

**ASSEMBLY, No. 5268**

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**STATE OF NEW JERSEY**

**219th LEGISLATURE**

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INTRODUCED JANUARY 25, 2021

**Sponsored by:**

**Assemblyman DANIEL R. BENSON**

**District 14 (Mercer and Middlesex)**

**Assemblywoman VALERIE VAINIERI HUTTLE**

**District 37 (Bergen)**

**Assemblyman RAJ MUKHERJI**

**District 33 (Hudson)**

**Co-Sponsored by:**

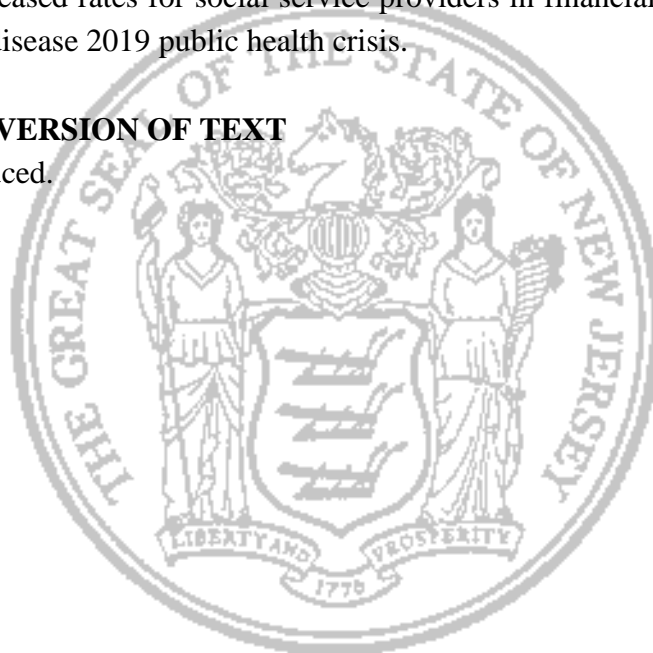
**Assemblymen Johnson, Armato, Mazzeo, Wimberly, Assemblywomen Reynolds-Jackson, Chaparro, Assemblymen Simonsen, McClellan, Spearman, Zwicker, Assemblywoman Jasey, Assemblymen Calabrese, Verrelli and Tully**

**SYNOPSIS**

Makes FY 2021 supplemental appropriation of \$180 million to DCF and DHS for increased rates for social service providers in financial distress due to coronavirus disease 2019 public health crisis.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/3/2021)**

1 A SUPPLEMENT to the Fiscal Year 2021 appropriations act,  
2 P.L.2020, c.97.

3

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

6

7 1. In addition to the amounts appropriated under P.L.2020, c.97,  
8 the annual appropriations act for Fiscal Year 2020-2021, there is  
9 appropriated the following sum for the purpose specified:

**94 Interdepartmental Accounts**

**70 Government Direction, Management, and Control**

**74 General Government Services**

**9420 Other Interdepartmental Accounts**

**GRANTS-IN-AID**

04-9429	Other Interdepartmental Accounts.....	\$180,000,000
	Total Grants-in-Aid Appropriation,	
	General Government Services.....	\$180,000,000

***Grants-in-Aid:***

22 COVID-19 Social Services Provider Rate

Increase ..... (\$180,000,000)

10

11 Notwithstanding the provisions of any law or regulation to the  
12 contrary, the amount hereinabove appropriated for COVID-19  
13 Social Services Provider Rate Increase shall be used to increase  
14 provider rates issued to social service providers, under contract or a  
15 fee-for-service agreement with the Department of Children and  
16 Families or any division in the Department of Human Services, that  
17 are determined, according to parameters established by the  
18 commissioners of those departments, to be in extreme financial  
19 distress or at risk of being in extreme financial distress due to the  
20 effects of the coronavirus 2019 public health crisis. Any rate  
21 increase provided under this provision shall be retroactive to all  
22 payments issued to a provider in FY 2021. Providers included  
23 under this rate increase shall include, but shall not be limited to, day  
24 habilitation providers, adult day care providers, childcare providers,  
25 behavioral health providers, and substance use disorder providers.  
26 Of the \$180,000,000, the appropriate amounts, as determined by the  
27 Director of the Division of Budget and Accounting and approved by  
28 the Joint Budget Oversight Committee, shall be transferred, as  
29 necessary, to the departments and divisions contracting with social  
30 services providers in order to effectuate this provision. At least 10  
31 days prior to the transfer of such amounts, the Director of the  
32 Division of Budget and Accounting shall submit a report to the  
33 Joint Budget Oversight Committee detailing, for each department  
34 and division, the specific providers that will receive a rate increase  
35 and an explanation of how the amounts associated with the rate  
36 increase were calculated. The Director of the Division of Budget

