

55:13B-3

LEGISLATIVE HISTORY CHECKLIST

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(Rooming & boarding homes--Alzheimers)

NJSA: 55:13B-3

LAWS OF: 1997 CHAPTER: 260

BILL NO: A2628

SPONSOR(S): Vandervalk

DATE INTRODUCED: January 9, 1997

COMMITTEE: ASSEMBLY: Health
SENATE: Senior Citizens

AMENDED DURING PASSAGE: No Senate committee substitute enacted

DATE OF PASSAGE: ASSEMBLY: February 27, 1997
SENATE: June 26, 1997

DATE OF APPROVAL: October 9, 1997

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes Also attached: statement with floor amendments, adopted 2-20-97

COMMITTEE STATEMENT: ASSEMBLY: Yes
SENATE: Yes

FISCAL NOTE: Yes 6-30-97 & 3-5-97

VE TO MESSAGE: No

MESSAGE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

See newspaper clipping--attached:
'NJ tightens controls of Alzheimer's homes," 10-10-97, The Record.

KBP:pp

P.L. 1997, CHAPTER 260, *approved October 9, 1997*
Senate Committee Substitute for
Assembly, No. 2628

1 AN ACT concerning rooming and boarding houses and amending
2 and supplementing P.L.1979, c.496.

3

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

6

7 1. Section 3 of P.L.1979, c.496 (C.55:13B-3) is amended to read
8 as follows:

9 3. As used in this act:

10 a. "Boarding house" means any building, together with any
11 related structure, accessory building, any land appurtenant thereto, and
12 any part thereof, which contains two or more units of dwelling space
13 arranged or intended for single room occupancy, exclusive of any such
14 unit occupied by an owner or operator, and wherein personal or
15 financial services are provided to the residents, including any
16 residential hotel or congregate living arrangement, but excluding any
17 hotel, motel or established guest house wherein a minimum of 85% of
18 the units of dwelling space are offered for limited tenure only, any
19 foster home as defined in section 1 of P.L.1962, c.137 (C.30:4C-26.1),
20 any community residence for the developmentally disabled and any
21 community residence for the mentally ill as defined in section 2 of
22 P.L.1977, c.448 (C.30:11B-2), any dormitory owned or operated on
23 behalf of any nonprofit institution of primary, secondary or higher
24 education for the use of its students, any building arranged for single
25 room occupancy wherein the units of dwelling space are occupied
26 exclusively by students enrolled in a full-time course of study at an
27 institution of higher education approved by the Department of Higher
28 Education, any facility or living arrangement operated by, or under
29 contract with, any State department or agency, upon the written
30 authorization of the commissioner, and any owner-occupied,
31 one-family residential dwelling made available for occupancy by not

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.

