LEGISLATIVE HISTORY CHECKLIST

Compiled by the NJ State Law Library

LAWS of 1999

CHAPTER: 153

NJSA:18A:40-3.2 (School Nurses)

BILL NO: S168(Substituted for A164 -- ACS -- 1st Reprint)

SPONSOR(S):Bennett and Allen

DATE INTRODUCED:Pre-filed

COMMITTEE:

ASSEMBLY: --SENATE:Education

AMENDED DURING PASSAGE: Yes

DATES OF PASSAGE:

ASSEMBLY: March 29, 1999Re-enacted June 24, 1999 SENATE: October 22, 1998Re-enacted June 24, 1999

DATE OF APPROVAL: July 1, 1999

THE FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL: YesSenate Committee Substitute (2R) (Amendments during passage denoted by superscript numbers)

SCS for S168

SPONSORS STATEMENT: No.

COMMITTEE STATEMENT:

ASSEMBLY: No **SENATE:** Yes

FLOOR AMENDMENT STATEMENTS: Yes

LEGISLATIVE FISCAL ESTIMATE: Yes

FIRST REPRINT: Vetoed Version Yes

S168

SPONSORS STATEMENT: Yes (Begins on page 3 of original bill)

COMMITTEE STATEMENT:

ASSEMBLY:No SENATE:No

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No

ACS for A164

SPONSORS STATEMENT: No

COMMITTEE STATEMENT:

ASSEMBLY: Yes

May 7, 1998 (Education)

October 5, 1998 (Appropriations)

SENATE:*No*

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: Yes

A164

SPONSORS STATEMENT: Yes (Begins on page 3 of original bill)

COMMITTEE STATEMENT:

ASSEMBLY:No SENATE:No

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No.

GOVERNOR'S ACTIONS

VETO MESSAGE: Yes

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

THE FOLLOWING WERE PRINTED:

To check for circulating copies contact New Jersey State Government Publications at the State Library (609) 278-2640 ext. 102 or refdesk@njstatelib.org

REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: *No*

P.L. 1999, CHAPTER 153, approved July 1, 1999 Senate Committee Substitute (Second Reprint) for Senate, No. 168

AN ACT concerning the provision of public school nursing services and supplementing chapter 40 of Title 18A of the New Jersey Statutes.

4 5

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

7 8

9

10

11

6

1. The Legislature finds and declares that school nursing is a separate and distinct specialty within the nursing and educational professions and that therefore competence in specified areas of health and education is needed in order for school nurses to act as health advocates for school-age children.

121314

15

16 17

18

19 20

21

22

2324

25

26

2728

29

30

2. A school district shall only utilize or employ for the provision of nursing services in the public schools of the district persons holding an educational services certificate with an endorsement as a school nurse issued by the State Board of Examiners, except for those ¹[persons] <u>non-nursing personnel</u> who are otherwise authorized by statute or regulation to perform specific ¹[nursing] health related ¹ services. ²Special education students and those with medical needs requiring specialized care shall have that care rendered by an appropriate provider as appointed by the Board of Education.² No person shall be issued such certificate unless the person is licensed as a registered nurse pursuant to the provisions of P.L.1947, c.262 (C.45:11-23 et seq.) and meets all of the requirements prescribed by the board for a nursing endorsement. ²A school district may supplement the services provided by the certified school nurse with non-certified nurses, provided that the non-certified nurse is assigned to the same school building or school complex as the certified school nurse.2

3132

33

34

35

3. A school district may utilize or employ a person to perform secretarial or clerical duties that assist in providing nursing services only under the supervision of a certified school nurse. Secretarial or clerical duties may include, but not be limited to, recording

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate floor amendments adopted September 28, 1998.

² Senate amendments adopted in accordance with Governor's recommendations June 24, 1999.

