current and future State Police Retirement System (“SPRS”) retirees who will be eligible for the benefit provided by this bill. Although the Comprehensive Annual Financial Report of the Divisions of Pension and Benefits sets forth the number of scheduled service retirements from SPRS, this report does not differentiate between mandatory and voluntary retirements. Therefore, the OLS cannot provide an estimate of the annual cost to the State.

The OLS notes that the Plan Year 2018 annual cost for health care benefits coverage in the State Health Benefits Plan covering the greatest number of enrolled retired State employees is \$14,776 for single coverage (without Medicare) and \$36,645 for family coverage (without Medicare). The coverage is without Medicare because the retiree is less than 65 years of age.

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 1207
STATE OF NEW JERSEY
218th LEGISLATURE

DATED: FEBRUARY 9, 2018

SUMMARY

- Synopsis:** Requires State to pay full cost of health care benefits coverage in retirement for SPRS members who retire at mandatory retirement age of 55 with more than 20 years but less than 25 years of service.
- Type of Impact:** Expenditure Increase: State General Fund.
- Agencies Affected:** Department of the Treasury: Division of Pensions and Benefits, State Health Benefits Program.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost	Indeterminate - See comments below		

- The Office of Legislative Services (OLS) does not have information on the number of current and future SPRS retirees who would be eligible for this benefit, and therefore cannot provide an estimate of the annual cost to the State. The OLS notes that the Plan Year 2018 annual cost for health care benefits coverage in the SHBP plan covering the greatest number of enrolled retired State employees is \$14,776 for single coverage (without Medicare) and \$36,645 for family coverage (without Medicare).
- This bill requires the State to pay the full cost of health benefits coverage provided in the State Health Benefits Program (SHBP) for retirees of the State Police Retirement System (SPRS) who are required to retire at the mandatory retirement age of 55 and have more than 20 but less than 25 years of creditable service at the time of retirement, and their dependents.
- The bill will apply retroactively to each eligible retiree of the SPRS who retired within 24 months prior to the effective date of this bill. Retirees who made contributions for the cost of health benefits coverage within 24 months before the bill's effective date will have those contributions reimbursed by the SHBP.

BILL DESCRIPTION

This bill provides that any member of the SPRS who is required to retire at the mandatory age of 55 and who has more than 20 but less than 25 years of service credit in the retirement

system will receive health care benefits coverage through the SHBP for the member and the member's dependents. Under the bill, the State would pay the full cost of the health benefits coverage provided in the SHBP and the retiree would not be required to make any contribution for the cost of the coverage. The bill will apply retroactively to each eligible retiree of the SPRS who had more than 20 but less than 25 years of service on the date of mandatory retirement, which occurred with 24 months prior to the effective date of this bill. Retirees who made contributions for the cost of health care benefits coverage within 24 months before the bill's effective date will have those contributions reimbursed by the SHBP.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS does not have information on the number of current and future SPRS retirees who would be eligible for this benefit. Although the Comprehensive Annual Financial Report of the Division of Pensions and Benefits sets forth the number of scheduled service retirements from SPRS, the report does not differentiate between mandatory retirements and voluntary retirements. Therefore, the OLS cannot provide an estimate of the annual cost to the State. The OLS notes that the Plan Year 2018 annual cost for health care benefits coverage in the SHBP plan covering the greatest number of enrolled retired State employees is \$14,776 for single coverage (without Medicare) and \$36,645 for family coverage (without Medicare). The coverage is without Medicare because the retiree is less than 65 years of age.

Section: State Government

*Analyst: Kimberly McCord Clemmensen
Senior Fiscal Analyst*

*Approved: Frank W. Haines III
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

P.L. 2018, CHAPTER 63, *approved July 3, 2018*
Senate, No. 1207

1 AN ACT concerning health care benefits coverage for certain
2 retirees of the State Police Retirement System and their
3 dependents, and amending P.L.1965, c.89.

4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7

8 1. Section 8 of P.L.1965, c.89 (C.53:5A-8) is amended to read as
9 follows:

10 8. a. The Legislature finds and declares that the public health,
11 safety and welfare require the ongoing health and fitness of all
12 members of the New Jersey State Police so that they may safely and
13 efficiently protect the public. The Legislature further finds and
14 declares that such continued health and fitness cannot be determined
15 except with reference to age, and therefore finds and concludes that
16 retirement of all members of the State Police at age 55, except as
17 provided for in subsection c. of this section, shall constitute a bona fide
18 occupational qualification which is reasonably necessary to the normal
19 operation of the State Police, which qualification the Legislature
20 hereby promulgates and establishes.

21 b. Any member of the retirement system may retire on a service
22 retirement allowance upon the completion of at least 20 years of
23 creditable service as a State policeman, which includes the creditable
24 service of those members appointed to the Division of State Police
25 under section 3 of P.L.1983, c.403 (C.39:2-9.3) and the creditable
26 service of those members appointed to the Division of State Police
27 under section 1 of P.L.1997, c.19 (C.53:1-8.2). Upon the filing of a
28 written and duly executed application with the retirement system,
29 setting forth at what time, not less than one month subsequent to the
30 filing thereof, he desires to be retired, any such member retiring for
31 service shall receive a service retirement allowance which shall consist
32 of:

33 (1) An annuity which shall be the actuarial equivalent of his
34 aggregate contributions; and

35 (2) A pension in the amount which, when added to the member's
36 annuity, will provide a total retirement allowance of 50% of his final
37 compensation.

