

(1) The applicant shall submit an analysis of potential drawdown impacts using the Thiem method in accordance with the New Jersey Geological & Water Survey Technical Memorandum 12-2, Hydrogeologic Testing and Reporting Procedures in Support of New Jersey Water Allocation Permit in effect at the time of application (hereafter referred to as “TM 12-2”).

(2) Upon completion of the Thiem analysis, the applicant shall submit a proposed hydrogeologic test procedure, developed in accordance with TM 12-2, which shall include, at a minimum, the installation of:

- (A) A single pumping well;
- (B) Observation wells to sufficiently monitor water levels while the test well is pumped at a constant rate;
- (C) Observation wells to collect time-drawdown data for aquifer characterization; and
- (D) At least one piezometer to measure surface water and water table decline at: the nearest boundaries of the Preservation Area District, Forest Area, or Special Agricultural Production Area in the affected HUC-11 watershed found in any direction from the proposed well location; and the wetlands nearest to the estimated zone of influence in the affected HUC-11 watershed.

I. If the applicant cannot gain access to the parcels at the locations listed at (d)7i(2)(D) above for placement of piezometer(s), the applicant may propose to install piezometers at comparable locations if the alternate placement will adequately measure surface water and water table decline at the locations listed at (d)7i(2)(D) above.

II. Piezometers shall be tested to ensure hydraulic responsiveness and the results of such testing shall be included in the report submitted pursuant to (d)7i(3) below;

(3) Following the Commission’s review of the hydrogeologic test procedure, the applicant shall complete the test and submit a final hydrogeologic report prepared in accordance with the “Hydrogeological Report” section of TM 12-2, which shall describe the field procedures used, all data gathered, analysis of the data, and evaluation of the effect of the proposed diversion on the Kirkwood-Cohansey aquifer.

(4) Using the results of the hydrogeologic testing performed in accordance with (d)7i(3) above, the applicant shall calculate an estimated zone of influence created by the proposed diversion and submit a groundwater flow model using the modular hydrologic model of the United States Geological Survey, (MODFLOW) in use at the time of the application. The MODFLOW model shall calculate the zone of influence of the water table at: the nearest boundaries of the Preservation Area District, Forest Area, or Special Agricultural Production Area in the affected HUC-11 watershed; and the boundary of the wetland nearest to the proposed diversion in the same HUC-11 watershed.

8. An applicant for a proposed diversion shall provide written documentation of water conservation measures that have been implemented, or that are planned for implementation, for all areas to be served by the proposed diversion. Water conservation measures are measurable efforts by public and private water system operators and local agencies to reduce water demand by users and reduce losses in the water distribution system.

9. The following notice requirements shall apply to the proposed diversions:

i. For applications submitted pursuant to N.J.A.C. 7:50-4.31 through 4.50, the applicant shall provide notice of the application to the municipality and county in which the proposed diversion will be located, as well as all other municipalities and counties in the affected HUC-11 watershed. The notice shall state:

- (1) The nature of the application submitted to the Pinelands Commission and a detailed description of the proposed diversion, including the source, location, quantity, and/or allocation of water to be diverted;
- (2) The potential impact of the proposed diversion on the volume of water in the affected HUC-11 watershed that will be available for future diversions;
- (3) That written comments on the application may be submitted to the Pinelands Commission;

(4) That the application is available for inspection at the office of the Pinelands Commission; and

(5) The address and phone number of the Pinelands Commission.  
 ii. For applications submitted pursuant to N.J.A.C. 7:50-4.51 through 4.60, the applicant shall provide notice of the application for public development pursuant to N.J.A.C. 7:50-4.53. In addition, the applicant shall provide notice of the application to all municipalities and counties in the affected HUC-11 watershed. The notice shall include the information required at N.J.A.C. 7:50-4.53(e), as well as the following:

- (1) A detailed description of the proposed diversion, including the source, location, quantity and/or allocation of water to be diverted; and
- (2) A statement of the potential impact of the proposed diversion on the volume of water in the affected HUC-11 watershed that will be available for future diversions.

iii. No application for which notice pursuant to (d)9i or ii above is required shall be deemed complete until proof that the requisite notice that has been given is received.

## HIGHER EDUCATION

### (a)

#### HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY

#### Primary Care Practitioner Loan Redemption Program

#### Proposed Readoption with Amendments: N.J.A.C. 9A:16

Authorized By: Higher Education Student Assistance Authority, Christy Van Horn, Chairperson.

Authority: N.J.S.A. 18A:71C-32 et seq.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2022-109.