[2R] SCS for S168

1	information on a pupil or school record, making telephone calls, and
2	preparing correspondence.
3	
4	² 4. The holder of a valid New Jersey registered nurse license may
5	be issued a county substitute certificate to serve as a substitute for a
6	certified school nurse in accordance with N.J.A.C.6:11-4.5.
7	Emergency certificates may be issued in accordance with
8	N.J.A.C.6:11-4.3. ²
9	
10	² [4.] <u>5.</u> ² The State Board of Education shall adopt rules and
11	regulations pursuant to the "Administrative Procedure Act," P.L.1968,
12	c.410 (C.52:14B-1 et seq.), necessary to effectuate the purposes of
13	this act.
14	
15	² [5.] <u>6.</u> ² This act shall take effect immediately and shall first apply
16	to persons who are initially employed to provide nursing services on
17	and after the effective date of this act.
18	
19	
20	
21	
22	Requires public school nursing services be provided by a certified
23	school nurse.

SENATE EDUCATION COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR **SENATE, No. 168**

STATE OF NEW JERSEY

DATED: JUNE 4, 1998

The Senate Education Committee reports favorably Senate Bill No. 168 as a Senate Committee Substitute.

This committee substitute provides that a school district shall only utilize and employ certified school nurses for the provision of nursing services in the public schools of the district, except for those persons who are otherwise authorized by statute or regulation to perform specific nursing services. A certified school nurse is required to hold an educational services certificate with an endorsement as a school nurse issued by the State Board of Examiners. A person may not be issued such a certificate unless the person is licensed as a registered nurse by the New Jersey Board of Nursing under the nursing practice act, P.L.1947, c.262, and meets all of the requirements prescribed by the Board of Examiners for a nursing endorsement.

The substitute further provides that a school district may utilize or employ a person to perform secretarial or clerical duties that assist in providing nursing services only under the supervision of a certified school nurse. The substitute would first apply to persons who are initially employed to perform nursing services on and after the effective date of the act.

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR SENATE, No. 168

with Senate Floor Amendments (Proposed By Senator BENNETT)

ADOPTED: SEPTEMBER 28, 1998

These amendments clarify the exception for the performance of health related services by non-nursing personnel in public school districts.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE COMMITTEE SUBSTITUTE FOR SENATE, No. 168

STATE OF NEW JERSEY 208th LEGISLATURE

DATED: NOVEMBER 17, 1998

Senate Committee Substitute (1R) for Senate Bill No. 168 of 1998 requires that school districts only utilize or employ certified school nurses for the provision of nursing services in the public schools of the district. The bill requires that each person employed as a school nurse must have an educational services certificate with an endorsement as a school nurse issued by the State Board of Examiners. requirement applies to persons who are initially employed to provide nursing services after the bill's enactment. A person may not be issued such a certificate unless the person is licensed as a registered nurse by the New Jersey Board of Nursing under the nursing practice act, P.L.1947, c.262, and meets all of the requirements prescribed by the State Board of Examiners for a nursing endorsement. The bill makes an exception for non-nursing personnel who are authorized by statute or regulation to perform specific health related services. The bill further provides that a school district may utilize or employ a person to perform secretarial or clerical duties that assist in providing nursing services only under the supervision of a certified school nurse.

The Office of Legislative Services (OLS) notes that currently all districts are meeting the minimum requirement provided by law (N.J.S.A. 18A:40-1) of employing at least one certified school nurse.

State Board of Education regulations specify that the duties of the school nurse shall include, but not be limited to: assisting the medical inspector with physical examinations; conducting yearly screening for scoliosis on all pupils aged 10 through 18; annually conducting audiometric screening in certain grades; maintaining school health records; observing and recommending to the school principal the exclusion of students who show evidence of communicable disease; and lecturing to teachers on communicable diseases and other health concerns.

Under current law, some of the activities included within the definition of nursing services may currently be provided by other

personnel. For example, certified physical education teachers and other properly trained school personnel are authorized by law (N.J.S.A.18A:40-4.3) to provide scoliosis screening of students. Similarly, current law (N.J.S.A.18A:40-4) and State Board of Education regulations found at N.J.A.C. 6:29-5.1 authorize licensed medical and health care personnel including, but not limited to audiologists and speech correctionists under the direction of the medical inspector to conduct audiometric screening of students.

