

STATE OF NEW JERSEY

BUDGET



FISCAL YEAR 2008 - 2009

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February 26, 2008

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The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the State of New Jersey, for the Annual Budget beginning July 01, 2007.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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Together, we will set a

new course for New

Jersey. Together, we

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Governor's Message

JON S. CORZINE
GOVERNOR OF NEW JERSEY
TRANSMITTED TO THE FIRST ANNUAL SESSION
OF THE TWO HUNDRED AND THIRTEENTH LEGISLATURE
FEBRUARY 26, 2008

Good morning everyone. It's great to be with you today.

Reverend Clergy, Reverend Isinta, Rabbi Cooper, thank you for joining us today.

Senate President Codey, Speaker Roberts, Majority Leader Sweeney, Majority Leader Watson Coleman and Minority Leaders Kean and DeCroce, former Chief Justice Zazzali, Chief Justice Rabner, Judge Carchman. It's good to see you. Former Governors Byrne, Bennett, and, of course, Governor Codey, maybe you would like to trade places with me just for a couple of hours today? Thank you all for joining us.

Members of the legislature and fellow citizens. Today I present a sober and responsible budget. The time is long past for the State, its Governor, and its Legislature to end imprudent spending and borrowing that exceeds our means. This budget does just that.

As you know, over the past 6 weeks, I've held 13 town hall meetings in 13 counties regarding our State's fiscal challenges. It's been a great opportunity to listen as much as to talk. I have heard firsthand the public's frustration and anger generated by too many years of overspending, borrowing, and false rhetoric. And they're right. Whether they agree with my financial restructuring plan or not, the public is 100% right to be angry about the state of New Jersey's fiscal affairs.

Further, the public's concerns are elevated by their high cost of living and a gathering national economic recession. Yes, the public understands the State has a fiscal crisis but they want us to understand they have one of their own. It is with this perspective that I present a sobering budget for fiscal 2009, a budget, I believe, that represents a "turning point" in the fiscal management of our State, a turning point away from the patterns of overspending and tortured borrowing.

A turning point toward spending restraint and spending cuts that genuinely address our financial emergency. That said, this budget still labors under the weight of years of unfunded commitments, court mandates, bad decisions, and declining federal dollars. Regrettably, taxpayers live in a world where commitments and failures of the past, crowd out the resources for services our people deserve today.

Frankly, New Jersey has a government its people cannot afford. This budget declares the time of living beyond our means is over. To limit and re-set our spending within our means requires many unpleasant choices, choices about which activities and services are most critical. It will inevitably mean reducing spending in areas that we all support.

I can tell you, I'm pained by the stress and anguish brought to our people's lives by the cuts proposed. We are positioned between a rock and a hard place. Some may try to wish away the hard choices, suggesting old habits should prevail. Others may deny that tough choices are being made, seeking to exploit the well-earned cynicism the public holds towards Trenton. Still others will seek scapegoats from the past, as if that will solve anything in the present, let alone in the future.

On reflection, I hope the representatives in this room know the difference between rhetoric and wishful thinking, as opposed to real choices and real answers. I call on each of you, Republicans and Democrats alike, to recognize that today a turning point is at hand. We must turn away from the era of spending and borrowing beyond our means once and for all.

In practical terms, failing to take on the tough choices will only force New Jersey into a deeper fiscal swamp and weigh down our taxpayers with more unbearable financial burdens. For me, that outcome is unacceptable. For our public, it is unacceptable.

GOVERNOR'S MESSAGE

To that purpose, today's budget is honestly balanced, sensitive to core responsibilities, and smaller by \$500 million in year-over-year spending. Let me repeat, this budget cuts spending \$500 million below the \$33.5 billion budget I signed last year.

In fact, this proposal asks for the second-largest spending cut of any budget in New Jersey history and only for the fourth time since 1951, the budget will be reduced compared to the budget signed in the previous year. It also reduces the use of one time revenues by 90% and puts us on track to zero, an outcome we will achieve next year.

This budget goes well beyond the commitment I made to freeze spending as the first element of my financial restructuring and debt reduction plan. This is "cold turkey" therapy for our troubled spending addiction. Keep in mind, this budget contains no debt service relief resulting from any monetization proposal.

Keep in mind this, my budget takes the necessary and painful steps to reconcile years of mismatch between recurring expenditures and recurring revenues by cutting spending. That's the headline, now let me put this budget and its spending cuts in context.

Consider, cuts must be achieved in the face of \$8 billion in current health care costs that are compounding at a nearly double digit rate. Consider, we carry the weight of twenty years of growing, unfunded pension contributions and post retirement medical benefits for teachers and public employees. Consider, we pay more for a growing debt service burden than we invest in either higher education or we provide in direct property tax relief. Consider, all of our spending is aggravated by State and federal court mandates and we must compensate for declining federal dollars for housing, environmental clean-ups, health care and public safety. And consider, this budget accommodates \$550 million in additional school aid that was approved on a bi-partisan basis for the historic new funding formula.

To achieve the cuts in this budget, we've changed the process. We started earlier. We set clear spending objectives for the departments. We sought the ideas and recommendations of independent groups. Most particularly, I want to thank the bi-partisan private sector members of the GEAR Commission. These individuals have worked since the Fall scrubbing operational and financial practices with our departments. Many of their recommendations are included in the proposal.

I am grateful for the hundreds of suggestions, I really am, from the public and organizations like the State Chamber of Commerce that have engaged in the broader financial restructuring dialogue. And I want to thank the bipartisan participants from the Legislature -- Senators Buono and O'Toole along with Assemblymen Greenwald and Malone for their counsel and review. Although we may not always agree, their partnership is truly appreciated.

And lastly, let me emphasize two points, they're important points. For the second year running, my budget contains no new taxes of any kind while it increases property tax relief. Now, given these observations, let me review the overall numbers.

When we began our planning process, we were facing mandatory and inflationary spending increases of nearly \$2.2 billion beyond expenditures in the current fiscal year. Our restructuring plan mandated flat funding, that is, fiscal year 08's level of \$33.5 billion. As I made the point, "flat funding" doesn't mean no cuts, "flat funding" meant cutting \$2.2 billion just to keep at last year's level.

However, in light of the ongoing economic downturn, revenues aren't even strong enough to support last year's expenditures. As a result, we have cut another \$500 million in the budget. The net result is a budget that spends just under \$33 billion, an absolute reduction of \$500 million.

To achieve those spending cuts, we began by prioritizing and protecting the core responsibilities of government: educating our children; providing for public safety; caring for the most vulnerable; and in New Jersey, sustaining property tax relief. After these priorities, all spending was on the cutting table.

So, how have we achieved our cuts? We cut thousands of jobs. We cut entire departments. We cut programs. We cut aid, and we cut inflationary increases wherever we legally or humanely could. In this budget, government takes the spending hit, not our hard-pressed taxpayers or the most vulnerable.

The cuts are detailed in the "Budget in Brief," but I'll give you an overview. This budget significantly reduces the size and cost of government. Spending is down in every department of the Executive Branch. As best we can tell, this is the first time this has ever occurred. In total, there are over \$350 million in savings directly attributable to a smaller State government.

Over the past two years, through attrition and an ongoing hiring freeze, we reduced the size of the State workforce by nearly 2,000 positions. With this budget we will have eliminated a minimum of 5,000 total government jobs, including half of all political appointees. We will eliminate these positions through targeted layoffs, program consolidations, continued attrition and an early retirement program. To ensure these reductions are permanent, we will eliminate funding for specific positions, not just leave them vacant.

Now we know from past experience, early retirement actions have achieved short-term savings but at a long-term cost. This has occurred mostly because most positions were backfilled, thereby doubling up retirement costs for the future.

To prevent that from happening, we will allow only 10 percent of the vacated positions to be backfilled and that will be written into law. All of the employees who will be included in the early retirement program are currently eligible we are simply giving those who can, an incentive to do so.

Eliminating positions through early retirement will allow us to shrink the size of government without creating the chaos under the civil services rules that would accompany across-the-board layoffs. The effect of these personnel reductions will create future savings as our departments are forced to re-prioritize their programs and activities. They will not only have to do more with less they'll undoubtedly have to do less.

Digging deeper, we will further reduce the size of government by proposing the elimination of three Cabinet departments: the Personnel Department; the Agricultural Department; and the Commerce Commission. The personnel and operational savings from these actions are not intended as one time sound bites. They are permanent. They will cut costs.

These actions will be monitored for savings by the State Comptroller and the GEAR Commission. These proposed initiatives to cut government build on last year's historic, negotiated agreements with civilian state employees and teachers. These agreements achieved breakthrough long-term savings and reversed years of benefit expansion authored by Governors and Legislators of both parties.

Consider, we raised the retirement age for new employees from 55 to 60. We increased pension contributions. We capped the defined benefit pension for new employees. We mandated for the first time state employees share in the cost of their health care. And we kept wage increases well inside the levy cap.

Now, we should work to apply these and additional reforms to all units of government and, we need to make certain the levy cap is considered by mediators and arbitrators in settlements imposed on local governments. We should also revisit some of the unfinished business from last year's special session on property tax reform such as eliminating defined benefit pensions for part time workers.

The next broad area for savings involves painful reductions in base-budget aid and grant programs. This includes some property tax rebates, municipal aid, higher education, hospital assistance and Medicaid. Cuts in these areas will total almost \$1.4 billion. These cuts are unavoidable as nearly 75 percent of all State spending is grant based or pass through aid.

In terms of property tax relief programs, 90 percent, I repeat, 90 percent of all homeowners who received a rebate last year will again. Those earning \$100,000 or less, 70 percent of all households, will receive exactly the same \$1,000-plus rebate they received last year. Those earning between \$100,000 and \$150,000 will receive at least two-thirds of last year's rebate.

We will also expand the eligibility for the senior freeze to an income level of \$75,000, helping another 150,000-plus of senior households. Unfortunately, residents earning more than \$150,000 will no longer be eligible for rebates. In addition, renter rebates will be narrowed while increases in special assistance rental vouchers partially offset this cut.

GOVERNOR'S MESSAGE

With regard to local aid, hospitals, higher education, and health care, we sought to minimize, retarget and share the burdens of cuts as responsibly as possible. For instance, while all categories of municipal aid will be reduced, communities with populations of less than 10,000 will receive less direct support. However, these communities will receive priority consideration for \$32 million in grants to develop shared services or consolidation agreements.

With regard to hospitals, across the board reductions are proposed, although we focus charity care increasingly toward safety net hospitals. We also create a stabilization fund as recommended by the Reinhardt Commission to assist hospitals in the most distress.

Higher education and health care, particularly Medicaid, will see the smallest reductions. This is because we carry grave concerns about the level of potential tuition hikes and the need to maintain access to health care for our most vulnerable.

Finally, this budget is shaped and balanced by two additional steps. The first is the elimination of all non-contracted inflationary growth for our various aid and grant programs. This will save about \$800 million dollars. Regrettably, many of the same institutions who will experience absolute cuts will lose inflationary increases.

Finally, we will reduce the use of accumulated surplus from the current fiscal year. Remember the higher-than-expected surplus was created by our ongoing managerial efficiencies and revenue growth that exceeds projections. Reducing the use of surplus will move us closer to the principle that current expenditures will be funded solely by current revenue.

As a point of comparison, in fiscal year 08 we used \$1.6 billion of surplus to balance the budget, in fiscal year 09 we will use only \$500 million. Of the remaining fiscal year 08 surplus, \$300 million will go to pre-fund early retirement and unfunded pension liabilities and \$34 million will go to fund selected capital investments. I expect this to be the last year we use any surplus to balance the budget.

So that's a quick overview of a very tough budget - I don't like it, I'm sure a lot of you don't, but again it is a necessity. Again, the details are in the "Budget in Brief."

Let me be clear, cutting spending is only the first step we must take to restore our fiscal health and put us in a position to be a sustainable partner in the success of our people. Current-year spending cuts makes balancing the budget next year and in the future easier, but it doesn't make it easy.

The financial restructuring I put forward had four elements because it will take more than spending cuts to cure the broken finances of our State. First, we have to get state spending under control and today I think we're doing just that. Second, future spending must match future recurring revenue. Third, out-of-control borrowing must end. And fourth, we must reduce our crushing debt load and fund infrastructure investments.

Now whether or not you agree with every element of my plan, there does appear to be agreement that these reforms are priorities. I understand that the toll proposal is not popular, boy do I understand. I didn't expect it to be, but as I have repeatedly said I am open to alternatives that will reduce debt and fund transportation.

But what is not acceptable and what we must reject is allowing the State to muddle through, with more of the same short-sighted fiscal patterns that created the mess in the first place. Those days are over.

Two years ago, I started an effort to put the State on a sound fiscal footing. This budget is the latest and most forceful step in that direction. It will not be the last. Even with the difficult \$2.7 billion in cuts in this budget, we project next fiscal year's budget to have a significant structural shortfall, approximately \$1.7 billion.

The borrowing and benefits committed to over the past twenty years don't go away. They get more expensive every year. In fact, debt service is one of the few things that actually goes up in my proposed budget. And it will go up in every budget in the future unless we do something different.

GOVERNOR'S MESSAGE

Some will argue that our debt burden isn't a problem that we should just deal with it some other day. But that's not an option. It's not a real option. It's clear debt service payments crowd out important priorities every year.

We should be cutting debt service, not closing parks or raising co-pays. Fixing our fiscal problems without addressing debt reduction is a fiction, and if we try to do that, we are misleading the public.

With these thoughts in mind, I need comprehensive action by all of you to restore the state's long term fiscal health: First, approve a budget that stays within the strict spending limits I have proposed. Second, pass legislation to limit growth in spending to certifiable recurring revenue. Third, put on the ballot this fall the Lance-Lesniak constitutional amendment to limit state borrowing. And fourth, work with me to develop a plan to pay down debt and fund vital capital investments.

I must say it is not enough to just reject the toll proposal. If you don't like that alternative, give me another viable approach to significantly reduce debt and fund important, vital transportation improvements. Many of you have begun that process. I welcome it.

When I was given the honor of serving as New Jersey's Governor, I made a commitment to be accountable and to be honest not just in my actions, but in the way I approached problems. Our state has spent too much money and we carry far too much debt.

These twin problems are a threat to the well-being of the people we serve. My financial restructuring plan is part of a much larger undertaking. I knew it would be challenging and at times unpleasant and it has fully lived up to my expectations. But it has been worth the effort.

To see the impact of the debate, the intense level of public discussion and involvement, and the alternatives that have been offered, we are now closer to financial stability – some might say sanity.

Now in closing, we often hear New Jersey is too expensive a place to live. We hear how our business climate has become uncompetitive and our residents are fleeing for greener or at least cheaper pastures. At the heart of these concerns lies New Jersey's broken finances.

Today, we can't make the investments that we all know we should make in transportation, alternative energy, mental health facilities, schools, and medical research. Just look at the missed opportunity in stem cell research. That research would not only save lives it would have potentially driven an economic boon for the medicine chest state of the world.

Unfortunately our finances are so broken, the public wouldn't support that investment. This must change, and this budget is a start. It's certainly not a budget designed to please, I can tell from the applause lines, but it is a prudent blueprint to meet difficult economic circumstances, correct past mistakes and it lays a foundation for a responsible future.

It doesn't spend more than we have. It doesn't borrow to pay operating costs. It doesn't raise taxes. It does contain the largest increase in school aid ever. It does preserve property tax relief for the middle class and it does protect the most vulnerable in our society. It meets the public's expectations that government live within its means.

Make no mistake, this is a turning point, not the end point. By itself, these cuts won't solve the problem. They can't. A long term answer requires deeper changes.

My friends in the next three months, let us come together let us come together in a bi-partisan demonstration of responsible governance and find the common ground to restore our state's fiscal viability.

NOTES

Together, we will set a
new course for New
Jersey. Together, we

Reader's Guide

Summarizes the many Departments, Agencies, and Organizations that comprise New Jersey State Government and includes a brief background statement on the history of New Jersey Government. Individual displays of the seventeen Executive Branch Departments can be found in the Department and Branch Recommendations section of this document.

This section of the Budget is designed to assist readers with interpreting and understanding the content of the Governor's annual budget proposal. Included are brief descriptions of the major sections of the Governor's Budget, a guide to reading the financial tables included in the budget summaries, and a brief description of New Jersey's budget process.

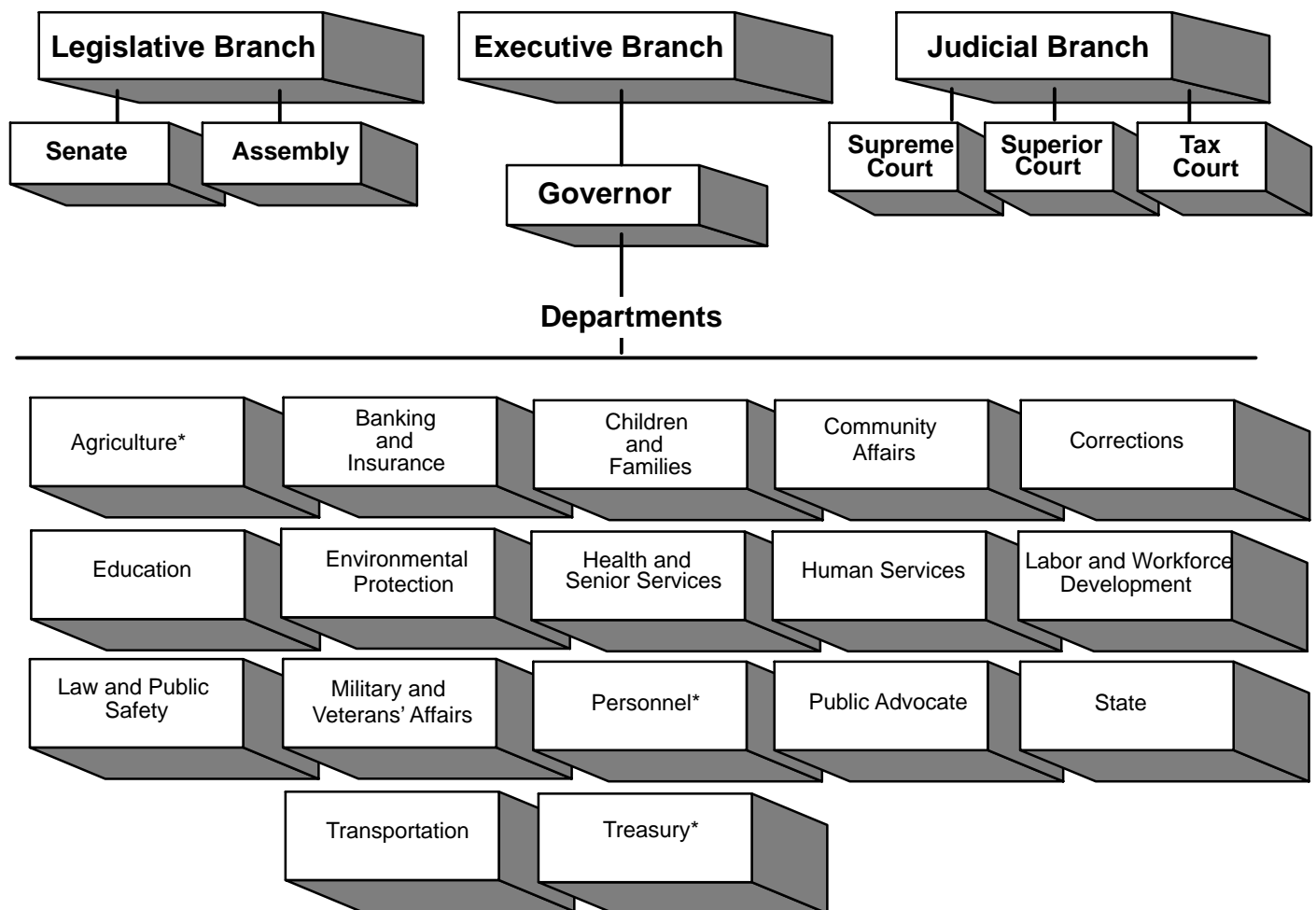


BACKGROUND

The State of New Jersey was one of the original thirteen colonies and was the third state to ratify the United States Constitution in 1787. New Jersey's governmental structure is similar to the federal model, with three separate branches of government: a Legislative Branch, a Judicial Branch, and an Executive Branch. The original State Constitution was adopted on July 2, 1776, and was subsequently superseded in 1844 and 1947.

The Constitution of the State requires a balanced budget and restricts State long-term borrowing to 1% of total appropriations, unless higher amounts are specifically approved by voters at a general election. Short-term borrowing to cover cash flow needs, provided such borrowing is repaid within the same fiscal year, is not prohibited by the Constitution and is authorized in the Annual Appropriations Act.

ORGANIZATION OF NEW JERSEY STATE GOVERNMENT



* In fiscal 2009, the functions of the Department of Agriculture, Department of Personnel, and the NJ Commerce Commission (which is in-but-not-of the Department of Treasury) are recommended for consolidation into other agencies.

READER'S GUIDE

HELPFUL INFORMATION IN THE GOVERNOR'S BUDGET

The information outlined below is designed to ease the reader's ability to navigate this document.

Significant Financial Policies

The key financial policies that guide the compilation of the Governor's Budget Message appear in this Reader's Guide.

Demographics

The Appendix section includes several charts that provide demographic information on projected population growth, dependency ratio projections for senior citizens and youth, and higher education attainment.

Glossary – Definition of Acronyms

The State Budget often includes acronyms that were heretofore undefined. The Glossary section of the Reader's Guide includes a definition of the more significant acronyms currently in use.

Budget Index

Typically, readers who are interested in information on a particular program or organization turn to the index at the back of this publication. Heretofore, the Budget index was limited to accounts totaling \$10 million or more, as well as major areas of spending such as departments, divisions, programs, and fund categories. In the Fiscal 2009 Budget, the index includes entries for:

All special revenue funds, trust funds, and capital project funds, including their analogous appropriations and budget language;

All accounts valued at \$3 million or more;

Index titles that place the most likely object of a reader's search at the front (e.g., "Pharmacy Services, Consulting");

Programs mentioned in previous Budget-in-Briefs but not in the index, as well as common program terms that differ from the title of corresponding appropriations (e.g., Charity Care)

Organization Charts

In previous years, a series of high-level organization charts preceded the Reader's Guide for the purpose of highlighting the major programs operated by various departments and the existence of "in-but-not-of" agencies that are housed within those departments for display purposes. Those organization charts appear just prior to the department budgets that they refer to.

Workforce Chart

The workforce chart displayed in the Appendix has been modified to include a more relevant view of position data including positions data at the start of the Corzine Administration, current year employee counts and recommended funded levels for FY 2009. These changes provide the reader with a more comprehensive presentation as well as a better understanding of the trends in the numbers of positions funded in the State Budget.

Besides providing a context for key budget decisions, these individual sections are designed to quickly pinpoint desired information, clarify how major services are organized, and improve the transparency of the document.

Government Finance Officers Association (GFOA) – Budget Award

New Jersey is one of only seven states to receive GFOA's Distinguished Budget Presentation Award. Fiscal 2008 marked the 17th consecutive year that New Jersey has been recognized by GFOA.

THE STATE BUDGET PROCESS

The current budget process, the Integrated Planning and Budgeting Process, was first implemented for the production of the fiscal year 1990 – 1991 State budget, replacing other systems such as Zero-Based Budgeting (ZBB) and the Planning, Programming, and Budget System (PPBS). It uses several key features from previous budget processes and is designed to result in planning-driven budgets. Implementation of the budget process usually begins during the month of April, some 15 months prior to the year for which the budget will be effective. The State Budget cycle is set on a fiscal year basis, which extends from July 1 to June 30 of the following year.

To formally initiate the process, the Office of Management and Budget (OMB) provides salary projection reports and technical budget instructions to the departments in August. Among other things, this enables the agencies to determine how their base budgets, including any desired reallocations, should be arranged in the coming budget year. Any recommended changes, later identified in the budget process, are then applied to this base.

The ensuing planning process includes reviews of the Governor's program priorities, economic forecasts, demands assumptions, and analyses of selective program areas. General guidance is provided by OMB to each State agency in September, including preliminary budget targets.

Agencies prepare planning documents that describe: (1) their ability to provide current services within the budget target (including projections of mandatory growth); (2) the agencies' priorities for reduction of current services if requested; and (3) priority packages representing either expansion of current programs or new programs. OMB reviews the planning documents with the agencies from November through mid January, when preliminary recommendations are agreed upon.

During the months of January and February, the Director of OMB reviews budget recommendations with the State Treasurer, the Governor, and the Governor's staff. Normally, the Governor makes the final decisions in February.

The planning portion of the budget process culminates in the final submission of the agency budget request to OMB in February which is forwarded to the Legislature. The Budget Message, representing the Governor's recommendations on how revenues should be allocated, is delivered to the Legislature on or before the fourth Tuesday in February of each year (unless superceded by legislation). From year to year, the Budget is the single most important policy statement that the Governor makes as it allocates the State's resources for programs and services.

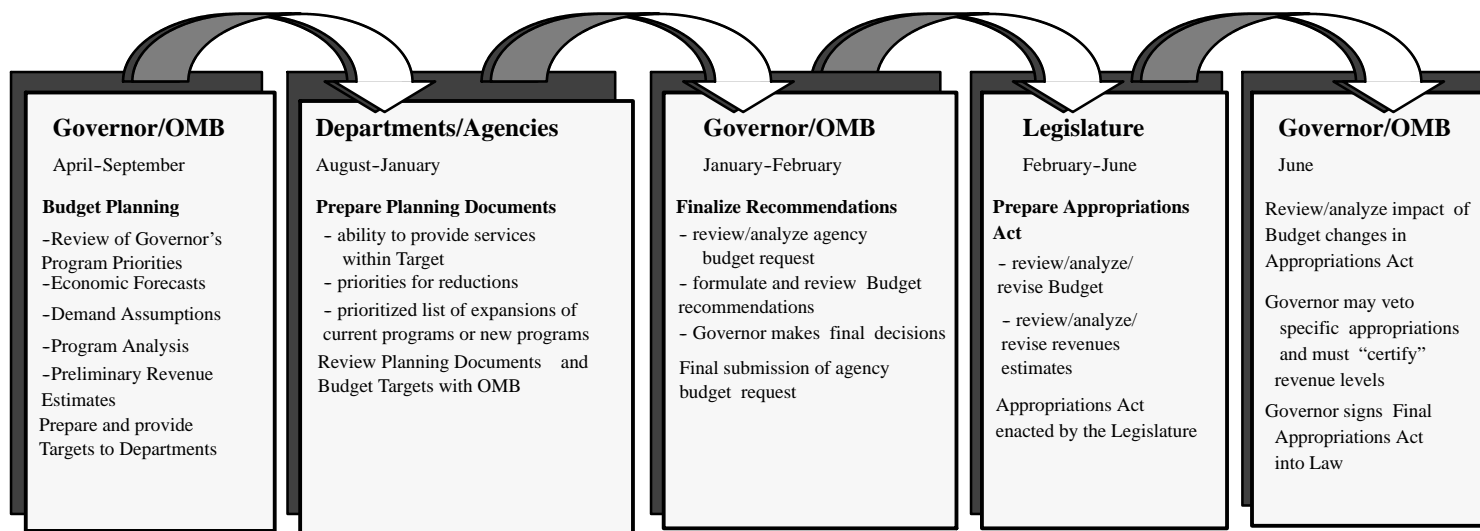
The annual review process for capital spending requests and recommendations, which runs somewhat parallel to the process described above, has several stages. All State departments requesting capital funding must submit a seven-year Capital Improvement Plan to the New Jersey Commission on Capital Budgeting and Planning. Each capital project request requires an operating impact statement. The Commission schedules public hearings for each agency, analyzes the capital requests, and recommends projects to the Governor. The Governor, in turn, selects projects to be recommended in the annual Budget.

The Legislature, through a series of hearings conducted by its Appropriations Committees, reviews the Budget and makes changes. The Legislature also reviews the revenue estimates included in the Governor's Budget and, based upon several additional months of actual revenue collections in the current fiscal year, makes adjustments to the Budget's revenue projections and surplus estimates.

The Budget, including changes made by the Legislative Committees, then must be approved by the Senate and the Assembly; and, according to the New Jersey Constitution, a balanced Budget must be approved as an Appropriations Act and signed by the Governor before July 1. After the Legislature passes the Appropriations Act, the Governor has the power to veto specific appropriations (line items), or appropriation language segments, some of which may have been added by the Legislature as a result of its review. The line-item veto allows the Governor to reshape the final Budget and ensure that appropriations do not exceed the certified level of revenues. (As part of the final Appropriations Act, the Governor must "certify" the level of revenues in order to meet the constitutional requirement of a balanced budget.) The final approved Budget, which includes the Governor's line-item vetoes and certification of revenues, is the Appropriations Act. Once the budget is enacted, it becomes an effective tool for fiscal control and monitoring program effectiveness.

Throughout the course of the fiscal year, the Legislature has the authority to pass legislation that provides funding for programs and projects above and beyond those provided for in the Appropriations Act. The additional amounts of funding provided by these acts of the Legislature are referred to as "supplemental appropriations." The Director of Management and Budget also has statutory authority to authorize supplemental appropriations at any time during the fiscal year by virtue of authorizing budget language contained in the Appropriations Act. This is accomplished and documented by the issuance of Directory Letters from OMB.

READER'S GUIDE



HOW THE BUDGET IS ORGANIZED

The New Jersey State Budget is divided into five major sections that provide information on a broad range of budget related topics, including anticipated state revenues, gubernatorial policies and new initiatives, and agency programmatic achievements. The major sections are described below:

1. The ***Governor's Budget Message*** describes in general terms the policies and new initiatives, as well as the reductions and efficiencies, proposed in the Budget. The Governor's Message generally includes a description of the economic situation within the state and the expected impact of projected economic trends on the state's fiscal condition. The Governor's Message may also include broad programmatic goals for each of the individual State departments or major segments of the government as well as policy directions for the upcoming fiscal year.
2. The ***Summaries of Appropriations Section*** of the Budget includes a selection of tables and charts designed to summarize the Governor's recommendations and highlight the major changes included within the proposed Budget. For instance, the *Budget in Brief* provides a summary of total revenues and recommendations for each of the State's major fund categories, such as the General Fund, Casino Revenue Fund, and Property Tax Relief Fund. This section also includes a number of tables that explain the Governor's recommendations at various, significant levels of aggregation:

Summary of Resource and Appropriation Recommendations

Major Increases and Decreases of State Appropriations

Summary of Appropriation Recommendations by Fund

Summary of Appropriation Recommendations by Organization

Summary of Appropriations by Category or Purpose

Also included within the summaries of appropriations section is the *Budget Highlights*, a narrative that discusses the major programmatic and operational impact of the budget proposals. Additional summaries, charts, and graphs depicting significant programmatic or fiscal trends are included at the end of this section.

3. The ***Summaries of Revenues, Expenditures and Fund Balances Section*** provides an overview of the economy, revenue outlook, and the impact that anticipated economic trends will have on the State's revenue estimates. The tables included within this section highlight the State's major revenue sources (i.e. income tax, sales tax, and corporation tax), and provide year-to-year comparisons and projections for fiscal 2009. Most of the schedules and exhibits in this section are displayed by fund. For the purposes of State financial accounting, funds are accounting entities that segregate financial resources according to the purposes for which they may be used.

This section also includes four “major schedules” that provide detail of actual and estimated revenues and expenditures by department. Within each department, individual revenue sources are shown, including those which are dedicated to support specific functions or programs and are derived from fees, fines, or charges for services, which are established by law or agency regulation.

Schedule I depicts anticipated revenue which, together with estimated beginning Undesignated Fund Balance (Surplus), provides the resources for the recommended appropriations summarized in **Schedule III** (Expenditures Budgeted).

Schedules II & IV enumerate estimated revenues and expenditures on an as received basis over and above the general revenues and specific line item appropriations shown in **Schedules I & III**.

4. **The Department and Branch Recommendations Section** is the largest section of the Budget and includes the greatest detail on proposed appropriations. It is divided into categories based on the source and use of appropriations which is then organized by governmental branch, and sorted in alphabetical order by agencies or executive departments. The major subdivisions of this section are summarized below:

Department and Branch Recommendations (Direct State Services, Grants-In-Aid, State Aid, and Capital Construction)

Debt Service

General and Federal Fund Language Provisions

Revolving Funds

Appendices

- a. **Budget Recommendations Overview**

For fiscal 2009, the Budget displays all of a department’s non-debt appropriations in a single subdivision of the document. The separate subdivisions for Direct State Services (i.e. funds to support operations), Grants-In-Aid, State Aid, and Capital Construction are illustrated together in a consolidated display. Appropriations for Dedicated Funds (e.g. Property Tax Relief Fund, Casino Revenue Fund, etc.) are also included in the consolidated departmental presentation. An aggregate view of appropriation recommendations effecting State Aid, the Casino Revenue Fund, etc., are presented in summaries in the *Summaries of Appropriations* section.

This consolidated presentation provides readers with a comprehensive view of all of a department’s operations, across all spending categories and funds and provides New Jersey citizens with a better understanding of the relationships between all of the recommendations affecting departmental programs.

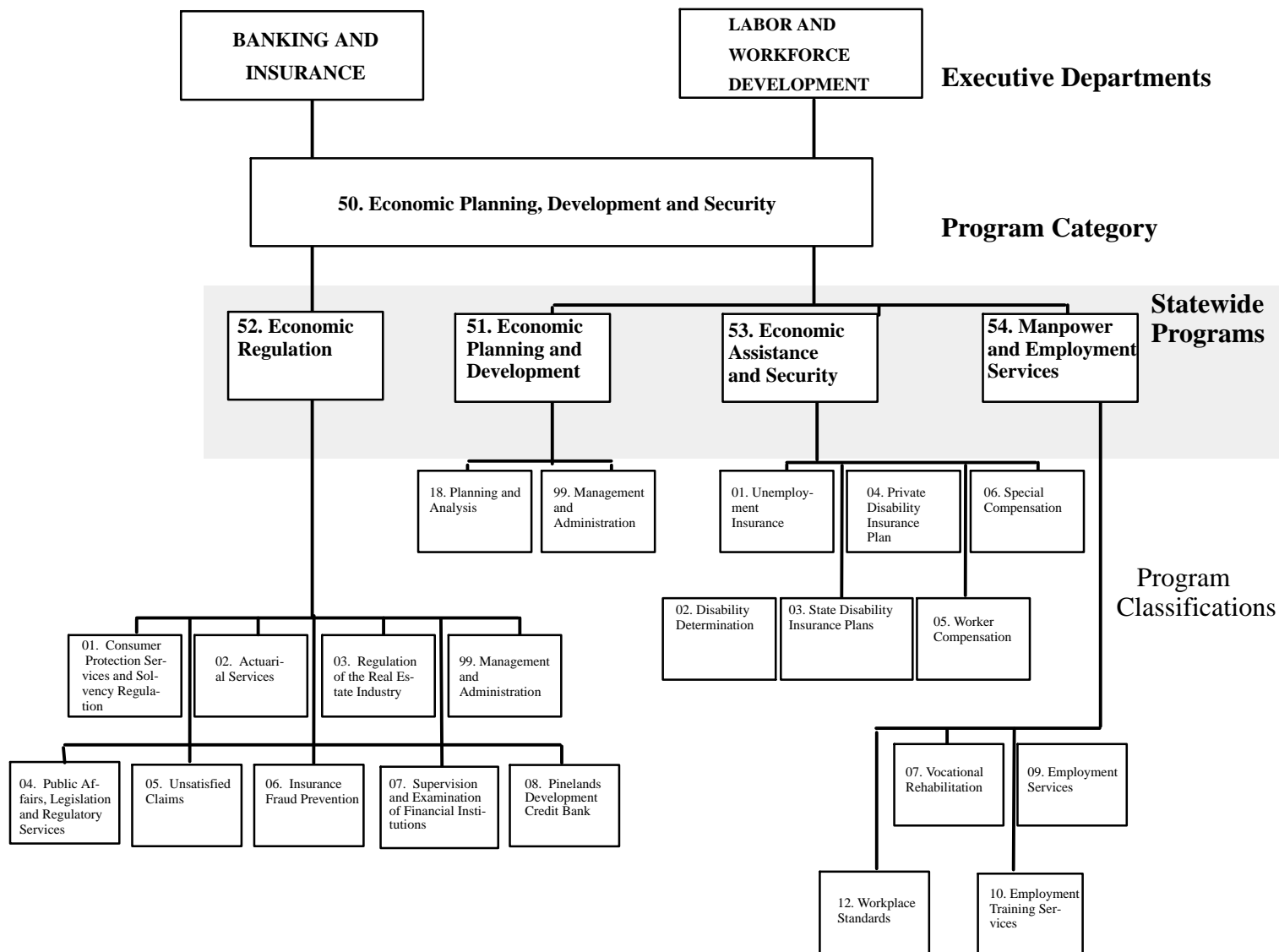
Each of the subsections of the *Budget Recommendation* section follows a consistent hierarchical order: Department, Program Category, Statewide Program, Organization, and/or Program Classification. Individual departmental presentations are grouped by “Statewide Program” which represent a high-level, functional grouping of related programs contributing to a broad statewide objective. Statewide Programs generally span several departments. Examples of Statewide Programs include Public Safety and Criminal Justice, Natural Resource Management, and Parole and Community Programs.

Below Statewide Programs, the Budget presentation is further broken down into “Program Classifications,” which represent a lower level, operating program function consisting of closely related activities with identifiable objectives or goals. Examples of program classifications in the Department of Environmental Protection include Water Supply Management, Forestry Management, and Shellfish and Marine Fisheries Management. Detailed descriptions of agency program classifications are provided at the beginning of each statewide program presentation within a department along with objectives for the entire statewide program.

For example, in the Department of Labor and Workforce Development all programs are grouped under the broad “Program Category” of *Economic Planning, Development, and Security*. They are further divided into the following three Statewide Programs: (51) *Economic Planning and Development*, (53) *Economic Assistance and Security*, and (54) *Manpower and Employment Services*. Each of these Statewide Programs are made up of a number of individual program classifications. Program Categories and Statewide Programs generally span multiple departments.

The programmatic hierarchy of two State departments, Banking and Insurance and Labor and Workforce Development, is shown on the facing page. Note that the Statewide Program, Economic Planning, Development, and Security, is common to both.

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b. Budget Recommendations - Descriptions of Subdivisions

Detailed descriptions of the subdivisions of the *Budget Recommendations Section* are provided below:

- i. *Department and Branch Recommendations* is the subdivision of the Budget that relates to the appropriations and expenditures that support operations of State agencies, grants to individuals, and aid to local government jurisdictions. In addition to appropriation and expenditure data, agency objectives, descriptions of agency programs and programmatic evaluation data are detailed. Federal and non-State funds are also included here.

Each statewide program presentation includes relevant evaluation data, which provide comparative measurements of agency workload, effectiveness, and/or efficiency. This information shows the impact of the recommended funding level on an agency's activities.

Information is provided on the number of employees and funded positions within each department. The actual number of employees reported may be less than the number of positions allocated to an agency and is dependent upon authorized hiring levels and other factors. Position and personnel data are summarized by funding source and to the program classification, and include information on the current year, two prior years, and a projection for the budget request year.

The appropriations data includes detailed funding recommendations from the General Fund and Dedicated Funds by program classification, fund category (Direct State Services, Grants-In-Aid, State Aid, and Capital Construction), and object of expenditure. The General Fund represents the collection of all State revenues, not otherwise restricted by statute. There are four major funds dedicated by the Constitution for specific purposes. The Property Tax Relief Fund, financed by the personal income tax, provides aid to local schools and municipalities as well as the Homestead Rebate Program, which offsets a portion of an individual's property taxes. The Casino Revenue Fund, the proceeds of a tax upon casino revenues, funds new or expanded programs for the elderly and the disabled. The Casino Control Fund represents the cost of regulating the casino industry as charged to that industry. And the Gubernatorial Elections Fund consists of designated contributions by taxpayers for the public financing of gubernatorial elections. By examining changes in the program classification recommendations vis-à-vis prior year spending levels and other programs, readers will be able to ascertain savings and efficiencies as well as the relative priority that is being placed on specific agency program activities.

Various fund appropriations are broken down into categories based on how the appropriations will be used. Direct State Services represents funding to support the administration and direct operation of State programs. Objects of expenditure such as state employee salaries, materials and supplies, (paper, printing, etc.), services other than personal (telephones, postage, software, consultant services), maintenance, equipment, and special purpose accounts are included in this category. Contracted services, such as the operations of motor vehicle agencies, are also paid out of Direct State Services.

Grants-In-Aid appropriations represent funding of grants made to individuals and various public and private agencies for services that are considered the overall responsibility of the State, but that are provided for by third parties. The largest grant-in-aid program is Medicaid, but others include block grants to senior public colleges and universities, subsidy assistance to New Jersey Transit, and tuition assistance programs. The State's Homestead Rebate program and the Direct School Tax Relief program are also funded in the Grants-In-Aid component.

State Aid is the recommendation for payments by the State to or on behalf of a local unit of government (county, municipality, or school district) to assist this local government in carrying out its responsibilities. The largest state appropriations are for aid to local schools.

Capital Construction contains the recommendations, by capital project within department, for current (pay-as-you-go) projects, as opposed to those funded by long-term bonds. A capital project includes the acquisition of land, new structures and equipment, and other projects whose estimated cost of land, planning, furnishing, and equipping is estimated to be \$50,000 or more. Projects or acquisitions under \$50,000 are appropriated in the maintenance or additions, improvements, and equipment accounts in Direct State Services.

Language Recommendations, the final, significant item of this budget subdivision are included at the end of statewide program or departmental presentations. These language provisions are as significant as the fiscal recommendations because they provide the Department, the Legislature, or the Director of the Division of Budget and Accounting with specific budget and/or spending authority or establish limits on such authority. It is through budget language that prior year balances are appropriated for current year expenses or lapsed, and that departments are incentivized allowing retention of fine or fee revenue above a specific predetermined amount.

- ii. The *Debt Service* subdivision depicts the amounts necessary to pay principal and interest due on capital projects financed by general obligation bonds of the State. The primary method for financing of capital projects is through the sale of bonds. No debt can be issued by the State without approval by a majority of the legally qualified voters. This section also includes a brief description of the active bond issues financed by current Debt Service appropriations.
- iii. The *Language Provisions* subdivision of the Budget establishes authority beyond the specificity of the detailed line-item budgets for both general and federal funds. They apply to broad areas of the budget such as entire funds, appropriations in general and in some cases mandate additional administrative requirements related to the enactment of the budget. Language also authorizes adjustments for reorganizations and corrections to the appropriations act after its enactment.

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- iv. *Revolving and Other Funds* is the subdivision of the Budget that depicts programs or agencies not provided with direct appropriations, but rather operate from fees charged for services or commodities provided to other State agencies. Examples include print shops, laundries, and information processing services.
5. The *Appendix* includes Statements of Estimated Revenues, Expenditures and Fund Balances of the State's Special Revenue, Capital Projects and Trust Funds (excluding Pension Trust Funds). The statements include the actual revenues and expenditures for the fiscal year ended June 30, 2007, presented in accordance with generally accepted accounting principles, as well as estimated amounts for fiscal 2008 and fiscal 2009.

Special Revenue Funds (Appendix 1A) are used to account for proceeds of specific revenue sources (other than special assessments, expendable trusts, or for major capital projects) that are legally restricted to expenditures for specified purposes.

Capital Projects Funds (Appendix 1B) are used to account for financial resources to be used for the acquisition or construction of major capital facilities for State use. Funds granted to other units of government for facilities are not classified as Capital Project Funds and are included as expenditures of Special Revenue Funds. Various Capital Projects Funds include funds both for capital facilities for State use and for grants to other units of government.

Private Purpose Trust Funds (Appendix 1C) are used to account for assets held by the State in a trustee capacity for individuals, private organizations, other governments and/or other funds.

Other exhibits in the appendix include a listing of programs eligible for support from the Lottery Fund in addition to other special summaries.

BASIS OF BUDGETING

An annual budget is prepared for the General Fund and certain special revenue funds (Casino Control, Casino Revenue, Gubernatorial Elections, and Property Tax Relief funds). The Legislature enacts the Budget through passage of specific departmental appropriations, the sum of which may not exceed estimated resources, and the Governor is responsible for the final certification of revenue.

New Jersey's Budget is prepared in accordance with generally-accepted accounting principles (GAAP) as it applies to fund financial statements prescribed by the Governmental Accounting Standards Board (GASB) with certain exceptions. GAAP is the same basis used in preparation of the fund financial statements section of the State audited Comprehensive Annual Financial Report. Specifically, revenues are estimated and recognized when they can be accrued (i.e., when they become both measurable and available to finance expenditures of the fiscal period.) Appropriations are recommended at a level sufficient to recognize all accrued expenditures and outstanding obligations to support program operations for the fiscal period. Goods and services delivered during a fiscal period are accrued as expenditures if not actually paid for by year-end. (See section C, "Summaries of Revenues, Expenditures and Fund Balances", for further details.)

RELATIONSHIP TO THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

The Department of the Treasury, OMB, issues the Comprehensive Annual Financial Report (CAFR) which includes all funds. The State's budgetary basis differs from that utilized to present financial statements in conformance with GAAP. The main differences between the budgetary basis and the GAAP basis are that under the budgetary basis encumbrances are recognized as expenditures and the budgetary basis reflects transactions only for the current fiscal year. In addition, the budgetary basis does not accrue the value of food stamps.

BUDGETARY CONTROL

Budgetary control is maintained at the item of appropriation level. "Item of appropriation" means the spending authority associated with an organization, appropriation source, and program classification, as identified by line-items in the Appropriations Act. Internal transfers within programs are permitted within certain constraints; transfers between program or over designated levels require the approval of the Legislature. In cases where appropriations are based on anticipated revenues, spending authority will be reduced by the amount of the deficiency. Other changes to the budget not authorized by specific language provision must be approved by the Legislature in a supplemental appropriation.

YEAR END BALANCES

Appropriations are authorized for expenditures during the fiscal year and for a period of one month thereafter, and unencumbered appropriations lapse at year end, unless otherwise specified by the Appropriations Act. Non-lapsing balances are considered automatically reappropriated as authorized by statute or by the Appropriations Act.

SIGNIFICANT FINANCIAL POLICIES

A summary of New Jersey's significant financial management policies is presented below. Where applicable, sections of this document that contain additional information are noted.

Balanced Budget

Legal Requirements:

New Jersey's State Constitution states the following: "No general appropriation law or other law appropriating money for any State purpose shall be enacted if the appropriation contained therein, together with all prior appropriations made for the same fiscal period, shall exceed the total amount of revenue on hand and anticipated which will be available to meet such appropriations during such fiscal period, as certified by the Governor."

Policy Requirements:

A balanced budget must be established at the start of the budget fiscal year (i.e., first of July) and be maintained at fiscal year-end. This determination is based on the revenues and expenditures for all funds, the accounting basis for which is Generally Accepted Accounting Principles (GAAP) with exceptions. In conjunction with the Appropriations Act enacted by the Legislature, the official revenue estimate for the budget year is established and certified by the Governor. If the appropriations approved by the Legislature exceed the revenue estimates plus any available surplus, the Governor has the authority and the duty either to veto the entire appropriation bill or to reduce the amount of appropriations to produce a budget that is balanced against the total resources available.

As a matter of policy, the Governor's Budget seeks to limit appropriations to the amount of annual revenues anticipated for a given fiscal year. For the long term, the goal is to achieve a structural balance between ongoing operating expenditures and revenues for all fund types. However, fund balances may be used to support unforeseen or unpredictable expenditures that require supplemental appropriations. If budget adjustments are necessary to maintain balance during a fiscal year, those actions are typically implemented by the Department of Treasury's Office of Management and Budget acting at the direction of the State Treasurer and the Office of the Governor.

Use of One-Time Revenues

Use of revenue generated from a one-time source will be minimized. To the extent that such revenue is used, it will be targeted to offset non-recurring costs, including capital projects and debt retirement, to the extent possible. This will help create a structural balance between revenues and expenditures going forward.

Cost of State Operations

To help achieve a long-term structural balance between ongoing revenues and spending, the rate of growth in direct services provided by the State should be constrained, both in total appropriations and in its relative portion of the State Budget. The overarching goal is to identify the most efficient way to provide current services or to expand services within the current budgeted resources. This may include staffing reductions across State departments as well as aggressive implementation of management efficiencies and service consolidations.

State Appropriations Limitation (Cap Law)

The State Appropriations Limitation Act (P.L. 1990, c.94), commonly referred to as the CAP law, limits the growth of appropriations in the Direct State Services portion of the Budget, which encompasses the operations of State government. By statute, the maximum appropriation for a given fiscal year is determined by multiplying the base (i.e., current) year appropriation by the average three-year growth rate in per capita personal income calculated on a fiscal year basis. The State may exceed the maximum appropriations if a bill making an appropriation is agreed to by a two-thirds vote of all members of each legislative body. In the Fiscal 2009 Budget, Governor Corzine has held the State to a higher standard by presenting a Budget plan that is well below the statutory cap. (See section H of this document for the calculation affecting the coming fiscal year.)

Surplus Revenue (i.e., Rainy Day) Fund

As a financial contingency, New Jersey sets aside monies in a restricted reserve fund entitled the Surplus Revenue Fund (i.e., Rainy Day Fund). By law (i.e., NJSA C52:9H-14, et seq.), the Surplus Revenue Fund receives 50 percent of the difference between the amount of revenue certified by the Governor in the annual Appropriations Act for the fiscal year immediately preceding the fiscal year of the budget recommendation and the actual collections realized for that year. (Note: income tax revenue is excluded from this calculation.) The balance in this fund, which is reflected within the State's total undesignated fund balance, may be appropriated upon certification by the Governor that anticipated revenues are less than those certified, or upon a finding by the Legislature that an appropriation from the Surplus Revenue Fund is more prudent fiscally than raising new tax revenue to offset such a revenue decline, or to address emergencies.

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Capital Improvement Plan

The State statute that created the Commission on Capital Budgeting and Planning requires the development of an annual Capital Improvement Plan. The Plan addresses both short and long-term investments, including a seven-year projection of capital needs by department and project category and an identification of how the recommended projects should be funded. Stakeholder input is derived through public hearings organized by the Commission. Although the Annual Capital Improvement Plan is published separately at the same time as this document, its recommendations are coordinated with the annual Governor's Budget Message. (See the Capital Construction and Debt Service section of this document for further details.)

Contingency Planning

To guide financial decisions and contingency planning during emergencies, natural disasters, or other unexpected events, a formal process has been implemented. Each department creates a business continuity plan that list staffing protocols and information technology procedures for outages that cover different lengths of time. The plans, which are filed with the Department of Law and Public Safety's (L&PS) State Government Operations Group and are coordinated with its Office of Homeland Security, are updated twice per year. The final product improves the State's general management oversight and its ability to take timely action.

10. PUBLIC SAFETY AND CRIMINAL JUSTICE
12. LAW ENFORCEMENT

OBJECTIVES

1. To prosecute all criminal appeals.

PROGRAM CLASSIFICATIONS

09. **Criminal Justice.** Exercises functions pertaining to enforcement and prosecution of criminal activities in the State.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Criminal Justice				
Complaints, Inquiries, Other Matters (Closed)	3,343	5,571	6,000	6,000
PERSONNEL DATA				
Position Data				
State Supported	359	368	354	424

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
Distribution by Program								
22,507	4,646	712	27,865	27,121	Criminal Justice	09	21,691	28,291
22,507								28,291
690								625
447								477
2,321								
2,321								4,631
								4,631
17,559								23,691
---								1,000
---								1,000
4,948								3,600
4,948								3,600
1,000	---	---	1,000	1,000	Total Capital Construction	---	---	---
23,507	4,646	712	28,865	28,121	TOTAL STATE APPROPRIATIONS	---	---	---
Federal Funds								
59,655	14,486	-151	73,990	31,803	Criminal Justice	09	42,574	33,350
59,655	14,486	-151	73,990	31,803	Total Federal Funds		42,574	33,350
All Other Funds								
---	1,136	1,975	19,236	8,583	Criminal Justice	09	34,850	34,760
---	17,261 ^R	1,975	19,236	8,583	Total All Other Funds		34,850	34,760
83,162	36,393	2,536	127,091	68,507	GRAND TOTAL		99,115	96,401

Reading the Budget Tables

The Appropriation summaries and individual agency Budgets included in the New Jersey Budget document generally follow a consistent format, an annotated version of which is shown on the following pages.

Notes -- Direct State Services - General Fund

(a) The fiscal 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

The unexpended balance at the end of the preceding fiscal year in the Victim Witness Advocacy Fund account, is appropriated for the same purposes derived.

A statement of specific, measurable accomplishments related to the need, problem or opportunity the program is designed to address

Program Classification Account code.

Evaluation Data provides measurements of workload effectiveness and efficiency.

The Original and Supplemental column represents the original appropriation for fiscal year 2007 as enacted by the Legislature on July 1, 2006. This column also includes the total of all supplemental appropriations which were enacted by the Legislature and signed into law by the Governor during fiscal year 2007.

Reappropriations and Receipts column contains two separate items: Reappropriations, which represent funds that remained unexpended from a prior fiscal year and were made available for spending purposes in the budget year. Reappropriations are usually restricted to certain programs or accounts with multi-year obligations, such as Capital Accounts, where rehabilitation or construction projects typically take several years. Receipts represent dedicated taxes or fees which are credited to a specific account or agency. An example of receipts are funds collected for Hunters and Anglers' programs from license fees Receipts are indicated by a superscript "R".

Transfers and Emergencies are either Transfers, which represents monies which were either transferred between departments and agencies or between fund categories, or Emergencies, which represent an allocation of funds to an agency from the State Emergency Fund to meet unanticipated spending requirements. In the tables within the Budget Recommendation section, emergency transfers are indicated by a superscript "E".

Total Available is the total of the original and supplemental appropriations plus any reappropriations and receipts plus or minus transfers and emergency funds.

The Expended Amount represents total disbursements and obligations made in fiscal year 2007.

