### 26:2H-12.109 LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2021 CHAPTER: 134 NJSA: 26:2H-12.109 (Allows hospitals to construct housing and provide wrap-around services for individuals who are homeless or housing insecure.) **BILL NO:** S1676 (Substituted for A3326 (1R)) SPONSOR(S) Smith, Bob and others DATE INTRODUCED: 2/13/2020 ASSEMBLY: **COMMITTEE:** Health Health, Human Services & Senior Citizens SENATE: AMENDED DURING PASSAGE: Yes DATE OF PASSAGE: ASSEMBLY: 6/24/2021 SENATE: 6/24/2021 6/30/2021 **DATE OF APPROVAL: FOLLOWING ARE ATTACHED IF AVAILABLE:** FINAL TEXT OF BILL (Fourth Reprint enacted) Yes S1676 **INTRODUCED BILL (INCLUDES SPONSOR'S STATEMENT):** Yes **COMMITTEE STATEMENT:** ASSEMBLY: Yes SENATE: Yes (Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, may possibly be found at www.njleg.state.nj.us) FLOOR AMENDMENT STATEMENT: Yes **LEGISLATIVE FISCAL ESTIMATE:** No A3326 (1R) **INTRODUCED BILL (INCLUDES SPONSOR'S STATEMENT):** Yes **COMMITTEE STATEMENT:** ASSEMBLY: Yes SENATE: No (Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, may possibly be found at www.njleg.state.nj.us) FLOOR AMENDMENT STATEMENT: No

Nο

Yes

**LEGISLATIVE FISCAL ESTIMATE:** 

**VETO MESSAGE:** 

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Yes

GOVERNOR'S PRESS RELEASE ON SIGNING:

### P.L. 2021, CHAPTER 134, approved June 30, 2021 Senate, No. 1676 (Fourth Reprint)

AN ACT concerning hospitals <sup>4</sup>[, amending P.L.1992, c.160,] <sup>4</sup> and 1 supplementing P.L.1971, c.136 (C.26:2H-1 et seq.). 2 3 4 **BE IT ENACTED** by the Senate and General Assembly of the State 5 of New Jersey: 6 7 **I**1. Section 19 of P.L.1992, c.160 (C.26:2H-7a) is amended to 8 read as follows: 9 19. Notwithstanding the provisions of section 7 of P.L.1971, 10 c.136 (C.26:2H-7) to the contrary, the following are exempt from 11 the certificate of need requirement: Community-based primary care centers; 12 13 Outpatient drug and alcohol services; 14 Hospital-based medical detoxification for drugs and alcohol; 15 Ambulance and invalid coach services; 16 Mental health services which are non-bed related outpatient 17 services; 18 Residential health care facility services; 19 Dementia care homes; 20 Capital improvements and renovations to health care facilities; 21 Additions of medical/surgical, adult intensive care and adult 22. critical care beds in hospitals; 23 Inpatient special psychiatric beds used solely for services for 24 patients with co-occurring mental health and substance use 25 disorders; 26 Housing and wrap-around services for [the] individuals who are 1 homeless 1 or housing insecure 1 3 [provided] 3 pursuant to 27 section 2 of P.L., c. (C. 28 ) (pending before the 29 Legislature as this bill); Replacement of existing major moveable equipment; 30 Inpatient operating rooms; 31 32 Alternate family care programs; 33 Hospital-based subacute care; 34 Ambulatory care facilities; 35 Comprehensive outpatient rehabilitation services; 36 Special child health clinics; 37 New technology in accordance with the provisions of section 18 38 of P.L.1998, c.43 (C.26:2H-7d);

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>&</sup>lt;sup>1</sup>Senate SHH committee amendments adopted September 14, 2020.

<sup>&</sup>lt;sup>2</sup>Senate floor amendments adopted October 29, 2020.

<sup>&</sup>lt;sup>3</sup>Assembly AHE committee amendments adopted March 8, 2021.

<sup>&</sup>lt;sup>4</sup>Senate amendments adopted in accordance with Governor's recommendations June 21, 2021.

- 1 Transfer of ownership interest except in the case of an acute care 2 hospital;
- 3 Change of site for approved certificate of need within the same 4
- 5 Additions to vehicles or hours of operation of a mobile intensive 6
- 7 Relocation or replacement of a health care facility within the 8 same county, except for an acute care hospital;
- 9 Continuing care retirement communities authorized pursuant to 10 P.L.1986, c.103 (C.52:27D-330 et seq.);
- 11 Magnetic resonance imaging;
- 12 Adult day health care facilities;
- 13 Pediatric day health care facilities;
- 14 Chronic or acute renal dialysis facilities; and
- 15 Transfer of ownership of a hospital to an authority in accordance with P.L.2006, c.46 (C.30:9-23.15 et al.). 16
- 17 (cf: P.L.2017, c.94, s.1)**]**<sup>4</sup>
- 18 19
- **^{4}[**2. (New section)]  $\underline{1.}^{4}$  a. A general acute care hospital
- licensed pursuant to P.L.1971, c.136 (C.26:2H-1 et seq.) may adopt 20
- as part of its mission the goal of addressing issues related to 21
- homelessness <sup>4</sup>[1and] or 4 housing insecurity 1. A hospital that 22
- chooses to address issues related to homelessness 4[1and] or4 23 housing insecurity<sup>1</sup> as part of its mission pursuant to <sup>1</sup>[subsection a. 24
- of 1 this section shall be authorized to construct 1, rehabilitate, or 25
- remediate<sup>1</sup> housing <sup>4</sup>, or enter into a partnership or other contractual
- 26 arrangement therefor,4 and provide wrap-around services for 27
- <sup>1</sup>individuals who are <sup>1</sup> homeless <sup>1</sup>[persons] <sup>4</sup>[and] or <sup>4</sup> housing 28
- insecure 1 4, or enter into a partnership or other contractual 29
- arrangement therefor, 4 who are treated at the hospital, which wrap-30
- 31 around services may include:
- 32 (1) referrals to outpatient primary care and behavioral health 33 care services;
- 34 (2) appropriate follow-up care and treatment management 35 assistance;
- (3) assistance identifying and procuring sources of health 36 benefits coverage, including, but not limited to, coverage under the 37
- 38 State Medicaid and NJ FamilyCare programs pursuant to
- 39 P.L.1968, c.413 (C.30:4D-1 et seq.) and P.L.2005, c.156
- $^{1}[(C.30:4J-1 \text{ et al.})] (C.30:4J-8 \text{ et al.})^{1};$  and 40
- (4) assistance in identifying and accessing appropriate social 41 42 services, including, but not limited to, food, transportation, housing,
- 43 employment, and child care assistance.
- 44 <sup>4</sup>Such hospital shall notify the Department of Health as to the
- wrap-around services intended to be provided pursuant to this 45
- section and if any such service is subject to the Department of 46
- 47 Health's healthcare facility licensing requirements the service shall
- 48 be licensed prior to it being provided. To the extent practicable, a