As amended, the bill provides an exception for non-nursing personnel who are authorized by statute or regulation to perform specific health related services. Therefore, based on this exception, there would be no cost to replace authorized individuals with certified school nurses. However school districts could incur additional costs to hire additional staff to perform school nursing services or to replace non-certified individuals, such as licensed practical nurses, who may currently be performing nursing services in school districts for which no statutory or regulatory exemption exists and who subsequently leave the school district after the bill's effective date. OLS notes that there is no information readily available to determine the costs to school districts that hire new staff or replace non-certified individuals with certified school nurses.

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.

[First Reprint]

SENATE COMMITTEE SUBSTITUTE FOR SENATE, No. 168

STATE OF NEW JERSEY 208th LEGISLATURE

ADOPTED JUNE 4, 1998

Sponsored by:
Senator JOHN O. BENNETT
District 12 (Monmouth)
Senator DIANE ALLEN
District 7 (Burlington and Camden)

Co-Sponsored by:

Senators Matheussen, Vitale, Bassano, Bucco, Baer, Codey, Ciesla, Adler, Lipman, Furnari, Sinagra, Kosco, Singer, Assemblyman Kelly, Assemblywoman Wright, Assemblymen Barnes, Blee, Assemblywoman Buono, Assemblyman Conaway and Assemblywoman Weinberg

SYNOPSIS

Requires public school nursing services be provided by a certified school nurse.

CURRENT VERSION OF TEXT

As amended by the Senate on September 28, 1998.

(Sponsorship Updated As Of: 3/30/1999)

	AN ACT concerning the provision of public school nursing services
2	and supplementing chapter 40 of Title 18A of the New Jersey
3	Statutes

4 5

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

6 7 8

9

10

11

1. The Legislature finds and declares that school nursing is a separate and distinct specialty within the nursing and educational professions and that therefore competence in specified areas of health and education is needed in order for school nurses to act as health advocates for school-age children.

12 13 14

15

16

17

18

19

20 21

22

2. A school district shall only utilize or employ for the provision of nursing services in the public schools of the district persons holding an educational services certificate with an endorsement as a school nurse issued by the State Board of Examiners, except for those ¹ [persons] non-nursing personnel who are otherwise authorized by statute or regulation to perform specific ¹ [nursing] <u>health related</u> ¹ services. No person shall be issued such certificate unless the person is licensed as a registered nurse pursuant to the provisions of P.L.1947, c.262 (C.45:11-23 et seq.) and meets all of the requirements prescribed by the board for a nursing endorsement.

23 24 25

26

27

28 29

3. A school district may utilize or employ a person to perform secretarial or clerical duties that assist in providing nursing services only under the supervision of a certified school nurse. Secretarial or clerical duties may include, but not be limited to, recording information on a pupil or school record, making telephone calls, and preparing correspondence.

30 31 32

33

4. The State Board of Education shall adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), necessary to effectuate the purposes of this act.

34 35

37

38

36 5. This act shall take effect immediately and shall first apply to persons who are initially employed to provide nursing services on and after the effective date of this act.

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

SENATE, No. 168

STATE OF NEW JERSEY

208th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 1998 SESSION

Sponsored by: Senator JOHN O. BENNETT District 12 (Monmouth)

Co-Sponsored by:

Senators Matheussen, Vitale, Bassano, Bucco, Baer, Codey, Ciesla, Adler, Lipman, Furnari and Sinagra

SYNOPSIS

Requires public school health services to be provided by a certified school nurse.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 7/31/1998)

S168 BENNETT

2

AN ACT concerning the provision of public school health services and

supplementing chapter 40 of Title 18A of the New Jersey Statutes.

