

ASSEMBLY, No. 892

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman THOMAS P. GIBLIN

District 34 (Essex and Passaic)

Assemblyman RALPH R. CAPUTO

District 28 (Essex)

Assemblywoman CLEOPATRA G. TUCKER

District 28 (Essex)

Co-Sponsored by:

Assemblywomen Reynolds-Jackson, N.Munoz, Assemblyman Benson and

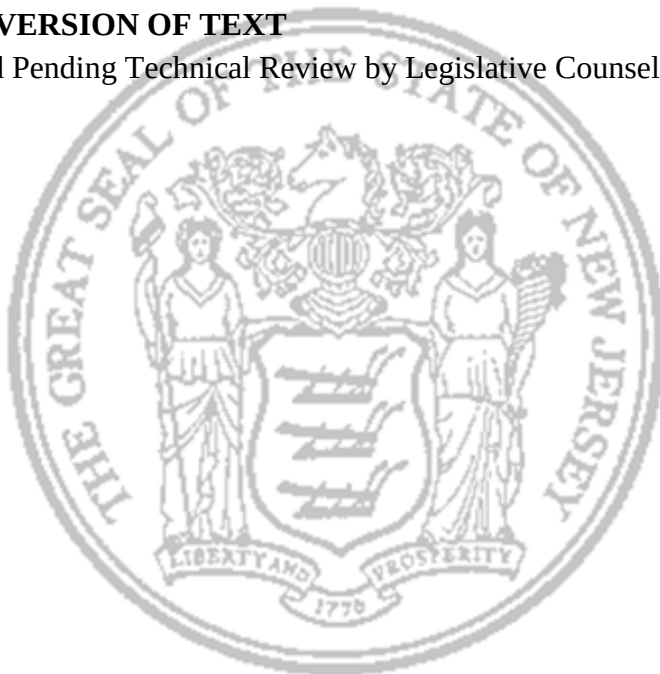
Assemblywoman Timberlake

SYNOPSIS

Expands University Hospital board of directors membership from 11 to 13 members; designates University Hospital as rural hospital.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** concerning University Hospital in Newark and amending
2 P.L.2006, c.95 and P.L.2012, c.45.

3

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

6

7 1. Section 3 of P.L.2006, c.95 (C.18A:64G-6.1) is amended to
8 read as follows:

9 3. a. The management, supervision, and administration of
10 University Hospital shall be vested in **an 11-member** a 13-
11 member board of directors of University Hospital. The board shall
12 be comprised of:

13 (1) **four** five members , or their designees, who shall serve ex-
14 officio including: the Dean of New Jersey Medical School, the
15 Dean of New Jersey Dental School, the President of Rutgers, The
16 State University **or a designee**, the Mayor of Newark, and the
17 Chancellor of the School of Biomedical and Health Sciences of
18 Rutgers University; **and**

19 (2) seven public members, three of whom shall be appointed by
20 the Governor, with the advice and consent of the Senate, for a five-
21 year term with one of these members being a resident of the City of
22 Newark; and four of whom shall be appointed by the Governor
23 without the advice and consent of the Senate, for a five-year term,
24 except that upon the expiration of the term of these initial four
25 members appointed pursuant to P.L.2012, c.45 (C.18A:64M-1 et
26 al.), all seven public members appointed by the Governor shall
27 require the advice and consent of the Senate; and

28 (3) one public member, who shall have experience in a health
29 care field such as medicine, dentistry, pharmacology, nursing,
30 physical or occupational therapy, or experience in a hospital
31 management field such as finance, planning, human resources,
32 research, or population health, appointed by the Governor.

33 A member of the board of directors shall serve until the
34 member's successor is appointed and has qualified. Any vacancies
35 in the membership occurring other than by expiration of term shall
36 be filled in the same manner as the original appointment but for the
37 unexpired term only. Each member of the board of directors before
38 entering upon the member's duties shall take and subscribe an oath
39 to perform the duties of the office faithfully, impartially, and justly
40 to the best of the member's ability. A record of the oath shall be
41 filed in the office of the Secretary of State. Each member of the
42 board may be removed from office by the Governor, for cause, after
43 a public hearing.

