

ASSEMBLY, No. 3908

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED APRIL 9, 2020

Sponsored by:

Assemblywoman MILA M. JASEY

District 27 (Essex and Morris)

Assemblywoman VERLINA REYNOLDS-JACKSON

District 15 (Hunterdon and Mercer)

Assemblyman JOHN F. MCKEON

District 27 (Essex and Morris)

Co-Sponsored by:

Assemblymen Zwicker, Tully, Assemblywoman Swain, Assemblyman DeAngelo, Assemblywoman Quijano and Assemblyman Giblin

SYNOPSIS

“COVID-19 Financial Security for Consumers Act.”

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/1/2020)

A3908 JASEY, REYNOLDS-JACKSON

2

1 AN ACT concerning financial security, amending P.L.2020, c.7 and
2 N.J.S.2A:17-19, and supplementing various parts of the statutory
3 law.

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

7
8 1. (New section) As used in sections 1, 2, and 3 of this act:

9 “Affected person” means a person who is a resident of this State
10 and has suffered financial hardship as a result of the coronavirus
11 disease 2019 pandemic.

12 “Covered coronavirus period” means the period beginning with
13 the Public Health Emergency and State of Emergency declared by the
14 Governor in Executive Order 103 of 2020 and extending 120 days
15 following the end of that public health emergency and state of
16 emergency.

17 “Creditor” means any person and any agent, servant, employee, or
18 attorney of a person engaged in collecting a debt owed or alleged to
19 be owed to the person by a debtor and shall also include a buyer of
20 delinquent debt who hires a third party or an attorney to collect a
21 debt. A person shall not be deemed to be engaged in collecting a
22 debt, if the person’s activities are solely for the purpose of serving
23 legal process on another person in connection with the judicial
24 enforcement of a debt.

25 “Debt collector” means any person or business whose principal
26 purpose is the collection of a debt, or who regularly collects or
27 attempts to collect, directly or indirectly, a debt owed or due or
28 asserted to be owed or due another. The term debt collector shall also
29 include any person who buys or acquires debt that is in default at the
30 time of purchase or acquisition and who seeks to collect that debt.
31 The term debt collector shall include a creditor who, in the process
32 of collecting the creditor’s own debt, uses any name other than the
33 creditor’s own name which would indicate that a third person is
34 collecting or attempting to collect the debt. The term debt collector
35 shall also include a person in a business the principal purpose of
36 which is the enforcement of security interests.

37 “User of a consumer report” means any person or entity that is
38 furnished a consumer report for a purpose that is permissible pursuant
39 to section 4 of P.L.1997, c.172 (C.56:11-31).

40
41 2. (New section) a. (1) An affected person may contact any
42 consumer reporting agency and inform the agency that the person has
43 experienced financial hardship as a result of the coronavirus disease
44 2019 pandemic.

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 (2) Any consumer reporting agency that receives a request
2 pursuant to paragraph (1) of this subsection shall respond to the
3 affected person and the Director of the Division of Consumer Affairs
4 in the Department of Law and Public Safety within five days of
5 receiving the request. The agency shall place an alert in the file of
6 that consumer indicating the consumer has been impacted by the
7 coronavirus disease 2019 pandemic and shall provide that alert in any
8 consumer report or credit score provided by the agency.

9 b. (1) No user of a consumer report shall consider any adverse
10 information that is a result of the coronavirus disease 2019 pandemic
11 in a consumer report pertaining to an affected person who provides
12 the user with notice pursuant to paragraph (2) of this subsection, or
13 who has an alert included in the person's consumer report pursuant
14 to paragraph (3) of subsection a. of this section.

15 (2) An affected person may contact any user of a consumer report
16 and request that the user disregard any adverse information related to
17 the person in a consumer report with respect to the covered
18 coronavirus period.

19 (3) Any user of a consumer report that receives a request pursuant
20 to paragraph (2) of this subsection shall respond to the affected
21 person and the Director of the Division of Consumer Affairs in the
22 Department of Law and Public Safety within five days of receiving
23 the request.

24 c. No charge shall be imposed by a consumer reporting agency
25 pursuant to section 10 of P.L.1997, c.172 (C.56:11-37) with respect
26 to a request made by a consumer pursuant to this section.

