

Overview of New Enforcement Authority Law P.L. 2025, c.280

New Jersey Human Services'
Office of Program Integrity and Accountability
& Division of Developmental Disabilities

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Agenda

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Guiding Principles

- People receiving services must be protected, respected, and supported in safe environments.
- Families, guardians, staff, providers, advocates, and the public all have a role in recognizing and reporting concerns as well as supporting safe, high-quality services.
- Accountability, documentation, corrective action, and follow-through are paramount and must be fostered for success.

Implementation Plan

- [P.L. 2025, c. 280](#) creating provider penalties was enacted on January 18, 2026, and takes effect the first day of the six month following enactment, July 1, 2026.
- Human Services intends to promulgate formal regulatory guidance, but that process may take more than a year.

Implementation Plan

- Recognizing the critical importance of this law, DHS is taking the following actions to implement the law in the interim:
 - In Summer 2026, Human Services will publish a notice outlining the parameters of penalties and will share this draft guidance with stakeholders to gather feedback before it is finalized.
 - To provide consistency and predictability, fines and penalties will be issued in alignment with that finalized guidance and then updated, if needed, once regulations are adopted. This finalized guidance will also be released in Summer 2026.
 - Because the law becomes effective July 1, any instance of provider noncompliance occurring on or after that date will be subject to penalties in accordance with the law retroactively.
 - Special Note: The provision of the law relating to termination of DDD authorized providers ([Section m of P.L. 2025, c.280](#)) will be deferred until the regulations are promulgated.

Implementation Plan

- This phased approach will allow providers and stakeholders time to review and comment on the guidelines while allowing DHS to begin implementation of the law.
- Implementing the policy now, with structured feedback along the way, will help us refine and strengthen the final regulations.

Overview of P.L. 2025, c.280

- The law:
 - Strengthens Human Services enforcement authority for services supporting adults with intellectual and developmental disabilities (IDD).
 - Adds administrative and financial penalties to existing enforcement tools.

The law applies to:

- Licensed residential providers and community-based day habilitation programs for adults with IDD.
- All DDD/Medicaid Approved service providers.
- Any person, firm, partnership, corporation, or association operating without required licensure or certification.

Overview of P.L. 2025, c.280

- Penalties will now be imposed in addition to existing enforcement tools (warnings, licensing actions, admissions suspension, and Quality Management Team (QMT) assignment).
- Penalties will be imposed for the following violations:
 - Operating a program without a required license or certification.
 - Employing staff who appear on disqualifying registries.
 - Failure to complete required initial and bi-annual background checks.
 - Certain substantiated findings of abuse, neglect, exploitation, and administrative neglect.
 - Failure to complete internal investigations or submit plans of correction.
 - Failure to report abuse, neglect, or exploitation.
- The law also authorizes DDD to terminate a provider for noncompliance with any provision of the law or DDD requirements and policies. Special Note: This portion of the law ([Section m of P.L. 2025, c.280](#)) will be deferred until the regulations are promulgated.

Financial Penalty Provisions

This section will provide background on existing requirements and the penalty structure for violations as specified in [P.L. 2025, c.280](#)

Background on Licensure Requirements

- Operating a residential setting without a required license is a violation subject to financial penalties.
- A license is required when:
 - One or more individuals in the setting require personal guidance per [N.J.A.C. 10:44A](#);
 - Is/are enrolled on the Community Care Program (CCP); and
 - The setting is provider managed, meaning one provider coordinates all services in the home.
- Based on available information, unlicensed residential settings are assessed to determine if licensure is required.
- When it is determined that a setting requires licensure, the Department works with providers to come into compliance and coordinates with impacted individuals and guardians.