1 hospital may collaborate with a regional health hub to provide the 2 wrap-around services described in paragraphs (1) through (4) of this subsection.4 3

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b. <sup>4</sup>[<sup>3</sup>The number of housing units that are constructed, rehabilitated, or remediated in a particular municipality pursuant to this section shall be subtracted from the total number of affordable housing units that may be required in that municipality by the Council on Affordable Housing in the Department of Community Affairs.<sup>3</sup>]<sup>4</sup> Housing for <sup>1</sup>[the] individuals who are <sup>1</sup> homeless <sup>1</sup>or housing insecure<sup>1</sup> constructed <sup>1</sup>, rehabilitated, or <sup>2</sup>[remediatied<sup>1</sup>] remediated<sup>2</sup> by a hospital <sup>4</sup>, or its partners or contractors, <sup>4</sup> pursuant to subsection a. of this section shall be  $\frac{1}{2}$ 

(1)<sup>1</sup> deemed a permitted use in all residential and nonresidential districts of a municipality and shall be exempt from local zoning restrictions 1; and

(2) exempt from the Department of Health's health care facility licensing requirements, provided that, if wrap-around services provided in connection with the housing are provided in a health clinic or other comparable health care facility licensed pursuant to P.L.1971, c.136 (C.26:2H-1 et seq.), the clinic or facility shall comply with the department's health care facility licensing requirements<sup>1</sup>.

22 c. Commencing one year after the date a hospital <sup>4</sup>, or its 23 partners or contractors, 4 first constructs 1, rehabilitates, or 24 remediates<sup>1</sup> housing and begins providing wrap-around services for 25 <sup>1</sup>[the] <u>individuals</u> who are <sup>1</sup> homeless <sup>1</sup>or housing insecure <sup>1</sup> 26 pursuant to subsection a. of this section, and annually thereafter, the 27 hospital shall report to the <sup>1</sup>Legislature, pursuant to section 2 of 28 29 of Health <sup>4</sup>[and Human Services <sup>1</sup>] <sup>4</sup> concerning any reductions in 30 the number of <sup>1</sup>[charity care] inpatient <sup>1</sup> admissions <sup>1</sup>and 31 emergency department visits<sup>1</sup> at the hospital <sup>1</sup>and increased usage 32 33 of preventative care related to the construction, rehabilitation, or remediation of housing and the provision of wrap-around services 34 by the hospital 4 or its partners or contractors, 4 to individuals who 35 are homeless <sup>4</sup>[and] or <sup>4</sup> housing insecure <sup>1</sup> over the previous year. 36 <sup>1</sup>The report shall include data based on each payer type for inpatient 37 38 admissions and emergency department visits, including charity care <sup>4</sup>[. A health care system shall be permitted to submit the report 39 40 required under this subsection to the departments on behalf of one or more of the hospitals that are part of the health care system and, 41 to the extent practicable, shall include input from local 42 43 stakeholders, including regional health hubs, on program design and 44 implementation. The report may be shared with regional health 45 hubs to assist the Department of Health in program design, 46 population analysis, strategic planning, and other appropriate functions<sup>4</sup>.

d. The <sup>4</sup>[Departments] Department of Health <sup>4</sup>[and Human 1 Services **]**<sup>4</sup> shall annually provide to the Legislature <sup>4</sup> **[**an analysis of 2 the a report aggregating the data contained in the reports 3 submitted to the '[departments] department' by a hospital '[or 4 health care system, as applicable, **]**<sup>4</sup> pursuant to subsection c. of this 5 section <sup>3</sup> for five years following the effective date of 6 7 P.L., c. (C. ) (pending before the Legislature as this bill) <sup>4</sup>[. Thereafter, the Departments of Health and Human Services 8 shall provide the Legislature the analysis of the reports submitted to 9 the departments by a hospital or health care system and and 10 quinquennially <sup>3</sup> thereafter <sup>4</sup>. 11 e. As used in this section, "individual who is homeless or homeles 12 housing insecure" means a person <sup>4</sup>[: whose housing costs are 13 more than <sup>2</sup>[50] 30<sup>2</sup> percent of the person's monthly income; who 14 lives in substandard or poor quality housing <sup>2</sup>which impacts the 15 person's health and safety<sup>2</sup>; who lives in a house or apartment with 16 17 overcrowded conditions which impact the person's health and safety; <sup>2</sup>[who lives in a house or apartment with other individuals 18 or families in order to share housing costs; ]2 who is experiencing 19 housing instability, including, but not limited to, periods of living in 20 shelters or hotels or frequent moves from house to house due to 21 economic reasons; or or household who is homeless or 22 23 experiences periods of homelessness <sup>4</sup>as either of those terms is 24 defined pursuant to the federal McKinney-Vento Homeless 25 Assistance Act, (42 U.S.C. s.11301 et seq.), the Qualified 26 Allocation Plan adopted by the New Jersey Housing and Mortgage 27 Finance Agency, or any other State or federal program specifically designed to assist such persons or households; or a person or 28 29 household eligible for and occupying very-low-income housing, 30 low-income housing, or moderate-income housing as those terms 31 are defined in section 4 of P.L.1985, c.222 (C.52:27D-304). 32 f. This section shall not be construed to invalidate or otherwise limit the credit or bonus credit for which a municipality may 33 otherwise be eligible to receive in accordance with P.L.1985, c.222 34 35 (52:27D-301 et seq.) or any court order issued or settlement 36 agreement executed consistent therewith. 37 g. This section shall not be construed to invalidate or otherwise limit the authority or ability to facilitate or enter into such 38 arrangements, or agreements, or projects under existing law 4.1 39 40 This act shall take effect immediately. **4**[3.] 2.**4** 41 42 43 44 45 46

Allows hospitals to construct housing and provide wrap-around services for individuals who are homeless or housing insecure.

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# **SENATE, No. 1676**

# **STATE OF NEW JERSEY**

### 219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

**Sponsored by:** 

Senator BOB SMITH

**District 17 (Middlesex and Somerset)** 

Senator JOSEPH F. VITALE

**District 19 (Middlesex)** 

### **SYNOPSIS**

Allows hospitals to construct housing and provide wrap-around services for homeless persons.

### **CURRENT VERSION OF TEXT**

As introduced.



