

ASSEMBLY, No. 4039

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED MAY 7, 2020

Sponsored by:

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

Assemblyman HERB CONAWAY, JR.

District 7 (Burlington)

Co-Sponsored by:

Assemblymen Zwicker, Mejia and Assemblywoman Jimenez

SYNOPSIS

Establishes loan redemption program for health care professionals who provide health care services or health care-related administrative services at approved sites during COVID-19 pandemic.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/14/2020)

1 **AN ACT** concerning loan redemption for certain health care
2 professionals who provide services during the COVID-19
3 pandemic and supplementing chapter 71C of Title 18A of the
4 New Jersey Statutes.

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

8
9 1. As used in this act:

10 “Approved site” means a licensed hospital or dedicated part
11 thereof wherein patients in New Jersey with COVID-19 are treated
12 or housed in isolation and where there is an insufficient number or
13 type of professional staff to ensure the provision of adequate care to
14 those patients; and any other health care facility, building, room,
15 tent, ship, or other location that is temporarily authorized and used,
16 on an emergency or overflow basis, to provide isolated bed space or
17 intensive, emergency, or other hospital-level care to patients with
18 COVID-19 in New Jersey.

19 “Authority” means the Higher Education Student Assistance
20 Authority or its designated agent.

21 “Commissioner” means the Commissioner of Health.

22 “COVID-19” means the disease caused by the novel and highly
23 contagious coronavirus strain identified as SARS-CoV-2, which
24 was first detected in China in late 2019, first detected in the United
25 States in January 2020, and to which humans have no natural
26 immunity, and which has quickly spread across the globe and
27 resulted in a worldwide pandemic, as declared by the World Health
28 Organization in March 2020.

29 “Eligible qualifying loan expenses” means the cumulative
30 outstanding balance of student loans covering the cost of a program
31 applicant’s attendance at undergraduate and graduate institutions of
32 education at the time the applicant is selected to participate in the
33 program, as well as any interest paid or due on qualifying loans that
34 a program applicant has taken out for use in paying the costs of
35 undergraduate and graduate education, except that, for physicians,
36 “eligible qualifying loan expenses” shall include only the
37 cumulative outstanding balance of, and any interest paid or due on,
38 those qualifying loans that cover the costs of education occurring
39 between the time of the physician’s entry into medical school and
40 the awarding of the physician’s degree in allopathic or osteopathic
41 medicine.

42 “Executive director” means the executive director of the Higher
43 Education Student Assistance Authority, or the executive director’s
44 designee.

45 “Health care professional” means a licensed physician, nurse,
46 physician’s assistant, or other health care practitioner, or any person
47 working in the area of hospital or health care facility administration,
48 who is capable of providing needed health care services or health

1 care-related administrative services, on a paid or unpaid, temporary,
2 short-term, or long-term basis, at an approved site during the
3 COVID-19 pandemic. “Health care professional” includes a
4 licensed physician, nurse, physician’s assistant, or other health care
5 practitioner who would ordinarily be capable of providing health
6 care services to COVID-19 patients at an approved site during the
7 COVID-19 pandemic, but who is currently unavailable to provide
8 those services because the health care professional is self-isolating
9 or is subject to mandatory quarantine as a result of having
10 contracted COVID-19, showing symptoms of COVID-19, or having
11 been exposed to COVID-19 in the workplace.

12 “Medicare” means the federal Medicare program established
13 pursuant to Pub.L.89-97 (42 U.S.C. s.1395 et seq.).

14 “Program” means the COVID-19 Exemplary Service Loan
15 Redemption Program established pursuant to this act.

16 “Program participant” means a health care professional who
17 contracts with the authority and agrees to provide health care
18 services, such as intensive care or emergency care services, or
19 health care-related administrative services, at an approved site and
20 in accordance with a contract executed pursuant to section 3 of this
21 act, in exchange for the redemption of eligible qualifying loan
22 expenses under the program.