Penalty Structure for Operating without Required License Under P.L. 2025, c.280

- 1st Offense: Written warning.
- 2nd Offense: Financial penalty of up to \$10,000.
- 3rd and Subsequent Offenses: Financial penalty of up to \$10,000

Background on Day Habilitation Certification Requirements

- Operating a day habilitation program without the required certification is a violation subject to financial penalties.
- Certification is required in settings that meet the Day Habilitation Service Definition as described in DDD's [Community Care Program](#) and/or [Supports Program Manual](#) Section 17 (Service definitions are identical in both manuals).
 - Services that provide education and training to acquire the skills and experience needed to participate in the community, consistent with the participant's Service Plan. This may include activities to support participants with building problem solving skills, self-help, social skills, adaptive skills, daily living skills, and leisure skills. Activities and environments are designed to foster the acquisition of skills, building positive social behavior and interpersonal competence, greater independence and personal choice. Services are provided during daytime hours and do not include employment-related training. Day Habilitation may be offered in a center-based or community-based setting.

Enforcement of Day Habilitation Certification Requirements

- Based on available information, uncertified settings are assessed to determine if certification is required.
- When it is determined that a setting requires certification, the Department works with providers to come into compliance and coordinates with impacted individuals and guardians.
- If you are unsure Certification applies to your program, please contact DDD-WQU@dhs.nj.gov

Penalty Structure for Operating without Required Certification Under P.L. 2025, c.280

- 1st Offense: Written warning.
- 2nd Offense: Financial penalty of up to \$10,000.
- 3rd and Subsequent Offenses: Financial penalty of up to \$10,000.

Background on Provisional Licenses & Financial Penalty Structure

- Licensed residential programs are inspected annually by OPIA.
- Programs that fail to pass an annual inspection are issued a provisional license.
- Under [P.L. 2025, c. 280](#), a licensed provider issued a second consecutive provisional license for the same licensed location is subject to a financial penalty up to \$10,000.
- NOTE: This violation is separate from operating without a required license or certification.

Why Licensure and Certification Matter

- Licensure and certification help ensure that programs meet required health, safety, and operational standards.
- The public should expect services to be provided only in settings that meet applicable requirements.
- Concerns about unlicensed residential settings should be reported through the DHS Office of Licensing DHS.OOL@dhs.nj.gov.
- Concerns about uncertified day habilitation programs should be reported through the DDD Waiver Quality Unit at DDD-WQU@dhs.nj.gov.
- Self-identification and correction of issues before enforcement action is always preferable.

Employing or Failing to Remove Staff Who Appear on the Central Registry of Offenders (CRO)

- Providers are prohibited from hiring or retaining a person placed on the Central Registry of Offenders under [N.J.S.A. 30:6D-73 et seq.](#)
- The Central Registry of Offenders (CRO) Against Individuals with Developmental Disabilities helps ensure the safety of individuals with developmental disabilities by identifying caregivers who have been determined to have abused, neglected, or exploited individuals in their care.
- A person included on the CRO may not be employed by an entity that provides services to individuals with IDD.
- Prompt compliance with Employment Controls and Compliance Unit (ECCU) requests is expected.
- Penalty structure under [P.L. 2025, c. 280](#): Monetary penalty up to \$10,000.

Employing or Failing to Remove Staff on DCF's Child Abuse Registry

- Providers are prohibited from hiring or retaining a person included on the Child Abuse Registry under [N.J.S.A. 9:6-8.11](#).
- The Child Abuse Record Information (CARI) is a confidential registry of people against whom DCF or family court has made a finding of child abuse or neglect.
- Provider agencies must ensure that no employee is included on DCF's Child Abuse Registry under [N.J.S.A. 30:6D-77 et seq.](#)
- CARI restrictions apply to every employee of the agency.
- Prompt compliance with ECCU requests is expected.
- Penalty structure under [P.L. 2025 c. 280](#): Monetary penalty up to \$10,000.

Required Criminal History Background Checks

- Providers are required to conduct initial and biannual criminal history background checks under [N.J.S.A. 30:6D-64](#).
- Checks are required for each employee and agency head.
- Agencies may not pay or contract for employees who are disqualified under the Act.
- Missing criminal history background checks may be identified by various DHS units.
- Provider employees without a background check must be removed from duties until they are cleared.
- Bi-Annual rechecks are required (Archiving Process) for each employee.

