

COMMITTEE STATEMENT: **ASSEMBLY:** No

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

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <mailto:refdesk@njstatelib.org>

REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No.

RWH/JA

P.L. 2021, CHAPTER 434, *approved January 18, 2022*
Assembly Committee Substitute (*First Reprint*) for
Assembly, Nos. 998 and 2349

1 AN ACT establishing a social innovation loan pilot program and
2 supplementing Title 34 of the Revised Statutes.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. This act shall be known and may be cited as the “New Jersey
8 Social Innovation Act.”

9
10 2. As used in P.L. , c. (C.) (pending before the
11 Legislature as this bill):

12 “Authority” means the New Jersey Economic Development
13 Authority, established pursuant to P.L.1974, c.80 (C.34:1B-1 et
14 seq.).

15 “Eligible organization” means a nonprofit organization that is
16 exempt from federal taxation pursuant to section 501(c)(3) of the
17 federal Internal Revenue Code of 1986, 26 U.S.C. s.501 or a for-
18 profit organization, that has applied for participation in the social
19 innovation loan pilot program established pursuant to section 3 of
20 P.L. , c. (C.) (pending before the Legislature as this bill),
21 and is selected by the study commission as qualified to receive a
22 loan guarantee from the “social innovation loan fund” established
23 pursuant to section 5 of P.L. , c. (C.) (pending before the
24 Legislature as this bill).

25 “Pilot program” means the social innovation loan pilot program
26 established pursuant to section 3 of P.L. , c. (C.) (pending
27 before the Legislature as this bill).

28 “Social innovation loan fund” or “fund” means the fund
29 established pursuant to section 5 of P.L. , c. (C.) (pending
30 before the Legislature as this bill).

31 “Study commission” means the “New Jersey Social Innovation
32 Study Commission” established pursuant to section 4 of P.L. ,
33 c. (C.) (pending before the Legislature as this bill).

34 “Treatment and prevention services” means any early
35 intervention health care, which shall include but not limited to,
36 treatment and prevention of opioid and other substance use
37 disorders.

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:

¹ Senate floor amendments adopted January 10, 2022.

1 3. a. There is established a five-year social innovation loan
2 pilot program within the New Jersey Economic Development
3 Authority to administer and determine the effectiveness of a social
4 innovation loan pilot program. The pilot program shall concern
5 nonprofit health care services with the purpose of encouraging
6 private investment in public health care services, including but not
7 limited to, treatment and prevention services , and to reduce
8 federal, State, and municipal expenditures related to those services.
9 The pilot program shall assess the feasibility of expanding a social
10 innovation loan pilot program Statewide and expanding the scope of
11 social impact loan guarantees, made pursuant to subsection b. of
12 this section, beyond the health care sector.

13 b. Under the pilot program established pursuant to subsection
14 a. of this section, the authority shall guarantee loans issued to
15 eligible organizations for the provision of public health care
16 services which generate positive social outcomes and public sector
17 cost savings. Each loan shall be facilitated by the study commission
18 established pursuant to section 4 of P.L. , c. (C.) (pending
19 before the Legislature as this bill) and shall consist of:

20 (1) a lending agreement between an eligible organization, a
21 lender, and a public sector entity which shall include terms that
22 provide:

23 (a) the eligible organization with direct funding from a lender in
24 exchange for the provision of public health care services;

25 (b) the public sector entity with public health care services in
26 exchange for defined payments to the lender in an amount
27 proportional to the amount of public sector savings generated by the
28 provision of those services; and

29 (c) the lender with loan repayments in exchange for the
30 provision of funding to an eligible organization.

31 (2) a loan guarantee agreement between the authority and all
32 parties to the lending agreement authorized pursuant to paragraph
33 (1) of this subsection which shall require the terms of the lending
34 agreement to conform to any loan requirements established pursuant
35 to P.L. , c. (C.) (pending before the Legislature as this bill)
36 or by the authority; and

37 (3) an agreement between the authority, the public sector entity
38 making performance payments, the eligible organization, and the
39 lender which includes terms that require a method of measurement
40 and verification of the public health care services to be performed,
41 how the public sector savings are to be calculated, how the interest
42 rate will be determined, and how funds shall flow between the
43 parties according to each of the agreements made pursuant to this
44 subsection.

45 c. Up to 100 percent of the value of a loan agreement entered
46 into pursuant to subsection b. of this section may be guaranteed by
47 the authority, provided that the total amount in the aggregate of all
48 loans guaranteed under the social innovation loan pilot program

1 established pursuant to P.L. , c. (C.) (pending before the
2 Legislature as this bill) shall not exceed \$15,000,000.

3 d. The authority, in cooperation with the study commission and
4 the Department of Human Services, shall offer to guarantee loans
5 made pursuant to subsection b. of this section utilizing funds from
6 the social innovation loan fund established pursuant to section 5 of
7 P.L. , c. (C.) (pending before the Legislature as this bill) to
8 finance a project undertaken for the purposes of subsection b. of
9 this section. The authority shall consider the following factors:

10 (1) The economic feasibility of the project;

11 (2) The degree to which the project will advance Statewide and
12 regional strategies and objectives;

13 (3) The degree to which the project maximizes the leverage of
14 other State funds; and

15 (4) The factors listed in paragraph (1) of subsection e. of section
16 4 of P.L. , c. (C.) (pending before the Legislature as this
17 bill).

18 e. A lender or nonprofit or for-profit organization seeking to
19 participate in the social innovation loan pilot program shall submit
20 an application in a form as the authority shall require. The
21 application shall include any information the authority shall
22 determine is necessary in consideration of the provisions of
23 P.L.2011, c.123 (52:14B-21.1 et seq.).

24 f. A loan guarantee agreement entered into pursuant to
25 subsection b. of this section shall provide that any loan guaranteed
26 by the authority shall:

27 (1) be for a loan having a fair effective interest rate as
28 determined by the authority; and

29 (2) contain other terms and conditions considered appropriate by
30 the authority that are consistent with the purposes of P.L. ,
31 c. (C.) (pending before the Legislature as this bill) and with
32 rules and regulations promulgated by the authority, pursuant to
33 section 8 of P.L. , c. (C.) (pending before the Legislature as
34 this bill), to implement P.L. , c. (C.) (pending before the
35 Legislature as this bill).

36 g. (1) Consistent with federal law, rule, or regulation, each
37 eligible organization that receives a loan guarantee under P.L. ,
38 c. (C.) (pending before the Legislature as this bill) shall
39 undergo an audit, at the organization's own expense, at least once
40 every two calendar years. The authority shall designate an
41 independent auditor to conduct the audit.

42 (2) If an audit is performed under a requirement of federal law,
43 rule, or regulation, the authority shall waive the audit required
44 pursuant to this subsection with respect to all issues addressed by
45 the federally required audit. However, the authority may require an
46 audit of matters that are not, in the authority's judgment, addressed
47 by the federally required audit including, but not limited to,

- 1 measurement and verification of health care intervention activities,
2 and public sector savings.
- 3 h. A loan guarantee agreement made pursuant to subsection b.
4 of this section shall provide that any loan guarantee issued by the
5 authority shall be voided if the terms and conditions of the
6 agreement are violated by any party to that loan securitization
7 agreement.
- 8 i. The authority shall solicit grants from interested public or
9 private sources for the establishment and administration of the pilot
10 program and study commission as well as the capitalization of the
11 “social innovation loan fund” established pursuant to section 5 of
12 P.L. , c. (C.) (pending before the Legislature as this bill).
- 13 j. The pilot program shall expire on the ¹~~30th~~ 30th¹ day
14 following the closing of all loans guaranteed pursuant to P.L. , c.
15 (C.) (pending before the Legislature as this bill).
- 16
- 17 4. a. The authority shall oversee and staff a study commission,
18 entitled the “New Jersey Social Innovation Study Commission,”
19 established for the duration of the pilot program.
- 20 b. The membership and size of the study commission shall be
21 determined by the authority. The authority may consider a variety
22 of professionals, including health care, lending, and social finance
23 experts, for membership on the study commission. The study
24 commission shall organize as soon as practicable after the
25 appointment of the study commission members, shall select a
26 chairperson from among its membership, and shall appoint a
27 secretary who need not be a member of the commission. At least
28 one member of the study commission shall be a representative of
29 the Department of Human Services, one member shall be a
30 representative of the Department of Health, and one member shall
31 be the Executive Director of the Office of Faith-based Initiatives in
32 the Department of State. All members of the study commission
33 shall serve for term concurrent with the effective period of the pilot
34 program.
- 35 c. Any vacancy in the membership of the study commission
36 shall be filled in the same manner in which the original appointment
37 was made.
- 38 d. The study commission may request the assistance and
39 services of employees of any other State department, board, bureau,
40 commission, task force, or agency as it may require and as may be
41 available. Members of the study commission shall serve without
42 compensation, but shall be entitled to employ stenographic and
43 clerical assistance and incur traveling and other miscellaneous
44 expenses as the study commission may deem necessary in order to
45 perform its duties, within the limits of the funds made available to
46 the study commission for its purposes. The study commission may
47 meet at the call of its chairperson at the times and in the places the
48 study commission may deem appropriate and necessary to fulfill its

1 duties, and may conduct public hearings at a place or places as the
2 study commission shall designate. The study commission shall
3 conduct its meetings in accordance with the “Senator Byron M.
4 Baer Open Public Meetings Act,” P.L.1975, c.231 (C.10:4-6 et
5 seq.).

6 e. It shall be the duty of the study commission to aid the
7 authority in the administration of the social innovation loan pilot
8 program and to issue annual reports detailing the progress of the
9 pilot program. Specifically, the study commission, in cooperation
10 with the authority and the Department of Human Services shall:

11 (1) identify the nonprofit and for-profit organizations that will
12 be eligible to receive loan guarantees from the authority. The study
13 commission shall make this determination taking several factors
14 into consideration which shall include, but not be limited to, the
15 size and identity of the target population that benefits from the
16 nonprofit or for-profit organization service provider, the projected
17 financial value of the improvements as a result of the social
18 innovation loan investments, including projected public sector
19 savings, the ability to repay the loan in full, the ease of the
20 measurability of the outcomes, and an analysis of impacts beyond
21 financial savings and returns, such as social outcomes;

22 (2) assist the authority in soliciting donations from philanthropic
23 organizations and other private sources to capitalize the loan fund;

24 (3) negotiate contract terms and conditions between social
25 innovation loan recipients and any public entity for whom the
26 recipient is performing health care intervention services, including
27 the development of metrics to project and measure both financial
28 and social outcomes, and the identification of independent third
29 parties to measure and evaluate outcomes;

30 (4) determine whether an independent intermediary with
31 expertise in the areas of social finance and health care should be
32 retained to:

33 (a) assist the study commission in the performance of its duties
34 under this section; or

35 (b) perform the method of measurement and verification
36 activities required in the agreements entered into pursuant to
37 paragraph (3) of subsection b. of section 3 of P.L. , c. (C.)
38 (pending before the Legislature as this bill), and to identify
39 appropriate independent intermediaries to recommend to the
40 authority if the study commission determines that intermediary
41 services should be retained; and

42 (5) any other purposes related to the pilot program for which the
43 authority requests assistance.

44 f. Not later than one year following the effective date of
45 P.L. , c. (C.) (pending before the Legislature as this bill),
46 and annually for four years thereafter, the study commission shall
47 submit to the Governor and, pursuant to section 2 of P.L.1991,
48 c.164 (C.52:14-19.1), to the Legislature, a report containing a study

1 and evaluation of the pilot program. The report shall include, but
2 not be limited to, a description of any eligible organizations funded
3 by the social innovation loans, State, federal, and municipal
4 financial savings related to the issuance of social innovation loans,
5 including Medicaid savings, the expected loan performance and
6 projected payment schedule, the number of people serviced by the
7 eligible organization, a comparison of the population serviced by
8 the eligible organization and a similarly situated control group, and
9 any community impact related to the pilot program.

10 g. The study commission shall submit its fifth and final report
11 to the Governor and, pursuant to section 2 of P.L.1991, c.164
12 (C.52:14-19.1), to the Legislature, within 90 days of the expiration
13 date of the pilot program, including any recommendations for
14 legislation it deems appropriate. The study commission's final
15 report shall include, but not be limited to, an analysis of the
16 feasibility of implementing a permanent social innovation loan
17 program Statewide, the sectors outside of non-profit health care in
18 which social lending could be successfully applied, the estimated
19 costs for the creation and administration of the permanent social
20 innovation loan program, the projected State, federal, and municipal
21 savings from administering the permanent program, a calculation of
22 the loan performance realized from the pilot program, a calculation
23 of the State, federal, and municipal savings accrued through the
24 pilot program, and an analysis of non-financial outcomes, such as
25 community impact and preventive results. The study commission
26 shall expire on the 30th day after the date of the issuance of its final
27 report, or upon the expiration of the pilot program, whichever
28 occurs later.

29

30 5. a. To implement the social innovation loan pilot program,
31 the authority shall establish and maintain a special non-lapsing,
32 revolving fund called the "social innovation loan fund" which may
33 be credited with:

34 (1) monies appropriated by the State for the purpose of the fund;

35 (2) monies received by the authority from any public or private
36 donations to be used to guarantee a loan issued pursuant to
37 subsection f. of section 3 of P.L. , c. (C.) (pending before
38 the Legislature as this bill);

39 (3) any monies as may be available to the authority from grants
40 or other forms of assistance established to support health care
41 intervention activities by the authority or by other State or federal
42 agencies or authorities; and

43 (4) monies received from eligible organizations in the form of
44 any applicable fees.