10. PUBLIC SAFETY AND CRIMINAL JUSTICE

12. LAW ENFORCEMENT

OBJECTIVES

PROGRAM CLASSIFICATIONS

1. To provide statewide law enforcement services.

09. Criminal Justice. Exercises functions pertaining to enforcement and prosecution of criminal activities in the State.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
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PROGRAM DATA

Criminal Justice

Complaints, Inquiries, Other Matters (Closed)	6,027	6,689	7,000	7,000
---	-------	-------	-------	-------

PERSONNEL DATA

Position Data

State Supported	3,158	3,236	3,216	3,387
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APPROPRIATIONS DATA

(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
17,559	4,646	682	22,887	22,143	09	18,091	23,691	23,691
<u>17,559</u>	<u>4,646</u>	<u>682</u>	<u>22,887</u>	<u>22,143</u>		<u>18,091^(a)</u>	<u>23,691</u>	<u>23,691</u>
Total Direct State Services								
Distribution by Fund and Object								
Personal Services:								
152,359	5,514 ^R	3,315	161,188	144,517		142,686	154,537	154,537
<u>152,359</u>	<u>5,514</u>	<u>3,315</u>	<u>161,188</u>	<u>144,517</u>		<u>142,686</u>	<u>154,537</u>	<u>154,537</u>
Total Personal Services						<u>142,686</u>	<u>154,537</u>	<u>154,537</u>
GRANTS-IN-AID								
Distribution by Fund and Program								
---	---	---	---	---	09	---	1,000	1,000
<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>		<u>---</u>	<u>1,000</u>	<u>1,000</u>
Total Grants-in-Aid						<u>---</u>	<u>1,000</u>	<u>1,000</u>
Distribution by Fund and Object								
---	---	---	---	---	09	---	1,000	1,000
<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>		<u>---</u>	<u>1,000</u>	<u>1,000</u>
STATE AID								
Distribution by Fund and Program								
4,948	---	30	4,978	4,978	09	3,600	3,600	3,600
<u>4,948</u>	<u>---</u>	<u>30</u>	<u>4,978</u>	<u>4,978</u>		<u>3,600</u>	<u>3,600</u>	<u>3,600</u>
Total State Aid						<u>3,600</u>	<u>3,600</u>	<u>3,600</u>
Distribution by Fund and Object								
4,948	---	30	4,978	4,978	09	3,600	3,600	3,600
<u>4,948</u>	<u>---</u>	<u>30</u>	<u>4,978</u>	<u>4,978</u>		<u>3,600</u>	<u>3,600</u>	<u>3,600</u>
CAPITAL CONSTRUCTION								
Distribution by Fund and Program								
1,053	1,177	(14)	2,216	665	06	7,425	15,741	5,831
<u>1,053</u>	<u>1,177</u>	<u>(14)</u>	<u>2,516</u>	<u>665</u>		<u>7,425</u>	<u>15,741</u>	<u>5,831</u>
Total Capital Construction						<u>7,425</u>	<u>15,741</u>	<u>5,831</u>
Distribution by Fund and Object								
1,053	1,177	(14)	2,516	665	11	7,425	15,741	5,831
<u>218,368</u>	<u>21,359</u>	<u>3,992</u>	<u>243,719</u>	<u>236,439</u>		<u>243,975</u>	<u>274,046</u>	<u>264,136</u>
OTHER RELATED APPROPRIATIONS								
Federal Funds								
59,655	14,486	(151)	73,990	31,803	09	42,574	33,350	33,350
<u>59,655</u>	<u>14,486</u>	<u>(151)</u>	<u>73,990</u>	<u>31,803</u>		<u>42,574</u>	<u>33,350</u>	<u>33,350</u>
Total Federal Funds						<u>42,574</u>	<u>33,350</u>	<u>33,350</u>
All Other Funds								
---	1,136	---	---	---	09	34,850	34,760	34,760
<u>---</u>	<u>16,125^R</u>	<u>1,975</u>	<u>19,236</u>	<u>8,583</u>		<u>34,850</u>	<u>34,760</u>	<u>34,760</u>
<u>---</u>	<u>17,261</u>	<u>1,975</u>	<u>19,236</u>	<u>8,583</u>		<u>34,850</u>	<u>34,760</u>	<u>34,760</u>
<u>295,785</u>	<u>108,360</u>	<u>21,821</u>	<u>425,966</u>	<u>347,051</u>		<u>403,717</u>	<u>428,317</u>	<u>418,407</u>

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

The unexpended balance at the end of the preceeding fiscal year in the Victim Witness Advocacy Fund account, is appropriated for the same purpose.

Program Category--The broadest grouping of programs presented in the Budget document.

Statewide Program--A high level, functional grouping of related programs.

Program Classes--low level, operating program functions grouped together under statewide programs. It is the level at which Appropriations are made.

Adjusted Appropriation represents the current fiscal year appropriation, adjusted to include any distributions made from central, interdepartmental accounts to cover employee cost of living adjustments, etc., as well as any supplemental appropriations which were enacted prior to the printing of the Budget or anticipated through year end.

The Requested column represents the amount requested by the various Executive departments, and agencies and other branches of government.

The Recommended Budget column represents the Governor's proposal to the Legislature.

Other Related Appropriations, also called below-the-line appropriations, are summarized in the Direct State Services presentation in order to provide an overview of agency budgets encompassing all spending categories and funding sources.

Appropriation Language is as important as the fiscal recommendations. It sets limits and conditions on the use of appropriations.

GLOSSARY

This glossary contains definitions of terms used in this budget, or in State budgeting and accounting procedures. It is not intended to be an exhaustive dictionary of accounting and budgeting terms, but does define the most commonly used terminology

ACT — A bill passed by the Legislature and signed into law by the Governor

ADDITIONS, IMPROVEMENTS, AND EQUIPMENT — Additions and improvements that are less than \$50,000 in cost and the purchase of equipment such as vehicles, office equipment and information processing equipment. Any addition and improvement that is \$50,000 or more or is for a new structure is classified as Capital Construction

ADJUSTED APPROPRIATION — The total of an original appropriation, all supplemental appropriations, certain allotments from interdepartmental appropriations, and other budgetary adjustments

ALL OTHER FUNDS — Revenues, other than Federal, that are not anticipated as resources to support the annual State budget. Upon receipt, these funds become appropriated, as provided by the language of the Appropriations Act

ALL OTHER POSITION — A position specifically approved and funded by non-state, non-federal sources in a salary object account

ALLOTMENT — An allocation of a portion of an appropriation to make it available for encumbrance or disbursement by the agency to which appropriated, and usually applying to a period of time; e.g., a calendar quarter

ANTICIPATED RESOURCES — For each fiscal year, is the sum of the estimated surplus at the end of the prior fiscal year, together with all estimated revenues for the General Fund from all sources, including taxes and license fees, other miscellaneous departmental and interfund transfers.

ANTICIPATED REVENUE — That portion of estimated revenues to be realized in any fiscal year that have been anticipated as General Fund resources to support the appropriations made, or undesignated fund balance projected, in the annual Appropriations Act. Such revenues are not available for expenditure unless appropriated by the Legislature

APPROPRIATED REVENUE — Those revenues not previously anticipated or budgeted, which upon receipt increase appropriation balances as authorized in the Appropriations Act, and from which agencies may incur obligations or make expenditures for specific purposes

APPROPRIATION — The sum of money authorized by an act of the Legislature for expenditure for a particular fiscal year

APPROPRIATIONS ACT — The Act passed by the New Jersey Legislature to appropriate, on an annual basis, the resources of the State for state operations, grants-in-aid, state aid, capital, and debt service expenses

ATTRITION — A means of reducing the number of employees by not refilling positions vacated through resignation, reassignment, transfer, retirement or means other than layoffs

BALANCED BUDGET — A budget in which proposed expenditures do not exceed actual and estimated revenues and surplus. The State Constitution requires the Governor to propose a balanced budget and prohibits the appropriation of funds in excess of actual and estimated revenue and surplus

BEGINNING BALANCE — The resources available at the start of a state fiscal year that are carried over from the prior fiscal year

BILL — A proposed law.

BLOCK GRANT — An amount allotted by the Federal government to the State to be allocated to a particular program area within general guidelines as the State determines

BLS — Bureau of Labor Statistics

BOND — A funding tool representing a written promise to pay a specific sum of money in the future plus interest

BOND FUND — A fund into which the proceeds from the issuance of bonds are received, and from which all proper expenditures for the purposes for which the bonds were authorized are paid

BUDGET — The proposed financial plan of the State government for the fiscal year, setting forth the anticipated resources from all sources and proposed appropriations

BUDGET CYCLE — The four major phases that constitute the traditional budget cycle: (1) central and agency planning, (2) agency/executive preparation, (3) legislative review, and (4) execution and evaluation

BUDGET REQUEST — The request, required by law, of each spending agency for an appropriation or permission to spend during the next ensuing fiscal year

CAPITAL CONSTRUCTION — This category includes funds budgeted for:

1. Acquisition of or option to buy land and right-of-way and existing improvements therein, regardless of cost
2. New buildings and structures not attached to or directly related to any existing structures, regardless of cost
3. Projects whose estimated cost, including land, planning, furnishing, and equipping, is usually \$50,000 or more, regardless of the construction involved, with a useful life of at least ten years
4. Any addition or improvement that is \$50,000 or more

CAPITAL PROJECT FUNDS — Account for financial resources for the acquisition, construction, or renovation of major capital facilities

CASINO CONTROL FUND — Accounts for fees from the issuance and annual renewal of casino licenses, work permit fees, and other license fees. Appropriations are made to fund the operations of the Casino Control Commission and the Division of Gaming Enforcement

CASINO REVENUE FUND — Accounts for the taxes imposed on the casinos and other related activities. Appropriations from this fund must be used for reductions in property taxes, utility charges and other specified expenses of eligible senior and disabled citizens

CATEGORICAL GRANT — An amount allotted by the Federal government to the State to be allocated to a particular program area for a specific purpose or mandate of the Federal government

CHART OF ACCOUNTS — A systematic structure for appropriating and recording accounting information pertaining to the financial activities of the State

CONTINGENCY APPROPRIATION — An appropriation to provide for unforeseen expenditures or for anticipated expenditures of uncertain amounts

GLOSSARY

CSP — Child Support Programs

DEBT SERVICE — One of the major subdivisions of the State budget, this category provides the resources to finance payment of general long-term debt principal and interest, such as bond issues or other long-term financing

DEDICATED FUND — A fund normally contained in the General Fund, consisting of resources owned by the State, the use of which is constrained, either by statutory specification, dedication or other restriction, or a particular purpose or program. Receipts from a specific revenue source may be dedicated by the annual Appropriations Act or other legislation, to be used for some specific purpose

DEP — Department of Environmental Protection

DFD — Division of Family Development of the Department of Human Services

DHSS — Department of Health and Senior Services.

DIRECT STATE SERVICES — One of the major subdivisions of the State budget, this category includes all general operating costs of State government, including programs that provide services directly to the public.

DISBURSEMENT — Payment of money out of any public fund or treasury. (See also EXPENDITURE.)

EDA — Economic Development Authority.

EMERGENCY FUND — A sum appropriated, within the Contingency Appropriation, for allotment to agencies to meet emergency conditions.

ENCUMBRANCE — A reservation of funds for future payment (disbursement) to liquidate an obligation incurred, usually supported by the issuance of a purchase order or the execution of a contract calling for payment in the future.

ENDING BALANCE — The amount of funds remaining in an account or fund at the end of the fiscal year.

EOF — Educational Opportunity Fund.

EVALUATION DATA — The quantitative expression of the end products produced or other elements involved in the work of an organization.

EXCESS RECEIPTS — Any receipts collected by an agency in excess of anticipated resources in the annual Appropriations Act. Such excess receipts may either be appropriated for the agency's use by the annual Appropriations Act, or may be considered as an overrun of anticipations and, therefore, credited to the General Fund undesignated fund balance.

EXPENDITURE — Denotes charges incurred, whether paid or unpaid, thus including both disbursements and liabilities (See also DISBURSEMENT and ENCUMBRANCE)

EXPENDITURE ACCOUNT — An appropriation account in which expenditure transactions are recorded, normally termed an object account

FEDERAL POSITION — A position specifically approved and funded by Federal Funds in a salary object account

FEMA — Federal Emergency Management Agency

FHWA — Federal Highway Administration

FISCAL YEAR — A twelve-month period of time to which the annual budget applies and at the end of which the State determines its financial position and the results of its operations. New Jersey State government has a July 1 to June 30 fiscal year

FRINGE BENEFITS — Payments made by the State for retirement, social security, health and dental insurance contributions, workers' compensation, unemployment, survivors' and disability insurance

FUND — A fiscal and accounting entity established for the purpose of achieving specified objectives or carrying on certain activities

FUND BALANCE—DESIGNATED — Unexpended and unencumbered appropriations that are authorized to continue into the subsequent fiscal year. (See also REAPPROPRIATION)

FUND BALANCE—UNDESIGNATED — Fund equity unrestricted and available for appropriation

GAAP — Generally Accepted Accounting Principles—The rules and procedures necessary to define uniform accounting and financial reporting standards, including broad guidelines and detailed practices. The Governmental Accounting Standards Board (GASB) promulgates accounting principles for state and local governments

GENERAL FUND—The funds into which all State revenues, not otherwise restricted by statute, are deposited and from which appropriations are made. The largest part of the total financial operations of the State are accounted for in the General Fund. Revenues received from taxes, most Federal revenue and certain miscellaneous revenue items are recorded in the General Fund. The Appropriation Acts enacted by the Legislature provide the basic framework for the operation of the General Fund

GENERAL TREASURY— Consists of all funds over which the State Treasurer is custodian and/or funds of which the State of New Jersey is the owner or beneficial owner

GRANTS-IN-AID — One of the major subdivisions of the State budget, this category includes all payments not otherwise defined as State Aid, made to individuals, public agencies, or private agencies for benefits or services of three types:

1. Benefits to which the recipient is entitled by law or regulation
2. Services for which the State has primary responsibility
3. Subsidies and provision of services for which the State has no responsibility, but which it elects to provide

ICF/MR — Intermediate Care Facility / Mental Retardation

ITEM OF APPROPRIATION — The spending authority identified by an organization code, appropriation source, and program code, unique to the item, and may include a number of object accounts within a program or specific appropriations made to Special Purpose, Grants-In-Aid, State Aid, Capital Construction or Debt Service line items

INTERDEPARTMENTAL ACCOUNTS — A group of accounts to which are appropriated funds for payment for or on behalf of all State agencies of rent, employee benefits, and contingency funds or for certain specified purposes

INTERFUND TRANSFER — An amount transferred from one fund to another, normally authorized by the annual Appropriations Act

GLOSSARY

LANGUAGE RECOMMENDATIONS — Language located at the end of a statewide program, department or in the General Provisions section, that provides specific spending or budget authority and/or places limitations on such authority

LAPSE — The automatic termination of an appropriation. Appropriations are made for a single fiscal year. At the end of this period, any unexpended or unencumbered balances revert (lapse) to undesignated fund balance in the General Fund, or to the fund from which originally appropriated, unless specifically appropriated again in the succeeding fiscal year

LIABILITY — Debt or other legal obligation arising out of transactions in the past that must be liquidated, renewed, or refunded at some future date. This term does not include encumbrances

LINE OF CREDIT — The State's line of credit program, which was first implemented in 1995, provides the State with competitively bid, low interest cost funding for the procurement of the State's short term (3 yrs) equipment needs, specifically computers, furniture, and vehicles

LINE ITEM — Any single line account for which an appropriation is provided in an Appropriations Act. Includes appropriations made to specific object accounts, such as Materials and Supplies, or any Special Purpose, Grants-In-Aid, State Aid, Capital Construction or Debt Service account

MAINTENANCE AND FIXED CHARGES — Constitute the routine repair and maintenance of buildings, property, and equipment required to keep them in operation and prevent deterioration

MATCHING FUNDS — Provisions in a grant agreement that require the government or agency receiving the grant to commit a certain amount of funding to a program before funding is made available by the granting authority

MATERIALS AND SUPPLIES — Tangible consumable items used for operations but not for the maintenance of machinery or equipment

MSW — Master of Social Work

NJBEST — New Jersey Better Educational Savings Trust

NJN — New Jersey Network

NJPDES — New Jersey Pollutant Discharge Elimination System

NJSA — New Jersey Statutes Annotated

NJSEA — New Jersey Sports and Exposition Authority

NJSIAA — New Jersey State Interscholastic Athletic Association

NJTPA — New Jersey Training Partnership Act

NON-STATE FUND (ACCOUNT) — Any fund (or account within a fund) within the General Treasury, the proceeds of which arise from a source other than the General Fund, typically from Federal or foundation grants, pooled inter-governmental funds, or service charges
(See also REVOLVING FUND.)

OBJECT ACCOUNT — Part of the chart of accounts to classify articles purchased or services obtained.

OBJECT CATEGORY — A group of objects of similar character categorized for classification purposes. Examples are personal services, materials and supplies, services other than personal, and maintenance and fixed charges

OBJECTIVE — A statement of specific, intended, measurable accomplishments related directly to the need, problem or opportunity the services to the client are designed to address

OBLIGATION — An amount that the State may be required legally to meet out of its resources. It includes not only an actual liability, but also an unliquidated encumbrance, established by the issuance of a purchase order, the execution of a contract calling for payment at some future date, or a liability established in any other lawful way for future payment of a specified amount of money. An obligation normally results in an encumbrance in an appropriation account

ORGANIZATION — Any State government entity that is established by statute, executive order, or departmental order, to carry out one or more programs, for which a separate appropriation is made

ORIGINAL APPROPRIATION — An appropriation made in the annual Appropriations Act

PAAD — Pharmaceutical Assistance for the Aged and Disabled

PERSONAL SERVICES — An appropriation supporting State employee salaries and wages and other employee benefits

PROGRAM — A group of related activities directed toward the accomplishment of an identifiable objective; it is established by statute, executive order, or departmental order; it is distinguishable by its clientele, organization, subject matter or process

PROGRAM CLASSIFICATION — An operating program function, consisting of closely related activities with an identifiable objective or goal that is treated as an identifiable appropriation item

PROPERTY TAX RELIEF FUND — Accounts for revenues from the New Jersey Gross Income Tax. Revenues realized from the Gross Income Tax are dedicated by the State Constitution. All receipts from taxes levied on personal income of individuals, estates, and trusts must be appropriated exclusively for the purpose of reducing or offsetting property taxes. Annual appropriations are made from the fund, pursuant to formulae established by the Legislature, to individuals, counties, municipalities, and school districts

PSE&G — Public Service Electric and Gas

REAPPROPRIATION — The appropriation in any fiscal year of funds remaining unexpended at the end of the preceding fiscal year that are specifically appropriated in the succeeding fiscal year. (See also FUND BALANCE—DESIGNATED)

RECEIPTS — A general term for cash received, which may either satisfy a receivable, be a conversion of another asset or a refund of a prior expenditure; it may also represent revenues earned or realized

RECEIVABLE — An anticipated sum of money that is treated as revenue because it has been earned and is due. Such sums are available for expenditure by State agencies when properly authorized

REFERENCE KEY — A columnar heading in the appropriation data section of each program budget which identifies a program classification to which a particular account relates

REQUEST YEAR — the fiscal year for which a budget request is made

REVENUE ACCOUNT — An account established for the purpose of recording the receipt of revenues from a specific source

GLOSSARY

REVENUES — Funds received from taxes, fees or other sources that are treated as income to the state and are used to finance expenditures

REVOLVING FUND (ACCOUNT) — A fund (or an account within any fund) established to finance (1) State activities of a business or commercial nature or (2) the operation of an intragovernmental service agency or enterprise that generates receipts (income) from the sale of commodities or services. Such receipts are available for the continuing operation of the activity or enterprise

SACWIS — Statewide Automated Child Welfare Information System

SERVICES OTHER THAN PERSONAL — The cost of purchased services that are primarily non-personal or of a contract nature under which no employer-employee relationship is established

SFEA — State Facilities Education Act

SPECIAL PURPOSE APPROPRIATION — A type of appropriation that includes monies for personal services, non personal services, maintenance, etc., but which is appropriated as a single amount and which does not specify amounts for individual objects of expenditure

SPECIAL REVENUE FUNDS — Funds used to account for resources legally restricted to expenditure for specified purposes in accordance with enabling legislation.

SPENDING AGENCY — Any department, board, commission, officer, or other State agency to or for which an appropriation is made

SSA — Social Security Administration

SSI — Supplemental Security Income

STATE AID — One of the major subdivisions of the State budget; this category shall mean:

1. Monies paid by the State to a local government or to a nongovernmental agency for:
 - a. Assistance distributed to local governments according to a formula
 - b. Assistance provided to aid local governments in carrying out activities that are the responsibility of the local unit
 - c. Aid to non-governmental agencies for functions carried out on behalf of a local unit of government
 - d. Payments specifically designated by law as State Aid
2. Expenses incurred by a State department or agency on behalf of a local unit of government. Such expenditures may include:
 - a. Monies budgeted by the State to make payments on behalf of local government
 - b. Administrative costs of State Aid programs
 - c. Costs of State personnel engaged in services normally provided and paid for by a local government

STATE APPROPRIATIONS LIMITATION ACT — The Act that limits the growth of the Direct State Services subdivision of the State budget based upon the average annual percentage increase in per capita income over the four fiscal years prior to the base year

STATE SUPPORTED POSITION — A position specifically approved and funded by a State appropriation in a salary object account

STATE TREASURY — A term used generally to refer to all funds (monies) deposited to the credit of the State of New Jersey. It includes the General Fund and funds from all other sources

STATEWIDE PROGRAM — A functional grouping of related program classifications that contribute to satisfaction of some broader objective or objectives. Each Statewide program is presented as a separate component of the total budget of a department or agency

STATUTE — A written law enacted by a duly organized and constituted legislative body

STRATEGIC PLANNING — The process of making present decisions on the allocation of people, assets and priorities to reach an agreed upon objective, after consideration of needs and constraints

SUPPLEMENTAL APPROPRIATION — An appropriation made in addition to (or supplemental to) the annual Appropriations Act

SURPLUS — Revenue exceeding expenditures over a given period of time. (Also see FUND BALANCE.)

SURPLUS REVENUE FUND — A reserve into which certain revenues are deposited when the amount collected exceeds the amount anticipated. The balance in this fund may be appropriated upon certification by the Governor that anticipated revenues are less than those certified or to meet emergencies. (Rainy Day Fund)

TANF — Temporary Assistance for Needy Families

TEFAP — Temporary Emergency Food Assistance Program

TPAF — Teachers' Pension and Annuity Fund

TRANSFER (OF APPROPRIATION) — A transaction that reallocates all or part of any item in an appropriation to another item in that appropriation

TRUST AND AGENCY FUNDS — Funds used to account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds

UMDNJ — University of Medicine and Dentistry of New Jersey

UNEXPENDED BALANCE — The remaining appropriation balance in an account after charging all disbursements and encumbrances

VETO — An official action by the Governor to nullify legislative action

WFNJ — Work First New Jersey

NOTES

A collage of black and white photographs of various landmarks and scenic views from the state of Maryland, arranged in a circular pattern. The landmarks include a large stone building on a cliff, a waterfall, a bridge, a lighthouse, a boat, a clock tower, and various churches and houses.

This section includes a selection of tables and charts which summarize the Governor's Budget recommendations, and highlight significant changes and policy initiatives.

SUMMARIES OF APPROPRIATIONS

THE BUDGET IN BRIEF

GENERAL FUND

Resources

(thousands of dollars)

Undesignated fund balance, July 1, 2008	951,118	
Revenues anticipated and adjustments	18,407,311	
Total Resources		19,358,429
Recommendations		
Direct State Services	6,430,073	
Grants-in-Aid	8,987,453	
State Aid	1,886,206	
Capital Construction	1,196,029	
Debt Service	405,897	
Total Recommendations		18,905,658
Long Term Obligation and Capital Expenditure Reserve, June 30, 2009		334,069
Undesignated fund balance, June 30, 2009		118,702

SURPLUS REVENUE FUND

Resources

Undesignated fund balance, July 1, 2008	481,398	
Adjustments	(100)	
Undesignated fund balance, June 30, 2009		481,298

PROPERTY TAX RELIEF FUND

Resources

Undesignated fund balance, July 1, 2008	---	
Revenues anticipated	13,556,600	
Total Resources		13,556,600
Recommendations		
Grants-in-Aid	1,886,000	
State Aid	11,670,600	
Total Recommendations		13,556,600
Undesignated fund balance, June 30, 2009		---

GOVERNATORIAL ELECTIONS FUND

Resources

Undesignated fund balance, July 1, 2008	1,253	
Revenues anticipated and adjustments	3,827	
Total Resources		5,080
Recommendations		
Public Financing of Elections		5,080
Undesignated fund balance, June 30, 2009		---

CASINO CONTROL FUND

Resources

Undesignated fund balance, July 1, 2008	300	
Revenues anticipated	75,139	
Total Resources		75,439
Recommendations		
Regulation of Casino Gambling		75,439
Undesignated fund balance, June 30, 2009		---

CASINO REVENUE FUND

Resources

Undesignated fund balance, July 1, 2008	---	
Revenues anticipated	425,826	
Total Resources		425,826
Recommendations		
Programs for senior citizens and handicapped persons		425,826
Undesignated fund balance, June 30, 2009		---

FY 2009 Budget Executive Summary

The proposed FY 2009 Budget has been reduced by \$500 million compared to the FY 2008 Budget signed into law last June. Actual reductions, however, total \$2.7 billion in order to offset mandatory cost pressures that would have otherwise brought spending to \$35.7 billion in the next fiscal year. With all cuts and restraints combined, FY 2009 appropriations total \$32.97 billion, compared to \$33.47 billion in the FY 2008 Appropriations Act.

The FY 2009 Budget represents a turning point in the fiscal management of the State. New Jersey has historically taken a short term view to balancing the budget. With reliance on short term fixes, non-recurring revenues, one-time actions and reductions to support higher spending, budgets to date have simply failed the most fundamental test of matching recurring expenses with recurring revenues. As we approach FY 2009 and beyond, the choices we face today have been set in large part by the decisions of yesterday. This budget begins the process of unwinding the ties that bind New Jersey's ability to fund its priorities and prevent our citizenry from controlling their own fiscal destiny. However, simply cutting expenditures is not sufficient.

Changing course will be neither easy nor painless. This budget resets our spending to more closely match our revenues and thus requires many unpleasant choices about which activities, services and benefits are most critical.

The choices are unavoidable, because the revenues to sustain current levels of appropriations are simply unavailable. Below are some of the significant aspects of the FY 2009 Budget:

- Reduces the size and the cost of government by over \$350 million;
- Provides \$16.7 billion in property tax relief, an increase over the current year, including \$11.5 billion in support for preschool-12 education and funding for the new school formula;
- Reduces the reliance on non-recurring resources from \$1.8 billion to less than \$600 million;
- Protects programs that provide public safety and those programs that service and protect the needs of the most vulnerable;
- Incorporates fair and common sense apportionment of reductions.

Finally, the budget **DOES NOT RELY ON ANY NEW OR INCREASED TAXES.**

As with the current year, nearly three-quarters of the budget will continue to support State aid and grants, which reach millions of New Jerseyans through hundreds of valued programs, ranging from property tax rebates for working families to prescription assistance to our senior citizens. Hundreds of millions of dollars in budget reductions are recommended, but great care has been taken to blunt the impact on this majority portion of State spending.

Defining the Problem and How it was Solved

When the FY 2009 Budget planning process began in earnest last fall, baked in spending pressures grew the budget from the \$33.47 billion in the current FY 2008 Budget to an estimated \$35.7 billion. This growth was based on contractual, mandatory and statutory increases including over \$500 million in additional costs for the new school funding formula.

As the process moved forward, it became clear that the growth in revenues fell far short of matching the pace of spending growth. Revenues were projected to total less than \$32.5 billion.

The difference between the projected revenues of \$32.5 billion and the projected spending level of \$35.7 billion represented the \$3.2 billion structural shortfall. In keeping with the principle to not close this shortfall through new or increased taxes, we approached budget balancing through spending constraints, reductions and other actions.

We closed the \$3.2 billion structural gap with \$2.7 billion in actions that impact spending and using a \$500 million portion of the \$834 million of excess surplus that is projected by the end of the current year.

Nearly \$1.7 billion, or over 61%, of the spending actions are actual reductions to the base budget. The other \$1 billion represents reductions or limitations of growth and other actions to offset spending.

Reducing the Size and Cost of Government

The budget will reduce the size and cost of State government by over \$350 million and the number of employees by a minimum of 3,000 through a combination of an Early Retirement Incentive Program (ERI), attrition and targeted layoffs. The operating budgets of the executive departments have been decreased directly by \$193 million. For the first time in the last 35 years EVERY executive branch department will have its operating budget reduced. In addition, departments will have to realize the impact of savings of \$136 million from the Early Retirement Program and \$25 million through procurement efficiencies.

The budget calls for the elimination of three Cabinet level agencies – the Departments of Agriculture and Personnel and the Commerce Commission. The essential functions of these agencies will be consolidated into other executive branch departments or agencies. These savings result from the elimination of administrative functions, including three cabinet level positions, and efficiencies gained through consolidation.

The budget for the executive branch includes \$209 million in employee related savings through an ERI, targeted layoffs and the elimination of funding for positions that have

SUMMARIES OF APPROPRIATIONS

been vacant due to the hiring freeze that has already reduced the payroll by nearly 2,000 employees since Governor Corzine took office.

The Judiciary and the Legislature also will face reductions of \$27 million and \$1 million, respectively.

In contrast to previous early retirement programs, this initiative will provide strict controls on the back filling of employees so as to not erase ERI cost saving benefits to the State.

The combination of initiatives to reduce the number of State employees is anticipated to induce departments and agencies to further streamline and prioritize their functions and programs.

Increasing Property Tax Relief and Support for Education and the New School Funding Formula

Despite the need to reduce spending by \$2.7 billion, total recurring property tax relief will increase by \$73 million from the amount spent in the current year. This budget will provide nearly \$16.7 billion in total property tax relief which still represents more than 50% of the budget.

The core components of the property tax relief include:

- \$11.5 billion in support of preschool-12 education;
- \$2.5 billion in direct relief to taxpayers;
- \$1.8 billion in aid to municipalities; and
- \$800 million in other local aid

The \$11.5 billion in support of preschool-12 education is \$600 million above the FY 2008 appropriation, and represents over one-third of the total budget. Of this increase, approximately \$530 million is in the form of additional direct aid to school districts under the new school funding formula, which increases relief to all school districts, including boosts of 10% to 20% to a majority of the districts.

Despite fiscal pressures, this budget allocates \$2.5 billion for direct property tax relief. This funding ensures that 1.6 million homeowners will continue to receive average rebates of approximately \$1,000.

In all, 90% of homeowners will continue to receive rebates while 1.2 million homeowners, or 70%, will receive the same rebate amount that they received last year. The preservation of these benefits is achieved, and more than \$300 million in savings are realized, by reducing income eligibility limits – from \$250,000 to \$150,000 – and lowering the level of rebates for those between \$100,000 and \$150,000 from 15% of property taxes paid to 10%.

The increase in rebates provided to renters in the current budget will be rolled back to the previous level with the exception of the inflationary increase that was provided in FY 2008. A portion of the savings from this change will be redirected to vouchers for rental assistance.

This budget will also provide \$169 million in funding for the Senior Tax Freeze program, an increase of \$16 million, or more than 10%. The program will provide 158,000 residents with checks averaging \$1,069, which is \$125 more than FY 2008 average checks. The Governor is also proposing that the income limit for the program be increased to \$75,000 and that these 150,000 to 200,000 newly eligible homeowners would receive a reimbursement of two thirds of their property tax increase.

The budget will also include a reduction in the level of aid to municipalities. The budget will provide over \$1.8 billion in aid to municipalities, a decrease of approximately \$190 million, which represents less than 10% of the amount provided in the current year.

A portion of the reduction in municipal aid will be targeted to those municipalities with populations of less than 10,000. This group of towns will be given priority standing in the awarding of the \$32 million in grants from a state fund that encourages consolidation and shared services.

Reducing Reliance on Non-Recurring Resources

Continuing the trend of the first two Corzine Administration budgets, the use of non-recurring resources, excluding prior year surplus, has been decreased from \$220 million to \$69 million. This represents a 96% reduction from the \$2.7 billion average during the FY 2003 to FY 2006 period.

This budget will, however, still require the use of \$500 million of the \$834 million excess surplus that is anticipated to be available at the end of the current year. In comparison, the FY 2008 Budget relied on nearly \$1.6 billion of excess surplus to support spending.

The unused portion of the excess surplus will be deposited into a special reserve fund to support long term liabilities such as pensions, including the cost of the proposed Early Retirement Program and post retirement medical benefits, as well as funding necessary capital investment.

Fair and Common Sense Apportionment of Reductions

As was noted in the section on how the budget was balanced, nearly \$1.7 billion of the \$2.7 billion in spending actions represent actual reductions in base spending levels. The reduction in the size and cost of government discussed in the previous section is \$350 million of the \$1.7 billion. The remainder of the actual reductions in spending necessarily impact the nearly 75% of the budget that is distributed in the form of State aid and grants.

SUMMARIES OF APPROPRIATIONS

The budget attempts to spread the impact of these reductions as evenly as possible so that no one area or group of citizens is disproportionately affected.

Higher Education

The budget will provide overall support for higher education of \$2.098 billion, which represents an overall reduction of \$76 million from the \$2.174 billion spent in the current year.

State support for the senior public colleges and universities will total \$1.437 billion, a decrease of \$63 million from the current level of \$1.499 billion. Direct operating support for the state's public colleges and universities will decrease from \$901 million to \$805 million. This reduction will be offset by the State providing over \$38 million to fund negotiated salary increases.

The State support for the county colleges will total \$222 million, a decrease of \$11 million from the current level of \$233 million. Direct operating aid will be decreased by 10%, from \$163 million to \$147 million, while State support for debt service on capital projects will increase from \$35 million to \$40 million.

The State support for the private colleges and universities will also be reduced by 10% from \$20 million to \$18 million.

The budget will provide \$323 million in funding for various tuition assistance programs, a net increase of \$14 million. The Tuition Aid Grant (TAG) program will receive \$245 million in funding, a net increase of \$15 million. The program, however, will be adjusted to limit the TAG awards to incoming freshmen at the State's private colleges and universities to the level of TAG awards at Rutgers. In addition, the Outstanding Scholars program will continue to be phased out and income limits will be placed on the NJ STARS program.

Hospitals

The budget will provide \$902 million in State and federal support for hospitals' Charity Care, Hospital Relief payments, Graduate Medical Education (GME), cancer grants and other programs. This is a reduction of \$143.5 million from the current \$1.045 billion level.

The budget will provide \$608 million for the Charity Care program, a reduction of \$108 million from the current level of \$716 million. The formula to distribute these funds will be adjusted to maintain necessary support for essential hospitals and updated based on current service data. A portion of the \$608 million will not be distributed but instead will be held in a newly created Health Care Stabilization Fund to assist hospitals facing specific financial needs during the fiscal year.

In addition, the budget will reduce Hospital Relief Offset Payments from \$203 million to \$183 million and the Graduate Medical Education program will be reduced from \$60 million to \$50 million. A new \$15 million appropriation will be included to support hospitals that plan to close facilities through the use of the Hospital Asset Transformation Program.

Finally, grants for cancer facilities and research will be reduced from \$66.5 million to \$46 million. A portion of the money will be allocated to the nationally designated Cancer Institute of New Jersey in New Brunswick as well as appropriations to support debt service at specific facilities. The final portion will be available for grants to other cancer centers for research funding and will be distributed based on the determination of the Commissioner of Health and Senior Services.

Other Areas

On a much smaller scale the budget impacts other programs that the State supports such as arts, history and tourism funding and many other important programs. The budget impact on these programs is presented in a more detailed section of the Budget in Brief.

In spite of the fact that the budget decreases overall, there are some important increases in the budget not previously mentioned. These represent important commitments and include \$60.9 million for community placement costs for the Divisions of Developmental Disabilities and Mental Health Services, a \$60 million increase in support for NJ Transit, and \$41 million to annualize the Cost-of-Living increase for Community Providers. There is also \$15 million to enhance the State Rental Assistance Program.

Conclusion

The \$32.969 billion budget proposed by the Governor delivers on the first component of the four point program outlined in the State of the State address. In fact, it exceeds the goal of freezing spending by actually reducing spending by over \$500 million.

This budget also takes a step toward achieving the second component of the Governor's plan by significantly reducing the use of non-recurring revenues and moving the budget toward a balance between spending and recurring revenues. Legislation will be needed to require the Executive and Legislative branches of government to limit growth in future spending to certifiable revenues.

The third component of the Governor's plan will require that the voters be allowed to amend the New Jersey Constitution to limit future state borrowing.

Finally, there must be a continued discussion to develop realistic alternatives to pay down the State's debt and fund vital capital investments.

SUMMARIES OF APPROPRIATIONS

The ability to pay down the State's debt and reduce the annual debt service is an important component to limiting future spending increases while at the same time maintaining programs and services. Preliminary estimates reflect that even after the precedent-setting actions taken in this budget to cut spending and reduce the reliance on non-recurring actions, the State is still likely to face a structural deficit of approximately \$1.7 billion in FY 2010, even without meeting an actuarially required contribution to the State's pension fund. State revenue increases simply cannot keep pace with increases in mandatory spending. The reduction in half of the State's debt would result in a debt service savings of at least \$1 billion, which would be just over one-half of the projected deficit for FY 2010. The reduction in debt service is an action that has no impact on any State service or program. Absent a reduction in an area such as debt service, the State will continually need to reduce base spending to offset mandatory and contractual increases.

Setting A New Course For New Jersey

New Jersey's Fiscal Dilemma – Historical Context

Nearly 20 years have elapsed since the State of New Jersey's Budget was considered to be "structurally sound." During that time, Administrations of both parties have balanced the State Budget through temporary solutions, many of which were politically expedient, and by deferring embedded -- and growing -- structural problems to future years. As a result, a shortfall that was fairly modest at its onset has evolved into a full-fledged financial emergency, one that now threatens to paralyze our ability to invest in our future and fund the public's priorities.

The duration of our fiscal dilemma is now matched by its depth. The annual deficit between the cost of current services and ongoing revenues has remained stubbornly high, totaling an estimated \$3.2 billion in fiscal 2009 and representing nearly 10% of the entire State Budget. If the Budget had assumed full funding of the State's pension obligation, spending in fiscal 2009 would have increased by \$780 million and the projected deficit would have totaled approximately \$4 billion. A lack of fiscal discipline, and an absence of political will, has gradually ground down our financial underpinnings.

While the root causes are well documented, a few fundamental myths persist: that the problem is temporary and sometimes prone to exaggeration; that it derived largely from mismanagement by a select few; that the Budget is replete with low-value, "discretionary" programs operated primarily by State employees; and that the simple elimination of waste, fraud and abuse could erase most of the problem. In short, while efforts to root out inefficiency are steadfast and unyielding, the perception that such efforts alone will bring the Budget into balance is unrealistic.

The plain facts bear repeating. This fiscal predicament is long-standing and growing. Shortsighted fiscal policies, as detailed in the following pages, have not been limited in time and scope, but rather were conveniently embraced on a fairly consistent basis.

As to Direct State Services, that portion of the State Budget represents only 20% of the total, down from 25% just ten years earlier.¹ And while added pressure is being brought to bear on remaining areas of waste, including the creation of the new Office of the State Comptroller, the size of the problem extends far beyond what can reasonably be associated with inefficiency. Rather, fundamental choices are necessary to limit spending to only the most essential services.

New Jersey's fiscal policies have more resembled a patchwork quilt than a long-range financial blueprint. Though the natural rate of growth in recurring revenues has been fairly strong over time at 2% to 3% annually, the rate of spending growth has been far greater at 6% to 7%. Along the way, major tax revenues were reduced without corresponding cuts to programs, thus compounding the gap. In the absence of a long-range view, new programs were added without fully accounting and budgeting for their inevitable future growth. Expensive federal mandates triggered spending increases for programs such as education and child welfare. In response, the State simply tried to maintain the status quo. A "credit card culture" pervaded considerations of debt, where fiscal control has been particularly hard to enforce. Today, New Jersey's bonded indebtedness totals \$32 billion, approximately triple the amount that existed just ten years ago, leaving State residents with one of the highest debt burdens in the country.

Finally, in a more subtle but significant way, aging infrastructure and ongoing demographic changes have exerted steady but powerful pressure to spend. The public's perception of that reality, however, has historically been fairly low. For example, much of the infrastructure work that has been accomplished was supported through State borrowing. With borrowing costs now approaching \$3 billion in State spending, this "hidden expense" is clearly crowding out important programs and services in the Budget, including those for our children, senior citizens, and highly vulnerable populations.

¹ Based on FY1998 appropriation, adjusted for cost shifts.

SUMMARIES OF APPROPRIATIONS

The public budget debate must be refocused. Realistically, the debate should no longer center on achieving balance by cutting the “trove” of well-funded, “discretionary” programs. In fact, this trove does not exist. Fundamental spending reform, particularly of the magnitude required to re-establish the State’s fiscal balance, necessitates deep cuts to critical programs that are highly valued by taxpayers and budget stakeholders across the state.

That particular task poses an immense challenge. Many of the State’s largest programs and services have survived periods of dire fiscal constraint for one simple reason: they are vitally important. That importance extends not only to those who benefit. It is also an extension of how we view ourselves and the type of society we choose to live in. This includes a basic safety net for the poor, the infirm, and the elderly through programs such as Medicaid, child welfare, long-term care for the mentally ill and the disabled, and Pharmaceutical Assistance for the Aged and Disabled (PAAD). It also includes property tax relief, education, health, public safety, environmental protection, and transportation, each of which enjoys high levels of public support. Clearly, the hard part is not merely cutting the Budget, but rather doing it in a way that is responsible and humane.

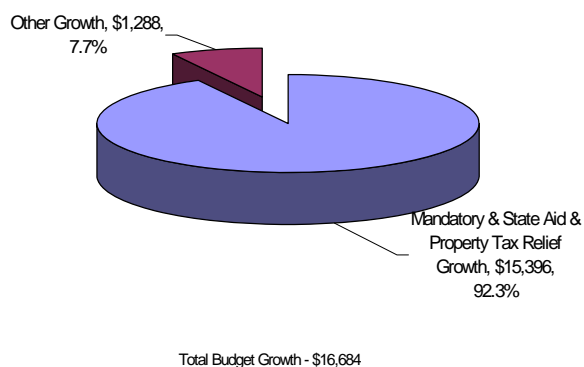
The next section outlines important details in each of these areas, providing a reference point for Governor Corzine’s proposed reforms, which are outlined later in this chapter.

Spending and Revenue Growth

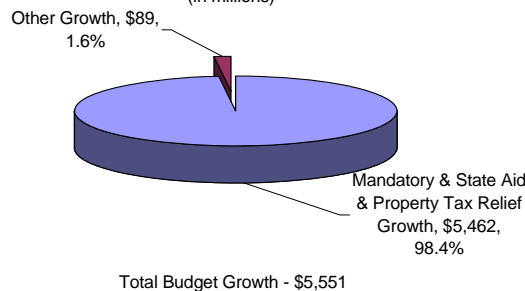
Spending growth in the State Budget is driven by three basic forces: mandatory growth required to fund the current level of services, State Aid for localities and property tax relief, and discretionary growth (i.e., “Other Growth”). Powerful cost drivers such as school enrollment growth, medical inflation, and increases in social service caseloads exert just as much influence on spending as any set of discrete policy decisions. Moreover, these factors are heavily influenced by ongoing changes in the economy, population shifts, and demographics, each of which evolves independently, outside of the State budget process.

The first set of accompanying pie charts compares the growth in State funds over the past ten years with the growth recognized during the first two years of the Corzine Administration. In each case, the lion’s share of the growth is categorized as either mandatory or as related to State Aid and property tax relief. In a key difference, however, the ten-year trend clearly exhibits a much higher rate of growth for discretionary spending (i.e., “Other Growth”) at nearly 8%, than the amount attributed to the first two years of the Corzine Administration, which was less than 2%. That is, over 98% of the budget growth funded during this Administration was either mandatory in nature or related to State Aid and property tax relief.

Components of Growth - FY 1998 to FY 2008
(in millions)



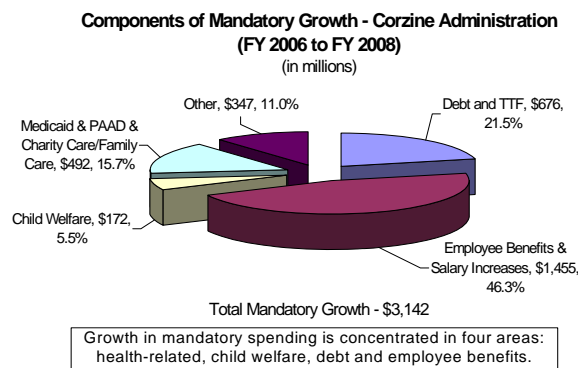
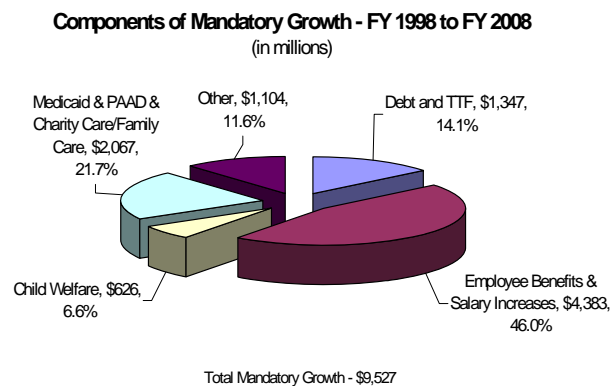
Components of Growth - Corzine Administration (FY 2006 to FY 2008)
(in millions)



98% of spending growth during this Administration was Mandatory or related to State Aid or Property Tax Relief.

As illustrated in the accompanying charts titled “Components of Mandatory Growth,” the basic components of mandatory growth are somewhat predictable. Consistently, nearly half of this growth relates to employee benefits, reflecting rising costs for

health benefits as well as statutory commitments for pension obligations. As a result of actions taken prior to the Corzine Administration, growth attributable to debt service rose significantly, from the historical benchmark of 14% to nearly 22%, largely for one reason: a massive bond refinancing implemented in fiscal 2006. This maneuver generated one year of budget relief but triggered a large annual cost spike in debt service of over a quarter billion dollars beginning in fiscal 2007, the first year of the Corzine Administration. (See “Shortsighted Fiscal Decisions” below for other, similar examples.) Conversely, the percentage of growth attributable to social service programs (including “Child Welfare”) actually declined under this Administration, from the historical rate of 28% to approximately 21%, as the federal government assumed more of the cost of drug coverage for seniors, Medicaid beneficiaries, and the disabled through the Medicare Part D program.



Most important is the relationship between average annual spending growth and “normal” revenue growth (i.e., the amount attributable to an ongoing expansion of the State economy, absent tax

increases). In recent years, annual spending growth has ranged from \$1.6 billion to \$2.8 billion, or approximately 6% to 7% of total spending, while “normal” growth in major taxes (i.e., Income, Sales, and Corporate Business Tax) has hovered around 2% to 3%, or between \$500 million and \$700 million annually. The resulting gap is a key component of the annual State Budget deficit.

Shortsighted Fiscal Decisions

In a practice that spanned multiple budgets crafted under both political parties, increased spending has been consistently supported through a series of one-time revenues. Future costs were simply viewed as someone else’s problem. Benefits were liberally expanded, despite the lack of an identified source of funding for the cost growth that was likely to follow. Budget flexibility was gradually hamstrung by the dedication of base revenues for specific program interests, as fiscal integrity gave way to narrow, special interests. This collective shortsightedness is illustrated in the examples listed below, all of which are prime factors in our current fiscal dilemma.

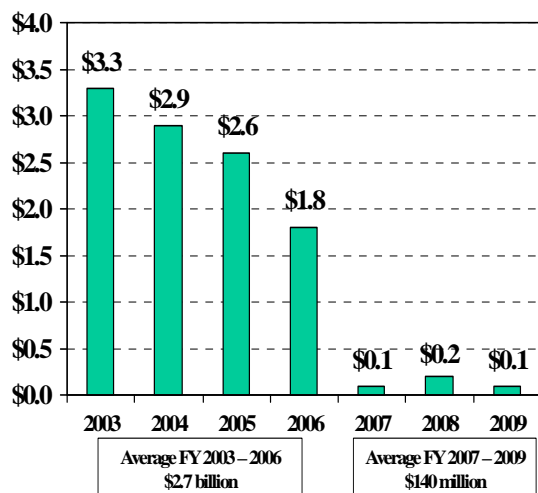
Reliance on Non-Recurring Revenues

The accompanying chart depicts the historical use of non-recurring revenue, including diversions of dedicated and trust fund revenues and securitization of future revenue streams to fund current operating costs. As one point of reference, non-recurring revenues accounted for 12% to 14% of total appropriations in fiscal 2003 and 2004. This short-sighted approach has been virtually eliminated during the Corzine Administration, however. As illustrated in the chart, the use of dedicated funds to balance the State Budget has decreased by 96% when compared to the period of fiscal 2003 to 2006. Because revenue diversions in those prior periods simply masked the imbalance between spending and ongoing revenues, it merely postponed the day of reckoning we now face.

SUMMARIES OF APPROPRIATIONS

Diversions from Dedicated Funds Down by 96% Compared to FY 2003 – FY 2006

(In Billions)



Embedded in the chart is over \$5 billion of debt that was securitized by dedicated revenues to pay for operating costs from fiscal 2003 through fiscal 2005. This activity included securitizations related to the Tobacco Settlement in fiscal 2003 (\$1.6 billion) and fiscal 2004 (\$1.6 billion), as well as two other deals anchored by a dedication of cigarette tax revenue and a surcharge on unsafe driver violations in fiscal 2005 (\$1.9 billion). In each case, the resulting revenue was used to temporarily plug a hole in the State Budget that immediately reappeared in the following year. The debt service on these issuances totals approximately \$11.7 billion, and the cost of that liability will not be fully paid until 2043. Essentially, the State will pay nearly 40 years of debt service for 1 year's worth of operating costs.

Unfortunately, the use of non-recurring revenues for ongoing costs is a longstanding practice, one that actually dates back much earlier than fiscal 2003. At best, it may be described as imprudent. At worst, it is disingenuous.

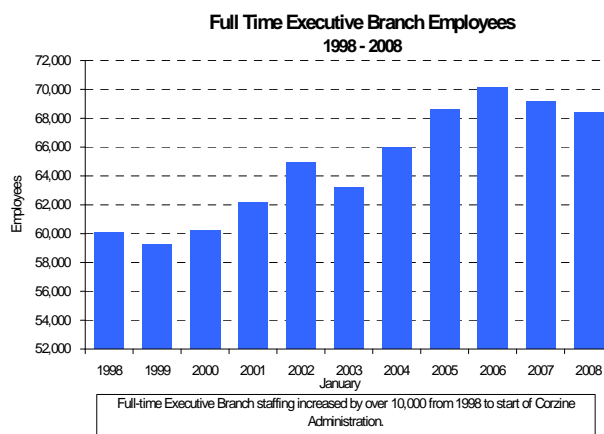
Dedication of General Fund Resources

In an effort to ensure resources for narrow programmatic interests, a variety of funding

dedications have been added to the State Budget over time. Dedications are authorized by the State Constitution (e.g., Open Space, Transportation Trust Fund) or statute (e.g., program fees). While the dedication of new resources is essentially budget neutral, the commitment of *existing* General Fund revenues sharply limits flexibility in handling cost growth, forcing program cuts in unrelated areas to make up the difference.

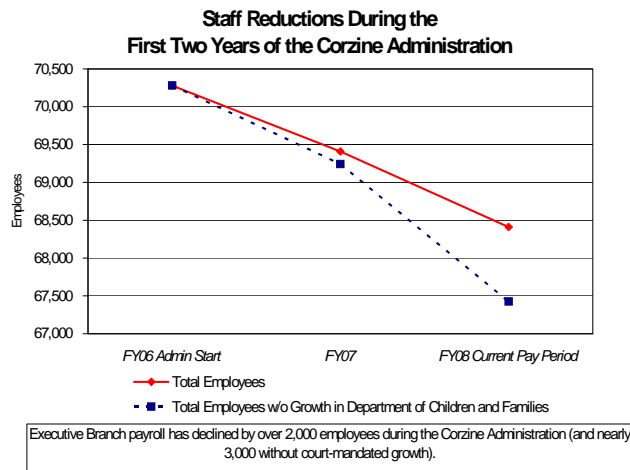
Rapid Growth in State Workforce

As shown on the accompanying chart entitled "Full Time Executive Branch Employees," the total number of Executive Branch employees grew by over 10,000 staff (i.e., nearly 17%) from fiscal 1998 (60,051) through fiscal 2006 (70,126, just prior to this Administration). This increase was concentrated primarily in the Departments of Human Services, Corrections, and Law and Public Safety and the Motor Vehicle Commission. Based on the average salary and fringe benefit rate that existed in fiscal 2006 (i.e., \$54,000 and 32.8%, respectively), these additional employees cost approximately \$720 million annually as of that fiscal year. While a portion of these new staff was added in response to federal or court mandates (e.g., child welfare, accreditation of Human Services institutions) or emergent circumstances (e.g., security concerns following September 11th), others were based on policy decisions, including the need to expand or improve service.



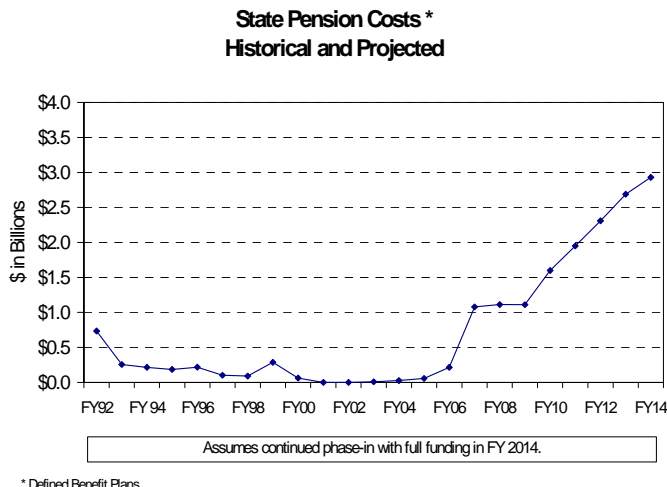
Conversely, since the start of this Administration, the full-time payroll has declined by nearly 2,000 employees. This number increases to almost 3,000 if

court-mandated growth related to child welfare is set aside. This decrease is illustrated in the accompanying chart, “Staff Reductions During the First Two Years of the Corzine Administration.”



Pension Contributions

Unfortunately, the history of policy decisions affecting the State pension system is symptomatic of the State’s general fiscal malaise, as it exhibits many of the same imprudent financial practices that plague the State Budget. The accompanying chart, “State Pension Costs – Historical and Projected,” depicts the roller coaster ride of State pension appropriations that has depleted system reserves and left us with a strong case of fiscal whiplash.



The seeds of this problem were sown in the mid-1990s, when New Jersey sold pension bonds and re-valued its pension investments (from their original “book” value to their current market value). These tactics enabled the State to avoid making its normal appropriations into the system, thus relinquishing those resources to support other programs. The pension funds were invested in the stock market and, initially, produced a sizeable balance. That balance provided a convenient rationalization for two things: 1) the elimination of State and local government contributions (i.e., pension “holidays”) totaling an estimated \$8 billion over seven years; and 2) an expansion of benefits through changes in the calculation of pension benefit payments. From fiscal 1997 through 2005, no appropriations were made to the Public Employees’ Retirement System (PERS), the State’s largest system. Similarly, from fiscal 2000 through 2005, no appropriations were provided to the next largest system, the Teachers’ Pension and Annuity Fund (TPAF).

Beginning in fiscal 2000, however, the value of the State’s pension investments declined precipitously due to the stock market crash, resulting in an asset loss of approximately \$20 billion (24%) by the end of fiscal 2002. Income tax receipts over this same period also were adversely affected. However, instead of instituting deep program cuts to re-align budget expenses with available revenues, the State shorted the pension system by substituting excess pension assets in place of the normal cash appropriation. The Benefit Enhancement Fund, which was originally created to support some of the aforementioned benefit expansions, was also tapped for this purpose.