Penalty Structure for Failure to Conduct Required Criminal History Background Checks Under P.L. 2025, c.280

- 1st offense: Corrective Action Plan (CAP) as determined by DHS.
 - Providers may be required to submit a current employee roster for verification of criminal history background checks.
- 2nd Offense: Prohibited from accepting transfers and admissions until requirements are met.
- 3rd and Subsequent Offenses: Financial penalty of up to \$10,000 per criminal history record background check that is not completed.

Required Controlled Substance Drug Testing

- Providers are required to meet all controlled substance drug testing requirements under The Stephen Komninos' Law, [P.L.2017, c.238](#).
- A person applying for employment as a direct care staff member at a DHS licensed or funded program, facility, or living arrangement must consent to and undergo drug testing for controlled dangerous substances as a condition of employment.
- Anyone refusing testing cannot be considered for employment.
- An applicant who tests positive for unlawful use of any controlled dangerous substance cannot be considered for employment.
- All current employees are subject to random and for-cause testing.

Enforcement of Controlled Substance Drug Testing Requirements

- Providers are required to perform random drug testing quarterly.
- DHS tracks random drug testing each quarter.
- More details can be found on the OPIA website:
 - <https://www.nj.gov/humanservices/opia/providers/employment-controls/drug-testing/>
 - <https://www.nj.gov/humanservices/opia/providers/employment-controls/drug-testing/random-testing.shtml>

Penalty Structure for Failure to Meet Controlled Substance Drug Testing Requirements Under P.L. 2025, c.280

- 1st Offense: Corrective Action Plan (CAP) as determined by DHS.
- 2nd Offense: Prohibited from accepting transfers and admissions until drug testing requirements are met.
- 3rd and Subsequent Offenses: Financial penalty of up to \$10,000.

Background Checks and Registries

- Criminal history background checks, CRO checks, CARI checks, and drug testing requirements are safeguards for people receiving services.
- Providers are expected to respond immediately to ECCU notifications and remove disqualified staff promptly.
- Required checks, results, notifications, removals, and follow-up actions must be documented.

Background on Internal Investigations and Penalty Structure

- DHS' [Administrative Order 2:05](#) requires providers to report incidents and complete investigation reports regarding allegations of abuse, neglect, and/or exploitation.
- Failure to conduct and submit a complete investigation report to DHS' Critical Incident Management Unit (CIMU) within 180 days, including all elements required by law, may result in penalties.
- Allegations of abuse, neglect, or exploitation must be thoroughly investigated and documented.
 - Per [Administrative Order 2:05](#), the 30 day timeline for initial submission remains.
- Penalty Structure under [P.L. 2025, c. 280](#): Financial penalty up to \$10,000 for each internal investigation the provider fails to conduct.

Required Investigation Report Elements

- The investigation must be completed by an impartial person who was not directly involved in the incident.
- The report must include interviews and interview summaries for all alleged victims, alleged perpetrators, witnesses, and collateral contacts.
- The report must include a summary of physical and documentary evidence.
- The report must include findings for each allegation, alleged victim, and alleged perpetrator.
- The report must include justification for each finding.
- The report must document completion of the investigation.

Required Investigation Report Elements

- Legal guardians must be notified at the onset of an abuse, neglect, or exploitation investigation.
 - Investigation notification is separate from initial incident notification.
- Once the incident is closed by the Critical Incident Management Unit (CIMU), written communication to the guardian must include the investigation outcome; including findings, summaries, and actions taken.
- Evidence of guardian notification must be submitted at the completion of the investigation.

Penalty Structure for Findings Substantiated by the Office of Investigations

- Under [P.L. 2025, c. 280](#), a substantiated finding from the Office of Investigations (OI) may result in a financial penalty of up to \$25,000 per offense.
- Covered findings include:
 - Administrative neglect that results in a moderate or major injury.
 - Abuse with a moderate injury.
 - Abuse with a major injury.
 - Neglect with a moderate injury.
 - Neglect with a major injury.
 - Exploitation over \$100.