- 1 more than six guests, where the primary purpose of the occupancy is
2 to provide charitable assistance to the guests and where the owner
3 derives no income from the occupancy. A dwelling shall be deemed
4 "owner-occupied" within the meaning of this section if it is owned or
5 operated by a nonprofit religious or charitable association or
6 corporation and is used as the principal residence of a minister or
7 employee of that corporation or association. For any such dwelling,
8 however, fire detectors shall be required as determined by the
9 Department of Community Affairs.
- 10 b. "Commissioner" means the Commissioner of the Department
11 of Community Affairs.
- 12 c. "Financial services" means any assistance permitted or required
13 by the commissioner to be furnished by an owner or operator to a
14 resident in the management of personal financial matters, including,
15 but not limited to, the cashing of checks, holding of personal funds for
16 safekeeping in any manner or assistance in the purchase of goods or
17 services with a resident's personal funds.
- 18 d. "Limited tenure" means residence at a rooming or boarding
19 house on a temporary basis, for a period lasting no more than 90 days,
20 when a resident either maintains a primary residence at a location other
21 than the rooming or boarding house or intends to establish a primary
22 residence at such a location and does so within 90 days after taking up
23 original residence at the rooming or boarding house.
- 24 e. "Operator" means any individual who is responsible for the
25 daily operation of a rooming or boarding house.
- 26 f. "Owner" means any person who owns, purports to own, or
27 exercises control of any rooming or boarding house.
- 28 g. "Personal services" means any services permitted or required
29 to be furnished by an owner or operator to a resident, other than
30 shelter, including, but not limited to, meals or other food services, and
31 assistance in dressing, bathing or attending to other personal needs.
- 32 h. "Rooming house" means a boarding house wherein no personal
33 or financial services are provided to the residents.
- 34 i. "Single room occupancy" means an arrangement of dwelling
35 space which does not provide a private, secure dwelling space
36 arranged for independent living, which contains both the sanitary and
37 cooking facilities required in dwelling spaces pursuant to the "Hotel
38 and Multiple Dwelling Law," P.L.1967, c. 76 (C.55:13A-1 et seq.),
39 and which is not used for limited tenure occupancy in a hotel, motel or
40 established guest house, regardless of the number of individuals
41 occupying any room or rooms.
- 42 j. "Unit of dwelling space" means any room, rooms, suite, or
43 portion thereof, whether furnished or unfurnished, which is occupied
44 or intended, arranged or designed to be occupied for sleeping or
45 dwelling purposes by one or more persons.

1 k. "Alzheimer's disease and related disorders" means a form of
2 dementia characterized by a general loss of intellectual abilities of
3 sufficient severity to interfere with social or occupational functioning.

4 l. "Dementia" means a chronic or persistent disorder of the mental
5 processes due to organic brain disease, for which no curative treatment
6 is available, and marked by memory disorders, changes in personality,
7 deterioration in personal care, impaired reasoning ability and
8 disorientation.

9 (cf: P.L.1987, c.112, s.8)

10
11 2. Section 6 of P.L.1979, c.496 (C.55:13B-6) is amended to read
12 as follows:

13 6. The commissioner shall establish standards to ensure that every
14 rooming and boarding house in this State is constructed and operated
15 in such a manner as will protect the health, safety and welfare of its
16 residents and at the same time preserve and promote a homelike
17 atmosphere appropriate to such facilities, including, but not limited to,
18 standards to provide for the following:

- 19 a. Safety from fire;
- 20 b. Safety from structural, mechanical, plumbing and electrical
21 deficiencies;
- 22 c. Adequate light and ventilation;
- 23 d. Physical security;
- 24 e. Protection from harassment, fraud and eviction without due
25 cause;
- 26 f. Clean and reasonably comfortable surroundings;
- 27 g. Adequate personal and financial services rendered in boarding
28 houses;
- 29 h. Disclosure of owner identification information;
- 30 i. Maintenance of orderly and sufficient financial and occupancy
31 records;
- 32 j. Referral of residents, by the operator, to social service and
33 health agencies for needed services;
- 34 k. Assurance that no constitutional, civil or legal right will be
35 denied solely by reason of residence in a rooming or boarding house;
- 36 l. Reasonable access for employees of public and private
37 agencies, and reasonable access for other citizens upon receiving the
38 consent of the resident to be visited by them; **[and]**
- 39 m. Opportunity for each resident to live with as much
40 independence, autonomy and interaction with the surrounding
41 community as he is capable of; and
- 42 n. Assurance that the needs of residents with special needs,
43 including, but not limited to, persons with Alzheimer's disease and
44 related disorders or other forms of dementia, will be met in accordance
45 with standards adopted by regulation of the commissioner, which shall

1 be promulgated no later than 90 days after the effective date of this
2 act, which shall include, at a minimum, the following:

- 3 (1) staffing levels;
4 (2) staff qualifications and training;
5 (3) special dietary needs of residents;
6 (4) special supervision requirements relating to the individual needs
7 of residents;
8 (5) building safety requirements appropriate to the needs of
9 residents;
10 (6) special health monitoring of residents by qualified, licensed
11 health care professionals, including a requirement that a medical
12 assessment be performed on a resident with special needs as described
13 in this subsection, as determined necessary by the commissioner, prior
14 to admission and on a quarterly basis thereafter to ensure that the
15 facility is appropriate to the needs of the resident; and
16 (7) criteria for discharging residents which shall be set forth in the
17 admission agreement which shall be provided to the resident or the
18 resident's representative prior to or upon admission. The
19 commissioner may revoke the license of any provider who violates the
20 criteria for discharging residents.