27 d. No person shall create, implement, or revise a credit scoring
28 model that would treat as a negative factor or value any adverse
29 information reported during the covered coronavirus period if the
30 consumer's file or report includes an alert pursuant to paragraph (3)
31 of subsection a. of this section.

32
33 3. (New section) a. Except as otherwise provided in subsection
34 d. of this section, with respect to the covered coronavirus period, no
35 creditor or debt collector shall:

36 (1) initiate, file, or threaten to file any new collection lawsuit;

37 (2) initiate, threaten to initiate, or act upon any legal or equitable
38 remedy for the garnishment, seizure, attachment, or withholding of
39 wages, earnings, property or funds for the payment of a debt to a
40 creditor;

41 (3) initiate, threaten to initiate, or act upon any legal or equitable
42 remedy for the repossession of any vehicle;

43 (4) visit or threaten to visit the household of a debtor at any time;

44 (5) visit or threaten to visit the place of employment of a debtor
45 at any time;

46 (6) confront or communicate in person with a debtor regarding
47 the collection of a debt in any public place at any time; or

1 (7) report any portion of a debt which is alleged to be unpaid, to
2 any debt collector.

3 b. With respect to the covered coronavirus period, no debt
4 collector shall initiate a communication with any debtor via
5 telephone, either in person or by recorded audio message to the
6 debtor's residence, cellular telephone, or other telephone number
7 provided by the debtor, except that a debt collector shall not be
8 deemed to have initiated a communication with a debtor if the
9 communication by the debt collector is in response to a request made
10 by the debtor for the communication.

11 c. A debtor or the Attorney General may bring an action alleging
12 a creditor or debt collector has violated the provisions of this act.
13 Upon a finding that non-compliance by a creditor or debt collector
14 with this section has occurred, a court of competent jurisdiction may:

15 (1) order the non-compliant creditor or debt collector to retract
16 the debt reported to the collection or credit reporting agency, bureau,
17 or data collection facility;

18 (2) impose a fine on the non-compliant creditor or debt collector,
19 not to exceed \$5,000;

20 (3) order the non-compliant creditor or debt collector to pay a
21 reasonable counsel fee in connection with a debtor who has suffered
22 damage as a result of an attempt to collect a debt or damage to a credit
23 rating due to the reporting of a debt to a collection or credit reporting
24 agency, bureau, or data collection facility;

25 (4) order the non-compliant creditor or debt collector to take such
26 steps as are necessary, within 30 days of the order, to rehabilitate the
27 credit record of a claimant, with a showing made to the court of the
28 efforts made in that regard; and

29 (5) order the non-compliant creditor or debt collector to pay an
30 award of damages to the individual not to exceed 25 percent of the
31 debt attempted to be collected or reported by the non-compliant
32 creditor or debt collector to the collection or credit reporting agency,
33 bureau, or data collection facility, the minimum award being \$350.

34 d. In the case of an action or proceeding that would otherwise be
35 barred from being brought by the expiration of the statute of
36 limitations as provided in N.J.S.2A:14-1 or N.J.S.12A:2-725, as
37 applicable during the covered coronavirus period, a creditor or debt
38 collector may commence an action or proceeding in a court of
39 competent jurisdiction against a debtor, provided that the creditor or
40 debt collector includes in any process served on a debtor prominent
41 language putting the debtor on notice that the creditor or debt
42 collector may not attempt to collect on any portion of a debt which is
43 alleged to be unpaid or report any portion of a debt which is alleged
44 to be unpaid, to any collection or credit reporting agency, bureau, or
45 data collection facility, until the conclusion of the covered
46 coronavirus period.