This combination of asset losses and increased benefits triggered a rapid and steady increase in the system’s unfunded liability (i.e., degree to which the actuarially-determined obligations exceed the value of pension assets). From fiscal 2004 to the present, the unfunded liability more than doubled, from \$12 billion to approximately \$25 billion, of which \$16.6 billion represents the State’s liability.

Today, the assets in the pension system have been depleted-- including the Benefit Enhancement Fund, which has been completely exhausted-- yet the long-term obligation remains and in fact is growing. The growth of these obligations has been curbed to some

degree by the Corzine Administration's policy to resume cash contributions. The first two Corzine Administration budgets allocated approximately \$2.2 billion in cash contributions to the five defined-benefit pension systems, which is greater than the amount of cash contributed to those systems over the previous 15 years combined. To continue to address this obligation, our current pension appropriation of \$1.1 billion is expected to nearly triple to \$3 billion by fiscal 2014, a level that is likely to squeeze considerable flexibility out of the State Budget.

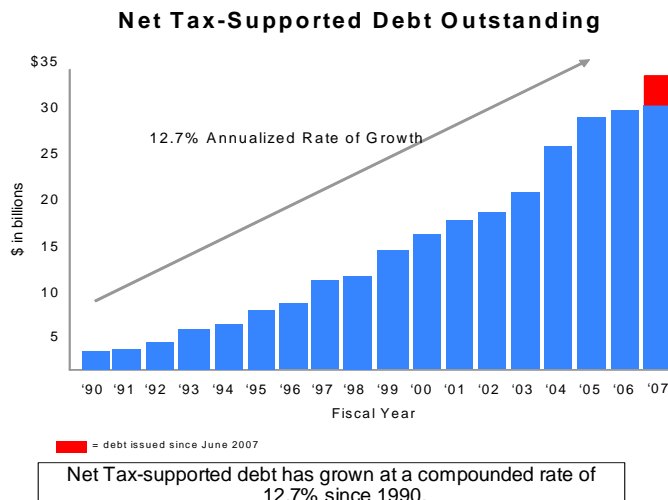
State Debt – The “Credit Card Culture”

In recent years, the State has used debt both to balance its annual budgets and as a convenient response to unrelenting spending pressures. Each tactic is problematic, representing prime examples of the “credit card culture” that characterized our past view of debt obligations.

Clearly, the issuance of long-term debt to balance an annual operating budget is an imprudent strategy, just as it would be for an individual family. While debt proceeds provide short-term relief, the bonds must be repaid, with interest, thus dramatically escalating the ultimate cost of current services. The mere fact that this particular debt was supported by a dedicated funding source is a weak rationale.

While the capital needs of our State are vast and growing, some degree of restraint is also needed in choosing what problems to address with debt, how much to invest, and how to efficiently control that spending. The State simply does not have the resources to be “all things to all people.” Decisions on school construction, transportation, open space, and other worthy programs must be subjected to rigorous analysis, and a sense of fiscal discipline, to ensure the most effective use of limited funds.

In the early 1990s, New Jersey's debt service was manageable--as a percentage of State Personal Income, it was consistent with the average for all states. Every year since then, however, New Jersey's debt level has exceeded this average. The accompanying chart, “Net Tax-Supported Debt Outstanding,” shows that the level of outstanding State debt has increased by almost 13% per year since 1990.



This increase is due primarily to the State's issuance of “contract debt,” namely that which has not been approved by the public but rather is issued by independent authorities. In contrast, the amount of “general obligation” debt, which is approved by the voters and carries the full faith and credit of the State of New Jersey, remains at the same level as it was in 1990, at \$3 billion.

The result of this increase is that, by fiscal 2008, New Jersey residents faced the third highest total debt burden in the nation. To pay off this debt, each and every resident of the State—every man, woman, and child—would owe \$3,700. In contrast, the median debt burden per capita in the U.S. is under \$800.

What are the true impacts of the State's credit card culture? Not only does this reliance place an ever-growing burden on State residents and businesses, but debt payments essentially “crowd out” appropriations needed for education, health care, property tax relief, and other key programs. Debt service, which solely represents past obligations, will cost the State \$2.6 billion in the current fiscal year. This amount, which the State is required to pay to satisfy the holders of its bonds, represents approximately 8% of the total State Budget.

Even this troubling level of debt masks the absolute level of the State's long-term obligations. It excludes the full cost of the State's legal and ethical obligation to pay pension and medical benefits for State and local retired employees. Adding the total amount of costs for these obligations to the State debt, as

illustrated in the accompanying chart, reveals that the State actually faces a long-term obligation estimated at \$115 billion. (This amount includes a local share of \$8 billion in unfunded pension liabilities.)

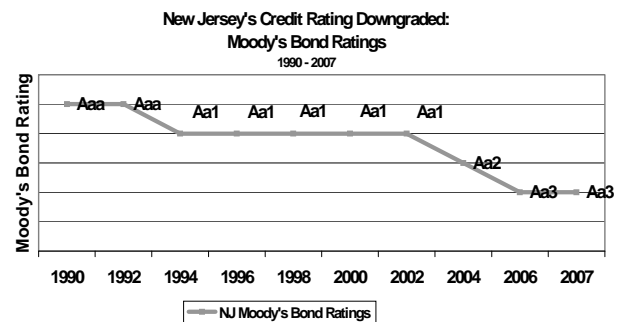
Long Term Obligations	
Debt	\$32 billion
Unfunded Pension Liability ¹	\$25 billion
Post Retirement Medical Liability	\$58 billion
Total	\$115 billion
¹ Excludes "current" pension obligation	

Due to its structural imbalance, the State currently is not fully funding its annually required contributions, which is the amount needed just to keep pace with its obligations and not fall further behind. As illustrated in the accompanying chart, the State appropriated \$4.8 billion for these obligations in fiscal 2008, representing 14% of the total Budget. Nevertheless, this amount represents less than half of its estimated annually required contribution of \$9.8 billion. Fully funding this year's contributions to meet long-term obligations would require 29% of the entire State budget, a staggering sum which would trigger massive cuts in all other spending. Instead, the failure to provide these required contributions adds an additional \$5 billion to the State's long-term obligations, further exacerbating the structural imbalance in future years. This ever-growing cycle requires drastic measures to right the fiscal ship and to keep New Jersey from sinking more deeply into debt.

Shortfall in Contributions to Long-Term Debt			
Annually Required Contribution FY2008		Amount Budgeted in FY 2008	Contribution Shortfall
Debt Service	\$2.6 billion -	\$2.6 billion =	\$0 billion
Pension Contribution	\$2.3 billion -	\$1.1 billion =	\$1.2 billion
Post Retirement Medical Liability	\$4.9 billion -	\$1.1 billion =	\$3.8 billion
Total	\$9.8 billion -	\$4.8 billion =	\$5.0 billion
Shortfall in FY2008 contributions adds \$5 billion to long-term debt obligation.			

New Jersey's Lower Credit Rating Imposes Additional Costs

As recently as 1992, New Jersey had the highest possible credit rating, with Moody's Investors Service rating the State's bonds as Aaa. Since then, Moody's has downgraded New Jersey's credit ratings on three separate occasions, as seen on the accompanying chart, "New Jersey's Credit Rating Downgraded." The State's current rating is Aa3.



Moody's has downgraded NJ's credit rating three times since 1992, the last time NJ had the highest rating of Aaa.

These downgrades are further validation of the State's deteriorating fiscal situation. Moreover, they represent additional costs for the State. As of September 2007, New Jersey's relative income-tax-adjusted interest rates were higher on its bonds than 32 other states, all of which had higher credit ratings

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from Moody's. Paying more debt-related interest simply means that the State has fewer funds available to pay for current services. To create a more proper balance, and to chart a new direction for the future, it is critical that the State devise a plan for fiscal discipline in decisions involving long-term debt.

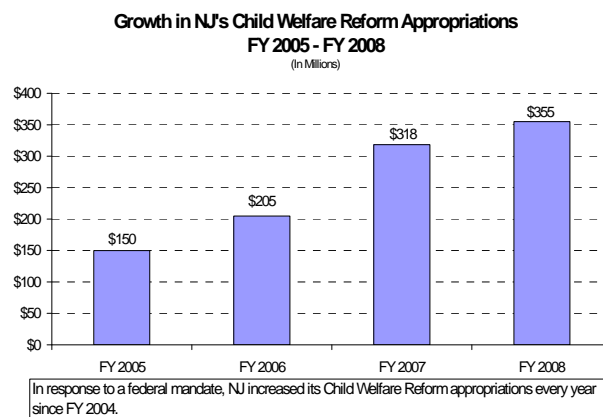
Federal Mandates

Some of the State's most significant spending demands are triggered by mandates imposed by federal courts and by the federal government. Implementation is costly and the State is often given little discretion. To the extent that other, less costly program alternatives could have been chosen instead, these mandates limit the State's ability to address other pressing needs.

Two prime examples of federal mandates in the area of public education are the *No Child Left Behind* (NCLB) Act and the additional services to special education children required under the *Individuals with Disabilities Education Act* (IDEA). The NCLB of 2001 changed the federal government's role in K-12 education by focusing on school success as measured by student achievement. As a condition of receipt of federal Title 1 funding, all public schools must administer annual tests in reading and math, and administer the science test once every 3 years, to each student in grades 3 through 8. Schools must administer these tests once more to students sometime between Grades 10 and 12. The federal resources that were provided for the increased testing did not cover the additional cost, however. The fiscal 2008 and 2009 State support for testing totals \$20.7 million, an increase of \$6 million from fiscal 2003 expenditures of \$14.7 million. It is important to note that NCLB is up for reauthorization in the U.S. Congress; changes from that process could further increase State costs.

As a second example, at the time the federal government enacted IDEA in 1975, it committed to funding 40% of the cost of educating a special education child. Unfortunately, the federal government has never come close to fulfilling this obligation. Federal Funds Information Services estimates that New Jersey would have received more than \$500 million in additional federal funding in fiscal 2007 if the federal government had fully funded its commitment.

This pattern repeats itself across several other programs. For example, since fiscal 2004, the State of New Jersey's child welfare agency has been under a federal court order. The Modified Settlement Agreement is a direct result of a federal lawsuit with plaintiff's counsel, Children's Rights, Inc. This settlement agreement mandates the Department of Children and Families to meet specific requirements agreed to by both parties. If the provisions are not met, the plaintiff can request a court intervention. As a result, the State has provided the Department of Children and Families with approximately \$355 million more in fiscal 2008 than in fiscal 2004, in order to accomplish the provisions. The yearly increase in appropriations since fiscal 2004 is illustrated in the accompanying chart, "Growth in NJ's Child Welfare Reform Appropriations."



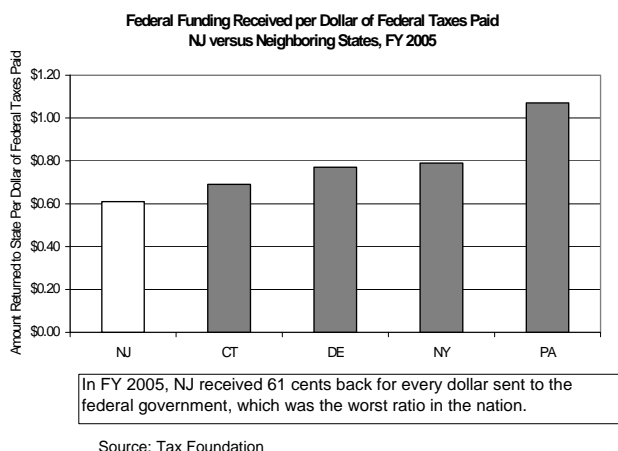
Note: In FY 2007, a shift of \$31.8 m from the Department of Human Services is included.

The State also must respond to a federal court mandate when deciding how to provide services for its developmentally disabled and mental health clients. The U.S. Supreme Court ruled in its *Olmstead* decision that every state must ensure that such residents are served in the most appropriate setting possible. If capable, these residents must be allowed to transfer from developmental centers and mental health hospitals to community residential programs or their own homes. As a direct response to the *Olmstead* mandate, the State provided the Divisions of Developmental Disabilities and Mental Health Services with an additional \$20.5 million in fiscal 2007 and \$48.4 million in fiscal 2008.

Lack of Federal Support

A related constraint for New Jersey, despite the efforts of the entire Congressional delegation, is the paucity of federal aid received in comparison to most other states. New Jersey taxpayers pay much more in federal taxes than they receive back in federal benefits. According to the Tax Foundation, New Jersey has never been higher than 48th in the nation since 1981, and typically has ranked last among the states.

For the most recent year analyzed, fiscal 2005, the Tax Foundation found that New Jersey residents received only 61 cents in federal benefits for every dollar that they paid in federal taxes, the lowest ratio in the nation. The accompanying chart, "Federal Funding Received per Dollar of Federal Taxes Paid," illustrates how much less New Jersey receives than even its neighboring states. As a result, the burden falls more heavily on the State to make up the difference.



Moreover, the federal government actually has reduced funding in recent years for a wide variety of programs across all states, including New Jersey. In just one example, the federal Department of Health and Human Services issued a series of new regulations in the past year altering the Medicaid program. The national Center on Budget and Policy Priorities (CBPP) estimates that these regulations, if not modified, would reduce federal Medicaid funds for all states by \$15 billion over the next five years. Because these are changes in regulation, they do not

require the approval of the U.S. Congress. Other proposed changes, such as those affecting the federal State Children's Health Insurance Program (SCHIP), would adversely impact states like New Jersey which, due to the higher costs of living in the Northeast, provide coverage to children and families at higher levels of income.

Finally, the President's proposed Fiscal 2009 Federal Budget recommends additional decreases in funding. In a report dated February 4, 2008, the CBPP estimates that, if the President's proposed budget were to be enacted, New Jersey would suffer cuts in federal funding of over \$540 million, after adjusting for inflation. This ongoing pattern of reduced federal aid adds to the uncertainty and fiscal stress that the State experiences as it struggles to maintain key services while complying with mandated requirements.

The Impact of Aging Infrastructure

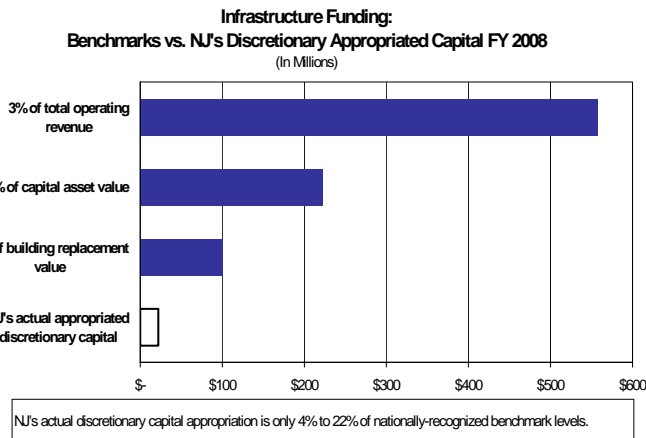
Families in New Jersey understand very well the temptation to cut spending on home maintenance projects during difficult financial times. However, they also realize that continuing to do so year after year converts small problems into major and costly emergency repairs. The very same dynamic holds true for State government, but the scale is greater and the stakes are higher.

What should the State be setting aside for infrastructure maintenance? There are a number of different nationally-recognized standards which are typically based on 3% of either total operating revenue, or the value of land, buildings and equipment, or the value of buildings only. These standards would require annual appropriations ranging from \$100 million to \$558 million.

In reality, the State spends far less than any of these recommended amounts. Though the State presently appropriates \$1.2 billion in capital each year, 98% of this amount is dedicated to specific needs, including \$895 million for the Transportation Trust Fund. Excluding those amounts, as well as capital appropriated to interdepartmental accounts, only \$22

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million was provided in fiscal 2008 for the remaining State departments. The following chart, “Infrastructure Funding,” illustrates the gap that exists between State capital funding and the national standards.



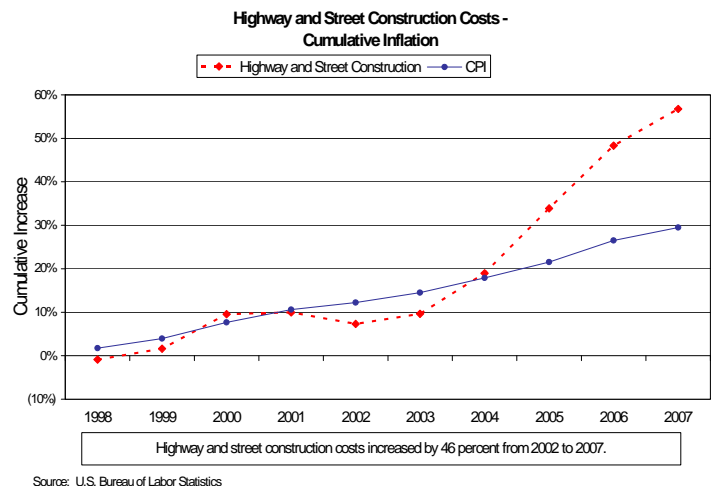
The aforementioned \$22 million in discretionary capital also pales when compared to the departments' annual capital request, which in fiscal 2009 totaled \$863 million. Those requests reflect an assortment of needs ranging from various institutions for the developmentally disabled, mentally ill, veterans, and juveniles, to correctional facilities, environmental infrastructure, information technology, and other assets.

For example, while the State estimates that \$60 million is needed to repair and replace aging roofs, only \$8.3 million is recommended for fiscal 2009. Similarly, the Department of Corrections requested \$87 million for its facilities, but only \$13.9 million was recommended. Consistently under-funding means that the backlog of maintenance needs continues to grow. Equally important, this situation increases pressure on agency operating budgets, which are already stretched thin.

Generally, State facilities are far older than those of states in other regions of the country. A 2008 analysis using data from the State's Land and Buildings Asset Management (LBAM) system found that the average State-owned building of 1,000 or more square feet is 49 years old. Certain key buildings are even older—the average Human

Services facility is 57 years old and the average Education and Juvenile Justice facilities are 58 years old. Three of the State's corrections facilities were first opened in the late 1800s. While this need is rarely discussed in budget debates, the cost of maintaining buildings which date back to the Eisenhower administration (or earlier) is a significant cost driver.

Moreover, the rate of inflation for infrastructure maintenance has been rising faster than the Consumer Price Index (CPI). For example, while the CPI increased at an annualized rate of 2.9% from 2002 to 2007, inflationary costs for highway and street construction rose at an annualized rate of 7.9% over the same period. The accompanying chart, “Highway and Street Construction Costs—Cumulative Inflation,” illustrates this increased inflationary pressure that the State faces with regard to roadways.



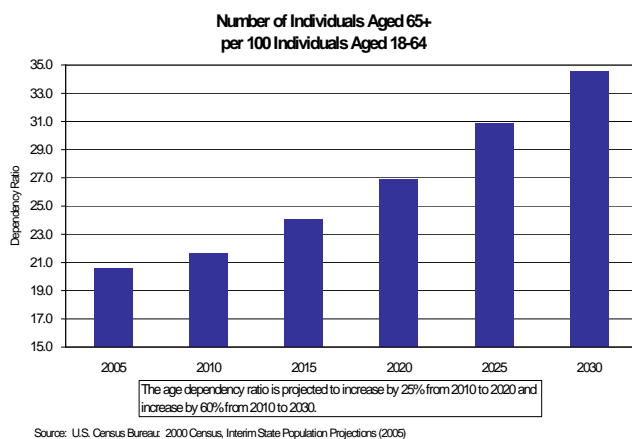
Going forward, the State will need to identify a fiscally prudent solution to this problem, one that provides an adequate stream of capital funding for all departments while providing relief to agency operating budgets.

Demographic-Related Cost Growth

Changing demographics exert constant but subtle pressures on the State Budget by increasing the demand for services at a rate that outpaces the growth

in revenue. Trends in age distribution and immigration each contribute to this structural imbalance, along with population density and development characteristics unique to New Jersey.

With the Baby Boom generation beginning to retire and life expectancies continuing to grow, seniors will comprise an increasingly larger share of the population. For example, the New Jersey population aged 85 and older grew by 33% from 2000 to 2007 compared to 5.3% for the general population, and its rate of growth is expected to rise in the coming years. Projected growth for those aged 65-84 is more modest but also is increasing at a rate that outpaces the general population. The resulting increase in the ratio of elderly to the working-age population is illustrated in the accompanying chart.

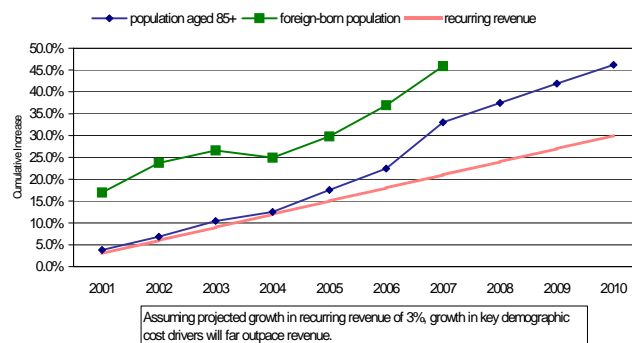


This increase will have a two-fold impact on the State Budget: 1) it will decrease tax revenue, as a greater share of the population will pass its peak earning and spending years; and 2) it will increase demand for State services, as a greater share of the population will require services such as health and prescription drug benefits.

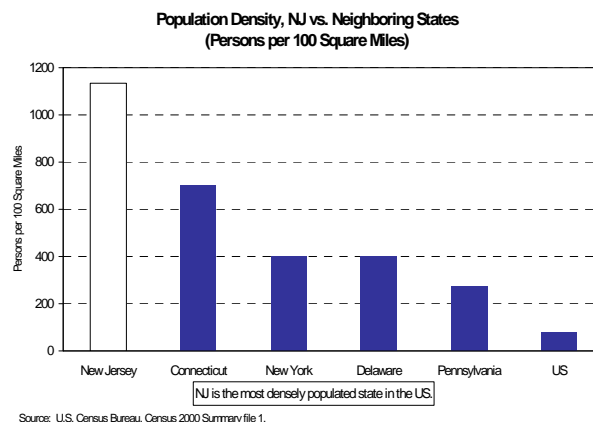
Immigration is also a factor, as the percent of foreign-born residents increased by almost 46% from 2000 to 2007. This increase was driven by authorized immigration, as the share of total immigrants arriving without authorization declined from 2000 to 2006. Newly-arrived immigrant populations traditionally require higher levels of government assistance over their first few years, as they make the transition towards becoming citizens.

The accompanying chart displays growth rates for these key demographics compared with projected growth in recurring State revenue. As illustrated, the disparity in growth between cost drivers and recurring revenue is likely to pose budget challenges for years to come.

Growth in Key Demographics vs. Recurring Revenue



Population density and development patterns also play a role in State expenditures by increasing the use of highway and mass transit systems, increasing demand for social services, and triggering spikes in school enrollment. New Jersey is the most densely populated state in the country in terms of persons per square mile (as shown in the accompanying chart) and in housing units per square mile, with both measures far exceeding the national average and that of neighboring states.



While overall growth in school enrollment has been flat in recent years, increasing suburbanization and development has spawned pockets of high growth,

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with 52 school districts realizing enrollment increases of 25% or more from 2000 to 2007. This growth, combined with rising special education enrollment, leads to increased school expenditures even when total enrollment stabilizes.

Where We Are Headed Without Fiscal Reform

As noted earlier, spending has grown at an annual clip of 6% to 7%. In contrast, base revenues (without any tax increases or any non-recurring enhancements) tend to grow at an annual pace of 2% to 3%. As noted in the accompanying chart, this set of circumstances is projected to trigger a deficit of \$1.7 billion, assuming that the State's Pension contribution is set at 65%. If that contribution were fully funded, an additional \$800 million in spending would be required and the deficit would grow to \$2.5 billion. Beyond fiscal 2010, the structural gap will continue so long as mandatory spending growth exceeds the increase in base revenues, thus requiring additional reductions to the base budget or tax increases.

Projected Shortfall Continues Into FY 2010

(In Millions)

	FY2009	FY2010	-----DIFF-----	
			\$	%
OPENING FUND BALANCE	\$ 1,434	\$ 600	\$ (834)	(58.2)
REVENUES				
Income	\$ 12,866	\$ 13,638	\$ 772	6.0
Sales	8,710	8,971	261	3.0
Corporate	2,460	2,460	-	-
Other	8,433	8,433	-	-
Total Revenues	\$ 32,469	\$ 33,502	\$ 1,033	3.2
TOTAL RESOURCES	\$ 33,903	\$ 34,102	\$ 199	0.6
RECOMMENDATIONS/PROJECTIONS	\$ 32,969	\$ 35,179	\$ 2,210	6.7
FUND BALANCE		\$ (1,077)		
Long Term Obligation and				
Capital Expenditure Fund	\$ 334			
Required Ending	600	\$ 600		
Fund Balance with Required Ending		\$ (1,677)		

Governor's Plan to Restore Fiscal Balance

In his January 2008 State of the State address, the Governor outlined four elements required for the "transformational change" that is necessary to rebuild New Jersey's financial foundation. His financial

restructuring proposals are designed to ensure that government officials cannot return to the ways of the past, when gimmicks, unfunded liabilities, and irresponsible borrowing became accepted budgeting practices.

The four tenets for financial restructuring and stability include:

Spending Freeze

The Governor's first objective, to freeze spending at its current level, was meant to provide a "timeout" so that the base budget could be re-set to match recurring revenues. In fact, the Fiscal 2009 Budget actually reduces spending *below* the amount originally budgeted for the current year by \$502 million, or nearly 2%.

Legislation: Recurring Spending and Revenue

Next, the Governor proposed that legislation be enacted to prohibit future spending levels from exceeding certified, recurring revenues. Given the depth of our fiscal problem, several years of sharp restrictions on spending are required before true fiscal balance is achieved. This legislative restriction will permanently instill a sense of fiscal discipline, thus avoiding potential backsliding. Instead, the use of one-time revenue (including any previous year's surplus) will be limited to debt relief, supplemental payments for pension and healthcare, and capital projects.

Voter Approval of New Debt

The third aspect of this plan is to amend the State Constitution to end easy access to borrowing without voter approval. Doing so will eliminate ongoing attempts to circumvent the voters, as evidenced by approximately \$24 billion in contract debt issued without public authorization over the past decade. Specifically, the amendment would require that all debt which does not have a dedicated source of revenue be approved by the voters.

Financial Restructuring/Debt Reduction Plan

Finally, the Governor proposes to capture the value of our toll roads to pay down 50% of State debt and fund transportation improvements. By creating a non-political Public Benefit Corporation to manage the operation of the New Jersey Turnpike, the Garden State Parkway, and the Atlantic City Expressway, funds can be raised to pay down existing debt, immediately eliminating approximately one-third of the State's structural deficit. In addition, a permanent source of funding for the Transportation Trust Fund will support maintenance, repairs and upgrades to our vital transportation network for decades to come. Nonetheless, the Governor is open to an alternative solution that achieves these same goals, assuming it is viable.

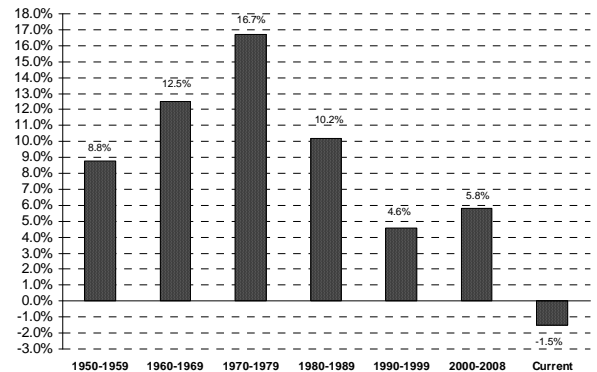
Fiscal 2009 Governor's Budget – Implementing the Plan

The structural deficit of \$3.2 billion that the State faced for fiscal 2009 simply represents the difference between a projected spending level of \$35.7 billion and the \$32.5 billion in estimated revenue. As noted earlier, the projected deficit would have totaled approximately \$4 billion if the Budget had assumed full funding of the State's pension obligation, which would have increased spending by \$780 million.

Given that the Fiscal 2008 Appropriations Act totaled \$33.5 billion, the Governor's commitment to keep spending flat required at least \$2.2 billion in budget cuts and growth constraints. In actuality, the Fiscal 2009 Budget is *lower* than the final Fiscal 2008 Budget by \$502 million, and that cut is *in addition to* the aforementioned \$2.2 billion in cuts required to achieve a flat Budget.

To provide some historical context, the spending level in the enacted Appropriations Act has been equal to or lower than the previous year only four times in the past 50 years. More typically, the State Budget has grown from year-to-year, as evidenced by an average annual growth rate of approximately 10% over the 50 year period and 7% over the past ten years. Clearly, holding spending flat against the prior year, much less reducing it further, is no small feat.

Average Change in Budgets Over Almost 6 Decades



*Data compares Recommended Budget to the prior fiscal year's Appropriations Act.

Highlights of the proposed fiscal 2009 savings initiatives totaling \$2.7 billion are detailed below, divided between Base Budget Reductions of \$1.7 billion and Revised Growth Projections of \$1 billion.

Base Budget Reductions

The \$1.7 billion in cuts to base appropriations include several initiatives originally proposed by the Governor's Commission on Government Efficiency and Reform (GEAR), such as a proposed Early Retirement Incentive Program (ERI) as well as several departmental consolidations. The largest proposed reductions are listed below:

Direct State Services

This Budget reduces the size of State government operations by over \$350 million through a combination of an ERI program, attrition, and targeted layoffs. This amount includes \$193 million in direct reductions to agency budgets. For the first time in the last 35 years, the operating budget of each Executive Branch agency will be reduced. In addition, the departments will have to realize other savings to offset the \$161 million impact of the proposed ERI program (\$136 million, net savings) and centrally-budgeted procurement savings (\$25 million) once those reductions are fully allocated.

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The State will incur some related costs that partially offset the salary-related savings, including unemployment insurance and the creation of a contractually-required displaced worker pool. The associated savings will annualize to a higher amount in fiscal 2010 and beyond. For example, the ERI savings of \$136 million in fiscal 2009 is projected to annualize to approximately \$161 million in fiscal 2010. The program will have limits on eligibility as well as a hard cap on backfilling such that only 10% of the positions vacated by retirement will be allowed to be refilled. This approach preserves the associated budget savings.

Overall, the Fiscal 2009 Budget reduces the Executive Branch workforce by over 3,000 employees, net of new hires, in addition to the decline of nearly 2,000 that has already occurred since the start of this Administration. This Budget also recommends the elimination or consolidation of State agencies, specifically the Department of Agriculture, the Department of Personnel and the New Jersey Commerce Commission, resulting in savings and efficiencies.

Every effort has been made to eliminate duplication and promote efficiencies; however, several of these employee reductions will result in fewer services or longer waiting times. For example, the Department of Environmental Protection (DEP) will be limiting park services based on an \$8.8 million reduction.

Other major Base Budget reductions are detailed below:

- \$519 million (including fiscal 2008 under-spending) by eliminating property tax rebates for individuals earning more than \$150,000; reducing or freezing rebates to homeowners who earn less than \$150,000; and scaling back tenant rebates. (See Chapter 2 for a detailed review of these reductions);
- \$190 million in Municipal Aid programs, including the elimination of the 2008 Municipal Property Tax Assistance, Municipal Efficiency Promotion Aid, and Municipal Homeland Security Assistance Aid programs (total savings of \$100 million) as well as a proportional reduction in the Consolidated Municipal Property Tax Relief Aid (CMPTRA) program (\$25 million);

elimination of CMPTRA to towns with populations below 5,000 (\$22 million); a 50% reduction in CMPTRA to towns with populations between 5,000 and 10,000 (\$15 million); a 5% reduction to Special Municipal Aid, Extraordinary Aid, and Trenton Capital City Aid (total savings of \$11 million); elimination of the REAP and SHARE programs (total savings of \$12 million); and a reduction to the Consolidation Fund (\$5 million). (See Chapter 2 for a detailed review of these reductions);

- \$144 million reduction related to hospitals, including \$129 million in State funds and \$15 million in federal funds. This includes a net reduction to Charity Care of \$108 million; however, it should be noted that the Charity Care allocation of \$608 million in fiscal 2009 includes a new Health Care Stabilization Fund for distressed hospitals as well as a new distribution formula that reflects the most recent utilization patterns. In addition, reductions are recommended to Hospital Relief Offset Payments (\$10 million State funds, \$10 million federal funds); Cancer Grants (\$21 million); and Graduate Medical Education (\$5 million State, \$5 million federal). There is also a budget increase proposed for the Hospital Asset Transformation program of \$15 million;
- \$115 million reduction in operating support for public and independent colleges, including a 10% reduction in State support (\$108 million) as well as a cut in the subsidy for out-of-state students attending a public, four-year institution (\$7 million). This total reduction will be offset by providing over \$38 million to fund negotiated salary increases for public, four-year institutions;
- \$45 million saved in appropriations to nursing homes by limiting inflation adjustments to only high-occupancy Medicaid facilities and not rebasing costs for any nursing home facilities;
- \$34 million from shifting all discretionary capital appropriations to a Special Reserve for Capital Projects;

- \$21 million in initiatives to reduce costs in State pharmaceutical assistance programs. Included is an increase in co-payments for Pharmaceutical Assistance for the Aged and Disabled (PAAD) clients, from \$5 per prescription to \$6 for generic and \$7 for brand name drugs, saving a collective \$7 million. This is the first co-pay increase in 16 years. The new co-payments represent only 9% of what drugs would cost if not for Medicare Part D. In comparison, the increased co-payment implemented in fiscal 1993 represented 13% of the cost of drugs at that time.
- The Medicaid program includes a \$6 co-pay on all emergency room visits that are not a true emergency to save \$550,000 and a \$2 co-pay on prescription drugs that saves \$7 million in fiscal 2009. The \$2 co-pay will have a monthly cap of \$10 per recipient.

See the chart entitled “Appropriations - Major Increases and Decreases” later in this document for a full listing of other reductions proposed for fiscal 2009.

Revised Growth Projections

The \$1 billion in growth adjustments reflects a refinement of cost estimates (i.e., based on more accurate information), growth offset by other funding sources, and decisions not to recognize certain costs due to budget constraints. Examples of the latter include the following:

- \$403 million in anticipated growth is eliminated as the State’s contribution to the pension systems will be essentially flat; specifically, the fiscal 2009 recommendation for the five defined benefit plans will equal the amount appropriated in fiscal 2008;
- \$82 million in inflationary aid to localities for Energy Tax Receipts and the Consolidated Municipal Property Tax Relief Aid (CMPTRA) programs;
- \$42 million from not providing a new cost of living increase to community providers;
- \$40 million in additional subsidy payments to NJ Transit;

- \$32 million in operating assistance for Higher Education institutions.

Finally, there are no new Governor’s Initiatives in this Budget.

In addition to the aforementioned \$2.7 billion in growth restraints and budget cuts, \$500 million of the projected ending fund balance for fiscal 2008 will be used to balance the Fiscal 2009 Budget, thus fully addressing the total projected deficit of \$3.2 billion.

Department Consolidations

Governor Corzine’s comprehensive plan to restructure government operations includes the elimination of three State agencies – the Department of Personnel, the Department of Agriculture, and the New Jersey Commerce Commission. Many vital functions that these departments perform will be consolidated with other agencies where similar functions are performed. This realignment of divisions will save administrative and overhead costs, as well as eliminate redundancy and duplication of effort. The elimination of these three agencies is expected to save \$2.5 million per year in fiscal 2009 and beyond.

Citizen Savings Ideas

During a recent series of town meetings, Governor Corzine received numerous suggestions from citizens and other concerned parties on how to cut State spending. In mid-February of 2008, the Governor announced the establishment of a website to formally gather these ideas for active consideration. The web tool, which can be found at www.nj.gov/governor, has a button for “Direct Citizen Input on Reducing Spending” which leads to a standard reporting form.

Through February 23, 2008, over 1,250 responses have been received. In certain cases, the State has already moved to implement the reforms suggested, or plans to do so in fiscal 2009. Some examples include:

Reduce Energy Costs - The Department of Treasury’s Office of Energy Savings has embarked on several initiatives, including: consolidated purchasing of electricity and natural gas; replacement of antiquated boilers, air conditioning, and heating systems with

SUMMARIES OF APPROPRIATIONS

energy-efficient equipment; and a new, centralized system for tracking energy cost and use. (See Chapter 3 for additional details.)

State Cars – Several comments were received concerning the sheer number of State cars and their corresponding cost. During the Corzine Administration, the total number of State cars issued to employees for work-related duty has declined by 917, or 9% (net of cars added for the Department of Children and Families to comply with court mandates). In addition, the State has received special approval from the U.S. Department of Energy to purchase more fuel efficient vehicles for its fleet, including Hybrid Electric Vehicles, instead of the Alternate Fuel Vehicles normally required. A review committee will evaluate agency requests to ensure that only the most efficient models are purchased.

Maximize Use of Existing Equipment – Through the establishment of a centralized warehouse for used furniture and computers, the Department of Treasury's Division of Property Management and Construction has successfully reduced State spending by requiring agencies to re-use existing assets. In addition, a moratorium on furniture procurement instituted in 2006 appears to be a prime factor in a 78% decline in furniture expenditures from fiscal 2005 to fiscal 2008 to date.

Consolidate Office Leases – In cooperation with the Legislature's State Leasing and Space Utilization Committee, an effort is currently underway to maximize the use of existing space. Savings of over \$3 million are anticipated in fiscal 2009. (See Chapter 3 for additional details.)

State Employee Contribution to Health Care – Several respondents encouraged the State to reconsider what its employees contribute toward their health care coverage. As of July 1, 2007, in agreements with the Communications Workers of America, the American Federation of State, County, and Municipal Employees, and the International Federation of Professional and Technical Engineers, active State employees in those unions (as well as certain other non-union employees) are now required to contribute 1.5% of their salary to offset health care costs. Increased co-pays for doctor and emergency visits and for prescription drugs also are required.

The health plans also have been changed to replace the Traditional and NJ PLUS plans with a preferred provider organization, which is expected to yield long-term savings.

Increased Employee Pension Contributions – Similar to the above suggestion, other respondents asked that the State re-think how much State and local employees contribute towards their pension costs. Legislation enacted in 2007 (Chapter 103, P.L. 2007) increased State and local employees' contributions to the two largest pension systems by 10%, from 5% to 5.5% of their annual salaries. This increased contribution is helping reduce the unfunded liabilities in these systems.

Higher Retirement Age – The same legislation noted above also increased the retirement benefit age for new public employees, from 55 to 60 years.

Pension Alternative for New Staff – Legislation in 2007 (Chapter 92, P.L. 2007) requires all newly-appointed and newly-elected officials to enroll in the Defined Contribution Retirement Program, guaranteeing that the other pension systems serve only career State and local government employees. The other pension reform legislation referred to earlier (Chapter 103, P.L. 2007) limits the salary used in pension benefit calculations for new employees to the maximum level covered under Social Security. Pension benefits for earnings in excess of that level will be determined through the Defined Contribution Retirement Program. These changes are expected to help contain future cost increases to the existing pension systems.

Critical Growth Needs Recognized

While deep cuts are required to reduce overall appropriations, this Budget does include spending growth, though it is targeted to certain critical areas.

School Aid

By far the most prominent example of critical growth is School Aid, which increases by a total of \$614 million or nearly 6%. The primary increase is for the new school formula, which increases by \$515 million. Additionally, noteworthy increases are also provided for debt service for the School Construction and Renovation Fund (\$59 million) and Preschool

programs (\$27 million). (See Chapter 2 for further details.)

Olmstead Decision: Mental Health and Developmentally Disabled

This Budget provides \$60.9 million in State funds to support the Division of Developmental Disabilities and the Division of Mental Health Services in placing individuals ready to transition from developmental centers and psychiatric hospitals into community residences. Federal funds are expected to supplement these efforts. These initiatives are in line with the U.S. Supreme Court's *Olmstead* decision which held that, as appropriate, persons with developmental disabilities and mental illness have the right to live in community rather than institutional settings. The \$60.9 million amount includes \$39 million provided in fiscal 2009 for new placements as well as \$21.9 million in annualized costs from placements that are expected in fiscal 2008. In addition, with the approval of a plan that supports future year costs with ongoing revenues, the Division of Developmental Disabilities will be able to provide community residential placements to persons on the Community Services Waiting List.

State Rental Assistance Program

The State Rental Assistance Program (SRAP), established in 2005, provides tenant-based rental assistance (i.e., housing vouchers), as well as project

funding to encourage developers to build affordable housing units. The program is a supplement to federal Section 8 rental assistance. The fiscal 2009 recommended funding for SRAP is increased by \$15 million. This program is a Governor's priority and is part of an initiative to preserve 100,000 affordable housing units over the next 10 years.

New Jersey Transit

A budget increase of \$60 million is provided, raising the annual State subsidy from the existing \$298 million to \$358 million.

Higher Education

Over \$38 million is provided for negotiated salary increases in public, four-year institutions.

Senior Freeze

A budget increase of \$16 million is recommended to increase property tax reimbursements through the Senior Tax Freeze program. In fiscal 2009, this program will provide 158,000 residents with checks averaging \$1,069, which is \$125 more than fiscal 2008 average checks. The Governor is also proposing that the income limit for the program be increased to \$75,000 and that these newly eligible homeowners would receive a reimbursement of two thirds of their property tax increase beginning in fiscal 2010.

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The FY 2009 Budget

(In Millions)

	FY 2008 Adjusted Approp	FY 2009 Budget	Change	
			\$	%
Opening Surplus	\$ 2,588	\$ 1,434	\$ (1,154)	(44.6)
Revenues				
Income	12,212	12,926	714	5.8
EITC Expansion	(40)	(60)	(20)	50.0
Sales	8,490	8,710	220	2.6
Corporate	2,675	2,460	(215)	(8.0)
Other	8,635	8,433	(202)	(2.3)
Total Revenues	\$ 31,972	\$ 32,469	497	1.6
Lapses	493			
Total Resources	\$ 35,053	\$ 33,903	\$ (1,150)	(3.3)
Appropriations				
Original	\$ 33,471	\$ 32,969	(502)	(1.5)
Supplemental	148			
Total Appropriations	\$ 33,619	\$ 32,969	\$ (650)	(1.9)
Fund Balance	\$ 1,434	\$ 600		
Long Term Obligation and Capital Expenditure Fund		\$ 334		

Property Tax Relief

OVERVIEW

Governor Corzine's Fiscal 2009 Budget is dramatically different. Historically, this particular chapter has been devoted to describing a number of new programs proposed for various State departments, including the Governor's highest priorities. This year, however, the narrative reflects the severity of New Jersey's fiscal condition, and is limited to outlining the Governor's ongoing efforts to provide property tax relief to the citizens of the State.

The four major components of this relief are summarized in the accompanying chart, "Funding for Property Tax Relief." Despite the need to reduce projected spending by \$2.7 billion, total recurring property tax relief will increase by \$73 million from the amount spent in the current year. Furthermore, total property tax relief will still represent approximately 50% of the State Budget, at nearly \$16.7 billion.

Funding for Property Tax Relief

(In Millions)

Programs	FY2008 Adjusted Approp.	FY2009 Budget	\$ Change
School Aid	\$ 10,930.2	\$ 11,544.3	\$ 614.1
Municipal Aid	1,996.8	1,807.2	(189.6)
Other Local Aid	842.2	826.8	(15.4)
Direct Taxpayer Relief	2,850.0	2,514.0	(336.0)
Total Direct Aid	<u>\$ 16,619.2</u>	<u>\$ 16,692.3</u>	<u>\$ 73.1</u>

The first section describes Governor Corzine's efforts at providing direct property tax relief to the citizens of New Jersey. These programs play a vital role in ameliorating the burden of the property tax while helping improve the quality of life for all residents.

The second section focuses on School Aid, by far the largest source of property tax relief for the citizens of this State. The section outlines Governor Corzine's changes in how the State will fund public schools. The new funding formula will guarantee greater equity and predictability in how school districts receive State funding, and ensure that all the State's children receive a "thorough and efficient" system of education, as promised by New Jersey's Constitution.

The last section describes property tax relief to the State's municipal and county governments.

Direct Taxpayer Relief

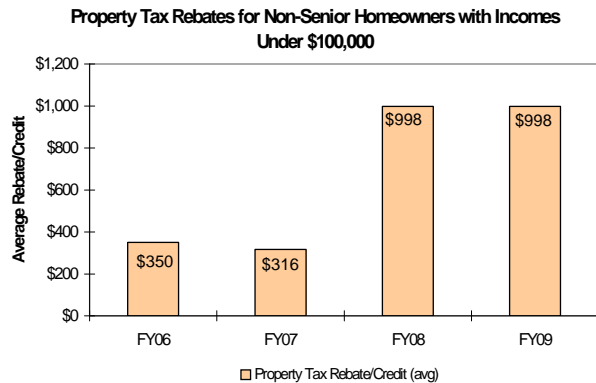
The Fiscal 2009 Budget allocates \$2.5 billion for property tax relief through direct cash payments or credits to State residents. The programs that provide these benefits are described below.

Homestead Rebates

The cornerstone of the direct property tax relief programs is the Homestead Property Tax Credit/Rebate program for homeowners and tenants, funded at \$1.7 billion in fiscal 2009. Budget constraints require that the Homestead Rebate program be cut back, eliminating the highest income earners from the program and reducing rebates for homeowners with incomes in excess of \$100,000 and for certain renters.

The homeowner portion of the fiscal 2009 Homestead Credits/Rebates for Homeowners program, recommended at \$1.6 billion, will continue to provide property tax relief to New Jersey homeowners with gross income of \$150,000 and less. More than 90% of the recipients from last year will still receive a rebate. Homestead Rebates will be calculated as 10-20% of the first \$10,000 of a homeowner's 2006 property tax bill. The degree of benefit is determined by income. Nearly 1.6 million homeowners will receive rebates at an overall average of \$1,020 per homeowner.

SUMMARIES OF APPROPRIATIONS



Rebates for non-senior homeowners have grown by \$648 on average since fiscal 2006.

An estimated 500,000 seniors will receive average rebate checks of \$1,266 while over 1 million non-seniors will receive average rebate checks of \$904. Overall, more than 1.2 million homeowners will receive the same rebate levels that they received in fiscal 2008.

FY 2009 Homestead Rebate Benefits Homeowners*

Homeowner Income	Projected Number of Recipients	Percent of 2006 Property Taxes	Average Benefit
\$0-100,000	1,230,000	20%	\$1,115
\$100,001-150,000	325,000	10%	\$665
Total	1,550,000		\$1,020

* includes senior and non-senior recipients

The tenant portion of funding for Homestead Property Tax Rebates for Tenants is \$124 million in fiscal 2009, a decrease of \$127 million from the fiscal 2008 level. More than 800,000 tenants will also continue to receive direct property tax relief in the form of rebates through the Homestead Rebates for Tenants program. Homestead rebates are provided to reimburse a portion of tenants' rent costs. The rebate for approximately 715,000 non-seniors will be \$80 in fiscal 2009. Senior tenants will continue to receive substantial rebate checks – averaging \$690. As in fiscal 2008, this group will receive a rebate between the minimum \$160 and the maximum \$860 in fiscal 2009. In an effort to address renters' needs, \$15

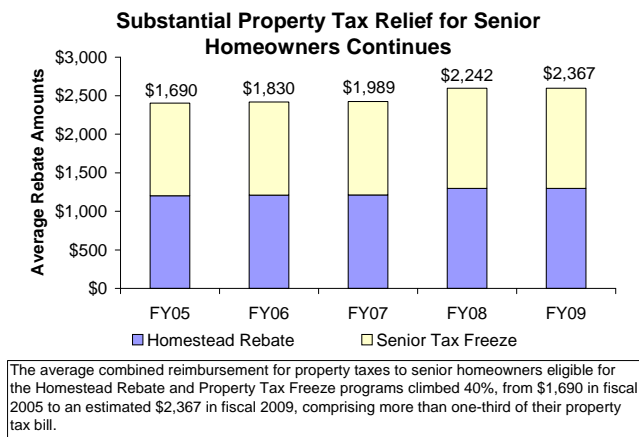
million of the savings derived from this funding reduction will be channeled into the State Rental Assistance Program to provide additional opportunities for housing for low income families.

Senior Tax Freeze

The State will continue to provide a 100% reimbursement of property tax increases for low- and middle-income seniors through the Senior and Disabled Citizens Property Tax Reimbursement (Senior Tax Freeze) program. This program freezes property taxes for low- and middle-income seniors, reimbursing them for any property tax increases that were assessed after they joined the program. The Fiscal 2009 Budget recommends a 10% increase in funding, or \$16 million, over the prior year, resulting in rebate checks that will average a record high \$1,069 for approximately 158,000 total participants.

The Senior Tax Freeze program is funded at \$169 million in fiscal 2009 to provide an average rebate of \$1,234 for 130,000 repeating participants (\$160 million) and \$308 for 28,000 new participants (\$9 million). Income eligibility levels have increased 3.3%, based on the Social Security Administration's cost-of-living-adjustment, to \$45,135 if single and \$55,343 if married. The Governor is further proposing that eligibility for the Senior Tax Freeze program be expanded to include seniors with incomes up to \$75,000 and that these 150,000 to 200,000 newly eligible homeowners would receive a reimbursement of two thirds of their property tax increases. Reimbursements to these newly eligible seniors would begin in fiscal 2010.

Senior homeowners who are currently eligible for the Senior/Disabled Citizens' Property Tax Freeze program receive substantial property tax relief, both from the Senior Freeze program as well as the previously-mentioned Homestead Rebate for Homeowners program. In fiscal 2009, these senior homeowners will receive an average combined reimbursement of \$2,367, more than 40% higher than the fiscal 2006 combined reimbursement of \$1,690. Seniors taking advantage of both programs will receive combined benefits averaging more than a third of their total property tax bill.



Property Tax Deductions

Since fiscal 2004, the State has provided the constitutionally-mandated maximum property tax deduction of \$250 to veterans and eligible senior and disabled residents on their property tax bills. Approximately 360,000 veterans, seniors and disabled citizens are expected to apply for this deduction in fiscal 2009. The State has allocated \$92 million in the Fiscal 2009 Budget to reimburse municipalities for reduced tax collections.

Eligible homeowners and tenants who pay property taxes, either directly or through rent, on their principal residence in New Jersey are eligible for either a deduction or a refundable credit on their New Jersey resident income tax return. The property tax deduction against State income tax liability will save middle-income taxpayers an estimated \$536 million in fiscal 2009. This is \$34 million, or 6.7%, higher than the previous fiscal year.

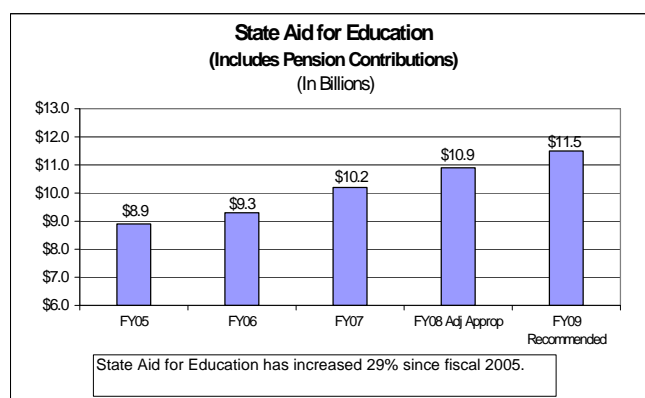
School Aid-- New Formula

New Jersey schools are among the best in the country, with exemplary educational outcomes. In fact, the test scores from the National Assessment of Educational Progress (NAEP) this year showed that progress continues to be made in closing the achievement gap for African American and Hispanic students in New Jersey. The State's foremost goal is to continue this progress under the new school funding formula, which was enacted in January 2008.

In order to sustain these high and improving achievement levels, the State has invested significant

resources into K-12 public education and early childhood education. When State Aid and local tax levy contributions are combined, current per pupil spending on education in New Jersey is the highest in the nation.

Total State Aid for education, including the State's contributions to teachers' pensions and benefits, is \$11.5 billion. This represents 35% of the State's budget, an increase of \$614.1 million over fiscal 2008. Of that, about \$7.8 billion in formula aid for K-12 education will be distributed in accordance with the School Funding Reform Act of 2008, an increase of \$514.6 million from fiscal 2008. The Budget also includes \$600.9 million for the School Construction and Renovation Program and \$103 million in School Building Aid. The combined total of these two programs represents an increase of \$48.5 million over the fiscal 2008 adjusted appropriation for these categories of aid. This funding will service State school construction debt on new and existing bond issues, as well as provide aid for qualifying local debt issued for school construction. The Budget provides \$2.3 billion in payments on behalf of local school districts for teachers' retirement benefits and the employers' share of Social Security payments. This represents an increase of \$31.4 million over the fiscal 2008 adjusted appropriation and protects property taxpayers from shouldering these costs.



The Governor's goal for the new school funding formula is to bring greater equity and predictability to State funding for school districts in a manner that fulfills the State's constitutional obligation to provide a "thorough and efficient" system of education to all students in New Jersey. To that end, the new formula

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replaces the former unpredictable, ad-hoc system of distributing State Aid with a more streamlined approach that accounts for the needs of all students. As evidence of this more streamlined approach, the new formula collapses 23 aid categories into 8.

The development of the new formula was done carefully to ensure that the new system will be constitutional: the adequacy budget allocates similar resources to similarly situated students, regardless of their zip code. The formula allocates additional resources to support students who live in districts with high concentrations of poverty, regardless of whether that student resides in a low-income urban school district or another low-income district. By calculating aid based on the student population rather than district location, the new formula will distribute aid equitably during periods of changing demographics and enrollment shifts. This is critical because our state is clearly experiencing demographic shifts that will lead to changes in districts' needs. At this point, about 49% of all low-income students in New Jersey live outside of the Abbott districts. Furthermore, the majority of public school African American students and Hispanic students are enrolled in the non-Abbott districts. The new school funding formula provides a more equitable manner for distributing School Aid in the face of these changing demographics; it provides a consistent way to determine the needs of students; and apportions State Aid after considering each school district's ability to pay, based on the aggregate income and the property values of that district.

Adequacy Budgets

The per pupil amounts for students without special needs; at-risk students (defined as those eligible for free- and reduced-price meals); students with limited English proficiency; and students that are both at-risk and limited English proficient are the building blocks of the adequacy budget. The adequacy budget represents the sum of these per pupil figures as applied to projected 2008 enrollment data for each district. This is a notable departure from past practice; due to budgetary constraints in recent years, the calculation of formula aid using enrollment data has not occurred since 2002.

State and Local Share

Once the adequacy budget is determined for each district, the formula includes a calculation to determine what portion of the adequacy budget will be paid for by the State and what portion by the local taxpayers, giving consideration to the districts' ability to pay.

Outcomes of the New Formula

All school districts will see an increase of at least 2% during the first year of the new formula, with the majority (58%) receiving an increase greater than the minimum 2%. Of the 594 regular and vocational school districts, 23% will receive increases of 10% and an additional 22% will receive increases of 20%.