21 (cf: P.L.1979, c.496, s.6)

22

23 3. Section 7 of P.L.1979, c.496 (C.55:13B-7) is amended to read
24 as follows:

25 7. a. (1) No person shall own or operate a rooming or boarding
26 house, hold out a building as available for rooming or boarding house
27 occupancy, or apply for any necessary construction or planning
28 approvals related to the establishment of a rooming or boarding house
29 without a valid license to own or operate such a facility, issued by the
30 commissioner.

31 (2) No person shall own or operate a rooming or boarding house
32 that offers or advertises or holds itself out as offering personal care
33 services to residents with special needs, including, but not limited to,
34 persons with Alzheimer's disease and related disorders or other forms
35 of dementia, hold out a building as available for rooming or boarding
36 house occupancy for such residents, or apply for any necessary
37 construction or planning approvals related to the establishment of a
38 rooming or boarding house for such residents without a valid license
39 to own or operate such a facility, issued by the commissioner.

40 (3) Any person found to be in violation of this subsection shall be
41 liable for a civil penalty of not more than \$5,000.00 for each building
42 so owned or operated.

43 b. The commissioner shall establish separate categories of
44 licensure for owning and for operating a rooming or boarding house,
45 provided, however, that an owner who himself operates such a facility

1 need not also possess an operator's license.

2 If an owner seeking to be licensed is other than an individual, the
3 application shall state the name of an individual who is a member,
4 officer or stockholder in the corporation or association seeking to be
5 licensed, and the same shall be designated the primary owner of the
6 rooming or boarding house.

7 Each application for licensure shall contain such information as the
8 commissioner may prescribe and shall be accompanied by a fee
9 established by the commissioner which shall not be less than \$75.00
10 nor more than \$150.00. If, upon receipt of the fee and a review of the
11 application, the commissioner determines that the applicant will
12 operate, or provide for the operation of, a rooming or boarding house
13 in accordance with the provisions of this act, he shall issue a license to
14 him.

15 Each license shall be valid for one year from the date of issuance,
16 but may be renewed upon application by the owner or operator and
17 upon payment of the same fee required for initial licensure.

18 c. Only one license shall be required to own a rooming or
19 boarding house, but an endorsement thereto shall be required for each
20 separate building owned and operated or intended to be operated as a
21 rooming or boarding house. Each application for licensure or renewal
22 shall indicate every such building for which an endorsement is
23 required. If, during the term of a license, an additional endorsement
24 is required or an existing one is no longer required, an amended
25 application for licensure shall be submitted.

26 d. A person making application for, or who has been issued, a
27 license to own or operate a rooming or boarding house who conceals
28 the fact that the person has been denied a license to own or operate a
29 residential facility, or that the person's license to own or operate a
30 residential facility has been revoked by a department or agency of state
31 government in this or any other state is liable for a civil penalty of not
32 more than \$5,000.00, and any license to own or operate a rooming or
33 boarding house which has been issued to that person shall be
34 immediately revoked.

35 (cf: P.L.1988, c. 113, s.1)

36

37 4. (New section) No person who owns or operates a rooming or
38 boarding house shall provide health care services in that facility.
39 Nothing in this section shall be construed to prohibit a licensed health
40 care professional acting within the scope of that person's license from
41 providing health care services to a resident of a rooming or boarding
42 house in that facility.

43

44 5. This act shall take effect immediately.

SCS for A2628
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- 1 _____
- 2
- 3 Regulates rooming and boarding houses which serve residents with
- 4 Alzheimer's disease and related disorders or other forms of progressive
- 5 dementia.