23 “Qualifying loan” means a government or commercial loan that
24 covers the actual costs paid for tuition and for reasonable
25 educational and living expenses associated with obtaining a degree
26 in the area of allopathic or osteopathic medicine, nursing, hospital
27 or health care facility administration, or any other similar health
28 care profession.

29

30 2. a. There is established, within the Higher Education Student
31 Assistance Authority, a COVID-19 Exemplary Service Loan
32 Redemption Program to provide for the redemption of eligible
33 qualifying loan expenses of health care professionals in exchange
34 for the professionals’ ongoing provision of health care and
35 administrative services at approved sites during the COVID-19
36 pandemic.

37 b. Any health care professional who is a resident of New Jersey
38 shall be eligible to participate in the COVID-19 Exemplary Service
39 Loan Redemption Program. Any eligible health care professional
40 wishing to participate in the program shall enter into a loan
41 redemption contract with the authority, pursuant to section 3 of this
42 act.

43 c. (1) A program participant shall be eligible for redemption of
44 up to 50 percent of the program participant’s eligible qualifying
45 loan expenses, except that the total amount of qualifying loans
46 redeemed by a program participant may not exceed the maximum
47 amount authorized by the federal government, pursuant to section
48 338I of the “Public Health Service Act,” 42 U.S.C. s.254q-1, either

1 in State funds alone or in the sum of all federal, State, and other
2 non-federal matching funds. The authority, in consultation with the
3 Department of Health, may establish other general limits, as
4 deemed thereby to be appropriate, on the total amount of qualifying
5 loans that may be redeemed by program participants.

6 (2) A person who is already participating in: (a) the federally
7 administered National Health Service Corps Loan Repayment
8 Program, established pursuant to section 338B of the “Public Health
9 Service Act,” 42 U.S.C.s.254 1-1; (b) the Primary Care Practitioner
10 Loan Redemption Program, established pursuant to N.J.S.18A:71C-32
11 et seq.; or (c) any other similar health care-related loan redemption
12 program shall be eligible to participate simultaneously in the COVID-
13 19 Exemplary Service Loan Redemption Program, provided that such
14 simultaneous participation is expressly disclosed and is authorized by
15 the authority in the loan redemption contract executed under section 3
16 of this act. A program participant shall only be eligible to redeem
17 eligible qualifying loan expenses under the COVID-19 Exemplary
18 Service Loan Redemption Program to the extent that those expenses
19 are not already eligible for redemption under one of the other
20 programs identified in this paragraph.

21 (3) No amount of qualifying loan expenses shall be redeemed by
22 a program participant if contracted services are provided by a
23 program participant for a period of time that is less than that the
24 term of service required by paragraph (2) of subsection a. of section
25 3 of this act. However, a health care professional shall not be
26 penalized or prevented from applying for or obtaining loan
27 redemption under this act, and shall not be subject to any reduction
28 in the amount of qualifying loan expenses redeemed under the
29 contract, solely on the basis that the health care professional is or
30 was unable to provide necessary services, for any portion of the
31 requisite term of service, for any of the reasons specified in
32 paragraph (4) of subsection d. of this section.

33 d. In determining, for loan redemption purposes, whether a
34 program participant has complied with the term of service
35 requirements established by paragraph (2) of subsection a. of
36 section 3 of this act, the program participant shall receive full
37 service credit for the following time periods:

38 (1) the initial four-week probationary period served under
39 subsection a. of section 6 of this act;

40 (2) any period of time, which elapsed prior to the execution of the
41 loan redemption contract and after the first COVID-19 case was
42 discovered in New Jersey, during which the health care professional
43 was providing services, as described by paragraph (1) of subsection a.
44 of section 3 of this act, at an approved site;

45 (3) any period of time during which the program participant was
46 not providing services under the contract while waiting for the
47 executive director to authorize the program participant’s alternate