- 1 4. (New section) a. Until 180 days after the first bill for a medical
2 debt has been sent, no medical creditor or medical debt collector shall
3 take any legal action against an individual, including but not limited
4 to, placing a lien on an individual's property; attaching or seizing an
5 individual's bank account or any other personal property;
6 commencing a civil action against an individual; or garnishing an
7 individual's wages.
- 8 b. At least 30 days before taking legal action against an
9 individual, a medical creditor or medical debt collector shall provide
10 to the individual written information on:
- 11 (1) any financial assistance that is available for eligible
12 individuals;
- 13 (2) any legal actions that may be initiated in order to obtain
14 payment; and
- 15 (3) a deadline after which those legal actions may be initiated,
16 which date shall be no earlier than 30 days after the date of the notice.
- 17 c. A medical creditor or a medical debt collector shall not
18 initiate a legal action unless the action is described in the creditor or
19 collector's billing and collections policy.
- 20 d. A medical creditor or a medical debt collector shall not sell
21 an individual's debt to another party, except if, prior to the sale, the
22 medical creditor or medical debt collector has entered into a legally
23 binding written agreement with the medical debt buyer that provides
24 that the medical debt buyer shall comply with the requirements of
25 this section, and that the debt is returnable to or recallable by the
26 medical creditor upon a determination by the medical creditor or
27 medical debt buyer that the individual is eligible for financial
28 assistance.
- 29 e. During the one year period beginning on the date when a
30 consumer is first given a bill for medical debt, no medical creditor or
31 medical debt collector shall communicate with or report any
32 information to a consumer reporting agency regarding the medical
33 debt.
- 34 f. After the one year period described in subsection e. of this
35 section has elapsed, a medical creditor or medical debt collector shall
36 give a consumer at least one additional bill before reporting a medical
37 debt to a consumer reporting agency. The amount reported to the
38 consumer reporting agency shall be the same as the amount stated in
39 the bill, and the bill shall state that the debt is being reported to a
40 consumer reporting agency. A medical debt collector shall provide
41 the consumer the notice required by 15 U.S.C. s.1692g before
42 reporting a debt to a consumer reporting agency.
- 43 g. A debtor or the Attorney General may bring an action alleging
44 a medical creditor or medical debt collector has violated the
45 provisions of this section. Upon a finding that non-compliance by a
46 medical creditor or medical debt collector with this section has
47 occurred, a court of competent jurisdiction may:

1 (1) order the non-compliant medical creditor or medical debt
2 collector to retract the debt reported to the collection or credit
3 reporting agency, bureau, or data collection facility;

4 (2) impose a fine on the non-compliant medical creditor or
5 medical debt collector, not to exceed \$5,000;

6 (3) order the non-compliant medical creditor or medical debt
7 collector to pay a reasonable counsel fee in connection with an
8 individual who has suffered damage as a result of an attempt to
9 collect a debt or damage to credit rating due to the reporting of a debt
10 to a collection or credit reporting agency, bureau, or data collection
11 facility;

12 (4) order the non-compliant medical creditor or medical debt
13 collector to take such steps as are necessary, within 30 days of the
14 order, to rehabilitate the credit record of a claimant, with a showing
15 made to the court of the efforts made in that regard; and

16 (5) order the non-compliant medical creditor or medical debt
17 collector to pay an award of damages to the individual not to exceed
18 25 percent of the debt attempted to be collected or reported by the
19 non-compliant medical creditor or medical debt collector to the
20 collection or credit reporting agency, bureau, or data collection
21 facility, the minimum award being \$350.

22 h. As used in this section:

23 “Medical creditor” means an entity that provides health care
24 services and to whom the consumer owes money for health care
25 services, or the entity that provided health care services and to whom
26 the consumer previously owed money if the medical debt has been
27 purchased by a debt buyer.

28 “Medical debt buyer” means a person or entity that is engaged in
29 the business of purchasing medical debts for collection purposes,
30 whether it collects the debt itself or hires a third party for collection
31 or an attorney-at-law for litigation in order to collect such debt.

32 “Medical debt collector” means any person that regularly collects
33 or attempts to collect, directly or indirectly, medical debts originally
34 owed or due or asserted to be owed or due another. A medical debt
35 buyer is considered to be a medical debt collector for all purposes.

36

37 5. (New section) a. During the Public Health Emergency and
38 State of Emergency declared by the Governor in Executive Order 103
39 of 2020, the State Medicaid and NJ FamilyCare programs shall
40 provide coverage and payment for expenses incurred in the treatment
41 of coronavirus disease 2019, provided that a licensed medical
42 practitioner licensed in accordance with the provisions of Title 45 of
43 the Revised Statutes, or otherwise authorized to provide health care
44 services in this State, has issued a medical order for that treatment.