1

2

3

46

4 BE IT ENACTED by the Senate and General Assembly of the State 5 of New Jersey: 6 7 1. No school district shall utilize or employ any person to provide 8 health services, to assist in providing health services, or to provide 9 support for health services except for the school nurse. 10 As used in this act: 11 "School nurse" means a person holding an educational services certificate with an endorsement as a school nurse issued by the State 12 13 Board of Examiners. No person shall be issued such a certificate 14 unless the person is licensed as a registered nurse under the provisions of P.L.1947, c.262 (C.45:11-23 et seq.), and meets all of the 15 requirements prescribed by the Board for a nursing endorsement. 16 17 "Health services" means, but shall not be limited to, all the services 18 and activities involving and related to: 19 a. Vision screening; 20 b. Auditory screening; 21 c. Scoliosis testing or screening; d. Taking of heights and weights; 22 23 e. Administration, taking, and provision of tests, examinations, and 24 diagnostic procedures to obtain health information relating to a pupil 25 or for inclusion in a pupil's or school district's health records; 26 f. Decision making when involving the exclusion or return of a 27 pupil from school, class, or any school activity due to illness or injury; 28 g. Administration of medication; 29 h. Counseling or advice relating to a pupil's health; 30 i. Administration of medical services; and 31 j. Administration of first aid, including but not limited to: 32 (1) Taking temperatures; 33 (2) Contacting parents of pupils who are ill; (3) Applying band-aids to cuts; 34 35 (4) Washing cuts; 36 (5) Removing splinters; 37 (6) Treating bee stings; (7) Treating nose bleeds; and 38 39 (8) Applying ointments or creams. 40 2. a. A school district may utilize or employ a person to perform 41 42 secretarial or clerical duties that assist in providing health services only 43 under the actual presence and direct supervision of a school nurse. 44 b. Secretarial or clerical duties may include recording information 45 on a pupil or school record, making telephone calls, or preparing

correspondence. These duties shall not include the provision of health

S168 BENNETT

3

services pursuant to section 1 of this act.

1

22

23

24

2526

27

28

2 c. The actual presence and direct supervision of a school nurse 3 shall mean that the school nurse shall be in the same office or room at 4 the same time that the secretarial or clerical duties are performed, except in circumstances when the school nurse is at lunch or is 5 required to be away from the office due to a medical emergency. 6 7 8 3. The State Board of Education shall adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 9 (C.52:14B-1 et seq.) necessary to effectuate the purposes of this act. 10 11 4. This act shall take effect immediately. 12 13 14 15 **STATEMENT** 16 17 This bill requires health services in every school district to be 18 provided by a certified school nurse. Each nurse would have to hold an educational services certificate with an endorsement as a school 19 nurse issued by the State Board of Examiners. No person shall be 20 21 issued such a certificate unless the person is licensed as a registered

nurse.

A person may perform secretarial or clerical duties that assist in providing health services only under the actual presence and direct supervision of a school nurse.

This bill would ensure that school children are provided nursing services under the care and supervision of a qualified and certified registered nurse.

ASSEMBLY EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR ASSEMBLY, No. 164

STATE OF NEW JERSEY

DATED: MAY 7, 1998

The Assembly Education Committee favorably reports an Assembly Committee Substitute for Assembly Bill No. 164.

This committee substitute provides that a school district shall only utilize and employ certified school nurses for the provision of nursing services in the public schools of the district. A certified school nurse is required to hold an educational services certificate with an endorsement as a school nurse issued by the State Board of Examiners. A person may not be issued such a certificate unless the person is licensed as a registered nurse by the New Jersey Board of Nursing under the nursing practice act, P.L.1947, c.262, and meets all of the requirements prescribed by the Board of Examiners for a nursing endorsement.

The substitute further provides that a school district may utilize or employ a person to perform secretarial or clerical duties that assist in providing nursing services only under the supervision of a certified school nurse.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR ASSEMBLY, No. 164

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 5, 1998

The Assembly Appropriations Committee reports favorably Assembly Bill No. 164 ACS, with committee amendments.

Assembly Bill No. 164 (ACS), as amended, provides that a school district shall only utilize and employ certified school nurses for the provision of nursing services in the public schools of the district. A certified school nurse is required to hold an educational services certificate with an endorsement as a school nurse issued by the State Board of Examiners. A person may not be issued such a certificate unless the person is licensed as a registered nurse by the New Jersey Board of Nursing under the nursing practice act, P.L.1947, c.262, and meets all of the requirements prescribed by the Board of Examiners for a nursing endorsement.