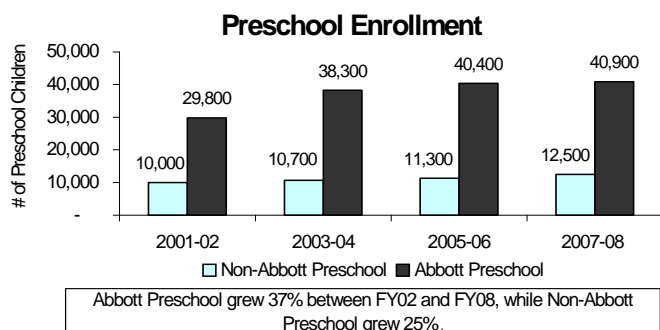
In general, the new formula will provide the largest increases to districts that have been spending below their adequacy budgets and districts wherein the local taxpayers have been shouldering more than their local fair share.

Special Education

Unlike prior formulas, the new school funding formula recognizes the actual statewide costs of special education services. It will provide significant increases in aid for special education students and also includes reforms to Extraordinary Special Education Costs Aid. The School Funding Reform Act of 2008 continues reimbursements for high cost students via an application process, with cash payments of approved amounts made in the subsequent year, and increases the State support level. The State will reimburse direct instructional and support services for fiscal 2009 costs in fiscal 2010 at varying levels, depending upon the special education student's placement. In the Fiscal 2010 Budget, the Governor will recommend increasing further the reimbursement level provided under the new funding formula. Under the Governor's planned recommendations, reimbursements for per pupil costs above \$40,000 will be at 95% for in-district placements with non-disabled peers, and at 85% for placements in a separate public school program for students with disabilities. Reimbursements for per pupil costs above \$55,000 for private school placements will be at 85% of tuition costs.

Preschool

New Jersey is leading the country in the level of resources invested per student in high-quality, full-day preschool for three- and four-year-old students. The Fiscal 2009 Budget provides \$26.9 million in increased funding for preschool programs for at-risk students. The Abbott preschool program, which is currently funded at almost \$480 million, provides nearly 41,000 three- and four-year-old students in the 31 Abbott districts with high quality early childhood experiences. These high quality programs require the use of an approved curriculum, small student-teacher ratios, and the use of certified teachers, among other requirements. Enrollment in Abbott preschool has grown steadily over time, as noted in the accompanying chart:



Studies such as the Abbott Preschool Program Longitudinal Effects Study (APPLES) and the Five-State Prekindergarten Study have begun to demonstrate the notable, positive impact of the Abbott preschool program on student outcomes in later grades. Upon entry to kindergarten, children who attended the Abbott preschool program performed significantly better on language and math measures than those who did not. In kindergarten and first grade these differences were still observed. Children who attended preschool for two years perform nearly two times as well as children who did not attend preschool on measures of language, and 70% better on math measures. In addition, the latest increases in NAEP reading scores suggest that preschool, in addition to a focus on early literacy, has had a significant beneficial impact on outcomes for children.

The Governor seeks to expand upon the success of the Abbott preschool program by offering this high

quality, full-day preschool program to at-risk three- and four-year-olds in districts throughout the state. Preschool education aid will be provided for all students that reside in “A” and “B” District Factor Group (DFG) districts and all students in “CD” DFG districts where 40% or more of the students are at-risk. In addition, the Governor seeks to provide preschool opportunities to at-risk students in all other districts by providing preschool education aid for every at-risk student in those districts. This preschool expansion is an exciting and promising opportunity to replicate the gains that have been made in the Abbott districts in other communities across the state. The expansion will be phased in over six years and will ultimately provide preschool opportunities for approximately 30,000 additional students.

In fiscal 2008, the State began to lay the groundwork for this expansion by awarding Preschool Quality Enhancement grants to 14 early childhood providers, serving nearly 3,000 children in non-Abbott districts. These grants were designed to offer resources for providers to begin adopting the quality standards that will be required for programs under the preschool expansion, and will support fiscal 2008 and 2009 program costs. Furthermore, funds from the Fiscal 2008 Budget are being used to conduct a needs assessment of the capacity that currently exists to accommodate the large-scale preschool expansion included in the School Funding Reform Act of 2008.

Fiscal 2009 will be a planning year for preschool expansion in most districts. Over the course of fiscal 2009, the Department of Education will use the results from the needs assessment for policy and planning decisions that will guide preschool expansion. In light of this planning period, non-Abbott recipients of Early Childhood Program Aid and the Early Launch to Learning Initiative will receive inflationary increases in preschool funding. Abbott programs will be funded based on their approved 2008-2009 plans.

Accountability Measures

The Governor recognizes that additional funding for school districts must be accompanied by accountability measures, to ensure that funds are spent appropriately. To that end, where appointed thus far, the Executive County Superintendents are closely reviewing school district budgets and

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identifying room for efficiencies and shared services opportunities. Under the authority of the School District Fiscal Accountability Act, the Department of Education is also relying on State fiscal monitors in seven districts to provide daily oversight of purchasing and other financial decisions. Lastly, the Department of Education continues to implement the Quality Single Accountability Continuum (QSAC), which assesses all school districts in the areas of (1) program and instruction, (2) governance, (3) operations management, (4) financial management, and (5) personnel. At this stage, 151 districts have undergone QSAC reviews or are close to completing the review process, and the districts' scores in the five areas under review will be used to place highly skilled professionals where necessary and to formulate short and longer-term improvement plans for districts. The QSAC reviews also have been used to demonstrate where districts have made noteworthy progress, such as the changes in governance in Jersey City that will lead to the return of local control of that school district.

School Construction

The new school funding formula does not address the school construction needs facing districts across the State. Most notably, the State has a constitutional obligation to provide 100% of the financing for school facilities in the New Jersey Schools Development Authority (SDA) (formerly Abbott) districts. In 2000, the State authorized \$6 billion in bonds to fund school construction projects in the SDA districts. However, at this stage, those funds have been expended or obligated.

The Governor has asked the Legislature to increase the bond authorization for SDA school facilities projects by \$2.5 billion, to move forward with several stalled projects as well as with health and safety projects. The debt service on this \$2.5 billion authorization will be funded via a legislative dedication of a portion of the revenue raised by the State income tax. This Budget does not assume additional bond issues beyond the current authorization, since the current authorization will provide sufficient funds for any work performed during fiscal 2009. However, the legislative authorization for the additional funding is needed at this time to ensure adequate funding is available to complete any new work that is initiated.

Municipal Aid

The Fiscal 2009 Budget provides more than \$1.8 billion in municipal aid to New Jersey's 566 municipalities. While this represents a \$190 million decrease, it is less than a 10% reduction over the previous year's funding and reflects the State's fiscal crisis.

This Budget recommends a \$62 million reduction in the Consolidated Municipal Property Tax Relief Aid program. Specifically, it eliminates \$22 million in funding for municipalities below 5,000 in population, reduces funding by \$15 million (50%) for municipalities between 5,000 and 10,000 in population, and reduces an additional \$25 million spread proportionally among the remaining municipalities receiving aid from this program. The Energy Tax Receipts Property Tax Relief Fund program continues to be funded at \$788.5 million, providing a combined total aid distribution between these two programs of \$1.56 billion in fiscal 2009. In addition, funding for three smaller municipal aid programs is eliminated in fiscal 2009, including:

- Municipal Efficiency Promotion Aid Program - \$34.8 million
- 2008 Municipal Property Tax Assistance - \$32.6 million
- Municipal Homeland Security Assistance Aid - \$32 million

This Budget also reduces the Consolidation Fund appropriation by \$5 million, to a total of \$10 million, and eliminates the \$4.2 million appropriation for the Sharing Available Resources Efficiently (SHARE) program. However, the SHARE grant program can continue in fiscal 2009 by utilizing surplus balances from prior years totaling nearly \$7 million. The Consolidation Fund, which was newly created in fiscal 2008, will also mitigate the impact of eliminating the SHARE appropriation, as both programs aim to encourage consolidation and shared services through incentives and technical assistance to local units of government.

Given the Consolidation Fund's recommended funding of \$10 million for fiscal 2009, the remaining \$15 million balance from its fiscal 2008 appropriation, and the SHARE program's \$7 million

balance, there will be a total of \$32 million available to assist with local consolidations. In keeping with the State's commitment to helping local governments operate more efficiently, municipalities with populations below 10,000, which are targeted for a portion of the municipal aid reductions discussed above, will receive priority standing in receiving assistance from these funds.

Funding for the Regional Efficiency Aid Program (REAP), \$8 million, is also recommended for elimination in the Fiscal 2009 Budget. Since fiscal 2003, REAP assistance totaling nearly \$60 million has been limited to 14 towns which achieved the largest per capita savings through consolidation of municipal services. The State payment provided an incentive and reward for their efforts to consolidate, but after six years of such payments, it is time to allow the residents of these towns to benefit from consolidations that have been implemented as a result of previous incentives.

The appropriation for the Special Municipal Aid program in fiscal 2009 is \$145.4 million, representing a 5% reduction over the previous year's funding. This program provides assistance to municipalities facing severe fiscal conditions in recovering from fiscal distress and improving management and financial practices. As a condition of receiving such assistance, municipalities must agree to stringent controls as set forth by the Special Municipal Aid Act. Funding for the Trenton Capital City Aid program is also reduced by 5%, to \$35.6 million.

This Budget also recommends a 5% reduction of \$1.7 million in the Extraordinary Aid program. Funded at \$32.3 million, this program provides aid to municipalities facing unexpected increases in costs that would otherwise lead to an unacceptably high spike in municipal tax rates.

Other Local Aid

The Fiscal 2009 Budget also provides over \$825 million in county and other local aid. It recommends reducing the County Solid Waste Debt Service Aid program by \$5 million, to a total of \$30 million. Over the past few years, several counties and county solid waste authorities that receive this assistance have successfully improved their finances and operations, thus reducing their reliance on State Aid to meet their debt service obligations.

Reflecting progress toward consolidating 911 call centers across the state, funding for Enhanced 911 Grants is reduced by \$2.5 million, to a total of \$12.4 million in fiscal 2009. This program provides grants to countywide and local 911 call centers for operations, equipment, and to study consolidation opportunities. This reduction represents the continuing efforts of the New Jersey 911 Commission and the Office of Emergency Telecommunications Services to exclusively target these grants toward countywide and other high-volume call centers, in order to continue encouraging consolidation. A 2006 study commissioned by the State and conducted by the John J. Heldrich Center for Workforce Development at Rutgers University concluded that consolidated call centers that cover larger areas are more efficient by every known measure. Furthermore, because small call centers are easily overwhelmed in a crisis situation, consolidation offers an opportunity to save money *and* significantly bolster public safety by improving service.

Management Efficiencies

Overview

This Budget continues Governor Corzine's efforts at transforming State government—making it more efficient while providing better services at the lowest possible cost to the taxpayers. The Administration will work to identify new cost-saving initiatives, and will adopt the most innovative efforts and best practices being employed in other states and sectors.

The remainder of this chapter reports on proposed initiatives for fiscal 2009, and highlights the savings that have resulted from current initiatives. Common sense efforts such as these reduce recurring spending needs, helping the Administration achieve true structural balance in the State's Budget.

Energy Savings

The Department of Treasury's Office of Energy Savings works with State agencies to increase energy efficiency, reduce energy consumption and cost, and improve the procurement of energy. In the past year alone, this work included the following accomplishments:

- Led a consortium of State agencies, authorities, and colleges in conducting the State's first online, reverse auction for the purchase of electricity. The new energy contracts deliver significant value in terms of price certainty and cost control for State government in this time of volatile energy prices. For example, wholesale electricity prices have increased by 22% since May 2007 when the auction was held, yet these contracts are expected to deliver a 1.2% reduction in the State's electricity price, which will carry forward for three years. Based on the current market, this equates to \$23 million in avoided energy costs for the State.
- Restructured the State's existing natural gas supply contract, which had three years remaining and pricing which was considerably higher than the current market. By adding one year and blending the lower futures price into the current term, an immediate 5% price reduction was achieved. The new contract is expected to deliver \$4.1 million in cost avoidance over the next three years.

- Implemented immediate energy conservation measures in State buildings, which are expected to reduce energy consumption by more than 22 billion BTUs, reduce energy costs by more than \$800,000, and reduce greenhouse gas emissions by 3,000 metric tons. These measures include relatively simple practices such as set-point changes for building control systems, reduced off-hours operation of lighting and climate control systems, and more frequent changes of air filters.
- Launched \$6.9 million in energy savings projects at nine State facilities. The facilities include Woodbine Developmental Center, Trenton Psychiatric Hospital, the Roebling and Taxation Buildings, the Trenton Office Complex, the Justice Complex, and the State House. Improvements include upgrades to building controls, lighting, and climate control systems, as well as added insulation, all of which will yield cost savings and environmental benefits. When fully implemented, these projects are expected to deliver \$1.3 million in annual energy cost savings and pay for themselves in fewer than six years. They will also reduce carbon dioxide emissions by 6,900 metric tons annually. New climate control systems at Woodbine and Trenton will benefit nearly 1,000 developmentally disabled and mental health clients, and are part of a larger, long-term effort across all Human Services institutions.
- The U.S. Department of Energy approved funding for a Statewide Energy Tracking System that will permit the Department of Treasury to centrally monitor energy consumption and cost. The system also provides for Energy Star scoring which will help departments understand their energy needs and target their efforts to reduce usage.

Workers' Compensation and Sick Leave Injury

The State's costs for Workers' Compensation (WC) claims have risen from \$41 million in fiscal 2003 to \$68.9 million in fiscal 2007, an increase of over 68%. For the Sick Leave Injury (SLI) program, an

additional \$13.4 million was spent in fiscal 2007, accounting for 65,472 lost work days.

To address the problem of steadily increasing costs for the WC and SLI programs, the State has taken steps to implement better management and control of these compensation programs.

- In March 2007, Governor Corzine signed legislation upgrading the former Bureau of Risk Management to a Division reporting directly to the Treasurer. The new Division of Risk Management (DRM) will have expanded authority to monitor and regulate both WC and SLI benefits throughout State government departments.
- Changes presently underway will consolidate the administration of SLI claims into one agency – DRM. New regulations and revised standard procedures will eliminate redundancies in claims review, previously shared by the Department of Personnel and DRM. Changes will ensure consistency and accuracy in claims management, factors important to reducing costs and increasing efficiency.
- DRM has issued a new Request for Proposal (RFP) for workers' compensation managed care services. The goal is to retain a provider network certified by the Department of Banking and Insurance as having doctors knowledgeable in the application of workers' compensation laws and regulations, and in providing medical care for workers' compensation cases. The new RFP emphasizes that medical management of claims must include a provider program to support a claimant's return to work as soon as possible.

Motor Vehicle Commission

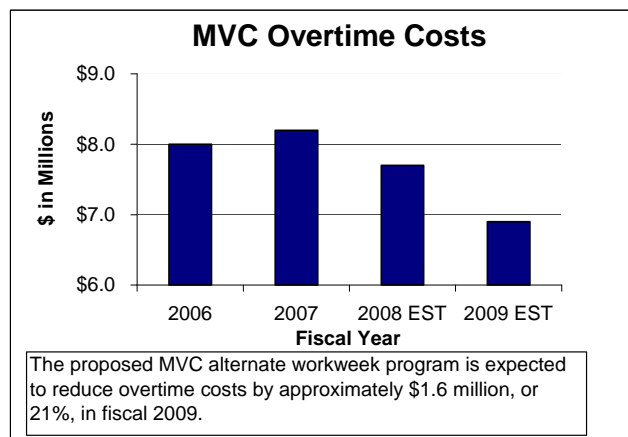
Based on its blueprint for the future, *MVC Forward – Strategies for Excellence*, the Motor Vehicle Commission (MVC) plans to implement several operational efficiencies in fiscal 2009 that will save an estimated \$5.0 million.

The Commission plans to save \$1.1 million by eliminating the Mobile Unit and the Tiger Team. Respectively, those programs provide licensing services to senior centers and employee training at field agencies. Service for seniors will be addressed by scheduling appointments at local agencies and using NJ Transit's Senior Shuttle for transportation

purposes. Since MVC is in its fifth year of issuing digital driver licenses, there is no longer a need for the Tiger Team to provide on-site employee training at MVC's field agencies.

A total of \$1.6 million will be saved through implementation of an office supply control program and utilization of cooperative purchasing. Implementation of an office supply control program will maximize the use of existing supplies in the MVC-maintained warehouse and the State-run distribution center before orders may be placed with higher-priced, outside vendors.

In fiscal 2009, MVC's advertising contract will be reduced by \$700,000 (50%) through the use of existing in-house staff to perform the graphics design element of the MVC website. The current vendor will continue to support web services such as the motorcycle safety campaign, inspection/vehicle maintenance functions and cinema screen ads. This division of labor will enable MVC to continue expanding its web-related services, which are instrumental in reducing motorist volume at the agencies. Furthermore, to provide additional operational flexibility, an alternate workweek program has been proposed mainly for the field agencies. As illustrated in the accompanying chart, "MVC Overtime Costs," the program is expected to reduce overtime costs in fiscal 2009 by approximately \$1.6 million, or 21%.



Electronic Catalog

The State currently uses multiple information technology (IT) interfaces to purchase nearly \$1 billion of goods and services a year, resulting in a

process that is both time-consuming and unwieldy. As part of the Division of Purchase and Property's drive to modernize procurement practices, a state-of-the-art, web-based electronic catalog (eCatalog) is being developed to facilitate communication between the vendor community, agency buyers and local government entities.

The eCatalog system, when fully implemented, will save time and increase efficiency in the processing of over 85,000 annual purchase orders. Presently, State procurement staff must issue separate purchase orders even for related items. Features of eCatalog include a "shopping cart" and search capabilities common to many of today's Internet-based applications, thus vastly simplifying the procurement process. A successful pilot at the State's Distribution and Support Services center reduced the time for processing purchase orders by two-thirds (i.e., from an average of 30 minutes to 10 minutes).

To provide added leverage for volume price discounts, eCatalog will capture data on items procured not only by State agencies but also by local government entities. Comprehensive data on vendor sales will be collected electronically, thus negating the need for time-consuming vendor surveys and providing new strategic sourcing opportunities.

A particularly valuable function will be the ability to centrally implement a freeze function that will control expenditures on commodities and services placed under various spending moratoria. For example, the State has issued a moratorium on the purchase of furniture, IT equipment and related services. The eCatalog system will ensure that restrictions on such purchases will be enforced.

With a fiscal 2009 allocation of \$800,000, eCatalog can be fully implemented in six months, including the training of agency staff.

Contractor Responsibility

The State's current system for evaluating contractors is somewhat fragmented and the information that is gathered is not managed in a central, coordinated manner. Since contractors often work for more than one agency, this situation may permit certain vendors to receive additional work despite a history of poor performance. Other states such as Pennsylvania,

Massachusetts, Connecticut, and Michigan have implemented "central evaluation" programs as a way to open new lines of communication between state agencies, and it is proposed that New Jersey consider this approach beginning in fiscal 2009.

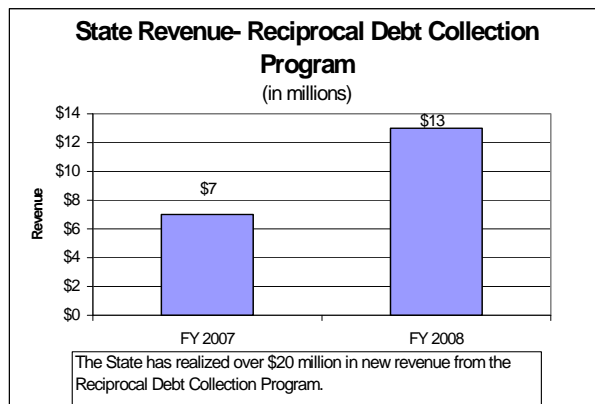
Specifically, it is recommended that a "contractor responsibility" file be created as a pilot program for construction-related contracts issued by the Schools Development Authority (SDA), Division of Property Management and Construction (DPMC) and the Building Authority. This database would contain a comprehensive, detailed list of performance information (much of which already exists) that could be considered by the affected agencies, thus providing a key management tool to improve effectiveness and efficiency. While data access would be sharply restricted for privacy purposes, it would provide a means for agencies to collectively assess the past performance of a contractor, thus elevating the importance of performance measurement in contract considerations. This program, which would not require additional staffing or statutory changes, will be developed during fiscal 2009 through a joint effort of the Office of Management and Budget (OMB) and the affected agencies, with legal guidance from the Office of the Attorney General.

Debt Collection Improvements

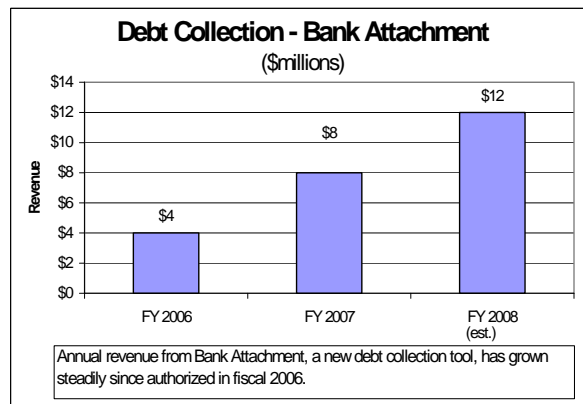
The efficient collection of outstanding debt is a key component of any financial system. The Department of Treasury has implemented several improvements to maximize the collection of State taxes, along with non-tax revenues such as assessments, overpayments, fines, and fees.

Recognizing that a sizeable portion of debtors owe money to both the federal government and the State, the Legislature enacted a law in 2006 (P.L. 2006, c. 32) authorizing a reciprocal debt collection agreement with the federal government. New Jersey and Maryland were the only two states chosen to participate in this pilot program. Unlike past agreements, which were largely limited to the collection of tax debt owed by individuals, this compact includes both tax and non-tax debt and is specifically designed to also identify amounts owed by businesses and vendors. The federal and State accounting systems were modified to automatically offset their respective debt amounts owed, with debt-

related information being exchanged daily. If, for example, a debtor owes money to the State, planned disbursements to that debtor by the federal government are reduced and these funds instead are forwarded to the State of New Jersey. As shown in the accompanying chart, “State Revenue—Reciprocal Debt Collection Program,” since the inception of this effort, the State has realized over \$20 million in new tax revenue. This new revenue includes \$7 million in fiscal 2007 and \$13 million to date in fiscal 2008.



The Division of Taxation has also made good use of several new debt collection tools that have been provided through changes in State law. For example, legislation enacted in 2004 authorized the Division to secure information from financial institutions (e.g., banks) on accounts held in the name of tax debtors once the debt was covered by judgment. The subsequent levies of the matched accounts generated \$4 million in fiscal 2006, \$8 million in fiscal 2007, and at its present pace will total \$12 million in the current year. (See accompanying chart.) Additional revenue is anticipated in future years as the Division expands the reach of the program to a greater number of banks.



In the area of non-tax debt, OMB and the Division of Revenue (DOR) followed up on recent studies performed by the State Auditor regarding the status of agency collection efforts. Based on these findings, the Administration supports pending legislation (S472/A2236) that would formally recognize DOR as the State’s central debt management agency. In addition, the bill codifies existing administrative requirements mandating the referral of debt to DOR after 90 days; improves accountability by requiring agencies to annually certify the amount of debt owed; and calls for annual reporting to both the Legislature and the Governor’s Office.

Division of Taxation - Auditing Efficiencies

In fiscal 2007, the Division of Taxation implemented a new tax compliance system known as ESKORT, which is designed to improve case management and audit support and thus increase the efficiency of the audit process. Formerly, much of the audit data and related reports were stored in paper files, which reduced staff productivity and inhibited coordination within the Division.

In the new system, auditors can share a “common” set of work papers with consistent and verified computations. Taxpayer and tax return information from various mainframe systems are electronically pre-populated into an Electronic Case File (ECF),

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virtually eliminating tedious transcription and data-entry by auditors and the storage of paper files. Auditors may now access third party information (e.g., federal data) that is directly imported into the ECF and can extract data directly for the purpose of audit selection.

Presently, over 500 key pieces of information may be extracted from the ECF for reporting purposes or for analysis by the Division's data warehouse unit. Various audit units are being phased-in and trained, so that by the end of fiscal 2008 the majority of the Division's audit units (i.e., approximately 470 employees) are expected to have access to ESKORT. The system is expected to yield significant improvement in productivity (i.e., audit completions) once fully implemented.

Space Utilization Initiative

In fiscal 2008, the State initiated a statewide assessment of owned and leased buildings with the goal of maximizing the use of existing office space. For the first time, a comprehensive set of information was captured in one system, namely the Land and Building Asset Management System (LBAM), which now serves as a central repository for all of the State's leased and owned assets. Formerly, key information such as square footage, lease duration, and staff occupancy was scattered across multiple systems, none of which provided a complete picture of the current situation.

Under this initiative, all departments report the use of work space and distribution of employees by program. As agencies continue to downsize, opportunities arise to re-evaluate the need for existing workspace. By comparing existing space usage metrics to private industry standards and implementing technologies designed to reduce storage needs, such as electronic imaging storage, Treasury's Division of Property Management and Construction (DPMC) is able to reduce lease costs and efficiently manage State-owned buildings. Ongoing initiatives include the "restacking" of existing buildings, which makes it possible to eliminate new leases in areas where surplus space is available.

In fiscal 2009, there will be a renewed emphasis on consolidating agency staff from leased facilities with expiring rent contracts to vacant space in State-owned

facilities. The ongoing attrition of employees has increased the amount of vacant office space, and several leases that were originally envisioned have either been eliminated or deferred. The State Leasing and Space Utilization Committee (SLSUC) will continue to play a vital role in reviewing agencies' long-term plans, including potential relocations and reductions for the next 5 to 10 years.

As illustrated in the accompanying table, "Office Space Consolidation," a savings of \$5.1 million is anticipated from the termination or renegotiation of 13 leases over the next 2 years. The savings include 8 leases in fiscal 2009 (\$3.3 million) and 5 leases in fiscal 2010 (\$1.8 million). Savings are also expected in later years, as additional leases are retired.

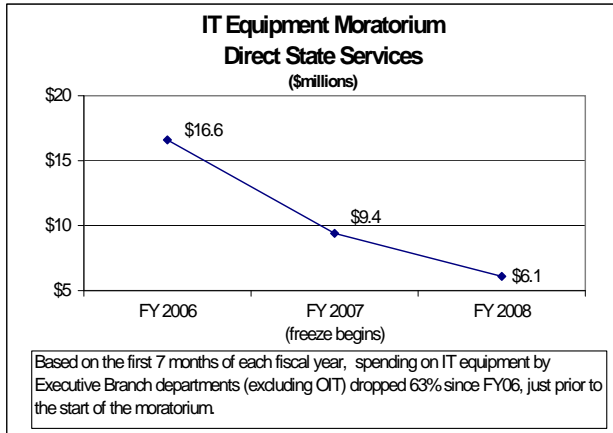
Office Space Consolidation	
Action	Savings
Close / Renegotiate 8 Leases In FY 2009	\$3.3 million
Close 5 Leases in FY 2010	1.8 million
Total Savings From Lease Consolidation	\$5.1 million

Government Advantage -- New Banking Platform

In fiscal 2007, over \$3.6 million in additional interest income was earned by placing certain State bank accounts on a new billing platform. Through this relatively simple cash management technique, the "Government Advantage" program enables New Jersey to earn interest income in place of standard (i.e., lower) earnings credits on all residual Demand Deposit Account cash balances.

Information Technology (IT) Moratorium

The moratorium on the purchase of information technology (IT) equipment instituted at the beginning of fiscal 2007 reduced IT hardware expenditures among Executive Branch agencies by 63% from fiscal 2006 to fiscal 2008 to date, as illustrated in the accompanying chart, "IT Equipment Moratorium." Expenditures for Direct State Services (DSS) have declined by \$10.4 million.



Excluded from the moratorium are certain one-time investments deemed essential for better service delivery to the residents of the state, such as upgrades at the Motor Vehicle Commission and needed statewide IT infrastructure. All such special purpose projects must be approved by the Office of Information Technology (OIT) and OMB before they can go forward.

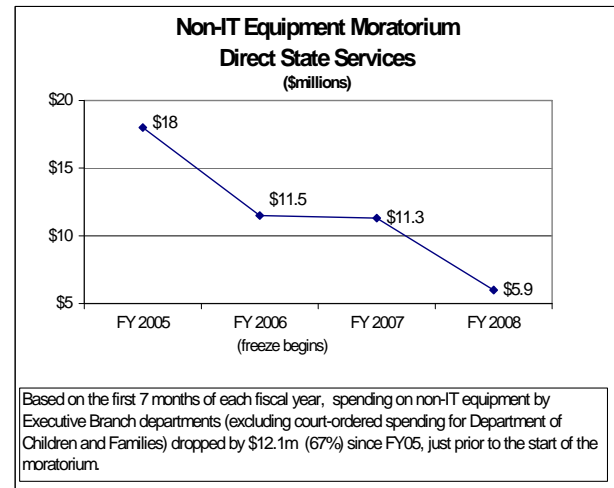
To reduce the cost of essential technology upgrades, New Jersey has joined 44 other states under the Western States Contracting Alliance (WSCA) to take advantage of the buying power of this larger entity, and thus obtain the lowest prices from vendors. Using this increased buying power, the Division of Purchase and Property (DPP) was able to reduce the price of a standard personal computer from \$774 under the old contract to \$565 under WSCA. The first computer procurement under the WSCA contract was November 23, 2007. Since that time, personal computer spending is down 20% from the previous contract. Savings are expected to continue in fiscal 2009 through the discounted pricing advantages made possible through WSCA, and to increase as new categories of IT equipment, such as monitors, servers and printers, are negotiated through WSCA in fiscal 2009.

A significant advantage to the WSCA contract is that pricing is based on three standard configurations of laptops and desktops, preventing agencies from purchasing more computer power than they need. Under the old contract, standard configurations were not available, and agencies could load expensive features onto the equipment they bought. Now, under the moratorium and with the WSCA pricing in place, agencies must justify their request for new equipment,

and demonstrate a specific need for any additional features.

Non-IT Equipment Moratorium

A joint OMB and Division of Purchase and Property (DPP) directive issued in July 2006 extended the spending moratorium to purchases of all equipment. State government procurements now subject to review and approval by OMB include those for vehicles, furniture, office use unrelated to computers (e.g., copiers), equipment for building maintenance, food preparation, communications (e.g., radios), medical and hospital, classroom instruction, agriculture and conservation, and scientific study.



Comparing the first seven months of fiscal 2008 with the same period prior to the moratorium reveals that spending by Executive Branch departments on items covered in the directive dropped by 67%. The slowdown in procurement of a wide range of equipment avoided costs of approximately \$12.8 million. This moratorium policy will continue through fiscal 2009.

Email Systems Consolidation

In fiscal 2008, the State appropriated a total of \$1.1 million to OIT for its Email Systems Consolidation initiative. Currently, the State supports multiple email applications across its agencies. This initiative will move all Executive Branch email users onto a

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single software platform, which will provide the following benefits:

- Eliminates the need to support, upgrade, and maintain multiple email systems;
- Improves interagency communication by ensuring email, directory, and scheduling compatibility and synchronization; and
- Reduces costs through a single statewide email client licensing agreement.

By the end of fiscal 2008, OIT plans to use the \$1.1 million provided to complete the software and hardware infrastructure that will facilitate the new statewide email system.

OIT has already renegotiated the State's client licensing agreement by taking advantage of the increased buying power of this consolidated system. Under the previous agreement, client licenses cost \$43 per user. Now, it will cost agencies that have to purchase new licenses only \$29 per user, a savings of almost one-third. Since nearly 60% of Executive Branch agencies currently operate some version of the planned email system, this initiative leverages the State's existing investment in licenses. From late fiscal 2008 and into fiscal 2009, the remaining agencies will begin purchasing new email client licenses and will thus benefit from these cost savings. The overall plan is for most agencies to have completely migrated to the new system by the end of fiscal 2009.

Electronic Cost Accounting Timesheet System (eCATS)

In fiscal 2008, the State appropriated \$5.8 million to OIT for the expanded use of the electronic Cost Accounting Timesheet System (eCATS) across all State agencies. Until now, most agencies have been using an application called TALRS (Time and Leave Reporting System), which is an antiquated, manual entry system that is costly to maintain and difficult to adapt to changing functional requirements. Through eCATS, the State will be able to process payrolls in a more accurate, timely, and detailed manner, substantially reducing processing and recordkeeping costs.

Specific eCATS benefits include:

- The State will no longer have to administer or maintain multiple employee timekeeping systems;
- Agencies will no longer have to perform manual cost accounting for federal reporting and salary cost analysis;
- Employees will no longer have to complete, collect, approve, and file paper timesheets or leave slips;
- Automates the paper-based payroll submissions process and reduces the manual effort to key the payrolls each pay period; and
- Departments will use a simple web-based application that can be accessed from any internet connection.

In one example of cost savings, the Department of Human Services' fiscal 2009 budget has been reduced by \$2.8 million due to the implementation of eCATS. Of this amount, \$1.8 million is attributable to the attrition of payroll clerks who manually enter time sheets in the current timekeeping system. An additional \$1 million will be saved through improved monitoring of overtime made possible by a combination of eCATS and a separate biometric-based time clock system in the State's developmental centers and mental health hospitals.

Currently, four State departments and agencies are using eCATS, including the Departments of Transportation, Labor and Workforce Development, Environmental Protection, and the Motor Vehicle Commission. The rollout will continue on a staggered schedule, including several weeks of testing, to ensure no disruption to the State's payroll system. By the end of fiscal 2008, two more departments will be added -- the Department of Health and Senior Services and the Department of Education. In fiscal 2009, another five departments are currently scheduled to implement eCATS. The remaining agencies are currently in the design phase, with implementation expected to begin in late fiscal 2009.

eCATS Anticipated Implementation Schedule		
FY08	FY09	FY09-FY10
Education Health and Senior Services	Banking and Insurance Children and Families Human Services Office of Information Technology Treasury	Community Affairs Corrections Judiciary Law and Public Safety Military and Veterans Affairs State
Those departments currently using eCATS include Environmental Protection, Labor, Transportation and the Motor Vehicle Commission.		

Data Center Consolidation

In fiscal 2008, the State appropriated \$900,000 to OIT for the implementation of its Data Center Consolidation initiative. Data centers typically house mainframes, network infrastructure, servers, and storage devices, along with the backup power systems and environmental controls necessary to ensure efficient operations and prevent systems failure. Currently, several agencies host their own data centers, and a section of OIT's data center facility houses its print operations. Through this initiative, OIT will move its print operations into a separate facility and incorporate several agency data centers into its own. This will allow OIT to utilize its entire raised floor data center space for its intended use and limit the need for agencies to build their own.

Due to the Data Center Consolidation initiative, the Departments of Transportation, Human Services, and Treasury were able to forego building their own new or expanded data centers, at an estimated cost avoidance of at least \$2.5 million. Moreover, the data center space at those agencies can be converted back

into office space. Following initial infrastructure improvements at its data center facility, OIT will begin incorporating several agency data centers in early fiscal 2009. Overall, this initiative will increase operational efficiency by pooling available infrastructure, resources, and personnel, thus improving the maintenance of the State's critical networking, data storage, and application management needs. This will also allow the agencies to take greater advantage of the State's disaster recovery capabilities.

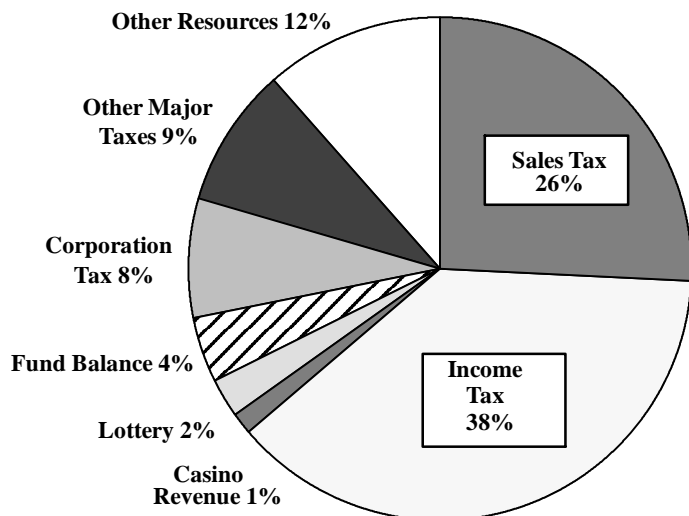
Medicaid: Day-Specific Eligibility

By issuing plastic identification cards to all Medicaid beneficiaries, the Department of Human Services no longer has to wait until month's end to deny coverage to those who exceed eligibility requirements. By denying coverage to ineligible beneficiaries before month's end, the State will save \$2.8 million beginning January 1, 2009. This savings will annualize to \$5.5 million in fiscal 2010.

SUMMARIES OF APPROPRIATIONS

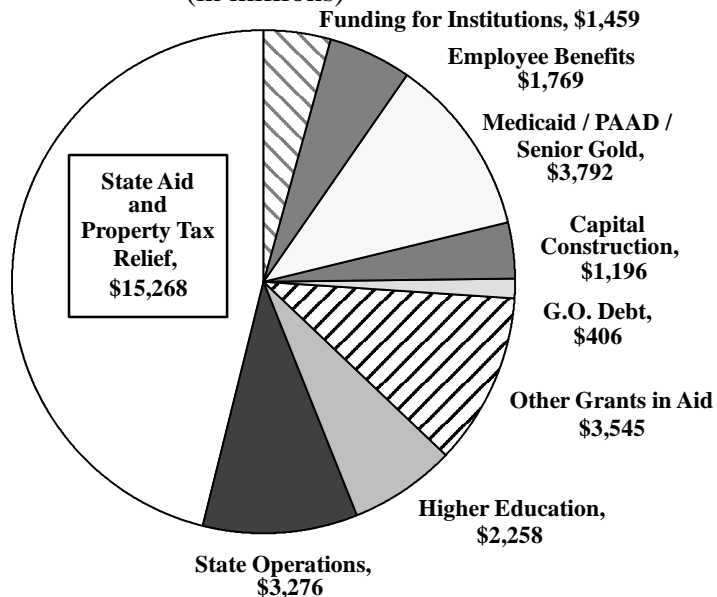
RESOURCES AND RECOMMENDATIONS FOR FISCAL YEAR 2009 ALL STATE FUNDS

Resources



Recommendations

(in millions)



RESOURCES

(in thousands)

Income Tax	\$12,866,000
Sales Tax	8,710,000
Corporation and Bank Tax	2,593,000
Lottery Revenue	853,000
Casino Revenue	426,000

Other Major Taxes:

Transfer Inheritance	665,000
Motor Fuels	565,000
Insurance Premium	466,000
Motor Vehicle Fees	407,000
Realty Transfer	377,000
Petroleum Products Gross Receipts	230,000
Cigarette	228,000
Alcoholic Beverage Excise	93,000
Tobacco Products Wholesale Sales	15,000
Public Utility Excise	11,000
Other Resources	3,964,000

Subtotal Resources **32,469,000**

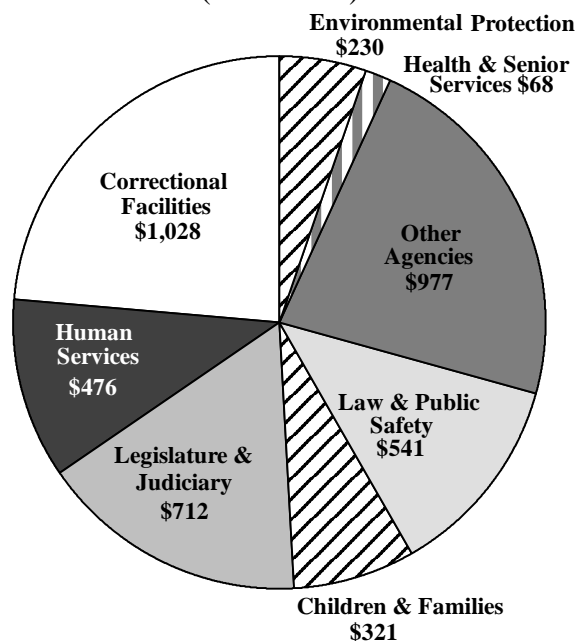
Estimated Fund Balance July 1, 2008:

Fund Balance 1,434,000

TOTAL **\$33,903,000**

STATE OPERATIONS

(in millions)



SUMMARIES OF APPROPRIATIONS

SUMMARY OF APPROPRIATIONS MAJOR INCREASES AND DECREASES

This table summarizes the major increases and decreases in the Fiscal 2009 Budget and is organized by category.

Categories of recommended appropriations are defined as follows:

State Operations consists of programs and services operated directly by the State government. The largest single component is for the salary and benefits of State employees. This portion of the Budget is subject to the spending limitations imposed by the Cap Law.

Grants-in-Aid appropriations are for programs and services provided to the public on behalf of the State by a third party provider, or grants made directly to individuals based on assorted program eligibility criteria. The Medicaid program, Tuition Aid Grant Program, Homestead Rebates, payments for State inmates housed in county jails, and funding for New Jersey Transit and State colleges and universities fall into this category.

State Aid consists of payments to or on behalf of counties, municipalities, and school districts to assist them in carrying out their local responsibilities. In addition to school aid, this category of expenditure includes the Consolidated Municipal Property Tax Relief Aid program and other forms of municipal aid. It also includes funding for county colleges, local public assistance and county psychiatric hospital costs.

Capital Construction represents pay-as-you-go allocations for construction and other infrastructure items.

Debt Service payments represent the interest and principal on capital projects funded through the sale of general obligation bonds.

APPROPRIATIONS MAJOR INCREASES AND DECREASES (millions of dollars)

	<u>Increases</u>	<u>Decreases</u>	<u>Net Change</u>
State Operations			
Salary Increases - State Employees (Prior to Savings from Employee Actions)	\$ 183.553		
State Active and Retiree Employee Health Benefits	22.448		
Employer Taxes	10.372		
Judiciary - Drug Court and Intensive Supervision for Reduced Prison Costs	7.036		
Debt Service	4.710		
Program Costs to Divert Technical Parole Violators	3.131		
Division of State Police	2.740		
Legislation for Sex Offender Monitoring	1.233		
Subtotal - State Operations Increases	<u>\$ 235.223</u>		
Early Retirement Incentive Program Savings		\$ (135.878)	
Net Employee Savings		(72.959)	
Judiciary Efficiencies		(27.000)	
Procurement Savings		(25.000)	
State Trooper Rural Patrol		(20.500)	
Motor Vehicles Commission Reimbursement		(20.000)	
Other Statewide Non-salary Operational Efficiencies		(14.772)	
Office of Information Technology One Time Costs		(7.000)	
Department of Children and Families Equipment/Training Academy		(6.000)	
Rent Consolidations		(5.223)	
Corporation Business Tax Dedication		(4.876)	
Corrections and Juvenile Justice Shift Overlap Savings		(4.804)	
Transportation Shift to Federal Resources		(4.680)	
Medical Emergency Disaster Preparedness Shift to Federal Resources		(4.000)	
Verizon Contract Savings		(2.230)	
Reduce Travel & Tourism - Advertising & Promotion		(1.855)	

SUMMARIES OF APPROPRIATIONS

APPROPRIATIONS MAJOR INCREASES AND DECREASES (millions of dollars)

	<u>Increases</u>	<u>Decreases</u>	<u>Net Change</u>
Elimination of Prison Details		(1.663)	
Network Infrastructure - Shift to Non-State Resources		(1.500)	
Legislature Efficiencies		(1.075)	
Higher Education Student Assistance Authority - Shift to Non-State Resources		(0.428)	
Jersey Fresh - 50% Reduction		(0.400)	
Other (Net)		<u>(19.676)</u>	
Subtotal - State Operations Decreases		<u>\$ (381.519)</u>	

Net Change (State Operations) **\$ (146.296)**

Grants-In-Aid

Developmental Disabilities and Mental Health Community Placements	\$	60.878
NJ Transit Operating Subsidy		60.000
Medicaid/General Assistance Health Care		51.620
Community Provider COLA		40.555
Senior Public Institutions Salary Program		38.485
Business Employment Incentive Program (BEIP) PAYGO		27.000
Tuition Aid Grants		20.736
Senior/Disabled Citizens' Property Tax Freeze		16.000
State Rental Assistance Program		15.000
Pensions - Higher Education		8.811
Employer Taxes - Higher Education		7.717
Active and Retiree Employee Health Benefits - Higher Education		6.517
Election Law Enforcement Commission - Gubernatorial Election Costs		5.080
Early Childhood Intervention		5.000
Child Welfare Reform		3.000
HESAA OB/GYN Loan Redemption Program		1.000
NJSTARS I & II - Net of New Family Income Cap		<u>0.893</u>
Subtotal - Grants-In-Aid Increases	\$	<u>368.292</u>

Homestead Rebates for Homeowners	\$	(345.000)
Homestead Rebates for Tenants		(127.000)
Hospital Funding		(108.000)
Senior Public Colleges and Universities		(89.338)
NJ FamilyCare Shift to Federal Funds		(80.000)
Homestead Rebates Impact of FY2008 Overfunding		(62.000)
Medicaid/PAAD Pharmaceutical Savings		(44.938)
Nursing Homes Rate Savings		(44.636)
Medicaid Enhanced Anti-Fraud		(27.750)
Debt Service		(22.547)
Cancer Research		(20.500)
County Jail Inmate Reduction		(15.000)
Reduce Prisoner Population - Expansion of Community Alternatives		(14.107)
Child Behavioral Health Underspending		(11.800)
Eliminate Preschool Expansion and Enhancement Grants		(10.000)
Corporation Business Tax Dedication		(8.066)
State Recycling Fund One Time Cost		(8.000)
Medicaid Rx \$2 Co-Payment/\$6 ER		(7.550)
Tuition Policy for Out-of-State Undergraduate Students		(7.083)
PAAD Co-payment to \$6 Generic, \$7 Brand Name		(7.000)
Children's Partial Hospitalization		(6.047)
Tamiflu Prescription Medicine One Time Cost		(6.000)

SUMMARIES OF APPROPRIATIONS

APPROPRIATIONS MAJOR INCREASES AND DECREASES (millions of dollars)

	<u>Increases</u>	<u>Decreases</u>	<u>Net Change</u>
Medical Day Care Rates Savings		(6.000)	
Reduce Council on the Arts - Cultural Projects		(5.923)	
New Jersey Stem Cell Research Institute		(5.500)	
Cap Tuition Aid Grants for Independent Institutions at Rutgers' Levels		(5.400)	
Reform Co-payment for After School/Summer Child Care		(4.270)	
Senior Gold - Require Enrollment in Medicare Part D		(3.400)	
Reduce Outstanding Scholars Recruitment Program		(3.386)	
Liberty Science Center		(2.750)	
Enhanced 911 Grants		(2.500)	
Newark Museum		(2.270)	
Independent Colleges and Universities		(2.044)	
Commission on Science and Technology Grant Program		(1.500)	
Boys and Girls Clubs of NJ		(1.400)	
Battleship New Jersey Museum		(1.300)	
New Jersey Manufacturing Extension Program		(1.200)	
Statewide Systemic Initiative to Reform Mathematics and Science Education		(1.200)	
Historical Commission Grants		(1.102)	
Eliminate Commerce Commission		(1.000)	
Office of Faith Based Initiatives		(1.000)	
Small Business Development Centers		(1.000)	
Center for Hispanic Policy, Research, and Development		(0.900)	
Mobile Health Van Pilot Program		(0.900)	
Big Brothers/Big Sisters		(0.700)	
Agriculture Conservation Assistance Program		(0.600)	
State Incentive Program Unused Capacity		(0.600)	
Vocational Rehabilitation Grants		(0.500)	
Eliminate Commerce Commission Division of Business Services		(0.450)	
Reduce New Jersey After 3		(0.400)	
Lake Hopatcong Commission		(0.400)	
New Jersey Center for Outreach Services for the Autism Community (COSAC)		(0.350)	
NJ Agricultural Experiment Station -- Food Innovation Research and Extension Center		(0.300)	
Soil and Water Conservation Grants		(0.300)	
Paper Mill Playhouse		(0.250)	
NJ Symphony		(0.250)	
New Jersey Performing Arts Center		(0.250)	
New Jersey State Association of Jewish Federations - Naturally Occurring Retirement Communities (NORC) Pilot Program		(0.250)	
Center for Great Expectations		(0.250)	
Rutgers Camden Center for the Arts -- Walter K. Gordon Theater		(0.250)	
Camden Eye Center		(0.250)	
New Jersey Institute of Disabilities		(0.250)	
Cultural Trust Grants		(0.220)	
The Children's Institute, Verona		(0.200)	
Hemophilia Services		(0.200)	
Municipal Park Initiative - Park Ranger Program		(0.200)	
Historical Commission - Grants in New Jersey History		(0.189)	
Limit CEO Salaries and Lobbyists' Funding in Providers Contract		(0.164)	
New Jersey Marine Science Consortium		(0.150)	
Grant to ASPIRA		(0.150)	

SUMMARIES OF APPROPRIATIONS

APPROPRIATIONS MAJOR INCREASES AND DECREASES (millions of dollars)

	<u>Increases</u>	<u>Decreases</u>	<u>Net Change</u>
Durand Academy and Community Services, Gloucester County - Land Acquisition		(0.150)	
Museum for Contemporary Sciences		(0.150)	
NJ Council for the Humanities		(0.135)	
Amanda's Easel		(0.125)	
NJ Ellis Island Foundation		(0.100)	
Thomas Edison Museum		(0.100)	
Montclair Art Museum		(0.100)	
AIDS Resource Foundation		(0.100)	
Rutgers -- Oral History Archive		(0.100)	
Aspergers Syndrome Vocational, Educational and Social Training (VEST) Program, Jewish Family Services Inc., Teaneck		(0.100)	
NJ Fire and EMS Crisis Intervention Services Telephone Hotline		(0.095)	
National Alliance on Mental Illness - New Jersey		(0.090)	
Phase-Out Subsidy for Teacher Board Certification		(0.085)	
Lenape Regional Performing Arts Center		(0.075)	
Bergen Performing Arts Center		(0.075)	
Dante Hall Theater of the Arts		(0.050)	
Latino Regional Health Fairs and Social Service Programs		(0.050)	
Victims of Crime Compensation Agency - New Jersey Crime Victims Law Center		(0.050)	
Oskar Schindler Performing Arts Center		(0.050)	
Violence Prevention Institute		(0.050)	
Civil Air Patrol		(0.035)	
Boheme Opera New Jersey		(0.025)	
Other (Net)		(13.531)	
Subtotal - Grants-In-Aid Decreases		<u>\$ (1,151.801)</u>	

Net Change (Grants-In-Aid) **\$ (783.509)**

State Aid

Education Formula Aid	\$ 514.619
School Construction and Renovation Fund Debt Service	58.434
Preschool Formula Aid	26.908
Local School Districts Teacher Social Security Payments	22.400
General Assistance (GA) and Supplemental Security Income (SSI)	
Caseload Increases	10.638
Debt Service	8.923
Union County Inmate Rehabilitation Services	4.000
County Psychiatric Hospitals	3.352
Local Employee Benefits	2.386
Teachers' Pension and Annuity Fund	0.936
County Prosecutors and Officials Salary Increase	0.320
Open Space Payments in Lieu of Taxes	0.172
Other (Net)	7.891
Subtotal - State Aid Increases	<u>\$ 660.979</u>

Consolidated Municipal Property Tax Relief	\$ (62.044)
Eliminate Municipal Efficiency Promotion Aid	(34.825)
Eliminate 2008 Municipal Property Tax Assistance	(32.600)
Eliminate Municipal Homeland Security Assistance Aid	(32.000)
County College Operating Support	(16.344)
Charter School Hold Harmless Funding	(11.500)

SUMMARIES OF APPROPRIATIONS

APPROPRIATIONS MAJOR INCREASES AND DECREASES (millions of dollars)

	<u>Increases</u>	<u>Decreases</u>	<u>Net Change</u>
Presidential Primary Election One Time Cost		(10.515)	
Flood Funding One Time		(8.000)	
Regional Efficiency Aid Program (REAP)		(8.000)	
Special Municipal Aid Reduction		(7.650)	
Reduce State Share of County Psychiatric Hospital Costs		(6.298)	
Consolidation Fund Reduction		(5.000)	
Senior/Disabled Citizens' and Veterans' Tax Deductions - Participation Decrease		(5.000)	
Sharing Available Resources Efficiently (SHARE)		(4.200)	
Elderly and Handicapped Transportation Services		(3.910)	
Other School Aid		(2.871)	
Neighborhood Preservation Program for Neighborhood Rehabilitation		(2.750)	
Teacher Quality Mentoring		(2.500)	
Trenton Capital City Aid Reduction		(1.875)	
Extraordinary Aid Reduction		(1.700)	
Post-Retirement Medical - Teachers' Pension and Annuity Fund		(1.010)	
Delaney Hall		(1.000)	
State Library - Reduce Per Capita Aid 10%		(0.867)	
Pinelands Commission		(0.780)	
County Environmental Health Act		(0.753)	
Evening School for Foreign-Born Residents		(0.211)	
South Jersey Port Corporation Property Tax Reserve Fund (PILOT)		(0.110)	
Retrofit Subsidy for School Bus Crossing Arms One Time		(0.100)	
NJSIAA Steroid Testing - Shift to Non-State Resources		(0.050)	
County College Employee Benefits		(0.011)	
Subtotal - State Aid Decreases		<u>\$ (264.474)</u>	
Net Change (State Aid)			<u>\$ 396.505</u>
Capital Construction			
NJ Building Authority	<u>\$ 1.851</u>		
Subtotal - Capital Construction Increases	<u>\$ 1.851</u>		
Special Reserve for Capital Projects		\$ (34.069)	
Eliminate Garden State Preservation Trust Supplemental Funding		(25.000)	
Corporation Business Tax Dedication		(18.623)	
Modular Units at Bayside		(5.440)	
Other (Net)		(3.255)	
Subtotal - Capital Construction Decreases		<u>\$ (86.387)</u>	
Net Change (Capital Construction)			<u>\$ (84.536)</u>
Debt Service			
General Obligation Debt Service		\$ (32.900)	
Subtotal - Debt Service Decreases		<u>\$ (32.900)</u>	
Net Change (Debt Service)			<u>\$ (32.900)</u>
GRAND TOTAL	<u>\$ 1,266.345</u>	<u>\$ (1,917.081)</u>	<u>\$ (650.736)</u>

SUMMARIES OF APPROPRIATIONS

TABLE I
SUMMARY OF FISCAL YEAR 2008-09 APPROPRIATION RECOMMENDATIONS
(thousands of dollars)

Table I is a summary of appropriations of all State fund sources. It highlights the percent change in appropriations between fiscal years.