45 b. Loan funds may be used by the authority for the following
46 purposes:

1 (1) guaranteeing loans issued pursuant to subsection b. of
2 section 3 of P.L. , c. (C.) (pending before the Legislature
3 as this bill);

4 (2) reasonable and necessary expenses incurred by the authority
5 related to the administration of the pilot program and the study
6 commission; and

7 (3) administrative expenses for the provision of loan guarantees
8 issued pursuant to subsection b. of section 3 of P.L. , c. (C.)
9 (pending before the Legislature as this bill).

10 c. The amount of loans guaranteed by the authority pursuant to
11 subsection b. of section 3 of P.L. , c. (C.) (pending before
12 the Legislature as this bill) shall not exceed \$3,000,000 per year or
13 \$15,000,000 in the aggregate over five years, as determined by the
14 authority.

15 d. The authority shall not issue a loan guarantee in an amount
16 greater than the available and uncommitted monies in the loan fund.

17 e. The authority may charge fees in connection with
18 applications for participation in the social innovation loan pilot
19 program as it deems reasonable to cover authority expenses in
20 administering the pilot program and issuing loan guarantees.

21 ¹f. The activities required pursuant to P.L. , c. (C.)
22 (pending before the Legislature as this bill) shall only be paid from
23 monies deposited into the “social innovation loan fund,” established
24 pursuant to subsection a. of this section.¹

25

26 6. ¹a. The authority shall appoint a director to manage the
27 activities associated with the “social innovation loan fund”
28 established pursuant to section 5 of P.L. , c. (C.) (pending
29 before the Legislature as this bill). The director shall receive
30 compensation as determined by the authority.

31 ¹b. Except as provided in subsection a. of this section, the
32 activities required pursuant to P.L. , c. (C.) (pending before
33 the Legislature as this bill) shall only be staffed from existing authority
34 staff resources.¹

35

36 7. The authority shall issue a report six months after the
37 effective date of P.L. , c. (C.) (pending before the Legislature
38 as this bill), and annually thereafter not later than September 15, to
39 the Governor and, pursuant to section 2 of P.L.1991, c.164
40 (C.52:14-19.1), to the Legislature concerning the financing of the
41 pilot program as described in section 5 of P.L. , c. (C.)
42 (pending before the Legislature as this bill), undertaken with
43 monies from the “social innovation loan fund.” The initial report
44 and each annual report required pursuant to this section shall
45 include the number of eligible organizations receiving loan
46 guarantees from the fund, the name of each eligible organization
47 receiving loan guarantees from the fund, the amount of money each

1 eligible organization receives from the fund, a description of each
2 pilot program funded by loans issued to eligible organizations, and
3 a detailed analysis of the consideration given to the factors set forth
4 in subsection d. of section 3 of P.L. , c. (C.) (pending before
5 the Legislature as this bill).

6

7 8. The authority shall adopt, pursuant to the "Administrative
8 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), any rules or
9 regulations necessary to effectuate the purposes of this act.

10

11 9. This act shall take effect on the first day of the fourth month
12 following the date of enactment, but the authority may take any
13 anticipatory administrative action in advance thereof as shall be
14 necessary for the implementation of this act.

15

16

17

18

19 The "New Jersey Social Innovation Act"; establishes social
20 innovation loan pilot program and study commission within EDA.

ASSEMBLY, No. 998

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblywoman JOANN DOWNEY

District 11 (Monmouth)

Assemblyman ERIC HOUGHTALING

District 11 (Monmouth)

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

Co-Sponsored by:

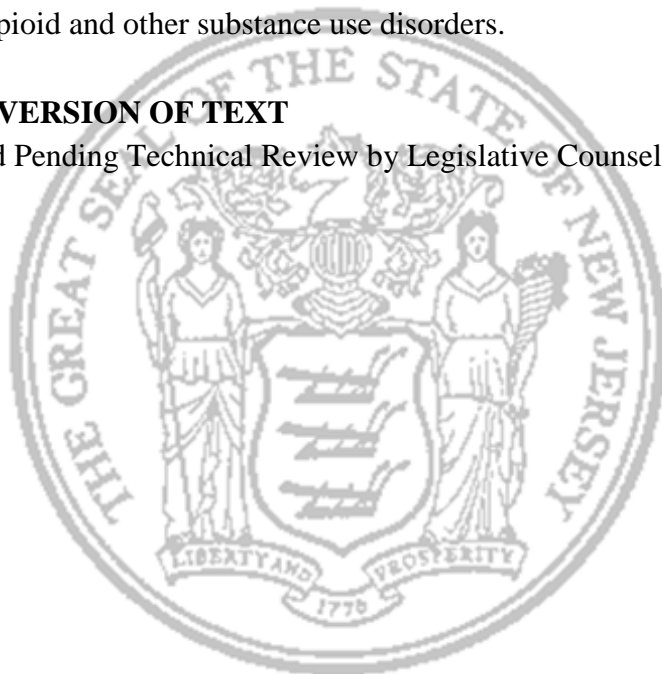
Assemblyman Chiaravalloti

SYNOPSIS

Establishes social innovation loan guarantee pilot program and study commission within New Jersey Health Care Facilities Financing Authority concerning opioid and other substance use disorders.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT establishing a social innovation loan guarantee pilot
2 program concerning opioid and other substance use disorders and
3 supplementing Title 26 of the Revised Statutes.
4

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

7
8 1. As used in P.L. , c. (C.) (pending before the
9 Legislature as this bill):

10 “Authority” means the New Jersey Health Care Facilities
11 Financing Authority established pursuant to section 4 of P.L.1972,
12 c.29 (C.26:2I-4).

13 “Eligible organization” means a nonprofit organization that is
14 exempt from federal taxation pursuant to section 501(c)(3) of the
15 federal Internal Revenue Code (26 U.S.C. s.501(c)(3)) that has
16 applied for participation in the social innovation loan guarantee
17 pilot program established pursuant to section 2 of
18 P.L. , c. (C.) (pending before the Legislature as
19 this bill), and is selected by the study commission as qualified to
20 receive a loan guarantee from the “social innovation loan guarantee
21 fund” established pursuant to section 4 of P.L. , c. (C.)
22 (pending before the Legislature as this bill).

23 “Pilot program” means the social innovation loan guarantee pilot
24 program established pursuant to section 2 of P.L. , c. (C.)
25 (pending before the Legislature as this bill).

26 “Social innovation loan guarantee fund” or “fund” means the
27 fund established pursuant to section 4 of P.L. , c. (C.)
28 (pending before the Legislature as this bill).

29 “Study commission” means the New Jersey Social Innovation
30 Study Commission established pursuant to section 3 of
31 P.L. , c. (C.) (pending before the Legislature as this
32 bill).

33 “Treatment and prevention services” means the treatment and
34 prevention of opioid and other substance use disorders.
35

36 2. a. There is established a five-year social innovation loan
37 guarantee pilot program within the New Jersey Health Care
38 Facilities Financing Authority to administer and determine the
39 effectiveness of a social innovation loan guarantee pilot program.
40 The pilot program shall concern nonprofit health care services that
41 provide for the treatment and prevention of opioid and other
42 substance use disorders with the purpose of encouraging private
43 investment in those treatment and prevention services to lower
44 federal, State, and municipal expenditures related to those services.
45 The pilot program shall assess the feasibility of expanding a social
46 innovation loan guarantee pilot program Statewide and expanding
47 the scope of social impact loan guarantees, made pursuant to
48 subsection b. of this section, beyond the health care sector.

1 b. Under the pilot program established pursuant to subsection
2 a. of this section, the authority shall guarantee loans issued to
3 eligible organizations for the provision of treatment and prevention
4 services that generate positive social outcomes and public sector
5 cost savings. Each loan guarantee shall be facilitated by the study
6 commission established pursuant to section 3 of
7 P.L. , c. (C.) (pending before the Legislature
8 as this bill) and consist of:

9 (1) A lending agreement between an eligible organization, a
10 lender, and a public sector entity which provides: (a) the eligible
11 organization with direct funding from a lender in exchange for the
12 provision of treatment and prevention services; (b) the public sector
13 entity with treatment and prevention services in exchange for
14 defined payments to the lender in an amount proportional to the
15 amount of public sector savings generated by the provision of those
16 services; and (c) the lender with loan repayments in exchange for
17 the provision of funding to an eligible organization.

18 (2) A loan guarantee agreement between the authority and all
19 parties to the lending agreement from paragraph (1) of this
20 subsection which shall require the lending agreement to conform to
21 the requirements established pursuant to P.L. , c. (C.)
22 (pending before the Legislature as this bill) or by the authority; and

23 (3) An agreement between the authority, the public sector entity
24 making performance payments, the eligible organization, and the
25 lender which agrees to a method of measurement and verification of
26 the public health care services to be performed, how the public
27 sector savings are to be calculated, how the interest rate will be
28 determined, and how funds shall flow between the parties according
29 to each of the agreements made pursuant to this subsection.

30 c. Up to 100 percent of the value of a loan agreement entered
31 into pursuant to subsection b. of this section may be guaranteed by
32 the authority, provided that the total amount in the aggregate of all
33 loans guaranteed under the social innovation loan guarantee pilot
34 program established pursuant to P.L. , c. (C.) (pending
35 before the Legislature as this bill) shall not exceed \$15,000,000.

36 d. The authority, in cooperation with the study commission and
37 the Department of Human Services, shall offer to guarantee loans
38 made pursuant to subsection b. of this section utilizing funds from
39 the social innovation loan guarantee fund established pursuant to
40 section 4 of P.L. , c. (C.) (pending before the Legislature
41 as this bill) to provide a loan guarantee for the purposes of
42 subsection b. of this section. The authority shall consider the
43 following factors:

44 (1) The economic feasibility of the treatment and prevention
45 services;

46 (2) The degree to which the treatment and prevention services
47 will advance Statewide and regional treatment and prevention
48 services strategies and objectives;

- 1 (3) The degree to which the treatment and prevention services
2 maximizes the leverage of other State funds; and
- 3 (4) The factors listed in paragraph (1) of subsection e. of section
4 3 of P.L. , c. (C.) (pending before the Legislature as this
5 bill).
- 6 e. A lender or nonprofit organization seeking to participate in
7 the social innovation loan guarantee pilot program shall submit an
8 application in a form as the authority shall require. The application
9 shall include any information the authority shall determine is
10 necessary.
- 11 f. A loan guarantee agreement entered into pursuant to
12 subsection b. of this section shall provide that any loan guaranteed
13 by the authority shall: (1) be for a loan having a fair effective
14 interest rate as determined by the authority; and (2) contain other
15 terms and conditions considered appropriate by the authority that
16 are consistent with the purposes of P.L. , c. (C.) (pending
17 before the Legislature as this bill) and with rules and regulations
18 promulgated by the authority pursuant to section 5 of
19 P.L. , c. (C.) (pending before the Legislature as
20 this bill).
- 21 g. (1) Consistent with federal law, rule, or regulation, each
22 eligible organization that receives a loan guarantee pursuant to
23 P.L. , c. (C.) (pending before the Legislature as this bill)
24 shall undergo an audit, at the organization's own expense, at least
25 once every two calendar years. The authority shall designate an
26 auditor to conduct the audit.
- 27 (2) If an audit of an eligible organization is performed pursuant
28 to a requirement of federal law, rule, or regulation, the authority
29 shall waive the audit required pursuant to this subsection with
30 respect to all issues addressed by the federally required audit report.
31 However, the authority may require an audit of matters that are not,
32 in the authority's judgment, addressed by the federally required
33 report including, but not limited to, measurement and verification of
34 treatment and prevention service intervention activities, and public
35 sector savings.
- 36 h. A loan guarantee agreement made pursuant to subsection b.
37 of this section shall provide that any loan guarantee shall be voided
38 if the terms and conditions of the agreement are violated by any
39 party to that agreement.
- 40 i. The authority shall solicit grants from interested public or
41 private sources for the establishment and administration of the pilot
42 program and study commission as well as the capitalization of the
43 "social innovation loan guarantee fund" established pursuant to
44 section 4 of P.L. , c. (C.) (pending before the Legislature
45 as this bill).
- 46 j. The pilot program shall expire on the 30th day following the
47 closing of all loans guaranteed pursuant to P.L. , c. (C.)
48 (pending before the Legislature as this bill).

1 3. a. The authority shall oversee a study commission, entitled
2 the “New Jersey Social Innovation Study Commission,” established
3 for the duration of the pilot program.

4 b. The membership and size of the study commission shall be
5 determined by the authority. The authority may consider a variety
6 of professionals, including health care, lending, and social finance
7 experts, for membership on the study commission. The study
8 commission shall organize as soon as practicable after the
9 appointment of the study commission members, shall select a
10 chairperson from among its membership, and shall appoint a
11 secretary who need not be a member of the study commission. At
12 least one member of the study commission shall be a representative
13 of the Department of Human Services, one member shall be a
14 representative of the Department of Health, and one member shall
15 be the Director of the Office of Faith Based Initiatives in the
16 Department of State. All members of the study commission shall
17 serve for a term concurrent with the effective period of the pilot
18 program.

19 c. Any vacancy in the membership of the study commission
20 shall be filled in the same manner in which the original appointment
21 was made.

22 d. The study commission may request the assistance and
23 services of employees of any other State department, board, bureau,
24 commission, task force, or agency as it may require and as may be
25 available. Members of the study commission shall serve without
26 compensation, but shall be entitled to employ clerical assistance and
27 incur traveling and other miscellaneous expenses as the study
28 commission may deem necessary in order to perform its duties,
29 within the limits of the funds made available to the study
30 commission for its purposes. The study commission may meet at
31 the call of its chairperson at the times and in the places the study
32 commission may deem appropriate and necessary to fulfill its
33 duties, and may conduct public hearings at a place or places as the
34 study commission shall designate. The study commission shall
35 conduct its meetings in accordance with the “Senator Byron M.
36 Baer Open Public Meetings Act,” P.L.1975, c.231 (C.10:4-6 et
37 seq.).

