

52:14-17.32

LEGISLATIVE HISTORY CHECKLIST

HJSA 52:14-17.32 (Extend payment of health benefit premiums to certain retirees.)

LAWS OF 1977 CHAPTER 136

Bill No. S575

Sponsor(s) Martindell, Merlino

Date Introduced Pre-filed

Committee: Assembly State Government, Federal & Interstate Relations
Senate Revenue, Finance & Appropriations; State Government

Amended during passage Yes x8 Amendments during passage denoted by asterisks.

Date of Passage: Assembly June 20, 1977

Senate February 14, 1977

Date of approval June 30, 1977

Following statements are attached if available:

Sponsor statement Yesx No
Committee Statement: Assembly Yesx No
Senate Yes x8 12-13-76 and 2-1-77
Fiscal Note Yesx No
Veto Message Yesx No
Message on signing Yes x8

Following were printed:

Reports Yesx No
Hearings Yesx No

Checked card catalog under:
N.J. - Officials and employees
N.J. - Insurance, Health

9/1/78

Assembly
Senate

136  
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77

[SECOND OFFICIAL COPY REPRINT]

**SENATE, No. 575**

**STATE OF NEW JERSEY**

PRE-FILED FOR INTRODUCTION IN THE 1976 SESSION

By Senators MARTINDELL and MERLINO

AN ACT to amend the "New Jersey State Health Benefits Program Act," approved June 3, 1961 (P. L. 1961, c. 49), and making an appropriation.

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

1 1. Section 8 of P. L. 1961, c. 49 (C. 52:14-17.32) is amended to  
2 read as follows:

3 8. The basic coverage and the major medical coverage of any  
4 employee, and of his dependents, if any, shall cease upon the discon-  
5 tinuance of his term of office or employment or upon cessation of  
6 active full-time employment subject to such regulations as may  
7 be prescribed by the commission for limited continuance of basic  
8 coverage and major medical coverage during disability, part-time  
9 employment, leave of absence or lay off, and for continuance of  
10 basic coverage and major medical coverage after retirement, any  
11 such continuance after retirement to be provided at such rates and  
12 under such conditions as shall be prescribed by the commission,  
13 subject, however, to the requirements hereinafter set forth in this  
14 section. The commission may also establish regulations prescribing  
15 an extension of coverage when an employee or dependent is totally  
16 disabled at termination of coverage.

17 Rates payable by retired employees for themselves and their  
18 dependents, by active employees for dependents covered by medi-  
19 care benefits, and by the State or other employer for an active  
20 employee alone covered by medicare benefits, shall be determined  
21 on the basis of utilization experienced according to classifications  
22 determined by the commission, provided, however, that the total  
23 rate payable by such retired employee for himself and his de-

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

24 pendants, or by such active employee for his dependents and the  
 25 State or other employer for such active employee alone, for  
 26 coverage hereunder and for Part B of medicare, shall not exceed  
 27 by more than 25%, as determined by the commission, the total  
 28 amount which would have been required to have been paid by him  
 29 and by the State or other employer for the coverage maintained  
 30 had he continued in office or active employment and he and his  
 31 dependents were not eligible for medicare benefits. "Medicare"  
 32 as used in this act means the coverage provided under Title XVIII  
 33 of the Social Security Act as amended in 1965, or its successor plan  
 34 or plans.

35 From funds appropriated therefor, the State shall pay the  
 36 premium or periodic charges for the benefits provided to a retired  
 37 State employee and his dependents covered under the program,  
 38 but not including survivors, if such employee retired from a State-  
 39 administered retirement system effective on or after July 1, **[1972]**  
 40 1964, on a benefit based on 25 years or more of service credited in  
 41 such retirement system, excepting the employee who elected de-  
 42 ferred retirement, but including the employee who retired on a dis-  
 43 ability pension based on fewer years of service credited in such  
 44 retirement system and shall also reimburse such retired employee  
 45 for his premium charges under Part B of the Federal medicare  
 46 program covering the retired employee and the employee's spouse.

1 2. (New section) There is appropriated **[\$354,000.00]**  
 2 **[\$466,974.00]** **\$466,250.00** for the purposes of this act.

1 3. This act shall take effect July 1, **[1976]** **1977**.

SENATE REVENUE, FINANCE AND APPROPRIATIONS  
COMMITTEE

STATEMENT TO

**SENATE No. 575**

[OFFICIAL COPY REPRINT]

with committee amendments

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**STATE OF NEW JERSEY**

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DATED: FEBRUARY 1, 1977

This bill proposes to amend the "New Jersey State Health Benefits Program Act" with regard to payment of premiums for retired State employees.

State government pays the premium on a health benefit program for employees retired under a State administered retirement system pursuant to section 7 of chapter 75 of the Laws of 1972. Employees retiring after July 1, 1972 are covered. Those who retired prior to July 1, 1972 are not covered. This bill provides for premiums to be paid by the State for those employees who retired on or after July 1, 1964. Thus, 8 years of eligibility are added to the program, with 1,133 retirees newly qualified.

COMMITTEE AMENDMENTS

Committee amendments change the effective date of this act from July 1, 1976 to July 1, 1977.

SENATE STATE GOVERNMENT, FEDERAL AND  
INTERSTATE RELATIONS AND VETERANS AFFAIRS  
COMMITTEE

STATEMENT TO

**SENATE, No. 575**

with Senate committee amendments

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**STATE OF NEW JERSEY**

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DATED: DECEMBER 13, 1976

This bill would amend the "New Jersey State Health Benefits Program Act," approved June 3, 1961 (P. L. 1961, c. 49) to increase the number of retired State employees for whom the State pays health benefits premium.

The provision for the State to pay the premium on a health benefit program for retired employees was incorporated in the original health benefits program act pursuant to section 7 of chapter 75 of the Laws of 1972, approved June 27, 1972 (C. 52:14-17.32). This amendment, as adopted, applied to employees who retired on or after July 1, 1972. The bill presently under consideration would extend this benefit to those employees who retired on or after July 1, 1964, thus adding 8 years of eligibility to the program. According to the Division of Pensions the unnumber of retirees who would be affected is 1,133.

The committee amended the bill to increase the appropriation from \$354,000.00 to \$466,974.00 thus bringing the sum appropriated into line with the revised estimate of the fiscal impact of the bill. The bill has the support of the New Jersey State employees groups.

SENATE COMMITTEE AMENDMENTS TO

**SENATE, No. 575**

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**STATE OF NEW JERSEY**

ADOPTED FEBRUARY 1, 1977

Amend page 2, section 2, line 2, delete “\*\$466,974.00\*”, insert “\$466,250.00”.

Amend page 2, section 3, line 1, delete “1976”, insert “1977”.

FROM THE OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION

JUNE 30, 1977

KATHY FORSYTH

Governor Brendan Byrne signed a bill Thursday increasing the number of retired state employees covered by the State Health Benefits Program.

The bill, S-575, was sponsored by Senator Joseph P. Marlino (D-Trenton) and former Senator Anne C. Martindell (D-Princeton).

Under the measure, the Health Benefits Program will pay health insurance premium for all employees and their covered dependents retiring on or after July 1, 1964, who have attained at least 25 years of service or received a disability payment after that date.

Under the original amendment to the Health Benefits Act governing retired employees, the State only paid premiums for those employees and their covered dependents who had retired on or after July 1, 1972.

According to the Division of Pension, 1133 retired state employees will be affected by the bill.

The bill is effective immediately, and carries an appropriation of \$466,974.

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