	2008 Adjusted Approp.	2009 Recommended	----- Change -----	
			Dollar	Percent
GENERAL FUND AND PROPERTY TAX RELIEF FUND				
State Aid and Grants	24,810,047	24,430,259	-379,788	% - 1.5
State Operations				
Executive Branch	3,757,226	3,564,709	-192,517	-5.1
Legislature	76,508	75,669	-839	-1.1
Judiciary	629,131	636,167	7,036	1.1
Interdepartmental	2,138,643	2,153,528	14,885	0.7
Total State Operations	6,601,508	6,430,073	-171,435	% - 2.6
Capital Construction	1,280,565	1,196,029	-84,536	-6.6
Debt Service	438,797	405,897	-32,900	-7.5
TOTAL GENERAL FUND AND PROPERTY TAX RELIEF FUND	33,130,917	32,462,258	-668,659	% - 2.0
CASINO CONTROL FUND	75,439	75,439	---	---
CASINO REVENUE FUND	412,983	425,826	12,843	3.1
GUBERNATORIAL ELECTIONS FUND	---	5,080	5,080	---
GRAND TOTAL STATE APPROPRIATIONS	33,619,339	32,968,603	-650,736	% - 1.9

TABLE II
SUMMARY OF FISCAL YEAR 2008-09 APPROPRIATION RECOMMENDATIONS
(thousands of dollars)

Table II shows comprehensive prior year financial data, current year appropriations, and budget year recommendations by fund and major spending category.

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
					General Fund			
6,218,863	790,885	15,906	7,025,654	6,540,431	Direct State Services	6,601,508	6,432,001	6,430,073
8,865,710	300,713	-25,323	9,141,100	8,643,576	Grants-in-Aid	9,255,467	9,347,659	8,987,453
1,790,210	60,865	-1,770	1,849,305	1,735,166	State Aid	1,840,302	1,921,917	1,886,206
1,238,779	228,955	11,278	1,479,012	1,241,131	Capital Construction	1,280,565	1,196,029	1,196,029
427,785	---	---	427,785	427,783	Debt Service	438,797	405,897	405,897
18,541,347	1,381,418	91	19,922,856	18,588,087	Total General Fund	19,416,639	19,303,503	18,905,658
11,886,721	7,489	-103,479	11,790,731	11,695,964	Property Tax Relief Fund	13,714,278	13,556,600	13,556,600
73,439	887	---	74,326	73,063	Casino Control Fund	75,439	75,439	75,439
518,981	9,522	---	528,503	459,978	Casino Revenue Fund	412,983	425,826	425,826
---	---	---	---	---	Gubernatorial Elections Fund	---	5,080	5,080
31,020,488	1,399,316	-103,388	32,316,416	30,817,092	GRAND TOTAL STATE APPROPRIATIONS	33,619,339	33,366,448	32,968,603

SUMMARIES OF APPROPRIATIONS

TABLE III
SUMMARY OF APPROPRIATIONS BY ORGANIZATION
(thousands of dollars)

Table III shows comprehensive prior year financial data, current year appropriations, and budget year recommendations by major spending category, governmental branch, and department.

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Legislative Branch								
11,681	4,485	178	16,344	11,565	Senate	11,959	11,959	11,959
18,096	2,921	178	21,195	18,779	General Assembly	18,402	18,402	18,402
28,883	2,244	1,331	32,458	30,844	Legislative Support Services	30,797	29,958	29,958
15,233	8,349	-500	23,082	16,519	Legislative Commission	15,350	15,350	15,350
73,893	17,999	1,187	93,079	77,707	Total Legislative Branch	76,508	75,669	75,669
Executive Branch								
4,924	1,620	---	6,544	5,275	Chief Executive	5,428	5,293	5,293
8,994	3,244	302	12,540	11,376	Department of Agriculture	9,721	7,930	7,930
68,944	1,725	870	71,539	68,336	Department of Banking and Insurance	72,127	70,340	70,340
272,646	11	13,628	286,285	282,907	Department of Children and Families	326,958	320,636	320,636
37,009	35,919	-4,278	68,650	63,612	Department of Community Affairs	40,991	39,574	39,574
942,404	1,259	57,954	1,001,617	994,270	Department of Corrections	1,028,994	1,027,707	1,027,707
57,542	2,386	27,398	87,326	85,346	Department of Education	78,410	74,998	74,998
241,208	45,044	7,640	293,892	277,371	Department of Environmental Protection	249,653	230,046	230,046
79,177	24,226	11,070	114,473	95,026	Department of Health and Senior Services	73,714	68,234	68,234
78,306	24,201	10,956	113,463	94,078	(From General Fund)	72,843	67,363	67,363
871	25	114	1,010	948	(From Casino Revenue Fund)	871	871	871
452,155	113,172	69,711	635,038	536,247	Department of Human Services	515,948	475,962	475,962
61,849	55,763	67	117,679	111,777	Department of Labor and Workforce Development	64,973	64,881	64,881
570,356	190,541	-12,577	748,320	650,620	Department of Law and Public Safety	578,440	541,566	541,566
526,265	190,318	-12,577	704,006	607,024	(From General Fund)	532,349	495,475	495,475
43,999	223	---	44,222	43,590	(From Casino Control Fund)	45,999	45,999	45,999
92	---	---	92	6	(From Casino Revenue Fund)	92	92	92
86,826	6,481	2,485	95,792	92,416	Department of Military and Veterans' Affairs	92,315	90,273	90,273
23,990	6,478	-327	30,141	27,214	Department of Personnel	22,824	20,597	20,597
19,420	3,261	197	22,878	15,493	Department of the Public Advocate	20,357	17,466	17,466
24,448	3,519	193	28,160	24,686	Department of State	41,759	37,492	35,564
96,451	4,617	2,965	104,033	102,054	Department of Transportation	103,851	82,404	82,404
456,909	200,101	-104,771	552,239	507,937	Department of the Treasury	505,709	466,184	466,184
427,469	199,437	-104,771	522,135	478,464	(From General Fund)	476,269	436,744	436,744
29,440	664	---	30,104	29,473	(From Casino Control Fund)	29,440	29,440	29,440
1,407	7	11	1,425	1,424	Miscellaneous Commissions	1,456	1,456	1,456
3,506,659	699,374	72,538	4,278,571	3,953,387	Total Executive Branch	3,833,628	3,643,039	3,641,111
3,432,257	698,462	72,424	4,203,143	3,879,370	(From General Fund)	3,757,226	3,566,637	3,564,709
73,439	887	---	74,326	73,063	(From Casino Control Fund)	75,439	75,439	75,439
963	25	114	1,102	954	(From Casino Revenue Fund)	963	963	963
Interdepartmental Accounts								
155,490	4,988	10,700	171,178	169,689	Property Rentals	177,431	150,477	150,477
120,711	2,832	---	123,543	121,678	Insurance and Other Services	111,489	110,907	110,907
1,647,708	8,000	34,924	1,690,632	1,620,735	Employee Benefits	1,755,524	1,768,831	1,768,831
36,278	695	34,196	71,169	45,508	Other Interdepartmental Accounts	14,143	4,175	4,175
118,860	47,232	-124,931	41,161	10,488	Salary Increases and Other Benefits	13,900	53,308	53,308
65,916	924	-19,813	47,027	38,764	Utilities and Other Services	66,156	65,830	65,830
2,144,963	64,671	-64,924	2,144,710	2,006,862	Total Interdepartmental Accounts	2,138,643	2,153,528	2,153,528

SUMMARIES OF APPROPRIATIONS

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Judicial Branch								
567,750	9,753	7,219	584,722	576,492	The Judiciary	629,131	636,167	636,167
567,750	9,753	7,219	584,722	576,492	Total Judicial Branch	629,131	636,167	636,167
6,293,265	791,797	16,020	7,101,082	6,614,448	Total Direct State Services	6,677,910	6,508,403	6,506,475
6,218,863	790,885	15,906	7,025,654	6,540,431	(From General Fund)	6,601,508	6,432,001	6,430,073
73,439	887	---	74,326	73,063	(From Casino Control Fund)	75,439	75,439	75,439
963	25	114	1,102	954	(From Casino Revenue Fund)	963	963	963
<u>GRANTS-IN-AID</u>								
Executive Branch								
5,025	412	730	6,167	5,751	Department of Agriculture	4,975	4,075	4,075
676,769	10	10,443	687,222	656,341	Department of Children and Families	753,952	755,067	755,067
61,845	13,274	6,603	81,722	73,563	Department of Community Affairs	54,255	64,860	64,860
133,151	4,402	-41	137,512	136,668	Department of Corrections	151,098	121,591	121,591
39,713	---	579	40,292	36,054	Department of Education	31,688	18,453	18,453
27,165	17,240	-750	43,655	4,744	Department of Environmental Protection	35,947	19,481	19,481
1,743,326	14,232	-12,166	1,745,392	1,515,465	Department of Health and Senior Services	1,663,074	1,488,342	1,488,342
1,426,416	4,735	-12,052	1,419,099	1,256,783	(From General Fund)	1,403,266	1,229,394	1,229,394
316,910	9,497	-114	326,293	258,682	(From Casino Revenue Fund)	259,808	258,948	258,948
3,795,427	196,537	-21,119	3,970,845	3,871,598	Department of Human Services	3,973,332	3,933,433	3,933,433
3,631,689	196,537	-21,119	3,807,107	3,708,626	(From General Fund)	3,860,488	3,802,976	3,802,976
163,738	---	---	163,738	162,972	(From Casino Revenue Fund)	112,844	130,457	130,457
56,973	16	---	56,989	56,908	Department of Labor and Workforce Development	72,175	71,964	71,964
54,533	16	---	54,549	54,468	(From General Fund)	69,735	69,524	69,524
2,440	---	---	2,440	2,440	(From Casino Revenue Fund)	2,440	2,440	2,440
22,469	98	---	22,567	21,949	Department of Law and Public Safety	28,085	32,503	32,503
22,469	98	---	22,567	21,949	(From General Fund)	28,085	27,423	27,423
---	---	---	---	---	(From Gubernatorial Elections Fund)	---	5,080	5,080
1,544	69	184	1,797	1,786	Department of Military and Veterans' Affairs	3,044	3,174	3,174
1,183,738	10,938	-189	1,194,487	1,182,894	Department of State	1,256,428	1,505,725	1,159,575
300,700	3,167	140	304,007	300,808	Department of Transportation	298,200	358,200	358,200
1,587,898	36,625	3,171	1,627,694	1,466,097	Department of the Treasury	2,807,533	2,308,921	2,294,865
404,110	35,156	3,171	442,437	320,290	(From General Fund)	403,533	422,921	408,865
1,183,788	1,469	---	1,185,257	1,145,807	(From Property Tax Relief Fund)	2,404,000	1,886,000	1,886,000
9,635,743	297,020	- 12,415	9,920,348	9,330,626	Total Executive Branch	11,133,786	10,685,789	10,325,583
7,968,867	286,054	-12,301	8,242,620	7,760,725	(From General Fund)	8,354,694	8,402,864	8,042,658
1,183,788	1,469	---	1,185,257	1,145,807	(From Property Tax Relief Fund)	2,404,000	1,886,000	1,886,000
483,088	9,497	-114	492,471	424,094	(From Casino Revenue Fund)	375,092	391,845	391,845
---	---	---	---	---	(From Gubernatorial Elections Fund)	---	5,080	5,080
Interdepartmental Accounts								
760,407	2,800	-13,032	750,175	736,677	Employee Benefits	745,469	768,514	768,514
---	11,189	10	11,199	10,838	Other Interdepartmental Accounts	---	---	---
---	---	---	---	---	Salary Increases and Other Benefits	---	38,485	38,485
136,436	670	---	137,106	135,336	Aid to Independent Authorities	155,304	137,796	137,796
896,843	14,659	- 13,022	898,480	882,851	Total Interdepartmental Accounts	900,773	944,795	944,795
10,532,586	311,679	- 25,437	10,818,828	10,213,477	Total Grants-in-Aid	12,034,559	11,630,584	11,270,378
8,865,710	300,713	-25,323	9,141,100	8,643,576	(From General Fund)	9,255,467	9,347,659	8,987,453
1,183,788	1,469	---	1,185,257	1,145,807	(From Property Tax Relief Fund)	2,404,000	1,886,000	1,886,000
483,088	9,497	-114	492,471	424,094	(From Casino Revenue Fund)	375,092	391,845	391,845
---	---	---	---	---	(From Gubernatorial Elections Fund)	---	5,080	5,080

SUMMARIES OF APPROPRIATIONS

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended	
STATE AID								
Executive Branch								
11,727	2,593	-7	14,313	11,150	Department of Agriculture	11,727	10,873	10,873
1,216,361	9,533	-86,457	1,139,437	1,131,779	Department of Community Affairs	1,212,608	1,020,284	1,020,284
154,889	9,533	-2,249	162,173	155,028	(From General Fund)	92,036	55,906	55,906
1,061,472	---	-84,208	977,264	976,751	(From Property Tax Relief Fund)	1,120,572	964,378	964,378
10,314,002	14,244	-19,191	10,309,055	10,213,262	Department of Education	10,930,218	11,544,311	11,544,311
840,315	8,224	80	848,619	802,205	(From General Fund)	916,206	1,015,495	1,015,495
9,473,687	6,020	-19,271	9,460,436	9,411,057	(From Property Tax Relief Fund)	10,014,012	10,528,816	10,528,816
20,566	140	155	20,861	20,271	Department of Environmental Protection	21,197	19,236	19,236
11,066	140	155	11,361	11,203	(From General Fund)	11,369	9,236	9,236
9,500	---	---	9,500	9,068	(From Property Tax Relief Fund)	9,828	10,000	10,000
9,552	---	---	9,552	9,417	Department of Health and Senior Services	9,552	9,552	9,552
416,855	3,618	251	420,724	412,408	Department of Human Services	429,546	449,394	449,394
1,522	---	---	1,522	1,448	Department of Labor and Workforce Development	1,522	1,522	1,522
16,000	6,858	---	22,858	15,323	Department of Law and Public Safety	24,000	16,000	16,000
25,550	---	---	25,550	25,408	Department of State	46,065	36,548	34,681
34,930	---	---	34,930	34,930	Department of Transportation	36,928	33,018	33,018
34,930	---	---	34,930	34,930	(From Casino Revenue Fund)	36,928	33,018	33,018
461,008	29,899	---	490,907	444,857	Department of the Treasury	464,145	484,797	450,953
302,734	29,899	---	332,633	291,576	(From General Fund)	298,279	317,391	283,547
158,274	---	---	158,274	153,281	(From Property Tax Relief Fund)	165,866	167,406	167,406
12,528,073	66,885	-105,249	12,489,709	12,320,253	Total Executive Branch	13,187,508	13,625,535	13,589,824
1,790,210	60,865	-1,770	1,849,305	1,735,166	(From General Fund)	1,840,302	1,921,917	1,886,206
10,702,933	6,020	-103,479	10,605,474	10,550,157	(From Property Tax Relief Fund)	11,310,278	11,670,600	11,670,600
34,930	---	---	34,930	34,930	(From Casino Revenue Fund)	36,928	33,018	33,018
12,528,073	66,885	-105,249	12,489,709	12,320,253	Total State Aid	13,187,508	13,625,535	13,589,824
1,790,210	60,865	-1,770	1,849,305	1,735,166	(From General Fund)	1,840,302	1,921,917	1,886,206
10,702,933	6,020	-103,479	10,605,474	10,550,157	(From Property Tax Relief Fund)	11,310,278	11,670,600	11,670,600
34,930	---	---	34,930	34,930	(From Casino Revenue Fund)	36,928	33,018	33,018
CAPITAL CONSTRUCTION								
Legislative Branch								
---	288	---	288	117	Legislative Support Services	---	---	---
---	288	---	288	117	Total Legislative Branch	---	---	---
Executive Branch								
---	1,799	---	1,799	---	Department of Agriculture	250	---	---
10,000	---	2,881	12,881	6,916	Department of Children and Families	---	---	---
---	8,517	-1	8,516	1,125	Department of Corrections	3,936	---	---
2,450	1,638	---	4,088	1,168	Department of Education	2,800	---	---
116,767	114,270	-9,118	221,919	99,251	Department of Environmental Protection	117,024	92,611	92,611
---	246	---	246	98	Department of Health and Senior Services	---	---	---
7,700	20,653	-2,881	25,472	10,044	Department of Human Services	2,800	---	---
1,500	13,122	---	14,622	4,195	Department of Law and Public Safety	3,800	---	---
2,590	2,465	925	5,980	1,565	Department of Military and Veterans' Affairs	1,318	---	---
---	1,624	---	1,624	1,157	Department of State	---	---	---
895,000	191	---	895,191	895,000	Department of Transportation	895,000	895,000	895,000
---	20,419	8,879	29,298	11,760	Department of the Treasury	6,500	---	---
---	2	---	2	---	Miscellaneous Commissions	---	---	---
1,036,007	184,946	685	1,221,638	1,032,279	Total Executive Branch	1,033,428	987,611	987,611

SUMMARIES OF APPROPRIATIONS

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
<u>CAPITAL CONSTRUCTION</u>								
<u>Interdepartmental Accounts</u>								
202,772	43,721	10,593	257,086	208,735	Capital Projects - Statewide	247,137	208,418	208,418
202,772	43,721	10,593	257,086	208,735	Total Interdepartmental Accounts	247,137	208,418	208,418
1,238,779	228,955	11,278	1,479,012	1,241,131	Total Capital Construction	1,280,565	1,196,029	1,196,029
<u>DEBT SERVICE</u>								
<u>Executive Branch</u>								
64,664	---	-1	64,663	64,663	Department of Environmental Protection	56,790	59,735	59,735
363,121	---	1	363,122	363,120	Department of the Treasury	382,007	346,162	346,162
427,785	---	---	427,785	427,783	Total Executive Branch	438,797	405,897	405,897
427,785	---	---	427,785	427,783	Total Debt Service	438,797	405,897	405,897
31,020,488	1,399,316	-103,388	32,316,416	30,817,092	GRAND TOTAL- STATE APPROPRIATIONS	33,619,339	33,366,448	32,968,603
18,541,347	1,381,418	91	19,922,856	18,588,087	(From General Fund)	19,416,639	19,303,503	18,905,658
73,439	887	---	74,326	73,063	(From Casino Control Fund)	75,439	75,439	75,439
11,886,721	7,489	-103,479	11,790,731	11,695,964	(From Property Tax Relief Fund)	13,714,278	13,556,600	13,556,600
518,981	9,522	---	528,503	459,978	(From Casino Revenue Fund)	412,983	425,826	425,826
---	---	---	---	---	(From Gubernatorial Elections Fund)	---	5,080	5,080

TABLE IV
SUMMARY OF APPROPRIATIONS BY CATEGORY OR PURPOSE
(thousands of dollars)

Table IV shows prior year expenditures, current year appropriations, and budget year request & recommendations by Category or Purpose within fund and major spending category.

	2007 Expenditures	2008 Adjusted Appropriation	2009 Requested	2009 Recommended
General Fund--				
Direct State Services--				
Personal Services	2,954,824	3,121,965	3,035,825	3,035,090
Materials and Supplies	255,631	241,545	243,292	243,204
Services Other Than Personal	505,140	468,009	460,742	460,714
Maintenance and Fixed Charges	256,942	275,703	232,561	232,489
Improvements and Equipment	44,405	34,182	29,145	29,140
Employee Pension and Health Benefits	1,620,735	1,755,524	1,768,831	1,768,831
Special Purpose	902,754	704,580	661,605	660,605
Total Direct State Services	6,540,431	6,601,508	6,432,001	6,430,073
Grants-in-Aid--				
Employee Benefits-Colleges and Universities	736,677	745,469	768,514	768,514
Rutgers, The State University	309,280	328,595	342,120	290,581
University of Medicine and Dentistry of New Jersey	220,231	231,112	272,336	208,671
New Jersey Institute of Technology	47,182	49,098	122,690	42,685
State Colleges and Universities	276,717	292,572	413,560	262,619
Other Higher Education Programs	71,192	105,821	133,890	132,321
Student Aid-Scholarships and Grants	290,187	308,963	322,806	322,806
Support of Independent Higher Education Institutions	21,978	21,672	32,115	19,628
Correctional Facilities	136,668	151,098	121,591	121,591
Support of the Arts	24,530	28,718	18,930	18,930
Transit Subsidy	300,700	298,200	358,200	358,200

SUMMARIES OF APPROPRIATIONS

	2007 Expenditures	2008 Adjusted Appropriation	2009 Requested	2009 Recom- mended
Welfare Support Programs	249,174	277,025	269,216	269,216
Medicaid	3,372,174	3,549,540	3,394,848	3,394,848
Pharmaceutical Assistance Programs	19,065	77,018	55,566	55,566
Children and Families	656,341	753,952	755,067	755,067
Services for the Developmentally Disabled	548,960	519,119	548,359	548,359
Community Mental Health Services	280,428	304,887	324,887	324,887
AIDS Programs	22,434	31,000	31,309	31,309
Other Health and Human Services Programs	291,033	496,265	388,119	388,119
Economic Development	272,724	326,716	332,122	332,122
Other Grants-In-Aid	495,901	358,627	341,414	341,414
<i>Total Grants-in-Aid</i>	<i>8,643,576</i>	<i>9,255,467</i>	<i>9,347,659</i>	<i>8,987,453</i>
State Aid--				
Aid to County Colleges	173,537	177,959	201,448	167,604
Educational	802,205	916,206	1,015,495	1,015,495
Cash Assistance and County Welfare Administration	292,777	287,507	307,301	307,301
Health and Senior Services and Human Services	129,048	151,591	151,645	151,645
Aid to Counties and Municipalities	305,574	259,471	209,447	207,580
Other State Aid	32,025	47,568	36,581	36,581
<i>Total State Aid</i>	<i>1,735,166</i>	<i>1,840,302</i>	<i>1,921,917</i>	<i>1,886,206</i>
Capital Construction--				
Transportation Trust Fund	895,000	895,000	895,000	895,000
Environmental	3,288	---	---	---
Educational	1,168	2,800	---	---
Institutional	11,169	6,736	---	---
Constitutionally Dedicated Projects	190,201	209,234	190,611	190,611
All Other	140,305	166,795	110,418	110,418
<i>Total Capital Construction</i>	<i>1,241,131</i>	<i>1,280,565</i>	<i>1,196,029</i>	<i>1,196,029</i>
Debt Service--				
Principal	254,245	267,075	248,112	248,112
Interest	173,538	171,722	157,785	157,785
<i>Total Debt Service</i>	<i>427,783</i>	<i>438,797</i>	<i>405,897</i>	<i>405,897</i>
<i>Total General Fund</i>	<i>18,588,087</i>	<i>19,416,639</i>	<i>19,303,503</i>	<i>18,905,658</i>
Property Tax Relief Fund--				
Aid to County Colleges	27,640	35,139	40,026	40,026
Educational	9,411,057	10,014,012	10,528,816	10,528,816
Direct Property Tax Relief	1,241,220	2,501,000	1,978,000	1,978,000
Aid to Municipalities	1,016,047	1,164,127	1,009,758	1,009,758
<i>Total Property Tax Relief Fund</i>	<i>11,695,964</i>	<i>13,714,278</i>	<i>13,556,600</i>	<i>13,556,600</i>
Casino Control Fund--				
Enforcement	43,590	45,999	45,999	45,999
Administration	29,473	29,440	29,440	29,440
<i>Total Casino Control Fund</i>	<i>73,063</i>	<i>75,439</i>	<i>75,439</i>	<i>75,439</i>

SUMMARIES OF APPROPRIATIONS

	2007 Expenditures	2008 Adjusted Appropriation	2009 Requested	2009 Recom- mended
Casino Revenue Fund--				
Medicaid	159,882	109,186	125,500	125,500
Pharmaceutical Assistance Programs	214,762	215,473	215,912	215,912
Programs for Senior Citizens and the Disabled	85,334	88,324	84,414	84,414
<i>Total Casino Revenue Fund</i>	<i>459,978</i>	<i>412,983</i>	<i>425,826</i>	<i>425,826</i>
Gubernatorial Elections Fund--				
Public Financing of Gubernatorial General Election	---	---	5,080	5,080
<i>Total Gubernatorial Elections Fund</i>	<i>---</i>	<i>---</i>	<i>5,080</i>	<i>5,080</i>
GRAND TOTAL STATE APPROPRIATIONS	30,817,092	33,619,339	33,366,448	32,968,603

SUMMARIES OF APPROPRIATIONS

DEDICATED FUNDS

Summary of Appropriations by Department (thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
PROPERTY TAX RELIEF FUND								
Grants-In-Aid								
Department of the Treasury								
1,183,788	1,469	---	1,185,257	1,145,807	Homestead Exemptions	2,404,000	1,886,000	1,886,000
1,183,788	1,469	---	1,185,257	1,145,807	Total Department of the Treasury	2,404,000	1,886,000	1,886,000
1,183,788	1,469	---	1,185,257	1,145,807	Total Grants-In-Aid - Property Tax Relief Fund	2,404,000	1,886,000	1,886,000
State Aid								
Department of Community Affairs								
1,061,472	---	-84,208	977,264	976,751	Local Government Services	1,120,572	964,378	964,378
1,061,472	---	-84,208	977,264	976,751	Total Department of Community Affairs	1,120,572	964,378	964,378
Department of Education								
5,838,335	6,020	-11,191	5,833,164	5,827,483	General Formula Aid	5,899,113	6,989,490	6,989,490
86,979	---	---	86,979	85,434	Miscellaneous Grants-In-Aid	108,909	67,774	67,774
65,578	---	---	65,578	65,578	Bilingual Education	65,578	---	---
199,512	---	---	199,512	199,512	Programs for Disadvantaged Youth	266,310	---	---
896,420	---	---	896,420	896,420	Special Education	896,420	718,131	718,131
38,948	---	---	38,948	38,948	General Vocational Education	38,948	---	---
313,047	---	---	313,047	313,037	Student Transportation	316,247	296,774	296,774
65,195	---	---	65,195	65,195	Facilities Planning and School Building Aid	158,391	161,187	161,187
1,969,673	---	-8,080	1,961,593	1,919,450	Teachers' Pension and Annuity Assistance	2,264,096	2,295,460	2,295,460
9,473,687	6,020	-19,271	9,460,436	9,411,057	Total Department of Education	10,014,012	10,528,816	10,528,816
Department of Environmental Protection								
9,500	---	---	9,500	9,068	Administration and Support Services	9,828	10,000	10,000
9,500	---	---	9,500	9,068	Total Department of Environmental Protection	9,828	10,000	10,000
Department of the Treasury								
99,100	---	---	99,100	95,413	Reimbursement of Senior/ Disabled Citizens' and Veterans' Tax Deductions	97,000	92,000	92,000
31,534	---	---	31,534	30,228	Consolidated Police and Firemen's Pension Fund	33,727	35,380	35,380
27,640	---	---	27,640	27,640	Aid to County Colleges	35,139	40,026	40,026
158,274	---	---	158,274	153,281	Total Department of the Treasury	165,866	167,406	167,406
10,702,933	6,020	-103,479	10,605,474	10,550,157	Total State Aid - Property Tax Relief Fund	11,310,278	11,670,600	11,670,600
11,886,721	7,489	- 103,479	11,790,731	11,695,964	Total Property Tax Relief Fund	13,714,278	13,556,600	13,556,600

SUMMARIES OF APPROPRIATIONS

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended	
CASINO CONTROL FUND								
Direct State Services								
43,999	223	---	44,222	43,590	Department of Law and Public Safety Gaming Enforcement	45,999	45,999	45,999
43,999	223	---	44,222	43,590	Total Department of Law and Public Safety	45,999	45,999	45,999
29,440	664	---	30,104	29,473	Department of the Treasury Administration of Casino Gambling	29,440	29,440	29,440
29,440	664	---	30,104	29,473	Total Department of the Treasury	29,440	29,440	29,440
73,439	887	---	74,326	73,063	Total Direct State Services - Casino Control Fund	75,439	75,439	75,439
73,439	887	---	74,326	73,063	Total Casino Control Fund	75,439	75,439	75,439
CASINO REVENUE FUND								
Direct State Services								
871	25	114	1,010	948	Department of Health and Senior Services Programs for the Aged	871	871	871
871	25	114	1,010	948	Total Department of Health and Senior Services	871	871	871
92	---	---	92	6	Department of Law and Public Safety Operation of State Professional Boards	92	92	92
92	---	---	92	6	Total Department of Law and Public Safety	92	92	92
963	25	114	1,102	954	Total Direct State Services - Casino Revenue Fund	963	963	963
Grants-In-Aid								
529	---	---	529	529	Department of Health and Senior Services Family Health Services	529	529	529
30,629	---	---	30,629	28,828	Medical Services for the Aged	29,129	27,830	27,830
271,075	9,497	---	280,572	214,762	Pharmaceutical Assistance to the Aged and Disabled	215,473	215,912	215,912
14,677	---	-114	14,563	14,563	Programs for the Aged	14,677	14,677	14,677
316,910	9,497	-114	326,293	258,682	Total Department of Health and Senior Services	259,808	258,948	258,948
22,934	---	---	22,934	22,168	Department of Human Services Purchased Residential Care	22,934	22,934	22,934
2,208	---	---	2,208	2,208	Social Supervision and Consultation	2,208	2,208	2,208
7,374	---	---	7,374	7,374	Adult Activities	7,374	7,374	7,374
131,222	---	---	131,222	131,222	Disability Services	80,328	97,941	97,941
163,738	---	---	163,738	162,972	Total Department of Human Services	112,844	130,457	130,457
2,440	---	---	2,440	2,440	Department of Labor and Workforce Development Vocational Rehabilitation Services	2,440	2,440	2,440
2,440	---	---	2,440	2,440	Total Department of Labor and Workforce Development	2,440	2,440	2,440

SUMMARIES OF APPROPRIATIONS

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
483,088	9,497	-114	492,471	424,094			
					<i>Total Grants-In-Aid - Casino Revenue Fund</i>	375,092	391,845
					State Aid		
					Department of Transportation		
34,930	---	---	34,930	34,930	Railroad and Bus Operations	36,928	33,018
34,930	---	---	34,930	34,930	<i>Total Department of Transportation</i>	36,928	33,018
34,930	---	---	34,930	34,930	<i>Total State Aid - Casino Revenue Fund</i>	36,928	33,018
518,981	9,522	---	528,503	459,978	Total Casino Revenue Fund	412,983	425,826
					GUBERNATORIAL ELECTIONS FUND		
					Grants-In-Aid		
					Department of Law and Public Safety		
---	---	---	---	---	Election Law Enforcement	---	5,080
---	---	---	---	---	<i>Total Department of Law and Public Safety</i>	---	5,080
---	---	---	---	---	<i>Total Grants-In-Aid - Gubernatorial Elections Fund</i>	---	5,080
---	---	---	---	---	Total Gubernatorial Elections Fund	---	5,080
12,479,141	17,898	-103,479	12,393,560	12,229,005	Total Appropriation	14,202,700	14,062,945

FY 2009 Budget Highlights

Budget spends \$500 million less than the current budget.

Budget includes \$2.7 billion in actions to reduce spending to offset growth areas.

Budget reduces the size and cost of government by \$350 million through reductions in workforce, consolidation of departments and other actions.

Every Executive branch department operating budget is reduced.

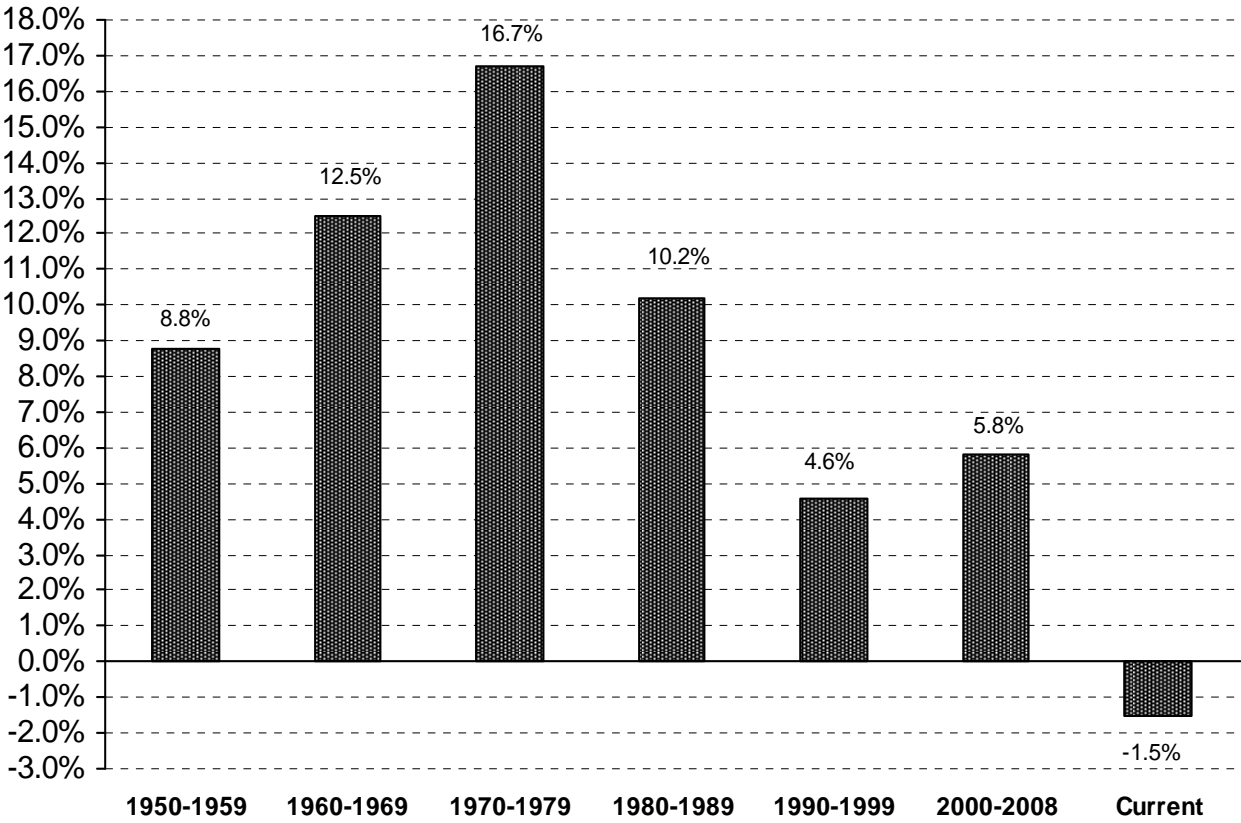
Budget increases bring total funding for property tax relief to \$16.7 billion – approximately 50% of the budget.

Budget protects core responsibilities of government – educating our children; providing public safety; and caring for the most vulnerable.

Budget dramatically reduces the gap between recurring revenues and recurring expenses by significantly reducing one time revenues from \$1.8 billion to less than \$600 million.

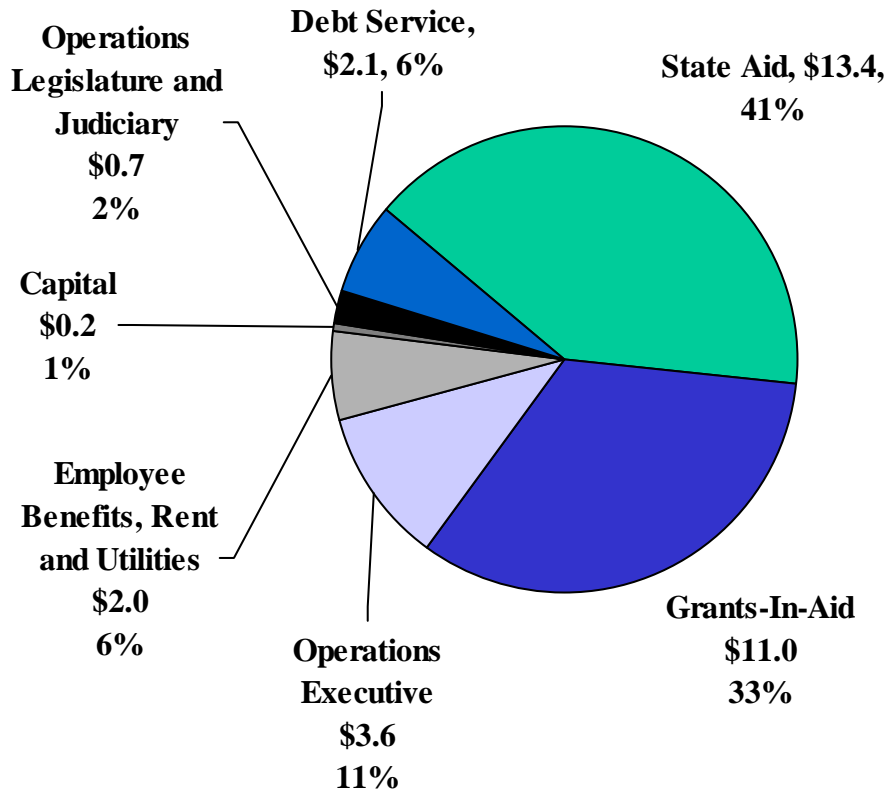
Budget does not include any new or increased taxes.

Average Change in Budgets Over Almost 6 Decades



Data compares Recommended Budget to the Prior Fiscal Year's Appropriations Act

Where Does the Money Go – State Aid and Grants Represent Nearly Three Quarters of the Budget (In Billions)



Total Debt Service \$2.7 billion; School Construction Debt Service is reflected in State Aid

Total Budget is \$33 Billion

Nearly three quarters of every dollar goes to Property Tax Relief and Grants in Aid

State Aid: includes Education Aid programs, Municipal Aid, Property Tax Relief programs, General Assistance, and Aid to County Colleges.

Grant-In-Aid: includes Property Tax Relief programs, Medicaid, Pharmaceutical Assistance for the Aged and Disabled, Nursing Home and long-term care alternative programs, and support for Higher Education.

Operations Executive: includes funding for adult prisons and juvenile facilities, State Police and other Law Enforcement programs, Human Services institutions, Veterans Homes, and the new Children and Families and the Public Advocate Departments.

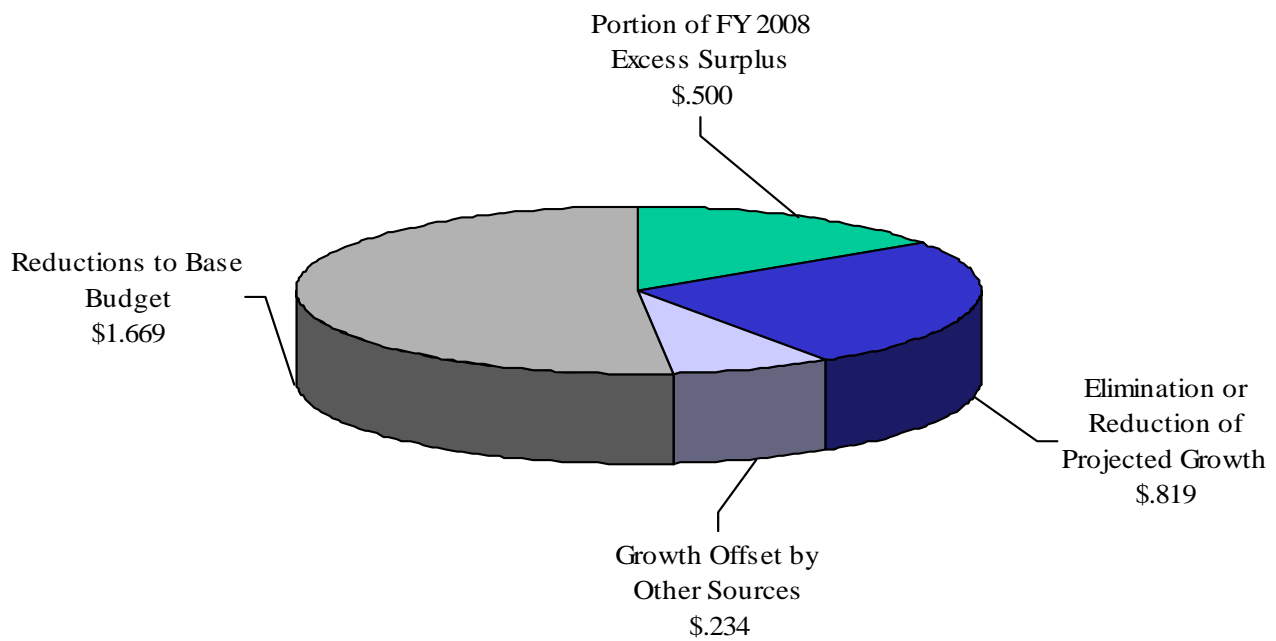
How FY 2009 Budget Balanced

(In Thousands)

FY 2008 Adjusted Appropriation	\$33,619,339
FY 2009 Growth Net	2,071,435
Total Projected FY 2009 Model	35,690,774
FY 2009 Base Revenue	32,468,603
FY 2009 Projected Structural Gap	3,222,171
 ACTIONS TO CLOSE STRUCTURAL GAP	 \$3,222,171
Use of portion of FY 2008 excess surplus	500,000
Elimination or reduction of projected growth	819,220
Growth offset by other sources	233,985
Reductions to base budget	1,668,966
Operating budget and Interdepartmental	324,140
Homeowner and Tenant Rebates	519,000
Municipal and County Aid	202,195
Hospitals	143,500
Medicaid/Family Care/PAAD	177,801
Higher Education	132,956
Other	169,374

FY2009 Actions to Close the Gap

(In Billions)



Total \$3.2 billion

FY 2009 Deferrals/Decreases

(In Millions)

DEFERRALS

Pension Contribution *	\$403.4
No Inflation for Municipal Aid	82.0
No New Community Provider COLA for 2009	42.4
Reduce NJ Transit Increase	40.0
No Growth in Higher Education Operating	32.3

DECREASES

Employee Related Savings/Operating	\$324.1
Homeowner Rebates	345.0
Tenant Rebates	127.0
Municipal Aid	189.8
Hospital Reductions	143.5
NJ FamilyCare (due to increased federal funds)	80.0
College and University Operating Support (net of salary contract funding)	76.0
Savings from Enhanced Medicaid Fraud Prevention	28.0
Savings from Smarter Procurements	25.0
Garden State Preservation Trust Bridge Funding	25.0
State Police Rural Patrol	20.5

* Assumed 65% funding level. However, full funding would have been a \$1.2 billion increase.

Includes only amounts above \$20 million

FY 2009 Increases

(In Millions)

School Aid (excludes school construction)	\$555.6
School Construction Debt Service	58.5
Developmentally Disabled/Mental Health Community Programs	60.9
NJ Transit	60.0
Annualization of January 2008 Provider COLA	40.6
Active and Retiree Health Care and Pensions	28.0
Business Employment Incentive Program Grants	27.0
Senior/Disabled Citizens' Property Tax Freeze	16.0
State Rental Assistance Program	15.0
Tuition Assistance Grants	14.9

Includes only a sampling of increases

Funding for Property Tax Relief

(In Millions)

<u>Programs</u>	<u>FY2008 Adjusted Approp.</u>	<u>FY2009 Budget</u>	<u>\$ Change</u>
School Aid	\$ 10,930.2	\$ 11,544.3	\$ 614.1
Municipal Aid	1,996.8	1,807.2	(189.6)
Other Local Aid	842.2	826.8	(15.4)
Direct Taxpayer Relief	<u>2,850.0</u> *	<u>2,514.0</u>	<u>(336.0)</u>
Total Direct Aid	<u>\$ 16,619.2</u>	<u>\$ 16,692.3</u>	<u>\$ 73.1</u>

* Reflects fiscal 2008 expended

SUMMARIES OF APPROPRIATIONS

Taxpayer Relief

(In Millions)

PROGRAM DESCRIPTION	FY2008 Adjusted Approp.	FY2009 Budget	Change	
			\$	%
School Aid				
Direct Aid	\$ 8,010.7	\$ 8,544.9	\$ 534.2	6.7
School Building Aid	655.4	703.9	48.5	7.4
Teachers' Retirement Benefits & Social Security	2,264.1	2,295.5	31.4	1.4
Subtotal School Aid	\$ 10,930.2	\$ 11,544.3	\$ 614.1	5.6
Municipal Aid				
Consolidated Municipal Property Tax Relief Aid (CMPTRA)	\$ 835.4	\$ 773.4	\$ (62.0)	(7.4)
* Energy Tax Receipts Property Tax Relief Aid	788.5	788.5	-	-
Special Municipal Aid	153.0	145.4	(7.6)	(5.0)
Trenton Capital City Aid	37.5	35.6	(1.9)	(5.1)
Municipal Efficiency Promotion Aid Program	34.8	-	(34.8)	-
Extraordinary Aid	34.0	32.3	(1.7)	(5.0)
2008 Municipal Property Tax Assistance	32.6	-	(32.6)	-
Municipal Homeland Security Assistance	32.0	-	(32.0)	-
Consolidation Fund / SHARE	19.2	10.0	(9.2)	(47.9)
Highlands Protection Fund Aid	12.0	12.0	-	-
Open Space - Payments in Lieu of Taxes	9.8	10.0	0.2	2.0
Regional Efficiency Aid Program (REAP)	8.0	-	(8.0)	-
Subtotal Municipal Aid	\$ 1,996.8	\$ 1,807.2	\$ (189.6)	(9.5)
Other Local Aid				
County College Aid	\$ 233.1	\$ 221.6	\$ (11.5)	(4.9)
* Transportation Trust Fund - Local Project Aid	172.0	175.0	3.0	1.7
Aid to County Psychiatric Hospitals	122.0	119.1	(2.9)	(2.4)
Employee Benefits on behalf of Local Governments	94.3	96.6	2.3	2.4
* Urban Enterprise Zones - Sales Tax Dedication	85.0	87.0	2.0	2.4
County Solid Waste Debt	35.0	30.0	(5.0)	(14.3)
General Assistance Administration	26.0	29.7	3.7	14.2
Library Aid	18.5	17.7	(0.8)	(4.3)
DCA - Housing and Neighborhood Assistance	16.7	13.9	(2.8)	(16.8)
911 Enhancement	14.9	12.4	(2.5)	(16.8)
Voter Verified Paper Audit Trail	10.0	10.0	-	-
County Prosecutors	8.0	8.0	-	-
County Environmental Health Act	3.5	2.7	(0.8)	(22.9)
SJPC Property Tax Reserve Fund (PILOT)	3.2	3.1	(0.1)	(3.1)
Subtotal Other Local Aid	\$ 842.2	\$ 826.8	\$ (15.4)	(1.8)
Direct Taxpayer Relief				
Homestead Property Tax Credits/Rebates for Homeowners	\$ 1,850.0	** \$ 1,593.0	\$ (257.0)	(13.9)
Homestead Rebates for Tenants	248.0	** 124.0	(124.0)	(50.0)
Senior/Disabled Citizens' Property Tax Freeze	153.0	169.0	16.0	10.5
Municipal Reimbursement--Veterans' Tax Deductions	75.0	71.5	(3.5)	(4.7)
Municipal Reimbursement--Senior/Disabled Citizens' Tax Deductions	22.0	20.5	(1.5)	(6.8)
* Property Tax Deduction Act	502.0	536.0	34.0	6.8
Subtotal Direct Taxpayer Relief	\$ 2,850.0	\$ 2,514.0	\$ (336.0)	(11.8)
GRAND TOTAL - TAXPAYER RELIEF	\$ 16,619.2	\$ 16,692.3	\$ 73.1	0.4

* Not part of State Budget

** Reflects fiscal 2008 expended

FY08 excludes one-time funding for GSPT, Presidential Primary and Flood Relief

Direct Property Tax Relief

(In Millions)

	FY2008 Adjusted Approp.		FY2009 Budget	\$ Change
Homestead Property Tax Credits/Rebates for Homeowners	\$ 1,850.0	**	\$ 1,593.0	\$ (257.0)
Homestead Rebates for Tenants	248.0	**	124.0	(124.0)
Senior/Disabled Citizens Property Tax Freeze	153.0		169.0	16.0
Property Tax Deduction Act	502.0		536.0	34.0
Municipal Reimbursement - Veterans' Tax Deductions	75.0		71.5	(3.5)
Municipal Reimbursement - Senior/Disabled Citizens' Tax Deductions	22.0		20.5	(1.5)
	<hr/>		<hr/>	<hr/>
Total Direct Property Tax Relief	<u><u>\$ 2,850.0</u></u>		<u><u>\$ 2,514.0</u></u>	<u><u>\$ (336.0)</u></u>

**Reflects fiscal 2008 expended

SUMMARIES OF APPROPRIATIONS

Municipal Aid

(In Millions)

	FY2008 Adjusted Approp.	FY2009 Budget	\$ Change
Consolidated Municipal Property Tax Relief Aid (CMPTRA)	\$ 835.4	\$ 773.4	\$ (62.0)
Energy Tax Receipts Property Tax Relief Aid	788.5	788.5	-
Special Municipal Aid	153.0	145.4	(7.6)
Trenton Capital City Aid	37.5	35.6	(1.9)
Municipal Efficiency Promotion Aid Program	34.8	-	(34.8)
Extraordinary Aid	34.0	32.3	(1.7)
2008 Municipal Property Tax Assistance	32.6	-	(32.6)
Municipal Homeland Security Assistance	32.0	-	(32.0)
Consolidation Fund / SHARE *	19.2	10.0	(9.2)
Highlands Protection Fund Aid	12.0	12.0	-
Open Space - Payment In Lieu of Taxes (PILOT)	9.8	10.0	0.2
Regional Efficiency Aid Program (REAP)	8.0	-	(8.0)
Total Direct Municipal Aid	\$ 1,996.8	\$ 1,807.2	\$ (189.6)

* FY 2008 will carryforward \$22 million

School Aid

(In Millions)

	FY2008 Adjusted Approp.	FY2009 Budget	\$ Change
Formula Aid	\$ 7,265.4	\$ 7,780.0	\$ 514.6
Preschool Programs	516.9	543.8	26.9
Nonpublic School Aid	104.7	104.7	-
Other Aid	123.7	116.4	(7.3)
Total Direct School Aid	\$ 8,010.7	\$ 8,544.9	\$ 534.2
Teachers' Pension and Annuity Fund	\$ 692.3	\$ 693.3	\$ 1.0
Post Retirement Medical	751.1	750.1	(1.0)
Debt Service on Pension Obligation Bonds	103.5	112.5	9.0
Teachers' Social Security	717.2	739.6	22.4
Total Direct State Payments for Education	\$ 2,264.1	\$ 2,295.5	\$ 31.4
School Construction and Renovation Fund	\$ 542.4	\$ 600.9	\$ 58.5
Debt Service Aid	113.0	103.0	(10.0)
Total School Building Aid	\$ 655.4	\$ 703.9	\$ 48.5
Total School Aid	\$ 10,930.2	\$ 11,544.3	\$ 614.1

SUMMARIES OF APPROPRIATIONS

STATE AID FOR LOCAL SCHOOL DISTRICTS
CONSOLIDATED SUMMARY
GENERAL FUND AND PROPERTY TAX RELIEF FUND
(In Thousands)

---Recommended Fiscal Year 2009---

	Expended Fiscal 2007	Adjusted Appropriation Fiscal 2008	Requested Fiscal 2009	General Fund	Property Tax Relief Fund	Total
Formula Aid Programs:						
Equalization Aid	\$ -	\$ -	\$ 5,666,191	\$ 305,505	\$ 5,360,686	\$ 5,666,191
Core Curriculum Standards Aid	3,080,164	3,083,218	-	-	-	-
Supplemental Core Curriculum Standards Aid	251,768	251,768	-	-	-	-
Educational Adequacy Aid	-	-	8,167	-	8,167	8,167
Early Childhood Aid	330,630	330,630	-	-	-	-
Preschool Education Aid	-	-	543,839	-	543,839	543,839
Instructional Supplement	15,621	15,621	-	-	-	-
Demonstrably Effective Program Aid	199,512	199,512	-	-	-	-
Stabilization Aid	111,626	111,626	-	-	-	-
Stabilization Aid 2	2,491	2,491	-	-	-	-
Stabilization Aid 3	11,402	11,402	-	-	-	-
Adjustment Aid	-	-	849,115	-	849,115	849,115
Additional Supplemental Stabilization Aid:						
Large Efficient Districts	5,250	5,250	-	-	-	-
High Senior Citizen Concentrations	1,231	1,231	-	-	-	-
Regionalization Incentive Aid	18,295	18,295	-	-	-	-
Security Aid	-	-	223,792	-	223,792	223,792
Adult Education Grants	28,721	28,721	-	-	-	-
Bilingual Education	65,578	65,578	-	-	-	-
Special Education Aid	896,420	896,420	-	-	-	-
Special Education Categorical Aid	-	-	718,131	-	718,131	718,131
County Vocational Education	38,948	38,948	-	-	-	-
Transportation Aid	312,947	316,147	296,774	-	296,774	296,774
School Choice	8,306	8,306	7,851	-	7,851	7,851
Abbott-Bordered District Aid	21,903	21,903	-	-	-	-
Aid for Enrollment Adjustments	16,456	16,456	-	-	-	-
Consolidated Aid	129,684	129,684	-	-	-	-
Above Average Enrollment Growth	17,575	17,575	-	-	-	-
Additional Formula Aid	86,772	179,378	-	-	-	-
Targeted At-Risk Aid	-	66,798	-	-	-	-
Adult Education	-	10,000	10,000	-	10,000	10,000
Full-Day Kindergarten Supplemental Aid	-	26,182	-	-	-	-
Less:						
Stabilization Aid Growth Limitation	(73,576)	(73,576)	-	-	-	-
Growth Savings - Payment Change	(10,250)	(8,450)	(3,960)	-	(3,960)	(3,960)
Subtotal, Formula Aid Programs	\$ 5,567,474	\$ 5,771,114	\$ 8,319,900	\$ 305,505	\$ 8,014,395	\$ 8,319,900
School Construction and Renovation Fund	339,799	542,439	600,873	542,736	58,137	600,873
Debt Service Aid	116,907	112,997	103,050	-	103,050	103,050
Subtotal, School Building Aid	\$ 456,706	\$ 655,436	\$ 703,923	\$ 542,736	\$ 161,187	\$ 703,923
TOTAL FORMULA AID	\$ 6,024,180	\$ 6,426,550	\$ 9,023,823	\$ 848,241	\$ 8,175,582	\$ 9,023,823

SUMMARIES OF APPROPRIATIONS

STATE AID FOR LOCAL SCHOOL DISTRICTS CONSOLIDATED SUMMARY GENERAL FUND AND PROPERTY TAX RELIEF FUND (In Thousands)

---Recommended Fiscal Year 2009---

	Expended Fiscal 2007	Adjusted Appropriation Fiscal 2008	Requested Fiscal 2009	General Fund	Property Tax Relief Fund	Total
Other Aid to Education:						
Nonpublic School Aid	\$ 108,183	\$ 104,664	\$ 104,664	\$ 104,664	\$ -	\$ 104,664
Education Opportunity Aid	1,575,055	1,727,294	-	-	-	-
Abbott Preschool Expansion Aid	224,925	255,900	-	-	-	-
Early Launch to Learning Initiative	2,155	2,675	-	-	-	-
High Expectations for Learning Proficiency	16,954	16,900	-	-	-	-
Payment for Children with Unknown District of Residence	30,200	31,710	33,296	-	33,296	33,296
Extraordinary Special Education Aid	51,993	52,000	52,000	52,000	-	52,000
General Vocational Aid	4,847	4,860	4,860	4,860	-	4,860
Additional School Building Aid (Debt Service)	23	-	-	-	-	-
Educational Information & Resource Center	450	450	450	450	-	450
Charter School Aid	14,296	22,643	24,478	-	24,478	24,478
Charter Schools - Council on Local Mandates Decision Offset Aid	9,728	13,335	-	-	-	-
Teacher Quality Mentoring	2,489	2,500	-	-	-	-
Other Aid	8,829	4,641	5,280	5,280	-	5,280
Subtotal, Other Aid to Education	\$ 2,050,127	\$ 2,239,572	\$ 225,028	\$ 167,254	\$ 57,774	\$ 225,028
Subtotal, Department of Education	\$ 8,074,307	\$ 8,666,122	\$ 9,248,851	\$ 1,015,495	\$ 8,233,356	\$ 9,248,851
Direct State Payments for Education:						
Teachers' Pension and Annuity Fund	661,383	661,383	661,383	-	661,383	661,383
Teachers' Pension and Annuity Fund - Post Retirement Medical	580,831	642,445	638,219	-	638,219	638,219
Teachers' Pension and Annuity Fund - Non-Contributory	26,790	30,952	31,888	-	31,888	31,888
Debt Service on Pension Obligation Bonds	95,097	103,472	112,510	-	112,510	112,510
Post Retirement Medical Other Than TPAF	97,618	108,694	111,910	-	111,910	111,910
Teachers' Social Security Assistance	677,236	717,150	739,550	-	739,550	739,550
Subtotal, Direct State Payments for Education	\$ 2,138,955	\$ 2,264,096	\$ 2,295,460	\$ -	\$ 2,295,460	\$ 2,295,460
TOTAL	\$ 10,213,262	\$ 10,930,218	\$ 11,544,311	\$ 1,015,495	\$ 10,528,816	\$ 11,544,311