45 b. The coverage shall be provided to the same extent as for any
46 other health care services, except that no cost-sharing shall be
47 imposed on the coverage provided pursuant to this section.

1 c. The Commissioner of Human Services shall apply for such
2 State plan amendments or waivers as may be necessary to implement
3 the provisions of this act and to secure federal financial participation
4 for State Medicaid expenditures under the federal Medicaid program.
5

6 6. (New section) a. During the Public Health Emergency and
7 State of Emergency declared by the Governor in Executive Order 103
8 of 2020, a carrier that offers a health benefits plan in this State shall
9 provide coverage and payment for expenses incurred in the treatment
10 of coronavirus disease 2019, provided that a health care professional
11 licensed in accordance with the provisions of Title 45 of the Revised
12 Statutes, or otherwise authorized to provide health care services in
13 this State, has issued a medical order for the treatment.

14 b. (1) The coverage shall be provided to the same extent as for
15 any other health care services under the health benefits plan, except
16 that no cost-sharing shall be imposed on the coverage provided
17 pursuant to this section.

18 (2) In the case of a high deductible health plan, benefits for
19 treatment of coronavirus disease 2019 shall be provided at the lowest
20 deductible and other cost-sharing permitted for a high deductible
21 health plan under section 223(c)(2)(A) of the Internal Revenue Code
22 (26 U.S.C. s.223).

23 c. As used in this section, "carrier," means an insurance
24 company, health service corporation, hospital service corporation,
25 medical service corporation, or health maintenance organization
26 authorized to issue health benefits plans in this State, and shall
27 include the State Health Benefits Program and the School Employees'
28 Health Benefits Program.
29

30 7. Section 1 of P.L.2020, c.7 is amended to read as follows:

31 1. a. During the Public Health Emergency and State of
32 Emergency declared by the Governor in Executive Order 103 of
33 2020, the State Medicaid and NJ FamilyCare programs shall provide
34 coverage and payment for expenses incurred in:

35 (1) the testing for coronavirus disease 2019, provided that a
36 licensed medical practitioner licensed in accordance with the
37 provisions of Title 45 of the Revised Statutes, or otherwise
38 authorized to provide health care services in this State, has issued a
39 medical order for that testing; and

40 (2) the delivery of health care services through telemedicine or
41 telehealth in accordance with the provisions of P.L.2017, c.117
42 (C.45:1-61 et al.).

43 b. The coverage shall be provided to the same extent as for any
44 other health care services, except that no cost-sharing shall be
45 imposed on the coverage provided pursuant to this section.

46 c. The Commissioner of Human Services shall apply for such
47 State plan amendments or waivers as may be necessary to implement

1 the provisions of this act and to secure federal financial participation
2 for State Medicaid expenditures under the federal Medicaid program.

3

4 8. Section 2 of P.L.2020, c.7 is amended to read as follows:

5 2. a. During the Public Health Emergency and State of
6 Emergency declared by the Governor in Executive Order 103 of
7 2020, a carrier that offers a health benefits plan in this State shall
8 provide coverage and payment for expenses incurred in:

9 (1) the testing of coronavirus disease 2019, provided that a health
10 care professional licensed in accordance with the provisions of
11 [P.L.2017, c.117 (C.45:1-61 et al.)] Title 45 of the Revised Statutes,
12 or otherwise authorized to provide health care services in this State,
13 has issued a medical order for the testing; and

14 (2) any health care services delivered to a covered person through
15 telemedicine or telehealth in accordance with the provisions of
16 P.L.2017, c.117 (C.45:1-61 et al.).

17 b. The coverage shall be provided to the same extent as for any
18 other health care services under the health benefits plan, except that
19 no cost-sharing shall be imposed on the coverage provided pursuant
20 to this section.

21 c. As used in this section, “carrier,” means an insurance
22 company, health service corporation, hospital service corporation,
23 medical service corporation, or health maintenance organization
24 authorized to issue health benefits plans in this State, and shall
25 include the State Health Benefits Program and the School Employees'
26 Health Benefits Program.