38 e. It shall be the duty of the study commission to aid the
39 authority in the administration of the social innovation loan
40 guarantee pilot program and to issue annual reports detailing the
41 progress of the pilot program. Specifically, the study commission,
42 in cooperation with the authority and the Department of Human
43 Services shall:

44 (1) Identify the nonprofit organizations that are eligible to
45 receive loan guarantees from the authority. The study commission
46 shall make this determination taking several factors into
47 consideration which shall include, but not be limited to, the size and
48 identity of the target population that benefits from the organization,

1 the projected financial value of the improvements to treatment and
2 prevention services as a result of the pilot program, including
3 projected public sector savings, the ability to repay the loan in full,
4 the ease of the measurability of the outcomes, and an analysis of
5 impacts beyond financial savings and returns, such as social
6 outcomes;

7 (2) Assist the authority in soliciting donations from
8 philanthropic organizations and other private sources to capitalize
9 the social innovation loan guarantee fund;

10 (3) Negotiate contract terms and conditions between social
11 innovation loan guarantee recipients and any public entity for whom
12 the recipient is performing treatment and prevention services,
13 including the development of metrics to project and measure both
14 financial and social outcomes, and the identification of independent
15 third parties to measure and evaluate social outcomes;

16 (4) Determine whether an independent intermediary with
17 expertise in the areas of social finance and health care should be
18 retained to: (a) assist the study commission in the performance of
19 its duties under this section; (b) perform the measurement and
20 verification activities required in the agreements entered into
21 pursuant to paragraph (3) of subsection b. of section 2 of
22 P.L. , c. (C.) (pending before the Legislature as this
23 bill); and (c) to identify appropriate independent intermediaries to
24 recommend to the authority if the study commission determines that
25 intermediary services should be retained; and

26 (5) Any other purposes related to the pilot program for which
27 the authority requests assistance.

28 f. (1) Not later than one year following the effective date of
29 P.L. , c. (C.) (pending before the Legislature as this bill), and
30 annually for four years thereafter, the study commission shall
31 submit to the Governor and, pursuant to section 2 of P.L.1991,
32 c.164 (C.52:14-19.1), to the Legislature, a report containing a study
33 and evaluation of the pilot program. The report shall include, but
34 not be limited to, a description of any eligible organizations funded
35 by the social innovation loans, State, federal, and municipal
36 financial savings related to the issuance of social innovation loans,
37 including Medicaid savings, the expected loan performance and
38 projected payment schedule, the number of people serviced by the
39 eligible organization, a comparison of the population serviced by
40 the eligible organization and a similarly situated control group, and
41 any community impact related to the pilot program.

42 (2) The study commission shall submit its fifth and final report
43 to the Governor and, pursuant to section 2 of P.L.1991, c.164
44 (C.52:14-19.1), to the Legislature, within 90 days of the expiration
45 date of the pilot program, including any recommendations for
46 legislative action it deems appropriate. The study commission's
47 final report shall include, but not be limited to, an analysis of the
48 feasibility of implementing a permanent social innovation loan

1 guarantee program Statewide, the sectors outside of nonprofit
2 treatment and prevention services in which social lending could be
3 successfully applied, the estimated costs for the creation and
4 administration of a permanent social innovation loan guarantee
5 program, the projected State, federal, and municipal savings from
6 administering a permanent program, a calculation of the loan
7 performance realized from the pilot program, a calculation of the
8 State, federal, and municipal savings accrued through the pilot
9 program, and an analysis of non-financial outcomes, such as
10 community impact and preventive results.

11 g. The study commission shall expire on the 30th day after the
12 date of the issuance of its final report, pursuant to paragraph (2) of
13 subsection f. of this section, or upon the expiration of the pilot
14 program, whichever occurs later.

15

16 4. a. To implement the social innovation loan guarantee pilot
17 program, the authority shall establish and maintain a special non-
18 lapsing, revolving fund called the “social innovation loan guarantee
19 fund” which may be credited with:

20 (1) monies appropriated by the State for the purpose of the fund;

21 (2) monies received by the authority from any public or private
22 donations to guarantee the loans issued pursuant to section 2 of
23 P.L. , c. (C.) (pending before the Legislature as this bill);

24 (3) any monies as may be available to the authority from grants
25 or other forms of assistance established to support treatment and
26 prevention service intervention activities by the authority or by
27 other State agencies or authorities; and

28 (4) monies received from eligible organizations in the form of
29 any applicable fees.

30 b. Monies deposited in the fund may be used by the authority
31 for the following purposes:

32 (1) guaranteeing loans issued pursuant to subsection b. of
33 section 2 of P.L. , c. (C.) (pending before the Legislature
34 as this bill);

35 (2) reasonable and necessary expenses incurred by the authority
36 related to the administration of the pilot program and the study
37 commission; and

38 (3) administrative expenses for the provision of loan guarantees
39 issued pursuant to subsection b. of section 2 of P.L. , c. (C.)
40 (pending before the Legislature as this bill).

41 c. The amount of loans guaranteed by the authority pursuant to
42 subsection b. of section 2 of P.L. , c. (C.) (pending before
43 the Legislature as this bill) shall not exceed \$3,000,000 per year or
44 \$15,000,000 in the aggregate over five years, as determined by the
45 authority.

46 d. The authority shall not issue a loan guarantee in an amount
47 greater than the available and uncommitted monies in the fund.

1 e. The authority may charge fees in connection with
2 applications for participation in the social innovation loan guarantee
3 pilot program as it deems reasonable to cover authority expenses in
4 administering the pilot program and issuing loan guarantees.

5 f. The authority shall appoint a director, who is also an
6 employee of the Health Care Facilities Financing Authority, to
7 manage the activities associated with the "social innovation loan
8 guarantee fund" established pursuant to this section. The director
9 shall receive compensation as determined by the authority.

10 g. The authority shall issue a report six months after the
11 effective date of P.L. , c. (C.) (pending before the Legislature
12 as this bill), and annually thereafter not later than September 15, to
13 the Governor and, pursuant to section 2 of P.L.1991, c.164
14 (C.52:14-19.1), to the Legislature concerning the financing of the
15 pilot program as described in section 2 of P.L. , c. (C.)
16 (pending before the Legislature as this bill), undertaken with
17 monies from the "social innovation loan guarantee fund." The
18 initial report and each annual report required pursuant to this
19 section shall include a description of the pilot program funded by
20 loans guaranteed to eligible organizations and a detailed analysis of
21 the consideration given to the factors set forth in subsection d. of
22 section 2 of P.L. , c. (C.) (pending before the Legislature as this
23 bill).

24
25 5. The authority shall adopt, pursuant to the "Administrative
26 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), any rules or
27 regulations necessary to effectuate the purposes of P.L. , c. (C.)
28 (pending before the Legislature as this bill).

29
30 6. This act shall take effect on the first day of the fourth month
31 following the date of enactment, but the authority may take
32 anticipatory administrative action in advance thereof as shall be
33 necessary for the implementation of this act.

34
35

36 STATEMENT

37

38 This bill establishes a five-year social innovation loan guarantee
39 pilot program (pilot program) for the purpose of encouraging
40 private investment in health care services for the treatment and
41 prevention of opioid and other substance use disorders (treatment
42 and prevention services) to lower public expenditures related to
43 those services.

44 Under the bill, the New Jersey Health Care Facilities Financing
45 Authority (HCFFA) is to establish a pilot program to guarantee loan
46 agreements among lenders, eligible nonprofit organizations, and
47 public sector entities. The loan agreements are to: 1) provide an
48 eligible nonprofit organization with direct funding from a lender in

1 exchange for the provision of treatment and prevention services; 2)
2 require the public sector entity receiving funds for treatment and
3 prevention services to make defined payments to the lender in an
4 amount proportional to the amount of savings generated by the
5 provision of treatment and prevention services; and 3) authorize the
6 lender to receive loan repayments from the public sector entity in
7 exchange for the provision of funding to an eligible nonprofit
8 organization. In the event that the anticipated savings are not
9 achieved, the HCFFA is to provide a loan guarantee for the lender.

10 The HCFFA, lender, and eligible nonprofit organizations are also
11 required to establish a method of measurement and verification that
12 ensures treatment and prevention services were performed,
13 calculating any public sector savings resulting from those services,
14 and determining any interest rates or payments applicable to the
15 agreements. The bill allows the guarantees issued by the HCFFA to
16 be up to 100 percent of the value of the loan agreements, with loan
17 amounts not to exceed \$3,000,000 per year or \$15,000,000 in the
18 aggregate over the five-year pilot program period.

19 The bill establishes a non-lapsing, revolving fund called the
20 “social innovation loan guarantee fund” (loan fund) which is to be
21 used to guarantee pilot program loans to fund the loan program and
22 to pay for expenses related to the administration of the loan
23 guarantees. The loan guarantee fund may be credited with monies
24 from State appropriations, public or private donations, grant
25 funding, and loan guarantee program fees. The HCFFA is not to
26 issue a loan guarantee in an amount greater than the available and
27 committed monies in the loan guarantee fund.

28 The bill requires the HCFFA to solicit grants from philanthropic
29 organizations or other private sources for the establishment and
30 administration of the pilot program and capitalization of the loan
31 guarantee fund.

32 The bill establishes the “New Jersey Social Innovation Study
33 Commission” (study commission) within the HCFFA to assist the
34 HCFFA in administering the pilot program and issue annual reports
35 concerning the pilot program. The bill requires the HCFFA to
36 oversee the study commission, to determine the membership and
37 size of the study commission, and to appoint members to the study
38 commission. The Director of the Office of Faith-Based Initiatives in
39 the Department of State, a representative from the Department of
40 Health, and a representative from the Department of Human
41 Services are to be members of the study commission.

42 The bill directs the study commission to: 1) identify the
43 nonprofit organizations that will be eligible to receive loan
44 guarantees from the HCFFA; 2) assist the HCFFA in soliciting
45 donations for the loan guarantee fund; 3) help negotiate contract
46 terms and conditions of the loan agreements among lenders, eligible
47 nonprofit organizations, the HCFFA, and public sector entities; 4)
48 determine the necessity of retaining an independent intermediary to

A998 DOWNEY, HOUGHTALING

10

- 1 assist the study commission in the performance of its duties or to
- 2 perform the measurement and verification functions needed to
- 3 execute the loan guarantees; and 5) assist the HCFFA, upon request,
- 4 with any other issues related to the program.

ASSEMBLY HUMAN SERVICES COMMITTEE

STATEMENT TO

ASSEMBLY, No. 998

STATE OF NEW JERSEY

DATED: FEBRUARY 22, 2021

The Assembly Human Services Committee reports favorably Assembly Bill No. 998.

This bill establishes a five-year social innovation loan guarantee pilot program (pilot program) for the purpose of encouraging private investment in health care services for the treatment and prevention of opioid and other substance use disorders (treatment and prevention services) to lower public expenditures related to those services.

Under the bill, the New Jersey Health Care Facilities Financing Authority (HCFFA) is to establish a pilot program to guarantee loan agreements among lenders, eligible nonprofit organizations, and public sector entities. The loan agreements are to: 1) provide an eligible nonprofit organization with direct funding from a lender in exchange for the provision of treatment and prevention services; 2) require the public sector entity receiving funds for treatment and prevention services to make defined payments to the lender in an amount proportional to the amount of savings generated by the provision of treatment and prevention services; and 3) authorize the lender to receive loan repayments from the public sector entity in exchange for the provision of funding to an eligible nonprofit organization. In the event that the anticipated savings are not achieved, the HCFFA is to provide a loan guarantee for the lender.

The HCFFA, lender, and eligible nonprofit organizations are also required to establish a method of measurement and verification that ensures treatment and prevention services were performed, calculating any public sector savings resulting from those services, and determining any interest rates or payments applicable to the agreements. The bill allows the guarantees issued by the HCFFA to be up to 100 percent of the value of the loan agreements, with loan amounts not to exceed \$3,000,000 per year or \$15,000,000 in the aggregate over the five-year pilot program period.

The bill establishes a non-lapsing, revolving fund called the “social innovation loan guarantee fund” (loan fund) which is to be used to guarantee pilot program loans to fund the loan program and to pay for expenses related to the administration of the loan guarantees. The loan guarantee fund may be credited with monies from State appropriations, public or private donations, grant funding, and loan guarantee program fees. The HCFFA is not to

issue a loan guarantee in an amount greater than the available and committed monies in the loan guarantee fund.

The bill requires the HCFFA to solicit grants from philanthropic organizations or other private sources for the establishment and administration of the pilot program and capitalization of the loan guarantee fund.

The bill establishes the “New Jersey Social Innovation Study Commission” (study commission) within the HCFFA to assist the HCFFA in administering the pilot program and issue annual reports concerning the pilot program. The bill requires the HCFFA to oversee the study commission, to determine the membership and size of the study commission, and to appoint members to the study commission. The Director of the Office of Faith-Based Initiatives in the Department of State, a representative from the Department of Health, and a representative from the Department of Human Services are to be members of the study commission.

