

**Pension and Health Benefits Review Commission  
Vote Results  
March 28, 2008**

**S-980 (Van Drew)**

Allows PFRS members hired prior to October 1, 1993 to serve until age 68 or 20 years of service, whichever comes first.

**Motion:** Recommend not to enact since the bill undermines the rationale for permitting age restriction for public safety officers.

**Discussion:** The enactment of this bill will undermine the rationale of allowing age restrictions for public safety officers as again allowed under the ADEA. It will allow a public safety officer to work until the age of 68, which, considering the risk factors associated with these positions, may not be in the best interest of both the individual and the public. This bill will increase both state and local employer pension costs by an additional \$710,000 per impacted member. Consequently, State mandate, State-pay issues need to be addressed.

**S-830 (Ciesla)**

Allows TPAF retiree to be employed as certificated superintendent or administrator for limited time frame due to critical need without TPAF reenrollment.

**Motion:** Recommend not to enact.

**Discussion:** The enactment of Chapter 355, P.L. 2001 provided a retired member of the TPAF who returns to employment in a TPAF covered position as a certificated superintendent or school administrator, or in a position of critical need as determined by the Commissioner of the NJ Department of Education, is exempted from the TPAF re-enrollment rules regardless of salary for a period of up to two years. This bill would encourage double dipping with increased costs and serve to extend the period a retired TPAF member could remain employed by a school district beyond the current two-year limitation.

**A-124 (Vainieri Huttler)/S-1485 (Weinberg/Vitale)**

Requires Medicaid, NJ FamilyCare and SHBP to cover cost of HPV vaccine.

**Motion:** Recommend not to enact.

**Discussion:** The enactment of this legislation would continue the questionable practice of mandating health benefit coverage. Such mandates generally tend to continue to place the health insurance industry outside of the "free enterprise" system and drive up the cost of health insurance for both the employer provided coverage and individual policies. Further, since the bill is redundant in that the SHBP already provides this coverage in their in-network PPO and HMO plans.

**S-270 (Kyrillos)**

Requires that public employees who are married or with domestic partners receive health care benefits from only one public employer.

**Motion:** Recommend enactment since it will decrease annual State and local employer health benefits costs.

**Discussion:** It is no longer considered reasonable to provide additional coverage for public employees or their dependents who may qualify for enrollment in more than health plan. A public

employee should only be entitled to coverage under one health benefits contract at a time. Each dollar spent to provide this redundant coverage is a dollar lost to other public programs. If enacted there is estimated cost savings of \$18 million.

**A-2056 (Conaway/Munoz)/S-1441(Weinberg)**

Requires health insurers SHBP, Medicaid, and NJ FamilyCare to provide coverage for ancillary medical services in connection with outpatient diagnostic screening and surgical intervention services.

**Motion:** Recommend not to enact since it continues the questionable practice of mandating health benefit coverage.

**Discussion:** The enactment of this legislation would continue the questionable practice of mandating health benefit coverage. Such mandates generally tend to continue to place the health insurance industry outside of the "free enterprise" system and drive up the cost of health insurance for both the employer provided coverage and individual policies.

**S-1274 (Van Drew)**

Allows municipality to approve transfer from PERS to PFRS by certain firefighters.

**Motion:** Recommend not to enact.

**Discussion:** Municipal laws restrict the appointment of personnel to a municipal police or fire department to individuals age 35 and under. No existing law provides similar age restrictions when police and fire personnel are appointed on a county or State level. Because of the PFRS age restriction, officers appointed on a county and State level are required to join PERS. If this bill is enacted, a PFRS enrollment disparity initiated with the enactment of Chapter 326 P.L. 2005 would continue because certain municipal firemen hired over the age of 35 would again be permitted to enroll in the PFRS, however, their counterparts employed on a county or State level would not.

**A-2145 (Casagrande)**

Restricts public employer health care benefits to full-time employees and appointees.

**Motion:** Recommend not to enact since the impact on local employer provided health benefit coverage outside of the SHBP is unclear. The Commission does support the concept of the bill.

**Discussion:** This bill would have a significant impact on local employers who provide their active employees with health benefit coverage outside of the SHBP. The bill would set a minimum threshold of 20 hours per week to qualify for active health benefits coverage. Although this coincides with the minimum threshold required for local employers participating in the SHBP, the bill is unclear whether this requirement will be applicable to all local employers not in the SHBP. Since local employers in the SHBP may elect to define full-time for SHBP coverage starting at a minimum of 20 hours per week, it is unclear whether this bill would require active health benefit coverage for all employees who work at least 20 hours per week across the board. This bill may liberalize the 20 hour work week requirement for local employers who currently define full-time for health benefit coverage at some level greater than 20 hours per week, thereby increasing their employee benefit costs.

**S-274 (Kyrillos)**

Provides that public employee pension benefits are calculated on base salary exclusive of various forms of extra compensation.

**Motion:** Recommend not to enact since the provisions of the bill are already addressed in Administrative Code and would remove the flexibility already afforded by the code.

**Discussion:** If enacted the bill would codify in law pension regulations that already exist and are applicable to the State administered plans, however, some Commission Members question whether those regulations address some forms of compensation that appear in collective bargaining agreements. The language in the bill mirrors the regulatory language which defines “creditable compensation” for all the State-administered pension plans. It would provide no further safeguards to curb the abusive practice of pension boosting.