SUMMARIES OF APPROPRIATIONS

Higher Education

(In Millions)

	FY2008 Adjusted Approp.	FY2009 Budget	Change	
			\$	%
Colleges and Universities				
Senior Public Colleges and Universities	\$ 1,499.9	\$ 1,436.7	\$ (63.2)	(4.2)
County Colleges	233.1	221.6	(11.5)	(4.9)
Independent Colleges and Universities	20.4	18.4	(2.0)	(10.0)
Student Financial Assistance	268.3	282.1	13.8	5.2
Educational Opportunity Fund	40.6	40.6	-	-
Facility and Capital Improvement Programs	93.4	88.1	(5.3)	(5.7)
Other Programs	18.1	10.7	(7.4)	(41.1)
Total Higher Education	\$ 2,173.8	\$ 2,098.2	\$ (75.6)	(3.5)

Higher Education

(In Millions)

	FY2008 Adjusted Approp.	FY2009 Budget	\$ Change
Senior Public Institutions			
Rutgers University	\$ 328.6	\$ 290.6	\$ (38.0)
UMDNJ	231.1	208.7	(22.4)
NJIT	49.1	42.7	(6.4)
Thomas Edison State College	6.0	5.4	(0.6)
Rowan University	38.7	34.7	(4.0)
New Jersey City University	32.9	29.5	(3.4)
Kean University	42.5	38.1	(4.5)
William Paterson University	41.3	37.2	(4.1)
Montclair State University	48.6	43.7	(4.9)
College of New Jersey	37.0	33.3	(3.7)
Ramapo College of New Jersey	20.5	18.2	(2.2)
Richard Stockton College of New Jersey	25.1	22.6	(2.6)
Subtotal Senior Publics Direct Aid	\$ 901.4	\$ 804.6	\$ (96.8)
Senior Publics Salary Funding	-	38.5	38.5
Senior Publics Net Fringe Benefits	598.5	593.6	(4.9)
Total Senior Publics	\$ 1,499.9	\$ 1,436.7	\$ (63.2)
County Colleges			
Operating Support	\$ 163.4	\$ 147.1	\$ (16.3)
Fringe Benefits	34.5	34.5	--
Chapter 12 Debt Service	35.1	40.0	4.9
Total County Colleges	\$ 233.1	\$ 221.6	\$ (11.5)
Total Independent Colleges and Universities	\$ 20.4	\$ 18.4	\$ (2.0)
Student Financial Assistance			
Tuition Aid Grants (TAG)	\$ 230.2	\$ 245.1	\$ 14.9
Part-time TAG for County Colleges	5.5	6.0	0.5
NJSTARS I & II	13.8	14.7	0.9
EOF Grants and Scholarships	40.6	40.6	-
Loan Forgiveness for Mental Health Workers	3.5	3.5	-
Other Student Aid Programs	15.3	12.9	(2.4)
Total Student Financial Assistance	\$ 308.9	\$ 322.7	\$ 13.8
Other Programs			
Capital Grants and Facilities Support	\$ 93.4	\$ 88.1	\$ (5.3)
New Jersey Stem Cell Research Institute	5.5	-	(5.5)
All Other Programs	12.6	10.7	(1.9)
Total Other Programs	\$ 111.5	\$ 98.8	\$ (12.7)
Grand Total Higher Education	\$ 2,173.8	\$ 2,098.2	\$ (75.6)

Hospital Funding – State and Federal

(in Millions)

	FY08	FY09	Change
Charity Care/Health Care Stabilization Fund	\$716.0	\$608.0	(\$108.0)
Hospital Relief Offset Payments	203.0	183.0	(20.0)
Cancer Grants	66.5	46.0	(20.5)
Graduate Medical Education	60.0	50.0	(10.0)
Hospital Asset Transformation Program	-	15.0	15.0
TOTAL	\$1,045.5	\$902.0	(\$143.5)

State Budget

(In Thousands)

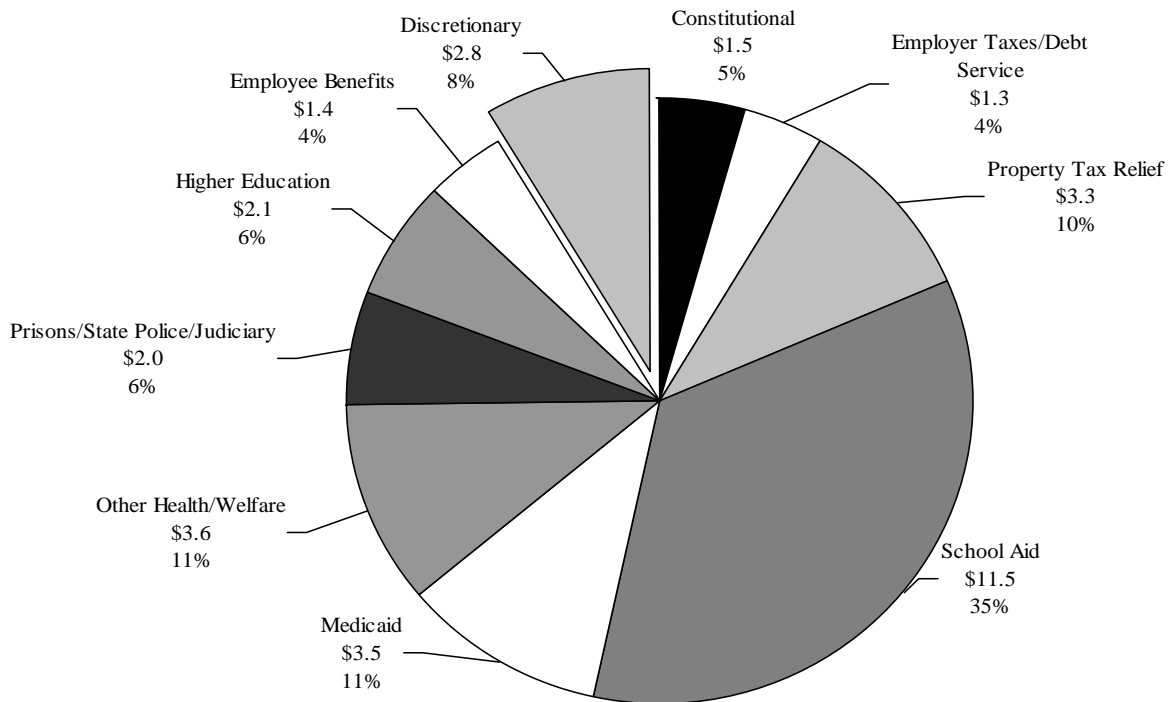
	FY 2008 Adjusted Appropriation	FY 2009 Budget	\$ Change	% Change
Chief Executive	\$ 5,428	\$ 5,293	\$ (135)	(2.5)
Agriculture	26,673	22,878	(3,795)	(14.2)
Banking and Insurance	72,127	70,340	(1,787)	(2.5)
Children and Families	1,080,910	1,075,703	(5,207)	(0.5)
Community Affairs	1,307,854	1,124,718	(183,136)	(14.0)
Corrections	1,184,028	1,149,298	(34,730)	(2.9)
Education	11,043,116	11,637,762	594,646	5.4
Environmental Protection	480,611	421,109	(59,502)	(12.4)
Health and Senior Services	1,746,340	1,566,128	(180,212)	(10.3)
Human Services	4,921,626	4,858,789	(62,837)	(1.3)
Labor and Workforce Development	138,670	138,367	(303)	(0.2)
Law and Public Safety	634,325	590,069	(44,256)	(7.0)
Military and Veterans' Affairs	96,677	93,447	(3,230)	(3.3)
Personnel	22,824	20,597	(2,227)	(9.8)
Public Advocate	20,357	17,466	(2,891)	(14.2)
State	1,344,252	1,229,820	(114,432)	(8.5)
Transportation/NJ Transit	1,333,979	1,368,622	34,643	2.6
Treasury	4,165,894	3,558,164	(607,730)	(14.6)
Miscellaneous Commissions	1,456	1,456	-	-
Subtotal Executive Branch	\$ 29,627,147	\$ 28,950,026	\$ (677,121)	(2.3)
Interdepartmental	\$ 3,286,553	\$ 3,306,741	\$ 20,188	0.6
Legislature	\$ 76,508	\$ 75,669	\$ (839)	(1.1)
Judiciary	629,131	636,167	7,036	1.1
Total	\$ 33,619,339	\$ 32,968,603	\$ (650,736)	(1.9)

Growth in Judiciary for incarceration diversion programs generates savings in the Department of Corrections, Grants in Aid.

SUMMARIES OF APPROPRIATIONS

Fiscal Year 2009

(In Billions)



Total Spending \$33 Billion

*Direct State Services
By Department*

(In Thousands)

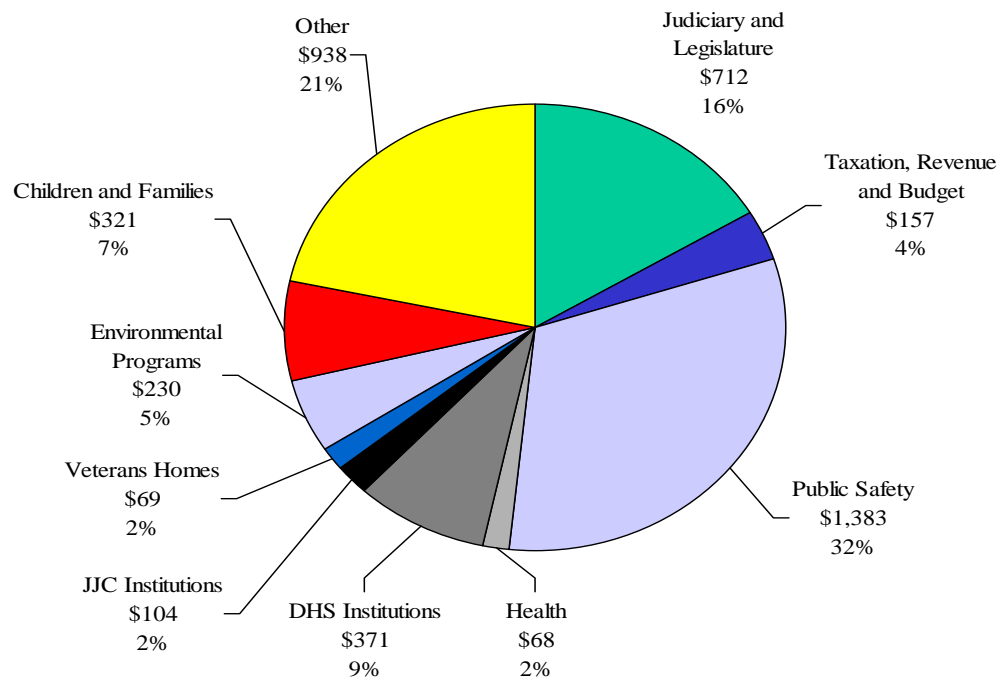
Department	FY2008 Adjusted Approp.	FY2009 Budget	Change	
			\$	%
Chief Executive	\$ 5,428	\$ 5,293	\$ (135)	(2.5)
Agriculture	9,721	7,930	(1,791)	(18.4)
Banking and Insurance	72,127	70,340	(1,787)	(2.5)
Children & Families	326,958	320,636	(6,322)	(1.9)
Community Affairs	40,991	39,574	(1,417)	(3.5)
Corrections	1,028,994	1,027,707	(1,287)	(0.1)
Education	78,410	74,998	(3,412)	(4.4)
Environmental Protection	249,653	230,046	(19,607)	(7.9)
Health & Senior Services	73,714	68,234	(5,480)	(7.4)
Human Services	515,948	475,962	(39,986)	(7.8)
Labor	64,973	64,881	(92)	(0.1)
Law & Public Safety	578,440	541,566	(36,874)	(6.4)
Military & Veterans' Affairs	92,315	90,273	(2,042)	(2.2)
Personnel	22,824	20,597	(2,227)	(9.8)
Public Advocate	20,357	17,466	(2,891)	(14.2)
State	41,759	35,564	(6,195)	(14.8)
Transportation	103,851	82,404	(21,447)	(20.7)
Treasury	505,709	466,184	(39,525)	(7.8)
Miscellaneous Commissions	1,456	1,456	-	-
Total Executive Branch	\$ 3,833,628	\$ 3,641,111	\$ (192,517)	(5.0)
Interdepartmental	2,138,643	2,153,528	14,885	0.7
Legislature	76,508	75,669	(839)	(1.1)
Judiciary	629,131	636,167	7,036	1.1
Total	\$ 6,677,910	\$ 6,506,475	\$ (171,435)	(2.6)

Departmental budgets will be further impacted by the Early Retirement Incentive (ERI) and other employee actions reflected in Interdepartmental, \$136 million, and procurement savings, \$25 million.

Growth in Judiciary for incarceration diversion programs generates savings in the Department of Corrections, Grants in Aid.

Operations Budgets

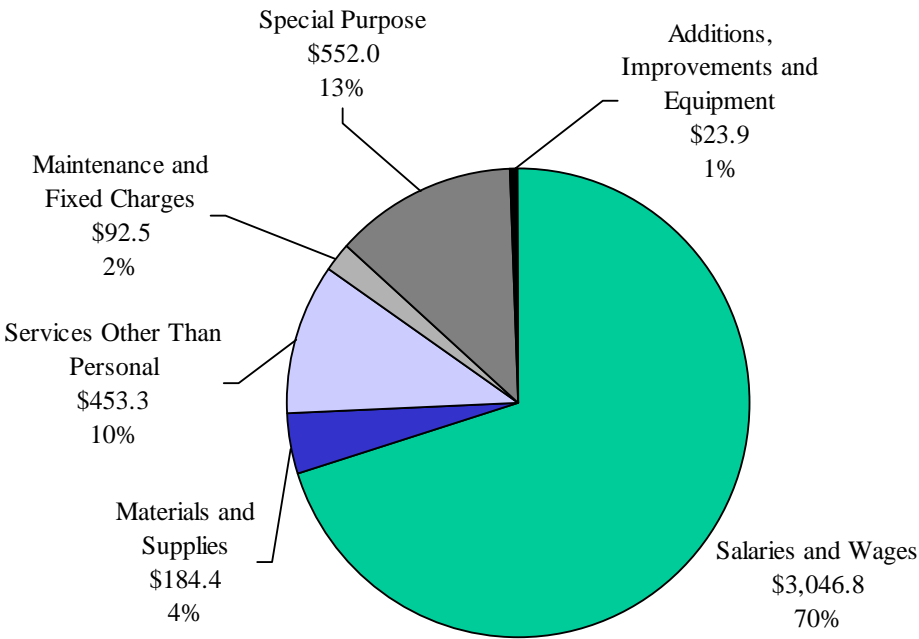
(In Millions)



Total Operating Budget is \$4.4 billion

Operating Split between Salaries and Other Costs

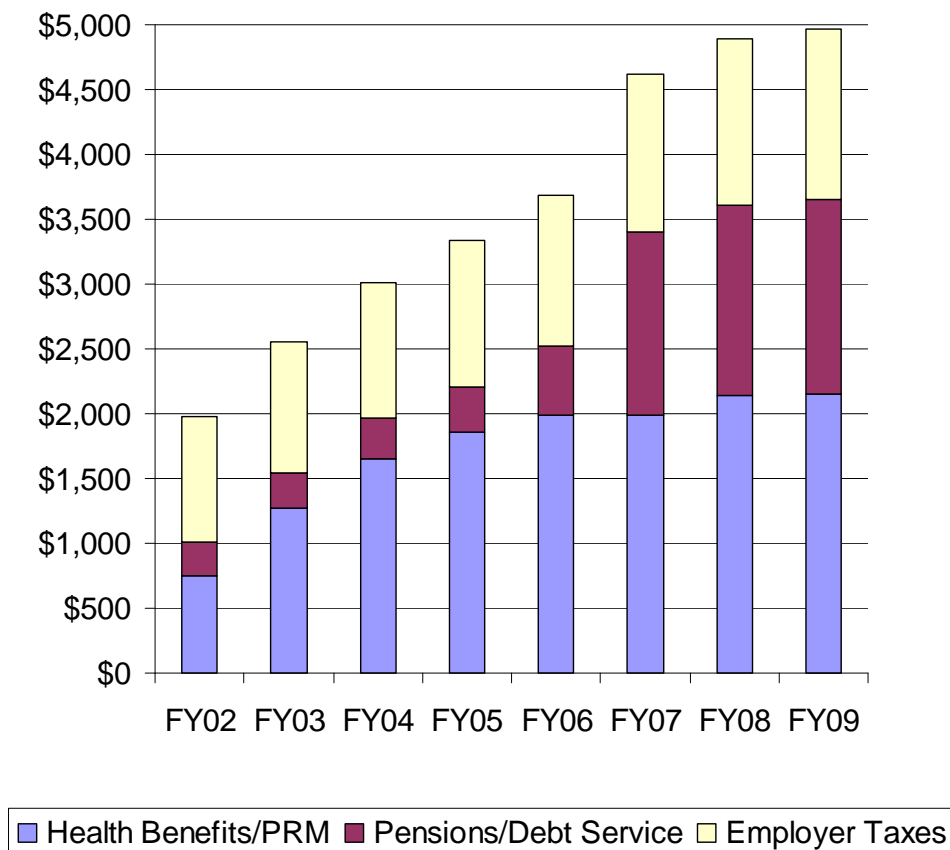
(In Millions)



Total Operating Budget is \$4.4 billion

Employee Benefit Costs

(In Millions)



Comparison of Budget Message to Adjusted Appropriation

<u>Fiscal Year</u>	<u>ORIGINAL BUDGET</u>	<u>PRIOR YEAR</u>	<u>\$\$</u>	<u>% %</u>
	<u>RECOMMENDATIONS</u>	<u>ADJUSTED APPROPRIATION</u>	<u>CHANGE</u>	<u>CHANGE</u>
2009	\$ 32,968.6	\$ 33,619.3	\$ (650.7)	-1.94%
2008	\$ 33,291.7	\$ 31,060.4	\$ 2,231.3	7.18%
2007	\$ 30,874.5	\$ 28,265.3	\$ 2,609.2	9.23%
2006	\$ 27,412.3	\$ 28,400.4	\$ (988.2)	-3.48%
2005	\$ 26,259.8	\$ 24,542.3	\$ 1,717.5	7.00%
2004	\$ 23,701.8	\$ 24,042.8	\$ (341.0)	-1.42%
2003	\$ 23,663.2	\$ 23,319.6	\$ 343.6	1.47%
2002	\$ 23,153.4	\$ 21,733.6	\$ 1,419.7	6.53%
2001	\$ 21,252.8	\$ 19,974.8	\$ 1,278.0	6.40%
2000	\$ 19,160.5	\$ 18,363.5	\$ 797.1	4.34%
1999	\$ 17,953.3	\$ 17,039.1	\$ 914.2	5.37%
1998	\$ 16,420.9	\$ 16,217.8	\$ 203.1	1.25%
1997	\$ 15,984.7	\$ 16,109.1	\$ (124.4)	-0.77%
1996	\$ 15,987.4	\$ 15,503.6	\$ 483.8	3.12%
1995	\$ 15,377.4	\$ 15,499.9	\$ (122.5)	-0.79%
1994	\$ 15,649.6	\$ 14,745.4	\$ 904.3	6.13%
1993	\$ 15,706.7	\$ 15,003.7	\$ 703.0	4.69%
1992	\$ 14,310.5	\$ 12,577.1	\$ 1,733.5	13.78%
1991	\$ 12,145.6	\$ 12,148.0	\$ (2.5)	-0.02%
1990	\$ 12,090.0	\$ 11,877.0	\$ 213.0	1.79%
1989	\$ 11,806.2	\$ 10,497.3	\$ 1,308.9	12.47%
1988	\$ 10,179.9	\$ 9,289.6	\$ 890.2	9.58%
1987	\$ 9,281.5	\$ 8,996.9	\$ 284.6	3.16%
1986	\$ 8,824.5	\$ 7,923.0	\$ 901.5	11.38%
1985	\$ 7,574.6	\$ 6,886.1	\$ 688.5	10.00%
1984	\$ 6,799.6	\$ 6,288.6	\$ 511.0	8.13%
1983	\$ 6,373.4	\$ 5,743.5	\$ 630.0	10.97%
1982	\$ 5,635.1	\$ 5,124.7	\$ 510.4	9.96%
1981	\$ 5,114.2	\$ 4,736.4	\$ 377.7	7.97%
1980	\$ 4,655.5	\$ 4,413.0	\$ 242.6	5.50%
1979	\$ 4,407.3	\$ 4,062.4	\$ 344.9	8.49%
1978	\$ 4,001.7	\$ 3,381.0	\$ 620.7	18.36%
1977	\$ 2,762.8	\$ 2,704.5	\$ 58.4	2.16%
1976	\$ 2,816.1	\$ 2,765.5	\$ 50.6	1.83%
1975	\$ 2,753.0	\$ 2,402.1	\$ 350.9	14.61%
1974	\$ 2,380.6	\$ 2,072.1	\$ 308.5	14.89%
1973	\$ 2,406.8	\$ 1,823.6	\$ 583.2	31.98%
1972	\$ 1,784.0	\$ 1,609.0	\$ 175.0	10.87%
1971	\$ 1,590.1	\$ 1,358.3	\$ 231.8	17.06%
1970	\$ 1,361.9	\$ 1,136.0	\$ 225.9	19.88%
1969	\$ 1,064.2	\$ 1,005.3	\$ 58.9	5.86%
1968	\$ 998.8	\$ 890.5	\$ 108.4	12.17%
1967	\$ 906.1	\$ 647.9	\$ 258.2	39.85%
1966	\$ 646.8	\$ 590.2	\$ 56.6	9.59%
1965	\$ 589.9	\$ 549.9	\$ 40.0	7.27%
1964	\$ 547.5	\$ 510.3	\$ 37.1	7.28%
1963	\$ 500.0	\$ 470.8	\$ 29.2	6.21%
1962	\$ 467.4	\$ 437.7	\$ 29.7	6.79%
1961	\$ 431.4	\$ 407.2	\$ 24.2	5.95%
1960	\$ 403.3	\$ 393.5	\$ 9.8	2.49%
1959	\$ 399.7	\$ 336.3	\$ 63.3	18.84%
1958	\$ 342.5	\$ 323.7	\$ 18.8	5.80%
1957	\$ 315.5	\$ 298.1	\$ 17.3	5.81%
1956	\$ 257.3	\$ 221.8	\$ 35.5	16.03%
1955	\$ 235.4	\$ 223.2	\$ 12.2	5.46%
1954	\$ 219.3	\$ 220.8	\$ (1.4)	-0.65%
1953	\$ 196.4	\$ 183.7	\$ 12.7	6.90%
1952	\$ 169.7	\$ 168.9	\$ 0.8	0.50%
1951	\$ 164.1	\$ 164.3	\$ (0.2)	-0.13%

SUMMARIES OF APPROPRIATIONS

Comparison of Budget Message to Prior Fiscal Year Appropriations Act

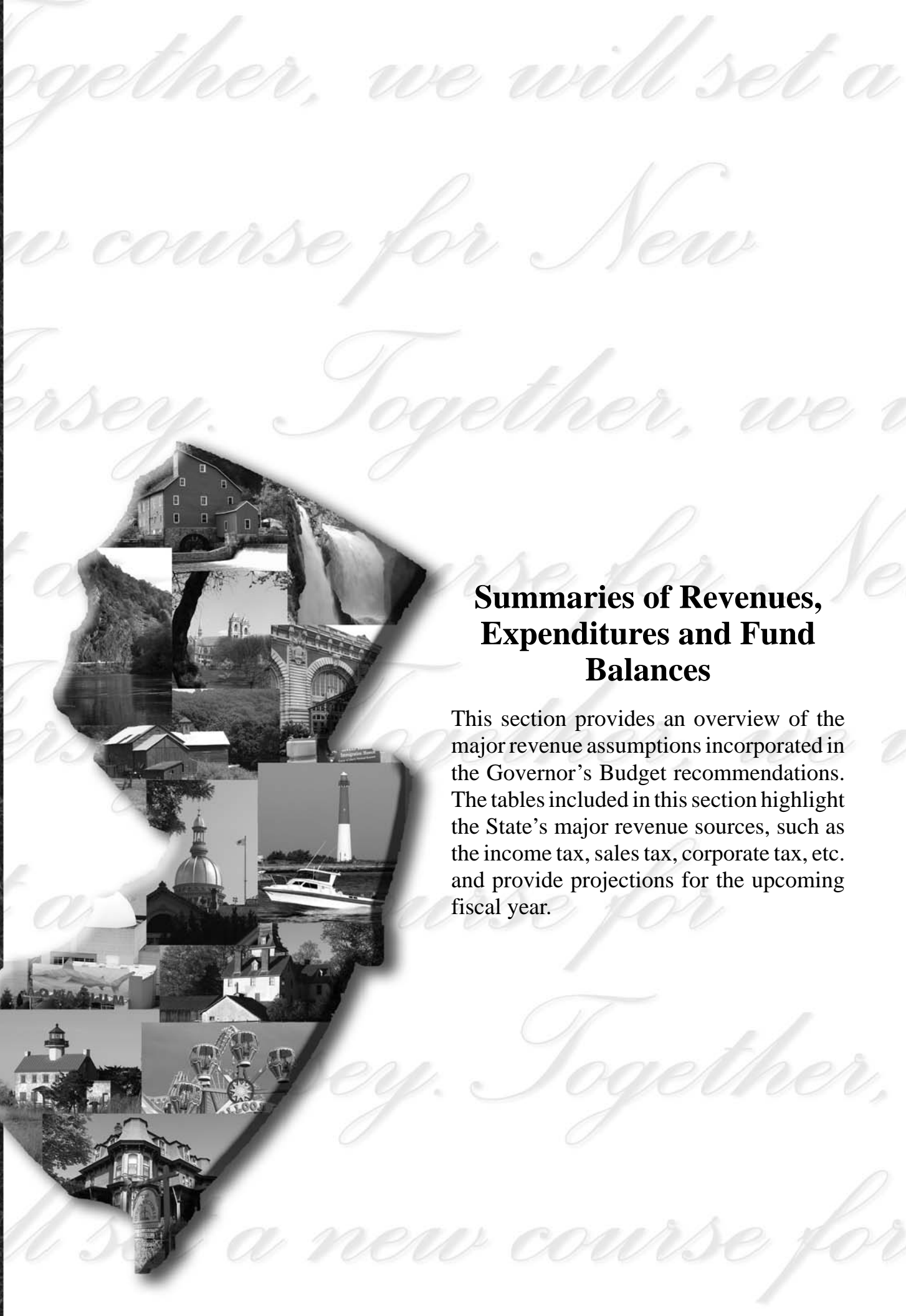
<u>Fiscal Year</u>	<u>ORIGINAL BUDGET RECOMMENDATIONS</u>	<u>PRIOR YEAR APPROPRIATIONS ACT</u>	<u>\$ CHANGE</u>	<u>% % CHANGE</u>
2009	\$ 32,968.6	\$ 33,470.9	\$ (502.3)	-1.50%
2008	\$ 33,291.7	\$ 30,818.7	\$ 2,473.0	8.02%
2007	\$ 30,874.5	\$ 27,919.9	\$ 2,954.6	10.58%
2006	\$ 27,412.3	\$ 28,027.3	\$ (615.0)	-2.19%
2005	\$ 26,259.8	\$ 24,003.2	\$ 2,256.6	9.40%
2004	\$ 23,701.8	\$ 23,401.7	\$ 300.1	1.28%
2003	\$ 23,663.2	\$ 22,920.7	\$ 742.5	3.24%
2002	\$ 23,153.4	\$ 21,419.7	\$ 1,733.7	8.09%
2001	\$ 21,252.8	\$ 19,514.4	\$ 1,738.4	8.91%
2000	\$ 19,160.5	\$ 18,123.8	\$ 1,036.8	5.72%
1999	\$ 17,953.3	\$ 16,786.6	\$ 1,166.7	6.95%
1998	\$ 16,420.9	\$ 15,977.8	\$ 443.0	2.77%
1997	\$ 15,984.7	\$ 15,994.6	\$ (9.9)	-0.06%
1996	\$ 15,987.4	\$ 15,280.7	\$ 706.7	4.63%
1995	\$ 15,377.4	\$ 15,466.9	\$ (89.6)	-0.58%
1994	\$ 15,649.6	\$ 14,625.5	\$ 1,024.1	7.00%
1993	\$ 15,706.7	\$ 14,651.5	\$ 1,055.2	7.20%
1992	\$ 14,310.5	\$ 12,423.8	\$ 1,886.7	15.19%
1991	\$ 12,145.6	\$ 11,995.0	\$ 150.6	1.26%
1990	\$ 12,090.0	\$ 11,775.1	\$ 314.9	2.67%
1989	\$ 11,806.2	\$ 10,396.5	\$ 1,409.7	13.56%
1988	\$ 10,179.9	\$ 9,279.4	\$ 900.5	9.70%
1987	\$ 9,281.5	\$ 8,681.2	\$ 600.3	6.92%
1986	\$ 8,824.5	\$ 7,693.3	\$ 1,131.2	14.70%
1985	\$ 7,574.6	\$ 6,771.8	\$ 802.8	11.86%
1984	\$ 6,799.6	\$ 6,181.7	\$ 617.9	10.00%
1983	\$ 6,373.4	\$ 5,691.3	\$ 682.1	11.99%
1982	\$ 5,635.1	\$ 5,107.1	\$ 528.0	10.34%
1981	\$ 4,736.4	\$ 4,652.1	\$ 84.4	1.81%
1980	\$ 4,655.5	\$ 4,394.4	\$ 261.2	5.94%
1979	\$ 4,407.3	\$ 4,010.6	\$ 396.6	9.89%
1978	\$ 4,001.7	\$ 2,853.3	\$ 1,148.4	40.25%
1977	\$ 2,762.8	\$ 2,698.1	\$ 64.7	2.40%
1976	\$ 2,816.1	\$ 2,756.1	\$ 60.0	2.18%
1975	\$ 2,753.0	\$ 2,385.7	\$ 367.3	15.40%
1974	\$ 2,380.6	\$ 2,047.7	\$ 332.9	16.26%
1973	\$ 2,406.8	\$ 1,779.3	\$ 627.5	35.27%
1972	\$ 1,784.0	\$ 1,557.5	\$ 226.5	14.54%
1971	\$ 1,590.1	\$ 1,334.4	\$ 255.7	19.16%
1970	\$ 1,361.9	\$ 1,088.5	\$ 273.4	25.12%
1969	\$ 1,064.2	\$ 992.7	\$ 71.5	7.20%
1968	\$ 998.8	\$ 876.6	\$ 122.2	13.94%
1967	\$ 906.1	\$ 639.4	\$ 266.8	41.72%
1966	\$ 646.8	\$ 584.1	\$ 62.7	10.73%
1965	\$ 589.9	\$ 543.8	\$ 46.1	8.48%
1964	\$ 547.5	\$ 499.4	\$ 48.1	9.63%
1963	\$ 500.0	\$ 467.2	\$ 32.7	7.01%
1962	\$ 467.4	\$ 431.8	\$ 35.6	8.24%
1961	\$ 431.4	\$ 405.1	\$ 26.2	6.47%
1960	\$ 403.3	\$ 388.6	\$ 14.7	3.78%
1959	\$ 399.7	\$ 342.5	\$ 57.2	16.71%
1958	\$ 342.5	\$ 320.8	\$ 21.6	6.74%
1957	\$ 315.5	\$ 284.4	\$ 31.1	10.92%
1956	\$ 257.3	\$ 234.8	\$ 22.5	9.58%
1955	\$ 235.4	\$ 219.7	\$ 15.8	7.18%
1954	\$ 219.3	\$ 210.7	\$ 8.6	4.10%
1953	\$ 196.4	\$ 176.8	\$ 19.6	11.09%
1952	\$ 169.7	\$ 164.1	\$ 5.6	3.43%
1951	\$ 164.1	\$ 159.5	\$ 4.6	2.88%

Projected Shortfall Continues Into FY 2010

(In Millions)

	FY2009	FY2010	-----DIFF-----	
			\$	%
OPENING FUND BALANCE	\$ 1,434	\$ 600	\$ (834)	(58.2)
REVENUES				
Income	\$ 12,866	\$ 13,638	\$ 772	6.0
Sales	8,710	8,971	261	3.0
Corporate	2,460	2,460	-	-
Other	8,433	8,433	-	-
Total Revenues	\$ 32,469	\$ 33,502	\$ 1,033	3.2
TOTAL RESOURCES	\$ 33,903	\$ 34,102	\$ 199	0.6
RECOMMENDATIONS/PROJECTIONS	\$ 32,969	\$ 35,179	\$ 2,210	6.7
Aid to Education		\$ 620		
Pensions at 65% *		500		
Employee Benefits (other than pensions)		300		
Medicaid		225		
Salary Increases		200		
Homestead Rebates / Senior Freeze		105		
NJ Transit		100		
Debt Service		80		
Municipal Aid Inflation		80		
FUND BALANCE		\$ (1,077)		
Long Term Obligation and				
Capital Expenditure Fund	\$ 334			
Required Ending	600	\$ 600		
Fund Balance with Required Ending		\$ (1,677)		

* If funded at 100%, \$1.3 billion would be required and shortfall increases to \$2.48 billion



NOTES

SUMMARIES OF REVENUES, EXPENDITURES AND FUND BALANCES

The basis of budgeting in New Jersey is in accordance with generally accepted accounting principles (GAAP) as it applies to fund financial statements prescribed by the Governmental Accounting Standards Board (GASB) with certain exceptions. GAAP is the same basis utilized in the preparation of the fund financial statements section of the State's audited Comprehensive Annual Financial Report. In accordance with this basis, revenues are estimated and recognized when they can be accrued; that is, when they become both measurable and available to finance expenditures of the fiscal period.

Appropriations are recommended at a level sufficient to recognize all accrued expenditures applicable to the fiscal period. Goods and services delivered during a fiscal period are accrued as expenditures if not actually paid for by year end. Note that the use of the term "expended" to report the most recent actual year activity in this budget is not in strict accordance with GAAP, in that this amount includes encumbrances which under GAAP are reservations of fund balance. In addition, under GAAP certain grants and other financial assistance programs are required to be recorded as revenues and expenditures but are not part of the budget. The schedules and exhibits contained in this section provide both summary and detailed financial information for all funds maintained by the State. Individual funds are grouped into one of the following categories--General State Funds, Special Revenue, Capital Projects, Proprietary, and Private Purpose Trust Funds.

GENERAL STATE FUNDS include the General Fund, Property Tax Relief Fund, Casino Revenue Fund, Casino Control Fund, and Gubernatorial Elections Fund.

The General Fund is the fund into which all State revenues, not otherwise restricted by statute, are deposited and from which appropriations are made. The largest part of the total financial operations of the State is accounted for in the General Fund. Revenues received from most taxes, federal revenues, and certain miscellaneous revenue items are recorded in the General Fund.

The Property Tax Relief Fund accounts for revenues from the New Jersey Gross Income Tax. Revenues realized from the Gross Income Tax are dedicated by the State Constitution. All receipts from taxes levied on personal income of individuals, estates, and trusts must be appropriated exclusively for the purpose of reducing or offsetting property taxes. In addition to the Gross Income Tax, one-half cent of the one cent increase in the sales tax effective July 15, 2006 was dedicated to property tax relief and is part of this fund. This dedication was approved by the voters in a referendum question which appeared on the ballot in November 2006. Annual appropriations are made from the fund, pursuant to formulae established by the Legislature, to individuals, counties, municipalities, and school districts.

The Casino Revenue Fund accounts for the taxes imposed on the casinos and other related activities. Appropriations from this fund must be used for reductions in property taxes, utility charges and other specified expenses of eligible senior and disabled citizens.

The Casino Control Fund accounts for fees from the issuance and annual renewal of casino licenses, work permit fees, and other license fees. Appropriations are made to fund the operations of the Casino Control Commission and the Division of Gaming Enforcement.

The Gubernatorial Elections Fund is used to account for receipts from the one dollar designations on New Jersey Gross Income Tax returns. When indicated by the taxpayer, one dollar of the tax is reserved from gross income tax revenues (Property Tax Relief Fund) and credited to the Gubernatorial Elections Fund. These funds are available for appropriations pursuant to the New Jersey Campaign Contributions and Expenditures Reporting Act, as amended.

SPECIAL REVENUE FUNDS account for resources legally restricted to expenditure for specified current operating purposes. (While the Property Tax Relief, Casino Revenue, Casino Control, and Gubernatorial Elections Funds actually fall into this category, they are included under General State Funds as they make up an integral portion of the State's Annual Budget).

CAPITAL PROJECTS FUNDS account for financial resources used for the acquisition or construction of major capital facilities for State use.

PROPRIETARY FUNDS are used to report any activity for which a fee is charged to external users for goods and services. Activities are required to be reported as proprietary funds if laws or regulations require that the activity's cost of providing services be recovered with fees and charges.

PRIVATE PURPOSE TRUST FUNDS account for all trust fund arrangements for which principal and income benefit individuals, private organizations, or other governments.

The schedule on the following page displays the information for the State's fiscal years ending June 30.

REVENUES & EXPENDITURES

COMBINED SUMMARY - ALL FUNDS REVENUES, EXPENDITURES AND FUND BALANCES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Beginning Balances July 1			
General State Funds	\$ 3,065,823	\$ 4,062,706	\$ 2,908,092
Special Revenue, Capital Projects, Proprietary, and Private Purpose Trust Funds	5,323,101	5,396,404	5,351,902
Total Beginning Balances	8,388,924	9,459,110	8,259,994
Revenues			
General State Funds	45,336,650	46,804,127	47,242,017
Special Revenue, Capital Projects, Proprietary, and Private Purpose Trust Funds	7,050,057	7,039,751	7,206,430
Total	52,386,707	53,843,878	54,448,447
Less: Interfund Transfers	(1,988,206)	(2,234,575)	(1,998,377)
Net Revenues	58,787,425	61,068,413	60,710,064
Other Adjustments			
General State Funds	(22,786)	492,909	---
Special Revenue, Capital Projects, Proprietary, and Private Purpose Trust Funds	---	240,000	---
Total Other Adjustments	(22,786)	732,909	---
Net Available	58,764,639	61,801,322	60,710,064
Expenditures			
General State Funds	44,316,981	48,451,650	47,742,017
Special Revenue, Capital Projects, Proprietary, and Private Purpose Trust Funds	5,195,989	5,378,324	5,534,894
Total	49,512,970	53,829,974	53,276,911
Less: Interfund Transfers	(207,441)	(288,646)	(173,711)
Net Expenditures	49,305,529	53,541,328	53,103,200
Ending Balances June 30			
General State Funds	4,062,706	2,908,092	2,408,092
Special Revenue, Capital Projects, Proprietary, and Private Purpose Trust Funds	5,396,404	5,351,902	5,198,772
Total Ending Balances	\$ 9,459,110	\$ 8,259,994	\$ 7,606,864

REVENUES & EXPENDITURES

SUMMARY ESTIMATED REVENUES, EXPENDITURES AND FUND BALANCES (thousands of dollars)

	----- Fiscal Year Ending June 30 -----	
	2008 Estimated	2009 Estimated
Beginning Balances July 1		
Undesignated Fund Balances		
General Fund	\$ 1,410,354	\$ 951,118
Surplus Revenue Fund	484,565	481,398
Property Tax Relief Fund	690,723	---
Gubernatorial Elections Fund	553	1,253
Casino Control Fund	1,488	300
Casino Revenue Fund	1,000	---
Total Undesignated Fund Balances	2,588,683	1,434,069
State Revenues		
General Fund	18,639,289	18,410,338
Property Tax Relief Fund	12,845,593	13,556,600
Gubernatorial Elections Fund	700	700
Casino Control Fund	74,251	75,139
Casino Revenue Fund	411,983	425,826
Total State Revenues	31,971,816	32,468,603
Other Adjustments		
General Fund		
Balances lapsed	285,090	---
From/(To) Property Tax Relief Fund	29,857	---
From/(To) Surplus Revenue Fund	3,167	100
From/(To) Gubernatorial Elections Fund	---	(3,127)
From/(To) Long Term Obligation and Capital Expenditure Reserve	---	(334,069)
Property Tax Relief Fund		
From/(To) General Fund	(29,857)	---
Balances lapsed	207,819	---
Surplus Revenue Fund		
From/(To) General Fund	(3,167)	(100)
Gubernatorial Elections Fund		
From/(To) General Fund	---	3,127
Long Term Obligation and Capital Expenditure Reserve		
From/(To) General Fund	---	334,069
Total Other Adjustments	492,909	---
Total Available	35,053,408	33,902,672
Appropriations		
General Fund	19,416,639	18,905,658
Property Tax Relief Fund	13,714,278	13,556,600
Gubernatorial Elections Fund	---	5,080
Casino Control Fund	75,439	75,439
Casino Revenue Fund	412,983	425,826
Total Appropriations	33,619,339	32,968,603
Ending Balances June 30		
Undesignated Fund Balances		
General Fund	951,118	118,702
Surplus Revenue Fund	481,398	481,298
Property Tax Relief Fund	---	---
Gubernatorial Elections Fund	1,253	---
Casino Control Fund	300	---
Casino Revenue Fund	---	---
Long Term Obligation and Capital Expenditure Reserve	---	334,069
Total Undesignated Fund Balances	\$ 1,434,069	\$ 934,069

Revenue Forecasts

Fiscal 2009 Revenue Projections

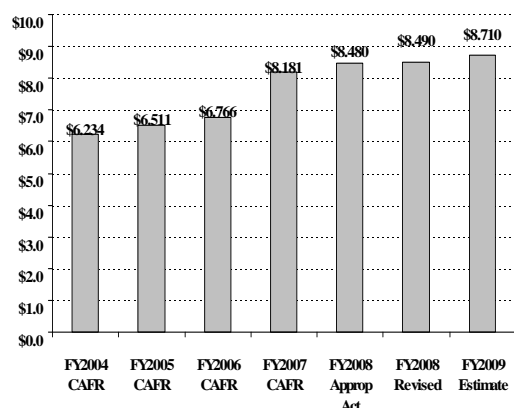
Total revenues for fiscal 2009 are expected to be \$32.5 billion, which is \$497 million or approximately 1.6% above the revised fiscal 2008 anticipated levels. Base revenues are expected to grow moderately in fiscal 2009. Most economic indicators for the nation and New Jersey are projected to be softer in 2008 than they were in 2007, but show some improvement in 2009.

Sales Tax

The forecast of \$8.7 billion in Sales Tax revenue for fiscal 2009 is an increase of \$220 million over the revised fiscal 2008 level. The basic underlying growth rate of 2.5% reflects anticipated slower growth in wages and business investment in calendar years 2008 and 2009.

SALES TAX

(In Billions)



FY2007 had a change in tax policy.
 - increase in Sales Tax rate from 6% to 7%
 - broadened Sales Tax base

Sales Tax excludes the tax on energy
 CAFR – Comprehensive Annual Financial Report

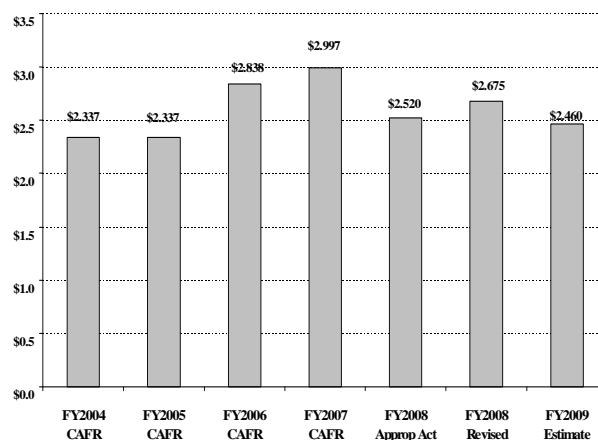
Corporation Business Tax

The fiscal 2009 Corporation Business Tax (CBT) revenue forecast of \$2.5 billion represents a decrease of \$215 million (8%), compared with the revised

fiscal 2008 level. This net downward revision is the result of losses due to: the expiration of the Alternative Minimum Assessment or AMA (-\$76 million); and fully phasing-in full net operating loss (NOL) deductibility (-\$20 million). It also assumes slower growth in payments for calendar year 2008 associated with the anticipated slowdown in corporate pre-tax profit growth. Pre-tax profit growth is projected around 4% for 2007, followed by a 15% decline in 2008.

CORPORATION BUSINESS TAX

(In Billions)



Corporation Business Tax excludes the tax on energy
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Gross Income Tax

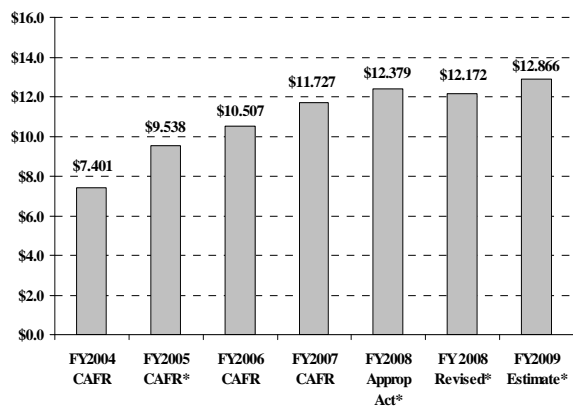
The fiscal 2009 forecast of \$12.9 billion is an increase of \$694 million over the revised fiscal 2008 level. This forecast includes a \$60 million decline, to take into account the expansion of the New Jersey Earned Income Tax Credit (EITC). The basic underlying growth rate of 5.6% over the revised fiscal 2008 level reflects the weakening income growth trends and the probability of a softer financial market. New Jersey Total Income, which is the tax base, increased by 9.6% and 7.7% in tax years 2005 and 2006, respectively. The tax base is projected to grow by 5.9% in tax year 2007 and 1.9% in tax year 2008,

reflecting the outlook for personal income anticipated by a number of independent economic forecasting services. Households reporting over \$100,000 in total income account for almost 85% of the income tax revenue. Growth in income for these households is expected to increase 9.7% in tax year 2007; followed by a slowdown to around 3% in tax year 2008 before improving to around 7.5% in tax year 2009. These increases are well below the double-digit average annual growth rate of 13% experienced in the 2004-2006 expansionary period, following the last economic recession.

The eligibility requirements for the New Jersey EITC have changed-- beginning with tax year 2007 the benefits are available to all taxpayers who are eligible for the federal credit. The percentage used to calculate the expanded NJEITC program was increased from 20% in tax year 2007 to 22.5% of the applicant's federal earned income tax credit for tax year 2008. This is slated to increase further to 25% of the federal earned income credit for tax year 2009 and beyond.

GROSS INCOME TAX

(In Billions)



*These revenues include changes in tax policy.

FY 2005 – Tax rate increase on incomes of \$500,000 or greater

FY 2008 – EITC Expansion (AA - \$36 million; Revised - \$40 million)

FY 2009 – EITC Expansion (\$60 million)

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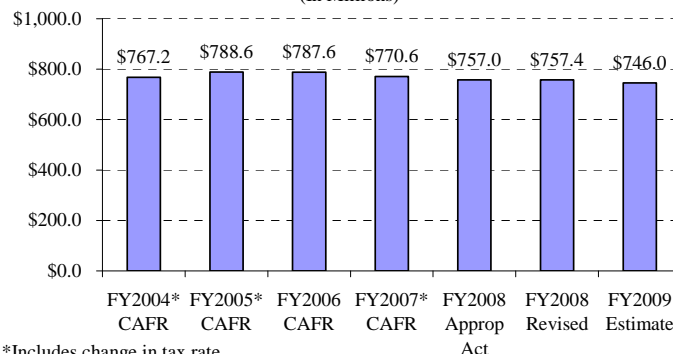
Cigarette Tax

For fiscal 2009, the gross cigarette tax collections are estimated to be \$746 million. This estimate assumes an approximate 1.5% decline in consumption from the revised fiscal 2008 estimate for gross collections. From the fiscal 2009 gross collections, \$370 million

is dedicated to the Health Care Subsidy Fund to assist hospitals with charity care and other uncompensated care disproportionate share payments. Also, \$148 million has been pledged to bondholders with the issuance of the Cigarette Tax Revenue Bonds, Series 2004. The remaining funds of \$228 million are available to support the General Fund.

CIGARETTE TAX GROSS COLLECTIONS

(In Millions)



*Includes change in tax rate.

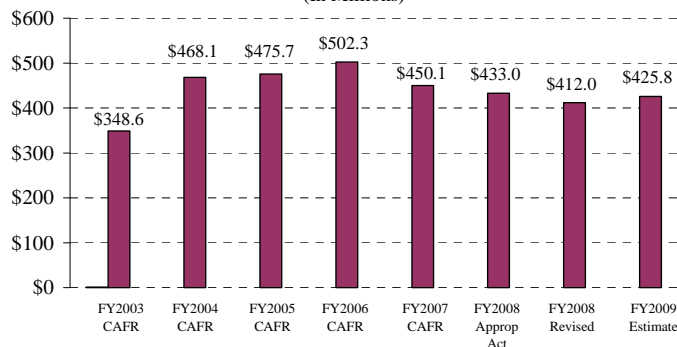
CAFR - Comprehensive Annual Financial Report

Casino Revenue

The fiscal 2009 Casino Revenue forecast of \$426 million represents an increase of \$14 million over the revised fiscal 2008 level. Fiscal 2008 has been revised downward from \$433 million anticipated at the time of the FY2008 Appropriations Act to \$412 million. The decline in casino revenue for fiscal 2008 is primarily due to increased regional slot machine competition; the partial smoking ban; a statutory reduction in the Comp Tax; and a reduction in Room Fees, due to debt service requirements on bonds supported by Room Fees. For fiscal 2009, there are three major hotel expansions that are expected to boost room capacity and casino revenues.

CASINO REVENUE

(In Millions)



REVENUES & EXPENDITURES

STATEMENT OF ESTIMATED REVENUES AND EXPENDITURES

A description of the major categories of anticipated revenue sources within the five funds and a description of the principal taxes are discussed in the following.

GENERAL FUND

Major Taxes

The Major Taxes category is composed of thirteen taxes or fees which are levied within the State. The majority of the revenue is generated from the sale and use of goods and services; general business taxes, which are received from various corporations; motor vehicle fees; and other excise taxes. A description of principal sources, all raising more than \$200 million, follows:

The Sales and Use Tax Act imposes a tax on receipts from retail sale, rental or use of tangible personal property; retail sale of producing, fabricating, processing, installing, maintaining, repairing, storing and servicing tangible personal property; certain advertising services; sales of restaurant meals; rental of hotel and motel rooms; telecommunications; alcohol; cigarettes; non-prescription drugs; soaps and detergents; disposable paper products; and certain admission charges. Sales of food, clothing, and personal and business services not specifically enumerated in the law are exempt. A tax rate increase of 1% from 6% to 7% was effective beginning July 15, 2006. Of the one cent increase, one-half cent was dedicated to property tax relief. In addition to the tax rate increase, there was an expansion of the sales tax base effective October 1, 2006.

The Corporation Business Tax imposes a franchise tax for the privilege of having or exercising a corporate charter or doing business, employing or owning capital or property, or maintaining an office in New Jersey. The corporate tax or alternative minimum assessment is applicable to every corporation not expressly exempted and may be affected by certain phase out provisions under the alternative minimum assessment. There is a 4.0% surcharge on all corporations for privilege periods ending on or after July 1, 2006 but before July 1, 2009.

The Motor Fuels Tax applies to sales of gasoline, diesel fuel, or liquified petroleum gas and compressed natural gas used in motor vehicles on public highways. The tax is \$.105 per gallon for gasoline and \$.135 per gallon for diesel fuel, and half the gasoline rate for other gases.

The Cigarette Tax is imposed at a rate per cigarette. The tax is collected primarily from licensed distributors who receive the cigarettes directly from out-of-state manufacturers.

The Insurance Premium Tax applies to premiums collected on insurance risks by every insurance company transacting business in New Jersey. The tax base is gross contract premiums less specified deductions.

The Transfer Inheritance Tax applies to the transfer of personal property and New Jersey real property in estates. The tax rates depend on the amount received and the relationship between the decedent and the beneficiary. No tax is imposed on immediate family or spouses.

The Motor Vehicle Fees include automobile and truck registrations, drivers' licenses, and miscellaneous fees collected by the Motor Vehicle Commission.

The Petroleum Products Gross Receipts Tax is imposed on all companies engaged in the refining/distribution of petroleum products in the State. It only applies to the first sale (not exports) of petroleum products in the State.

The Realty Transfer Fee is imposed upon the recording of deeds evidencing transfers of title to real property in the State of New Jersey and is calculated based on the amount of consideration paid.

Miscellaneous Taxes, Licenses, and Other Departmental Fees

This category includes revenues received by the various State agencies. Typical items include license and inspection fees, recreation and boating fees, institutional and patient fees, investment earnings, and other similar items.

Interfund Transfers

The Interfund Transfer category includes monies which were received into various capital projects, special revenue, proprietary, and private purpose trust funds because of legal or statutory requirements, and then subsequently transferred into the General Fund as anticipated revenue for expenditure purposes. Included in these types of revenue are the monies received by the State Lottery and interest earned on investment of bond funds.

PROPERTY TAX RELIEF FUND

The Gross Income Tax is a graduated tax levied on gross income earned or received by New Jersey resident and non-resident individuals, estates and trusts. All monies in the fund must be appropriated exclusively for reducing or offsetting property taxes. In addition to the Gross Income Tax, one-half cent of the one cent increase in the sales tax effective July 15, 2006 was dedicated to property tax relief and is a part of this fund.

GUBERNATORIAL ELECTIONS FUND

A taxpayer can voluntarily indicate that \$1 of income tax can be set aside into this special fund. Such monies are used to finance a portion of the expenses of gubernatorial primary and general elections.

CASINO REVENUE FUND

An 8 percent tax on the gross revenue of all casinos is deposited into the Casino Revenue Fund. In addition, there are four other taxes/fees imposed as follows: Casino Complimentary Tax, Casino Room Fee, Progressive Slot Tax, and Casino Parking Tax. All monies in this fund must be used for reduction in property taxes, and utility and rental charges of eligible disabled and senior citizens.