1 placement at another approved site pursuant to paragraph (2) of
2 subsection a. or subsection b. of section 6 of this act; and

3 (4) any period of time during which the program participant was
4 isolated or under mandatory quarantine and unable to provide
5 necessary services because the program participant had contracted
6 COVID-19, was showing symptoms of COVID-19, or had been
7 directly exposed to COVID-19 at the workplace; provided that the
8 program participant returned to service immediately upon the
9 receipt of medical or supervisory clearance therefor, as appropriate.
10

11 3. a. The authority shall enter into a loan redemption contract
12 with each eligible health care professional who applies to
13 participate in the program, to the extent practicable and consistent
14 with the provisions of subsection a. of section 4 of this act. The
15 contract shall require the program participant to:

16 (1) provide needed health care services or health care-related
17 administrative services at an approved site selected pursuant to
18 subsection b. of this section, as may be deemed by the approved site
19 to be necessary to fill its COVID-19 staffing needs and adequately
20 serve and treat its patients with COVID-19, regardless of whether
21 such services are within the program participant's ordinary scope of
22 practice;

23 (2) engage in the provision of necessary services, as required by
24 paragraph (1) of this subsection, for a consecutive period of at least
25 12 months or until a COVID-19 vaccine is made available to
26 residents of New Jersey, whichever is later;

27 (3) charge for professional services at the usual and customary
28 rate prevailing in the area in which the approved site is located and
29 in a manner that is consistent with the charging practices of the
30 approved site and all State and federal laws; charge a Medicare
31 beneficiary no more than the limiting fee for a service, as
32 determined by the United States Secretary of Health and Human
33 Services; and allow a patient with COVID-19 who is unable to pay
34 for services at the usual and customary rate to pay at a reduced rate
35 or to receive services at no charge; and

36 (4) not discriminate against any patient in the provision of
37 COVID-19-related health care services on the basis of: (a) the
38 patient's ability to pay or source of payment; or (b) the patient's
39 actual or perceived age, sex, gender identity or expression,
40 affectional or sexual orientation, race, creed, color, ethnicity,
41 national origin, ancestry, religion, marital status, familial status, or
42 mental or physical disability.

43 b. The contract executed pursuant to this section shall specify
44 the program participant's dates of required service, the total amount
45 of eligible qualifying loan expenses that are to be redeemed by the
46 State in return for service, and the schedule for loan redemption,
47 which shall be established by the authority and uniformly applied to

1 all program participants. The contract shall also stipulate that the
2 applicant has knowledge of and agrees to:

3 (1) comply with the performance standards established pursuant
4 to section 5 of this act; and

5 (2) participate in the four-week probationary period required by
6 section 6 of this act.

7
8 4. a. (1) The executive director shall enter into contracts with
9 eligible applicants, as provided by section 3 of this act, subject to
10 available funds and the needs of approved sites in the State. In the
11 event that there are insufficient funds or insufficient need to select all
12 of the applicants who meet the eligibility criteria, the executive
13 director shall accord priority to applicants in the following manner:
14 (a) first, to any applicant who is already providing COVID-19-related
15 health care or administrative services at an approved site; (b) second,
16 to any other applicant according to the severity of the COVID-19
17 outbreak and the shortage of health care professionals in the
18 applicant's county or region of residence; and (c) third, to any
19 applicant who resides in a State designated underserved area. If there
20 are more applicants than there are program positions, the executive
21 director shall select program participants by means of a lottery or other
22 form of random selection.

23 (2) Regardless of the means of program participant selection, the
24 executive director, in consultation with the Commissioner of Health,
25 shall ensure that the number of program participants is, to the greatest
26 extent possible, sufficient to meet the demand for COVID-19-related
27 health care and administrative services at approved sites in the State.

28 (3) The authority shall ensure that health care professionals
29 wishing to participate in the program are able to apply online or
30 through other remote means.