Background on Plans of Correction and Penalty Structure

- If the Office of Investigations (OI) identifies deficiencies or violations a provider is directed to develop a plan of correction (POC).
- The POC must be submitted to DDD upon completion of an investigation closed by OI and must address all substantiated allegations and any related concerns.
- Providers must respond promptly to all DDD POC requests within the established timeframes.
- Corrective actions must be implemented by the provider and are subject to verification by DDD.
- Penalty Structure under [P.L. 2025, c.280](#): Failure to submit a comprehensive POC is subject to a monetary penalty of up to \$10,000.

Why Investigations Matter

- Individuals with IDD are vulnerable to mistreatment.
- To ensure the health, safety and well-being of individuals.
- To protect individuals from abuse, neglect and exploitation.
- To identify systemic concerns and mitigate risk.
- To prevent future incidents.

Background on Quality Management Teams (QMT)

- A Quality Management Team (QMT) is a DHS-led oversight process used when a provider presents serious, recurring, or systemic concerns affecting the health and safety of individuals served, compliance, quality, and/or fiscal integrity.
- The QMT provides a structured process for identifying concerns, requiring a Quality Improvement Plan (QIP), monitoring progress, imposing or modifying remedial actions, escalating unresolved issues, and determining when the QMT may close. The goal is to correct systemic problems and reduce risk while maintaining clear Department expectations and accountability.

Penalty Structure for Quality Management Team Assignments

- A QMT may be assigned to authorized providers who demonstrate chronic noncompliance with health, safety, or quality requirements across multiple locations or programs over an extended period.
- Penalty Structure under [P.L. 2025, c.280](#): QMT assignment may result in a financial penalty of up to \$5,000 every three months.
- The penalty may continue until the QMT determines that the provider has demonstrated improvement in the metrics or actions.

Penalty Structure for Failure to Report Abuse, Neglect, or Exploitation

- Current law requires that a person with reasonable cause to believe that an individual with a developmental disability has been subjected to abuse, neglect, or exploitation must report the same immediately to DHS by telephone or otherwise.
- These are considered “mandatory reporters” and include employees and volunteers of the DHS and any facility or program licensed, contracted, funded or regulated by DHS and are required to report allegations of abuse, neglect, or exploitation of any individual with an intellectual or developmental disability.
- Under [P.L. 2025, c.280](#), a person who fails to comply with reporting obligations is subject to a civil penalty of \$350 for each day that the abuse, neglect, or exploitation was not reported.
- This penalty is imposed against individuals who fail to report, not providers.

Additional Provisions of P.L. 2025, c.280

Additional Authority Established by P.L. 2025, c.280

- Nothing in the law supplants the Department's authority to take licensing action where applicable.
- DDD may terminate provider authorization for noncompliance with the act or any other DDD requirements and policies. Special Note: This portion of the law ([Section m of P.L. 2025 c.280](#)) will be deferred until the regulations are promulgated.
- The law lists the maximum penalty amounts. The actual penalty can be lower. When deciding the final penalty, the law requires the department to consider whether the provider has had a history or pattern of repeated violations; the provider's compliance with investigations and plans of correction; and whether the provider has taken adequate action to prevent future incidents.

Additional Authority Established by P.L. 2025, c.280

- The law also requires any monetary penalties collected pursuant to the act to be deposited into a new “Residential Facility Quality of Care Improvement Fund”. DHS shall use the funds to finance quality improvement initiatives, administrative, licensing, and regulatory actions taken by the department to implement the provisions of this act.

Next Steps

- Summer 2026
 - Release of draft guidance for public comment.
 - Review and integration of public comment, as applicable.
 - Release of guidance with retroactive enforcement back to July 1, 2026.
 - Training materials, as they become available, will be announced, distributed and posted on OPIA's website.
- Summer 2026 and beyond
 - Monitor implementation to inform formal rule making.
 - Complete formal rule making process which will include another opportunity for public comment.

Thank You

Please send questions and feedback to:

DHS-PenaltyInfo@dhs.nj.gov