

ASSEMBLY, No. 2262

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Requires certain businesses to notify customers about availability of no-cost help with applying for public assistance programs.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** requiring certain businesses to inform customers about the
 2 availability of no-cost help with applying for public assistance
 3 programs and supplementing Title 56 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 this act:

9 “Public assistance programs” means State-administered
 10 programs that provide benefits to low-income New Jersey residents,
 11 including New Jersey Medicaid as established pursuant to P.L.1968,
 12 c.413 (C.30:4D-1 et seq.), New Jersey FamilyCare as established
 13 pursuant to P.L.2005, c.156 (C.30:4J-10 through C.30:4J-12),
 14 WorkFirst New Jersey as established pursuant to P.L.1997, c.38
 15 (C.44:10-55 et seq.), the Supplemental Nutrition Assistance
 16 Program as established pursuant to the federal “Food and Nutrition
 17 Act of 2008,” Pub.L.88-525 (7 U.S.C.s.2011 et seq.), and any other
 18 program for which eligibility is determined by a county welfare
 19 agency.

20
 21 2. a. Any individual who owns, wholly or in part, a business
 22 that provides advice or assistance with applying for public
 23 assistance programs, or structuring assets in a way that allows an
 24 individual to qualify for public assistance programs, shall give
 25 written notice to all customers, prior to payment for services,
 26 stating that help with applying for such public assistance programs
 27 is available at no cost to State residents at all New Jersey county
 28 welfare agencies.

29 b. The written notice given to all customers shall include a
 30 signature line, by which the customer shall acknowledge that a
 31 representative of the business has provided written notification that
 32 help with applying for public assistance programs is available at no
 33 cost to State residents at all New Jersey county welfare agencies.

34 c. Any business owner or employee who knowingly violates
 35 the provisions of subsection a. or b. of this section shall be subject
 36 to civil monetary penalties established by the Office of the Attorney
 37 General, pursuant to section 3 of this act.

38
 39 3. Pursuant to the “Administrative Procedure Act,” P.L.1968,
 40 c.410 (C.52:14B-1 et seq.), the Attorney General shall adopt such
 41 rules and regulations as are necessary to effectuate the purposes of
 42 this act, including the establishment of civil monetary penalties for
 43 violations of subsection a. or b. of section 2.

44
 45 4. This act shall take effect 90 days after the date of enactment,
 46 but the Attorney General may take such anticipatory administrative
 47 action in advance thereof as shall be necessary for the
 48 implementation of this act.

STATEMENT

New Jersey county welfare agencies currently offer State residents no-cost assistance with applications for public assistance programs. This bill places certain disclosure requirements on owners and employees of businesses that provide assistance with applying for public assistance programs, or advice on structuring assets in order to qualify for public assistance programs. Owners and employees of such businesses are required to provide written notice to prospective clients, stating that help with public assistance applications is available, at no cost, at all county welfare agencies. This written notice is required to include a signature line, by which a prospective client can acknowledge receipt of the required written notice.

Additionally, the bill authorizes the Office of the Attorney General (OAG) to establish any rules or regulations needed to carry out these requirements, and specifically directs the OAG to establish civil monetary penalties for violations of the act.

This legislation is prompted by a lawsuit, filed by the OAG in December 2019, against two owners of a Lakewood, NJ business that charged customers for advice on how to apply for Medicaid benefits, and how to “spend down” assets to become eligible for Medicaid. According to the lawsuit, the two owners of the Lakewood business allegedly charged over 40 customers between \$3,000 and \$9,000 each for such advice, but never actually provided either the purchased services, or the refund promised to customers who failed to qualify for Medicaid benefits.

All county welfare agencies in New Jersey offer help with applying for public assistance programs, at no cost, to State residents.