Submit written comments by November 5, 2022, to:

Marnie B. Grodman, Esquire  
 Administrative Practice Officer  
 Higher Education Student Assistance Authority  
 PO Box 545  
 Trenton, NJ 08625-0545  
 Email: [Regulations@hesaa.org](mailto:Regulations@hesaa.org)

The agency proposal follows:

#### Summary

The Higher Education Student Assistance Authority (Authority) proposes to readopt N.J.A.C. 9A:16 governing the Primary Care Practitioner Loan Redemption Program (“PCPLRP” or “Program”). Pursuant to N.J.S.A. 52:14B-5.1, this chapter was scheduled to expire on August 4, 2022. In accordance with N.J.S.A. 52:14B-5.1.c(2), the filing of this notice of proposal with the Office of Administrative Law prior to August 4, 2022, extended that date 180 days to January 31, 2023.

The Authority has reviewed the rules and determined that they continue to be necessary, reasonable, and proper for the purpose for which they were originally promulgated. The rules proposed for readoption with amendments will continue to provide the Authority with the ability to administer the Primary Care Practitioner Loan Redemption Program in an efficient and economic matter. Pursuant to N.J.S.A. 18A:71C-48, the Authority is statutorily responsible for the administration of the PCPLRP and for the promulgation of all rules to that effect. To ensure the continued efficient administration and operation of this program, the Authority is proposing the readoption of this chapter with amendments, all of which are summarized below.

Subchapter 1 sets forth the general provisions of the Program, explaining that the Program provides for the redemption of eligible

student loan expenses of its participants in exchange for a specified period of service in medically underserved areas and defining words and terms used in the chapter. The proposed amendment at N.J.A.C. 9A:16-1.2 clarifies that a site that does not accept Medicare, Medicaid, or Medicaid Managed Care plans can meet the definition of “approved site,” if that site provides its services free of charge. Additionally, the Commissioner of the Department of Health has defined psychiatry as an area of medicine that meets the definition of primary care. Therefore, the proposed amendment at N.J.A.C. 9A:16-1.2 also adds psychiatry to the regulatory definition of “primary care.”

Subchapter 2 sets forth the Program requirements. This subchapter includes the eligibility provisions, application, and selection requirements for participants, terms, and procedures for loan redemption, and conditions and allocation of funds in the event of cancellation of the contract and termination of an individual’s participation in the Program.

N.J.A.C. 9A:16-2.1(a)3 requires participants to agree to practice primary care at an approved site. The proposed amendment at N.J.A.C. 9A:16-2.1(a)3 explains that the terms of the agreement are specified at N.J.A.C. 9A:16-2.3. Proposed new N.J.A.C. 9A:16-2.1(a)5 clarifies that participants who have already received the maximum amount of qualifying loan payments through the Program are not eligible to reapply for additional loan redemptions. Together, the proposed amendments at N.J.A.C. 9A:16-2.2(d) and new (f)3 provide an avenue for applicants who are owners of a medical practice to be eligible participants, while also protecting the integrity of the Program. To ensure an applicant’s suitability for the Program, the rules generally require that an authorized official from the approved site submit a letter to the Authority recommending continuation of the participant’s placement. As it is not a best practice for a participant to self-certify as to their own suitability, proposed new N.J.A.C. 9A:16-2.2(f)3 requires that participants who are owners of their placement site must submit supporting documentation demonstrating both their suitability for the program and that of the placement site. The Executive Director will specify the necessary documentation, based on the type of primary healthcare the applicant provides. To ensure the practice is sustainable, the proposed amendment at N.J.A.C. 9A:16-2.2(d) specifies that the site must have operated for a minimum of two years prior to the applicant’s application for the Program, if the applicant is an owner of the approved site at which the applicant requests to be placed.

Proposed new N.J.A.C. 9A:16-2.3(f) explains how the loan redemption amount accounts for accrual of interest if the outstanding balance on qualifying loans are less than the maximum loan redemption amount that the Program provides. To ensure loan redemption payments are efficiently paid, the proposed amendment at N.J.A.C. 9A:16-2.4(c) provides that the payments are made directly to the lending institution, not jointly to the participant and the lending institution. The proposed amendment further specifies that if a program participant is entitled to prorated interest amounts pursuant to N.J.A.C. 9A:16-2.3(f) and submits documentation to substantiate that all qualifying loans have been paid in full, then the prorated amount will be paid directly to the participant.