31 b. The executive director, in consultation with the commissioner,
32 shall match contracted program participants with appropriate approved
33 sites throughout the State. Primary consideration shall be given to the
34 placement of program participants at approved sites in the State that
35 have the highest numbers of patients with COVID-19 and insufficient
36 staff available to effectively and efficiently handle those patients. To
37 the extent practicable and consistent with meeting Statewide needs, the
38 executive director, in consultation with the commissioner, shall match
39 each program participant with an approved site that is located within
40 close proximity to the program participant's residence. Other factors
41 to be considered in matching program participants with approved sites
42 may include:

43 (1) the preferences of the program participant;

44 (2) statistical data projecting future regional and individual site
45 needs in association with the COVID-19 pandemic; or

46 (3) any other factor deemed by the executive director or the
47 commissioner to be relevant.

1 5. a. A program participant, as a condition of ongoing
2 participation in the program, shall be required to adhere to
3 performance standards established by the executive director.

4 b. The standards shall include, but need not be limited to,
5 requirements that a participant:

6 (1) maintain residency in the State;

7 (2) maintain a license or certification as required for the program
8 participant's declared profession;

9 (3) remain current with payments on student loans;

10 (4) enter into a mutually acceptable service agreement with the
11 approved site at which the program participant will be providing
12 services under the loan redemption contract;

13 (5) engage in the satisfactory performance of tasks and provision
14 of services at the approved site; and

15 (6) submit to the authority, prior to repayment of any amount
16 eligible for redemption, and in a form and manner prescribed by the
17 authority, a report on the services that were rendered by the program
18 participant at each approved site pursuant to the loan redemption
19 contract.

20

21 6. a. (1) Upon acceptance into the program and the execution
22 of a contract pursuant to section 3 of this act, a program participant
23 shall serve an initial four-week probationary period at an approved
24 site. During that period, and to the extent practicable in light of the
25 extreme circumstances surrounding the COVID-19 pandemic, the
26 program participant's designated supervisor, together with the
27 program participant and the executive director, shall evaluate the
28 suitability of the placement and the need for the program
29 participant's continued services, in either a health care or
30 administrative capacity, at the approved site.

31 (2) At the end of the initial four-week probationary period, the
32 program participant's supervisor shall recommend the continuation
33 of the program participant's present placement, a change in
34 placement, or a determination that the program participant is an
35 unsuitable candidate for participation in the loan redemption
36 program. If the supervisor recommends a change in placement, the
37 executive director shall authorize the program participant's
38 placement at another approved site, and the program participant
39 shall commence providing services at that alternate approved site as
40 soon as is practicable. If the supervisor recommends a
41 determination that the program participant is not a suitable
42 candidate for the program, the executive director shall take this
43 recommendation into consideration and make a final determination
44 regarding the program participant's suitability for continued
45 participation in the program. If the executive director determines
46 that the program participant is unsuitable for continued service, the
47 contract shall be voided without penalty and the authority's
48 obligations thereunder shall be automatically nullified.

1 (3) No loan redemption payments shall be made under the
2 contract during the four-week probationary period required by this
3 subsection.

4 b. If, at any time following the conclusion of the initial four-
5 week probationary period, the program participant's current
6 supervisor determines that there is no longer a need for the program
7 participant to provide services at the approved site in relation to the
8 COVID-19 pandemic, the supervisor shall notify the program
9 participant and the executive director, and the executive director
10 shall authorize the program participant's placement at another
11 approved site. The program participant shall commence providing
12 services at that alternate approved site as soon as is practicable.

13
14 7. a. A program participant who has entered into a contract with
15 the authority under this act may nullify the contract and the obligations
16 imposed thereunder by notifying the authority in writing and
17 reassuming full responsibility for the remaining outstanding balance of
18 the loan debt. A program participant who nullifies the loan
19 redemption contract under this section before completing the full term
20 of service, as required by paragraph (2) of subsection c. of section 3 of
21 this act, shall not be entitled to receive any loan redemption benefits
22 under the program, and shall be required to repay any previously
23 redeemed portion of indebtedness, with 50 percent of the redeemed
24 portion of indebtedness being repaid within one year after the contract
25 is nullified.