1	AN ACT	concerning	hospitals,	amending	P.L.1992,	c.160,	and
2	supple	menting P.L.	1971, c.136	6 (C.26:2H-	1 et seq.).		
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4 BE IT ENACTED by the Senate and General Assembly of the State 5 of New Jersey:

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- 7 1. Section 19 of P.L.1992, c.160 (C.26:2H-7a) is amended to 8 read as follows:
- 9 19. Notwithstanding the provisions of section 7 of P.L.1971, 10 c.136 (C.26:2H-7) to the contrary, the following are exempt from
- the certificate of need requirement: 11
- 12 Community-based primary care centers;
- 13 Outpatient drug and alcohol services;
- 14 Hospital-based medical detoxification for drugs and alcohol;
- 15 Ambulance and invalid coach services;
- Mental health services which are non-bed related outpatient 16 17 services;
- 18 Residential health care facility services;
- 19 Dementia care homes;
- 20 Capital improvements and renovations to health care facilities;
- Additions of medical/surgical, adult intensive care and adult 21 22 critical care beds in hospitals;
- 23 Inpatient special psychiatric beds used solely for services for
- 24 patients with co-occurring mental health and substance use 25 disorders;
- 26 Housing and wrap-around services for the homeless provided 27 pursuant to section 2 of P.L. , c. (C. ) (pending before the
- 28 Legislature as this bill);
- 29 Replacement of existing major moveable equipment;
- 30 Inpatient operating rooms;
- 31 Alternate family care programs;
- 32 Hospital-based subacute care;
- 33 Ambulatory care facilities;
- 34 Comprehensive outpatient rehabilitation services;
- 35 Special child health clinics;
- New technology in accordance with the provisions of section 18 36
- 37 of P.L.1998, c.43 (C.26:2H-7d);
- 38 Transfer of ownership interest except in the case of an acute care 39 hospital;
- 40
- Change of site for approved certificate of need within the same 41
- 42 Additions to vehicles or hours of operation of a mobile intensive 43 care unit;
- 44 Relocation or replacement of a health care facility within the
- 45 same county, except for an acute care hospital;

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

### **S1676** B.SMITH, VITALE

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- 1 Continuing care retirement communities authorized pursuant to 2 P.L.1986, c.103 (C.52:27D-330 et seq.);
- 3 Magnetic resonance imaging;
- 4 Adult day health care facilities;
- 5 Pediatric day health care facilities;
- 6 Chronic or acute renal dialysis facilities; and
- Transfer of ownership of a hospital to an authority in accordance with P.L.2006, c.46 (C.30:9-23.15 et al.).
- 9 (cf: P.L.2017, c.94)

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- 12 (New section) a. A general acute care hospital licensed 12 pursuant to P.L.1971, c.136 (C.26:2H-1 et seq.) may adopt as part 13 of its mission the goal of addressing issues related to homelessness.
- A hospital that chooses to address issues related to homelessness as part of its mission pursuant to subsection a. of this section shall be
- authorized to construct housing and provide wrap-around services
- 17 for homeless persons who are treated at the hospital, which wrap-
- 18 around services may include:
- 19 (1) referrals to outpatient primary care and behavioral health 20 care services;
- 21 (2) appropriate follow-up care and treatment management 22 assistance;
- 23 (3) assistance identifying and procuring sources of health 24 benefits coverage, including, but not limited to, coverage under the 25 State Medicaid and NJ FamilyCare programs pursuant to P.L.1968, 26 c.413 (C.30:4D-1 et seq.) and P.L.2005, c.156 (C.30:4J-1 et al.);
- 27 and

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- 28 (4) assistance in identifying and accessing appropriate social 29 services, including, but not limited to, food, transportation, housing, 30 employment, and child care assistance.
  - b. Housing for the homeless constructed by a hospital pursuant to subsection a. of this section shall be deemed a permitted use in all residential and nonresidential districts of a municipality and shall be exempt from local zoning restrictions.
  - c. Commencing one year after the date a hospital first constructs housing and begins providing wrap-around services for the homeless pursuant to subsection a. of this section, and annually thereafter, the hospital shall report to the Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), concerning any reductions in the number of charity care admissions at the hospital over the previous year.

41 42

43 3. This act shall take effect immediately.

#### S1676 B.SMITH, VITALE

This bill authorizes general acute care hospitals to adopt, as part of their missions, the goal of addressing issues related to homelessness. A hospital that chooses to address issues related to homelessness will be authorized to construct housing and provide wrap-around services for homeless persons who are treated at the hospital, which wrap-around services may include:

- (1) referrals to outpatient primary care and behavioral health care services;
- (2) appropriate follow-up care and treatment management assistance;
- (3) assistance identifying and procuring sources of health benefits coverage, including, but not limited to, coverage under the State Medicaid and NJ FamilyCare programs; and
- (4) assistance in identifying and accessing appropriate social services, including, but not limited to, food, transportation, housing, employment, and child care assistance.

The provision of housing and wrap-around services for the homeless will be exempt from certificate of need requirements, and housing for the homeless constructed by a hospital will be deemed a permitted use in all residential and nonresidential districts of a municipality and will be exempt from local zoning restrictions.

A hospital that constructs housing and provides wrap-around services for the homeless will be required to submit annual reports to the Legislature concerning any reductions in the number of charity care admissions at the hospital over the previous year.

### ASSEMBLY HEALTH COMMITTEE

### STATEMENT TO

[Second Reprint] **SENATE, No. 1676** 

with committee amendments

### STATE OF NEW JERSEY

DATED: MARCH 8, 2021

The Assembly Health Committee reports favorably and with committee amendments Senate Bill No. 1676 (2R).

As amended, this bill authorizes general acute care hospitals to adopt, as part of their missions, the goal of addressing issues related to homelessness and housing insecurity. A hospital that chooses to address issues related to homelessness and housing insecurity will be authorized to construct, rehabilitate, or remediate housing and provide wrap-around services for homeless persons and the housing insecure who are treated at the hospital, which wrap-around services may include:

- (1) referrals to outpatient primary care and behavioral health care services;
- (2) appropriate follow-up care and treatment management assistance:
- (3) assistance identifying and procuring sources of health benefits coverage, including, but not limited to, coverage under the State Medicaid and NJ FamilyCare programs; and
- (4) assistance in identifying and accessing appropriate social services, including, but not limited to, food, transportation, housing, employment, and child care assistance.

As amended, the bill defines "individual who is housing insecure" as a person: whose housing costs are more than 50 percent of the person's monthly income; who lives in substandard or poor quality housing; who lives in a house or apartment with overcrowded conditions which impact the person's health and safety; who lives in a house or apartment with other individuals or families in order to share housing costs; who is experiencing housing instability, including, but not limited to, periods of living in shelters or hotels or frequent moves from house to house due to economic reasons; or who experiences periods of homelessness.

The provision of housing and wrap-around services for the homeless and the housing insecure will be exempt from certificate of need requirements, and housing for the homeless constructed, rehabilitated, or remediated by a hospital will be deemed a permitted use in all residential and nonresidential districts of a municipality and will be exempt from local zoning restrictions.

As amended, the bill provides that housing for the homeless and the housing insecure provided by a hospital will also be deemed a permitted use in all residential and nonresidential districts of a municipality and exempt from local zoning restrictions. The housing will also be exempt from Department of Health (DOH) health care facility licensing requirements, provided that if wraparound services provided in connection with that housing are provided in a health clinic or other comparable licensed health care facility licensed by the DOH, the clinic or facility will continue to be required to comply with DOH's health care facility licensing requirements. The bill provides that the number of housing units that are constructed, rehabilitated, or remediated in a particular municipality pursuant to the bill's provisions will be subtracted from the total number of affordable housing units that may be required in that municipality by the Council on Affordable Housing.

