

LEGISLATIVE HISTORY CHECKLIST

Compiled by the NJ State Law Library

(Certain retirees-prepaid health benefits)

NJSA: 52:14-7.32

LAWS OF: 1997 CHAPTER: 335

BILL NO: S481

SPONSOR(S): Littell

DATE INTRODUCED: January 18, 1998

COMMITTEE: ASSEMBLY: State Government
SENATE: State Management

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: ASSEMBLY: December 18, 1997
SENATE: May 16, 1997

DATE OF APPROVAL: January 12, 1998

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes
SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

KBP:pp

P.L. 1997, CHAPTER 335, *approved January 12, 1998*
Senate, No. 481

1 **AN ACT** concerning State-paid health benefits for certain retirees
2 under the State Police Retirement System and amending P.L.1961,
3 c.49.

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.1961, c.49 (C.52:14-17.32) is amended to read
9 as follows:

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

24 b. Rates payable by retired employees for themselves and their
25 dependents, by active employees for dependents covered by medicare
26 benefits, and by the State or other employer for an active employee
27 alone covered by medicare benefits, shall be determined on the basis
28 of utilization experience according to classifications determined by the
29 commission, provided, however, that the total rate payable by such
30 retired employee for himself and his dependents, or by such active
31 employee for his dependents and the State or other employer for such
32 active employee alone, for coverage hereunder and for Part B of
33 medicare, shall not exceed by more than 25%, as determined by the
34 commission, the total amount which would have been required to have

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

Matter underlined thus is new matter.

1 been paid by him and by the State or other employer for the coverage
2 maintained had he continued in office or active employment and he and
3 his dependents were not eligible for medicare benefits. "Medicare" as
4 used in this act means the coverage provided under Title XVIII of the
5 Social Security Act as amended in 1965, or its successor plan or plans.

6 c. (1) From funds appropriated therefor, the State shall pay the
7 premium or periodic charges for the benefits provided to a retired
8 State employee and his dependents covered under the program, but
9 not including survivors, if such employee retired from a
10 State-administered retirement system on a benefit based on 25 years
11 or more of service credited in such retirement system, excepting the
12 employee who elected deferred retirement, but including the employee
13 who retired on a disability pension based on fewer years of service
14 credited in such retirement system and shall also reimburse such retired
15 employee for his premium charges under Part B of the federal
16 medicare program covering the retired employee and the employee's
17 spouse. In the case of full-time employees of the Rutgers University
18 Cooperative Extension Service, service credited in the federal Civil
19 Service Retirement System (5 U.S.C. §8331 et seq.) which was earned
20 as a result of full-time employment at Rutgers University, may be
21 considered alone or in combination with service credited in a
22 State-administered retirement system for the purposes of establishing
23 the minimum 25-year service requirement to qualify for the benefits
24 provided in this section. Any full-time employee of the Rutgers
25 University Cooperative Extension Service who meets the eligibility
26 requirements set forth in this amendatory act shall be eligible for the
27 benefits provided in this section, provided that at the time of
28 retirement such employee was covered by the State Health Benefits
29 Program and elected to continue such coverage into retirement.

30 (2) Notwithstanding the provisions of this section to the contrary,
31 from funds appropriated therefor, the State shall pay the premium or
32 periodic charges for the benefits provided to a retired State employee
33 and his dependents covered under the program, but not including
34 survivors, if: (a) the employee retires on or after the effective date of
35 this 1987 amendatory act; (b) the employee was employed by Rutgers
36 University prior to January 2, 1955 and remained in continuous service
37 with Rutgers University until retirement even though the employee (i)
38 did not join a State-administered retirement system, or, (ii) became a
39 member of a State-administered retirement system, but accumulated
40 less than 25 years of credited service; and (c) the employee is covered
41 by the program at the time of retirement.

42 (3) Notwithstanding the provisions of this section to the contrary,
43 in the case of an employee of a State college, as described in chapter
44 64 of Title 18A of the New Jersey Statutes, or of a county college, as
45 defined in N.J.S.18A:64A-1, service credited in a private defined
46 contribution retirement plan which was earned as an employee of an

1 auxiliary organization, as defined in section 2 of P.L.1982, c.16
2 (C.18A:64-27), at a State or county college shall be considered in
3 combination with service credited in a State-administered retirement
4 system for the purposes of establishing the minimum 25-year service
5 requirement to qualify for the benefits provided in this section,
6 provided that the employee is covered by the program at the time of
7 retirement.

8 (4) Notwithstanding the provisions of this section to the contrary,
9 from funds appropriated therefor, the State shall pay the premium or
10 periodic charges for the benefits provided to a retired State employee
11 and any dependents covered under the program, but not including
12 survivors, if the employee: (a) retired prior to the effective date of this
13 act, P.L. , c. (C.) (now pending before the Legislature as this
14 bill), under the State Police Retirement System, established pursuant
15 to P.L.1965, c.89 (C.53:5A-1 et seq.), with more than 20 but less than
16 25 years of service credit in the retirement system; (b) was
17 subsequently employed by the State in another position or positions
18 not covered by the State Police Retirement System; (c) has, in the
19 aggregate, at least 30 years of full-time employment with the State;
20 and (d) is covered by the program at the time of terminating full-time
21 employment with the State.