38 c. Except for the Superintendent of State Police, any member of
39 the retirement system, including a member appointed to the State
40 Police under section 3 of P.L.1983, c.403 (C.39:2-9.3) and a member

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 appointed to the State Police under section 1 of P.L.1997, c.19
2 (C.53:1-8.2), who has attained the age of 55 years, shall be retired
3 forthwith on the first day of the next calendar month following the
4 effective date of this 1985 amendatory act. Any member of the
5 retirement system so retired shall receive a service retirement
6 allowance pursuant to this section or section 27 of P.L.1965, c.89
7 (C.53:5A-27), as appropriate.

8 d. Any member of the retirement system who is required to retire
9 pursuant to subsection c. of this section and who has more than 20 but
10 fewer than 25 years of creditable service at the time of retirement shall
11 be entitled to continued health benefits coverage during retirement as
12 provided in the "New Jersey State Health Benefits Program Act,"
13 P.L.1961, c.49 (C.52:14-17.25 et seq.). Notwithstanding the
14 provisions of section 8 of P.L.1961, c.49 (C.52:14-17.32) , or any
15 other law enacted prior to the effective date of P.L. , c. (pending
16 before the Legislature as this bill) requiring persons who have retired
17 from public employment to make contributions toward the cost of
18 health care benefits coverage in retirement, to the contrary, the State
19 shall pay in full the premium or periodic charge for the benefits
20 provided under this subsection to a member retiring under subsection
21 c. of this section with fewer than 25 years of service credited in the
22 retirement system, and the member's dependents covered under the
23 program, but not including survivors. This provision shall be the sole
24 provision applicable to these specified members of the retirement
25 system with regard to the obligations of the State for the payment of
26 premiums and periodic charges and any contributions toward the cost
27 of health care benefits coverage during retirement for a retired member
28 and the member's dependents.

29 e. Any member of the retirement system as of the effective date
30 of P.L.1985, c.175 who is required to retire pursuant to subsection c.
31 of this section shall be entitled to the retirement allowance provided
32 for by subsection b. of this section, notwithstanding that the member
33 shall have fewer than 20 years' creditable service.

34 f. Any member of the retirement system as of the effective date
35 of P.L.1985, c.175 who is required to retire pursuant to subsection c.
36 of this section and who has more than 20 but less than 25 years of
37 creditable service at the time of retirement shall be entitled to the
38 retirement allowance provided for by subsection b. of this section plus
39 3% of his final compensation multiplied by the number of years of
40 creditable service over 20 but not over 25.

41 g. Upon the receipt of proper proofs of the death of a member
42 who has retired on a service retirement allowance, there shall be paid
43 to the member's beneficiary an amount equal to one-half of the final
44 compensation received by the member.

45 (cf: P.L.2001, c.316, s.1)

46
47 2. The provisions of subsection d. of section 8 of P.L.1965, c.89
48 (C.53:5A-8), as amended by P.L. , c. (pending before the

1 Legislature as this bill), shall apply to each eligible retiree of the State
2 Police Retirement System who had more than 20 but fewer than 25
3 years of service credit as of the date of retirement and who retired
4 within 24 months before the effective date of P.L. , c. (pending
5 before the Legislature as this bill). The State Health Benefits Program
6 shall reimburse each eligible retiree of the State Police Retirement
7 System for whom the provisions of subsection d. of section 8 of
8 P.L.1965, c.89 (C.53:5A-8), as amended by P.L. , c. (pending
9 before the Legislature as this bill), have been made applicable pursuant
10 to this section the total amount of contributions made by the eligible
11 retiree for the cost of health care benefits coverage for the retiree and
12 the retiree's dependents during the 24 months prior to the effective
13 date of P.L. , c. (pending before the Legislature as this bill). The
14 reimbursement shall be made within 30 days following that effective
15 date.

16
17 3. This act shall take effect immediately.

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19

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STATEMENT

21

22 This bill provides that any member of the State Police
23 Retirement System who is required to retire at the mandatory age of
24 55 and who has at least 20 but less than 25 years of service credit in
25 the retirement system will receive health care benefits coverage
26 through the State Health Benefits Program for the member and the
27 member's dependents that is paid in full by the State. The retiree
28 shall not be required to make any contribution for the cost of the
29 coverage.

30 The bill will apply retroactively to each eligible retiree of the
31 State Police Retirement System who had at least 20 but less than 25
32 years of service on the date of mandatory retirement that occurred
33 with 24 months prior to the effective date of this bill. Retirees who
34 made contributions for the cost of health care benefits coverage
35 within 24 months before the bill's effective date will have those
36 contributions reimbursed by the State Health Benefits Program.