A hospital that constructs, rehabilitates, or remediates housing and provides wrap-around services for the homeless and the housing insecure will be required to submit annual reports to the Departments of Health and Human Services concerning any reductions in the number of inpatient admissions and emergency department visits at the hospital relating to the construction, rehabilitation, or remediation of housing for, and the provision of wrap-around services to, homeless persons and the housing insecure over the previous year. The reports submitted to the departments are to include data based on each payer type for inpatient admissions and emergency department visits, including charity care. A health care system will be permitted to submit the report on behalf of one or more hospitals that are part of that health care system. The departments will be required to provide the Legislature with an annual analysis of the reports submitted by or on behalf of hospitals under the bill for five years following the bill's effective date. Thereafter, the departments will provide the Legislature such analysis quinquennially.

As amended and reported by the committee, Senate Bill No. 1676 (2R) is identical to Assembly Bill No. 3326 which was amended and reported by the committee on this date.

#### **COMMITTEE AMENDMENTS**

The committee amendments make a technical change involving usage and provide that the number of housing units that are constructed, rehabilitated, or remediated in a particular municipality pursuant to the bill's provisions are to be subtracted from the total

number of affordable housing units that may be required in that municipality by the Council on Affordable Housing. The amendments also revise reporting requirements the Departments of Health and Human Services.

### SENATE HEALTH, HUMAN SERVICES AND SENIOR CITIZENS COMMITTEE

### STATEMENT TO

### **SENATE, No. 1676**

with committee amendments

### STATE OF NEW JERSEY

DATED: SEPTEMBER 14, 2020

The Senate Health, Human Services and Senior Citizens Committee reports favorably and with committee amendments Senate Bill No. 1676.

As amended by the committee, this bill authorizes general acute care hospitals to adopt, as part of their missions, the goal of addressing issues related to homelessness and housing insecurity. A hospital that chooses to address issues related to homelessness and housing insecurity will be authorized to construct, rehabilitate, or remediate housing and provide wrap-around services for homeless persons and the housing insecure who are treated at the hospital, which wrap-around services may include:

- (1) referrals to outpatient primary care and behavioral health care services;
- (2) appropriate follow-up care and treatment management assistance;
- (3) assistance identifying and procuring sources of health benefits coverage, including, but not limited to, coverage under the State Medicaid and NJ FamilyCare programs; and
- (4) assistance in identifying and accessing appropriate social services, including, but not limited to, food, transportation, housing, employment, and child care assistance.

As amended, the bill defines "individual who is housing insecure" as a person: whose housing costs are more than 50 percent of the person's monthly income; who lives in substandard or poor quality housing; who lives in a house or apartment with overcrowded conditions which impact the person's health and safety; who lives in a house or apartment with other individuals or families in order to share housing costs; who is experiencing housing instability, including, but not limited to, periods of living in shelters or hotels or frequent moves from house to house due to economic reasons; or who experiences periods of homelessness.

The provision of housing and wrap-around services for the homeless and the housing insecure will be exempt from certificate of need requirements, and housing for the homeless constructed, rehabilitated, or remediated by a hospital will be deemed a permitted use in all residential and nonresidential districts of a municipality and will be exempt from local zoning restrictions.

As amended by the committee, housing for the homeless and the housing insecure provided by a hospital will also be deemed a permitted use in all residential and nonresidential districts of a municipality and exempt from local zoning restrictions. The housing will also be exempt from Department of Health (DOH) health care facility licensing requirements, provided that if wraparound services provided in connection with that housing are provided in a health clinic or other comparable licensed health care facility licensed by the DOH, the clinic or facility will continue to be required to comply with DOH's health care facility licensing requirements.

A hospital that constructs, rehabilitates, or remediates housing and provides wrap-around services for the homeless and the housing insecure will be required to submit annual reports to the Departments of Health and Human Services concerning any reductions in the number of inpatient admissions and emergency department visits at the hospital relating to the construction, rehabilitation, or remediation of housing for, and the provision of wrap-around services to, homeless persons and the housing insecure over the previous year. The reports submitted to the departments are to include data based on each payer type for inpatient admissions and emergency department visits, including charity care. A health care system will be permitted to submit the report on behalf of one or more hospitals that are part of that health care system. The departments will be required to provide the Legislature with an annual analysis of the reports submitted by or on behalf of hospitals under the bill.

### **COMMITTEE AMENDMENTS**

The committee amendments expand the housing and other services provided by hospitals under the bill to include people who are housing insecure, as well as people who are homeless. The amendments add a definition of "individual who is housing insecure."

The committee amendments allow hospitals to rehabilitate or remediate housing for the homeless and housing insecure, in addition to constructing such housing.

The committee amendments provide that housing provided by a hospital will be exempt from DOH health care facility licensing requirements; provided that when wrap-around services provided in connection with that housing are provided in a licensed health care facility, the facility will continue to be subject to DOH health care facility licensing requirements.

The committee amendments provide that the reports hospitals are required to submit under the bill will be submitted to the Departments of Health and Human Services, rather than to the Legislature. The departments will be required to submit an annual analysis of the reported data to the Legislature.

The committee amendments revise the data to be reported under the bill. As introduced, the reports were limited to changes in the number of charity care admissions attributable to the provision of housing and related services for the homeless. As amended, the bill requires the reports to include data concerning changes in the number of inpatient admissions and emergency department visits at the hospital attributable to the provision of housing and related services, as well as data based on each payer type for inpatient admissions and emergency department visits, including charity care.

The committee amendments provide that health care systems will be allowed to submit the required reports on behalf of their member hospitals.

### STATEMENT TO

# [First Reprint] **SENATE, No. 1676**

with Senate Floor Amendments (Proposed by Senator SMITH)

ADOPTED: OCTOBER 29, 2020

This Senate amendment modifies the definition of the term "individual who is housing insecure" to mean a person whose housing costs are more than 30 percent of the person's monthly income, instead of 50 percent of the person's monthly income as currently provided in the bill.

The amendment also removes language in the definition that stipulates that an individual who is housing insecure includes a person who lives in a house or apartment with other individuals or families in order to share housing costs.

The amendment adds language clarifying that, to be considered housing insecure on the basis of substandard or poor quality of housing, the person's housing must impact the person's health and safety.

The amendment also corrects the spelling of the word "remediated."

# ASSEMBLY, No. 3326

# STATE OF NEW JERSEY

### 219th LEGISLATURE

INTRODUCED FEBRUARY 25, 2020

**Sponsored by:** 

Assemblyman HERB CONAWAY, JR. **District 7 (Burlington)** Assemblywoman VERLINA REYNOLDS-JACKSON **District 15 (Hunterdon and Mercer)** Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

Co-Sponsored by:

Assemblywoman Speight, Assemblymen Holley, Greenwald and Stanley

### **SYNOPSIS**

Allows hospitals to construct housing and provide wrap-around services for homeless persons.