26 b. If a program participant dies or becomes totally and
27 permanently disabled, the authority shall nullify the service obligation
28 of the program participant. The nullification shall also terminate the
29 authority's obligations under the loan redemption contract, except that,
30 if the program participant's death or total and permanent disability
31 occurred as a result of COVID-19 infection contracted while working
32 at an approved site under the program, the program participant or the
33 program participant's estate, as appropriate, shall be entitled to receive
34 loan redemption in association with the term actually served by the
35 program participant and shall not be required to repay any portion of
36 indebtedness that was redeemed during the period that preceded the
37 program participant's death or disability.

38 c. Whenever the continued enforcement of the contract may result
39 in extreme hardship, the authority may nullify or suspend the service
40 obligations of the program participant.

41
42 8. a. The executive director shall be authorized to terminate a
43 program participant's service in the program in the case of:

44 (1) the program participant's conviction for a crime or an act of
45 gross negligence in the performance of contractually mandated service
46 obligations;

47 (2) the program participant's conviction for a crime under section
48 7 of this act;

1 (3) the suspension or revocation of the program participant's
2 professional license or certification;

3 (4) the program participant's breach of performance standards
4 established pursuant to section 5 of this act; or

5 (5) the program participant's failure to comply with the four-week
6 probationary period required by subsection a. of section 6 of this act,
7 or the executive director's determination, at the conclusion of that
8 four-week probationary period, that the program participant is
9 unsuitable for continued participation in the program.

10 b. (1) A program participant who fails to repay any amount due
11 the authority under the program may be subject to actions initiated by
12 the authority to recover the amount due, to the extent permitted by
13 State and federal law, including, but not be limited to, recovery
14 through: an action filed in a court of competent jurisdiction; the offset
15 of State tax refunds or rebates; the making of information about
16 delinquent payments available to credit reporting agencies; or the
17 exclusion of the program participant from eligibility for any other
18 student assistance benefits administered by the authority or by the
19 federal government, to the extent that loan redemption benefits are
20 federally funded.

21 (2) In any judicial action, filed pursuant to this section, in which
22 the authority is the prevailing party, the program participant shall be
23 liable for: (a) the actual debt incurred; (b) all interest earned on the
24 debt at the maximum legal prevailing rate as determined by the United
25 States Treasurer; and (c) the administrative and court costs associated
26 with collection of the debt.

27
28 9. The executive director may, as determined thereby to be
29 appropriate, and within the limits of available funds, make payments in
30 a reasonable amount to reimburse a program participant for all or part
31 of any increased tax liability that is incurred by the participant,
32 pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et
33 seq., as a result of the redemption of eligible qualifying loan expenses
34 under the COVID-19 Exemplary Service Loan Redemption Program.

35
36 10. A person who knowingly or willfully furnishes any false or
37 misleading information for the purpose of receiving loan redemption
38 benefits under the COVID-19 Exemplary Service Loan Redemption
39 Program, program is guilty of a crime of the fourth degree.

40
41 11. This act shall take effect immediately, and the Higher
42 Education Student Assistance Authority shall promptly commence
43 accepting applications and executing loan redemption contracts
44 pursuant to this act, as soon after the effective date as may be
45 reasonably practicable, in order to help ensure that New Jersey is able
46 to mobilize and employ a sufficient number and type of available
47 health care professionals to successfully combat and mitigate the
48 effects of the COVID-19 pandemic in the State.

STATEMENT

This bill would establish, within the Higher Education Student Assistance Authority (authority), a COVID-19 Exemplary Service Loan Redemption Program to provide for the redemption of eligible qualifying loan expenses of health care professionals in exchange for the professionals' ongoing provision of health care and administrative services at approved sites during the COVID-19 pandemic.