27

28 9. (New section) a. (1) Notwithstanding any other law to the
29 contrary, whenever the Governor declares a public health emergency
30 pursuant to the “Emergency Health Powers Act,” P.L.2005, c.222
31 (C.26:13-1 et seq.), or a state of emergency pursuant to P.L.1942,
32 c.251 (C.App.A.9-33 et seq.), or both, during that declared
33 emergency the Governor may issue an executive order precluding the
34 issuance of executions or other post-judgment process set forth in
35 chapters 17 and 18 of Title 2A of the New Jersey Statutes used to
36 enforce a judgment recovered in, or enforce an order for the payment
37 of money issued by, the Superior Court, Law Division, including the
38 Special Civil Part of the Law Division, but not including any
39 executions or other post-judgment process to enforce a judgment or
40 order on a matter that, pursuant to the Rules of Court, was instituted
41 in or transferred to the Superior Court, Chancery Division, Family
42 Part, and subsequently transferred to the Superior Court, Law
43 Division, for any judgment or order entered before, on, or after the
44 day the executive order is issued. This executive order shall remain
45 in effect for no longer than 60 days following the declared end to the
46 emergency.

47 (2) With respect to any executive order issued by the Governor
48 pursuant to paragraph (1) of this subsection relating to the Public

1 Health Emergency and State of Emergency declared by the Governor
2 in Executive Order 103 of 2020 concerning the coronavirus disease
3 2019 pandemic, that executive order shall apply retroactively to any
4 judgment or order described in that paragraph that was entered on or
5 after the date the emergency was declared in Executive Order 103 of
6 2020, for which an execution or other post-judgment process has not
7 been issued as of the day the executive order is issued.

8 b. Proceedings on an execution or other post-judgment process
9 used to enforce a judgment recovered in, or enforce an order for the
10 payment of money issued by, the Superior Court, Law Division,
11 including the Special Civil Part of the Law Division, may be
12 continued while the executive order issued pursuant to subsection a.
13 of this section remains in effect, unless a court of competent
14 jurisdiction determines on its own motion, or motion of any party,
15 that enforcement should be stayed in the interest of justice.

16 c. Sheriffs, Special Civil Part Officers, and their agents shall
17 refrain from acting on any newly issued execution or other post-
18 judgment process as described in subsections a. and b. of this section,
19 unless a court of competent jurisdiction determines on its own
20 motion, or motion of any party, that enforcement is necessary in the
21 interest of justice.

22
23 10. N.J.S.2A:17-19 is amended to read as follows:

24 2A:17-19. a. Goods and chattels, shares of stock or interests in
25 any corporation and, except as otherwise provided herein, personal
26 property of every kind, not exceeding in value, exclusive of wearing
27 apparel, \$1,000.00, and all wearing apparel, and all governmental
28 financial assistance provided in response to the Public Health
29 Emergency and State of Emergency declared by Executive Order No.
30 103 of 2020 concerning the coronavirus disease 2019 pandemic and
31 any related federal emergency declaration pursuant to federal law
32 concerning that same pandemic, the property of a debtor shall be
33 reserved, both before and after his death, for his use or that of his
34 family or his estate, and shall not be liable to be seized or taken by
35 virtue of any execution or civil process whatever, issued out of any
36 court of this State.

37 b. (1) All governmental financial assistance provided in response
38 to the Public Health Emergency and State of Emergency declared by
39 Executive Order No. 103 of 2020 concerning the coronavirus disease
40 2019 pandemic and any related federal emergency declaration
41 pursuant to federal law concerning that same pandemic, the property
42 of a debtor shall be reserved, both before and after his death, for his
43 use or that of his family or his estate, and shall not be liable to be
44 seized or taken by virtue of any execution or civil process whatever,
45 issued out of any court of this State, except as set forth in paragraph
46 (2) of this subsection.

47 (2) All governmental financial assistance described in paragraph
48 (1) of this subsection may be seized or taken by virtue of any

1 execution or civil process whatever, issued out of any court of this
2 State, with respect to any matter that, pursuant to the Rules of Court,
3 was instituted in or transferred to the Superior Court, Chancery
4 Division, Family Part.