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

Matter underlined thus is new matter.

1 b. The members of the board of directors shall meet at the call
2 of the Governor for purposes of organizing. The board shall
3 thereafter meet at such times and places as it shall designate.

4 c. The Governor shall designate one of the members as
5 chairman of the board of directors. The board shall select the other
6 officers from among its members as shall be deemed necessary.

7 d. The board of directors shall have the power to appoint and
8 regulate the duties and procedures of committees, standing or
9 special, from its members and such advisory committees or bodies,
10 as it may deem necessary or conducive to the efficient management
11 and operation of the hospital.

12 e. The board shall have the power and duty to exercise general
13 oversight over the affairs of University Hospital to ensure the
14 fulfillment of its mission and to:

- 15 (1) direct and control expenditures of University Hospital funds;
- 16 (2) borrow money;
- 17 (3) enter into contracts with the State or federal government, or
18 any individual, firm, or corporation;
- 19 (4) solicit and accept grant moneys;
- 20 (5) acquire, own, lease, dispose of, use, and operate property;
- 21 (6) sue and be sued;
- 22 (7) enter into a contract or other agreement with a nonprofit
23 corporation operating one or more hospitals in New Jersey to
24 operate and manage or assist in the operation and management of
25 University Hospital; and
- 26 (8) hire, fire, and fix salaries for all employees of University
27 Hospital.

28 (cf: P.L.2012, c.45, s.73)

29

30 2. Section 14 of P.L. 2012, c.45 (C.18A:64G-6.1a) is amended
31 to read as follows:

32 14. a. University Hospital shall be the principal teaching hospital
33 of New Jersey Medical School and New Jersey Dental School, and
34 any other Newark-based medical education program. University
35 Hospital is hereby established as a body corporate and politic and
36 shall be treated and accounted for as a separate non-profit legal
37 entity from Rutgers, The State University, and its assets, liabilities,
38 and funds shall not be consolidated or commingled with those of
39 Rutgers, The State University. The exercise by University Hospital
40 of the powers conferred by this act shall be deemed to be public and
41 essential government functions necessary for the welfare and health
42 of the State and the people of New Jersey and University Hospital
43 shall be an instrumentality of the State. University Hospital is
44 hereby designated as a rural hospital in the State of New Jersey.

45 b. All monies allocated to the University of Medicine and
46 Dentistry of New Jersey for the use of University Hospital,
47 regardless of their source, and which remain unexpended on the

1 effective date of P.L.2012, c.45 (C.18A:64M-1 et al.), shall be
2 transferred to University Hospital.

3 c. All appropriations that are intended for the use of University
4 Hospital, on or after the effective date of P.L.2012, c.45
5 (C.18A:64M-1 et al.), shall be made directly to University Hospital.

6 d. The amount of State funding provided to University Hospital
7 shall be sufficient to maintain the level of community services
8 provided on the effective date of P.L.2012, c.45 (C.18A:64M-1 et
9 al.) and to maintain University Hospital as an acute care facility and
10 trauma center.

11 e. To the maximum extent possible, consistent with applicable
12 law, the State shall assist University Hospital in the refinancing of
13 that portion of the debt of the University of Medicine and Dentistry
14 of New Jersey attributable to University Hospital.
15 (cf: P.L.2012, c.45, s.14)

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17 3. This act shall take effect immediately.

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STATEMENT

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22 This bill expands the membership of the University Hospital's
23 board of directors from 11 to 13 members by appointing the Mayor
24 of Newark and one public member, appointed by the Governor, who
25 has experience in either a health care field such as medicine,
26 dentistry, pharmacology, nursing, physical or occupational therapy,
27 or experience in a hospital management field such as finance,
28 planning, human resources, research, or population health. This bill
29 also designates University Hospital as a rural hospital.