STATEMENT

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3 This bill requires that community residences for persons with
4 Alzheimer's disease and related disorders be licensed as assisted living
5 residences by the Department of Health and Senior Services.

6 The bill defines "Alzheimer's disease and related disorders" as a
7 form of dementia characterized by a general loss of intellectual abilities
8 of sufficient severity to interfere with social or occupational
9 functioning.

10 The bill also stipulates that these community residences do not fall
11 under the regulatory jurisdiction of the Department of Human
12 Services, unlike community residences for persons with developmental
13 disabilities, mental illness or head injury.

14 This bill is intended to ensure that persons with Alzheimer's disease
15 and related disorders receive community-based care in the most
16 appropriate setting consistent with their needs. The bill is premised on
17 the assumption that these persons are better suited to a health care
18 facility environment, rather than a group home setting. Persons with
19 Alzheimer's disease, which is a terminal organic brain disease that
20 accounts for an estimated 60 percent of all dementia cases and is the
21 fourth leading cause of death among adults, are confronted with a
22 different situation than other kinds of group home residents in that
23 they face the prospect of continued deterioration of their mental
24 condition over time and require special care to slow their rate of
25 deterioration as much as possible, and thereby defer their admission to
26 a nursing home for as long as possible.

27 Assisted living residences are residential facilities licensed by the
28 Department of Health and Senior Services to provide a personally
29 furnished, apartment-style living environment that offers congregate
30 dining along with a package of assisted living services, including
31 nursing and personal care provided by a sponsor agency, which are
32 individualized and designed to promote the resident's sense of
33 autonomy, privacy and self-esteem.

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38 Requires licensure of community residences for persons with
39 Alzheimer's disease and related disorders as assisted living residences
40 by DHSS.

ASSEMBLY HEALTH COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2628

STATE OF NEW JERSEY

DATED: JANUARY 23, 1997

The Assembly Health Committee reports favorably Assembly Bill No. 2628.

This bill requires that community residences for persons with Alzheimer's disease and related disorders be licensed as assisted living residences by the Department of Health and Senior Services.

The bill defines "Alzheimer's disease and related disorders" as a form of dementia characterized by a general loss of intellectual abilities of sufficient severity to interfere with social or occupational functioning.

The bill also stipulates that these community residences do not fall under the regulatory jurisdiction of the Department of Human Services, unlike community residences for persons with developmental disabilities, mental illness or head injury.

This bill is intended to ensure that persons with Alzheimer's disease and related disorders receive community-based care in the most appropriate setting consistent with their needs. The bill is premised on the assumption that these persons are better suited to a health care facility environment, rather than a group home setting. Persons with Alzheimer's disease, which is a terminal organic brain disease that accounts for an estimated 60 percent of all dementia cases and is the fourth leading cause of death among adults, are confronted with a different situation than other kinds of group home residents in that they face the prospect of continued deterioration of their mental condition over time and require special care to slow their rate of deterioration as much as possible, and thereby defer their admission to a nursing home for as long as possible.

Assisted living residences are residential facilities licensed by the Department of Health and Senior Services to provide a personally furnished, apartment-style living environment that offers congregate dining along with a package of assisted living services, including nursing and personal care provided by a sponsor agency, which are individualized and designed to promote the resident's sense of autonomy, privacy and self-esteem.

This bill is identical to Senate Bill No. 1782 (McNamara/Bassano), which is currently pending in the Senate Senior Citizens, Veterans' Affairs and Human Services Committee.

SENATE SENIOR CITIZENS, VETERANS' AFFAIRS AND
HUMAN SERVICES COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 2628

STATE OF NEW JERSEY

DATED: JUNE 23, 1997

The Senate Senior Citizens, Veterans' Affairs and Human Services Committee favorably reports a Senate Committee Substitute for Assembly Bill No. 2628.