The bill directs the study commission to: 1) identify the nonprofit organizations that will be eligible to receive loan guarantees from the HCFFA; 2) assist the HCFFA in soliciting donations for the loan guarantee fund; 3) help negotiate contract terms and conditions of the loan agreements among lenders, eligible nonprofit organizations, the HCFFA, and public sector entities; 4) determine the necessity of retaining an independent intermediary to assist the study commission in the performance of its duties or to perform the measurement and verification functions needed to execute the loan guarantees; and 5) assist the HCFFA, upon request, with any other issues related to the program.

This bill was pre-filed for introduction in the 2020-2021 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, Nos. 998 and 2349

STATE OF NEW JERSEY

DATED: MAY 18, 2021

The Assembly Appropriations Committee reports favorably an Assembly Committee Substitute for Assembly Bill Nos. 998 and 2349.

As substituted and reported, this bill establishes a five-year social innovation loan pilot program (pilot program) for the purpose of encouraging private investment in treatment and prevention services to reduce public expenditures related to those services.

Under the bill, the New Jersey Economic Development Authority (EDA) is to establish a pilot program to guarantee loan agreements among lenders, eligible nonprofit and for-profit organizations, and public sector entities. The loan agreements are to:

- 1) provide an eligible nonprofit or for-profit organization with direct funding from a lender in exchange for the provision of public health care services to a public sector entity;
- 2) require the public sector entity receiving public health care services to make defined payments to the lender in an amount proportional to the amount of savings generated by the provision of public health care services; and
- 3) authorize the lender to receive loan repayments from the public sector entity in exchange for the provision of funding to an eligible nonprofit or for-profit organization.

The EDA, in cooperation with the “New Jersey Social Innovation Study Commission” (study commission), established pursuant to the bill, and the Department of Human Services, is to offer to guarantee loans utilizing funds from the social innovation loan fund, also established pursuant to the bill.

The EDA, lender, and eligible nonprofit and for-profit organizations are also required to establish a method of measurement and verification that ensures health care services were performed, calculating any public sector savings resulting from those services, and determining any interest rates or payments applicable to the agreements. The bill allows the guarantees issued by the EDA to be up to 100 percent of the value of the loan agreements, with loan amounts not to exceed \$3,000,000 per year or \$15,000,000 in the aggregate over the five-year pilot program period.

The bill establishes a non-lapsing, revolving fund called the “social innovation loan fund” (loan fund) which is to be used to guarantee

pilot program loans to fund the loan program and to pay for expenses related to the administration of the loan guarantees. The loan fund may be credited with monies from State appropriations, public or private donations, grant funding, federal funds, and loan guarantee program fees. The EDA is not to issue a loan guarantee in an amount greater than the available and committed monies in the loan fund.

The bill requires the EDA to solicit grants from philanthropic organizations or other private sources for the establishment and administration of the pilot program and capitalization of the loan fund.

The bill establishes within the EDA a study commission to assist the EDA in administering the pilot program and issue annual reports concerning the pilot program. The bill requires the EDA to oversee and staff the study commission, to determine the membership and size of the study commission, and to appoint members to the study commission. The Executive Director of the Office of Faith-based Initiatives in the Department of State, a representative from the Department of Health, and a representative from the Department of Human Services are to be members of the study commission.

The bill requires the study commission to annually submit to the Governor and to the Legislature a report containing a study and evaluation of the pilot program. The report is to include, but not be limited to: a description of any eligible organizations funded by the social innovation loans; State, federal, and municipal financial savings related to the issuance of social innovation loans, including Medicaid savings; the expected loan performance and projected payment schedule; the number of people serviced by the eligible organization, a comparison of the population serviced by the eligible organization and a similarly situated control group; and any community impact related to the pilot program. The study commission is to submit its fifth and final report to the Governor and to the Legislature, within 90 days of the expiration date of the pilot program, including any recommendations for legislation it deems appropriate.

The bill directs the study commission to perform other duties enumerated in the bill.

The bill requires the EDA to issue a report six months after the effective date of the bill, and annually thereafter not later than September 15, to the Governor and to the Legislature concerning the financing of the pilot program undertaken with monies from the loan fund.

FISCAL IMPACT:

The Legislative Fiscal Estimate finds that the program may result in reduced State costs through health care savings, but those savings may not be realized if the health care interventions do not provide the magnitude of savings necessary to generate a return for the lender, or if the valuation placed on health care interventions does not accurately reflect future health care costs for those that receive the interventions.

The authority is not permitted to place its own monies into the loan fund, or to expend more on the program than is available in the loan fund, so there should be no net cost to the authority. Absent a future legislative appropriation, the fund is limited to grants and public and private donations to the loan fund. While there is a possibility for cost savings through more efficient health care provision, the details of the loan and loan guarantee agreements that are formed under the program will be significant factors in determining whether those cost savings may be realized. If the program is unsuccessful, the loss will be limited to the source of donations to the fund used to guarantee the loans.

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR ASSEMBLY, Nos. 998 and 2349

STATE OF NEW JERSEY

DATED: JUNE 15, 2021

The Senate Economic Growth Committee reports favorably Assembly Committee Substitute for Assembly Bill Nos. 998 and 2349.

As reported, this bill establishes a five-year social innovation loan pilot program (pilot program) for the purpose of encouraging private investment in treatment and prevention services to reduce public expenditures related to those services.

Under the bill, the New Jersey Economic Development Authority (EDA) is to establish a pilot program to guarantee loan agreements among lenders, eligible nonprofit and for-profit organizations, and public sector entities. The loan agreements are to:

- 1) provide an eligible nonprofit or for-profit organization with direct funding from a lender in exchange for the provision of public health care services to a public sector entity;
- 2) require the public sector entity receiving public health care services to make defined payments to the lender in an amount proportional to the amount of savings generated by the provision of public health care services; and
- 3) authorize the lender to receive loan repayments from the public sector entity in exchange for the provision of funding to an eligible nonprofit or for-profit organization.

The EDA, in cooperation with the “New Jersey Social Innovation Study Commission” (study commission), established pursuant to the bill, and the Department of Human Services, is to offer to guarantee loans utilizing funds from the social innovation loan fund, also established pursuant to the bill.

The EDA, lender, and eligible nonprofit and for-profit organizations are also required to establish a method of measurement and verification that ensures health care services were performed, calculating any public sector savings resulting from those services, and determining any interest rates or payments applicable to the agreements. The bill allows the guarantees issued by the EDA to be up to 100 percent of the value of the loan agreements, with loan amounts not to exceed \$3,000,000 per year or \$15,000,000 in the aggregate over the five-year pilot program period.

The bill establishes a non-lapsing, revolving fund called the “social innovation loan fund” (loan fund) which is to be used to guarantee pilot program loans to fund the loan program and to pay for expenses related to the administration of the loan guarantees. The loan fund may be credited with monies from State appropriations, public or private donations, grant funding, federal funds, and loan guarantee program fees. The EDA is not to issue a loan guarantee in an amount greater than the available and committed monies in the loan fund.

The bill requires the EDA to solicit grants from philanthropic organizations or other private sources for the establishment and administration of the pilot program and capitalization of the loan fund.

The bill establishes within the EDA a study commission to assist the EDA in administering the pilot program and issue annual reports concerning the pilot program. The bill requires the EDA to oversee and staff the study commission, to determine the membership and size of the study commission, and to appoint members to the study commission. The Executive Director of the Office of Faith-based Initiatives in the Department of State, a representative from the Department of Health, and a representative from the Department of Human Services are to be members of the study commission.

The bill requires the study commission to annually submit to the Governor and to the Legislature a report containing a study and evaluation of the pilot program. The report is to include, but not be limited to: a description of any eligible organizations funded by the social innovation loans; State, federal, and municipal financial savings related to the issuance of social innovation loans, including Medicaid savings; the expected loan performance and projected payment schedule; the number of people serviced by the eligible organization, a comparison of the population serviced by the eligible organization and a similarly situated control group; and any community impact related to the pilot program. The study commission is to submit its fifth and final report to the Governor and to the Legislature, within 90 days of the expiration date of the pilot program, including any recommendations for legislation it deems appropriate.

The bill directs the study commission to perform other duties enumerated in the bill.

The bill requires the EDA to issue a report six months after the effective date of the bill, and annually thereafter not later than September 15, to the Governor and to the Legislature concerning the financing of the pilot program undertaken with monies from the loan fund.

As reported, ACS for 998 and 2349 is identical to SCS for S3740 and S1534 which was substituted and reported by the committee on this date.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR ASSEMBLY, Nos. 998 and 2349

STATE OF NEW JERSEY

DATED: DECEMBER 6, 2021

The Senate Budget and Appropriations Committee reports favorably the Assembly Committee Substitute for Assembly Bill Nos. 998 and 2349.

The bill establishes a five-year social innovation loan pilot program (pilot program) for the purpose of encouraging private investment in treatment and prevention services to reduce public expenditures related to those services.

Under the bill, the New Jersey Economic Development Authority (EDA) is to establish a pilot program to guarantee loan agreements among lenders, eligible nonprofit and for-profit organizations, and public sector entities. The loan agreements are to: (1) provide an eligible nonprofit or for-profit organization with direct funding from a lender in exchange for the provision of public health care services to a public sector entity; (2) require the public sector entity receiving public health care services to make defined payments to the lender in an amount proportional to the amount of savings generated by the provision of public health care services; and (3) authorize the lender to receive loan repayments from the public sector entity in exchange for the provision of funding to an eligible nonprofit or for-profit organization.

The EDA, in cooperation with the “New Jersey Social Innovation Study Commission” (study commission), established pursuant to the bill, and the Department of Human Services, is to offer to guarantee loans utilizing funds from the social innovation loan fund, also established pursuant to the bill.

The EDA, lender, and eligible nonprofit and for-profit organizations are also required to establish a method of measurement and verification that ensures health care services were performed, calculating any public sector savings resulting from those services, and determining any interest rates or payments applicable to the agreements. The bill allows the guarantees issued by the EDA to be up to 100 percent of the value of the loan agreements, with loan amounts not to exceed \$3,000,000 per year or \$15,000,000 in the aggregate over the five-year pilot program period.

The bill establishes a non-lapsing, revolving fund called the “social innovation loan fund” (loan fund) which is to be used to guarantee

pilot program loans to fund the loan program and to pay for expenses related to the administration of the loan guarantees. The loan fund may be credited with monies from State appropriations, public or private donations, grant funding, federal funds, and loan guarantee program fees. The EDA is not to issue a loan guarantee in an amount greater than the available and committed monies in the loan fund.

The bill requires the EDA to solicit grants from philanthropic organizations or other private sources for the establishment and administration of the pilot program and capitalization of the loan fund.

The bill establishes within the EDA a study commission to assist the EDA in administering the pilot program and issue annual reports concerning the pilot program. The bill requires the EDA to oversee and staff the study commission, to determine the membership and size of the study commission, and to appoint members to the study commission. The Executive Director of the Office of Faith-based Initiatives in the Department of State, a representative from the Department of Health, and a representative from the Department of Human Services are to be members of the study commission.

The bill requires the study commission to annually submit to the Governor and to the Legislature a report containing a study and evaluation of the pilot program. The report is to include, but not be limited to: a description of any eligible organizations funded by the social innovation loans; State, federal, and municipal financial savings related to the issuance of social innovation loans, including Medicaid savings; the expected loan performance and projected payment schedule; the number of people serviced by the eligible organization, a comparison of the population serviced by the eligible organization and a similarly situated control group; and any community impact related to the pilot program. The study commission is to submit its fifth and final report to the Governor and to the Legislature within 90 days of the expiration date of the pilot program, including any recommendations for legislation it deems appropriate.

The bill directs the study commission to perform other duties enumerated in the bill.

The bill requires the EDA to issue a report six months after the effective date of the bill, and annually thereafter not later than September 15, to the Governor and to the Legislature concerning the financing of the pilot program undertaken with monies from the loan fund.

As reported, this bill is identical to the Senate Committee Substitute for Senate Bill Nos. 3144 and 1534, which was also reported by the committee on this date.

FISCAL IMPACT:

The Office of Legislative Services finds that the program may result in reduced State costs through health care savings, but those savings may not be realized if the health care interventions do not

provide the magnitude of savings necessary to generate a return for the lender, or if the valuation placed on health care interventions does not accurately reflect future health care costs for those that receive the interventions.

While there is a possibility for cost savings through more efficient health care provision, the details of the loan and loan guarantee agreements that are formed under the program will be significant factors in determining whether those cost savings may be realized. If the program is unsuccessful, the loss will be limited to the source of donations to the fund used to guarantee the loans.

The net cost to the State will ultimately be any State contributions to the loan fund which are expended on defaults of guaranteed loans, in addition to any cost of administering the program, less fees and donations, and less any net savings to the departments that are a party to the loan agreements.

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, Nos. 998 and 2349
STATE OF NEW JERSEY
219th LEGISLATURE

DATED: DECEMBER 8, 2021

SUMMARY

- Synopsis:** The “New Jersey Social Innovation Act”; establishes social innovation loan pilot program and study commission within EDA.
- Type of Impact:** Possible impact on State costs.
- Agencies Affected:** New Jersey Economic Development Authority; Department of Health; Department of Human Services.

Office of Legislative Services Estimate

Fiscal Impact	<u>Five year pilot program period</u>
State Cost Impact	Indeterminate

- The Office of Legislative Services (OLS) finds that the program may result in reduced State costs through health care savings, but those savings may not be realized if the health care interventions do not provide the magnitude of savings necessary to generate a return for the lender, or if the valuation placed on health care interventions does not accurately reflect future health care costs for those that receive the interventions.
- While there is a possibility for cost savings through more efficient health care provision, the details of the loan and loan guarantee agreements that are formed under the program will be significant factors in determining whether those cost savings may be realized. If the program is unsuccessful, the loss will be limited to the source of donations to the fund used to guarantee the loans.
- The net cost to the State will ultimately be any State contributions to the loan fund which are expended on defaults of guaranteed loans, in addition to any cost of administering the program, less fees and donations, and less any net savings to the departments that are a party to the loan agreements.