### **CURRENT VERSION OF TEXT**



(Sponsorship Updated As Of: 2/22/2021)

1	AN ACT	concerning	hospitals,	amending	P.L.1992,	c.160,	and
2	supple	menting P.L.	1971, c.136	6 (C.26:2H-	1 et seq.).		

3

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

6

- 7 1. Section 19 of P.L.1992, c.160 (C.26:2H-7a) is amended to 8 read as follows:
- 9 19. Notwithstanding the provisions of section 7 of P.L.1971,
- 10 c.136 (C.26:2H-7) to the contrary, the following are exempt from the certificate of need requirement:
- 12 Community-based primary care centers;
- Outpatient drug and alcohol services;
- Hospital-based medical detoxification for drugs and alcohol;
- 15 Ambulance and invalid coach services;
- Mental health services which are non-bed related outpatient services;
- 18 Residential health care facility services;
- 19 Dementia care homes;
- 20 Capital improvements and renovations to health care facilities;
- Additions of medical/surgical, adult intensive care and adult critical care beds in hospitals;
- 23 Inpatient special psychiatric beds used solely for services for
- patients with co-occurring mental health and substance use disorders;
- Housing and wrap-around services for the homeless provided
- 27 pursuant to section 2 of P.L. , c. (C. ) (pending before the
- 28 <u>Legislature as this bill);</u>
- 29 Replacement of existing major moveable equipment;
- 30 Inpatient operating rooms;
- 31 Alternate family care programs;
- Hospital-based subacute care;
- 33 Ambulatory care facilities;
- 34 Comprehensive outpatient rehabilitation services;
- 35 Special child health clinics;
- New technology in accordance with the provisions of section 18
- 37 of P.L.1998, c.43 (C.26:2H-7d);
- Transfer of ownership interest except in the case of an acute care
- 39 hospital;
- Change of site for approved certificate of need within the same county:
- Additions to vehicles or hours of operation of a mobile intensive care unit;
- 44 Relocation or replacement of a health care facility within the
- same county, except for an acute care hospital;

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

### A3326 CONAWAY, REYNOLDS-JACKSON

1 Continuing care retirement communities authorized pursuant to 2 P.L.1986, c.103 (C.52:27D-330 et seq.); 3 Magnetic resonance imaging; 4 Adult day health care facilities; 5 Pediatric day health care facilities; Chronic or acute renal dialysis facilities; and 6 7 Transfer of ownership of a hospital to an authority in accordance with P.L.2006, c.46 (C.30:9-23.15 et al.).

9 (cf: P.L.2017, c.94, s.1)

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- 2. (New section) a. A general acute care hospital licensed pursuant to P.L.1971, c.136 (C.26:2H-1 et seq.) may adopt as part of its mission the goal of addressing issues related to homelessness. A hospital that chooses to address issues related to homelessness as part of its mission pursuant to subsection a. of this section shall be authorized to construct housing and provide wrap-around services for homeless persons who are treated at the hospital, which wraparound services may include:
- (1) referrals to outpatient primary care and behavioral health care services;
  - (2) appropriate follow-up care and treatment management assistance;
  - (3) assistance identifying and procuring sources of health benefits coverage, including, but not limited to, coverage under the State Medicaid and NJ FamilyCare programs pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.) and P.L.2005, c.156 (C.30:4J-1 et al.); and
  - (4) assistance in identifying and accessing appropriate social services, including, but not limited to, food, transportation, housing, employment, and child care assistance.
  - b. Housing for the homeless constructed by a hospital pursuant to subsection a. of this section shall be deemed a permitted use in all residential and nonresidential districts of a municipality and shall be exempt from local zoning restrictions.
  - Commencing one year after the date a hospital first constructs housing and begins providing wrap-around services for the homeless pursuant to subsection a. of this section, and annually thereafter, the hospital shall report to the Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), concerning any reductions in the number of charity care admissions at the hospital over the previous year.

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3. This act shall take effect immediately.

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#### **STATEMENT**

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48 This bill authorizes general acute care hospitals to adopt, as part 49 of their missions, the goal of addressing issues related to homelessness. A hospital that chooses to address issues related to homelessness will be authorized to construct housing and provide wrap-around services for homeless persons who are treated at the hospital, which wrap-around services may include:

- (1) referrals to outpatient primary care and behavioral health care services;
- (2) appropriate follow-up care and treatment management assistance;
- (3) assistance identifying and procuring sources of health benefits coverage, including, but not limited to, coverage under the State Medicaid and NJ FamilyCare programs; and
- (4) assistance in identifying and accessing appropriate social services, including, but not limited to, food, transportation, housing, employment, and child care assistance.

The provision of housing and wrap-around services for the homeless will be exempt from certificate of need requirements, and housing for the homeless constructed by a hospital will be deemed a permitted use in all residential and nonresidential districts of a municipality and will be exempt from local zoning restrictions.

A hospital that constructs housing and provides wrap-around services for the homeless will be required to submit annual reports to the Legislature concerning any reductions in the number of charity care admissions at the hospital over the previous year.

### ASSEMBLY HEALTH COMMITTEE

### STATEMENT TO

### ASSEMBLY, No. 3326

with committee amendments

## STATE OF NEW JERSEY

DATED: MARCH 8, 2021

The Assembly Health Committee reports favorably and with committee amendments Assembly Bill No. 3326.

As amended, this bill authorizes general acute care hospitals to adopt, as part of their missions, the goal of addressing issues related to homelessness and housing insecurity. A hospital that chooses to address issues related to homelessness and housing insecurity will be authorized to construct, rehabilitate, or remediate housing and provide wrap-around services for homeless persons and the housing insecure who are treated at the hospital, which wrap-around services may include:

- (1) referrals to outpatient primary care and behavioral health care services;
- (2) appropriate follow-up care and treatment management assistance:
- (3) assistance identifying and procuring sources of health benefits coverage, including, but not limited to, coverage under the State Medicaid and NJ FamilyCare programs; and
- (4) assistance in identifying and accessing appropriate social services, including, but not limited to, food, transportation, housing, employment, and child care assistance.

As amended, the bill defines "individual who is housing insecure" as a person: whose housing costs are more than 50 percent of the person's monthly income; who lives in substandard or poor quality housing; who lives in a house or apartment with overcrowded conditions which impact the person's health and safety; who lives in a house or apartment with other individuals or families in order to share housing costs; who is experiencing housing instability, including, but not limited to, periods of living in shelters or hotels or frequent moves from house to house due to economic reasons; or who experiences periods of homelessness.

The provision of housing and wrap-around services for the homeless and the housing insecure will be exempt from certificate of need requirements, and housing for the homeless constructed, rehabilitated, or remediated by a hospital will be deemed a permitted use in all residential and nonresidential districts of a municipality and will be exempt from local zoning restrictions.

