

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4999

with committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 24, 2024

The Assembly Appropriations Committee reports favorably and with committee amendments Assembly Bill No. 4999.

As amended by the committee, this bill establishes a mechanism to provide necessary funds if the available funds in the dependents premium fund and employer health benefits fund fall to a level that is insufficient to cover 10 days of anticipated payments from the fund. The bill permits the Director of the Division of Pensions and Benefits to initiate a temporary transfer of available funds from the health benefits fund to the dependents premium fund and employer health benefits fund. The bill requires the Director of the Division of Pensions and Benefits to notify the State Health Benefits Commission within 30 days of the transfer.

Under the bill, the amount transferred must not exceed the amount necessary to cover 30 days of anticipated payments from the fund. The amount transferred is to be reimbursed from the employer health benefits fund on or before the 120th day next following the date of the transfer unless the Director of the Division of Pensions and Benefits determines that an extension of the reimbursement date is necessary to ensure that sufficient funding is available to pay claims incurred by employees of employers other than the State and their dependents; provided, however, in no case will the reimbursement date be extended for more than an additional 365 days.

The bill requires the Director of the Division of Pensions and Benefits to provide to the State Treasurer a monthly accounting of any transfers initiated in the prior 30 days, the outstanding balances of all transfers initiated, any repayments for past transfers received, and the current balance of the employer health benefits fund.

COMMITTEE AMENDMENTS

The committee amended the bill to remove the requirement that funds transferred pursuant to the bill be repaid with interest. The funds must still be repaid, but without the addition of interest accrued.

FISCAL IMPACT:

Fiscal information for this bill is currently unavailable.