The legislation further provides that a school district may utilize or employ a person to perform secretarial or clerical duties that assist in providing nursing services only under the supervision of a certified school nurse.

FISCAL IMPACT:

Currently all districts are meeting the minimum requirement provided by law of employing at least one certified school nurse.

COMMITTEE AMENDMENTS:

The amendments clarify the exception for the performance of health related services by non-nursing personnel in public school districts and provide that the bill first apply to those hired to perform nursing services on and after the effective date.

LEGISLATIVE FISCAL ESTIMATE

ASSEMBLY COMMITTEE SUBSTITUTE FOR ASSEMBLY, No. 164

STATE OF NEW JERSEY 208th LEGISLATURE

DATED: OCTOBER 27, 1998

Assembly Committee Substitute for Assembly Bill No. 164 of 1998 requires that school districts only utilize or employ certified school nurses for the provision of nursing services in the public schools of the district. The bill requires that each person employed as a school nurse must have an educational services certificate with an endorsement as a school nurse issued by the State Board of Examiners. A person may not be issued such a certificate unless the person is licensed as a registered nurse by the New Jersey Board of Nursing under the nursing practice act, P.L.1947, c.262, and meets all of the requirements prescribed by the State Board of Examiners for a nursing endorsement. The bill further provides that a school district may utilize or employ a person to perform secretarial or clerical duties that assist in providing nursing services only under the supervision of a certified school nurse.

The Office of Legislative Services (OLS) is unable to estimate the cost of this bill. Currently all districts are meeting the minimum requirement provided by law (N.J.S.A.18A:40-1) of employing at least one certified school nurse.

State Board of Education regulations specify that the duties of the school nurse shall include, but not be limited to: assisting the medical inspector with physical examinations; conducting yearly screening for scoliosis on all pupils aged 10 through 18; annually conducting audiometric screening in certain grades; maintaining school health records; observing and recommending to the school principal the exclusion of students who show evidence of communicable disease; and, lecturing to teachers on communicable diseases and other health concerns.

Under current law, some of the activities included within the definition of nursing services may currently be provided by other personnel. For example, certified physical education teachers and other properly trained school personnel are authorized by law (N.J.S.A.18A:40-4.3) to provide scoliosis screening of students. Similarly, current law (N.J.S.A.18A:40-4) and State Board of

Education regulations found at N.J.A.C.6:29-5.1 authorize licensed medical and health care personnel including, but not limited to audiologists and speech correctionists under the direction of the medical inspector to conduct audiometric screening of students. As written, this bill would prohibit the provision of these services by other authorized school district employees or other health care professionals.

School district costs would increase to the extent that the districts have to hire additional certified school nurses to replace other personnel. There is no information readily available that would indicate the extent to which districts would have to replace personnel who are currently authorized to provide health-related services with certified school nurses.

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.

ASSEMBLY, No. 164

STATE OF NEW JERSEY

208th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 1998 SESSION

Sponsored by:

Assemblyman JOHN V. KELLY District 36 (Bergen, Essex and Passaic) Assemblywoman BARBARA WRIGHT District 14 (Mercer and Middlesex)

SYNOPSIS

Requires public school health services to be provided by a certified school nurse.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 3/3/1998)

A164 KELLY, WRIGHT

2

AN ACT concerning the provision of public school health services and

supplementing chapter 40 of Title 18A of the New Jersey Statutes.