"Approved site" is defined by the bill to mean a licensed hospital or dedicated part thereof wherein patients in New Jersey with COVID-19 are treated or housed in isolation and where there is an insufficient number or type of professional staff to ensure the provision of adequate care to those patients; and any other health care facility, building, room, tent, ship, or other location that is temporarily authorized and used, on an emergency or overflow basis, to provide isolated bed space or intensive, emergency, or other hospital-level care to patients with COVID-19 in New Jersey. "Health care professional" is defined to mean a licensed physician, nurse, physician's assistant, or other health care practitioner, or any person working in the area of hospital or health care facility administration, who is capable of providing needed health care services or health care-related administrative services, on a paid or unpaid, temporary, short-term, or long-term basis, at an approved site during the COVID-19 pandemic. "Health care professional" includes a licensed physician, nurse, physician's assistant, or other health care practitioner who would ordinarily be capable of providing health care services to COVID-19 patients at an approved site during the COVID-19 pandemic, but who is currently unavailable to provide those services because the health care professional is self-isolating or is subject to mandatory quarantine as a result of having contracted COVID-19, showing symptoms of COVID-19, or having been exposed to COVID-19 in the workplace.

Any health care professional who is a resident of New Jersey would be eligible to participate in the COVID-19 Exemplary Service Loan Redemption Program. The bill would require the authority to enter into a loan redemption contract with each eligible health care professional who applies to participate in the program, to the extent practicable. Each contract is to require the program participant to:

- 1) provide needed health care services or health care-related administrative services at an approved site, as may be deemed by the approved site to be necessary to fill its COVID-19 staffing needs and adequately serve and treat its patients with COVID-19, regardless of whether such services are within the program participant's ordinary scope of practice;

- 2) engage in the provision of necessary services, as required by the bill, for a consecutive period of at least 12 months or until a

1 COVID-19 vaccine is made available to residents of New Jersey,
2 whichever is later;

3 3) charge for professional services at the usual and customary
4 rate prevailing in the area in which the approved site is located and
5 in a manner that is consistent with the charging practices of the
6 approved site and all State and federal laws; charge a Medicare
7 beneficiary no more than the limiting fee for a service, as
8 determined by the United States Secretary of Health and Human
9 Services; and allow a patient with COVID-19 who is unable to pay
10 for services at the usual and customary rate to pay at a reduced rate
11 or to receive services at no charge; and

12 4) not discriminate against any patient in the provision of
13 COVID-19-related health care services on the basis of: a) the
14 patient's ability to pay or source of payment; or b) the patient's
15 actual or perceived age, sex, gender identity or expression,
16 affectional or sexual orientation, race, creed, color, ethnicity,
17 national origin, ancestry, religion, marital status, familial status, or
18 mental or physical disability.

19 The contract is to additionally: 1) specify the program
20 participant's dates of required service, the total amount of eligible
21 qualifying loan expenses that are to be redeemed by the State in
22 return for service, and the schedule for loan redemption, which is to
23 be established by the authority and uniformly applied to all program
24 participants; and 2) stipulate that the applicant has knowledge of
25 and agrees to both comply with performance standards established
26 by the authority's executive director and participate in a four-week
27 probationary period required by the bill.

28 A participant in the program would be eligible for redemption of
29 up to 50 percent of the program participant's eligible qualifying
30 loan expenses; however, the total amount of qualifying loans
31 redeemed by a program participant may not exceed the maximum
32 amount authorized by the federal government, pursuant to section
33 338I of the "Public Health Service Act," 42 U.S.C. s.254q-1. The
34 authority, in consultation with the Department of Health, may
35 establish other general limits, as deemed thereby to be appropriate,
36 on the total amount of qualifying loans that may be redeemed by
37 program participants.

