

52:14-17.25

LEGISLATIVE HISTORY CHECKLIST

NJSA: 52:14-17.25

(School employees-- on approved leave-- allow State Health Benefits coverage for 2 years)

LAWS OF: 1989

CHAPTER: 127

BILL NO: A1779

SPONSOR(S): Charles and Singer

Date Introduced: Pre-filed

Committee: Assembly: State Government

Senate: State Government

Amended during passage: Yes Amendments denoted by asterisks.

Date of Passage: Assembly: February 22, 1988 Re-enacted 6-22-89

Senate: June 13, 1988 Re-enacted 6-29-89

Date of Approval: July 3, 1989

Following statements are attached if available:

Sponsor statement: Yes (Below)

Committee statement: Assembly Yes

Senate Yes

Fiscal Note: No

Veto Message: Yes

Message on Signing: No

Following were printed:

Reports: No

Hearings: No

Sponsors's statement:

This bill allows any employee of certain public educational institutions who is placed on an approved leave of absence, with or without pay, to continue to receive coverage under the State Health Benefits Program during his leave, for a period of up to two years. The persons to whom the bill's provisions apply are employees of local boards of education, regional boards of education, county colleges, educational services commissions, jointure commissions, county special services school districts, county vocational-technical school districts and boards of Commission under the authority of the Commission of Education or State Board of Education.

(OVER)

See newspaper clipping-- attached:

"Laws promote ethics . . ." 7-4-89 Trenton Times.

RDV

P.L.1989, CHAPTER 127, approved July 3, 1989
1988 Assembly No. 1779 (Second Reprint)

1 AN ACT concerning the coverage of certain employees in the
2 New Jersey State Health Benefits Program and supplementing
3 P.L.1961, c.49 (C.52:14-17.25 et seq.).

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

7 1. Notwithstanding any other provisions of P.L.1961, c.49
8 (C.52:14-17.25 et seq.) to the contrary, the basic benefits and the
9 major medical expense benefits of any employee of an employer
10 with at least ²[one year] three years² of service under a
11 permanent appointment with that employer¹ and any dependent
12 of the employee may be continued and the premiums for the
13 coverage may be paid by the employer during any approved leave
14 of absence of the employee with or without pay, for a period of
15 up to two years.

16 For the purposes of this section "employer" means a local
17 board of education, regional board of education, county college,
18 educational services commission, jointure commission, county
19 special services school district, county vocational-technical
20 school district, or any board or commission under the authority of
21 the Commissioner of Education, or State Board of Education, as
22 the case may be.

23 2. This act shall take effect immediately.

25
26 PUBLIC EMPLOYEES AND PERSONNEL
27 Insurance - Health

28 Permits school employees to continue in SHBP for up to two
29 years during approved leave under certain circumstances.

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly ASG committee amendments adopted February 8, 1988.

² Assembly amendments adopted in accordance with Governor's
recommendations September 29, 1988.

[SECOND REPRINT]
ASSEMBLY, No. 1779

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1988 SESSION

By Assemblymen CHARLES and SINGER

1 AN ACT concerning the coverage of certain employees in the
New Jersey State Health Benefits Program and supplementing
3 P.L.1961, c.49 (C.52:14-17.25 et seq.).

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

7 1. Notwithstanding any other provisions of P.L.1961, c.49
(C.52:14-17.25 et seq.) to the contrary, the basic benefits and the
9 major medical expense benefits of any employee of an employer
1 with at least ²[one year] three years² of service under a
11 permanent appointment with that employer¹ and any dependent
of the employee may be continued and the premiums for the
13 coverage may be paid by the employer during any approved leave
of absence of the employee with or without pay, for a period of
15 up to two years.

For the purposes of this section "employer" means a local
17 board of education, regional board of education, county college,
educational services commission, jointure commission, county
19 special services school district, county vocational-technical
school district, or any board or commission under the authority of
21 the Commissioner of Education, or State Board of Education, as
the case may be.

23 2. This act shall take effect immediately.

25

PUBLIC EMPLOYEES AND PERSONNEL

27

Insurance - Health

29 Permits school employees to continue in SHBP for up to two
years during approved leave under certain circumstances.

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly ASG committee amendments adopted February 8, 1988.

² Assembly amendments adopted in accordance with Governor's
recommendations September 29, 1988.

ASSEMBLY, No. 1779

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1988 SESSION

By Assemblymen CHARLES and SINGER

1 **AN ACT** concerning the coverage of certain employees in the
New Jersey State Health Benefits Program and
3 supplementing P. L. 1961, c. 49 (C. 52:14-17.25 et seq.).

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

7 1. Notwithstanding any other provisions of P. L. 1961, c.
49 (C. 52:14-17.25 et seq.) to the contrary, the basic benefits
9 and the major medical expense benefits of any employee of an
employer and any dependent of the employee may be paid
11 continued and the premiums for the coverage may be paid
by the employer during any approved leave of absence of the
13 employee with or without pay, for a period of up to two years.