22 (cf: P.L.1993, c.28, s.1)

23

24 2. This act shall take effect immediately.

25

26

27

STATEMENT

28

29 This bill provides State-paid health benefits to a retired State
30 employee and any dependents, but not including survivors, if the
31 employee: (1) retired prior to the effective date of this act under the
32 State Police Retirement System with more than 20 but less than 25
33 years of service credit in the retirement system; (2) was subsequently
34 employed by the State in another position or positions not covered by
35 the State Police Retirement System; (3) has, in the aggregate, at least
36 30 years of full-time employment with the State; and (4) is covered by
37 the program at the time of terminating full-time employment with the
38 State.

39

40

41

42

43 Allows certain SPRS retirees with less than 25 years of service credit
44 in the retirement system to receive State-paid health benefits.

1 auxiliary organization, as defined in section 2 of P.L.1982, c.16
2 (C.18A:64-27), at a State or county college shall be considered in
3 combination with service credited in a State-administered retirement
4 system for the purposes of establishing the minimum 25-year service
5 requirement to qualify for the benefits provided in this section,
6 provided that the employee is covered by the program at the time of
7 retirement.

8 (4) Notwithstanding the provisions of this section to the contrary,
9 from funds appropriated therefor, the State shall pay the premium or
10 periodic charges for the benefits provided to a retired State employee
11 and any dependents covered under the program, but not including
12 survivors, if the employee: (a) retired prior to the effective date of this
13 act, P.L. , c. (C.) (now pending before the Legislature as this
14 bill), under the State Police Retirement System, established pursuant
15 to P.L.1965, c.89 (C.53:5A-1 et seq.), with more than 20 but less than
16 25 years of service credit in the retirement system; (b) was
17 subsequently employed by the State in another position or positions
18 not covered by the State Police Retirement System; (c) has, in the
19 aggregate, at least 30 years of full-time employment with the State;
20 and (d) is covered by the program at the time of terminating full-time
21 employment with the State.

22 (cf: P.L.1993, c.28, s.1)

23

24 2. This act shall take effect immediately.

25

26

27

STATEMENT

28

29 This bill provides State-paid health benefits to a retired State
30 employee and any dependents, but not including survivors, if the
31 employee: (1) retired prior to the effective date of this act under the
32 State Police Retirement System with more than 20 but less than 25
33 years of service credit in the retirement system; (2) was subsequently
34 employed by the State in another position or positions not covered by
35 the State Police Retirement System; (3) has, in the aggregate, at least
36 30 years of full-time employment with the State; and (4) is covered by
37 the program at the time of terminating full-time employment with the
38 State.

39

40

41

42

43 Allows certain SPRS retirees with less than 25 years of service credit
44 in the retirement system to receive State-paid health benefits.

[Corrected Copy]

ASSEMBLY STATE GOVERNMENT COMMITTEE

STATEMENT TO

SENATE, No. 481

STATE OF NEW JERSEY

DATED: JUNE 27, 1996

The Assembly State Government Committee reports favorably Senate Bill No. 481.

This bill provides State-paid health benefits to a retired State employee and any dependents, but not including survivors, if the employee: (1) retired prior to the effective date of this act under the State Police Retirement System with more than 20 but less than 25 years of service credit in the retirement system; (2) was subsequently employed by the State in another position or positions not covered by the State Police Retirement System; (3) has, in the aggregate, at least 30 years of full-time employment with the State; and (4) is covered by the program at the time of terminating full-time employment with the State.

SENATE STATE MANAGEMENT, INVESTMENT AND
FINANCIAL INSTITUTIONS COMMITTEE

STATEMENT TO

SENATE, No. 481

STATE OF NEW JERSEY

DATED: MAY 9, 1996

The Senate State Management, Investment and Financial Institutions Committee reports favorably Senate, No. 481.

This bill provides State-paid health benefits to a retired State employee and any dependents, but not including survivors, if the employee: (1) retired prior to the effective date of this act under the State Police Retirement System with more than 20 but less than 25 years of service credit in the retirement system; (2) was subsequently employed by the State in another position or positions not covered by the State Police Retirement System; (3) has, in the aggregate, at least 30 years of full-time employment with the State; and (4) is covered by the State Health Benefits Program at the time of terminating full-time employment with the State.

At its March 15, 1996 meeting, the Pension and Health Benefits Review Commission did not act on this legislation because it concluded that the bill "raised important general issues regarding aggregation of service credit among different pension systems and restrictions on post-retirement employment that should be comprehensively studied and addressed."