Proposed new N.J.A.C. 9A:16-2.6(d) requires participants to submit their documentation to receive the annual redemption within 60 days of written request for the documents by the Authority. If participants do not submit the documentation within the required timeframe, they will be deemed to have terminated their program participation. Terminating participation of practitioners who do not follow through on completing the required paperwork within a reasonable timeframe will enable the Authority to unencumber the funds allotted to that practitioner and make those funds available to other applicants.

As the Authority has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5.

#### **Social Impact**

The rules proposed for re adoption with amendments govern the administration of the PCPLRP, the purpose of which is to increase and improve the provision of primary health service in those areas of the State that are currently medically underserved. To encourage service in these areas and improve primary care services offered to many New Jersey residents, on an annual basis the State redeems a portion of the educational

loans of primary care practitioners. The rules proposed for re adoption with amendments establish the criteria for eligibility and the procedures to redeem participants’ student loans. In addition to providing technical updates, the proposed amendments provide clarity on the application and certification process. The rules proposed for re adoption with amendments positively impact participants by providing guidance on how to redeem a portion of their student loans. The rules proposed for re adoption with amendments also positively impact State residents who live in medically underserved areas by helping to ensure that they have access to primary health care.

#### **Economic Impact**

The rules proposed for re adoption with amendments do not represent any new cost factors for the State. The current appropriation for this program is \$1.5 million, of which 25 percent is allocated to the separate Nursing Faculty Loan Redemption Program, pursuant to N.J.S.A. 18A:71C-58.

#### **Federal Standards Statement**

A Federal standards analysis is not required since the rules proposed for re adoption with amendments are not subject to any Federal requirements or standards, with the exception of those governing health care practitioners’ student loan redemptions using Federal funds provided to the State through a matching grant, pursuant to the Public Health Services Act, 42 U.S.C. § 254q-1. The rules governing the Program are consistent with, and do not exceed, the terms and conditions of contracts under the Public Health Services Act; therefore, a Federal standards analysis is not required.

#### **Jobs Impact**

The rules proposed for re adoption with amendments will not result in the loss or generation of jobs. The rules proposed for re adoption with amendments, which establish criteria for eligibility and application, as well as the procedures for loan redemption, provide information and incentives for participation in the Program that may facilitate employment opportunities in the health care field.

#### **Agriculture Industry Impact**

The rules proposed for re adoption with amendments will have no impact on the agriculture industry.

#### **Regulatory Flexibility Analysis**

Approximately 50 percent of the placement sites in the Program are small businesses, as defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. Therefore, a regulatory flexibility analysis is required.

The purpose of the Program is to promote the availability of primary medical and dental services for New Jersey residents who live in medically underserved areas by providing primary health care practitioners with a student loan redemption benefit as an incentive to practice in designated areas of the State. This benefit is available only to eligible applicants at an approved medical or dental practice, which has the effect of assisting such practices in recruiting and hiring qualified primary care practitioners. The number of medical and dental practices that apply to participate in the Program while meeting the definition of a small business has remained relatively stable each year. The participation of smaller practices benefits both the practice and the New Jersey residents who live near the practice, and the proposed amendments will increase Program accessibility for practices where the participant is an owner. Thus, the proposed amendments will offer new benefits to small businesses, as many practices where the Program participant is an owner are anticipated to meet the definition of small businesses.

The requirements imposed pursuant to the rules proposed for re adoption with amendments are described in the Summary above. The reporting requirements contained in the rules are fair and equitable, regardless of the size of the medical or dental practice. To minimize any adverse economic impact on small businesses, the reporting requirements are limited to data that practices are required to maintain, pursuant to State, Federal, and industry best practices.

#### **Housing Affordability Impact Analysis**

The rules proposed for re adoption with amendments will have an insignificant impact on the affordability of housing in New Jersey. There is an extreme unlikelihood that the rules proposed for re adoption with

amendments would evoke a change in the average costs associated with housing because the rules proposed for readoption with amendments concern redemption of student loans in exchange for service by primary care practitioners in underserved areas, which has no impact on housing.

**Smart Growth Development Impact Analysis**

The rules proposed for readoption with amendments will have an insignificant impact on smart growth and there is an extreme unlikelihood that the rules would evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey. The rules proposed for readoption with amendments concern redemption of student loans in exchange for service by primary care practitioners in underserved areas, which has no impact on housing production.

**Racial and Ethnic Community Criminal Justice and Public Safety Impact**

The Authority has evaluated this rulemaking and determined that it will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Accordingly, no further analysis is required.

Full text of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 9A:16.

Full text of the proposed amendments follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 1. GENERAL PROVISIONS

9A:16-1.2 Definitions

The following words and terms, when used in this chapter, shall have the following meaning unless the context clearly indicates otherwise.

