A-4352 (Jasey/Eustace/Lagana)
Prohibits DOE from regulating maximum salary amount school district may pay superintendent of schools and eliminates TPAF enrollment exception for certain certified superintendents and administrators.

Motion: Recommend to enact.

Discussion: The Commission recommends enactment of the elimination of the exception to the TPAF reenrollment provision of this bill. Further, the Commission recommends that the DOE exception also be eliminated, but did not have consensus on this bill’s provision eliminating the DOE’s authority to limit the salaries of school superintendents.

A-4411 (Eustace)
Reduces public employer salary paid to reemployed retiree of TPAF, JRS, PERS, PFRS or SPRS by $1 for each $2 of pension up to Social Security yearly earnings limit.

Motion: Recommend not to enact.

Discussion: The Commission does not recommend enactment of this bill even though its objective coincides with the fundamental philosophy inherent in the laws governing the State public retirement systems that precludes receiving both a public pension and a public salary simultaneously (i.e. double-dipping). The Commission suggests a more optimal solution to limit cost and administrative complexity is A-114 that was recommended for enactment at the Commission’s June 5, 2015 meeting.

A-4412 (Eustace)
Reduces pension paid to TPAF, JRS, PERS, PFRS or SPRS retiree reemployed with public employer by $1 for each $2 earned up to Social Security yearly earnings limit.

Motion: Recommend not to enact.

Discussion: Although the objective of this bill coincides with the fundamental philosophy inherent in the laws governing the State public retirement systems that precludes receiving both a public pension and a public salary simultaneously (i.e. double-dipping), the Commission does not recommend enactment of this bill because it:

- Poses a significant challenge to the Division to administer;
- May jeopardize the tax qualified status of the pension plans, and
- May not provide the optimal solution. Other alternatives to address this pension abuse should be explored.

S-20 (Vitale/Weinberg)/A-4444 (Coughlin/Schaer/Singleton/Lampitt/Spencer)

Motion: Recommend to enact.
Discussion: Limiting comments to the impact on the State Health Benefits Program and the School Employees Health Benefits Program (SHBP/SEHBP), the Commission recommends enactment of this bill because of the potential employer savings that can result upon its enactment. Administratively, this bill would have minimal impact on the operations of the SHBP/SEHBP. Since this bill’s provisions would also impact both private and public health benefit plans outside of the SHBP/SEHBP, and place a significant administrative burden on the Department of Banking and Insurance regarding the creation and maintenance of the HPI system pursuant to this bill’s provisions, their input is critical in assessing the merits of this bill. In regards the SHBP/SEHBP, this bill would limit costs to both members of the plans and to participating employers.

S-2869 (Bucco)
Authorizes county colleges to offer retirement incentive to employees age 65 or older with 25 years of service credit in ABP.

Motion: Recommend not to enact.

Discussion: The Commission does not recommend enactment of this bill. While the cost of the incentive provided for under this bill will be an obligation of the county college adopting the program, employees of county colleges retiring with 25 or more years of pension service credit are entitled to post-retirement medical coverage paid for by the State. As a result, an ERI program will accelerate the State’s payment toward this obligation. Although a provision in the bill stipulates that the county college who elects to provide the ERI program will be liable for the cost of post-retirement medical benefits up until the employee attains age 70, the State’s costs will be accelerated for those ages 70 and above retiring under the program.

S-2882 (Gill)
Requires health benefits coverage for orthotic and prosthetic appliances from licensed podiatrists.

Motion: Recommend not to enact.

Discussion: The Commission does not recommend enactment of this bill because:

- It shifts the final determination of medically necessity for insurance coverage away from the plan to the treating physician,
- It will increase SHBP/SEHBP costs for all employers participating in the plan, and
- It usurps the authority of the SHBP/SEHBP Plan Design Committees.

S-2906 (Sarlo)/A-4445 (Schaer)
Limits payments under health benefits plans to in-network amounts in certain circumstances; prohibits out-of-network health providers from charging carriers more than 150 percent of Medicare rate in certain circumstances.

Motion: Recommend to enact.

Discussion: Limiting comments to the impact on the State Health Benefits Program and the School Employees Health Benefits Program (SHBP/SEHBP), the Commission recommends enactment of this bill because of the potential employer savings that can result
upon its enactment. Administratively, this bill would have minimal impact on the operations of the SHBP/SEHBP. Since this bill’s provisions would also impact both private and public health benefit plans outside of the SHBP/SEHBP, the input of the Department of Banking and Insurance is critical in assessing the merits of this bill. In regards the SHBP/SEHBP, this bill would limit costs to both members of the plans and to participating employers.