5 c. Nothing herein contained shall be deemed or held to protect
6 from sale under execution or other process any goods, chattels or
7 property, for the purchase whereof the debt or demand for which the
8 judgment on which such execution or process was issued, shall have
9 been contracted, or to apply to process issued for the collection of
10 taxes or assessments.

11 (cf: P.L.1973, c.162, s.1)

12

13 11. (New section) If any provision of this act or its application to
14 any person or circumstances is held invalid, the invalidity shall not
15 affect other provisions or applications of this act which can be given
16 effect without the invalid provision or application, and to this end
17 the provisions of this act shall be severable.

18

19 12. (New section) This act shall be known and may be cited as
20 the “COVID-19 Financial Security for Consumers Act.”

21

22 13. This act shall take effect immediately. Sections 5 through 8
23 of this act shall apply to all health benefits plans currently in effect
24 in the State, or that are delivered, issued, executed or renewed in this
25 State, or approved for issuance or renewal in this State by the
26 Commissioner of Banking and Insurance, on or after the effective
27 date of this act.

28

29

30

STATEMENT

31

32 This bill, the “COVID-19 Financial Security for Consumers Act,”
33 concerns financial security relating to the coronavirus disease 2019
34 pandemic, and certain future financial security caused by medical
35 debt and future declared emergencies.

36

37 Consumer reporting agencies, creditors, and debt collectors

38

39 Sections 1 through 3 of the bill require consumer reporting
40 agencies, creditors, and debt collectors to provide certain protections
41 to people who have experienced financial hardship as a result of the
42 coronavirus disease 2019 pandemic.

43 As used in the bill, “covered coronavirus period” means the period
44 beginning with the Public Health Emergency and State of Emergency
45 declared by the Governor in Executive Order 103 of 2020 and
46 extending 120 days following the end of that public health emergency
47 and state of emergency.

1 The bill provides that an affected person may contact any
2 consumer reporting agency and inform the agency that the person has
3 experienced financial hardship as a result of the coronavirus disease
4 2019 pandemic.

5 Any consumer reporting agency that receives such a request from
6 an affected person is required to respond to the affected person and
7 the Director of the Division of Consumer Affairs in the Department
8 of Law and Public Safety within five days of receiving the request.
9 The bill requires the agency to place an alert in the file of that
10 consumer indicating the consumer has been impacted by the
11 coronavirus disease 2019 pandemic, and to provide that alert in any
12 consumer report or credit score provided by the agency.

13 The bill provides that no user of a consumer report may consider
14 any adverse information that is a result of the coronavirus disease
15 2019 pandemic in a consumer report pertaining to an affected person
16 who provides the user with notice pursuant to the bill, or who has an
17 alert included in the person's consumer report.

18 The bill provides that an affected person may contact any user of
19 a consumer report and request that the user disregard any adverse
20 information related to the person in a consumer report with respect
21 to the covered coronavirus period.

22 The bill requires a user of a consumer report that receives a request
23 from an affected person to respond to the affected person and the
24 Director of the Division of Consumer Affairs in the Department of
25 Law and Public Safety within five days of receiving the request.

26 The bill provides that no charge may be imposed by a consumer
27 reporting agency with respect to a request made by a consumer.

28 The bill provides that no person may create, implement, or revise
29 a credit scoring model that would treat as a negative factor or value
30 any adverse information reported during the covered coronavirus
31 period if the consumer's file or report includes an alert pursuant to
32 the bill.

33 With respect to the covered coronavirus period, the bill provides
34 that no creditor or debt collector may:

- 35 (1) initiate, file, or threaten to file any new collection lawsuit;
- 36 (2) initiate, threaten to initiate, or act upon any legal or equitable
37 remedy for the garnishment, seizure, attachment, or withholding of
38 wages, earnings, property or funds for the payment of a debt to a
39 creditor;
- 40 (3) initiate, threaten to initiate, or act upon any legal or equitable
41 remedy for the repossession of any vehicle;
- 42 (4) visit or threaten to visit the household of a debtor at any time;
- 43 (5) visit or threaten to visit the place of employment of a debtor
44 at any time;
- 45 (6) confront or communicate in person with a debtor regarding
46 the collection of a debt in any public place at any time; or
- 47 (7) report any portion of a debt which is alleged to be unpaid, to
48 any debt collector.

