§ 159. Group insurance or mass merchandising policies or programs. 1. The president, subject to the approval of the director of employee relations and the director of the budget, is hereby empowered to establish regulations relating to, and to enter into and administer contracts or agreements providing for group insurance or mass merchandising policies or programs for state employees in the executive branch precluded from collective bargaining by subdivision five or subdivision seven of section two hundred one of this chapter.

2. Any such policy or program shall be subject to the following provisions:

a. The benefits provided thereby shall be available to all state officers and employees in the executive branch whose positions are designated managerial or confidential pursuant to article fourteen of this chapter and all state officers and employees excluded from representation rights under this chapter pursuant to rules and regulations of the public employment relations board, subject to reasonable underwriting restrictions of the selected insurers;

b. The benefits provided thereby may be made available to state officers and employees in the division of military and naval affairs in the executive department; and

c. Unless any group insurance or mass merchandising policy or program offered pursuant to this section is funded by payroll deductions in accordance with subdivision three of section two hundred one of the state finance law, such policy or program shall be funded by specific appropriation of monies of the state, provided, however, both payroll deductions and state appropriations may be utilized to fund any such policy or program.

3. Notwithstanding the provisions of any general or special law, no state monies shall be available for group insurance or mass merchandising policies or programs established by the president until a certificate of allocation and a schedule of amounts to be available therefor shall have been issued by the director of the budget, and a

copy of such certificate filed with the comptroller, the chairman of the assembly ways and means committee and the chairman of the senate finance committee.

4. Monies appropriated and allocated for the purposes set forth herein, shall be paid out on the audit and warrant of the comptroller on vouchers certified or approved by the president.