BILL DESCRIPTION

This bill establishes a five-year social innovation loan pilot program for the purpose of encouraging private investment in treatment and prevention services to reduce public expenditures related to those services.

Under the bill, the New Jersey Economic Development Authority (EDA) is to establish a pilot program to guarantee loan agreements among lenders, eligible nonprofit and for-profit organizations, and public sector entities. The loan agreements are to:

- 1) provide an eligible nonprofit or for-profit organization with direct funding from a lender in exchange for the provision of public health care services to a public sector entity;
- 2) require the public sector entity receiving public health care services to make defined payments to the lender in an amount proportional to the amount of savings generated by the provision of public health care services; and
- 3) authorize the lender to receive loan repayments from the public sector entity in exchange for the provision of funding to an eligible nonprofit or for-profit organization.

The EDA, in cooperation with the “New Jersey Social Innovation Study Commission,” established pursuant to the bill, and the Department of Human Services, is to offer to guarantee loans utilizing funds from the social innovation loan fund, also established pursuant to the bill.

The EDA, lender, and eligible nonprofit and for-profit organizations are also required to establish a method of measurement and verification that ensures health care services were performed, calculating any public sector savings resulting from those services, and determining any interest rates or payments applicable to the agreements. The bill allows the guarantees issued by the EDA to be up to 100 percent of the value of the loan agreements, with loan amounts not to exceed \$3,000,000 per year or \$15,000,000 in the aggregate over the five-year pilot program period.

The bill establishes a non-lapsing, revolving fund called the “social innovation loan fund,” which is to be used to guarantee pilot program loans to fund the loan program and to pay for expenses related to the administration of the loan guarantees. The loan fund may be credited with monies from State appropriations, public or private donations, grant funding, federal funds, and loan guarantee program fees. The EDA is not to issue a loan guarantee in an amount greater than the available and committed monies in the loan fund.

The bill requires the EDA to solicit grants from philanthropic organizations or other private sources for the establishment and administration of the pilot program and capitalization of the loan fund.

The bill establishes within the EDA a study commission to assist the EDA in administering the pilot program and issue annual reports concerning the pilot program. The bill requires the EDA to oversee and staff the study commission, to determine the membership and size of the study commission, and to appoint members to the study commission. The Executive Director of the Office of Faith Based Initiatives in the Department of State, a representative from the Department of Health, and a representative from the Department of Human Services are to be members of the study commission.

The bill requires the study commission to annually submit to the Governor and to the Legislature a report containing a study and evaluation of the pilot program. The report is to include, but not be limited to: a description of any eligible organizations funded by the social innovation loans; State, federal, and municipal financial savings related to the issuance of social innovation loans, including Medicaid savings; the expected loan performance and projected payment schedule; the number of people serviced by the eligible organization, a comparison of the population serviced by the eligible organization and a similarly situated control group; and any community impact related to the pilot program. The study commission is to submit its fifth and final report to the Governor and to the Legislature, within 90 days of the expiration date of the pilot program, including any recommendations for legislation it deems appropriate.

The bill directs the study commission to perform other duties enumerated in the bill.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that it is not possible to determine the fiscal impact of this bill at this time. Under the program, a non-profit will receive a loan from a private bank. The bank loan is guaranteed by the authority. Public sector entities, which are most likely to be the Department of Health or the Department of Human Services (departments), will participate in special loan agreements in which a nonprofit organization will provide health care intervention services on behalf of the departments to individuals that would not otherwise be eligible to receive those services. The departments would, in turn, provide payments to a lender for each intervention service provided based on the amount of money that the department expects to save due to these interventions.

One possible example of these intervention services could be weight management to help working age patients postpone or prevent the development of heart disease and diabetes which would have to be treated in later life under Medicaid insurance, which the State helps to fund. Even postponing the onset of heart disease and diabetes could represent significant savings to the Medicaid program. The magnitude of these savings will depend on the nature of any agreements that ultimately take place between the departments, non-profits, the authority, and banks, and it cannot be determined at this point the details of those agreements, or the effectiveness of the intervention services in generating cost savings. The departments should face no costs as a result of these loan agreements because they are only making payments based upon their cost savings; however, it is possible that the departments may not accurately quantify the value of avoided future costs or attribute savings to these interventions because it is possible that there are other factors that could be responsible for the savings or the interventions could prove to be ineffective, resulting in actual increased costs rather than savings.

The departments will likely realize increased direct costs during the five-year program period in the form of payments for services that they would not have otherwise been provided, while the avoided costs are uncertain and will be based on the specific interventions and costs the department is hoping to avoid. The risk of losses are expected to be mitigated by the fact that the departments will be voluntarily entering into these agreements, and it is expected that they are only going to accept terms where they estimate that they will realize savings even after discounting for the uncertainty of the effectiveness of the interventions and for the time value of pulling future expenses forward.

The authority may experience costs in the administration of this program if the authority would need to hire a new staff member to manage the activities associated with the loan fund and administer the program, and any overhead costs involved in issuing loan guarantees. The authority may also experience costs in connection with the activities of the study commission. The authority may be able to recover these costs through fees administered through the program and public and private donations.

The bill limits the total amount of loans guaranteed by the authority under the program to \$15,000,000. If all loans are repaid in full, then the authority should only incur administrative expenses relating to the provision of the guarantees; however, if there are no savings realized by the departments and no repayments made to the lenders, the loan fund may be responsible for the

full \$15,000,000. Regardless of the default rate on these loans, the net cost will depend on the source of monies deposited into the loan guarantee fund.

The net cost to the State will ultimately be any State contributions to the loan fund which are expended on defaults of guaranteed loans, in addition to any cost of administering the program, less fees and donations, and less any net savings to the departments that are a party to the loan agreements.

Section: Authorities, Utilities, Transportation and Communications

*Analyst: Patrick Brennan
Principal Fiscal Analyst*

*Approved: Thomas Koenig
Legislative Budget and Finance Officer*

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 (C.52:13B-6 et seq.).

STATEMENT TO

**ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 998**

with Senate Floor Amendments
(Proposed by Senator RUIZ)

ADOPTED: JANUARY 10, 2022

These Senate floor amendments expand the scope of the social innovation loan pilot program (program) to include private investment in public health care services, which may include but not be limited to treatment and prevention services, and not simply private investment in treatment and prevention services. The amendments also limit program funding to the monies dedicated to the “social innovation loan fund.” Lastly, the amendments require that any staffing for the program is to only be assigned from existing New Jersey Economic Development Authority staff resources.

SENATE, No. 4312

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED JANUARY 6, 2022

Sponsored by:

Senator M. TERESA RUIZ

District 29 (Essex)

Senator JAMES BEACH

District 6 (Burlington and Camden)

Senator TROY SINGLETON

District 7 (Burlington)

SYNOPSIS

The "New Jersey Social Innovation Act"; establishes social innovation loan pilot program and study commission within EDA.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 1/6/2022)

1 AN ACT establishing a social innovation loan pilot program and
2 supplementing Title 34 of the Revised Statutes.

3

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

6

7 1. This act shall be known and may be cited as the “New Jersey
8 Social Innovation Act.”

9

10 2. As used in P.L. , c. (C.) (pending before the
11 Legislature as this bill):

12 “Authority” means the New Jersey Economic Development
13 Authority, established pursuant to P.L.1974, c.80 (C.34:1B-
14 1 et seq.).

15 “Eligible organization” means a nonprofit organization that is
16 exempt from federal taxation pursuant to section 501(c)(3) of the
17 federal Internal Revenue Code of 1986, 26 U.S.C. s.501 or a for-
18 profit organization, that has applied for participation in the social
19 innovation loan pilot program established pursuant to section 3 of
20 P.L. , c. (C.) (pending before the Legislature as this bill),
21 and is selected by the study commission as qualified to receive a
22 loan guarantee from the “social innovation loan fund” established
23 pursuant to section 5 of P.L. , c. (C.) (pending before the
24 Legislature as this bill).

25 “Pilot program” means the social innovation loan pilot program
26 established pursuant to section 3 of P.L. , c. (C.) (pending
27 before the Legislature as this bill).

28 “Social innovation loan fund” or “fund” means the fund
29 established pursuant to section 5 of P.L. , c. (C.) (pending
30 before the Legislature as this bill).

31 “Study commission” means the “New Jersey Social Innovation
32 Study Commission” established pursuant to section 4 of
33 P.L. , c. (C.) (pending before the Legislature as this bill).

34 “Treatment and prevention services” means any early
35 intervention health care, which shall include but not limited to,
36 treatment and prevention of opioid and other substance use
37 disorders.

38

39 3. a. There is established a five-year social innovation loan
40 pilot program within the New Jersey Economic Development
41 Authority to administer and determine the effectiveness of a social
42 innovation loan pilot program. The pilot program shall concern
43 nonprofit health care services with the purpose of encouraging
44 private investment in public health care services, including but not
45 limited to, treatment and prevention services, and to reduce federal,
46 State, and municipal expenditures related to those services. The
47 pilot program shall assess the feasibility of expanding a social
48 innovation loan pilot program Statewide and expanding the scope of

1 social impact loan guarantees, made pursuant to subsection b. of
2 this section, beyond the health care sector.

3 b. Under the pilot program established pursuant to subsection
4 a. of this section, the authority shall guarantee loans issued to
5 eligible organizations for the provision of public health care
6 services which generate positive social outcomes and public sector
7 cost savings. Each loan shall be facilitated by the study commission
8 established pursuant to section 4 of P.L. , c. (C.) (pending
9 before the Legislature as this bill) and shall consist of:

10 (1) a lending agreement between an eligible organization, a
11 lender, and a public sector entity which shall include terms that
12 provide:

13 (a) the eligible organization with direct funding from a lender in
14 exchange for the provision of public health care services;

15 (b) the public sector entity with public health care services in
16 exchange for defined payments to the lender in an amount
17 proportional to the amount of public sector savings generated by the
18 provision of those services; and

19 (c) the lender with loan repayments in exchange for the
20 provision of funding to an eligible organization.

21 (2) a loan guarantee agreement between the authority and all
22 parties to the lending agreement authorized pursuant to paragraph
23 (1) of this subsection which shall require the terms of the lending
24 agreement to conform to any loan requirements established pursuant
25 to P.L. , c. (C.) (pending before the Legislature as this bill)
26 or by the authority; and

27 (3) an agreement between the authority, the public sector entity
28 making performance payments, the eligible organization, and the
29 lender which includes terms that require a method of measurement
30 and verification of the public health care services to be performed,
31 how the public sector savings are to be calculated, how the interest
32 rate will be determined, and how funds shall flow between the
33 parties according to each of the agreements made pursuant to this
34 subsection.

35 c. Up to 100 percent of the value of a loan agreement entered
36 into pursuant to subsection b. of this section may be guaranteed by
37 the authority, provided that the total amount in the aggregate of all
38 loans guaranteed under the social innovation loan pilot program
39 established pursuant to P.L. , c. (C.) (pending before the
40 Legislature as this bill) shall not exceed \$15,000,000.

41 d. The authority, in cooperation with the study commission and
42 the Department of Human Services, shall offer to guarantee loans
43 made pursuant to subsection b. of this section utilizing funds from
44 the social innovation loan fund established pursuant to section 5 of
45 P.L. , c. (C.) (pending before the Legislature as this bill) to
46 finance a project undertaken for the purposes of subsection b. of
47 this section. The authority shall consider the following factors:

48 (1) The economic feasibility of the project;

- 1 (2) The degree to which the project will advance Statewide and
2 regional strategies and objectives;
- 3 (3) The degree to which the project maximizes the leverage of
4 other State funds; and
- 5 (4) The factors listed in paragraph (1) of subsection e. of section
6 4 of P.L. , c. (C.) (pending before the Legislature as this
7 bill).
- 8 e. A lender or nonprofit or for-profit organization seeking to
9 participate in the social innovation loan pilot program shall submit
10 an application in a form as the authority shall require. The
11 application shall include any information the authority shall
12 determine is necessary in consideration of the provisions of
13 P.L.2011, c.123 (52:14B-21.1 et seq.).
- 14 f. A loan guarantee agreement entered into pursuant to
15 subsection b. of this section shall provide that any loan guaranteed
16 by the authority shall:
- 17 (1) be for a loan having a fair effective interest rate as
18 determined by the authority; and
- 19 (2) contain other terms and conditions considered appropriate by
20 the authority that are consistent with the purposes of P.L. , c.
21 (C.) (pending before the Legislature as this bill) and with rules
22 and regulations promulgated by the authority, pursuant to section 8
23 of P.L. , c. (C.) (pending before the Legislature as this bill),
24 to implement P.L. , c. (C.) (pending before the Legislature
25 as this bill).
- 26 g. (1) Consistent with federal law, rule, or regulation, each
27 eligible organization that receives a loan guarantee under
28 P.L. , c. (C.) (pending before the Legislature as this bill)
29 shall undergo an audit, at the organization's own expense, at least
30 once every two calendar years. The authority shall designate an
31 independent auditor to conduct the audit.
- 32 (2) If an audit is performed under a requirement of federal law,
33 rule, or regulation, the authority shall waive the audit required
34 pursuant to this subsection with respect to all issues addressed by
35 the federally required audit. However, the authority may require an
36 audit of matters that are not, in the authority's judgment, addressed
37 by the federally required audit including, but not limited to,
38 measurement and verification of health care intervention activities,
39 and public sector savings.
- 40 h. A loan guarantee agreement made pursuant to subsection b.
41 of this section shall provide that any loan guarantee issued by the
42 authority shall be voided if the terms and conditions of the
43 agreement are violated by any party to that loan securitization
44 agreement.
- 45 i. The authority shall solicit grants from interested public or
46 private sources for the establishment and administration of the pilot
47 program and study commission as well as the capitalization of the

1 “social innovation loan fund” established pursuant to section 5 of
2 P.L. , c. (C.) (pending before the Legislature as this bill).