1

2

3

44

45

46

4 **BE IT ENACTED** by the Senate and General Assembly of the State 5 of New Jersey: 6 7 1. No school district shall utilize or employ any person to provide 8 health services, to assist in providing health services, or to provide 9 support for health services except for the school nurse. 10 As used in this act: 11 "School nurse" means a person holding an educational services certificate with an endorsement as a school nurse issued by the State 12 13 Board of Examiners. No person shall be issued such a certificate 14 unless the person is licensed as a registered nurse under the provisions of P.L.1947, c.262 (C.45:11-23 et seq.), and meets all of the 15 requirements prescribed by the Board for a nursing endorsement. 16 17 "Health services" means, but shall not be limited to, all the services 18 and activities involving and related to: 19 a. Vision screening; 20 b. Auditory screening; 21 c. Scoliosis testing or screening; d. Taking of heights and weights; 22 23 e. Administration, taking, and provision of tests, examinations, and 24 diagnostic procedures to obtain health information relating to a pupil 25 or for inclusion in a pupil's or school district's health records; 26 f. Decision making when involving the exclusion or return of a 27 pupil from school, class, or any school activity due to illness or injury; 28 g. Administration of medication; 29 h. Counseling or advice relating to a pupil's health; 30 i. Administration of medical services; and 31 j. Administration of first aid, including but not limited to: 32 (1) Taking temperatures; 33 (2) Contacting parents of pupils who are ill; 34 (3) Applying band-aids to cuts; 35 (4) Washing cuts; 36 (5) Removing splinters; 37 (6) Treating bee stings; (7) Treating nose bleeds; and 38 39 (8) Applying ointments or creams. 40 2. a. A school district may utilize or employ a person to perform 41 42 secretarial or clerical duties that assist in providing health services only 43 under the actual presence and direct supervision of a school nurse.

b. Secretarial or clerical duties may include recording information

on a pupil or school record, making telephone calls, or preparing correspondence. These duties shall not include the provision of health

A164 KELLY, WRIGHT

services pursuant to section 1 of this act.

2 c. The actual presence and direct supervision of a school nurse shall mean that the school nurse shall be in the same office or room at 3 4 the same time that the secretarial or clerical duties are performed, except in circumstances when the school nurse is at lunch or is 5 required to be away from the office due to a medical emergency. 6 7 8 3. The State Board of Education shall adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 9 (C.52:14B-1 et seq.) necessary to effectuate the purposes of this act. 10 11 4. This act shall take effect immediately. 12 13 14 15 **STATEMENT** 16 This bill requires health services in every school district to be 17 18 provided by a certified school nurse. Each nurse would have to hold an educational services certificate with an endorsement as a school 19 nurse issued by the State Board of Examiners. No person shall be 20

A person may perform secretarial or clerical duties that assist in providing health services only under the actual presence and direct supervision of a school nurse.

issued such a certificate unless the person is licensed as a registered

This bill would ensure that school children are provided nursing services under the care and supervision of a qualified and certified registered nurse.

28

nurse.

1

21

22

23 24

25

26

27

PO BOX 004 TRENTON, NJ 08625

Office of the Governor NEWS RELEASE

CONTACT: Gene Herman

609-777-2600

RELEASE: March 15, 1999

Gov. Christie Whitman has conditionally vetoed the following pieces of legislation:

A-2367, sponsored by Assembly Members Richard H. Bagger (R-Middlesex/Morris/Somerset/Union) and David W. Wolfe (R-Monmouth/Ocean) and Senators Joseph M. Kyrillos (R-Middlesex/Monmouth) and Peter A. Inverso (R- Mercer/Middlesex), which would have excluded from the New Jersey Gross Income Tax earnings on investments in all educational individual retirement accounts (EIRAs) and qualified state tuition savings accounts. The only plan that enjoys that exclusion today is the New Jersey Better Educational Savings Trust (NJ BEST), the state's qualified state tuition savings account, which the Governor proposed and which the legislature supported.

In her conditional veto, the Governor said she agreed with the Legislature that extending state tax benefits currently enjoyed by the NJBEST to all qualified state tuition savings accounts is perfectly acceptable. But she said EIRAs, authorized by Congress and administered by private institutions, are quite different. They offer generous federal tax benefits not offered through NJ BEST or similar qualified state tuition savings accounts offered in other states. In particular, EIRAs offer an exclusion from the federal income tax while NJ BEST and similar state tuition savings accounts in other states offer only a deferral from the federal income tax until the time that monies are withdrawn, the Governor said. She said the major federal tax benefit available to EIRAs already offsets the various advantages of NJ BEST and other state plans. Gov. Whitman said she is mindful of the need to continue making saving for higher education more attractive. She said she believed a deferral of taxation, rather than a total exclusion from the New Jersey Gross Income Tax, will accomplish the purpose of making savings for higher education more attractive. Finally, the Governor recommended allowing earnings obtained as of 1998 to receive the new and improved benefits as opposed to only earnings as of 1999 in the proposed legislation.