This committee substitute amends the "Rooming and Boarding House Act of 1979," P.L.1979, c.496 (C.55:13B-1 et seq.), to provide that a person shall not own or operate a rooming or boarding house that offers personal care services to residents with special needs, including, but not limited to, persons with Alzheimer's disease and related disorders or other forms of dementia, without a valid license to own or operate such a facility, issued by the Commissioner of Community Affairs.

The provisions of the substitute require that the Commissioner of Community Affairs establish standards that provide an assurance that the needs of residents with special needs, including, but not limited to, persons with Alzheimer's disease and related disorders or other forms of dementia, will be met. The standards, which shall be adopted by regulation no later than 90 days after enactment of the bill, shall include, at a minimum, the following:

- staffing levels;
- staff qualifications and training;
- special dietary needs of residents;
- special supervision requirements relating to the individual needs of residents;
- building safety requirements appropriate to the needs of residents;
- special health monitoring of residents by qualified, licensed health care professionals, including a requirement that a medical assessment be performed on a resident with special needs, as determined necessary by the commissioner, prior to admission and on a quarterly basis thereafter to ensure that the facility is appropriate to the needs of the resident; and
- criteria for discharging residents which shall be set forth in the admission agreement which shall be provided to the resident or

the resident's representative prior to or upon admission. The commissioner may revoke the license of any provider who violates the criteria for discharging residents.

Also, the substitute provides that a person who owns or operates a rooming or boarding house shall not provide health care services in that facility; however, this provision is not to be construed to prohibit a licensed health care professional acting within the scope of that person's license from providing health care services to a resident of a rooming or boarding house in that facility.

The substitute defines:

- "Alzheimer's disease and related disorders" as a form of dementia characterized by a general loss of intellectual abilities of sufficient severity to interfere with social or occupational functioning; and
- "Dementia" as a chronic or persistent disorder of the mental processes due to organic brain disease, for which no curative treatment is available, and marked by memory disorders, changes in personality, deterioration in personal care, impaired reasoning ability and disorientation.

This substitute is identical to the Senate Committee Substitute for Senate Bill No. 1782 (McNamara/Bassano), which the committee also reported favorably on this date.

STATEMENT TO
ASSEMBLY, No. 2628

with Assembly Floor Amendments
(Proposed By Assemblywoman VANDERVALK)

ADOPTED: FEBRUARY 20, 1997

These amendments require that a community residential facility, including, but not limited to, a rooming or boarding house operating under a Class C license, providing food, shelter and personal guidance, under such supervision as required, to persons who require assistance, temporarily or permanently, in order to live in the community, and who are primarily persons with Alzheimer's disease and related disorders or other forms of progressive dementia, shall be considered a health care facility subject to the provisions of the "Health Care Facilities Planning Act," P.L.1971, c.136 (C.26:2H-1et seq.) and shall be required to obtain a license to operate as a health care facility that is appropriate to the needs of its residents, as determined by the Commissioner of Health and Senior Services.

The amendments replace the requirement that the community residential facility be licensed specifically as an assisted living residence with a more general requirement for licensure as a health care facility in order to allow for sufficient flexibility to meet the needs of persons with Alzheimer's disease and related disorders or other forms of progressive dementia, in a health care facility setting that is appropriate to the needs of such persons, given that a continuum of care is required for this population during the various stages of the disease.

The amendments also provide that the provisions of this bill would apply to any community residential facility housing persons with Alzheimer's disease and related disorders or other forms of progressive dementia, rather than only those housing up to 15 such persons.

Finally, the amendments expand the scope of the bill to cover community residential facilities for persons with other forms of progressive dementia (as defined by regulation of the Commissioner of Health and Senior Services) besides Alzheimer's disease and related disorders.

LEGISLATIVE FISCAL ESTIMATE TO
SENATE COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 2628

STATE OF NEW JERSEY

DATED: JUNE 30, 1997

The Senate Committee Substitute for Assembly Bill No. 2628 of 1997 amends the "Rooming and Boarding House Act of 1979," P.L.1979, c.496 (C.55:13B-1 et seq.), to provide that a person shall not own or operate a rooming or boarding house that offers personal care services to residents with special needs, including, but not limited to, persons with Alzheimer's disease and related disorders or other forms of dementia, without a valid license to own or operate such a facility, issued by the Commissioner of Community Affairs.

