

ASSEMBLY HEALTH COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 4613

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 13, 2023

The Assembly Health Committee reports favorably Assembly Bill No. 4613 (1R) with committee amendments.

As amended, this bill broadens eligibility for the Primary Care Practitioner Loan Redemption Program established within the Higher Education Student Assistance Authority (HESAA). The bill appropriates \$10 million to HESAA for the program.

The amended bill specifically:

- renames the program as the Health Care Professional Loan Redemption Program;
- provides for the participation in the program of psychiatrists and other health professionals working in fields designated by the Commissioner of Health for inclusion in the program;
- permits the Commissioner of Health, after consultation with the Commissioner of Labor and Workforce Development and the Director of Consumer Affairs, to designate additional health care fields experiencing critical Statewide labor shortages for inclusion in the program;
- requires HESSA to annually submit a report on the Health Care Professional Loan Redemption Program to the Governor and the Legislature no later than August 1 of each year;
- increases the maximum loan redemption amount under the program from \$120,000 to \$180,000;
- expands the definition of “State designated underserved area” to include municipalities where more than 50 percent of households are at or below 185 percent of the federal poverty line;
- permits a program participant to identify an approved site for designation and approval under the program; and
- establishes eligibility requirements for approved sites and prohibits HESAA from requiring any additional eligibility requirements for approved sites.

The current law that dedicates 25 percent of the funds annually appropriated for the Health Care Professional Loan Redemption Program to the Nursing Faculty Loan Redemption Program is

maintained. However, the amended bill specifies that any funds dedicated to the Nursing Faculty Loan Redemption Program that are in excess of the amount necessary to satisfy qualifying applications for the program are to be reallocated to the Health Care Professional Loan Redemption Program.

COMMITTEE AMENDMENTS:

The committee amendments:

- restore the program requirement that a participant be employed at an approved site and remove provisions relating to funding and benefits for participants employed at a location other than an approved site;
- increase the maximum loan redemption amount under the program from \$120,000 to \$180,000;
- expand the definition of “State designated underserved area” to include municipalities where more than 50 percent of households are at or below 185 percent of the federal poverty line;
- permit a program applicant or participant to identify an approved site for designation and approval under the program;
- establish additional criteria by which the executive director will provide priority to applicants in the event there are insufficient funds or approved sites;
- establish eligibility requirements for approved sites;
- provide that no more than three percent of the bill’s appropriation may be dedicated to the administrative costs of the program;
- include additional requirements in the new reporting requirement established by the bill;
- clarify the bill’s effective date to provide that the bill will first apply to initial program applications submitted on or after the bill’s enactment; and
- make technical changes.