As amended, the bill provides that housing for the homeless and the housing insecure provided by a hospital will also be deemed a permitted use in all residential and nonresidential districts of a municipality and exempt from local zoning restrictions. The housing will also be exempt from Department of Health (DOH) health care facility licensing requirements, provided that if wraparound services provided in connection with that housing are provided in a health clinic or other comparable licensed health care facility licensed by the DOH, the clinic or facility will continue to be required to comply with DOH's health care facility licensing requirements. The bill provides that the number of housing units that are constructed, rehabilitated, or remediated in a particular municipality pursuant to the bill's provisions will be subtracted from the total number of affordable housing units that may be required in that municipality by the Council on Affordable Housing.

A hospital that constructs, rehabilitates, or remediates housing and provides wrap-around services for the homeless and the housing insecure will be required to submit annual reports to the Departments of Health and Human Services concerning any reductions in the number of inpatient admissions and emergency department visits at the hospital relating to the construction, rehabilitation, or remediation of housing for, and the provision of wrap-around services to, homeless persons and the housing insecure over the previous year. The reports submitted to the departments are to include data based on each payer type for inpatient admissions and emergency department visits, including charity care. A health care system will be permitted to submit the report on behalf of one or more hospitals that are part of that health care system. The departments will be required to provide the Legislature with an annual analysis of the reports submitted by or on behalf of hospitals under the bill for five years following the bill's effective date. Thereafter, the departments will provide the Legislature such analysis quinquennially.

As amended and reported by the committee, Assembly Bill No. 3326 is identical to Senate Bill No. 1676 (2R) which was amended and reported by the committee on this date.

### **COMMITTEE AMENDMENTS:**

The committee amendments make a technical change to the synopsis, a technical change involving usage, and provide that the number of housing units that are constructed, rehabilitated, or remediated in a particular municipality pursuant to the bill's provisions are to be subtracted from the total number of affordable housing units that may be required in that municipality by the Council on Affordable Housing.

Further, the amendments:

1) include housing insecure individuals in the bill's provisions;

- 2) permit hospitals to also rehabilitate or remediate housing;
- 3) provide that constructed, rehabilitated, or remediated housing is to be exempt from the Department of Health's health care facility licensing requirements as provided in the bill;
- 4) provide reporting requirements for hospitals and the Departments of Health and Human Services; and
  - 5) define "individual who is housing insecure."

#### SENATE BILL NO. 1676

(Third Reprint)

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I herewith return Senate Bill No. 1676 (Third Reprint) with my recommendations for reconsideration.

This bill provides specific statutory authorization for general acute care hospitals to address homelessness and housing insecurity through the construction, rehabilitation, or remediation of affordable housing and the provision of wrap-around services for those treated at the hospital who are homeless or housing insecure. The bill exempts the housing and wrap-around services from the requirement to first obtain a certificate of need and exempts this housing from local zoning restrictions and health care facility licensing requirements.

I applaud the sponsors' recognition of the importance of this issue. The evidence is strong that stable and quality housing have a cognizable impact on health outcomes. In light of this evidence, in 2018, my Administration, through the New Jersey Housing and Mortgage Finance Agency ("HMFA"), initiated an unprecedented partnership with hospitals around the State by providing matching funds toward the development of affordable and supportive housing in their communities. Like Senate Bill No. 1676 (Third Reprint), the program supports multiple objectives, including reducing the costs to hospitals associated with frequent use of emergency services, and, more importantly, reducing the chronic illnesses, poor nutrition, and mental health effects among residents who suffer from housing instability.

While the bill laudably provides strong statutory support for this innovative partnership, I am recommending measures to ensure the viability of the novel program instituted by HMFA. The bill contains affordable housing language authorizing municipalities to receive affordable housing credit for the housing created through the program. My recommendations strengthen this provision by appropriately placing it within the context delineated by the New Jersey Supreme Court in 2015 and clarifying that municipalities are not limited in their ability to seek the affordable housing credits or bonuses for which they would otherwise be eligible under existing law. Finally, the recommendations proposed today safeguard access to these housing units for those who are most vulnerable, while at the same time maintaining compliance with the federal Low-Income Housing Tax Credit program.

As we begin to emerge from a pandemic that has caused massive economic and social disruption, we must continue to think creatively about ways to reduce housing instability. I look forward to continuing to work with my partners in the Legislature to promote affordable housing and protect the health of all New Jersey residents.

Therefore, I herewith return Senate Bill No. 1676 (Third Reprint) and recommend that it be amended as follows:

Page 2, Title, Line 1: Delete ", amending P.L.1992,
c.160,"

Page 2, Section 1, Lines 7-44:
Delete in their entirety

Page 3, Section 1, Lines 1-11:
Delete in their entirety

Page 3, Section 2, Line 13:
Delete "2." and insert "1."

Page 3, Section 2, Line 16:
Delete "and" and insert "or"

Page 3, Section 2, Line 17:
Delete "and" and insert "or"

therefore,"

Page 3, Section 2, Line 21:
Delete "and" and insert "or"

therefore,"

Page 3, Section 2, Line 35:

Before "b." insert "Such hospital shall notify the Department of Health as to the wrap-around services intended to be provided pursuant to this

section and if any such service is subject to the Department of Health's healthcare facility

requirements licensing service shall be licensed prior to it being provided. To the extent practicable, a hospital may collaborate with a regional health hub to provide the wraparound services described in paragraphs (1) through (4) of this subsection."

Page 3, Section 2, Line 35:

Delete "The number of housing units that are constructed,"

Page 3, Section 2, Lines 36-39:

Delete in their entirety

Page 3, Section 2, Line 40:

Delete "Affairs."

Page 3, Section 2, Line 42:

After "hospital" insert ", its partners or contractors,"

Page 4, Section 2, Line 6:

After "hospital" insert ", or its partners or contractors,"

Page 4, Section 2, Line 12:

Delete "Departments" and insert "Department"

Page 4, Section 2, Line 12:

Delete "and Human Services"

Page 4, Section 2, Line 17:

After "hospital" insert "or its partners or contractors,"

Page 4, Section 2, Line 17:

Delete "and" and insert "or"

Page 4, Section 2, Line 20:

After "care" insert "and, to the extent practicable, shall include input from local stakeholders, including regional health hubs, on program design and implementation. The report may be shared with regional health hubs to assist the Department of Health in program design, population
analysis, strategic planning, and other appropriate functions"

Page 4, Section 2, Line 20:

Delete "A health care"

Page 4, Section 2, Lines 21-23:

Delete in their entirety

Page 4, Section 2, Line 24:

Delete "Departments" and insert "Department"

Page 4, Section 2, Line 24:

Delete "and Human Services"

Page 4, Section 2, Line 25:

Delete "an analysis of the" and insert "a report aggregating the data contained in the"

Page 4, Section 2, Line 26:

Delete "departments" and insert "department"

Page 4, Section 2, Lines 26-27:

Delete "or health care system, as applicable,"

Page 4, Section 2, Line 29:

**"** . Thereafter, the Delete Departments of"

Page 4, Section 2, Lines 30-31:
Delete in their entirety

Page 4, Section 2, Line 32:

Delete "health care system" and insert "and"

Page 4, Section 2, Line 32:

After "quinquennially" insert "thereafter"

Page 4, Section 2, Line 33:

After "is" insert "homeless or"

Page 4, Section 2, Line 34:

After "person" insert "or household"

Page 4, Section 2, Line 34:

Delete ": whose housing costs are more than 30"

Page 4, Section 2, Lines 35-42:

Delete in their entirety

Page 4, Section 2, Line 43:

After "who" insert "is homeless or"

Page 4, Section 2, Line 43:

After "homelessness" insert "as either of those terms is defined pursuant to the McKinney-Vento Homeless Assistance Act, (42 U.S.C. § 11301 et seq.), the Qualified Allocation Plan adopted by the New Jersey Housing and Mortgage Finance Agency, or any other State or federal program specifically designed to assist such persons or households; or a person or household eligible for and occupying very-low-income housing, low-income housing, or moderate-income housing as those terms are defined in section 4 of P.L.1985, c.222 (C.52:27D-304).

