

SENATE HIGHER EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 780

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 10, 2025

The Senate Higher Education Committee favorably reports Senate Bill No. 780 with committee amendments.

This amended bill renames and broadens eligibility for the Primary Care Practitioner Loan Redemption Program established within the Higher Education Student Assistance Authority (HESAA).

The amended bill specifically:

- renames the program as the Health Care Professional Loan Redemption Program;
- provides for the participation in the program of psychiatrists and other health professionals working in fields designated by the Commissioner of Health for inclusion in the program;
- permits the Commissioner of Health, after consultation with the Commissioner of Labor and Workforce Development and the Director of Consumer Affairs, to designate additional health care fields experiencing critical Statewide labor shortages for inclusion in the program;
- requires the HESSA to annually submit a report on the Health Care Professional Loan Redemption Program to the Governor and the Legislature no later than August 1 of each year;
- increases the maximum loan redemption amount under the program from \$120,000 to \$200,000;
- expands the definition of “State designated medically underserved area” to include municipalities where more than 50 percent of households are at or below 185 percent of the federal poverty line and municipalities with a medically underserved area or population designation reflecting health status and economic indicators as determined by the United States Health Resources and Services Administration;
- permits a program participant to identify an approved site for designation and approval under the program;
- establish criteria for a site to be automatically designated as an approved site under the program; and
- establishes eligibility requirements for approved sites and prohibits the HESAA from requiring any additional eligibility requirements for approved sites.

As amended and reported by the committee, Senate Bill No. 780 is identical to Assembly Bill No. 2801 (1R), which was also amended and reported by the committee on this date.

This bill was pre-filed for introduction in the 2024-2025 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

- rename “State designated underserved area” as “State designated medically underserved area” and expand upon its definition;
- increase the maximum loan redemption amount under the program from \$120,000 to \$200,000;
- maintain the current program requirement that service under the program be completed at an approved site;
- require the Commissioner of Human Services to transmit the total percentage of Medicaid enrollees in each county to the executive director by January 1 of each year;
- provide that the Executive Director is to assist program participants in identifying approved sites, rather than match applicants to sites;
- modify and provide additional criteria by which the executive director is to accord priority to program applicants;
- establish the criteria by which a site will be automatically deemed an approved site;
- clarify that eligible qualifying loan expenses are not limited to undergraduate institutions of higher education;
- require an annual report on the program;
- provide that the additional health care fields which the Commissioner of Health may designate for inclusion in the program are not limited to those fields which require a degree in allopathic or osteopathic medicine;
- remove the bill’s appropriation; and
- repeal a section of current law that directs 25 percent of the funds appropriated for the Primary Care Practitioner Loan Redemption Program, which is to be renamed under this bill, to the Nursing Faculty Loan Redemption Program.