3 j. The pilot program shall expire on the 30th day following the
4 closing of all loans guaranteed pursuant to P.L. , c. (C.)
5 (pending before the Legislature as this bill).

6
7 4. a. The authority shall oversee and staff a study commission,
8 entitled the “New Jersey Social Innovation Study Commission,”
9 established for the duration of the pilot program.

10 b. The membership and size of the study commission shall be
11 determined by the authority. The authority may consider a variety
12 of professionals, including health care, lending, and social finance
13 experts, for membership on the study commission. The study
14 commission shall organize as soon as practicable after the
15 appointment of the study commission members, shall select a
16 chairperson from among its membership, and shall appoint a
17 secretary who need not be a member of the commission. At least
18 one member of the study commission shall be a representative of
19 the Department of Human Services, one member shall be a
20 representative of the Department of Health, and one member shall
21 be the Executive Director of the Office of Faith-based Initiatives in
22 the Department of State. All members of the study commission
23 shall serve for term concurrent with the effective period of the pilot
24 program.

25 c. Any vacancy in the membership of the study commission
26 shall be filled in the same manner in which the original appointment
27 was made.

28 d. The study commission may request the assistance and
29 services of employees of any other State department, board, bureau,
30 commission, task force, or agency as it may require and as may be
31 available. Members of the study commission shall serve without
32 compensation, but shall be entitled to employ stenographic and
33 clerical assistance and incur traveling and other miscellaneous
34 expenses as the study commission may deem necessary in order to
35 perform its duties, within the limits of the funds made available to
36 the study commission for its purposes. The study commission may
37 meet at the call of its chairperson at the times and in the places the
38 study commission may deem appropriate and necessary to fulfill its
39 duties, and may conduct public hearings at a place or places as the
40 study commission shall designate. The study commission shall
41 conduct its meetings in accordance with the “Senator Byron M.
42 Baer Open Public Meetings Act,” P.L.1975, c.231 (C.10:4-
43 6 et seq.).

44 e. It shall be the duty of the study commission to aid the
45 authority in the administration of the social innovation loan pilot
46 program and to issue annual reports detailing the progress of the
47 pilot program. Specifically, the study commission, in cooperation
48 with the authority and the Department of Human Services shall:

1 (1) identify the nonprofit and for-profit organizations that will
2 be eligible to receive loan guarantees from the authority. The study
3 commission shall make this determination taking several factors
4 into consideration which shall include, but not be limited to, the
5 size and identity of the target population that benefits from the
6 nonprofit or for-profit organization service provider, the projected
7 financial value of the improvements as a result of the social
8 innovation loan investments, including projected public sector
9 savings, the ability to repay the loan in full, the ease of the
10 measurability of the outcomes, and an analysis of impacts beyond
11 financial savings and returns, such as social outcomes;

12 (2) assist the authority in soliciting donations from philanthropic
13 organizations and other private sources to capitalize the loan fund;

14 (3) negotiate contract terms and conditions between social
15 innovation loan recipients and any public entity for whom the
16 recipient is performing health care intervention services, including
17 the development of metrics to project and measure both financial
18 and social outcomes, and the identification of independent third
19 parties to measure and evaluate outcomes;

20 (4) determine whether an independent intermediary with
21 expertise in the areas of social finance and health care should be
22 retained to:

23 (a) assist the study commission in the performance of its duties
24 under this section; or

25 (b) perform the method of measurement and verification
26 activities required in the agreements entered into pursuant to
27 paragraph (3) of subsection b. of section 3 of P.L. , c. (C.)
28 (pending before the Legislature as this bill), and to identify
29 appropriate independent intermediaries to recommend to the
30 authority if the study commission determines that intermediary
31 services should be retained; and

32 (5) any other purposes related to the pilot program for which the
33 authority requests assistance.

34 f. Not later than one year following the effective date of
35 P.L. , c. (C.) (pending before the Legislature as this bill),
36 and annually for four years thereafter, the study commission shall
37 submit to the Governor and, pursuant to section 2 of P.L.1991,
38 c.164 (C.52:14-19.1), to the Legislature, a report containing a study
39 and evaluation of the pilot program. The report shall include, but
40 not be limited to, a description of any eligible organizations funded
41 by the social innovation loans, State, federal, and municipal
42 financial savings related to the issuance of social innovation loans,
43 including Medicaid savings, the expected loan performance and
44 projected payment schedule, the number of people serviced by the
45 eligible organization, a comparison of the population serviced by
46 the eligible organization and a similarly situated control group, and
47 any community impact related to the pilot program.

1 g. The study commission shall submit its fifth and final report
2 to the Governor and, pursuant to section 2 of P.L.1991, c.164
3 (C.52:14-19.1), to the Legislature, within 90 days of the expiration
4 date of the pilot program, including any recommendations for
5 legislation it deems appropriate. The study commission's final
6 report shall include, but not be limited to, an analysis of the
7 feasibility of implementing a permanent social innovation loan
8 program Statewide, the sectors outside of non-profit health care in
9 which social lending could be successfully applied, the estimated
10 costs for the creation and administration of the permanent social
11 innovation loan program, the projected State, federal, and municipal
12 savings from administering the permanent program, a calculation of
13 the loan performance realized from the pilot program, a calculation
14 of the State, federal, and municipal savings accrued through the
15 pilot program, and an analysis of non-financial outcomes, such as
16 community impact and preventive results. The study commission
17 shall expire on the 30th day after the date of the issuance of its final
18 report, or upon the expiration of the pilot program, whichever
19 occurs later.

20

21 5. a. To implement the social innovation loan pilot program,
22 the authority shall establish and maintain a special non-lapsing,
23 revolving fund called the "social innovation loan fund" which may
24 be credited with:

25 (1) monies appropriated by the State for the purpose of the fund;

26 (2) monies received by the authority from any public or private
27 donations to be used to guarantee a loan issued pursuant to
28 subsection f. of section 3 of P.L. , c. (C.) (pending before
29 the Legislature as this bill);

30 (3) any monies as may be available to the authority from grants
31 or other forms of assistance established to support health care
32 intervention activities by the authority or by other State or federal
33 agencies or authorities; and

34 (4) monies received from eligible organizations in the form of
35 any applicable fees.

36 b. Loan funds may be used by the authority for the following
37 purposes:

38 (1) guaranteeing loans issued pursuant to subsection b. of
39 section 3 of P.L. , c. (C.) (pending before the Legislature
40 as this bill);

41 (2) reasonable and necessary expenses incurred by the authority
42 related to the administration of the pilot program and the study
43 commission; and

44 (3) administrative expenses for the provision of loan guarantees
45 issued pursuant to subsection b. of section 3 of P.L. , c. (C.)
46 (pending before the Legislature as this bill).

47 c. The amount of loans guaranteed by the authority pursuant to
48 subsection b. of section 3 of P.L. , c. (C.) (pending before

1 the Legislature as this bill) shall not exceed \$3,000,000 per year or
2 \$15,000,000 in the aggregate over five years, as determined by the
3 authority.

4 d. The authority shall not issue a loan guarantee in an amount
5 greater than the available and uncommitted monies in the loan fund.

6 e. The authority may charge fees in connection with
7 applications for participation in the social innovation loan pilot
8 program as it deems reasonable to cover authority expenses in
9 administering the pilot program and issuing loan guarantees.

10 f. The activities required pursuant to P.L. , c. (C.)
11 (pending before the Legislature as this bill) shall only be paid from
12 monies deposited into the "social innovation loan fund," established
13 pursuant to subsection a. of this section.
14

15 6. a. The authority shall appoint a director to manage the
16 activities associated with the "social innovation loan fund"
17 established pursuant to section 5 of P.L. , c. (C.) (pending
18 before the Legislature as this bill). The director shall receive
19 compensation as determined by the authority.

20 b. Except as provided in subsection a. of this section, the
21 activities required pursuant to P.L. , c. (C.) (pending
22 before the Legislature as this bill) shall only be staffed from
23 existing authority staff resources.
24

25 7. The authority shall issue a report six months after the
26 effective date of P.L. , c. (C.) (pending before the Legislature
27 as this bill), and annually thereafter not later than September 15, to
28 the Governor and, pursuant to section 2 of P.L.1991, c.164
29 (C.52:14-19.1), to the Legislature concerning the financing of the
30 pilot program as described in section 5 of P.L. , c. (C.)
31 (pending before the Legislature as this bill), undertaken with
32 monies from the "social innovation loan fund." The initial report
33 and each annual report required pursuant to this section shall
34 include the number of eligible organizations receiving loan
35 guarantees from the fund, the name of each eligible organization
36 receiving loan guarantees from the fund, the amount of money each
37 eligible organization receives from the fund, a description of each
38 pilot program funded by loans issued to eligible organizations, and
39 a detailed analysis of the consideration given to the factors set forth
40 in subsection d. of section 3 of P.L. , c. (C.) (pending before
41 the Legislature as this bill).
42

43 8. The authority shall adopt, pursuant to the "Administrative
44 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), any rules or
45 regulations necessary to effectuate the purposes of this act.

1 9. This act shall take effect on the first day of the fourth month
2 following the date of enactment, but the authority may take any
3 anticipatory administrative action in advance thereof as shall be
4 necessary for the implementation of this act.

5
6
7
8

STATEMENT

9 The bill establishes a five-year social innovation loan pilot
10 program (pilot program) for the purpose of encouraging private
11 investment in public healthcare services, which may include but not
12 be limited to, treatment and prevention services, as defined in the
13 bill, to reduce public expenditures related to those services.

14 Under the bill, the New Jersey Economic Development Authority
15 (EDA) is to establish a pilot program to guarantee loan agreements
16 among lenders, eligible nonprofit and for-profit organizations, and
17 public sector entities. The loan agreements are to: 1) provide an
18 eligible nonprofit or for-profit organization with direct funding
19 from a lender in exchange for the provision of public health care
20 services to a public sector entity; 2) require the public sector entity
21 receiving public health care services to make defined payments to
22 the lender in an amount proportional to the amount of savings
23 generated by the provision of public health care services; and 3)
24 authorize the lender to receive loan repayments from the public
25 sector entity in exchange for the provision of funding to an eligible
26 nonprofit or for-profit organization.

27 The EDA, in cooperation with the “New Jersey Social
28 Innovation Study Commission” (study commission), established
29 pursuant to the bill, and the Department of Human Services, is to
30 offer to guarantee loans utilizing funds from the social innovation
31 loan fund, also established pursuant to the bill.

32 The EDA, lender, and eligible nonprofit and for-profit
33 organizations are also required to establish a method of
34 measurement and verification that ensures health care services were
35 performed, calculating any public sector savings resulting from
36 those services, and determining any interest rates or payments
37 applicable to the agreements. The bill allows the guarantees issued
38 by the EDA to be up to 100 percent of the value of the loan
39 agreements, with loan amounts not to exceed \$3,000,000 per year or
40 \$15,000,000 in the aggregate over the five-year pilot program
41 period.

42 The bill establishes a non-lapsing, revolving fund called the
43 “social innovation loan fund” (loan fund) which is to be used to
44 guarantee pilot program loans to fund the loan program and to pay
45 for expenses related to the administration of the loan guarantees.
46 The loan fund may be credited with monies from State
47 appropriations, public or private donations, grant funding, federal
48 funds, and loan guarantee program fees. The EDA is not to issue a

1 loan guarantee in an amount greater than the available and
2 uncommitted monies in the loan fund. Program funding is limited to
3 the monies dedicated to the loan fund. The EDA is to appoint a
4 director to administer the activities associated with the loan fund;
5 however, any other staffing for the program is to be restricted to
6 existing EDA staff resources.

7 The bill requires the EDA to solicit grants from philanthropic
8 organizations or other private sources for the establishment and
9 administration of the pilot program and capitalization of the loan
10 fund.

11 The bill establishes within the EDA a study commission to assist
12 the EDA in administering the pilot program and issue annual reports
13 concerning the pilot program. The bill requires the EDA to oversee
14 and staff the study commission, to determine the membership and
15 size of the study commission, and to appoint members to the study
16 commission. The Executive Director of the Office of Faith-based
17 Initiatives in the Department of State, a representative from the
18 Department of Health, and a representative from the Department of
19 Human Services are to be members of the study commission.

20 The bill requires the study commission to annually submit to the
21 Governor and to the Legislature a report containing a study and
22 evaluation of the pilot program. The report is to include, but not be
23 limited to: a description of any eligible organizations funded by the
24 social innovation loans; State, federal, and municipal financial
25 savings related to the issuance of social innovation loans, including
26 Medicaid savings; the expected loan performance and projected
27 payment schedule; the number of people serviced by the eligible
28 organization, a comparison of the population serviced by the
29 eligible organization and a similarly situated control group; and any
30 community impact related to the pilot program. The study
31 commission is to submit its fifth and final report to the Governor
32 and to the Legislature within 90 days of the expiration date of the
33 pilot program, including any recommendations for legislation it
34 deems appropriate.

