

CHAPTER 135

AN ACT concerning participation in the State Health Benefits Program by certain employers and supplementing P.L.1961, c.49 (C.52:14-17.25 et seq.).

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

C.52:14-17.36a Certain majority representative of State employees, participation in SHBP permitted.

1. a. Notwithstanding any provision of P.L.1961, c.49 (C.52:14-17.25 et seq.) or any other law to the contrary, an affiliate of a majority representative of State employees for collective negotiation purposes, as recognized by the Public Employment Relations Commission established pursuant to P.L.1941, c.100 (C.34:13A-1 et seq.), which affiliate represents State employees, may participate in the State Health Benefits Program pursuant to P.L.1961, c.49 (C.52:14-17.25 et seq.). All provisions of P.L.1961, c.49 (C.52:14-17.25 et seq.) shall be construed as to such participating employers and their elected officers and full-time employees, and their dependents, in the same manner as for participating local government employers, their employees and the dependents of such employees.

As used in this section, the phrase "an affiliate of a majority representative of State employees" means a local union affiliate that has some employees who are engaged in the day-to-day representation of State employees, and shall not mean a local union affiliate's parent or international union.

b. The Division of Pensions and Benefits shall certify to each such affiliate of a majority representative electing participation under the program the premium rates and periodic charges as determined for local government employees applicable to the coverage provided to the affiliate's elected officers and full-time employees and their dependents. The participating affiliate shall remit to the division the premiums and periodic charges in advance of their due dates, subject to the rules and regulations of the State Health Benefits Commission.

c. The State Health Benefits Commission shall adopt rules and regulations within 90 days of the effective date of this act, P.L.2005, c.135 (C.52:14-17.36a et seq.), to implement this section and such rules and regulations shall permit an affiliate of a majority representative electing participation under the program to begin participation on or after the 120th day following the effective date of this act.

C.52:14-17.36b Limitation on participation of private sector employees.

2. Notwithstanding the provisions of subsection a. of section 1 of this act, P.L.2005, c.135 (C.52:14-17.36a), the total number of private sector employees who participate under the provisions of that section shall not be permitted to exceed a de minimis percentage of the total number of employees participating in the State Health Benefits Program. For purposes of this act, any employee who is on a leave of absence from employment with the State and who is an employee of an affiliate of a majority representative of State employees for collective negotiation purposes, which affiliate represents State employees, shall not be considered a private sector employee.

C.52:14-17.36c Determination letter confirming status of SHBP.

3. a. On the effective date of this act, P.L.2005, c.135 (C.52:14-17.36a et seq.), the Division of Pensions and Benefits in the Department of the Treasury shall seek a determination letter from the United States Department of Labor confirming the status of the State Health Benefits Program, P.L.1961, c.49 (C.52:14-17.25 et seq.), as amended by this act, as a qualified and exempt governmental plan under Title I of the federal Employee Retirement Income Security Act of 1974 (ERISA).

b. In the event the division receives a determination letter from the United States Department of Labor stating that P.L.2005, c.135 (C.52:14-17.36a et seq.) changes the status of the State Health Benefits Program so that it is no longer a qualified and exempt governmental plan under Title I of the federal Employee Retirement Income Security Act of 1974, P.L.2005, c.135 (C.52:14-17.36a et seq.) shall be void and expire immediately and no employees of an affiliate of a majority representative of State employees for collective negotiation purposes shall be permitted to enroll or continue to participate in the State Health Benefits Program.

4. This act shall take effect immediately.

Approved July 7, 2005.