

ASSEMBLY STATE AND LOCAL GOVERNMENT
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 5118

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 12, 2024

The Assembly State and Local Government Committee reports favorably and with committee amendments Assembly Bill No. 5118.

As amended, this bill permits members of the Teachers' Pension and Annuity Fund (TPAF) and Public Employees' Retirement System (PERS), or long term disability insurance recipients who are disabled and receiving TPAF or PERS disability insurance benefits, to be entitled to health care benefits under the School Employees' Health Benefits Program (SEHBP) and State Health Benefits Program (SHBP) in the same manner as it is provided to retirees of the TPAF and PERS retirement systems who receive health insurance under the SEHBP and SHBP, except that such health care benefits are to be free and will not require employee contributions.

The bill provides that there is no deadline for disability insurance recipients to enroll in coverage and no eligibility requirements imposed to receive coverage, other than the member being required to be a recipient of disability insurance under TPAF or PERS.

The bill also specifies that health benefits are not to be considered as benefits that reduce the amount that disabled TPAF or PERS members would receive in disability benefits and, for pension purposes, the member is to be considered as if the member was in active service for the duration of the time the disability benefit is received.

COMMITTEE AMENDMENTS:

The committee amendments permit members of PERS, or a disability insurance benefit recipient who is disabled and receiving a benefit, to be entitled to health care benefits coverage under the SEHBP, in addition to the SHBP, in the same manner as such coverage is provided by the State to retirees of PERS who receive health insurance under the SHBP or SEHBP, except the benefit will be free and there will be no employee contribution requirement.