

## Governor Phil Murphy

# Governor Murphy Signs Legislation to Provide Chapter 78 Relief to New Jersey Educators

07/1/2020

**UNION TWP** – Governor Phil Murphy today signed legislation providing substantial health care cost savings for New Jersey’s educators while reducing costs for taxpayers, removing longstanding and onerous provisions resulting from a 2011 law known as Chapter 78.

The legislation (A20/S2273) is the result of collaborative negotiations between the Murphy Administration, legislative leadership, and the New Jersey Education Association (NJEA).

“With our state facing historic public health and economic challenges, it is more important than ever that we ensure access to high-quality, affordable health care for our educators, while also ensuring cost-savings for our taxpayers,” **said Governor Phil Murphy**. “I am proud to sign this bill into law and at long-last provide relief for our educators from Chapter 78. I thank the New Jersey Education Association, Senate President Sweeney, and Assembly Speaker Coughlin for their collaborative, good-faith negotiations.”

“These reforms will produce lasting financial savings for local taxpayers and educators at the same time they maintain quality health care for public workers,” **said Senate President Steve Sweeney**. “These achievements are even more important at this time as local governments experience severe fiscal problems because of the shutdown and the need for medical care is vital because of the pandemic. It is an innovative way to address the issues of healthcare costs and quality and it’s a real win for local property taxpayers who will see substantial and sustained savings.”

**Assembly bill sponsors, Assembly Speaker Craig Coughlin and Assemblymembers Nancy Pinkin, Verlina Reynolds-Jackon, and Mila Jasey issued the following joint statement:** “Public education employees are essential to New Jersey and we value their contributions. This legislation will restore fairness to Chapter 78 health benefit contributions and provide needed relief to New Jersey taxpayers. After months of work with Senate President Sweeney, the NJEA and the Governor’s Office—we are pleased to move this bill forward. By providing new, more affordable health plan options and including a guaranteed floor of savings, this bill is a win-win.”

“This is good for teachers and other educators who perform such an important role in educating and guiding students,” **said Senator Joseph Cryan**. “It comes at a critical time when school systems will make health care more affordable for them at a time when they are experiencing financial demands and higher costs for medical services. They deserve quality care that they can afford. I want to thank Marie Blistan, Governor Murphy, Senate President Sweeney, Assembly Speaker Coughlin and my legislative colleagues for working to get this done. It’s a significant achievement that will produce benefits for educators and taxpayers.”

**NJEA President Marie Blistan said:** “This law is a win-win-win for NJEA members, our students and New Jersey residents. That was only possible because we worked together in the best interests of this state. I thank Governor Murphy, Senate President Sweeney, and Speaker Coughlin. We found the common ground

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and created solutions that help everyone. Because of how we all came together, our schools are stronger, our members are more secure and our communities are in a better position as we face the serious challenges ahead.”

Under A-20, educators will have the option to select new health care plans with lowered health care premiums and reduced overall costs. Additionally, by implementing these cost-saving measures, school districts and taxpayers can also expect reduced costs.

“This has been a long time coming,” **said Senator Declan O’Scanlon**. “It has taken almost 10 years of discussion and fighting, desk-pounding and compromise. The result is reform that we can all live with that will benefit property taxpayers, teachers, and our students.”

“By working together in a bi-partisan manner to save money by reducing health care costs, we passed a fair and sensible reform that will save property taxpayers nearly \$700 million annually at a critical time when our families are struggling to make ends meet,” **said Senator Chris Brown**.

“When we can provide savings for public employees and taxpayers in one bill, we are doing our job,” **said Assemblyman Ron Dancer**. “This bill exemplifies the work that needs to be done and I aim to accomplish as a legislator.”

“The cost of health benefits was far too costly for taxpayers and public education workers,” **said Assemblywoman BettyLou DeCroce**. “Any time we have an opportunity to make living and working in New Jersey more affordable for everyone, the opportunity must be seized. I am proud to sponsor this bill.”

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