38 A person who is already participating in: 1) the federally
39 administered National Health Service Corps Loan Repayment
40 Program, established pursuant to section 338B of the "Public Health
41 Service Act," 42 U.S.C.s.254 1-1; 2) the Primary Care Practitioner
42 Loan Redemption Program, established pursuant to N.J.S.18A:71C-32
43 et seq.; or 3) any other similar health care-related loan redemption
44 program will be eligible to participate simultaneously in the COVID-
45 19 Exemplary Service Loan Redemption Program, provided that such
46 simultaneous participation is expressly disclosed and is authorized by
47 the authority in the loan redemption contract. A program participant
48 will only be eligible to redeem eligible qualifying loan expenses under

1 the COVID-19 Exemplary Service Loan Redemption Program to the
2 extent that those expenses are not already eligible for redemption
3 under one of these other programs.

4 Under the bill's provisions, no amount of qualifying loan
5 expenses may be redeemed by a program participant if contracted
6 services are provided for a period of time that is less than that the
7 term of service required by the bill and contract. However, a health
8 care professional may not be penalized or prevented from applying
9 for or obtaining loan redemption under the bill, and may not be
10 subject to any reduction in the amount of qualifying loan expenses
11 redeemed under the program, solely on the basis that the health care
12 professional is or was unable to provide necessary services, for any
13 portion of the requisite term of service, because the professional
14 was isolated or under mandatory quarantine as a result of having
15 contracted COVID-19, showing symptoms of COVID-19, or being
16 exposed to COVID-19 in the workplace.

17 The authority's executive director, in consultation with the
18 Commissioner of Health, will be required to match contracted program
19 participants with appropriate approved sites throughout the State.
20 Primary consideration is to be given to the placement of program
21 participants at approved sites in the State that have the highest
22 numbers of patients with COVID-19 and insufficient staff available to
23 effectively and efficiently handle those patients. To the extent
24 practicable and consistent with meeting Statewide needs, each
25 program participant is to be matched with an approved site that is
26 located within close proximity to the program participant's residence.
27 Other factors to be considered in matching program participants with
28 approved sites may include: 1) the preferences of the program
29 participant; 2) statistical data projecting future regional and individual
30 site needs in association with the COVID-19 pandemic; or 3) any other
31 factor deemed by the executive director or the commissioner to be
32 relevant.

33 Any program participant who nullifies the loan redemption contract
34 before completing the full term of service, as required by the bill and
35 contract, will not be entitled to receive any loan redemption benefits
36 under the program, and will be required to repay any previously
37 redeemed portion of indebtedness, with 50 percent of the redeemed
38 portion of indebtedness being repaid within one year after the contract
39 is nullified. If a program participant dies or becomes totally and
40 permanently disabled, the authority will nullify the service obligation
41 of the program participant, and the authority's obligations will
42 terminate, except that, if the program participant's death or total and
43 permanent disability occurred as a result of COVID-19 infection
44 contracted while working at an approved site under the program, the
45 program participant or the program participant's estate, as appropriate,
46 will be entitled to receive loan redemption in association with the term
47 actually served by the program participant and will not be required to
48 repay any portion of indebtedness that was redeemed during the period

1 that preceded the program participant's death or disability. The
2 authority may also nullify the program participant's contractual
3 obligations in cases of extreme hardship.

4 The bill authorizes the authority's executive director, as determined
5 thereby to be appropriate, and within the limits of available funds, to
6 make payments in a reasonable amount to reimburse a program
7 participant for all or part of any increased tax liability that is incurred
8 by the participant, pursuant to the "New Jersey Gross Income Tax
9 Act," N.J.S.54A:1-1 et seq., as a result of the redemption of eligible
10 qualifying loan expenses under the COVID-19 Exemplary Service
11 Loan Redemption Program.

12 Any person who knowingly or willfully furnishes any false or
13 misleading information for the purpose of receiving loan redemption
14 benefits under the COVID-19 Exemplary Service Loan Redemption
15 Program will be guilty of a crime of the fourth degree.