

CHAPTER 146

AN ACT permitting certain non-profit housing entities to join together with housing authorities or with other non-profit housing entities for certain insurance purposes, and supplementing P.L.1983, c.372 (C.40A:10-36 et seq).

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

C.40A:10-36.3 Definitions relative to non-profit housing entities and joint insurance funds.

1. a. For the purposes of P.L.2004, c.146 (C.40A:10-36.3) a “non-profit housing entity” means an organization that provides housing meeting the low and moderate income limits established by the United States Department of Housing and Urban Development, if that organization is organized as a not-for-profit entity or as a limited partnership, in a low or moderate income housing project that has as its general partner a not-for-profit entity that has as its primary purpose the construction, rehabilitation or management of housing projects for occupancy by persons of low and moderate income.

b. A non-profit housing entity shall be deemed a local unit for the purposes of P.L.1983, c.372 (C.40A:10-36 et seq.) if it chooses to establish or join a joint insurance fund, pursuant to P.L.1983, c.372 (C.40A:10-36 et seq.), that is comprised of either non-profit housing entities or housing authorities or a combination thereof. Such joint insurance funds shall not have as its members local units that are municipalities, counties, boards of education, or fire districts.

c. Notwithstanding any provision of law to the contrary, a joint insurance fund established pursuant to P.L.1983, c.372 (C.40A:10-36 et seq.) that includes non-profit housing entities as members shall not join together with other local units, as otherwise provided in section 1 of P.L.1983, c.372 (C.40A:10-36), for the purpose of providing contributory or non-contributory group health insurance or group term life insurance, or both, to employees or their dependents or both.

d. Notwithstanding any provision of law to the contrary, a joint insurance fund established pursuant to P.L.1983, c.372 (C.40A:10-36 et seq.) that includes non-profit housing entities as members may participate in joint insurance funds:

- (1) where the membership is exclusively comprised of other joint insurance funds and whose purpose is to provide excess levels of coverage;
- (2) where the membership is exclusively comprised of other joint insurance funds and whose purpose is to accept the transfer of residual claims liabilities; or
- (3) whose purpose is to provide environmental impairment liability insurance.

e. A joint insurance fund that has as its members non-profit housing entities shall operate pursuant to the provisions of P.L.1983, c.372 (C.40A:10-36 et seq.).

2. This act shall take effect immediately.

Approved September 14, 2004.