35 The bill directs the study commission to perform other duties
36 enumerated in the bill.

37 The bill requires the EDA to issue a report six months after the
38 effective date of the bill, and annually thereafter not later than
39 September 15, to the Governor and to the Legislature concerning
40 the financing of the pilot program undertaken with monies from the
41 loan fund.

Governor Murphy Takes Action on Legislation

01/18/2022

TRENTON – Governor Murphy today signed the following bills:

S-384/A-1964 (Weinberg, Singleton/Stanley, Munoz, McKeon, Sumter, Lampitt, Vainieri Huttie, Wimberly, Mosquera, Downey, Chiaravalloti) – Expands training for judges, law enforcement officers and assistant county prosecutors concerning handling of domestic violence cases

S-386/A-1763 (Weinberg, Singleton/Munoz, Vainieri Huttie, Downey, Mosquera, Lampitt, Benson) - Establishes mandatory domestic violence training for municipal prosecutors

S-396/A-4903 (Weinberg, Addiego/Johnson, Mukherji) – Adjusts statute of limitations on damage claim for construction defect in common interest communities

S-705/A-1077 (Ruiz, Cunningham/Speight, Vainieri Huttie, Downey) – Requires DOH to develop and implement plan to improve access to perinatal mood and anxiety disorder screening

SCS for S-844 and 2533/ACS for A-4635 (Pou, Greenstein/Zwicker, Lopez) – Revises reporting requirements for charitable organizations and non-profit corporations

S-867/A-2316 (Pou/Jimenez, Giblin, Johnson) – Permits physical therapists to perform dry needling under certain circumstances

S-896/A-2396 (Pou, Turner/Wimberly, Timberlake, Murphy) – Expands Office of Public Defender representation of juveniles; repeals section 4 of P.L.1968, c.371

S-969WGR/ACS for A-2687 (Ruiz, Turner/Mazzeo, Lampitt, Moen) – Establishes loan redemption program for certain teachers to redeem loan amounts received under New Jersey College Loans to Assist State Students Loan Program through employment in certain schools; makes annual appropriation of \$1 million

S-994/A-6248 (Sweeney, Singleton/Lopez) – Requires State agencies and political subdivisions to make good faith effort to purchase five percent of goods and services from Central Nonprofit Agency

SCS for S-1016/ACS for A-2070 (Smith, Bateman/Calabrese, Mukherji, Benson) – Restricts use of neonicotinoid pesticides

S-1020/AS for ACS for A-1184 and 4414 (Ruiz, Gopal/Zwicker, Conaway, Verrelli, Caputo) – Requires School Report Card to include demographic breakdown of students who receive disciplinary actions; requires Commissioner of Education to establish Statewide database concerning certain disciplinary actions

S-1559/A-1659 (Scutari, Diegnan/Quijano, Bramnick, Mukherji, Sumter, Downey, Dancer) – “New Jersey Insurance Fair Conduct Act”

S-1771/A-1489 (Madden, Turner/Moriarty, Mosquera, Vainieri Huttie) – Expressly prohibits invasive examination of unconscious patient by health care practitioner without patient’s prior informed written consent

S-2160wGR/A-5701 (Sweeney, Oroho, Singer/Carter, Lampitt, Jasey) – Creates special education unit within the Office of Administrative Law; requires annual report

SCS for S-2515/ACS for A-4676 (Smith, Greenstein/Quijano, Jasey, McKeon) – Establishes postconsumer recycled content requirements for rigid plastic containers, glass containers, paper and plastic carryout bags, and plastic trash bags; prohibits sale of polystyrene loose fill packaging

S-2723/A-2614 (Sweeney, Turner/Murphy, Benson, Timberlake) – “21st Century Integrated Digital Experience Act”

S-2830/A-5291 (Ruiz, Singleton/Quijano) – Requires educator preparation program to report passing rates of students who complete certain tests and to disseminate information on test fee waiver programs, and permits collection of student fee for certain testing costs

S-2835/A-5292 (Ruiz, Cunningham/Quijano, Lampitt, Jasey) – Requires compilation of data and issuance of annual reports on New Jersey teacher workforce

S-2921/A-5554 (Gopal, Greenstein/Houghtaling, Downey, Mukherji) – Allows municipalities to designate outdoor areas upon which people may consume alcoholic beverages

S-3009/A-4847 (Vitale, Gopal, Gill/Vainieri Huttle, Quijano, Verrelli) – Authorizes expanded provision of harm reduction services to distribute sterile syringes and provide certain support services to persons who use drugs intravenously

S-3081/A-5219 (Singleton/McKeon, Dunn) – Repeals law concerning excess rates and charges for title insurance; makes agreement to use services of title or settlement service company subject to attorney review

S-3164/A-4987 (Gopal, Singleton/Houghtaling, Vainieri Huttle, Giblin) – Creates NJ Legislative Youth Council

S-3265/A-5074 (Diegnan, Greenstein/DeAngelo, Dancer, Mukherji) – Permits members of SPRS to purchase service credit for prior public employment with federal government or another state

S-3342/A-5463 (Codey, Singleton/Jasey, Giblin, Timberlake) – Directs NJT to erect statue in honor of A. Philip Randolph; appropriates \$90,000

S-3465/A-4336 (Oroho, Sweeney/Houghtaling, Space) – Directs Department of Agriculture to pay annual premiums to enrolled dairy farmers for certain coverage under the federal Dairy Margin Coverage Program; appropriates \$125,000

S-3488wGR/A-5537 (Sweeney, Gopal, O'Scanlon/Burzichelli, Dancer, Spearman) – Modifies certain procedures pertaining to school district regionalization; establishes grant program for cost reimbursement of conducting regionalization feasibility studies; and provides financial incentives for regionalization

S-3493/A-5458 (Vitale, Gill/Vainieri Huttle, Mukherji, McKnight) – Permits expungement of possession or distribution of hypodermic syringe or needle offense in cases of previous expungement; repeals criminal offense of possession of syringe

S-3539/A5409 (T. Kean, Gopal/Houghtaling) – Directs DEP to establish grant program for local governments to support development of community gardens

S-3594/A-5509 (Singleton, Scutari/Zwicker, Reynolds-Jackson, Verrelli) – Provides that in personal

injury or wrongful death lawsuits, calculations of lost or impaired earnings capacity not be reduced because of race, ethnicity, gender identity or expression, or affectional or sexual orientation

S-3672/A-6009 (Singleton, Turner, Moen, Johnson, McKnight) – Permits exemption from civil service examination requirement for entry-level law enforcement officers, sheriff's officers, and State and county correctional police officers; permits hiring or appointment of such officers under certain conditions, and makes appropriation

S-3673/A-6219 (Gopal, Greenstein/Burzichelli) – Authorizes limited breweries and craft distilleries to sell at retail and offer for sampling purposes product bottled and stored off-site under certain circumstances

S-3685/A-5576 (Ruiz, Codey/Jasey, Lampitt, Mukherji) – Permits teacher and professional staff member who provides special services retired from TPAF to return to employment for up to two years without reenrollment in TPAF if employment commences during 2021-2022 and 2022-2023 school years

S-3707/A-5673 (Vitale, Ruiz/Vainieri Huttle, Downey, Zwicker) – Repeals statute criminalizing sexual penetration while infected with venereal disease or HIV under certain circumstances; requires that in prosecutions for endangering another by creating substantial risk of transmitting infectious disease, name of defendant and other person be kept confidential

S-3764/A-3369 (Gopal, Weinberg/Johnson, Stanley, Karabinchak) – Establishes Commission on Asian American Heritage in DOE

S-3810/ACS for A-5862 (Sweeney, Addiego, Greenstein/Benson, Quijano) – “Responsible Collective Negotiations Act”

S-3968/A-5930 (Singleton, Beach/Sumter, Karabinchak) – Increases purchasing threshold permitting Director of Division of Purchase and Property to delegate authority to agencies; increases bid advertising threshold on certain contracts by same scale

S-3975/A-5963 (Greenstein, Oroho/Benson, Vainieri Huttle, DeAngelo) – Establishes requirements to commence screening newborn infants for congenital cytomegalovirus infection; establishes public awareness campaign

S-4004wGR/A-5950 (Weinberg, Greenstein/Sumter, Benson, Reynolds-Jackson) – Establishes database of certain appointed positions and elected offices

S-4020/A-5867 (Gopal, Cunningham/Chiaravalloti, Jasey, Carter) – Expands bonding authority of New Jersey Educational Facilities Authority to permit financing for general funding needs at New Jersey's institutions of higher education

S-4021/A-6100 (Gopal, Ruiz/Mukherji, Jasey, Timberlake, Stanley) – Requires school districts to provide instruction on history and contributions of Asian Americans and Pacific Islanders as part of implementation of New Jersey Student Learning Standards in Social Studies

S-4043/A-6005 (Cunningham/Jasey, Greenwald) – Raises statutory threshold for certain public bidding, permits bidder disqualification due to prior negative experience, adds exemptions to public bidding requirement under "State College Contracts Law," and establishes process for cooperative pricing system

S-4063/A-6220 (Sweeney/Giblin, Egan) – Removes New Jersey Maritime Pilot and Docking Pilot Commission from appropriations act provision that limits compensation and health benefits; clarifies PERS and SHBP eligibility for members of commission

S-4068/ACS for A-6110 and 6185 (Sarlo, Oroho/Benson, Mukherji, Bramnick) – Revises elective pass-through entity business alternative income tax

S-4074wGR/A-6000 (Ruiz, Beach/Verrelli, Lampitt, Carter) – Allows alternative evaluation in place of basic skills testing requirements for certain teacher certification

SCS for S-4102/A-6230 (Sweeney, Ruiz/Benson, Mejia, Zwicker) – Establishes Direct Support Professional Career Development Program; appropriates \$1,000,000

S-4128/A-6231 (Sweeney, Pou/Houghtaling, Conaway, Dancer) – Requires that only fruits and vegetables grown and packaged in NJ may be labeled by food retailers as local to State

S-4207/A-6119 (Sweeney, Beach/Mukherji, Egan, Pintor Marin) – Concerns apprenticeship programs of public works contractors

S-4210/A-6062 (Sweeney, Greenstein/Greenwald, McKnight, Mukherji) – Requires EDA to establish loan program to assist certain businesses with funding to provide reasonable accommodations for employees with disabilities

S-4211/A-6228 (Sweeney, Corrado/Benson, Speight, Zwicker) – Establishes county college-based adult centers for transition for individuals with developmental disabilities; makes annual appropriation of \$4.5 million

S-4218/A-6256 (Scutari/Reynolds-Jackson, Wimberly, Mukherji) – Appropriates \$2 million to CRDA to support costs associated with hosting NAACP National Convention in Atlantic City

S-4233/A-6229 (Scutari, Gopal/Mukherji, Jimenez) – Limits fees charged to patients and authorized third parties for copies of medical and billing records

S-4252/A-6182 (Madden/Murphy, Chaparro) – Limits extension of mandatory retirement to 90 days from State Police Retirement System during emergencies

A-259/S-2224 (DeAngelo, Mukherji, Benson/Gopal, Pennacchio) – Provides civil service preference to military service members who did not serve in theater of operation but received campaign or expedition medal

A-798/S-52 (Verrelli, Vainieri Huttel, Armato/Singer, Greenstein) – Establishes local drug overdose fatality review teams

A-802/S-1352 (Verrelli, Reynolds-Jackson, Murphy/Turner, Pou) – Requires certain retailers to train employees on gift card fraud

A-862wGR/S-962 (Chiaravalloti, Karabinchak/Pennacchio, Pou) – Permits municipalities to refund excess property taxes paid by a taxpayer who wins an assessment appeal as a property tax credit

A-953/S-4031 (Karabinchak, Houghtaling/Pou) – Requires architects disclose insurance coverage

ACS for A-998 and 2349/S-4312 (Moen, Downey, Houghtaling, Benson, Vainieri Huttel/Ruiz, Beach, Singleton) – The “New Jersey Social Innovation Act”; establishes social innovation loan pilot program and study commission within EDA

A-1121/S-1871 (Murphy, Dancer, Stanley/Lagana, Pennacchio) – Upgrades certain crimes of misrepresenting oneself as member or veteran of US Armed Forces or organized militia

A-1219wGR/S-1054 (Chaparro, McKnight/Stack) – Requires owner notification of rabies testing protocol prior to testing of owner’s animal for rabies

A-1229wGR/S-2161 (Schaer, Mosquera, Tucker, Lampitt, Vainieri Huttle, Quijano, Wimberly, Pintor Marin, Jasey/Turner, Singleton) – Requires DCA to make information on homeless prevention programs and services available on its Internet website

A-1293/S-3977 (Greenwald, Burzichelli, Mukherji/Greenstein, Gopal) – Establishes advisory council for the brewery, cidery, meadery, and distillery industries in NJ and provides for funding through certain alcoholic beverage tax receipts

A-1663/S-1842 (Quijano, Vainieri Huttle, Karabinchak/Cryan, Scutari) – Establishes “New Jersey Nonprofit Security Grant Program”

A-2186/S-1599 (Mukherji, Chaparro, McKnight/Codey, Pou) – Establishes Statewide database of beds in shelters for the homeless

A-2360/S-3285 (Chaparro, Karabinchak, Johnson/Greenstein, Stack) – Requires electric public utility to charge residential rate for service used by residential customer for electric vehicle charging at charging stations within certain designated parking spaces

A-2685wGR/S-4209 (Armato, Mazzeo, Mukherji/Stack) – Concerns information on property condition disclosure statement

A-2772/S-1040 (Downey, Houghtaling, Benson/Gopal) – Authorizes certain Medicaid recipients residing on post-secondary school campus to participate remotely in meetings of non-medical nature regarding Medicaid benefits