1 The bill provides that, with respect to the covered coronavirus
2 period, no debt collector may initiate a communication with any
3 debtor via telephone, either in person or by recorded audio message
4 to the debtor's residence, cellular telephone, or other telephone
5 number provided by the debtor, except that a debt collector shall not
6 be deemed to have initiated a communication with a debtor if the
7 communication by the debt collector is in response to a request made
8 by the debtor for the communication.

9 In the case of an action or proceeding that would otherwise be
10 barred from being brought by the expiration of the statute of
11 limitations, the bill does not prevent a creditor or debt collector from
12 commencing an action or proceeding in a court of competent
13 jurisdiction against a debtor, provided that the creditor or debt
14 collector includes in any process served on a debtor prominent
15 language putting the debtor on notice that the creditor or debt
16 collector may not attempt to collect on any portion of a debt which is
17 alleged to be unpaid or report any portion of a debt which is alleged
18 to be unpaid, to any collection or credit reporting agency, bureau, or
19 data collection facility, until the conclusion of the covered
20 coronavirus period.

21 The bill provides that a debtor or the Attorney General may bring
22 an action alleging a creditor or debt collector has violated the
23 provisions of the bill.

24

25 Medical creditors and medical debt collectors

26

27 Section 4 of the bill prohibits, until 180 days after the first bill for
28 a medical debt has been sent, medical creditors and medical debt
29 collectors from taking any legal action against an individual,
30 including but not limited to, placing a lien on an individual's
31 property; attaching or seizing an individual's bank account or any
32 other personal property; commencing a civil action against an
33 individual; or garnishing an individual's wages.

34 At least 30 days before taking legal action against an individual, a
35 medical creditor or medical debt collector is required to provide to
36 the individual written information on:

37 (1) any financial assistance that is available for eligible
38 individuals;

39 (2) any legal actions that may be initiated in order to obtain
40 payment; and

41 (3) a deadline after which those legal actions may be initiated,
42 which date shall be no earlier than 30 days after the date of the notice.

43 The bill prohibits medical creditors and medical debt collectors
44 from taking legal action unless the action is described in the
45 creditor's or collector's billing and collections policy.

46 The bill prohibits medical creditors and medical debt collectors
47 from selling an individual's debt to another party, except if, prior to
48 the sale, the medical creditor or medical debt collector has entered

1 into a legally binding written agreement with the medical debt buyer
2 that provides the medical debt buyer shall comply with the
3 requirements of the bill, and that the debt is returnable to or recallable
4 by the medical creditor upon a determination by the medical creditor
5 or medical debt buyer that the individual is eligible for financial
6 assistance.

7 The bill provides that, during the one year period beginning on the
8 date when a consumer is first given a bill for medical debt, no medical
9 creditor or medical debt collector may communicate with or report
10 any information to a consumer reporting agency regarding the
11 medical debt.

12 After the one year period has elapsed, a medical creditor or
13 medical debt collector is required to give a consumer at least one
14 additional bill before reporting a medical debt to a consumer
15 reporting agency. The amount reported to the consumer reporting
16 agency shall be the same as the amount stated in the bill, and the bill
17 shall state that the debt is being reported to a consumer reporting
18 agency.

19 The bill provides that a debtor or the Attorney General may bring
20 an action alleging a medical creditor or medical debt collector has
21 violated the provisions of the bill.

22

23 Health benefits coverage for treatment of coronavirus disease 2019

24

25 Sections 5 through 8 of the bill require health insurance carriers
26 (health, hospital and medical service corporations, health
27 maintenance organizations and insurance companies), as well as the
28 State and School Employees' Health Benefits Programs and the State
29 Medicaid program, to provide coverage for expenses incurred in the
30 treatment of coronavirus disease 2019, provided that a medical
31 practitioner licensed in accordance with the provisions of Title 45 of
32 the Revised Statutes, or otherwise authorized to provide health care
33 services in this State, has issued a medical order for that treatment.

34 These requirements of the bill remain in effect during the Public
35 Health Emergency and State of Emergency declared by the Governor
36 in Executive Order 103 of 2020.