1 and Accounting shall not be authorized to transfer any amounts  
2 without the approval of the Joint Budget Oversight Committee,  
3 provided that no action taken by the committee within 10 days of  
4 receiving a report from the director shall be deemed approval of the  
5 transfer. No more than 90 days after June 30, 2021, the Director of  
6 the Division of Budget and Accounting shall submit a report to the  
7 Joint Budget Oversight Committee outlining the allocation of this  
8 appropriation as compared to the details provided in all previously  
9 approved transfer reports. This report shall also indicate the total  
10 amount expended from this appropriation, and any unexpended  
11 balances that are encumbered or will lapse.

12  
13 2. This act shall take effect immediately.  
14  
15

#### 16 STATEMENT 17

18 This bill makes a FY 2021 supplemental appropriation of \$180  
19 million to the Department of Children and Families (DCF) and the  
20 Department of Human Services (DHS), via Interdepartmental  
21 Accounts, for increased rates for social service providers that are in  
22 financial distress due to coronavirus disease 2019 (COVID-19) public  
23 health crisis. It is the sponsor's intent to ensure the continued  
24 operation of providers who serve the most vulnerable in the State as  
25 they face the financial hardships caused by the COVID-19 pandemic.  
26 Additional safety protocols, decreased enrollment, and shifting  
27 services to virtual platforms are a few of challenges affecting the  
28 financial stability of these providers since March of 2020. Without  
29 funding from other sources, it is imperative that the State offer support  
30 in order to preserve this essential network of social services providers.

31 Under the bill, notwithstanding the provisions of any law or  
32 regulation to the contrary, the appropriated amount is to be used to  
33 increase provider rates issued to social service providers, under  
34 contract or a fee-for-service agreement with the DCF or any  
35 division in the DHS, that are determined, according to parameters  
36 established by the commissioners of those departments, to be in  
37 extreme financial distress or at risk of being in extreme financial  
38 distress due to the effects of the coronavirus 2019 public health  
39 crisis. Any rate increase provided under this bill is required to be  
40 retroactive to all payments issued to a provider in FY 2021.  
41 Providers included under this rate increase are to include, but not be  
42 limited to, day habilitation providers, childcare providers,  
43 behavioral health providers, and substance use disorder providers.

44 Of the \$180 million, the appropriate amounts, as determined by  
45 the Director of the Division of Budget and Accounting and  
46 approved by the Joint Budget Oversight Committee, are to be  
47 transferred, as necessary, to the departments and divisions  
48 contracting with social services providers in order to effectuate the

1 provisions of the bill. At least 30 days prior to the transfer of such  
2 amounts, the Director of the Division of Budget and Accounting is  
3 required to submit a report to the Joint Budget Oversight  
4 Committee detailing, for each department and division, the specific  
5 providers that will receive a rate increase and an explanation of how  
6 the amounts associated with the rate increase were calculated. The  
7 Director of the Division of Budget and Accounting is not authorized  
8 to transfer any amounts without the approval of the Joint Budget  
9 Oversight Committee, provided that no action taken by the  
10 committee within 10 days of receiving a report from the director is  
11 deemed approval of the transfer. No more than 90 days after June  
12 30, 2021, the Director of the Division of Budget and Accounting is  
13 required to submit a report to the Joint Budget Oversight  
14 Committee outlining the allocation of this appropriation as  
15 compared to the details provided in all previously approved transfer  
16 reports. This report is to also indicate the total amount expended  
17 from this appropriation, and any unexpended balances that are  
18 encumbered or will lapse.