

SENATE, No. 4746

STATE OF NEW JERSEY
222nd LEGISLATURE

INTRODUCED OCTOBER 5, 2026

Sponsored by:
Senator ANGELA V. MCKNIGHT
District 31 (Hudson)

SYNOPSIS

Provides subsidy for purchase of health insurance for certain individuals living with type 1 diabetes.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT providing health insurance subsidies to certain individuals
2 and amending P.L.2020, c.61.

3

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

6

7 1. Section 3 of P.L.2020, c.61 (C.17B:27A-67) is amended to
8 read as follows:

9 3. a. There is established in the Department of the Treasury a
10 nonlapsing revolving fund to be known as the "Health Insurance
11 Affordability Fund." This fund shall be the repository for all
12 monies collected pursuant to this act. As directed by the
13 commissioner, in consultation with the Commissioners of the
14 Department of Human Services and the Department of Health, the
15 monies in the fund shall be used only for the purposes of increasing
16 affordability in the individual market and providing greater access
17 to health insurance to the uninsured, including minors, with a
18 primary focus on households with an income below 400 percent of
19 the federal poverty level, expanding eligibility, or modifying the
20 definition of affordability in the individual market, through
21 subsidies, reinsurance, tax policies, outreach and enrollment efforts,
22 buy-in programs, such as the NJ FamilyCare Advantage Program,
23 or any other efforts that can increase affordability for individual
24 policyholders or that can reduce racial disparities in coverage for
25 the uninsured. The monies in the fund shall be used to provide an
26 additional subsidy for the purchase of health insurance on the
27 exchange for households with an income below 400 percent of the
28 federal poverty level where a member of the household is living
29 with type 1 diabetes.

30 b. The monies in the fund shall be invested and reinvested by
31 the Director of the Division of Investment in the Department of the
32 Treasury to the same extent that other trust funds that are in the
33 custody of the State Treasurer are invested and reinvested, in the
34 manner provided by law. Interest received on the monies in the
35 fund shall be credited to the fund.

36 c. The report required pursuant to section 3 of P.L.2019, c.141
37 shall set forth the impacts of the measures taken pursuant to this act
38 on affordability and reductions in racial disparities in health
39 insurance coverage, including impacts by income level, race, and
40 immigration status. The report shall make recommendations to
41 increase affordability and reduce the uninsured rate in New Jersey,
42 as appropriate, based on the data available to the department.

43 d. (1) The assessments collected pursuant to section 2 of this act
44 shall be deposited to the Health Insurance Affordability Fund and
45 shall be used for the purposes set forth in subsection a. of this

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 section. Beginning in State Fiscal Year 2021, and each State fiscal
2 year thereafter, if 100 percent of the money appropriated from the
3 Health Insurance Affordability Fund is not used for the purposes set
4 forth in subsection a. of this section on the effective date of an
5 annual appropriations act for the State fiscal year, or if an
6 amendment or supplement to an annual appropriations act for the
7 State fiscal year appropriates money from the Health Insurance
8 Affordability Fund to a purpose not set forth in subsection a. of this
9 section, the Director of the Division of Budget and Accounting in
10 the Department of the Treasury shall, not later than five days after
11 the enactment of the annual appropriations act, or an amendment or
12 supplement thereto, that appropriates money from the Health
13 Insurance Affordability Fund to a purpose not set forth in
14 subsection a. of this section, certify to the Director of the Division
15 of Taxation and the Commissioner of Banking and Insurance that
16 the requirements of this section have not been met.

17 (2) The Commissioner of Banking and Insurance shall, no later
18 than five days after certification by the Director of the Division of
19 Budget and Accounting in the Department of the Treasury pursuant
20 to paragraph (1) of this subsection that the requirements of this
21 section have not been met by the annual appropriations act, or an
22 amendment or supplement to the annual appropriations act, notify
23 each entity that the assessment imposed pursuant to section 2 of this
24 act shall no longer be paid or collected.

25 (cf: P.L.2020, c.61, s.3.)

26
27 2. This act shall take effect immediately.

30 STATEMENT

31
32 This bill provides a subsidy for the purchase of health insurance
33 for certain individuals living with type 1 diabetes.

34 The bill requires that monies in the “Health Insurance
35 Affordability Fund” be used to provide an additional subsidy for the
36 purchase of health insurance on the individual health insurance
37 exchange for households with an income below 400 percent of the
38 federal poverty level where a member of the household is living
39 with type 1 diabetes.

40 The “Health Insurance Affordability Fund” was established to
41 increase affordability in the individual health insurance market and
42 provide greater access to health insurance for the uninsured, with a
43 primary focus on households with an income below 400 percent of
44 the federal poverty levels. Fund balances may be used for subsidies,
45 reinsurance, tax policies, outreach and enrollment efforts, buy-in
46 programs, or any other efforts that can increase affordability for
47 individual policyholders or that can reduce racial disparities in
48 coverage for the uninsured.

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1 The monies in the fund come from a dedicated assessment of 2.5
2 percent on the net written premiums of certain health and dental
3 insurance carriers in the State, along with occasional appropriations
4 out of the State General Fund.