CASINO CONTROL FUND

License fees for the issuance of annual renewal of casino licenses, slot machines, non-refundable deposits for each application for a license, and fees for the issuance of various work permits are deposited into the Casino Control Fund. Such revenues are used to support the operation of the Casino Control Commission and the Division of Gaming Enforcement.

REVENUES & EXPENDITURES

SCHEDULE 1 STATE REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Major Taxes:			
Sales	8,609,639	8,971,600	9,222,099
Less: Sales Tax Dedication	(649,324)	(674,000)	(691,000)
Corporation Business	3,084,921	2,752,200	2,549,000
Transfer Inheritance	604,700	664,600	664,600
Motor Fuels	561,519	563,000	564,500
Insurance Premium	448,242	466,000	466,000
Motor Vehicle Fees	413,401	413,694	406,725
Realty Transfer	393,835	377,300	377,300
Petroleum Products Gross Receipts	232,442	231,200	230,000
Cigarette	206,088	237,130	227,992
Corporation Banks and Financial Institutions	123,007	132,600	132,600
Alcoholic Beverage Excise	92,293	92,500	92,600
Tobacco Products Wholesale Sales	13,746	14,400	14,700
Public Utility Excise (Reform)	10,752	10,751	10,751
<i>Total Major Taxes</i>	<u>14,145,261</u>	<u>14,252,975</u>	<u>14,267,867</u>
Miscellaneous Taxes, Fees, and Revenues:			
Executive Branch--			
Department of Agriculture:			
Animal Disease Control	99	---	---
Environmental Services	4	---	---
Fertilizer Inspection Fees	510	366	366
Garden State Farmland Preservation Fund	670	---	---
Milk Control Licenses and Fees	664	---	---
Miscellaneous Revenue	431	7	7
	<u>2,378</u>	<u>373</u>	<u>373</u>
Department of Banking and Insurance:			
Actuarial Services	80	55	55
Bank Assessments	9,860	9,800	9,800
Banking - Examination Fees	856	---	---
Banking - Licenses and Other Fees	4,889	3,250	3,250
FAIR Act Administration	22,131	19,000	19,000
Fraud Fines	1,547	2,000	2,000
HMO Covered Lives	1,819	1,595	1,595
Insurance - Examination Billings	2,093	2,500	2,500
Insurance - Special Purpose Assessment	13,563	14,000	14,000
Insurance Fraud Prevention	33,384	33,000	33,000
Insurance Licenses and Other Fees	33,345	26,480	25,480
Public Adjusters Licenses	118	---	---
Real Estate Commission	10,379	6,500	10,000
	<u>134,064</u>	<u>118,180</u>	<u>120,680</u>
Department of Children and Families:			
Child Care Licensing/Adoption Law	349	350	350
Marriage License Fees	1,308	1,309	1,309
	<u>1,657</u>	<u>1,659</u>	<u>1,659</u>
Department of Community Affairs:			
Affordable Housing and Neighborhood Preservation - Fair Housing	22,500	20,975	20,975
Boarding Home Fees	673	---	---
Construction Fees	19,051	15,954	15,954
Divorce Filing Fees	1,571	1,500	1,500
Fire Safety	26,083	16,067	16,067
Housing Inspection Fees	12,168	8,927	8,927
Miscellaneous Revenue	104	---	---
NJ Meadowlands Commission	300	---	---
Planned Real Estate Development Fees	2,337	828	828
Truth In Renting	173	---	---
	<u>84,960</u>	<u>64,251</u>	<u>64,251</u>
Department of Corrections:			
Miscellaneous Revenue	139	---	---

REVENUES & EXPENDITURES

SCHEDULE 1 STATE REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Department of Education:			
Audit Recoveries	622	1,500	425
Audit of Enrollments	222	136	135
Local School District Loan Recoveries - NJEDA	8,100	7,009	6,078
Nonpublic Schools Handicapped and Auxiliary Recoveries	12,424	4,000	4,000
Nonpublic Schools Textbook Recoveries	1,452	1,200	1,200
School Construction Inspection Fees	1,734	585	530
State Board of Examiners	5,553	4,800	4,800
	30,107	19,230	17,168
Department of Environmental Protection:			
Air Pollution Fees - Minor Sources	6,036	6,300	6,300
Air Pollution Fees - Title V Operating Permits	14,244	13,100	10,700
Air Pollution Fines	4,324	2,800	2,800
Clean Water Enforcement Act	3,669	1,510	2,000
Coastal Area Facility Review Act	2,484	2,100	2,100
Endangered Species Tax Checkoff	219	158	158
Environmental Infrastructure Financing Program Administrative Fee	6,200	5,000	5,000
Excess Diversion	223	366	230
Freshwater Wetlands Fees	4,040	4,258	4,258
Freshwater Wetlands Fines	829	200	300
Garden State Green Acres Preservation Trust Fund	105	---	---
Hazardous Discharge Site Cleanup	7,757	---	---
Hazardous Waste Fees	1,873	3,873	3,949
Hazardous Waste Fines	889	700	700
Highlands Permitting	584	426	426
Hunters' and Anglers' Licenses	12,398	11,000	11,000
Industrial Site Recovery Act	613	738	1,045
Laboratory Certification Fees	821	830	2,400
Laboratory Certification Fines	65	80	80
Lake Restoration Fund	214	---	---
Marina Rentals	1,331	885	885
Marine Lands - Preparation and Filing Fees	3,048	159	159
Medical Waste	4,367	4,400	4,400
Miscellaneous Revenue	19	---	---
New Jersey Pollutant Discharge Elimination System/Stormwater Permits	19,156	16,700	16,700
New Jersey Spill Compensation Fund	7,506	---	---
Parks Management Fees and Permits	5,468	4,300	4,300
Parks Management Fines	124	135	140
Pesticide Control Fees	4,405	4,400	4,400
Pesticide Control Fines	131	80	80
Pollution Prevention Fund	137	---	---
Radiation Protection Fees	4,934	3,858	6,104
Radiation Protection Fines	88	90	90
Radon Testers Certification	252	280	280
Shellfish and Marine Fisheries	7	7	7
Solid Waste - Utility Regulation Assessments	5,168	3,100	3,100
Solid Waste Fines	517	650	650
Solid Waste Management Fees	9,962	7,482	9,900
Solid and Hazardous Waste Disclosure	305	---	---
Spring Meadow Golf Course	222	250	250
Stream Encroachment	4,757	3,710	3,710
Toxic Catastrophe Prevention Fees	1,442	1,555	1,615
Toxic Catastrophe Prevention Fines	3	75	50
Treatment Works Approval	2,204	1,780	1,780
Underground Storage Tanks Fees	1,005	1,200	1,200
Water Allocation	4,906	2,050	2,050
Water Supply Fund	168	---	---
Water Supply Management Regulations	2,062	1,700	1,700
Water/Wastewater Operators Licenses	208	210	210
Waterfront Development Fees	2,795	2,931	2,931
Waterfront Development Fines	5	15	10
Well Permits/Well Drillers/Pump Installers Licenses	1,286	1,100	1,100
Wetlands	143	44	44
Worker Community Right to Know - Fees	217	---	---
Worker Community Right to Know - Fines	54	60	60
	155,989	116,645	121,351

REVENUES & EXPENDITURES

SCHEDULE 1 STATE REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Department of Health and Senior Services:			
Admission Charge Hospital Assessment	6,000	6,000	6,000
Autism Medical Research	3,798	---	---
Clinical Laboratory	679	---	---
Consumer Health Penalties	5,328	---	---
Health Care Reform	1,200	1,200	1,200
Licenses, Fines, Permits, Penalties and Fees	7,621	790	790
Miscellaneous Revenue	10,892	400	400
Pharmaceutical Assistance to the Aged - Recoveries	528	---	---
	36,046	8,390	8,390
Department of Human Services:			
Commission for the Blind	718	---	---
Early Periodic Screening, Diagnosis and Treatment	2,164	1,800	---
Family Care II	256	---	---
General Assistance Prescription Drug Rebates	3,000	---	---
Interim Assistance	461	---	---
Medicaid Uncompensated Care - Acute	146,716	274,858	274,622
Medicaid Uncompensated Care - Mental Health	38,689	39,798	37,075
Medicaid Uncompensated Care - Psychiatric	189,674	178,685	178,685
Medical Assistance - Federal Match on PAAD/Medicaid Dual Eligibles	1,879	---	---
Medical Assistance - Recoveries	1,098	---	---
Miscellaneous Federal Revenue Initiatives	44	---	---
Miscellaneous Revenue	1,667	1,500	1,500
Patients' and Residents' Cost Recovery - Developmental Disability	17,107	18,366	18,412
Patients' and Residents' Cost Recovery - Psychiatric Hospitals	71,016	71,261	73,611
Payments for Medical Assistance Recipients - Prescription Drugs	120,000	---	---
Purchased Institutional Care	1,011	---	---
	595,500	586,268	583,905
Department of Labor and Workforce Development:			
Miscellaneous Revenue	132	155	155
New Jersey Workforce Development Partnership Fund - WDP Program	1,915	---	---
New Jersey Workforce Development Partnership Fund - Work First NJ	25,500	---	---
Special Compensation Fund	2,088	1,778	1,778
State Disability Benefits Fund	10,179	---	---
Urban Enterprise Zone Administration Cost	57	---	---
Workers' Compensation Assessment	19,919	13,009	13,009
Workplace Standards - Licenses, Permits and Fines	12,631	4,720	4,720
	72,421	19,662	19,662
Department of Law and Public Safety:			
Beverage Licenses	9,487	3,960	3,960
Charities Registration Section	1,744	695	695
Consumer Affairs	6,316	---	---
Controlled Dangerous Substances	722	100	100
EDA School Construction Recoveries	499	499	166
Forfeiture Funds	250	250	---
General Client Services	35,893	---	---
Legal Services	27,162	---	---
Legalized Games of Chance Control	1,879	1,200	1,200
Miscellaneous Revenue	1,419	50	55
New Jersey Cemetery Board	218	111	22
New Jersey Emergency Medical Service Helicopter Response Program	21,000	---	---
Pleasure Boat Licenses	2,102	3,000	2,102
Private Employment Agencies	763	258	258
Retired Officer Handgun Permit	209	---	---
Securities Enforcement	17,488	8,994	8,994
State Board of Architects	962	450	360
State Board of Audiology and Speech-Language Pathology Advisory	79	270	14
State Board of Certified Psychoanalysts	---	40	---
State Board of Certified Public Accountants	841	42	850
State Board of Chiropractors	241	545	72
State Board of Cosmetology and Hairstyling	6,158	970	2,398
State Board of Court Reporting	57	122	5
State Board of Dentistry	801	1,650	180
State Board of Electrical Contractors	335	120	684
State Board of Marriage Counselor Examiners	963	93	362
State Board of Master Plumbers	920	45	283
State Board of Medical Examiners	20,290	2,710	4,403

REVENUES & EXPENDITURES

SCHEDULE 1 STATE REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
State Board of Mortuary Science	611	225	191
State Board of Nursing	11,029	6,450	4,114
State Board of Occupational Therapists and Assistants	76	24	13
State Board of Ophthalmic Dispensers and Ophthalmic Technicians	113	242	11
State Board of Optometrists	826	18	239
State Board of Orthotics and Prosthetics	84	5	33
State Board of Pharmacy	3,067	450	1,195
State Board of Physical Therapy	215	301	20
State Board of Polysomnography	---	50	50
State Board of Professional Engineers and Land Surveyors	838	960	225
State Board of Professional Planners	61	215	117
State Board of Psychological Examiners	895	60	256
State Board of Public Movers and Warehousemen	275	---	---
State Board of Real Estate Appraisers	369	410	78
State Board of Respiratory Care	80	301	22
State Board of Social Workers	1,792	120	633
State Board of Veterinary Medical Examiners	567	42	211
State Police - Fingerprint Fees	18,181	3,694	3,694
State Police - Nuclear Facilities Security Detail	---	3,200	1,600
State Police - Other Licenses	266	227	250
State Police - Private Detective Licenses	454	220	220
Victim and Witness Advocacy Fund	1,128	---	---
Victims of Violent Crime Compensation	8,066	3,930	430
Weights and Measures - General	4,028	2,612	2,612
	211,819	49,930	43,377
Department of Military and Veterans' Affairs:			
Miscellaneous Revenue	3,170	---	---
Nuclear Facilities Security Detail	---	5,860	2,930
Soldiers' Homes	33,953	37,588	38,962
	37,123	43,448	41,892
Department of Personnel:			
Examination Fees	1,155	---	---
Human Resource Development Institute	2,576	---	---
	3,731	---	---
Department of the Public Advocate:			
Licenses, Fines, Permits, Penalties and Fees	5	---	---
Office of Dispute Settlement Mediation	44	100	50
Rate Counsel	7,288	7,449	6,749
	7,337	7,549	6,799
Department of State:			
Governor's Teaching Scholars Program Loan Repayment	80	54	50
Miscellaneous Revenue	152	8	8
New Jersey World Trade Center Scholarship Program	10	---	---
	242	62	58
Department of Transportation:			
Air Safety Fund	1,921	965	965
Applications and Highway Permits	2,500	1,300	1,300
Autonomous Transportation Authorities	52,209	24,500	24,500
Good Driver	78,751	79,000	79,000
Interest on Purchase of Right of Way	81	5	5
Logo Sign Program Fees	403	300	300
Miscellaneous Revenue	56	---	---
Outdoor Advertising	5,711	740	740
Placarded Railcar	224	---	---
Rental Receipts - Tenant Relocation Program	360	---	---
	142,216	106,810	106,810
Department of the Treasury:			
Assessment on Real Property Greater Than \$1 Million	127,714	131,200	131,200
Assessments - Cable TV	4,564	4,886	4,809
Assessments - Public Utility	30,327	31,993	31,200
Casino Fines	221	---	---
Coin Operated Telephones	4,854	4,800	4,800
Commercial Property Tax over \$1 Million	24,874	---	---
Commercial Recording - Expedited	2,701	2,153	2,153
Commissions (Notary)	1,799	1,600	1,700

REVENUES & EXPENDITURES

SCHEDULE 1 STATE REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Communication Fee - Lottery	50	---	---
Cost Assessment	5,334	---	---
Criminal Disposition	425	---	---
Domestic Security	34,843	34,500	34,500
Dormitory Safety Trust Fund - Debt Service Recovery	---	5,698	5,694
Enhanced Debt Collection	---	15,500	57,500
Equipment Leasing Fund - Debt Service Recovery	4,625	3,480	2,252
Escrow Interest - Construction Accounts	61	80	80
Fur Clothing Tax	1,859	2,000	2,000
General Revenue - Fees (Commercial Recording and UCC)	52,555	50,500	51,500
Higher Education Capital Improvement Fund - Debt Service Recovery	---	15,299	15,298
Hotel/Motel Occupancy Tax	84,195	87,000	90,000
Investment Earnings	123,128	63,000	40,000
MVC Securitization	155	---	---
Miscellaneous Revenue	3,926	10,200	2,200
NJ Economic Development Authority	10	---	---
NJ Public Records Preservation	57,121	36,100	29,100
Non-Pledged Dedicated Cigarette Tax	---	41,626	---
Nuclear Emergency Response Assessment	5,363	5,335	4,346
Public Defender Client Receipts	4,661	4,900	4,900
Public Utility Fines	2,675	1,000	1,000
Public Utility Gross Receipts and Franchise Taxes (Water/Sewer)	87,225	87,225	87,225
Railroad Tax - Class II	4,298	4,000	4,000
Railroad Tax - Franchise	1,498	1,000	1,000
Sale of Real Property	7,890	1,800	---
State Disability Benefits Fund	71	---	---
State Lottery Fund	7,073	---	---
Stormwater Management-Combined Sewer Overflow	603	---	---
Surplus Property	2,298	1,500	1,500
Tax Audit Services - Uncollected Revenue Recovery	335	---	---
Tax Referral Cost Recovery Fee	4,972	5,000	5,500
Telephone Assessment	128,861	129,000	129,000
Tire Clean-Up Surcharge	9,817	10,000	10,000
Transitional Energy Facilities Assessment	217,427	252,960	181,899
	1,050,408	1,045,335	936,356
Other Sources:			
Miscellaneous Revenue	2,134	500	500
Interdepartmental Accounts:			
Administration and Investment of Pension and Health Benefit Funds - Recoveries	22,475	3,114	3,114
Employee Maintenance Deductions	300	300	300
Fringe Benefit Recoveries from Colleges and Universities	148,121	146,953	174,868
Fringe Benefit Recoveries from Federal and Other Funds	240,121	234,982	284,417
Fringe Benefit Recoveries from School Districts	54,693	49,400	55,900
Indirect Cost Recoveries - DEP Other Funds	8,702	8,300	8,100
MTF Revenue Fund	35,391	45,500	30,500
Miscellaneous Revenue	4	---	---
Rent of State Building Space	2,533	2,534	2,534
Social Security Recoveries from Federal and Other Funds	62,673	63,101	65,625
Standard Offer Payments - Utilities	814	---	---
	575,827	554,184	625,358
Judicial Branch--			
The Judiciary:			
Civil Arbitration Program	2,335	---	---
Court Fees	62,478	63,830	64,090
Miscellaneous Revenue	432	---	---
	65,245	63,830	64,090
Total Miscellaneous Taxes, Fees, and Revenues	3,209,343	2,806,306	2,762,679

REVENUES & EXPENDITURES

SCHEDULE 1 STATE REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Interfund Transfers:			
Beaches and Harbor Fund	86	86	86
Clean Energy Fund	---	10,000	10,000
Clean Waters Fund	---	7	7
Correctional Facilities Construction Fund	31	14	15
Correctional Facilities Construction Fund of 1987	46	26	13
Cultural Centers and Historic Preservation Fund	73	350	125
Dam, Lake, Stream and Flood Control Project Fund - 2003	---	434	343
Developmental Disabilities Waiting List Reduction Fund	574	425	325
Dredging and Containment Facility Fund	355	390	390
Emergency Flood Control Fund	19	16	13
Energy Conservation Fund	15	15	15
Enterprise Zone Assistance Fund	14,607	16,311	17,942
Fund for the Support of Free Public Schools	5,985	6,050	6,050
Garden State Farmland Preservation Trust Fund	1,697	1,795	1,795
Garden State Green Acres Preservation Trust Fund	4,768	5,249	5,249
Garden State Historic Preservation Trust Fund	504	616	616
Hazardous Discharge Fund	10	10	10
Hazardous Discharge Site Cleanup Fund	16,296	16,931	16,931
Housing Assistance Fund	228	255	250
Human Services Facilities Construction Fund	2	12	---
Jobs, Education and Competitiveness Fund	227	97	43
Jobs, Science and Technology Fund	1	---	---
Judiciary Bail Fund	1,876	1,950	1,950
Judiciary Child Support and Paternity Fund	569	400	400
Judiciary Probation Fund	510	525	525
Judiciary Special Civil Fund	168	190	190
Judiciary Superior Court Miscellaneous Fund	279	225	225
Legal Services Fund	10,905	10,410	10,410
Mortgage Assistance Fund	1,157	880	835
Motor Vehicle Security Responsibility Fund	13	13	13
NJ Bridge Rehab. and Improvement and R.R. Right-of-Way Preservation Fund	336	334	325
Natural Resources Fund	161	150	125
New Jersey Green Acres Fund - 1983	1,070	1,070	1,070
New Jersey Spill Compensation Fund	15,111	15,783	15,783
New Jersey Workforce Development Partnership Fund	15,193	17,567	17,567
Pineland Infrastructure	8	---	---
Pollution Prevention Fund	1,497	1,549	1,549
Public Purpose Buildings Construction Fund	8	8	8
Public Purpose Buildings and Community-Based Facilities Construction Fund	193	170	100
Safe Drinking Water Fund	2,149	2,433	2,433
Sanitary Landfill Facility Contingency Fund	5,000	---	---
School Fund Investment Account	3,575	4,030	4,030
Shore Protection Fund	570	537	481
Solid Waste Service Tax Fund	12	12	12
State Disability Benefit Fund	76,811	104,243	29,243
State Lottery Fund	828,326	859,000	853,000
State Lottery Fund - Administration	21,206	22,118	22,118
State Recreation and Conservation Land Acquisition and Development Fund	25	25	25
State of New Jersey Cash Management Fund	2,796	2,796	2,796
Statewide Transportation and Local Bridge Fund	1,556	1,556	1,556
Supplemental Workforce Fund for Basic Skills	1,781	2,000	2,000
Tobacco Settlement Fund	15,674	118,728	65,388
Unclaimed Insurance Payments on Deposit Accounts Fund	29	---	---
Unclaimed Personal Property Trust Fund	314,163	244,900	178,000
Unclaimed Utility Deposits Trust Fund	216	175	225
Unemployment Compensation Auxiliary Fund	22,297	26,307	26,357
Universal Services Fund	72,613	72,616	72,616
Wage and Hour Trust Fund	132	75	75
Water Conservation Fund	40	40	40
Water Supply Fund	3,898	4,321	4,321
Worker and Community Right to Know Fund	3,426	3,783	3,783
<i>Total Interfund Transfers</i>	<u>1,470,873</u>	<u>1,580,008</u>	<u>1,379,792</u>
<i>Total State Revenues General Fund</i>	<u>18,825,477</u>	<u>18,639,289</u>	<u>18,410,338</u>

REVENUES & EXPENDITURES

SCHEDULE 1 STATE REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
PROPERTY TAX RELIEF FUND			
Gross Income Tax	11,727,192	12,171,593	12,865,600
Sales Tax Dedication	649,324	674,000	691,000
<i>Total Property Tax Relief Fund</i>	<i>12,376,516</i>	<i>12,845,593</i>	<i>13,556,600</i>
CASINO CONTROL FUND			
Investment Earnings	214	500	500
License Fees	75,432	73,751	74,639
<i>Total Casino Control Fund</i>	<i>75,646</i>	<i>74,251</i>	<i>75,139</i>
CASINO REVENUE FUND			
Casino Simulcasting Fund	551	500	500
Gross Revenue Tax	409,913	381,277	399,760
Investment Earnings	3,474	2,500	2,500
Other Casino Taxes and Fees	36,177	27,706	23,066
PAAD Recoveries	9,497	---	---
<i>Total Casino Revenue Fund</i>	<i>459,612</i>	<i>411,983</i>	<i>425,826</i>
GUBERNATORIAL ELECTIONS FUND			
Taxpayers' Designations	551	700	700
TOTAL STATE REVENUES	31,737,802	31,971,816	32,468,603

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Dedicated:			
Legislative Branch--			
Legislature:			
Asset Forfeiture	18	---	---
Executive Branch--			
Chief Executive:			
State Authority Review and Oversight	654	900	900
Department of Agriculture:			
American Veterinary Medical Foundation	25	20	---
Animal Disease Control	---	80	80
Commodity Distribution	1,508	1,501	1,501
Dairy Fee Administration	248	250	250
Development Potential Transfer Bank Administration	92	100	100
Environmental Services	---	250	110
Food Distribution Assessment	72	15	15
Fruit and Vegetable Grading Service	590	600	600
Future Farmers of America - Student Loans from Department of Education	119	75	75
Garden State Preservation Trust	---	1,029	1,029
Horse Breeding and Development Fund	347	320	320
Marketing and Development Services	---	724	724
Nursery Inspection Program	---	235	235
Organic Certification	141	75	75
Plant Pest and Disease Control	---	15	15
Poultry Service	844	610	608
Sire Stakes	4,543	4,500	4,000
Soybean Rust Early Detection Program	11	---	---
Standardbred Breeder Awards	180	240	240
Stormwater Discharge Administration	162	174	187
Wine Promotion Program	127	90	90
Miscellaneous	285	212	207
	9,294	11,115	10,461
Department of Banking and Insurance:			
Individual Health Care Program Assessments	24,542	---	---
Public Adjusters Licensing	---	52	52
Small Employer Health Benefits	626	380	380
Supervision and Examination of Financial Institutions	---	400	400
Miscellaneous	144	---	---
	25,312	832	832
Department of Children and Families:			
Adopt U.S. Kids	43	---	---
Child Protective and Permanency Services	---	1,852	---
Criminal History Record Checks	360	120	120
Domestic Violence Victims Fund	604	---	---
Education Consolidation Improvement Act - General and Administration	86	---	---
Education Services	51,871	52,495	53,878
Legally Responsible Relatives - Probation Supplement	4,304	2,054	2,054
Old Age Survivors Insurance	2,048	1,492	1,492
Treatment Homes - Title IV-E	78	---	---
	59,394	58,013	57,544
Department of Community Affairs:			
Boarding Home Regulation and Assistance	---	825	975
Comfort Partners Program	2,484	4,700	4,800
Fire Certification Program	209	328	342
Grants to Displaced Homemaker Centers	719	688	688
Historic Preservation License	21	25	25
Housing Code Enforcement	---	2,900	2,900
Housing Opportunities for Persons with AIDS	685	1,318	1,318
Housing Services	71,325	71,000	71,000
Lead Hazard Control Assistance Fund	387	904	1,012
Neighborhood Revitalization Tax Credit	600	600	600
New Home Warranty Program	5,011	5,184	5,408
New Jersey Meadowlands Commission - Operations	---	110	125
Paterson Housing Opportunities for Persons with AIDS Program	860	1,003	987
Prevention of Homelessness	209	263	243

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Section 8 Housing Voucher Portability	---	1,600	1,600
Subcontract with the City of Camden - Section 8	637	637	637
Truth in Renting	---	93	---
Uniform Construction Code	---	9,300	9,300
Uniform Fire Code	---	9,400	9,400
Universal Service Fund	5,677	4,500	4,600
Miscellaneous	1,372	1,179	1,400
	<u>90,196</u>	<u>116,557</u>	<u>117,360</u>
Department of Corrections:			
Administration and Support Services	27,182	24,320	24,586
Auto Theft Penalty Collections	5	---	---
Child Support Payment Collection and Distribution	1	---	---
Nicholson Foundation - Distance Learning Pilot Program	---	14	---
Nicholson Foundation - Reentry Grant	---	137	122
Nicholson Foundation - Reentry Initiative Expansion	---	---	71
Nicholson Foundation Grant - Reentry and Access to Programs	62	235	235
Workplace Literacy - Learning Lab Program	458	---	---
	<u>27,708</u>	<u>24,706</u>	<u>25,014</u>
Department of Education:			
Compliance and Auditing	850	850	850
Katzenbach One on One Aides	567	510	448
Katzenbach PLUS Program	740	744	638
Katzenbach Partnership Programs	46	145	---
Katzenbach Summer Program	177	252	200
Marie H. Katzenbach School for the Deaf - Tuition from Local Boards	8,733	9,174	10,466
NJSIAA Steroid Testing	---	---	50
Professional Development and Licensure	---	1,000	1,292
Rental of Vacant Building Space	530	422	380
School District Deficit Relief	1,000	1,000	1,000
State Action for Education Leadership Project	225	---	---
Miscellaneous	65	41	41
	<u>12,933</u>	<u>14,138</u>	<u>15,365</u>
Department of Environmental Protection:			
Administrative Costs - Natural Resources Damages	1,922	1,305	1,819
Administrative Costs Water Supply Bond Act of 1981 - Management	---	31	84
Administrative Costs Water Supply Bond Act of 1981 - Planning and Standards	---	25	9
Administrative Costs Water Supply Bond Act of 1981 - Watershed and Aquifer	---	32	56
Air Pollution Monitoring and Control Programs	---	1,750	1,300
Battleship New Jersey Memorial Fund	172	170	170
Battleship New Jersey Tax Check-Off	65	65	65
Coastal Area Development Review Act Program	---	50	50
Delaware Bay Oyster Revitalization Project	103	112	112
Drinking Water State Revolving Fund - Capacity Development	358	600	600
Drinking Water State Revolving Fund - Operator Certification	244	400	300
Drinking Water State Revolving Fund - Program Administration	677	800	800
Drinking Water State Revolving Fund - Small System Technical Assistance	595	600	600
Drinking Water State Revolving Fund - Source Water Program Administration	322	800	200
Endangered and Nongame Species Wildlife Fund	150	135	125
Environmental Infrastructure Trust Loan Fund	---	1,889	1,592
Environmental Inspection of Child Care Facilities	---	620	770
Exotic and Nongame Species Inspection Fund	156	160	163
Farley Marina Escrow	1,700	1,200	1,200
Forest Resource Management Special Revenue	255	250	250
Green Acres / Open Space Administration	---	468	419
HR-6 Flood Control	1,459	500	600
Hazardous Discharge Site Cleanup Fund - Responsible Party	---	10,552	10,970
Historic Preservation Fund	50	50	50
Hunters' and Anglers' License Fund	---	1,300	1,300
Landscape Irrigation Contractor Certification	149	148	148
Liberty State Park - Central Parking	112	250	250
Liberty State Park License Plates	49	50	50
Low Emission Vehicle Program	121	125	120
Mammography Quality Standards Act	277	310	310
Marina Rentals	---	415	415
New Jersey Shade Tree and Community Forestry Program	62	80	80
New Jersey Waterfowl Stamp Act	108	100	100

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Nuclear Emergency Response	---	---	1,078
Ocean/Wind Power Ecological Baseline Study	---	2,000	---
Office of Dredging and Sediment Technology	---	228	241
Ohio Edison Settlement for Environmentally Beneficial Projects	420	520	520
Oil Spill Prevention	---	1,227	1,147
Oyster Cultch Fund	148	120	120
Palisades Interstate Park Commission (PIPC) - Court Fund Revenue	---	1,406	1,202
Palisades Interstate Park Commission (PIPC) - Gas Station Revenue	---	2,463	2,403
Palisades Interstate Park Commission (PIPC) - Operating Fund Revenue	---	760	780
Parks Management Fees	---	1,400	1,400
Parks Management Revolving Fund	1,271	1,250	1,275
Pinelands Preservation	57	65	56
Pollution Prevention	---	607	630
Private Dredging Disposal	18	20	50
Private Well Testing	463	800	---
Regulation of Freshwater Wetlands	---	315	315
Remediation Management and Response	---	6,593	6,161
Safe Drinking Water Fund	---	489	1,279
Sedge Island	29	25	30
Shellfish Enforcement	113	120	120
Shellfish Enhancement and Management	110	110	110
Shellfish Management	46	50	40
Shore Protection Fund Projects	3,679	3,300	3,300
Shore Protection License Plates	876	900	900
Skylands Manor	269	270	270
Solid Waste Utility Regulation	---	1,300	1,300
Spring Meadow Golf Course	1,000	960	960
State Public Water System Supervision Program	847	1,250	1,500
State Revolving Fund - Administrative Costs	844	1,432	1,760
Stream Encroachment	---	1,544	972
Tidelands Peak Demands	---	2,595	3,626
UMDNJ Radiation Preparedness	81	60	96
Urban Forest Energy Efficiency Initiative	2,957	4,000	4,000
Water Allocation	---	2,880	2,880
Water Pollution Control	---	4,290	4,290
Well Permits, Well Driller, Pump Installer Licenses	---	1,310	1,000
Wetlands	---	16	16
Worker and Community Right to Know Act	---	524	548
Miscellaneous	547	401	334
	22,881	72,942	71,786
Department of Health and Senior Services:			
AIDS Drug Distribution Program Rebates	22,600	25,000	25,000
Administrative Overhead - Non State Program	1,374	1,400	1,400
Animal Population Control Program	252	270	250
Blueprint for Health Aging in New Jersey	14	---	---
Brain Injury Research Fund	3,790	3,600	3,600
Breast Cancer Screening	400	---	---
Certificate of Need Program	763	537	667
Child Care / School Certification Program	---	1,500	1,500
Clinical Laboratory Improvement Services	311	350	150
Early Intervention Program (EIP) Copays	---	6,000	7,000
Electronic Death Registration Support Fund	548	600	600
Emergency Medical Services	48	79	79
Emergency Medical Services for Children	150	150	154
Emergency Medical Technician Training Fund	106	1,800	1,800
Estrogen, Diet, Genetics, and Endometrial Cancer	---	100	---
Evaluation of California Initiatives to Reduce Violence in Health Care Settings	19	---	---
Evaluation of the NJ Smoke-Free Air Act	160	---	---
First Response Emergency Medical Technician Cardiac Training Program	61	125	125
Governor's Council for Medical Research and Treatment of Autism	---	4,000	4,000
Health Care Cost Reduction Fund	36,221	40,000	40,000
Health Care Planning	8,376	7,200	7,200
Live Long Live Well	---	150	150
Managed Care Oversight	100	---	---
New Jersey Emergency Medical Services Helicopter Response Program	---	2,858	2,858
New Jersey Health Information Technology Commission	---	1,000	1,000
New Jersey Turnpike Authority / Garden State Parkway Food Inspections	195	247	273

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Newborn Screening, Follow-up, and Treatment	3,228	3,306	3,306
Nursing Home Provider Assessment Fee	134,227	136,000	136,000
Office of the Public Guardian	790	825	1,106
Osteosarcoma Surveillance Study	7	---	25
Ovarian Cancer Study	41	125	40
Passaic and Bergen County Eligible Metropolitan Area	68	---	---
Rabies Control Program	462	475	460
Race and Risk Factors for Early / Aggressive Breast Cancer	239	275	100
Statewide Expansion of HealthEASE	60	---	---
Wholesale Drug Program	---	300	2,166
Women, Infants, and Children (WIC) Rebates	35,905	40,000	40,000
Worker and Community Right to Know	---	764	764
Miscellaneous	5,832	6,345	6,101
	<u>256,347</u>	<u>285,381</u>	<u>287,874</u>
Department of Human Services:			
Administration and Support Services	---	5,036	5,015
Alcohol Education Rehabilitation and Enforcement Fund	1,397	2,344	2,344
Alcohol Treatment Fund Program	7,500	7,500	7,500
Catastrophic Illness in Children Relief Fund	8,485	1,067	1,256
Child Support Incentive Funding	11,246	12,502	24,516
Children's Trust Fund	---	519	519
Client Copayments - Developmental Disabilities	43,131	38,630	45,979
Drug Enforcement Demand Reduction Fund	---	350	350
Food Stamp Enhanced Funding	3,632	---	---
Improvement Methods for Skilled Nursing Care	---	300	---
Licensing Fees	351	---	---
Management and Administrative Services	---	475	725
Mental Health Contract Fees	345	324	324
NJ KidCare	65,700	70,864	61,807
New Jersey Health Care Hospital Payments	546,151	654,955	546,561
New Jersey Health Initiative - Robert Wood Johnson	60	---	---
New Jersey Ramps Project	133	---	---
Olmstead Grant	20	---	---
Partnership for a Drug Free New Jersey	---	1,000	1,000
Personal Needs Allowance	---	600	600
Racing Commission Funds for Compulsive Gambling Treatment	200	200	200
SSA Reimbursement to Enhance Vocational Rehabilitation	526	300	500
Traumatic Brain Injury	3,383	---	---
Universal Service Fund	1,092	---	---
Work First New Jersey Support Services	19,359	20,000	20,000
Miscellaneous	26	---	---
	<u>712,737</u>	<u>816,966</u>	<u>719,196</u>
Department of Labor and Workforce Development:			
Adult Literacy Administration	2,000	---	---
Asbestos Notification Fees	---	100	500
Council on Gender Parity	---	---	72
Division of Workers Compensation Uninsured Employers	1,277	2,384	2,616
Enforcement of Workplace Standards - Receipts	---	5,757	5,757
Health Care Tax Collection	1,372	---	---
Private Disability Insurance Plan	---	1,280	1,280
Public Works Contractor Registration	---	1,932	1,932
Reengineering Study - State Disability Insurance Plan	---	1,000	1,000
Reimbursement to Unemployment Insurance for Joint Tax Functions	---	4,900	4,900
Special Compensation Fund	111,198	145,530	145,530
State Disability Insurance Plan	---	4,100	4,100
Unemployment Insurance Program - Collection Activities	---	2,000	4,000
Urban Enterprise Zones - Employer Rebate Awards	100	---	---
Women and Minorities Trades Training Program	724	---	---
Work First New Jersey Work Activities	---	25,500	25,500
Workers' Compensation	---	8,017	8,017
Workforce Development Partnership - Counselors	---	412	412
Workforce Development Partnership Program	---	1,742	1,742
Workforce Literacy and Basic Skills Program	---	276	276
	<u>116,671</u>	<u>204,930</u>	<u>207,634</u>

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Department of Law and Public Safety:			
Anti-Drug Profiteering	4	---	---
Atlantic County Detention Center	2,076	2,210	2,399
Backstretch Benevolence	182	185	185
Body Armor Replacement Fund - Administrative Costs	75	75	75
Charity Racing Day for the Developmentally Disabled	94	95	95
Claims - Victims of Crime	---	4,600	4,600
Commercial Vehicle Enforcement Program	---	12,837	12,837
Commissions Award Program	2,069	2,100	2,100
Consumer Affairs	335	300	300
Consumer Affairs Charitable Registrations Program	---	995	995
Consumer Affairs Legalized Games of Chance	---	650	650
Consumer Affairs Weights and Measures Program	---	1,420	1,420
Controlled Dangerous Substance Registration Program	---	622	622
Criminal Disposition and Revenue Collection Fund	---	460	460
Criminal Justice Cost Recovery	---	106	106
Delaware River Joint Toll Bridge Commission	1,218	---	---
Department of Transportation - State Police Construction Detail	---	10,020	10,020
Division of Consumer Affairs - Appropriated Receipts	---	7,671	6,832
Drunk Driving Enforcement Fund - MVC Reimbursement	84	---	---
Election Law Enforcement	11	130	140
FBI Mitochondrial DNA Testing	760	923	923
Fines Account - Miscellaneous Settlements	174	300	100
Forfeiture Program	4,519	2,255	2,255
Hurricane Katrina Receipts	938	---	---
Insurance Fraud Operations	29,189	29,771	30,961
Investigative Unit	597	495	495
Juvenile Detention Alternatives - Annie E. Casey Foundation	100	---	---
Law Enforcement Officers Training and Equipment Fund	782	750	750
Lobbying Annual Fees	---	351	350
Medical Examiner Services	8,759	9,508	10,246
New Jersey Turnpike Authority	29,645	34,384	37,000
New Jersey Turnpike Authority (Parkway)	28,966	33,350	36,685
Nicholson Foundation	49	---	---
Noncriminal Records Checks	---	14,487	14,487
Northeast Hazardous Waste Project-Resource Conservation and Recovery Act	176	131	63
Pari-Mutuel Racing in Accordance with N.J.S.A. 5:5-37	757	953	953
Pre-Race Blood Testing and Chemical Testing Program	2,481	3,472	3,500
Private Employment Agencies	---	510	495
Project Safe Neighborhood-Mercer County	57	---	---
Protection of Civil Rights	---	70	70
Racing Officials	988	1,055	1,055
Regulation of Alcoholic Beverages	---	5,555	5,555
Regulation of Racing Activities	3,022	3,074	3,137
Rural Patrol Services	---	---	20,500
Safe and Secure Neighborhoods Program	7,012	7,100	7,100
Securities Enforcement Fund	---	3,006	3,006
Security Officer Registration Account	1,851	2,000	2,000
Sexual Assault Nurse Examiner Program	60	76	76
South Jersey Transportation Authority	6,558	7,685	8,152
State Athletic Control	538	500	500
State Facilities Education Act (SFEA)	30,754	36,930	35,306
State Forensic Laboratory Fund Program	1,021	500	1,000
State Police Central Lab Operations	---	1,053	1,053
State Police DNA Laboratory Enhancement	7,599	8,200	8,200
State Police Equine Lab Unit	---	1,205	1,205
State Veterinarians New Jersey Racing Commission	916	956	975
Victim and Witness Advocacy Fund	---	1,100	1,100
Voter Verified Paper Record Testing	113	---	---
Miscellaneous	2,534	942	2,989
	177,063	257,123	286,078
Department of Military and Veterans' Affairs:			
Burial Services	---	550	550
Distance Learning Center	---	15	15
Energy Program Receipts	100	75	75
New Jersey National Guard Support Services	---	1,624	1,600
PATH Security	79	950	950

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
POW/MIA Medal Receipts	4	2	2
Transitional Housing	---	590	590
World War II Memorial Dedications	96	85	85
Miscellaneous	66	60	60
	345	3,951	3,927
Department of Personnel:			
Human Resource Development Institute	---	1,900	1,900
State and Local Government Operations	---	1,300	1,300
	---	3,200	3,200
Department of the Public Advocate:			
New Home Owner's Warranty	271	251	251
Rate Counsel - Insurance	32	1,124	149
Residential Warranty Corporation	99	158	158
	402	1,533	558
Department of State:			
Extraordinary Programming	319	400	400
GEAR UP Algebra Institute	19	---	---
Governor's School	1,251	---	---
Law Enforcement Officers Memorial Fund	309	325	325
Leasing of Space on NJN Transmitter Towers	1,076	1,100	1,208
NJBEST Administration & Scholarships	178	488	1,191
NJN - Cablevision Rental	185	---	---
NJN - TV Food Network/Time Warner Capital Project	1,648	1,300	---
New Jersey College Loans to Assist State Students (NJCLASS)	4,284	6,088	7,203
New Jersey Workforce Development Coalition Initiative	778	870	707
New Jersey World Trade Center Scholarship Program	---	10	10
Primary Care Physician/Dentist Loan Redemption Program	2,011	2,000	2,000
Public Broadcasting Services	8,179	8,337	8,318
Records Management	1,100	---	---
Rental of NJN Studio and Production Facilities	1,479	1,950	1,400
Sale or Rental of NJN Productions	31	100	48
War Memorial	389	527	527
Miscellaneous	288	330	---
	23,524	23,825	23,337
Department of Transportation:			
Applications and Highway Permits	---	1,290	1,290
Commercial Vehicle Enforcement Program	12,344	---	---
Cost of "Cause" Plates	183	---	---
County and Other Shared Projects	18,779	---	---
Greenwood Lake Airport	51	---	---
Highway Safety Fund	1,708	---	---
In-Terminal School Bus Inspection Program	1,377	1,350	1,350
Logo Sign Program	---	120	120
Motor Vehicle Services	294,158	280,159	276,841
Motorbus Regulation	678	682	682
Motorcycle Safety Education Fund	521	385	310
NJ Board of Pilot Commissioners	671	590	590
NJ Medical Service Helicopter Response Act	8,331	---	---
Office of Maritime Resources	2,066	2,500	2,500
Outdoor Advertising Program	---	790	790
Placarded Railcar Program	---	110	110
Rental Receipts, Tenant Relocation Program	---	380	380
Security Responsibility	15,581	15,500	15,500
	356,448	303,856	300,463
Department of the Treasury:			
Annual Licensing Fee - Office of Administrative Law Publications	832	680	680
Capital City Redevelopment Corporation	68	191	301
Cigarette Tax Securitization	194,495	194,000	194,000
Clean Energy Program	645	1,300	1,300
Division of Developmental Disabilities Community Placement and Services	37,883	38,000	38,000
Domestic Security	19,895	23,500	23,500
Drug Abuse Education Fund	640	600	600
Economic Recovery Fund	19,608	19,608	21,604
Energy Tax Receipts	788,492	788,492	788,492
Governor's Council on Alcoholism and Drug Abuse	16,212	15,800	15,800

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Judicial Hearings Receipts	3,521	3,200	3,809
Management Audit - N.J. Natural Gas	592	---	---
Management Audit - United Water	231	---	---
Management of DEP Properties	---	500	500
Management of State Investments	---	9,043	9,043
New Jersey Public Records Preservation	166	10,200	21,600
Nextel Rebanding	208	---	---
Office of Information Technology Indirect Cost Recoveries	---	4,500	4,500
Office of Management and Budget	24,840	9,042	9,119
Ombudsman	152	451	451
Other Capital Building Services	2,341	2,420	2,420
Other Distributed Taxes	8,327	6,882	6,882
PSEG/Exelon Merger	863	---	---
Pensions and Benefits	41,261	40,739	40,739
Port Authority Advertising Grant	---	2,929	2,929
Prequalification Fees	---	125	125
Property Management and Construction - Property Management Services	318	325	325
Public Finance Activities	---	700	700
Real Property Leasing Out Program	---	380	380
Royalties - Office of Administrative Law Publications	365	365	365
Small Business Registration	---	380	---
State Pension System Audit	---	225	225
State Technology Advancement Collaborative	25	---	---
Taxation Compliance and Enforcement Activities	---	4,800	4,800
Third Party Subrogation - Property Damage	---	600	600
Unclaimed Property Trust Fund	6,269	6,920	6,920
Universal Service Fund Program Evaluation	15	---	---
Urban Enterprise Zone (UEZ) Authority Administrative Expenses	3,494	4,486	4,486
Vendor Surcharge Collection - Motor Vehicle Commission	12,700	12,700	12,700
Miscellaneous	721	820	820
	<u>1,185,179</u>	<u>1,204,903</u>	<u>1,218,715</u>
Interdepartmental Accounts--			
Petroleum Overcharge Reimbursement Fund	---	3,500	3,500
Judicial Branch--			
Automated Traffic System for Municipal Courts	22,071	23,000	23,000
Civil Courts	559	760	765
Comprehensive Enforcement Program	2,970	2,700	2,900
Court Adult Probation System	540	500	500
Court Technology Improvement Fund	13,325	12,300	12,300
Electronic Access To Court Records	2,000	1,000	1,000
Family Courts	422	400	400
Information Services	450	516	516
Special Civil Part Certified Mailers	2,459	2,000	2,250
Supreme Court	13,241	16,032	16,748
Miscellaneous	766	15	15
	<u>58,803</u>	<u>59,223</u>	<u>60,394</u>
<i>Total Dedicated</i>	<u>3,135,909</u>	<u>3,467,594</u>	<u>3,414,138</u>

Federal:

Executive Branch--			
Department of Agriculture:			
Asian Longhorned Beetle Monitoring	2,877	3,000	3,000
Child Care	52,814	70,750	75,825
Child Nutrition - School Breakfast	35,757	48,000	52,000
Child Nutrition - School Lunch	153,781	180,000	195,000
Child Nutrition - Special Milk	816	1,800	1,500
Child Nutrition - Summer Programs	6,272	10,728	10,725
Child Nutrition Administration	3,440	4,340	4,670
Cooperative Gypsy Moth Suppression	1,520	1,450	1,450
Farm Risk Management Education Program	164	272	272
Farmland Preservation	2,013	4,525	4,525
Fish Inspection Service	160	158	160
Food Stamp - Temporary Emergency Food Assistance Program (TEFAP)	1,460	1,550	2,250
Indemnities - Avian Influenza	400	400	400

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
National Animal Identification Infrastructure	99	80	80
Team Nutrition Training	35	200	200
Various Federal Programs and Accruals	-2,382	1,215	1,488
	<u>259,226</u>	<u>328,468</u>	<u>353,545</u>
Department of Children and Families:			
Federal Accrual	-760	---	---
Restricted Federal Grants	9,280	10,327	10,014
Title IV-B Child Welfare Services	5,679	5,500	5,634
Title IV-E Foster Care	113,868	99,223	94,311
	<u>128,067</u>	<u>115,050</u>	<u>109,959</u>
Department of Community Affairs:			
Community Services Block Grant	18,232	17,165	16,902
Emergency Shelter Grants Program	2,100	1,570	1,650
Fair Housing Initiatives Grant	14	100	100
Lead-Based Paint Abatement in Low and Moderate Income Housing	840	---	---
Low Income Home Energy Assistance Program	64,944	84,324	78,605
Moderate Rehabilitation Housing Assistance	11,185	11,679	11,679
National Affordable Housing - HOME Investment Partnerships	11,155	7,611	7,611
National Fire Academy Training Program	2	28	28
Section 8 Housing Voucher Program	175,803	174,250	177,180
Shelter Plus Care Program	1,435	6,961	6,961
Small Cities Block Grant Program	9,792	8,360	8,360
Transitional Housing - Homeless	111	136	136
Weatherization Assistance Program	6,101	5,169	5,169
Various Federal Programs and Accruals	-6,752	---	---
	<u>294,962</u>	<u>317,353</u>	<u>314,381</u>
Department of Corrections:			
Counterterrorism Prison Intelligence	---	800	400
National Institute of Justice Grant for Corrections Research-Escape Study	---	57	57
National Institute of Justice Grant for Corrections Research-Megan's Law Study	9	---	---
Prison Rape Elimination Grant	122	---	---
Prisoner Reentry Initiative Grant-Atlantic County	17	---	---
Prisoner Reentry Initiative Grant-Camden County	---	431	---
Project In-Side	885	608	608
Promoting Responsible Fatherhood	---	339	407
Serious and Violent Offender Reentry Initiative	375	---	---
State Criminal Alien Assistance Program	4,986	5,882	5,500
Various Federal Programs and Accruals	-913	60	60
	<u>5,481</u>	<u>8,177</u>	<u>7,032</u>
Department of Education:			
21st Century Schools	22,818	19,096	20,175
AIDS Prevention Education	254	262	262
Adult Basic Education - Administration/Discretionary	---	1,029	1,085
Bilingual and Compensatory Education - Homeless Children and Youth	1,298	1,185	1,320
Byrd Scholarship Program	1,127	1,200	1,200
Character Education Partnership	643	702	702
Drug-Free Schools and Communities - Administration	2,294	1,645	1,645
Drug-Free Schools and Communities - Discretionary	6,741	6,575	6,945
Enhancing Education Thru Technology	4,354	5,001	5,293
Even Start Family Literacy Grant - Discretionary	4,301	1,378	1,250
Hurricane Relief	1,054	---	---
Improving America's Schools Act - Consolidated Administration	5,613	4,600	4,800
Individuals with Disabilities Education Act Basic State Grant	340,214	338,930	343,528
Individuals with Disabilities Education Act Preschool Grants	11,962	11,515	11,198
Language Acquisition State Grants	18,696	17,751	19,090
Mathematics and Science Partnerships Grants	3,322	2,862	3,020
Migrant Education - Administration/Discretionary	2,251	1,997	1,997
Public Charter Schools	2,854	4,256	4,256
Refugee Children School Impact Program	65	---	---
School Improvement Grants	---	2,381	9,585
State Assessments	10,526	10,032	10,032
State Data Grants	401	---	---
State Grants for Improving Teacher Quality	67,955	64,090	65,400
State Improvement Grant - Administration	1,657	---	---
Step Up - Teacher Recruitment	1,010	1,086	1,086

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Title I - Comprehensive School Reform	4,156	---	---
Title I - Grants to Local Educational Agencies	281,234	255,000	300,446
Title I - Part D, Neglected and Delinquent	2,878	2,831	2,729
Title I - Reading First State Grant	19,888	16,579	6,750
Title V - Innovative Program Strategies	3,907	2,803	---
Vocational Education - Basic Grants - Administration	23,617	25,041	25,056
Vocational Education Technical Preparation	1,765	2,263	2,263
Various Federal Programs and Accruals	-2,113	1,354	1,280
	846,742	803,444	852,393
Department of Environmental Protection:			
Air Pollution Maintenance Program	5,613	6,500	6,500
Artificial Reef Program - PSE&G/NJPDES Permit Fees	670	825	925
Asian Longhorned Beetle Project	1,895	2,300	2,300
Assessing New Jersey's Bays	27	100	---
Assistance to Firefighters - Wildfire and Arson Prevention	78	200	200
Atlantic Coastal Cooperative Program	39	250	---
Atlantic Coastal Fisheries	295	300	300
Avian Influenza	---	100	110
Beach Monitoring and Notification	293	500	500
Benthic Indicators for Nearshore Coastal Waters	5	400	400
BioWatch Monitoring	390	750	750
Boat Access (Fish and Wildlife)	---	1,000	1,000
Brownfields	719	2,000	2,000
Cheesequake Marshland Acquisition	---	---	1,000
Chronic Wasting Disease	44	150	150
Clean Lakes Program	---	500	---
Clean Vessels	123	1,000	1,000
Coastal Estuarine Land Program	---	6,000	6,000
Coastal Zone Management Implementation	2,876	3,400	3,400
Community Assistance Program	230	235	250
Consolidated Forest Management	706	1,080	1,080
Construction Grants Program	---	65,000	28,000
Defensible Space	35	400	400
Electronic Vessel Trip Reporting	---	170	170
Endangered Species	25	75	85
Endangered and Nongame Species Program State Wildlife Grants	11	1,065	1,065
Firewise in the Pines	159	200	200
Fish and Wildlife Health	38	200	150
Forest Legacy	1,440	10,040	6,040
Forest Resource Management - Cooperative Forest Fire Control	1,074	1,700	1,700
Grassland Habitat Project	72	200	200
Gypsy Moth Suppression	62	150	350
Hazardous Waste - Resource Conservation Recovery Act	689	4,895	4,895
Historic Preservation Survey and Planning	608	950	950
Hunters' and Anglers' License Fund	3,275	6,475	6,680
Land and Water Conservation Fund	---	10,000	10,000
Lower Cohansey Watershed	---	1,000	---
Marine Fisheries Investigation and Management	1,018	1,365	1,365
Multimedia	101	750	750
NJ Landowner Incentive	396	1,180	1,480
National Coastal Wetlands Conservation	---	2,000	2,000
National Dam Safety Program (FEMA)	71	90	90
National Geologic Mapping Program	110	200	200
National Recreational Trails	1,374	1,700	1,900
Non-Point Source Implementation (319H)	3,600	4,000	4,000
Offshore Beach Replenishment	---	150	150
Particulate Monitoring Grant	1,199	1,000	1,000
Pesticide Technology	67	550	550
Pinelands Grant - Acquisition	---	6,000	6,000
Preliminary Assessments/Site Inspections	1,097	1,500	1,500
Radon Program	76	500	500
Rare Wildlife Strategy Implementation	24	1,500	1,500
Safe Drinking Water Act	1,005	22,200	22,200
Shortnose Sturgeon Research	22	400	200
Southern Pine Beetle	10	100	100
State Recreational Trails	---	8,825	8,725
State Wetlands Conservation Plan	209	250	250