SCS for S-323, 324, 325, 326, 327, 328, 329, 330 and 331, sponsored by Senator Robert E. Littell (R- Sussex/Hunterdon/Morris) and Assembly Members Nicholas R. Felice (R-Bergen/Passaic) and Joseph V. Doria, Jr. (D-Hudson), which provides for the prompt payment of claims by health carriers, health maintenance organizations, health, hospital, medical and dental service organizations and any intermediary contracted or affiliated with the carrier to perform administrative claims functions. The bill requires the Commissioner of Health and Senior Services (DHSS), in consultation with the Commissioner of the Department of Banking and Insurance (DBI), establish an advisory board to make recommendations to the commissioners regarding health information electronic data interchange technology policy and measures to protect the

confidentiality of medical information. The bill also would have afforded health care providers, facilities and benefits plans processors a temporary, two-year tax credit of 10% against the gross income tax, corporation business tax, and the franchise tax on insurance companies for the purchase, lease or rental of electronic data interchange technology used to receive and/or transmit health care claims. In her conditional veto, the Governor said she supports the Legislature's efforts to promote the use of health care information electronic data interchange technology, but the bill in its current form provides an unnecessary tax credit to health care providers, health care facilities, vendors of certain computer software and entities that process enrollments under health care benefit plans.

The Governor said under federal and state laws these groups are already entitled to a business deduction with respect to expenses incurred in the purchase, lease or rental of such technology. Therefore, she said, a tax credit would provide a double tax benefit for the same expense. Gov. Whitman said the Department of Treasury estimates that the additional tax credit would result in an estimated loss of revenue of \$20 million annually for each of the two years the tax credits would be in existence. Furthermore, the Governor said the bill provides that the time period within which electronically transmitted claims must be paid is shorter than that provided for manually transmitted claims. Thus, she said, adequate incentive for the use of health care information electronic data interchange technology already exists without the grant of a tax credit.

A-415, sponsored by Assembly Members Jeffrey W. Moran (R-Atlantic/Burlington/Ocean) and Anthony Impreveduto (D- Bergen/Hudson) and Senators Robert W. Singer (R- Burlington/Momouth/Ocean) and Edward T. O'Connor, Jr. (D-Hudson), would have revised licensing provisions for orthotists and prosthetists. The bill revised current statutes to provide an alternative pathway for licensure for those with associate's degrees in science instead of limiting licensure to those with a bachelor's degree. Candidates for licensure would also be required to complete a clinical practice or internship and pass an examination developed by the Orthotics and Prosthetics Board of Examiners.

Additionally, the bill would have established two grandfather provisions. The first applied to people who have practiced full- time in an established prosthetic-orthotic facility as an orthotist, prosthetist or prosthetist-orthotist for three years immediately prior to the effective data of the bill. Such a person would have been able to file an application with the Orthotics and Prosthetics Board of Examiners within 180 days after the date procedures were established by the board for applying for licenser to continue to practice. The applicant would have been able to obtain a license without taking an examination after paying the license fee established by the bill and after the board had completed an investigation of the applicant's work history. The second grandfather provision would have applied to persons who had practiced in the same manner for three years or more, but not necessarily the three years immediately prior to the effective date of the bill, and have also passed a certifying examination in orthotics and prosthetics approved by a program accredited by the National Commission for Certifying Agencies. The bill would have provided that such a person may obtain a license without satisfying either of the other methods for licensure.

The Governor commended the bill's sponsors for their efforts to address a perceived shortage of orthotists and prosthetists by providing an alternative pathway for licensure.

