

DRAFT LBDC

New Part R.

A BUDGET BILL submitted by the Governor
in accordance with Article VII of the Constitution

AN ACT to amend the civil service law and the state finance law,
in relation to the health insurance fund and to repeal
certain provisions of the state finance law relating ther-
eto

The People of the State of New York, represented in Senate and Assem-
bly, do enact as follows:

1 Section 1. Subdivisions 6 and 7 of section 167 of the civil service
2 law, subdivision 6 as amended by section 2 of part C of chapter 56 of
3 the laws of 2006 and subdivision 7 as added by chapter 461 of the laws
4 of 1956 and renumbered by chapter 617 of the laws of 1967, are amended
5 to read as follows:

6 6. [There] Notwithstanding any inconsistent provision of law, there is
7 hereby created a health insurance fund which shall be available without
8 appropriation or fiscal year limitation for premium or subscription
9 charge payments under any contract or contracts purchased in accordance
10 with this article. The amounts withheld from employees and retired
11 employees under subdivision three of this section, all amounts appropri-
12 ated by the state to such health insurance fund, and all amounts
13 contributed by any participating employer pursuant to subdivision two of
14 this section, shall be credited to such health insurance fund. The
15 income derived from any dividends, premium rate adjustments or other
16 refunds under any such contract or contracts shall be credited to such
17 fund and retained therein as a special reserve [for] as determined by
18 the president to minimize adverse fluctuation in current or future
19 charges under any such contract or contracts. Any interest earned by the
20 investment of moneys in such health insurance fund shall be added to

1 such special reserve, become a part of such special reserve, and be used
2 for the purpose of such special reserve.

3 7. The amounts required to be paid to any contracting corporation
4 under any contract entered into pursuant to the provisions of this arti-
5 cle shall be payable from such health insurance fund without appropri-
6 ation as audited by and upon the warrant of the comptroller on vouchers
7 certified or approved by the president.

8 § 2. Subdivision 10 of section 4 of the state finance law is **REPEALED**
9 and a new subdivision 10 is added to read as follows:

10 10. Notwithstanding subdivision one of this section, the moneys depos-
11 ited in the health insurance fund authorized in section one hundred
12 sixty-seven of the civil service law shall be paid pursuant to statute
13 but without an appropriation.

14 § 3. This act shall take effect immediately and shall be deemed to
15 have been in full force and effect on and after March 31, 2006.