A-2877/S-1149 (Dancer, Vainieri Huttle, Reynolds-Jackson/Ruiz) – Requires registration of certain vacant and abandoned properties with municipalities and provides enforcement tools related to maintenance of these properties

A-3007/S-3127 (Lampitt, Dunn, Benson/Lagana, Gopal) – Requires institutions of higher education to provide students with access to mental health care programs and services and to establish a hotline to provide information concerning the availability of those services

A-3392/S-1219 (Reynolds-Jackson, Timberlake, Jasey/Turner, Beach) – Requires student representative be appointed to each board of education of school district and board of trustees of charter school that includes grades nine through 12

A-3804/S-1590 (Armato, Murphy, S. Kean/Beach, A.M. Bucco) – Designates 9-1-1 operators or dispatchers as 9-1-1 first responder dispatchers

A-3870/S-2807 (Karabinchak, Johnson, Mukherji/Greenstein, Pou) – “Defense Against Porch Pirates Act”; amends theft statute

A-3950wGR/S-3180 (Verrelli, Benson, Zwicker/Greenstein, Turner) – Prohibits employer use of tracking device in vehicle operated by employee under certain circumstances

A-4002wGR/S-2257 (Caputo, Dancer, Murphy/Gopal, Sarlo) – Allows deduction of promotional gaming credit from gross revenue on sports wagering

A-4232/S-4231 (Houghtaling, Dancer, Wirths/Oroho, Smith) – Creates program in Department of Agriculture for deer fencing on certain farmland

A-4238/S-2561 (Chiaravalloti, Schaer, Benson/Gopal, Singer) – Establishes minimum Medicaid reimbursement rate for adult medical day care services

A-4241/S-2894 (Downey, Vainieri Huttle, Murphy/Pou) – Requires DHS to conduct biennial survey of SNAP experience

ACS for A-4253/S-3233 (Conaway, Pinkin, Jimenez/Cryan) – Requires certain electronic medical programs to include demographic data entry feature; requires laboratories to record certain patients' demographic information; requires certain hospitals and laboratories to implement cultural competency training program

A-4366/S-2801 (Taliaferro, Sumter, Mukherji/Pou, Greenstein) – Requires Police Training Commission to contract with crisis intervention training center to provide mental health training to police officers and establish curriculum specific to persons experiencing economic crisis or substance use disorder

A-4434wGR/S-2716 (Greenwald, Lampitt, Mukherji/Beach, Ruiz) – Establishes Student Wellness Grant Program in DOE

A-4478/S2759 (Vainieri Huttle, Speight, Schepisi, DeCroce/Vitale, Madden) – Establishes additional requirements for DOH to assess sanctions and impose penalties on nursing homes; revises reporting requirements for nursing homes

A-4569/S-3535 (Reynolds-Jackson, Benson, Karabinchak/Turner) – Requires BPU, electric power suppliers, and gas suppliers to publish certain information related to filing of customer complaints

ACS for A-4655/S-3595 (Reynolds-Jackson, Wimberly, Carter/Turner) – Limits police presence at polling places and ballot drop boxes; prohibits electioneering within 100 feet of ballot drop box

A-4771/S-2951 (Downey, Armato, Mukherji/Gopal, Singleton) – Expands offenses eligible for expungement upon successful discharge from drug court

A-4856/S-3094 (Lampitt, Benson, Caputo/Ruiz, Beach) – Requires Internet websites and web services of school districts, charter schools, renaissance schools, and the Marie H. Katzenbach School for the Deaf to be accessible to persons with disabilities

A-5033wGR/S-3279 (Benson, Dancer, Verrelli/Gopal) – Authorizes motor vehicle dealers to sell motor vehicles online and obtain electronic signatures for motor vehicle transactions

ACS for A-5075wGR/S-4001 (Burzichelli, Dancer, Johnson/Sweeney, A.M. Bucco) – Removes Fire Museum and Fallen Firefighters Memorial from auspices of DEP and establishes museum as independent organization; makes \$200,000 supplemental appropriation

A-5160/S-3324 (DeAngelo, Conaway, Zwicker/Smith, Bateman) – Establishes minimum energy and water efficiency standards for certain products sold, offered for sale, or leased in the State

A-5294/S-3418 (Speight, Vainieri Huttle, Verrelli/Gopal, Madden) – Provides fast track hiring and advancement employment opportunities by State for persons with significant disabilities

A-5296/S-3426 (Speight, Vainieri Huttle, McKnight/T. Kean, Schepisi) – Provides for employment by State of certain persons with disabilities

A-5322/S-3433 (Mosquera, Vainieri Huttle, DePhillips/Cruz-Perez, T. Kean) – Provides for process to vacate and expunge certain arrests, charges, complaints, convictions, other dispositions, and DNA

records, associated with violations by certain human trafficking victims

A-5336wGR/S-3441 (Benson, Freiman, Vainieri Huttie/Diegnan, Madden) – Requires DHS to establish payment programs for purchase of transportation services from private sector and government transportation service providers

A-5439/S-3760 (Caputo, Dancer, Murphy/Gopal, Beach) – Changes deadline for New Jersey Racing Commission's annual report from end of calendar year to end of State fiscal year

A-5694/S-3783 (Houghtaling, Downey, Dancer/Gopal, Madden) – Permits dependents of military member to enroll in school district in advance of military member's relocation to district

A-5814/S-3851 (Swain, Tully, Benson/Lagana, Diegnan) – Creates Office of School Bus Safety in Department of Education; appropriates \$200,000

A-5864wGR/S-3939 (Speight, Pintor Marin, Chaparro, McKnight, DeAngelo, Bergen/Gopal, Cryan) – Allows law enforcement officers to review body worn camera recordings prior to creating initial report

A-5997/S-4084 (Coughlin, Lopez/Sweeney, O'Scanlon) – Removes requirement for Legislature, DOE, free public libraries, and historical societies to purchase "Manual of the Legislature of New Jersey"

A-6012/S-4076 (Moen, Murphy, Freiman/Sarlo, Gopal) – Appropriates \$500,000 for USS New Jersey Commissioning Committee to support commissioning of boat and assigned personnel

A-6020/S-4114 (Conaway, Jimenez, Vainieri Huttie/Codey) – Establishes requirements for certain tobacco product retailers to stock and sell nicotine replacement therapy products

A-6060/S-4272 (Tucker, Caputo, Mukherji/Cunningham) – Makes supplemental appropriation of \$8 million to DHS to increase reimbursement for funeral, burial, and crematory services provided to certain beneficiaries of Work First New Jersey and Supplemental Security Income programs

A-6073/S-4140 (Verrelli/Vitale) – Temporarily waives certain basic life support services crewmember requirements

A-6093/S-4201 (Stanley, Benson, Timberlake/Greenstein, Gopal) – Mandates periodic cancer screening examinations for firefighters enrolled in SHBP

A-6108wGR/S-4247 (DeAngelo, Egan, Houghtaling/Madden) – Updates licenses offered by and certain licensure requirements from Board of Examiners of Electrical Contractors

A-6132/S-4235 (Schaer, Greenwald, Conaway/Singer, Gopal) – Permits volunteer paramedics to operate within mobile intensive care units

A-6133/S-4251 (Bramnick, Mukherji, Downey/Scutari) – Allows certain persons not yet appointed as administrator of estate to pursue lawsuit for damages for wrongful death on behalf of deceased's survivors

A-6150/S-4119 (DeAngelo, Karabinchak, Wirths/Oroho, Pou) – Revises penalties for transfer of certain professional and occupational licenses

A-6159/S-4236 (Coughlin, McKnight/Vitale, Ruiz) – Revises and renames Office of Food Insecurity Advocate

A-6162/S-4246 (Benson, Stanley/Gopal) – Requires certain motor vehicle dealers to maintain certain

requirements for business premises

A-6205/S-4270 (Coughlin, McKeon/Pou) – Amends certain requirements concerning insurance holding companies

A-6206wGR/S-4260 (Wimberly/Diegnan, Oroho) – Codifies right of real estate broker-salespersons and salespersons to define relationship with broker as one between broker and independent contractor or employee and enforces current and previous written agreements addressing relationship

A-6207/S-4222 (Greenwald, Lampitt, Benson/Sweeney) – Eliminates requirement for DOE to set certain tuition rates for approved private schools for students with disabilities in certain cases

A-6208/S-4151 (Mosquera, DeAngelo, Armato/Greenstein, Cruz-Perez) – Appropriates \$60,940,361 from constitutionally dedicated CBT revenues to State Agriculture Development Committee for farmland preservation purposes

A-6209/S-4154 (Freiman, Spearman, Egan/Turner, Oroho) – Appropriates \$18 million from constitutionally dedicated CBT revenues to State Agriculture Development Committee for county planning incentive grants for farmland preservation purposes

A-6210/S-4150 (Taliaferro, Moriarty, Burzichelli/Cruz-Perez, Greenstein) – Appropriates \$4.5 million from constitutionally dedicated CBT revenues to State Agriculture Development Committee for municipal planning incentive grants for farmland preservation purposes

A-6211/S-4149 (Houghtaling, Reynolds-Jackson, Downey/Cruz-Perez, Greenstein) – Appropriates \$440,240 from constitutionally dedicated CBT revenues to State Agriculture Development Committee for grants to certain nonprofit organizations for farmland preservation purposes

A-6212/S-4148 (Jimenez, Swain, Timberlake/Codey, Corrado) – Appropriates \$54.5 million from constitutionally dedicated CBT revenues for recreation and conservation purposes to DEP for State capital and park development projects

A-6213/S-4155 (Kennedy, Carter, Tully/Bateman, Smith) – Appropriates \$49.932 million from constitutionally dedicated CBT revenues to DEP for State acquisition of lands for recreation and conservation purposes, including Blue Acres projects, and Green Acres Program administrative costs

A-6214/S-4153 (Danielsen, Zwicker, Conaway/Greenstein, Smith) – Appropriates \$80,539,578 from constitutionally dedicated CBT revenues and various Green Acres funds to DEP for local government open space acquisition and park development projects

A-6215/S-4152 (Stanley, Murphy, Jasey/Smith, Greenstein) – Appropriates \$14,687,510 to DEP from constitutionally dedicated CBT revenues for grants to certain nonprofit entities to acquire or develop lands for recreation and conservation purposes

A-6246/S-4295 (Karabinchak/Sweeney) – Concerns changes in control of hotels and disruptions of hotel services

A-6257/S-4311 (McKnight/Sweeney, Singleton) – Imposes surcharge on casino hotel occupancies to fund public safety services

A-6262/S-4314 (Burzichelli, Reynolds-Jackson, Mukherji/Sweeney, Oroho, T. Kean) – Permits PERS retiree to return to employment in NJ Legislature after retirement under certain circumstances

A-6263/S-4315 (Burzichelli, Reynolds-Jackson, Mukherji/Sweeney, Oroho, T. Kean) – Appropriates \$2 million to Legislative Services Commission

Governor Murphy pocket vetoed the following bills:

S-73/A-4580 (Bateman, Sarlo/Zwicker, Thomson, McKnight) – Establishes requirements for sale of cottage food products

S-995/A-6172 (Sweeney, A.M. Bucco/Downey, McKnight) – Requires DOLWD and DHS to conduct assessment of community rehabilitation programs and community businesses

S-1934/A-1158 (Sweeney, Pou, Cryan/Freiman, Lopez, Murphy) – Authorizes use of disability benefits for transportation provided by transportation network companies

S-2679/A-1979 (Beach, Smith/Stanley, Lopez, Kennedy) – Requires paint producers to implement or participate in paint stewardship program

S-2768/A-4664 (Singleton, Ruiz/Reynolds-Jackson, Stanley, Sumter) – Authorizes State Chief Diversity Officer to conduct disparity study concerning utilization of minority-owned and women-owned businesses in State procurement process

S-3458/A-6245 (Lagana, Gopal/Coughlin, Jimenez, Mukherji) – Revises out-of-network arbitration process

S-3529/A-5442 (Addiego, Diegnan/DeAngelo, Dancer, Dunn) – Clarifies that member of SPRS may receive accidental disability benefit under certain circumstances

S-3715/A-5804 (Cryan/Quijano, Mukherji) – Modifies certain definitions related to transient accommodation taxes and fees

S-4189/A-6112 (Vitale, Cruz-Perez/Lopez) – Permits PERS retiree to return to elective public office after retirement under certain circumstances

A-1073/S-3432 (Speight, Pintor Marin, McKnight, Timberlake/Ruiz, O'Scanlon) – Establishes requirements to screen certain people who are pregnant and who have given birth for preeclampsia

A-1269/S-3490 (Greenwald, Giblin, Calabrese/Cruz-Perez, Beach) – Eliminates one percent tax on purchasers of Class 4A commercial property transferred for consideration in excess of \$1 million

A-4958/S-3740 (Tully, Armato, Zwicker/Lagana, Oroho) – Provides temporary exemption under sales and use tax for winterizing certain small business operations

A-5334/S-3442 (Lopez, Mazzeo, Stanley/Diegnan, T. Kean) – Requires DOT, NJT, and DHS to study and implement transportation mobility and accessibility improvements for persons with autism and developmental disabilities

A-5484/S-3817 (Dancer, Caputo, Houghtaling/Lagana) – Requires New Jersey Racing Commission to adopt procedures to enforce internal controls; requires annual audit

A-6033/S-4194 (Bramnick/Sweeney, T. Kean) – Classifies golf caddies as independent contractors for purposes of State employment laws

A-6157/S-4202 (Speight, Moen/Ruiz, Beach) – Prohibits circumventing intergovernmental transfer process for law enforcement officers in certain circumstances