The Governor said while she appreciated the need to open the profession to provide consumer choice and increased patient coverage, she also appreciated the importance of setting high standards for professional licensure to protect consumers. Therefore, she recommend that the alternative pathway for licensure for those with associate's degrees be limited to a five- year period. Upon expiration of that period, the Governor recommended that a bachelor's degree be required for licensure, which is consistent with the current licensure statute. Gov. Whitman also recommended that the 360 day grandfather provision be eliminated and that a simplified 180 day grandfather provision be created. Additionally, she recommended a technical change to the grandfather provision to reflect that the board must finally determine whether to approve an applicant for licensure after it has completed its investigation of the work history of the applicant.

PO BOX 004 TRENTON, NJ 08625

Office of the Governor NEWS RELEASE

CONTACT: Gene Herman

609-777-2600

RELEASE: July 1, 1999

Gov. Christie Whitman today signed the following bills:

SCS Substitute for S-323, 324, 325, 326, 327, 328, 329, 330, 331, sponsored by Senator Robert E. Littell (R-Sussex/Hunterdon/Morris) and Assembly Members Nicholas R. Felice (R-Bergen/Passaic) and Joseph V. Doria, Jr. (D-Hudson), provides for the prompt payment of health care claims by health insurance carriers, health maintenance organizations, health, hospital, medical and dental service organizations or any intermediary contracted or affiliated with the carrier to perform administrative functions. The bill reduces the amount of time in which an uncontested claim must be paid by a carrier from the current 60 days to 30 days or the time limit established by the Medicare program, whichever is earlier, for electronic claims. It reduces the amount of time for payment of an uncontested manual claim to 40 days following receipt of the claim. The bill also requires that a carrier shall deny a contested claim, stating all reasons for denial, within 30 days, instead of 90 days as is currently required. The bill directs a carrier to acknowledge receipt of a claim submitted by electronic means no later than two working days following receipt of the claim.

The bill incorporates the recommendations made by the Governor in her conditional veto of the bill on March 12. The bill was conditionally vetoed with the recommendation that a provision that would have provided a tax cut to carriers with the intention of stimulating development and use of health information electronic data interchange technology be deleted. In her conditional veto, the Governor said that while promotion of the use of such technology is important, under current state and federal law, these groups are already entitled to a business deduction with respect to expenses incurred in the purchase, lease or rental of such technology.

S-168, sponsored by Senators John O. Bennett (R-Monmouth) and Diane B. Allen (R-Burlington/Camden) and Assembly Members John V. Kelly (R-Bergen/Essex/Passaic) and Barbara Wright (R-Mercer/Middlesex), requires public school health services to employ persons holding an educational services certificate with an endorsement as a school nurse issued by the State Board of Examiners. The bill grandfathers currently employed non-certified nursing staff. Additionally, the bill makes an exception for those non-nursing personnel who are otherwise authorized by statute or regulation to perform specific health-related services.

A-2121, sponsored by Assembly Members Guy F. Talarico (R-Bergen) and Nicholas Asselta (R-Cape May/Atlantic/Cumberland) and Senators Jack Sinagra (R- Middlesex) and Richard J. Codey (D-Essex), provides for insurance carrier reporting of claims

payment practices to the Department of Banking and Insurance and for enforcement of violations of claims payment requirements. At a provider or covered person's request, a payer shall provide information as to all material required to be submitted to the payer with a claim for reimbursement. The bill also requires carriers to provide covered persons and providers with a toll-free telephone number for making inquiries regarding paid or pending claims. A carrier must respond to any covered person's or provider's claim inquiry within three days of the inquiry.

The bill incorporates the recommendations made by the Governor in her conditional veto of the original bill on May 3. The bill was conditionally vetoed to give the Commissioner of Banking and Insurance more discretion in imposing penalties and to change the effective date to better coincide with previous legislation requiring prompt payment of claims. The bill also eliminates the requirement that a payee (insurance carrier or HMO) provide a provider with a monthly statement of claims if the provider chooses to file claims manually rather than electronically, as the Governor recommended in her conditional veto.