

41 N.J.R. 3885(a)

NEW JERSEY REGISTER
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VOLUME 41, ISSUE 20

ISSUE DATE: OCTOBER 19, 2009

RULE PROPOSALS

**HUMAN SERVICES
DIVISION OF MENTAL HEALTH SERVICES**

41 N.J.R. 3885(a)

Proposed Readoption: [N.J.A.C. 10:10](#)

[Click here to view Interested Persons Statement](#)

**Community Mental Health and Developmental Disability Services
Investment**

Authorized By: Jennifer Velez, Commissioner, Department of Human Services.

Authority: [N.J.S.A. 30:4-177.53](#) et seq., specifically 30:4-177.58.

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

Proposal Number: PRN 2009-312.

Submit comments by December 18, 2009 to:

Lisa Ciaston, Esquire
Legal Liaison
Division of Mental Health Services
P.O. Box 727
Trenton, New Jersey 08625-0727

The agency proposal follows:

Summary

Pursuant to N.J.S.A. 52:14B-5.1c, [N.J.A.C. 10:10](#), Community Mental Health and Developmental Disability Investment, expires on March 11, 2010. The Department of Human Services (the Department) has reviewed this rule and has determined that it remains necessary, adequate, reasonable, proper and responsive for the purposes for which it was originally promulgated.

The purpose of the Community Mental Health and Developmental Disability Services

Investment Act, [N.J.S.A. 30:4-177-53](#) et seq. (Act), is to ensure that as expenditures for State inpatient resources are reduced, additional funding is invested in community-based mental health services and community-based services for persons with developmental disabilities. The scope of both the Act and these rules extends to the Department's Division of Developmental Disabilities and the Division of Mental Health Services.

In accordance with the Act, these rules provide that all proceeds from the sale of facility property of the Division of Developmental Disabilities or the Division of Mental Health Services, net the costs of marketing and disposal of the property, are to be held in a separate account and used for the establishing or funding of community mental health and developmental disability services. In addition, when a Division of Developmental Disabilities or Division of Mental Health Services facility's residential capacity is reduced by 50 percent or more, the funds realized from such a reduction in capacity shall be used to support the individuals who formerly resided at the facility and have been moved to community mental health and developmental disability services. Alternatively, when the amount of funds realized by such a reduction is not required for community developmental disability services, the funds shall be used to provide for services for those individuals on the Division of Developmental Disabilities waiting list for services, and when the amount of funds realized by such a reduction is not required for individuals formerly residing at the psychiatric hospital, the funds shall be used by the Division of Mental Health Services to improve and enhance community mental health services.

As the Department has provided a 60-day comment period for 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.

Since the last promulgation of [N.J.A.C. 10:10](#), the Department has monitored the provision of developmental disability services and community mental health services throughout the State and has collaborated with professionals in updating and clarifying regulatory language with the goal of improving its rules. Recently, the Department decided that additional input from the provider, family and consumer communities would further enhance the quality of these rules. To allow sufficient time for continued collaboration, the Department is seeking to propose [N.J.A.C. 10:10](#) without amendments at this time. After consultation with and consideration of input from the provider, family and consumer communities, the Department will propose substantive amendments to [N.J.A.C. 10:10](#).

Social Impact

The rules proposed for readoption without change will allow continuation of the goals of this program, which is to increase the level of services provided to clients of the Division of Developmental Disabilities and the Division of Mental Health Services in the community, as well as to provide services to a larger number of clients. The actual number of clients to whom services will be increased will vary based on the value of the land sold in any given fiscal year and/or the cost of services purchased for the specific clients with specific needs. It is expected that the community will continue to have a very positive reaction to the rules in that the rules provide for implementation of improved and increased community services for clients.

The impact of these rules proposed for readoption will continue to be positive. In accordance with the legislation, these rules enable the Department to better meet

the ongoing need for community services for clients of the Division of Developmental Disabilities and the Division of Mental Health Services. The result will be that more clients will be served and clients currently receiving services will have more available services from which to choose. These rules ensure that additional funding is invested in community-based mental health services and community-based services for persons with developmental disabilities as expenditures for State inpatient resources are reduced as a result of land sales. The rules do not directly relate to the general subject area of possible facility closure or any concerns relating thereto.

Economic Impact

The Department does not anticipate that the rules proposed for readoption without change will result on any negative economic impact. In fact, since State funds will be spent in the local New Jersey communities, there should be a positive economic impact in terms of real estate, construction and employment. The availability of funding for additional services will, of course, have a positive impact on the Department's clients. The funding generated should enhance, rather than replace, any existing funding streams.

Federal Standards Statement

A Federal standards analysis is not required because the rules proposed for readoption without change are not subject to any Federal requirement or standard.

Jobs Impact

The rules proposed for readoption without change will not generate or cause the loss of any jobs, but they may generate additional jobs in the community where funding will be invested in community-based services.

Agriculture Industry Impact

The rules proposed for readoption without change will have no impact on agriculture in the State of New Jersey.

Regulatory Flexibility Statement

The rules proposed for readoption without change have been reviewed with regard to the Regulatory Flexibility Act, [N.J.S.A. 52:14B-16](#) et seq. These rules impose no reporting, recordkeeping or other compliance requirements on small businesses. Therefore, a regulatory flexibility analysis is not required. These rules concern the sale of Department facility property and not the property of any private business establishments.

Smart Growth Impact

The rules proposed for readoption without change will have no impact on the achievement of smart growth and the implementation of the State Development and Redevelopment Plan.

Housing Affordability Impact

The rules proposed for readoption without change will have an insignificant impact on

affordable housing in New Jersey and there is an extreme unlikelihood that the rules would evoke a change in the average costs associated with housing because the rules the sale of Department facility property and not the property of any private business establishments.

Smart Growth Development Impact

The rules proposed for readoption without change 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 because the rules pertain to the sale of Department facility property and not the property of any private business establishments.

Full text of the propose readoption may be found in the New Jersey Administrative Code at [N.J.A.C. 10:10](#).