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:

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

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.
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. , c. (pending
before the Legislature as this bill) 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.
(cf: P.L.2001, c.316, s.1)

2. The provisions of subsection d. of section 8 of P.L.1965, c.89
(C.53:5A-8), as amended by P.L. , c. (pending before the
Legislature as this bill), 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. , c. (pending before the Legislature as this bill). 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. , c. (pending before the Legislature as this bill), 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. , c. (pending before the Legislature as this bill). The reimbursement shall be made within 30 days following that effective date.

3. This act shall take effect immediately.

STATEMENT

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 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 State Health Benefits Program.

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.