For the purposes of this section "employer" means a local
15 board of education, regional board of education, county college,
educational services commission, jointure commission, county
17 special services school district, county vocational-technical
school district, or any board or commission under the authority
19 of the Commissioner of Education, or State Board of Education,
as the case may be.

21 2. This act shall take effect immediately.

23

STATEMENT

25

This bill allows any employee of certain public educational
27 institutions who is placed on an approved leave of absence, with
or without pay, to continue to receive coverage under the State
29 Health Benefits Program during his leave, for a period of up to
two years. The persons to whom the bill's provisions apply are
31 employees of local boards of education, regional boards of
education, county colleges, educational services commissions,
33 jointure commissions, county special services school districts,
county vocational-technical school districts, and boards or
35 commissions under the authority of the Commissioner of
Education or State Board of Education.

1

3

PENSIONS & RETIREMENT
Public Employees and Personnel

5

Permits school employees to continue in SHBP for up to two
7 years during approved leave under certain circumstances.

ASSEMBLY STATE GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1779

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 8, 1988

The Assembly State Government Committee reports favorably and with committee amendments Assembly Bill No. 1779.

This bill allows any employee of certain public educational institutions with at least one year of service under a permanent appointment with his employer who is placed on an approved leave of absence, with or without pay, to continue to receive coverage under the State Health Benefits Program during his leave, for a period of up to two years. The persons to whom the bill's provisions apply are employees of local boards of education, regional boards of education, county colleges, educational services commissions, jointure commissions, county special services school districts, county vocational-technical school districts, and boards or commissions under the authority of the Commissioner of Education or State Board of Education.

This bill was pre-filed for introduction in the 1988 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENT

The committee amended this bill to incorporate the requirement that, to be eligible for health benefits coverage during leave, an employee must have served at least one year under a permanent appointment with his employer.

SENATE STATE GOVERNMENT COMMITTEE

STATEMENT TO
[FIRST REPRINT]
ASSEMBLY, No. 1779

STATE OF NEW JERSEY

DATED: MAY 19, 1988

The Senate State Government Committee reports favorably Assembly, No. 1779 (1R).

This bill provides that any employee of certain public educational institutions, with at least one year of service under a permanent appointment with that employer, who is on an approved leave of absence, with or without pay, may continue to receive coverage under the State Health Benefits Program during the leave, for a period of up to two years. The bill applies to employees, and their dependents, of local boards of education, regional boards of education, county colleges, educational services commissions, jointure commissions, county special services school districts, county vocational-technical school districts, and boards or commissions under the authority of the Commissioner of Education or State Board of Education. The premiums for the coverage may be paid by the employer.

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

August 12, 1988

ASSEMBLY BILL NO. 1779 (FIRST REPRINT)

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14 of the Constitution, I am returning Assembly Bill No. 1779 (First Reprint) with my objections for reconsideration.

This bill makes it permissive for certain employers to pay for continued health benefits coverage under the State Health Benefits Program for any employee who has one year of service and who enters upon an approved leave of absence, with or without pay, for up to a period of two years. The employers who would be permitted to make these payments include local boards of education, regional boards of education, county colleges, educational service commissions, jointure commissions, county special services school districts, county vocational-technical school districts and boards or commissions under the authority of the Commissioner of the Department of Education or State Board of Education.

Under current law, the State Health Benefits Program provides that employers pay for continued health benefits coverage for the first three months that an employee is on an approved leave of absence. Thereafter, the employee may himself or herself pay for continued health benefits coverage for the next nine months by contributing at the group rate. In addition to State statutory law, the Federal Consolidated Omnibus Budget Reconciliation Act (COBRA) provides that employees of educational institutions as described in this bill would qualify for six additional months of eligibility to purchase health benefits coverage. This would result in a total of eighteen months of health benefits coverage for a school employee who is on an approved leave of absence, albeit the bulk of this period of coverage is at the employee's expense.

The thrust of this bill is to provide a vehicle for school employees to negotiate with their employers for the employer to pay for the employee's coverage during an approved leave of absence. As such, this bill's purpose is unobjectionable. However, I believe that the benefit which would be negotiated, should this bill become law, is one which should be limited to employees who have served the employer for a period of time that is longer than one year. This recommendation was made by the Division of Pensions within the Department

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

2

of the Treasury while this bill was moving through the Legislature. However, the sponsors of the bill chose not to follow the recommendations of the Division of Pensions.

I believe that the Division of Pensions' point is well taken. This benefit should only be provided to valued employees who have demonstrated a certain commitment to the school employer. The Division of Pensions had recommended that a five-year service period be required before employees would be eligible for this benefit. I believe that three years is a sufficient period of service for employees in order to qualify for this benefit.

Therefore, I herewith return Assembly Bill No. 1779 (First Reprint) and recommend that it be amended as follows:

Page 1, Section 1, Line 8: Delete "one year" and insert
"three years"

Respectfully,
/s/ Thomas H. Kean
GOVERNOR

[seal]

Attest:

/s/ Michael R. Cole
Chief Counsel