- f. This section shall not be construed to invalidate or otherwise limit the credit or bonus credit for which a municipality may otherwise be eligible to receive in accordance with P.L.1985, c.222 (52:27D-301 et seq.) or any court order issued or settlement agreement executed consistent therewith.
- g. This section shall not be construed to invalidate or otherwise limit the authority or ability to facilitate or enter into such arrangements, or agreements, or projects under existing law"

### Page 4, Section 3, Line 45:

[seal]

Delete "3." and insert "2."

Respectfully,

/s/ Philip D. Murphy

Governor

### Attest:

/s/ Parimal Garg

Chief Counsel to the Governor

# Governor Murphy Signs Legislation Allowing Hospitals to Construct Housing and Provide Wrap-Around Services for Individuals Who Are Experiencing Homelessness or Housing Insecurity

06/30/2021

**TRENTON** – Governor Phil Murphy today signed S1676/A3326, allowing hospitals to construct housing and provide wrap-around services for individuals who are experiencing homelessness or housing insecurity. Last month, the bill was returned to the Legislature with recommendations to strengthen the affordable housing piece of the legislation.

"Stable, quality housing and access to wrap-around resources have a significant impact on health outcomes," **said Governor Murphy.** "As New Jersey emerges from the COVID-19 pandemic that has caused severe economic and social disruption, we must think creatively about ways to reduce housing instability and improve access to services. I commend my partners in the Legislature for their efforts to eliminate housing insecurity and improve the health of New Jerseyans."

The bill was sponsored by Senators Smith and Vitale and Assemblymembers Conaway, Reynolds-Jackson, and Vainieri Huttle.

"Nationwide, hospitals are increasingly turning to housing provisions to combat the high costs that come with treating individuals suffering from chronic homelessness," **said Senator Smith.** "We hold ourselves to a high standard in helping the most vulnerable populations in the state. This law will ensure our homeless population has a safe place to turn to after they receive treatment without depleting hospital resources that could go towards helping other patients."

"Several pilots and partnerships are already under way in New Jersey with entities traditionally in the health care space – hospitals and health insurers – looking to provide housing and other wrap-around social services," said Senator Vitale, Chair of the Senate Health, Human Services and Senior Citizens Committee. "This law will make it easier for hospitals to provide housing and wrap-around services, allowing them to address more of the social determinants of health not always solved within the hospital walls."

"Providing a stable living environment to housing insecure people is a great way we can ensure compliance with medical treatment plans," **said Assemblyman Herb Conaway.** "Homes represent secure spaces for the ongoing management of chronic conditions and the application of critical services in the areas of health education, nutrition, life skills and job training."

"Giving homeless people access to housing and comprehensive social support in order to improve their overall health really works," **said Assemblywoman Verlina Reynolds-Jackson**. "Helping people in our communities avoid the harsh and dangerous conditions they would otherwise face without a home is the compassionate and logical thing to do to set them up for a safer, healthier life."

"Many of the medical complications that arise or worsen as a result of homelessness could be prevented if the underlying issue of housing insecurity was addressed," **said Assemblywoman Valerie Vainieri Huttle.** "Providing stable housing and other critical support would change so many lives while also benefitting our healthcare system. This initiative would be helpful to everyone."

"Living in a safe, decent, and affordable home has an extraordinary impact on a family's health," **said Adam Gordon, Executive Director, Fair Share Housing Center.** "We commend Governor Murphy and the legislative sponsors for recognizing and strengthening this link at a time when the COVID-19 pandemic has exposed the precarious position that many families are in, especially families of color. By enabling hospitals to create homes serving those experiencing or at risk of homelessness, New Jersey will reduce health care costs and improve the lives of many families."

# Governor Murphy Takes Action on Legislation

05/11/2021

**TRENTON** – Today, Governor Murphy signed the following bills into law:

**S-767/A-4552 (Gopal, Greenstein/Houghtaling, Benson, Tully)** – Exempts New Jersey Infrastructure Bank projects from certain local bond requirements

**S-942/A-2890 (Singleton/Lopez, Chiaravalloti, Timberlake)** – Requires certain standards for professional and occupational boards considering applicants with criminal history records

**S-1937/A-1597 (Madden, Sweeney/Mejia, Timberlake, Vainieri Huttle)** – Establishes Task Force to Promote Employment by State Agencies of People with Disabilities

**S-2486/A-4264 (Sweeney/Taliaferro, Lampitt, Vainieri Huttle)** – Establishes Clayton Model Pilot Program in DOE to provide school-based social emotional learning to students in grades kindergarten through five at certain public schools

**S-2728/A-4835 (Sweeney, A.M. Bucco/Verrelli, Burzichelli, Wirths)** – Adds two members to State Board of Examiners of Heating, Ventilating, Air Conditioning and Refrigeration (HVACR) Contractors

**S-2832/A-5295 (Ruiz, Beach/Quijano, Lampitt)** – Allows student enrolled in institution of higher education who has completed 30 semester-hour credits to serve as substitute teacher; extends time period substitute teacher may serve during public health emergency

S-3145/A-2308 (Greenstein, Pou/Vainieri Huttle, Johnson, Downey) — Concerns names required on applications for professional and occupational licensure

**S-3198/A-5078 (Codey, Gopal/Dancer, Caputo)** – Extends time outstanding parimutuel ticket may be claimed from six months to 12 months; allows additional time to claim outstanding parimutuel tickets and unclaimed cash vouchers due to Public Health Emergency

**S-3234/A-5149 (Singleton, A.M. Bucco/Greenwald, Benson, Johnson)** – Allows deduction from tax of certain expenses when taxpayer's federal paycheck protection program loan is forgiven and excludes those forgiven loans from gross income tax

Governor Murphy conditionally vetoed the following bills:

**S-853/A-5064 (Sweeney, Beach/Verrelli, Giblin, Danielsen) – CONDITIONAL** – "New Jersey Buy American Act"; requires certain State agency highway and bridge construction contracts to include iron and steel products made in U.S.