37 The bill requires the coverage to be provided to the same extent as
38 for any other services under the health benefits plan, except that no
39 cost-sharing may be imposed on the coverage provided pursuant to
40 the bill.

41 The bill takes effect immediately and applies to all health benefit
42 plans currently in effect in the State, or that are delivered, issued,
43 executed or renewed in this State, or approved for issuance or
44 renewal in this State by the Commissioner of Banking and Insurance,
45 on or after the effective date of the bill.

46 The bill also amends P.L.2020, c.7, to clarify that carriers and the
47 State Medicaid program are required to provide coverage for the
48 testing of coronavirus disease 2019, provided that a health care

1 professional licensed in accordance with the provisions of Title 45 of
2 the Revised Statutes, or otherwise authorized to provide health care
3 services in this State, has issued a medical order for the testing.

4

5 Temporary cessation of certain activities for enforcing certain court
6 judgments or orders

7

8 Sections 9 and 10 of the bill provide that, whenever a public health
9 emergency or state of emergency is declared by the Governor, during
10 that declared emergency the Governor, by executive order, could
11 preclude the issuance of executions or other post-judgment process
12 set forth in chapters 17 and 18 of Title 2A of the New Jersey Statutes
13 used to enforce a judgment recovered in, or enforce an order for the
14 payment of money issued by, the Superior Court, Law Division,
15 including the Special Civil Part of the Law Division. This action
16 would preclude such enforcement activities as bank levies, wage
17 garnishments, and other means for a judgment-creditor to collect
18 monies owed; however, the executive order would not apply to any
19 executions or other post-judgment process to enforce a judgment or
20 order on a matter that, pursuant to the Rules of Court, was instituted
21 in or transferred to the Superior Court, Chancery Division, Family
22 Part (commonly referred to as “family court”), and subsequently
23 transferred to the Superior Court, Law Division.

24 The executive order precluding activities would apply to any
25 judgment or order entered before, on, or after the day the executive
26 order was issued, except as described above concerning family court
27 matters. Additionally, with respect to any executive order issued by
28 the Governor precluding activities in relation to the Public Health
29 Emergency and State of Emergency declared by the Governor in
30 Executive Order 103 of 2020 concerning the coronavirus disease
31 2019 pandemic, that executive order would apply retroactively to any
32 judgment or order not addressing family court matters entered on or
33 after March 9, 2020, the date the emergency was declared in
34 Executive Order 103 of 2020, for which an execution or post-
35 judgment process was not already issued.

36 An executive order issued pursuant to the bill would remain in
37 effect for no longer than 60 days following the declared end to the
38 emergency.

39 Proceedings on an execution or other post-judgment process used
40 to enforce a judgment, or enforce an order for the payment of money,
41 could be continued while the Governor’s executive order remained
42 in effect, unless a court of competent jurisdiction determines on its
43 own motion, or motion of any party, that enforcement should be
44 stayed in the interest of justice. Also, sheriffs, Special Civil Part
45 Officers, and their agents would be required to refrain from acting on
46 any newly issued execution or other post-judgment process that fell
47 within the scope of the executive order. However, a court of
48 competent jurisdiction could determine on its own motion, or motion

1 of any party, that enforcement of such execution or other post-
2 judgment is necessary in the interest of justice.

3 Lastly, for any future execution or other post-judgment process
4 used to enforce a judgment or order for the payment of money, the
5 bill would create an exemption from execution, levy, or attachment
6 all governmental financial assistance provided in response to the
7 emergency declared by Executive Order No. 103 of 2020 concerning
8 the coronavirus disease 2019 pandemic and any related federal
9 emergency declaration pursuant to federal law concerning that same
10 pandemic; however, the bill would not preclude future executions or
11 other post-judgment process to enforce a judgment or order on a
12 matter that, pursuant to the Rules of Court, was instituted in or
13 transferred to the Superior Court, Chancery Division, Family Part.
14 As such, this financial assistance could not be obtained by a
15 judgment-creditor, except when related to actions on family court
16 matters, utilizing an issued execution or other post-judgment process
17 when attempting to enforce a judgment or order for the payment of
18 money.