37

38

39

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41 _____
42 Requires State to pay full cost of health care benefits coverage in
43 retirement for SPRS members who retire at mandatory retirement
age of 55 with more than 20 but less than 25 years of service.

CHAPTER 63
(CORRECTED COPY)

AN ACT concerning health care benefits coverage for certain retirees of the State Police Retirement System and their dependents, and amending P.L.1965, c.89.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. Section 8 of P.L.1965, c.89 (C.53:5A-8) is amended to read as follows:

C.53:5A-8 Retirement for age and service; benefits.

8. a. The Legislature finds and declares that the public health, safety and welfare require the ongoing health and fitness of all members of the New Jersey State Police so that they may safely and efficiently protect the public. The Legislature further finds and declares that such continued health and fitness cannot be determined except with reference to age, and therefore finds and concludes that retirement of all members of the State Police at age 55, except as provided for in subsection c. of this section, shall constitute a bona fide occupational qualification which is reasonably necessary to the normal operation of the State Police, which qualification the Legislature hereby promulgates and establishes.

b. Any member of the retirement system may retire on a service retirement allowance upon the completion of at least 20 years of creditable service as a State policeman, which includes the creditable service of those members appointed to the Division of State Police under section 3 of P.L.1983, c.403 (C.39:2-9.3) and the creditable service of those members appointed to the Division of State Police under section 1 of P.L.1997, c.19 (C.53:1-8.2). Upon the filing of a written and duly executed application with the retirement system, setting forth at what time, not less than one month subsequent to the filing thereof, he desires to be retired, any such member retiring for service shall receive a service retirement allowance which shall consist of:

(1) An annuity which shall be the actuarial equivalent of his aggregate contributions; and

(2) A pension in the amount which, when added to the member's annuity, will provide a total retirement allowance of 50% of his final compensation.

c. Except for the Superintendent of State Police, any member of the retirement system, including a member appointed to the State Police under section 3 of P.L.1983, c.403 (C.39:2-9.3) and a member appointed to the State Police under section 1 of P.L.1997, c.19 (C.53:1-8.2), who has attained the age of 55 years, shall be retired forthwith on the first day of the next calendar month following the effective date of this 1985 amendatory act. Any member of the retirement system so retired shall receive a service retirement allowance pursuant to this section or section 27 of P.L.1965, c.89 (C.53:5A-27), as appropriate.

d. Any member of the retirement system who is required to retire pursuant to subsection c. of this section and who has more than 20 but fewer than 25 years of creditable service at the time of retirement shall be entitled to continued health benefits coverage during retirement as provided in the "New Jersey State Health Benefits Program Act," P.L.1961, c.49 (C.52:14-17.25 et seq.). Notwithstanding the provisions of section 8 of P.L.1961, c.49 (C.52:14-17.32), or any other law enacted prior to the effective date of P.L.2018, c.63 requiring persons who have retired from public employment to make contributions toward the cost of health care benefits coverage in retirement, to the contrary, the State shall pay in full the premium or periodic charge for the benefits provided under this subsection to a member retiring under subsection c. of this section with fewer than 25 years of service credited in the retirement system, and the member's dependents covered under the program, but not including survivors. This provision shall be the sole provision applicable to these specified members of the retirement system with regard to the obligations of the State for the payment of premiums and periodic charges and any contributions

toward the cost of health care benefits coverage during retirement for a retired member and the member's dependents.

e. Any member of the retirement system as of the effective date of P.L.1985, c.175 who is required to retire pursuant to subsection c. of this section shall be entitled to the retirement allowance provided for by subsection b. of this section, notwithstanding that the member shall have fewer than 20 years' creditable service.

f. Any member of the retirement system as of the effective date of P.L.1985, c.175 who is required to retire pursuant to subsection c. of this section and who has more than 20 but less than 25 years of creditable service at the time of retirement shall be entitled to the retirement allowance provided for by subsection b. of this section plus 3% of his final compensation multiplied by the number of years of creditable service over 20 but not over 25.

g. Upon the receipt of proper proofs of the death of a member who has retired on a service retirement allowance, there shall be paid to the member's beneficiary an amount equal to one-half of the final compensation received by the member.

2. The provisions of subsection d. of section 8 of P.L.1965, c.89 (C.53:5A-8), as amended by P.L.2018, c.63, shall apply to each eligible retiree of the State Police Retirement System who had more than 20 but fewer than 25 years of service credit as of the date of retirement and who retired within 24 months before the effective date of P.L.2018, c.63. The State Health Benefits Program shall reimburse each eligible retiree of the State Police Retirement System for whom the provisions of subsection d. of section 8 of P.L.1965, c.89 (C.53:5A-8), as amended by P.L.2018, c.63, have been made applicable pursuant to this section the total amount of contributions made by the eligible retiree for the cost of health care benefits coverage for the retiree and the retiree's dependents during the 24 months prior to the effective date of P.L.2018, c.63. The reimbursement shall be made within 30 days following that effective date.

3. This act shall take effect immediately.

Approved July 3, 2018.