Copy of Statement

**S-890/A-1061 (Pou, Codey/Jasey, Johnson, Verrelli)** – **CONDITIONAL** – Requires DOH and DHS to identify and take appropriate steps to secure federal sources of funding to support maternal mental health

### Copy of Statement

S-1676/A-3326 (Smith, Vitale/Conaway, Reynolds-Jackson, Vainieri Huttle) – CONDITIONAL – Allows hospitals to construct housing and provide wrap-around services for individuals who are homeless or housing insecure

Copy of Statement

### SENATE BILL NO. 1676 (Third Reprint)

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I herewith return Senate Bill No. 1676 (Third Reprint) with my recommendations for reconsideration.

This bill provides specific statutory authorization for general acute care hospitals to address homelessness and housing insecurity through the construction, rehabilitation, or remediation of affordable housing and the provision of wrap-around services for those treated at the hospital who are homeless or housing insecure. The bill exempts the housing and wrap-around services from the requirement to first obtain a certificate of need and exempts this housing from local zoning restrictions and health care facility licensing requirements.

I applaud the sponsors' recognition of the importance of this issue. The evidence is strong that stable and quality housing have a cognizable impact on health outcomes. In light of this evidence, in 2018, my Administration, through the New Jersey Housing and Mortgage Finance Agency ("HMFA"), initiated an unprecedented partnership with hospitals around the State by providing matching funds toward the development of affordable and supportive housing in their communities. Like Senate Bill No. 1676 (Third Reprint), the program supports multiple objectives, including reducing the costs to hospitals associated with frequent use of emergency services, and, more importantly, reducing the chronic illnesses, poor nutrition, and mental health effects among residents who suffer from housing instability.

While the bill laudably provides strong statutory support for this innovative partnership, I am recommending measures to ensure the viability of the novel program instituted by HMFA. The bill contains affordable housing language authorizing municipalities to receive affordable housing credit for the housing created through the program. My recommendations strengthen this provision by appropriately placing it within the context delineated by the New Jersey Supreme Court in 2015 and clarifying that municipalities are not limited in their ability to seek the affordable housing credits or bonuses for which they would otherwise be eligible under existing law. Finally, the recommendations proposed today safeguard access to these housing units for those who are most vulnerable, while at the same time maintaining compliance with the federal Low-Income Housing Tax Credit program.

As we begin to emerge from a pandemic that has caused massive economic and social disruption, we must continue to think creatively about ways to reduce housing instability. I look forward to continuing to work with my partners in the Legislature to promote affordable housing and protect the health of all New Jersey residents.

Therefore, I herewith return Senate Bill No. 1676 (Third Reprint) and recommend that it be amended as follows:

<pre>Page 2, Title, Line 1:</pre>	Delete ", amending P.L.1992, c.160,"
Page 2, Section 1, Lines 7-44:	Delete in their entirety

Page 3, Section 1, Lines 1-11:
Delete in their entirety

Page 3, Section 2, Line 13:
Delete "2." and insert "1."

Page 3, Section 2, Line 16:
Delete "and" and insert "or"

Page 3, Section 2, Line 17:
Delete "and" and insert "or"

Page 3, Section 2, Line 21:
Delete "and" and insert "or"

Page 3, Section 2, Line 21:

After "insecure" insert ", or enter into a partnership or other contractual arrangement therefore,"

Page 3, Section 2, Line 35:

Before "b." insert "Such hospital shall notify the Department of Health as to the wrap-around services intended to be provided pursuant to this

section and if any such service is subject to the Department of Health's healthcare facility licensing requirements the service shall be licensed prior to it being provided. To the extent practicable, a hospital may collaborate with a regional health hub to provide the wraparound services described in paragraphs (1) through (4) of this subsection."

Page 3, Section 2, Line 35:

Delete "The number of housing units that are constructed,"

Page 3, Section 2, Lines 36-39:

Delete in their entirety

Page 3, Section 2, Line 40:

Delete "Affairs."

Page 3, Section 2, Line 42:

After "hospital" insert ", or its partners or contractors,"

Page 4, Section 2, Line 6:

After "hospital" insert ", or its partners or contractors,"

Page 4, Section 2, Line 12:

Delete "Departments" and insert
"Department"

Page 4, Section 2, Line 12:

Delete "and Human Services"

Page 4, Section 2, Line 17:

After "hospital" insert "or its partners or contractors,"

Page 4, Section 2, Line 17:

Delete "and" and insert "or"

Page 4, Section 2, Line 20:

After "care" insert "and, to the extent practicable, shall include input from local stakeholders, including regional health hubs, on program design and implementation. The report may be shared with regional health hubs to assist the Department of Health in program design, population analysis, strategic planning, and other appropriate functions"

Page 4, Section 2, Line 20:

Delete "A health care"

Page 4, Section 2, Lines 21-23:

Delete in their entirety

Page 4, Section 2, Line 24:

Delete "Departments" and insert "Department"

Page 4, Section 2, Line 24:

Delete "and Human Services"

Page 4, Section 2, Line 25:

Delete "an analysis of the" and insert "a report aggregating the data contained in the"

Page 4, Section 2, Line 26:

Delete "departments" and insert "department"

Page 4, Section 2, Lines 26-27:

Delete "or health care system, as applicable,"

Page 4, Section 2, Line 29:

Delete ". Thereafter, the Departments of"

Page 4, Section 2, Lines 30-31: Delete in their entirety

Page 4, Section 2, Line 32:

Delete "health care system" and insert "and"

Page 4, Section 2, Line 32:

After "quinquennially" insert "thereafter"

Page 4, Section 2, Line 33:

After "is" insert "homeless or"

Page 4, Section 2, Line 34:

After "person" insert "or household"

Page 4, Section 2, Line 34:

Delete ": whose housing costs are more than 30"

Page 4, Section 2, Lines 35-42:

Delete in their entirety

Page 4, Section 2, Line 43:

After "who" insert "is homeless or"

Page 4, Section 2, Line 43:

After "homelessness" insert "as either of those terms is defined pursuant to the McKinney-Vento Homeless Assistance Act, (42 U.S.C. § 11301 et seq.), the Qualified Allocation Plan Qualified Allocation adopted by the New Jersey Housing and Mortgage Finance Agency, or any other State or federal program specifically designed to assist such persons or households; or a person or household eligible for and very-low-income occupying housing, low-income housing, or moderate-income housing as those terms are defined in section 4 of P.L.1985, c.222 (C.52:27D-304).

- f. This section shall not be construed to invalidate or otherwise limit the credit or bonus credit for which a municipality may otherwise be eligible to receive in accordance with P.L.1985, c.222 (52:27D-301 et seq.) or any court order issued or settlement agreement executed consistent therewith.
- g. This section shall not be construed to invalidate or otherwise limit the authority or ability to facilitate or enter into such arrangements, or agreements, or projects under existing law"

### Page 4, Section 3, Line 45:

[seal]

Delete "3." and insert "2."

Respectfully,

/s/ Philip D. Murphy

Governor

Attest:

/s/ Parimal Garg

Chief Counsel to the Governor