

# ASSEMBLY HUMAN SERVICES COMMITTEE

## STATEMENT TO

### **ASSEMBLY, No. 2826**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: JUNE 15, 2006

The Assembly Human Services Committee reports favorably and with committee amendments Assembly Bill No. 2826.

As amended by the committee, this bill, which is designated the "Group Home Fire Safety Act," requires the installation of 13R residential automatic fire suppression systems in the common areas (including, but not limited to, the hallways and living, dining and kitchen areas) and bedrooms of all group homes in this State.

The bill defines "group home" to mean a licensed community residence for the developmentally disabled or mentally ill, community residence for the terminally ill, or community residence in which a person with traumatic brain injury resides, which has an approved service contract or an affiliation agreement with a State agency or department and which is owned by a nonprofit organization whose property is tax-exempt. The bill defines traumatic brain injury as in federal law, 42 U.S.C. s.280b-1b, which includes an acquired injury to the brain.

Specifically, the bill provides that, within 120 days after its effective date, each entity that is responsible for the operation of one or more group homes is to file with the Commissioner of Human Services a plan outlining the installation of 13R residential automatic fire suppression systems in those group homes as required under this bill. Each plan is to provide that the installation shall be completed within four years of the bill's effective date.

The bill stipulates that, upon application by an entity, the commissioner may, at the commissioner's discretion, extend the completion date, upon a showing that it would pose an unreasonable hardship for the entity, or that performance of the installation by the completion date is impossible for reasons outside the control of the entity.

The Commissioner of Human Services, in consultation with the Commissioner of Community Affairs, is to adopt rules (pursuant to the "Administrative Procedure Act") as necessary to implement the provisions of the bill, including rules that prioritize, at the discretion of the Commissioner of Human Services, group homes for installation of 13R residential automatic fire suppression

systems. The rules also may include exemption from the requirements of the bill for any group home that may be determined to not warrant the level of protection provided in this bill based on the fire hazard risk.

The bill provides the State Treasurer with the authority, after consultation with the Commissioner of Human Services, to apply State funds otherwise available to State departments, agencies or instrumentalities for the purpose of securing compliance with the requirements established pursuant to this bill.

The bill establishes the "Group Home Safety Trust Fund" within the New Jersey Housing and Mortgage Finance Agency (NJHMFA). The fund will be the repository of bond proceeds from the sale of bonds by the NJHMFA, which are authorized to be issued in an amount not to exceed \$90 million. The trust fund is to be used to provide interest-free loans to the entities that operate group homes and are required to install the fire suppression systems, for the cost, or a portion of the cost, of the installation of those systems.

The State Treasurer is required to establish a program to provide the loans. An entity that operates one or more group homes may apply for a loan from the trust fund. If sufficient funds are not available to fully fund each loan request, the State Treasurer may limit the amounts loaned on a basis which would provide the maximum amount of funding to the greatest number of group homes, taking into consideration the commissioner's prioritization of groups homes. The term of the loans will be for a period of not more than 15 years. Any loan approved is to be contingent upon the applicant entering into a contract or contracts for the installation of 13R residential automatic fire suppression systems under a plan as required in section 4 of the bill.

Finally, the bill amends N.J.S.A.52:27D-198.12 to prohibit a municipal authority or water utility from imposing standby fees for any new fire protection system required to be installed pursuant to this bill, thereby providing for charges only for the costs of services actually used.

#### COMMITTEE AMENDMENTS:

The committee amendments:

- revise the definition of "common area" to include, but not be limited to hallways and living, dining and kitchen areas;
- remove community shelters for victims of domestic violence from the provisions of the bill;
- specify that the fire suppression systems specified in the bill be 13R residential automatic fire suppression systems;
- change the reference to persons with head injuries to a person with traumatic brain injury, as defined in 42 U.S.C. s.280b-1b;

- delete the phase-in of 25%, 50% and 75% of the installation by the 12th, 24th, and 36th month, respectively, of the bill's effective date and, instead, require the installation to be completed within four years of the bill's effective date, which is the same end date required in the original bill;

- provide for rules to be adopted to prioritize, at the discretion of the Commissioner of Human Services, group homes for installation of the 13R residential automatic fire suppression systems;

- provide that if sufficient funds are not available to fully fund each loan request, the State Treasurer when limiting loan amounts would take into consideration the commissioner's prioritization of group homes; and

- make technical revisions to the bill.