SENATE COMMITTEE SUBSTITUTE FOR

SENATE, Nos. 2991 and 3117

STATE OF NEW JERSEY

219th LEGISLATURE

ADOPTED DECEMBER 10, 2020

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SYNOPSIS

Concerns approval process for personal protective equipment and State stockpiles of personal protective equipment.

CURRENT VERSION OF TEXT

Substitute as adopted by the Senate Law and Public Safety Committee.



AN ACT concerning the approval process for personal protective equipment and State stockpiles of personal protective equipment, supplementing P.L.1974, c.80 (C.34:1B-1 et seq.).

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

- 1. a. The New Jersey Office of Emergency Management, in consultation with the New Jersey Economic Development Authority and the Department of Health, shall establish a process to evaluate, provide feedback on, and approve personal protective equipment for use during public health emergencies. The process shall help businesses, not otherwise in the business of producing personal protective equipment and not approved by federal agencies, safely produce and supply personal protective equipment. The New Jersey Economic Development Authority shall help the New Jersey Office of Emergency Management review businesses, including to ensure the businesses are legitimate and do not have health complaints or unresolved safety or health citations. The New Jersey Office of Emergency Management shall prioritize New Jersey-based manufacturers of personal protective equipment when evaluating, providing feedback on, and approving personal protective equipment for use during public health emergencies.
- b. The New Jersey Office of Emergency Management shall employ a person or persons experienced with the federal agency approval process of personal protective equipment. The person or persons shall be allowed to work remotely as necessary and shall be considered essential employees. The person or persons shall have no personal interest or connection to any businesses submitting personal protective equipment for approval.
- c. No public or private entity or person shall be liable for injury or death alleged to have been caused by the entity's or person's use of personal protective equipment approved through the process established pursuant to this section, in lieu of similar equipment approved by federal agencies, as long as the public or private entity or person used the personal protective equipment for approved purposes. The liability protection granted pursuant to this subsection shall not apply to acts or omissions constituting a crime, actual fraud, actual malice, gross negligence, recklessness, or willful misconduct.
- d. The New Jersey Office of Emergency Management, in consultation with the New Jersey Economic Development Authority and the Department of Health, may adopt rules and regulations, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), as may be necessary to effectuate the purposes of this section. The rules and regulations shall be guided by standards established by, among other sources, the National

1 Institute for Occupational Safety and Health and other federal agencies.

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- Six months following the end of the public health 4 2. a. 5 emergency first declared in Executive Order No. 103 of 2020, or 6 one year following enactment of P.L. , c. (C.) (pending 7 before the Legislature as this bill), whichever is later, the Director 8 of the Division of Purchase and Property in the Department of the 9 Treasury, in consultation with the New Jersey Office of Emergency 10 Management, New Jersey Economic Development Authority, and 11 Department of Health, shall award a contract or contracts, in 12 accordance with the provisions of chapter 34 of Title 52 of the Revised Statutes, for the procurement of personal protective 13 14 equipment for the creation of two stockpiles pursuant to this 15 section. The director may make awards to multiple bidders in 16 accordance with section 1 of P.L.1986, c.26 (C.52:34-12.1). To the 17 extent feasible, money to purchase personal protective equipment 18 for each stockpile shall come from federal public health emergency 19 relief funds.
- 20 b. One stockpile shall consist of personal protective equipment approved by federal agencies and the other stockpile shall consist of 21 22 personal protective equipment approved by the New Jersey Office 23 Emergency Management pursuant to section 24 , c. (C.) (pending before the Legislature as this bill). 25 Each stockpile shall be gradually filled to a capacity, as determined 26 by the New Jersey Office of Emergency Management, New Jersey 27 Economic Development Authority, and the Department of Health. 28 In filling the stockpiles to capacity, at least one third of the capacity 29 shall be filled each year until capacity is met. If personal protective 30 equipment from a stockpile is used, the stockpile shall be refilled in 31 a manner similar to how the initial stockpile was filled.
 - c. To the extent feasible, at least 50 percent of each stockpile shall consist of personal protective equipment made in New Jersey, but in no case shall less than 25 percent of the New Jersey Office of Emergency Management-approved stockpile be made in New Jersey. At least 66 percent of each stockpile shall consist of personal protective equipment made in the United States, including personal protective equipment made in New Jersey.
 - d. During public health emergencies, the New Jersey Office of Emergency Management shall make the personal protective equipment in the stockpiles available to the State and its political subdivisions, to public New Jersey schools, New Jersey-based non-profit private schools, New Jersey-based non-profit charter schools, State hospitals, and State nursing homes without charging a fee. During public health emergencies, the Director of the Division of Purchase and Property in the Department of the Treasury, in consultation with the New Jersey Office of Emergency Management, New Jersey Economic Development Authority, and

- Department of Health, shall make the remainder of the stockpiles available for purchase by other or private entities at market price or cost price, whichever is higher. New Jersey-based non-profits shall be allowed to purchase personal protective equipment in the stockpiles at 75 percent of market price or cost price, whichever is higher, during public health emergencies. The "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.), shall not apply to purchases made pursuant to this subsection. The New Jersey Office of Emergency Management, New Jersey Economic Development Authority, and the Department of Health, shall have discretion to establish orders of priority for which entities may gain first access to the stockpiles.
 - e. When personal protective equipment in the stockpiles is within one year of expiration, the personal protective equipment shall be made available for sale to the following entities, in order of priority: 1) New Jersey-based Federally Qualified Health Centers; 2) State hospitals; 3) non-profit hospitals within the State; 4) New Jersey public school districts, New Jersey-based non-profit private schools, New Jersey-based non-profit charter schools; and 5) forprofit New Jersey-based hospitals. To the extent feasible, any personal protective equipment in the stockpiles that expire shall be disposed in an environmentally sound manner or donated to a charity in the State.
 - f. The New Jersey Office of Emergency Management, in consultation with the New Jersey Economic Development Authority and the Department of Health, may adopt rules and regulations, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), as may be necessary to effectuate the purposes of this section.

3. The New Jersey Office of Emergency Management shall annually submit a report, compiled in consultation with the New Jersey Economic Development Authority and the Department of Health, to the Governor and to the Legislature, in accordance with section 2 of P.L.1991, c.164 (C.52:14-19.1), on the status of the stockpiles required pursuant to section 2 of P.L. , c. (C.) (pending before the Legislature as this bill). The report shall include data on the price paid by the State for personal protective equipment and data on any personal protective equipment sold by the State. The reports shall be made available to the public on the Office of Emergency Management's website.

4. This act shall take effect immediately.