The provisions of the substitute require that the Commissioner of Community Affairs establish standards that provide an assurance that the needs of residents with special needs, including, but not limited to, persons with Alzheimer's disease and related disorders or other forms of dementia, will be met. The standards, which shall be adopted by regulation no later than 90 days after enactment of the bill, shall include, at a minimum, the following:

- staffing levels;
- staff qualifications and training;
- special dietary needs of residents;
- special supervision requirements relating to the individual needs of residents;
- building safety requirements appropriate to the needs of residents;
- special health monitoring of residents by qualified, licensed health care professionals, including a requirement that a medical assessment be performed on a resident with special needs, as determined necessary by the commissioner, prior to admission and on a quarterly basis thereafter to ensure that the facility is appropriate to the needs of the resident; and
- criteria for discharging residents which shall be set forth in the admission agreement which shall be provided to the resident or the resident's representative prior to or upon admission. The commissioner may revoke the license of any provider who violates the criteria for discharging residents.

Also, the substitute provides that a person who owns or operates a rooming or boarding house shall not provide health care services in that facility; however, this provision is not to be construed to prohibit a licensed health care professional acting within the scope of that person's license from providing health care services to a resident of a

rooming or boarding house in that facility.

The Office of Legislative Services (OLS) is unable to estimate the fiscal impact of this legislation on the State as the number of facilities that currently provide personal care services to residents with special needs, as well as the number of persons who may apply for approval to establish such residences, and the exact licensing fee that will be charged to persons operating these facilities is unknown. However, the OLS notes that the Department of Community Affairs will incur costs to issue such licenses and insure that the residences are meeting the standards set forth in this substitute, to be adopted by regulation of the commissioner, to assure that the needs of residents with special needs, including, but not limited to, persons with Alzheimer's disease and related disorders or other forms of dementia, will be met. The OLS further notes that these costs will be offset in part through annual licensing fees established by the commissioner, which for rooming and boarding homes are currently not less than \$75 nor more than \$150, as provided in N.J.S.A.55:13B-7.

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

LEGISLATIVE FISCAL ESTIMATE TO

[First Reprint]

ASSEMBLY, No. 2628

STATE OF NEW JERSEY

DATED: March 5, 1997

Assembly Bill No. 2628 (1R) of 1997 requires that a community residential facility for persons with Alzheimer's disease and related disorders or other forms of progressive dementia shall be considered a health care facility subject to the provisions of the "Health Care Facilities Planning Act," P.L.1971, 136 (C.26:2H-1 et seq.) and shall be required to obtain a license to operate as a health care facility that is appropriate to the needs of its residents. Such facilities include, but are not limited to, rooming or boarding houses operating under a Class C license, providing food, shelter and personal guidance, under such supervision as required, to persons who require assistance temporarily or permanently in order to live in the community and who are primarily persons with Alzheimer's disease and related disorders or other forms of progressive dementia.

The Department of Health and Senior Services (DHSS) and the Office of Management and Budget have not provided any fiscal information on the legislation.

The Office of Legislative Services estimates that this bill will have little fiscal impact on the State. The DHSS will be responsible for issuing licenses to qualifying community residential facilities for persons with Alzheimer's disease and related disorders or other forms of progressive dementia as well as issuing certificates of need to such facilities that commence after the effective date of this bill. The DHSS will also incur costs for conducting periodic inspections to determine if these facilities are in compliance with licensure regulations and to evaluate patient care and operation of the facility, to the extent provided in regulations. However, monies collected by DHSS from fees for the filing of applications for licensure and annual renewals, application fees charged for certificates of need, fees for the review of uniform construction code plans, and any fines and penalties collected will help to offset these costs.

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.