“Approved site” means a site located within a [State designated] **State-designated** underserved area or a health professional shortage area, or a clinic which is part of the extramural network of dental clinics established by the Rutgers School of Dental Medicine of the Rutgers Biomedical and Health Sciences, or a site that has been determined by the Higher Education Student Assistance Authority, in consultation with the Department of Health, to serve medically underserved populations according to criteria determined by the Authority, including:

1.-2 (No change.)

3. Sites must accept Medicare, Medicaid, Medicaid Managed Care plans, **unless they provide services free of charge**;

4.-6 (No change.)

...  
 “Primary care” means the practice of family medicine, general internal medicine, general pediatrics, general obstetrics, gynecology, pediatric dentistry, general dentistry, public health dentistry, **psychiatry**, and any other areas of medicine or dentistry defined as such by the Commissioner of Health. Primary care also includes the practice of a nurse-practitioner, certified nurse-midwife, and physician assistant as defined by the U.S. Department of Health and Human Services regulations at 42 CFR Part 62.  
 ...

SUBCHAPTER 2. PROGRAM REQUIREMENTS

9A:16-2.1 Eligibility

(a) To be eligible for participation in the program, an applicant must:

1.-2. (No change.)

3. Agree to practice primary care at an approved site, **pursuant to the terms specified at N.J.A.C. 9A:16-2.3**;

4. Not be in default on any eligible qualifying loan; [and]

**5. Not previously have been selected for participation in the program and received the maximum amount of qualifying loan repayment through the program; and**

[5.] **6.** (No change in text.)

9A:16-2.2 Application and selection procedures

(a)-(c) (No change.)

(d) The Executive Director, in consultation with the Commissioner, shall match eligible applicants to [State designated] **State-designated** underserved areas. **If an applicant is the owner of the approved site at**

**which the applicant requests to be placed, the site must have operated for a minimum of two years prior to the program participant’s application for the program.**

(e) (No change.)

(f) At the completion of each program participant’s probationary period, a primary care staff member at his or her approved site, or in the case of a clinic which is part of the extramural network of dental clinics established by the Rutgers School of Dental Medicine of the Rutgers Biomedical and Health Sciences, the director of the clinics and the vice-dean of the dental school, or whomever is serving in that capacity, shall submit to the Executive Director a recommendation of either the continuation of the program participant’s placement, a change of placement, or the program participant’s unsuitability for the program.

1.-2. (No change.)

**3. In the event the participant is an owner of the approved site, in lieu of a letter of recommendation, the participant must submit supporting documentation, as requested by the Executive Director, demonstrating their suitability for the program and the placement site. The Executive Director shall take such documentation into consideration in determining the participant’s final acceptance into the program.**

(g)-(h) (No change)

9A:16-2.3 Terms of contract and loan redemption

(a)-(e) (No change.)

**(f) If the program participant’s total loan amounts equal less than \$120,000, or the maximum amount authorized by the Federal government, whichever is greater, a prorated amount of interest costs for the loan will be added to each annual payment. Other than the prorated interest costs, loan repayments cannot exceed the outstanding balance on qualifying educational loans at the time of payment.**

9A:16-2.4 Procedure for loan redemption

(a)-(b) (No change.)

(c) The Executive Director shall authorize payment to a program participant for that portion of his or her indebtedness to be forgiven as specified in his or her contract. Checks shall be made payable [jointly] to [the program participant and] the lending institution designated by the participant to [insure] **ensure** proper application of the payment to eligible indebtedness as defined [in] at N.J.S.A. 18A:71C-32 et seq. **If a program participant is entitled to pro-rated interest amounts, pursuant to N.J.A.C. 9A:16-2.3(f), and submits documentation to substantiate that all qualifying loans have been paid in full, then the prorated amount will be paid directly to the participant.**

9A:16-2.6 Termination by participant prior to completion of contractual service requirements

(a)-(c) (No change.)

**(d) A program participant’s failure to complete the procedures required at N.J.A.C. 9A:16-2.4 to receive the loan redemption within 60 days of written request for the required documents by the Authority will be deemed to have terminated program participation.**

**CORRECTIONS**

**(a)**

**THE COMMISSIONER**

**Close Custody**

**Proposed Readoption with Amendments: N.J.A.C. 10A:5**

Authorized By: Victoria L. Kuhn Esq., Commissioner, Department of Corrections.

Authority: N.J.S.A. 30:1B-6 and 30:1B-10.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2022-115.