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
State Wildlife Grant Projects	---	1,000	1,000
State and EPA Data Management Grant	440	2,300	2,300
Superfund Grants	521	30,450	30,450
Underground Storage Tanks	1,281	3,255	2,055
Urban Community Air Toxics Program	314	800	800
Water Monitoring and Planning	495	550	550
Water Pollution Control Program	1,710	4,025	4,025
Water Pollution S106 Enhancements	---	182	250
Wildland and Urban Interface II	---	100	100
Wildlife Habitat Incentives (WHIP)	---	150	150
Wildlife Management Area Planning	274	300	300
Various Federal Programs and Accruals	4,773	940	911
	41,678	228,422	186,101
Department of Health and Senior Services:			
Abstinence Education - Family Health Services (FHS)	895	1,122	---
Aging & Disability Resource Center Grant	164	---	---
Asthma Surveillance and Coalition Building	347	457	457
Bioterrorism Hospital Emergency Preparedness	13,195	13,600	11,576
Birth Defects Surveillance Program	160	268	250
Breastfeeding Peer Counseling	340	300	300
Childhood Lead Poisoning	925	1,400	1,400
Chronic Disease Prevention and Health Promotion - Family Health Services	---	750	---
Chronic Disease Prevention and Health Promotion Programs - Public Health	1,779	1,900	1,900
Clinical Laboratory Improvement Amendments Program	511	473	448
Comprehensive AIDS Resources Grant	46,245	55,000	50,000
Core Injury Prevention and Control Program	---	300	300
Demonstration Program to Conduct Health Assessments	502	627	627
Early Hearing Detection and Intervention (EHDI) Tracking, Research	199	334	334
Early Intervention for Infants and Toddlers with Disabilities (Part H)	10,863	13,000	13,000
Eliminating Disparities in Perinatal Health	241	500	500
Emergency Medical Services for Children (EMSC) Partnership Grants	35	115	115
Emergency Preparedness For Bioterrorism	22,980	28,690	30,886
Enhanced HIV/AIDS Surveillance-Perinatal	95	156	185
Environmental Tools for Dementia Care	51	150	150
Exposure - Tremolite Asbestos - Vermiculite	28	---	---
Family Planning Program - Title X	3,959	4,200	4,200
Federal Lead Abatement Program	402	467	454
Food Emergency Response Network - E. Coli in Ground Beef	61	---	150
Food Inspection	285	432	438
Fundamental & Expanded Occupational Health	281	350	379
HIV/AIDS Events without Care in New Jersey	136	380	303
HIV/AIDS Prevention and Education Grant	12,331	18,000	15,000
HIV/AIDS Surveillance Grant	2,956	3,614	3,461
Housing Opportunities For Persons With AIDS	940	2,828	2,150
Housing Opportunities for Incarcerated Persons with AIDS	208	1,763	1,763
Immunization Project	5,490	7,703	7,786
Lead Training and Certification Enforcement Program	78	83	82
Maternal and Child Health (MCH) Early Childhood Comprehensive System	128	140	140
Maternal and Child Health Block Grant	7,987	13,000	13,000
Medicare/Medicaid Inspections of Nursing Facilities	8,476	16,472	16,672
Minority AIDS Demo	---	150	67
Morbidity and Mortality Review Program	---	150	150
Morbidity and Risk Behavior Surveillance	448	520	512
National Cancer Prevention and Control - Public Health	4,322	7,588	7,271
National Family Caregiver Program	4,813	5,200	5,200
New Jersey Ease for Caregivers - Building Support Systems	34	---	---
New Jersey's Reducing Health Disparities Initiative	150	160	160
Nurse Aide Certification Program	---	1,000	1,000
Nursing Facilities Transition Grant	157	600	600
Older Americans Act - Title III	29,609	34,500	34,352
Pediatric AIDS Health Care Demonstration Project	2,535	2,850	2,850
Pregnancy Risk Assessment Monitoring System	338	750	750
Preventative Health and Health Services Block Grant	2,522	4,114	3,130
Public Employees Occupational Safety and Health - State Plan	---	900	900
Rape Prevention and Education Program	1,740	2,300	1,616
Research on Ecology of Lyme Disease in US	281	325	295
Senior Farmers Market Nutrition Program	506	1,000	1,000

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
State Pharmacy Assistance Program Payments - Federally Funded Grant	5,351	---	---
Supplemental Food Program - Women, Infants, and Children (WIC)	92,737	120,000	120,000
Surveillance, Epidemiology and End Results (SEER)	606	1,200	1,319
Tools For School Implementation Project	70	---	---
Traumatic Brain Injury Surveillance	---	105	105
Tuberculosis Control Program	4,403	6,095	6,095
United States Department of Agriculture (USDA) Older Americans Act - Title III	3,583	3,900	3,900
Universal Newborn Hearing Screening	233	250	250
Venereal Disease Project	3,030	3,882	3,882
Vital Statistics Component	795	1,100	1,100
West Nile Virus - Laboratory	---	100	100
West Nile Virus - Public Health	1,121	2,135	1,942
Women, Infants, and Children (WIC) Farmer's Market Nutrition Program	956	2,600	2,600
Various Federal Programs and Accruals	1,143	8,444	7,722
	304,756	400,492	387,274
Department of Human Services:			
Access to Recovery	7,035	9,270	9,270
Block Grant Mental Health Services	9,442	12,005	11,794
Child Care Block Grant	120,156	115,220	115,280
Child Support Enforcement Program	178,111	182,278	179,837
Community Based Residential Program Grant	494	---	---
Developmental Disabilities Council	1,666	1,601	1,610
Federal Independent Living	1,252	1,153	1,069
Food Stamp Program	84,389	103,697	103,807
Foster Grandparents Program	739	1,141	1,128
Low Income Energy Assistance Block Grant	47,292	---	---
Projects for Assistance in Transition from Homelessness (PATH)	2,114	1,925	1,922
Refugee Resettlement Program	2,591	5,622	5,626
Social Service Block Grant	49,830	51,587	51,207
State Data Infrastructure Project	61	---	---
Strategic Prevention Framework	3	3,663	3,663
Substance Abuse Block Grant	53,450	51,882	51,882
Temporary Assistance to Needy Families Block Grant	420,863	436,673	442,017
Title XIX Child Residential	83,185	75,822	75,565
Title XIX Community Care Waiver	281,493	280,710	303,766
Title XIX ICF/MR	315,900	334,505	344,238
Title XIX Medical Assistance	3,526,586	3,725,447	3,676,941
Title XX Urban Empowerment Zone	1,593	---	---
Title XXI Children's Health Insurance Program	263,717	276,928	323,484
Vocational Rehabilitation Act, Section 120	11,843	11,100	11,718
Various Federal Programs and Accruals	-74,908	4,575	6,573
	5,388,897	5,686,804	5,721,637
Department of Labor and Workforce Development:			
Adult and Continuing Education - Workforce Investment Act	17,451	20,071	20,071
Comprehensive Services for Independent Living	322	600	600
Current Employment Statistics	2,565	2,978	2,978
Disability Determination Services	52,775	52,000	54,100
Disabled Veterans' Outreach Program	2,459	2,900	2,900
Employment Services	15,968	26,100	26,100
Employment Services - One-Stop Shopping	231	350	350
Employment Services Cost Reimbursable Grants - Migrant Housing	---	50	50
Employment Services Grants - Alien Labor Certification	586	2,403	2,403
Employment Services Reemployment Services	597	1,100	1,100
Federal Public Employees Occupational Safety and Health Act	2,096	2,100	2,250
Local Veterans' Employment Representatives	1,124	1,700	1,700
National Council on Aging - Senior Community Services Employment Project	2,273	3,020	3,020
Occupational Informational Coordinating Program	11	175	175
Occupational Safety Health Act - On-Site Consultation	2,113	2,200	2,800
Occupational Safety and Health Administration Data Collection Survey	---	74	74
Old Age and Survivor Insurance Disability Determination Services	---	1,000	1,000
One Stop Labor Market Information	1,040	1,068	1,068
Redesigned Occupational Safety and Health (ROSH)	300	269	269
Rehabilitation of Supplemental Security Income Beneficiaries	95	2,000	2,000
Supported Employment	603	975	975
Technical Assistance Training	---	1,700	1,700
Technology Related Assistance Project	396	400	400
Trade Adjustment Assistance Project	1,963	4,200	4,200

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Unemployment Insurance	139,809	145,892	148,637
Vocational Rehabilitation Act of 1973	48,306	47,943	48,825
Work Opportunity Tax Credit	793	750	750
Workforce Investment Act	69,423	72,643	72,643
Workforce Investment Act Title IIID Discretionary Funding	---	4,000	4,000
Various Federal Programs and Accruals	-19,203	251	280
	344,096	400,912	407,418
Department of Law and Public Safety:			
Anti Trafficking Task Force	143	600	600
Anti-Gang Initiative	8	1,000	1,000
Buffer Zone Protection Program	700	1,512	1,500
Bulletproof Vest Partnership	716	850	850
Bureau of Justice State Police Communications Grant	118	---	---
Challenge Grant	61	---	---
Chemical Sector Buffer Zone Protection Program	---	5,508	---
Child Passenger Protection Education	24	---	---
Child Safety/Child Booster Seats	50	2,000	3,000
Citizen Corps Program	---	520	520
Combating Underage Drinking	244	350	350
Community Oriented Policing Services (COPS) - In Schools	679	---	---
Convicted Offender In-House (DNA)	1,076	850	850
Crime Laboratory Improvement Program-National Institute of Justice	1,526	---	---
DNA Capacity Enhancement Program Formula Grant	15	600	600
Domestic Marijuana Eradication Suppression Program	83	125	125
Domestic Preparedness Equipment	8,608	---	---
Domestic Preparedness Training	370	---	---
Drunk Driver Prevention	559	6,000	7,500
Edward Byrne Memorial Grant	4,683	---	---
Emergency Management Performance Grant - Non Terrorism	2,480	5,000	5,000
Equal Employment Opportunity Commission	458	400	400
Fatality Analysis Reporting System (FARS)	136	161	161
Flood Disaster Assistance	7,179	---	---
Flood Mitigation Assistance	565	3,000	3,000
Grants To Encourage Arrest Policies and Enforcement of Protection Orders	75	---	---
Hazardous Materials Transportation	---	300	300
High Intensity Drug Trafficking Area (HIDTA)	---	50	50
Highway Traffic Safety	6,082	8,882	8,982
Homeland Security Grant Program	8,437	25,000	25,170
Housing and Urban Development	120	---	---
Incident Command	1,164	1,500	1,500
Innovative Seat Belt Use	103	---	---
Internet Crimes Against Children	163	700	700
Justice Assistance Grant (JAG)	5,161	10,000	10,000
Juvenile Accountability Incentive Block Grant (JAIBG)	2,668	1,200	1,230
Juvenile Justice Delinquency Prevention	1,999	2,338	2,333
Medicaid Fraud Unit	2,931	3,729	3,420
Metropolitan Medical Response System	---	400	---
Motorcycle Safety	---	760	1,010
National Criminal History Program - Office of the Attorney General	615	1,000	500
No Suspect Casework DNA Backlog Reduction Program	216	---	---
Northeast Hazardous Waste Project-Resource Conservation and Recovery Act	101	128	128
Northern Transportation Security Grant Program	---	14,000	14,000
Occupant Protection Grant	1,068	3,000	4,500
Paul Coverdell National Forensic Science Improvement	171	297	297
Port Security Grant Program - Delaware Bay Sector	---	4,200	8,200
Port Security Grant Program - NY/NJ Sector	500	8,000	16,000
Pre-Disaster Mitigation Grant (Competitive)	1,249	2,500	2,500
Prevent Operations of Motor Vehicles by Intoxicated Persons	425	---	---
Project Safe Neighborhoods	1,355	1,060	1,060
Racial Profiling Prevention	---	1,200	1,500
Radiological Dispersal Device Protective Measures Program	1,134	---	---
Recreational Boating Safety	481	2,500	2,500
Residential Treatment for Substance Abuse	1,696	1,000	1,000
Safety Belt Performance Grants	368	7,400	9,800
Safety Incentive Grants	40	---	---
Southern Transportation Security Grant Program	---	4,000	---
State Traffic Safety Information System	---	3,000	4,500

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Title V Funding	420	1,500	1,500
Truth In Sentencing Incentive Grant	324	---	---
Urban Area Security Initiative	4,803	38,000	38,500
Victim Assistance Grants	13,438	12,000	12,000
Victim Compensation Award	12,173	7,000	6,000
Violence Against Women Act-Criminal Justice	4,163	4,000	4,000
Various Federal Programs and Accruals	38,606	444	444
	142,730	199,564	209,080
Department of Military and Veterans' Affairs:			
Administrative Services Activities	10	55	60
Antiterrorism Program Manager	---	220	75
Armory Renovations and Improvements	2,858	2,487	3,517
Army Facilities Service Contracts	2,793	2,500	2,695
Army National Guard Electronic Security System	49	300	300
Army National Guard Statewide Security Agreement	637	500	500
Army National Guard Sustainable Range Program	216	100	150
Army National Guard Transportation	---	2	---
Army Training and Technology Lab	809	800	920
Atlantic City Air Base - Service Contracts	1,799	2,888	3,065
Atlantic City Environmental	33	60	116
Atlantic City Operations and Maintenance	85	75	130
Atlantic City Sustainment, Restoration and Modernization	31	550	580
BG Doyle Cemetery - Section R	1,663	---	---
Brigadier General Doyle Memorial Cemetery Building Project	3,442	8,000	2,000
Combined Logistics Facility	2,525	10,000	---
Coyle Field Atlantic City	---	24	24
Design and Construction of the Vineland Memorial Veterans' Home	899	---	---
Dining Facility Operations	66	150	150
Doyle Section L Water	99	---	---
Facilities Support Contract	8,431	6,500	6,625
Federal Distance Learning Program	265	150	150
Fire Fighter/Crash Rescue Service Cooperative Funding Agreement	1,278	1,650	1,686
Hazardous Waste Environmental Protection Program	710	325	325
McGuire Air Force Base - Service Contracts	2,346	2,080	2,340
McGuire Air Force Base Environmental	55	60	62
McGuire Operations and Maintenance	34	90	90
Medicare Part A Receipts for Resident Care and Operational Costs	5,047	5,700	5,700
National Guard Communications Agreement	1,232	780	780
Natural and Cultural Resources Management	3	5	5
New Jersey National Guard Challenge Youth Program	1,750	3,217	2,545
New Jersey National Guard Counter Drug Program Interservice State-Federal	4	---	---
Training and Equipment - Pool Sites	631	450	450
Transitional Housing	215	360	360
Veterans Haven Life Safety Code Rehabilitation - VA grant	14	---	---
Veterans' Education Monitoring	450	588	690
Warren Grove Sustainment Restoration & Modernization	4	5	6
Warren Grove/Coyle Field	84	40	50
Various Federal Programs and Accruals	-8,159	74	62
	32,408	50,785	36,208
Department of the Public Advocate:			
Guardianship Program	---	223	223
Department of State:			
Accessibility Leadership Grant	30	---	---
Americorps Grants	6,135	5,060	4,370
Election Assistance for Persons with Disabilities	52	300	300
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP)	1,546	3,500	3,500
Leveraging Educational Assistance Partnership	2,117	1,828	1,828
National Endowment for the Arts Partnership	713	760	800
National Endowment for the Humanities Grant	---	715	---
National Health Service Corps - Student Loan Repayment Program	118	---	---
National Telecommunications Information Agency	312	625	600
Save America's Treasures Grant	134	---	---
Student Loan Administrative Cost Deduction and Allowance	17,130	22,225	22,918
Various Federal Programs and Accruals	-189	---	---
	28,098	35,013	34,316

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Department of Transportation:			
Airport Fund	199	10,000	5,000
Commercial Drivers' License Program	---	1,410	1,410
Commercial Vehicle Information Systems and Networks	---	1,192	1,192
Highway Planning and Research	14,285	18,200	18,600
Homeland Security	167	---	---
Metropolitan Planning Funds	10,913	11,500	12,200
Motor Carrier Safety Assistance Program	10,125	16,631	17,066
NJ Transportation Planning Assistance	---	4,800	4,600
National Boating Infrastructure Program	47	---	---
New Jersey Maritime Program	---	1,600	1,600
Odometer Fraud Grant	---	30	30
Performance & Registration Information Systems Management	---	459	459
Supportive Services Highway Construction Training Program	---	500	500
	35,736	66,322	62,657
Department of the Treasury:			
Diamond Shamrock Oil Overcharge Settlement	---	717	717
Division of Gas Expansion	574	600	600
NJ Partnership for the National Map	495	---	---
State Energy Conservation Program	---	2,671	2,675
Various Federal Programs and Accruals	949	200	200
	2,018	4,188	4,192
Judicial Branch--			
The Judiciary:			
Essex Family Drug Court	---	450	---
Juvenile Drug Court Grant	158	---	---
Sussex Family Drug Court	---	450	---
Various Federal Programs and Accruals	629	1,535	1,535
	787	2,435	1,535
<i>Total Federal</i>	<u>7,855,682</u>	<u>8,647,652</u>	<u>8,687,951</u>
Revolving:			
Legislature:			
Various Revolving Funds	7	---	---
Executive Branch--			
Department of Community Affairs:			
Administration and Support Services	511	650	650
Housing Services	35	495	495
Liquid Petroleum Gas Education and Safety Board	144	394	315
Uniform Construction Code	10,971	9,690	9,690
Various Revolving Funds	62	---	---
	11,723	11,229	11,150
Department of Corrections:			
Culinary Arts Vocational Program	99	135	135
Farm Operations	11,659	10,950	11,130
Institutional Care and Treatment	342	500	500
State Use	18,794	19,500	18,750
	30,894	31,085	30,515
Department of Education:			
Administration and Support Services	2,201	1,720	1,720
General Education Development	342	350	350
Professional Development and Licensure	328	199	199
	2,871	2,269	2,269
Department of Environmental Protection:			
Administration and Support Services	170	100	127
Pesticide Control	285	290	300
Publicly-Funded Site Remediation	128	---	---
	583	390	427

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Department of Health and Senior Services:			
Administration and Support Services	6,561	5,747	6,200
Laboratory Services	9,204	11,500	13,166
	15,765	17,247	19,366
Department of Human Services:			
Administration and Support Services	1,019	903	903
Income Maintenance Management	6,725	5,525	5,525
	7,744	6,428	6,428
Department of Labor and Workforce Development:			
Administration and Support Services	916	---	---
Planning and Analysis	31	---	---
	947	---	---
Department of Law and Public Safety:			
Criminal Justice	200	275	275
State Police Operations	13	---	---
	213	275	275
Department of State:			
Museum Services	15	---	---
Records Management	574	200	465
	589	200	465
Department of Transportation:			
Administration and Support Services	347	---	---
Department of the Treasury:			
Adjudication of Administrative Appeals	3	895	895
Automotive Services	29,304	25,957	25,957
Capitol Post Office	1,733	1,648	1,648
Escrow - Construction Management Services	1,353	---	---
Office of Information Technology	102,782	---	---
Printing Services	2,099	2,324	2,324
Property Management and Construction - Construction Management Services	3,022	4,425	4,425
Public Information Services	1,430	1,001	1,001
Purchasing and Inventory Management	47,435	50,920	50,920
	189,161	87,170	87,170
<i>Total Revolving</i>	260,844	156,293	158,065
Total Other Revenues General Fund	11,252,435	12,271,539	12,260,154

SPECIAL TRANSPORTATION FUND

General:

County and Other Shared Projects	1,325	---	---
Transportation Trust Fund - Local Highway Facilities	154,362	172,001	175,000
Transportation Trust Fund - Public Transportation Projects	670,132	625,000	625,000
Transportation Trust Fund - State Highway Projects	616,888	802,999	800,000
	1,442,707	1,600,000	1,600,000

Federal:

Federal Highway Administration / Other	903,706	960,772	913,260
<i>Total Special Transportation Fund</i>	2,346,413	2,560,772	2,513,260
TOTAL OTHER REVENUES	13,598,848	14,832,311	14,773,414

REVENUES & EXPENDITURES

SCHEDULE 3 EXPENDITURES BUDGETED (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
GENERAL FUND			
Legislative Branch			
Senate	11,565	11,959	11,959
General Assembly	18,779	18,402	18,402
Office of Legislative Services	30,961	30,797	29,958
Legislative Commissions	5,998	6,205	6,205
State Capitol Joint Management Commission	10,446	9,001	9,001
Clean Ocean and Shore Trust Committee	75	144	144
	<u>77,824</u>	<u>76,508</u>	<u>75,669</u>
Executive Branch			
Chief Executive	5,275	5,428	5,293
Department of Agriculture	28,277	26,673	22,878
Department of Banking and Insurance	68,336	72,127	70,340
Department of Children and Families	946,164	1,080,910	1,075,703
Department of Community Affairs	292,203	187,282	160,340
Department of Corrections	1,132,063	1,184,028	1,149,298
Department of Education	924,773	1,029,104	1,108,946
Department of Environmental Protection	457,232	470,783	411,109
Department of Health and Senior Services	1,360,376	1,485,661	1,306,309
Department of Human Services	4,667,325	4,808,782	4,728,332
Department of Labor and Workforce Development	167,693	136,230	135,927
Department of Law and Public Safety	648,491	588,234	538,898
Department of Military and Veterans' Affairs	95,767	96,677	93,447
Department of Personnel	27,214	22,824	20,597
Department of the Public Advocate	15,493	20,357	17,466
Department of State	1,234,145	1,344,252	1,229,820
Department of Transportation	1,297,862	1,297,051	1,335,604
Department of the Treasury	1,465,210	1,566,588	1,475,318
Miscellaneous Commissions	1,424	1,456	1,456
	<u>14,835,323</u>	<u>15,424,447</u>	<u>14,887,081</u>
Interdepartmental Accounts			
Inter-Departmental Services	674,202	757,517	673,428
Employee Benefits	2,357,412	2,500,993	2,537,345
Other Interdepartmental Accounts	56,346	14,143	4,175
Salary Increases and Other Benefits	10,488	13,900	91,793
	<u>3,098,448</u>	<u>3,286,553</u>	<u>3,306,741</u>
Judicial Branch			
The Judiciary	576,492	629,131	636,167
	<u>576,492</u>	<u>629,131</u>	<u>636,167</u>
Total General Fund	18,588,087	19,416,639	18,905,658
CASINO CONTROL FUND - DIRECT STATE SERVICES			
Department of Law and Public Safety	43,590	45,999	45,999
Department of the Treasury	29,473	29,440	29,440
Total Casino Control Fund - Direct State Services	73,063	75,439	75,439
CASINO REVENUE FUND			
Department of Health and Senior Services	259,630	260,679	259,819
Department of Human Services	162,972	112,844	130,457
Department of Labor and Workforce Development	2,440	2,440	2,440
Department of Law and Public Safety	6	92	92
Department of Transportation	34,930	36,928	33,018
Total Casino Revenue Fund	459,978	412,983	425,826

REVENUES & EXPENDITURES

SCHEDULE 3 EXPENDITURES BUDGETED (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
GUBERNATORIAL ELECTIONS FUND - GRANTS-IN-AID			
Department of Law and Public Safety	---	---	5,080
PROPERTY TAX RELIEF FUND			
Department of Community Affairs	976,751	1,120,572	964,378
Department of Education	9,411,057	10,014,012	10,528,816
Department of Environmental Protection	9,068	9,828	10,000
Department of the Treasury	1,299,088	2,569,866	2,053,406
<i>Total Property Tax Relief Fund</i>	<u>11,695,964</u>	<u>13,714,278</u>	<u>13,556,600</u>
GRAND TOTAL EXPENDITURES BUDGETED	30,817,092	33,619,339	32,968,603

REVENUES & EXPENDITURES

SCHEDULE 4 EXPENDITURES NOT BUDGETED (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
GENERAL FUNDS			
Dedicated Funds			
Chief Executive	623	900	900
Department of Agriculture	9,474	11,115	10,461
Department of Banking and Insurance	25,124	832	832
Department of Children and Families	57,868	58,013	57,544
Department of Community Affairs	164,435	116,557	117,360
Department of Corrections	27,680	24,706	25,014
Department of Education	12,145	14,138	15,365
Department of Environmental Protection	30,947	72,942	71,786
Department of Health and Senior Services	256,267	285,381	287,874
Department of Human Services	701,949	816,966	719,196
Department of Labor and Workforce Development	159,203	204,930	207,634
Department of Law and Public Safety	216,272	257,123	286,078
Department of Military and Veterans' Affairs	136	3,951	3,927
Department of Personnel	---	3,200	3,200
Department of the Public Advocate	317	1,533	558
Department of State	46,032	23,825	23,337
Department of Transportation	324,879	303,856	300,463
Department of the Treasury	1,139,688	1,204,903	1,218,715
Interdepartmental Accounts	61	3,500	3,500
The Judiciary	60,210	59,223	60,394
<i>Total Dedicated Funds</i>	<i>3,233,310</i>	<i>3,467,594</i>	<i>3,414,138</i>
Federal Funds			
Department of Agriculture	271,295	328,390	353,470
Department of Banking and Insurance	170	---	---
Department of Children and Families	346,493	385,559	376,545
Department of Community Affairs	337,651	321,860	317,556
Department of Corrections	9,044	10,281	9,088
Department of Education	832,047	796,823	846,099
Department of Environmental Protection	46,725	228,422	186,101
Department of Health and Senior Services	1,531,169	1,673,791	1,626,609
Department of Human Services	3,820,472	4,018,827	4,088,691
Department of Labor and Workforce Development	369,409	428,917	435,423
Department of Law and Public Safety	106,660	206,285	215,620
Department of Military and Veterans' Affairs	31,828	50,785	36,208
Department of Personnel	325	---	---
Department of the Public Advocate	994	1,650	1,650
Department of State	32,096	35,587	34,816
Department of Transportation	25,743	61,656	57,991
Department of the Treasury	3,815	5,416	5,420
Interdepartmental Accounts	197	---	---
The Judiciary	81,358	93,403	96,664
<i>Total Federal Funds</i>	<i>7,847,491</i>	<i>8,647,652</i>	<i>8,687,951</i>
Revolving Funds			
Legislature	7	---	---
Department of Community Affairs	12,104	11,229	11,150
Department of Corrections	32,334	31,085	30,515
Department of Education	2,424	2,269	2,269
Department of Environmental Protection	799	390	427
Department of Health and Senior Services	13,052	17,247	19,366
Department of Human Services	6,695	6,428	6,428
Department of Labor and Workforce Development	396	---	---
Department of Law and Public Safety	181	275	275
Department of State	534	200	465
Department of Transportation	397	---	---
Department of the Treasury	85,450	87,170	87,170
<i>Total Revolving Funds</i>	<i>154,373</i>	<i>156,293</i>	<i>158,065</i>
<i>Total Expenditures General Fund</i>	<i>11,235,174</i>	<i>12,271,539</i>	<i>12,260,154</i>
SPECIAL TRANSPORTATION TRUST FUND			
General	2,264,715	2,560,772	2,513,260
GRAND TOTAL EXPENDITURES NOT BUDGETED	13,499,889	14,832,311	14,773,414

REVENUES & EXPENDITURES

SUMMARY REVENUES, EXPENDITURES AND FUND BALANCES GENERAL STATE FUNDS (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Beginning Balances July 1			
<i>Undesignated Fund Balances</i>			
General Fund	1,216,710	1,410,354	951,118
Surplus Revenue Fund	559,798	484,565	481,398
Property Tax Relief Fund	2,613	690,723	--
Gubernatorial Elections Fund	--	553	1,253
Casino Control Fund	(1,645)	1,488	300
Casino Revenue Fund	1,002	1,000	--
Total Undesignated Fund Balances	1,778,478	2,588,683	1,434,069
<i>Designated Fund Balances</i>			
General Fund	1,278,956	1,473,118	1,473,118
Property Tax Relief Fund	7,489	5	5
Casino Control Fund	875	875	875
Casino Revenue Fund	25	25	25
Special Transportation Fund	--	--	--
Total Designated Fund Balances	1,287,345	1,474,023	1,474,023
Total Beginning Balances	3,065,823	4,062,706	2,908,092
Revenues			
<i>General Fund</i>			
State Revenues (Schedule I)	18,825,477	18,639,289	18,410,338
Other Revenues (Schedule II)	11,252,435	12,271,539	12,260,154
Property Tax Relief Fund (Schedule I)	12,376,516	12,845,593	13,556,600
Gubernatorial Elections Fund (Schedule I)	551	700	700
Casino Control Fund (Schedule I)	75,646	74,251	75,139
Casino Revenue Fund (Schedule I)	459,612	411,983	425,826
Special Transportation Fund (Schedule II)	2,346,413	2,560,772	2,513,260
Total Revenues	45,336,650	46,804,127	47,242,017
Other Adjustments			
<i>General Fund</i>			
Balances lapsed	--	285,090	--
From (To) Property Tax Relief Fund	(103,479)	29,857	--
From (To) Long Term Obligation and Capital Expenditure Reserve	--	--	(334,069)
From (To) Gubernatorial Elections Fund	--	--	(3,127)
From (To) Surplus Revenue	75,233	3,167	100
Budget vs GAAP adjustment	(15,500)	--	--
Miscellaneous	176,901	--	--
<i>Property Tax Relief Fund</i>			
From (To) General Fund	103,479	(29,857)	--
Balances lapsed	--	207,819	--
Budget vs GAAP adjustment	(95,921)	--	--
Miscellaneous	(7,484)	--	--
<i>Gubernatorial Elections Fund</i>			
From (To) General Fund	--	--	3,127
Budget vs GAAP adjustment	2	--	--
<i>Casino Control Fund</i>			
Budget vs GAAP adjustment	550	--	--
<i>Casino Revenue Fund</i>			
Budget vs GAAP adjustment	364	--	--
<i>Surplus Revenue Fund</i>			
From (To) General Fund	(75,233)	(3,167)	(100)
<i>Long Term Obligation and Capital Expenditure Reserve</i>			
From (To) General Fund	--	--	334,069
<i>Special Transportation Fund</i>			
Budget vs GAAP adjustment	(81,698)	--	--
Total Other Adjustments	(22,786)	492,909	--
Total Available	48,379,687	51,359,742	50,150,109

REVENUES & EXPENDITURES

SUMMARY REVENUES, EXPENDITURES AND FUND BALANCES GENERAL STATE FUNDS (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Expenditures			
<i>General Fund</i>			
Expenditures Budgeted (Schedule III)	18,588,087	19,416,639	18,905,658
Expenditures Not Budgeted (Schedule IV)	11,235,174	12,271,539	12,260,154
Property Tax Relief Fund (Schedule III)	11,695,964	13,714,278	13,556,600
Gubernatorial Elections Fund (Schedule III)	--	--	5,080
Casino Control Fund (Schedule III)	73,063	75,439	75,439
Casino Revenue Fund (Schedule III)	459,978	412,983	425,826
Special Transportation Fund (Schedule IV)	2,264,715	2,560,772	2,513,260
Total Expenditures	44,316,981	48,451,650	47,742,017
Ending Balances June 30			
<i>Undesignated Fund Balances</i>			
General Fund	1,410,354	951,118	118,702
Surplus Revenue Fund	484,565	481,398	481,298
Property Tax Relief Fund	690,723	--	--
Gubernatorial Elections Fund	553	1,253	--
Casino Control Fund	1,488	300	--
Casino Revenue Fund	1,000	--	--
Long Term Obligation and Capital Expenditure Reserve	--	--	334,069
Total Undesignated Fund Balances	2,588,683	1,434,069	934,069
<i>Designated Fund Balances</i>			
General Fund	1,473,118	1,473,118	1,473,118
Property Tax Relief Fund	5	5	5
Casino Control Fund	875	875	875
Casino Revenue Fund	25	25	25
Special Transportation Fund	--	--	--
Total Designated Fund Balances	1,474,023	1,474,023	1,474,023
Total Ending Balances	4,062,706	2,908,092	2,408,092

The FY 2009 Budget

(In Millions)

	FY 2008 Adjusted Approp	FY 2009 Budget	Change \$	%
Opening Surplus	\$ 2,588	\$ 1,434	\$ (1,154)	(44.6)
Revenues				
Income	12,212	12,926	714	5.8
EITC Expansion	(40)	(60)	(20)	50.0
Sales	8,490	8,710	220	2.6
Corporate	2,675	2,460	(215)	(8.0)
Other	8,635	8,433	(202)	(2.3)
Total Revenues	\$ 31,972	\$ 32,469	497	1.6
Lapses	493			
Total Resources	\$ 35,053	\$ 33,903	\$ (1,150)	(3.3)
Appropriations				
Original	\$ 33,471	\$ 32,969	(502)	(1.5)
Supplemental	148			
Total Appropriations	\$ 33,619	\$ 32,969	\$ (650)	(1.9)
Fund Balance	\$ 1,434	\$ 600		
Long Term Obligation and Capital Expenditure Fund		\$ 334		

FY 2008 Revenues

(In Millions)

	FY2007 CAFR	FY2008 Approp. Act Revenues	FY2008 Adjusted Revenues	Change to CAFR	
				\$	%
Income	\$ 11,727	\$ 12,379	\$ 12,172	\$ 445	3.8
Sales	8,181	8,480	8,490	309	3.8
Corporate	2,997	2,520	2,675	(322)	(10.7)
Other*	8,304	8,497	8,635	331	4.0
Total	\$ 31,209	\$ 31,876	\$ 31,972	\$ 763	2.4

* All Sales Tax and Corporation Business Taxes on Energy are included in Other.

FY 2009 Revenues

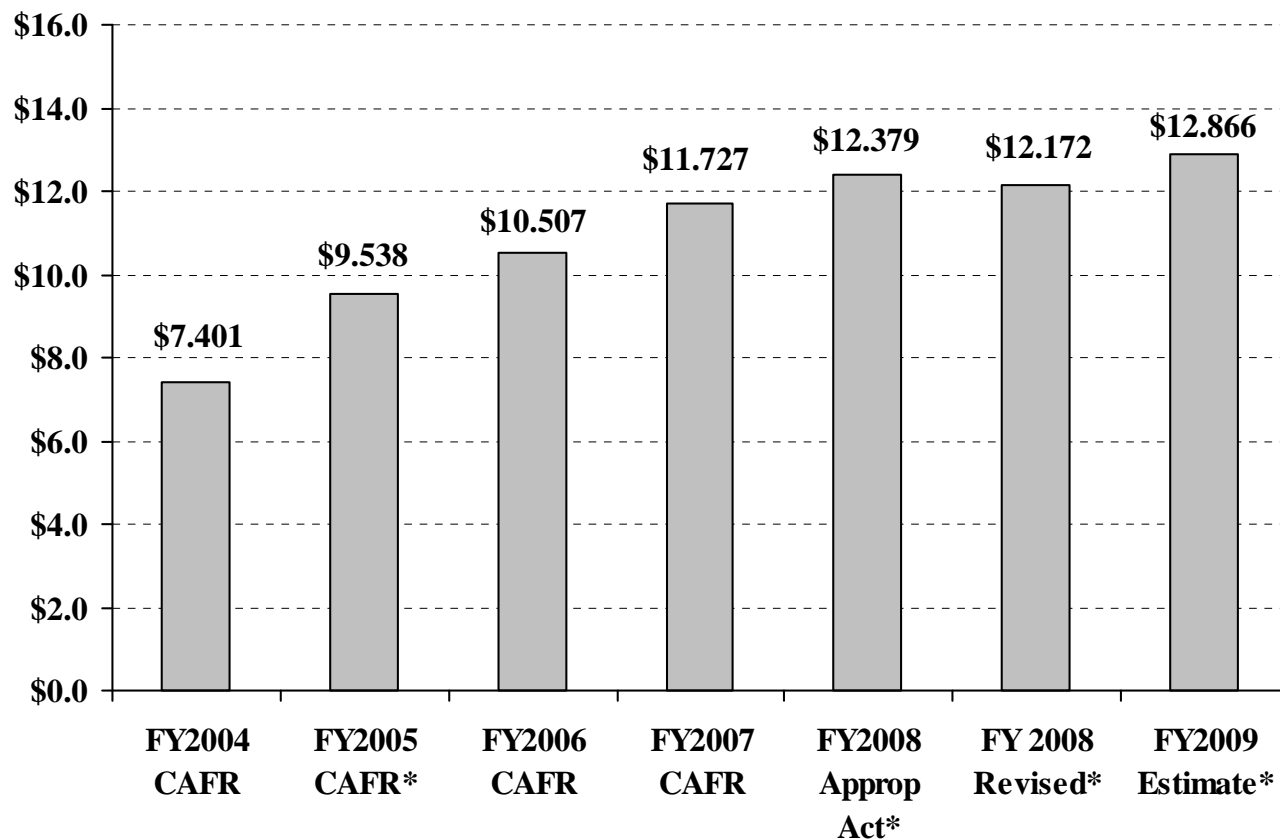
(In Millions)

	FY2008 Adjusted Revenues	FY2009 Budget	Change	
			\$	%
Income	\$ 12,172	\$ 12,866	\$ 694	5.7
Sales	8,490	8,710	220	2.6
Corporate	2,675	2,460	(215)	(8.0)
Other*	<u>8,635</u>	<u>8,433</u>	<u>(202)</u>	(2.3)
Total	<u>\$ 31,972</u>	<u>\$ 32,469</u>	<u>\$ 497</u>	1.6

* All Sales Tax and Corporation Business Taxes on Energy are included in Other.

GROSS INCOME TAX

(In Billions)



*These revenues include changes in tax policy.

FY 2005 – Tax rate increase on incomes of \$500,000 or greater

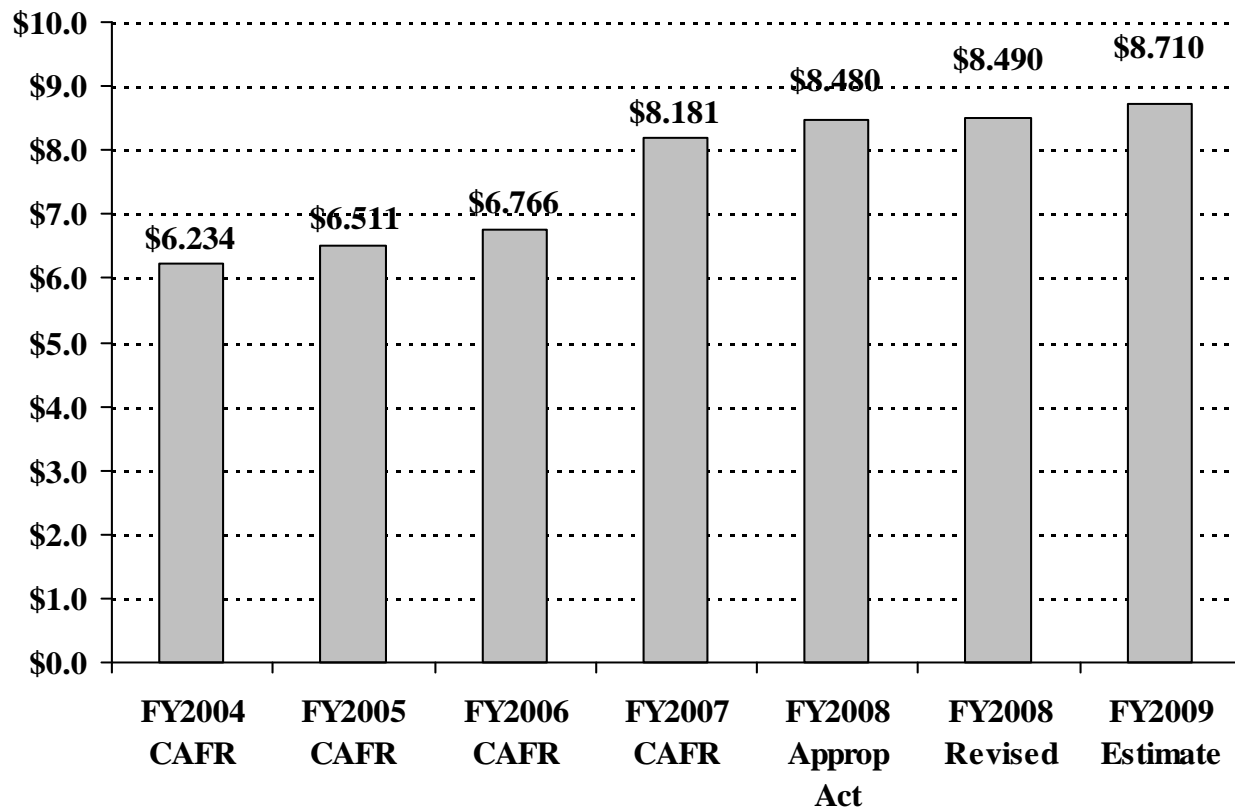
FY 2008 – EITC Expansion (AA - \$36 million; Revised - \$40 million)

FY 2009 – EITC Expansion (\$60 million)

CAFR – Comprehensive Annual Financial Report

SALES TAX

(In Billions)



FY2007 had a change in tax policy.

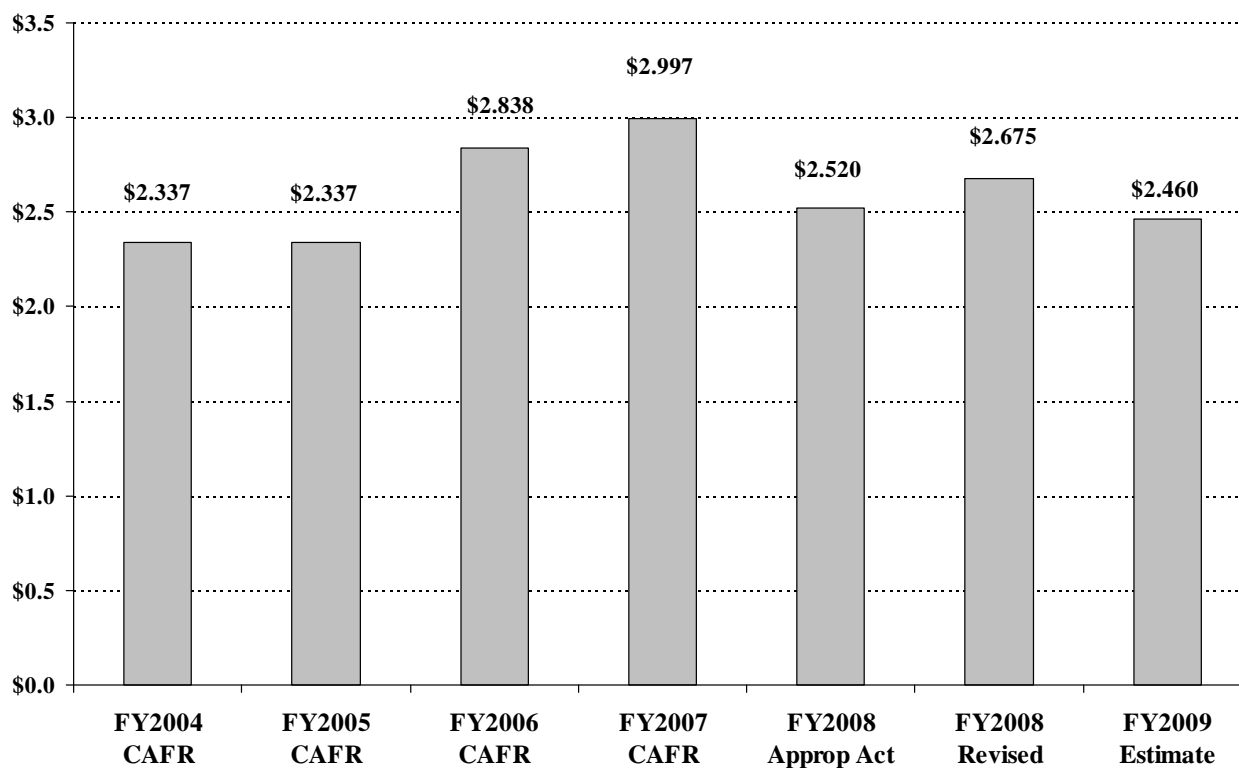
- increase in Sales Tax rate from 6% to 7%
- broadened Sales Tax base

Sales Tax excludes the tax on energy

CAFR – Comprehensive Annual Financial Report

CORPORATION BUSINESS TAX

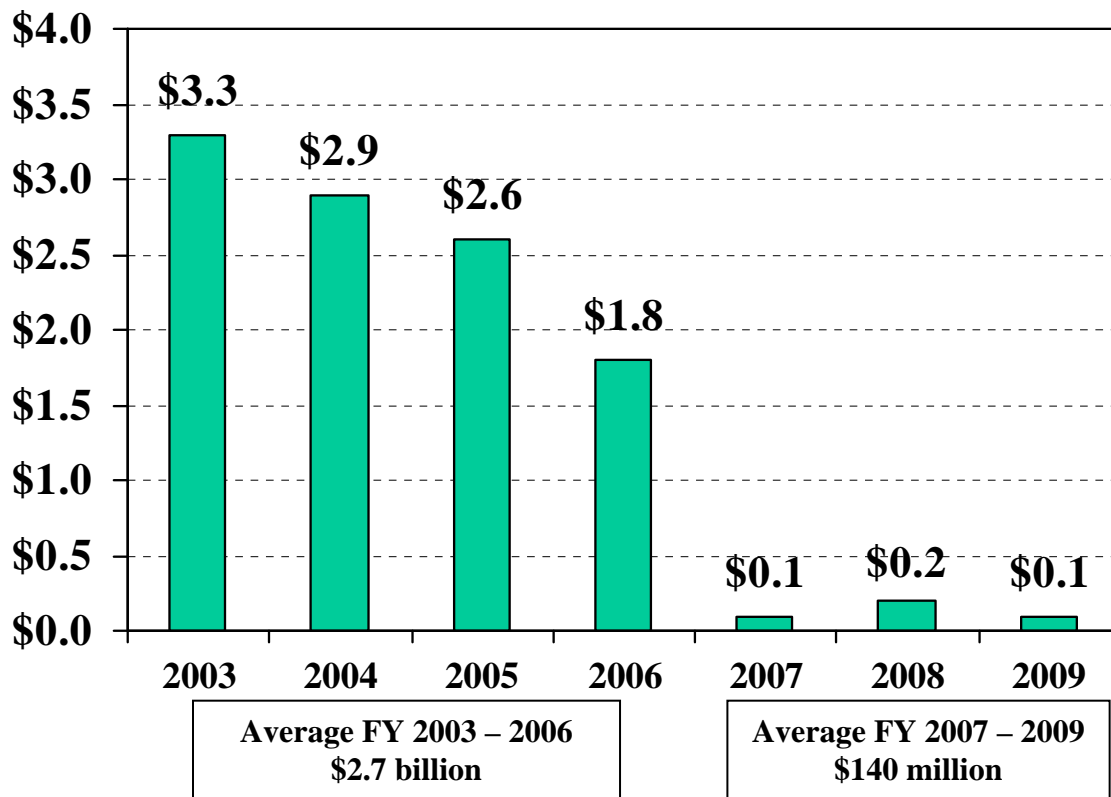
(In Billions)



Corporation Business Tax excludes the tax on energy
CAFR – Comprehensive Annual Financial Report

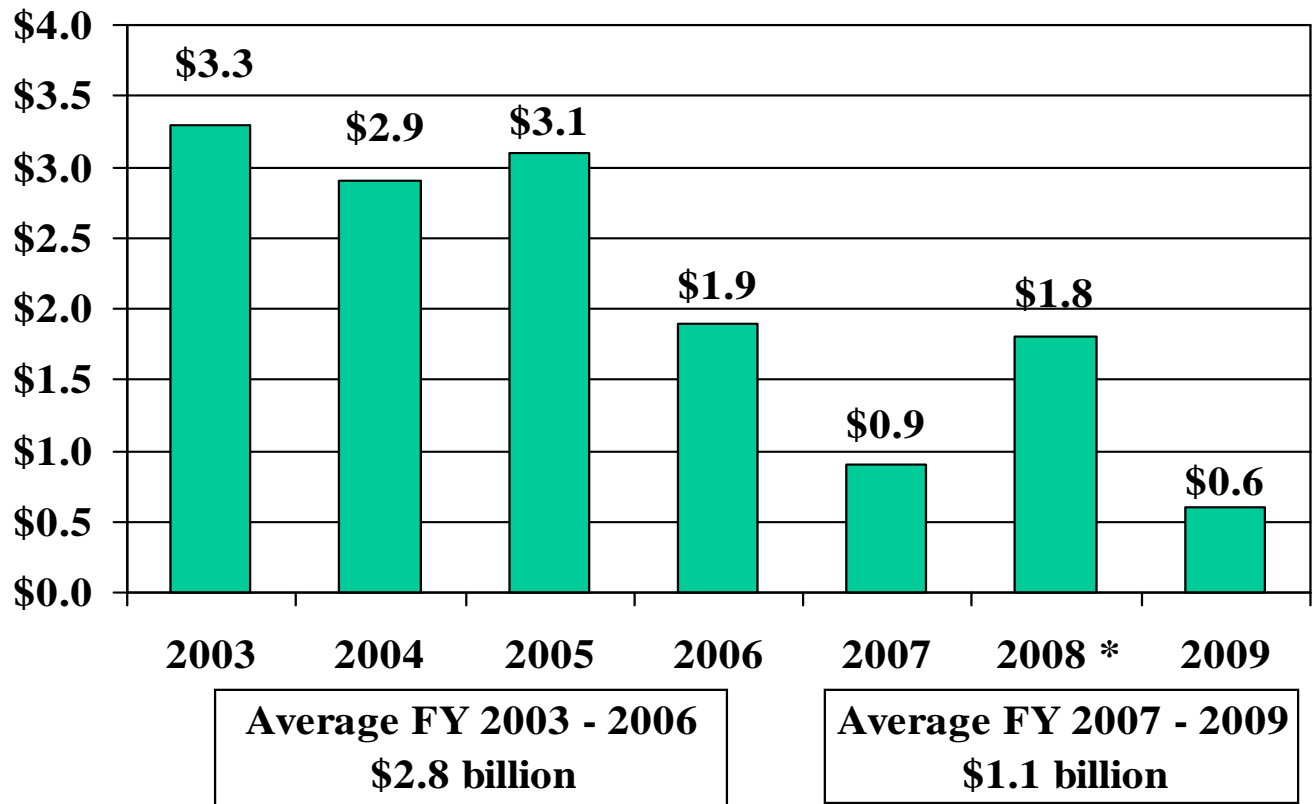
***Diversions from Dedicated Funds Down by 96%
Compared to FY 2003 – FY 2006***

(In Billions)



Diversions from Dedicated Funds and Prior Year Surpluses

(In Billions)



* Includes \$650 million of deferred Sales Tax revenue

REVENUES & EXPENDITURES

Diversions from Dedicated Funds Down by 96% *Compared to FY 2003 - FY 2006* (In Millions)

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	Gov Budget FY 2009
Tobacco Securitization	\$ 1,557	\$ 1,612	\$ -	\$ -	\$ -	\$ -	\$ -
New Revenue Securitization	-	-	1,930	-	-	-	-
Unemployment Insurance Fund	325	325	100	350	-	-	-
Millionaire's Tax - Retroactive Impact	-	-	156	-	-	-	-
Federal Stimulus	106	433	-	-	-	-	-
PAAD Waiver	147	148	-	-	-	-	-
CBT Accelerated Payments	651	-	-	-	-	-	-
Car Registration Acceleration	-	-	16	22	22	6	-
Unclaimed Property	100	-	-	-	-	-	-
State Disability Fund	-	30	110	-	50	75	-
Securities Enforcement Collections	-	10	2	-	-	-	-
Real Estate Guarantee	-	1	-	-	-	-	-
NJ Redevelopment Authority	-	9	-	-	-	-	-
Hotel Revenue State Share	-	25	-	-	-	-	-
Economic Development Authority	-	30	2	2	-	-	-
Toll Road Revenue TTF	22	22	-	-	-	-	-
Catastrophic Illness in Children Relief Fund	-	4	-	-	-	-	-
Drug Enforcement Demand Reduction	4	3	1	2	1	2	1
Educational Facilities Authority	-	-	2	-	-	-	-
Federal TANF Balances	70	86	18	-	-	-	-
VOI/TIS Federal Funds	12	13	-	-	-	-	-
Cash Management Fund	20	-	-	12	-	-	-
Free Public Schools	25	-	-	-	-	-	-
Meadowlands Commission	62	-	-	-	-	-	-
Sanitary Landfill Contingency	6	6	-	-	-	-	-
Second Injury Fund	20	-	-	5	-	-	-
Surplus Lines	43	-	-	-	-	-	-
UMDNJ Self Insurance Fund	77	-	-	-	-	-	-
UEZ Balances	37	-	-	-	-	-	-
Mutual Workers' Compensation Fund	-	-	5	-	-	-	-
Petroleum Surcharge Fund	-	-	-	5	-	-	-
PAAD / ADDP Rebate Receivable	-	-	-	56	-	-	-
PAAD Medicare D Administration	-	-	-	5	-	-	-
Bond Refinancing	-	-	-	150	-	-	-
Benefit Enhancement Fund / Pensions	-	126	265	385	-	-	-
Asset Sales	-	-	-	200	-	-	-
Family Care **	-	-	-	-	-	-	55
Tobacco Settlement Fund	-	-	-	10	13	-	-
New Home Warranty Security Fund	-	-	-	20	-	-	-
Phase-out of Casino Comps	-	-	-	43	-	-	-
Public Records Preservation Fund	-	-	-	5	-	10	-
G.O. / Bldg. Authority Refinance Savings	-	-	-	266	-	-	-
Health Benefits / Rx Fund Balance	-	-	-	60	-	-	-
Health Care Subsidy Fund	-	-	-	-	-	12	6
Passaic River Litigation - Spill Fund	-	-	-	-	-	-	6
Higher Education Capital Improvement Fund	-	-	-	-	-	-	1
Market Transition Facility	-	-	-	-	-	11	-
Supplemental Workforce Fund	-	-	-	-	-	6	-
Cigarette Tax Revenue (Non-Pledged)	-	-	-	-	-	42	-
Cigarette and MVC Revenues	-	-	-	243	-	-	-
Tobacco Settlement Debt Restructuring	-	-	-	-	-	56	-
Fund Shifts (various)	-	-	-	-	44	-	-
Total, Dedicated fund Diversions	\$ 3,284	\$ 2,883	\$ 2,607	\$ 1,841	\$ 130	\$ 220	\$ 69
General Fund Surplus *	15	-	463	44	794	1,597	500
Grand Total ***	\$ 3,299	\$ 2,883	\$ 3,070	\$ 1,885	\$ 924	\$ 1,817	\$ 569

Comparing Approp Act to Approp Act

* Of the FY 2007 amount, \$650 million was related to Sales Tax Revenue deferred for Property Tax Relief purposes.

** FY 2008 Budget assumed federal funding shortfall which did not materialize.

*** Certain actions reflected on past versions of this chart were removed if the diversion was maintained for at least three years and is expected to continue.

Department and Branch Recommendations

This section of the Budget includes appropriations, expenditures, and programmatic evaluation data for the Legislature, State Departments and the Judiciary. A single unified presentation provides a comprehensive view of all of a department's operations across all fund categories (Direct State Services, Grants-In-Aid, State Aid and Capital Construction) and funds (General Fund and Dedicated Funds). The four major dedicated funds included are Property Tax Relief Fund, Casino Control Fund, Casino Revenue Fund and the Gubernatorial Election Fund.

Direct State Services support the operation of State programs. Grants-In-Aid represent funds, which are allocated to various public, and private, non-profit agencies for State supported services. State Aid comprises recommendations for payments by the State to or on behalf of a local unit of government, including school districts, municipalities and counties. Capital Construction includes funds for various equipment, renovation and construction of facilities, and infrastructure projects such as roads, bridges, and wastewater treatment systems.

- Departmental presentations in alphabetical order. Within departments activities are grouped by Statewide Programs;
- Departmental overview with total Direct State Services funding recommendations by program and spending object;
- Objectives for each program;
- Purpose of department divisions and programs;
- Evaluation data detailing measures of performance, effectiveness and efficiency;
- Three-year comparison of prior year expenditures, current year appropriations & Governor Jon S. Corzine's major budget recommendations for each program.
- Organization charts for each of the Executive Branch Departments and Judicial Branch of Government.



LEGISLATURE OVERVIEW

Mission and Goals

The Legislature is the State's highest lawmaking body. It is one of the three separate and independent branches of government that make up the checks and balances system created by the New Jersey Constitution, and is empowered to appropriate funds for the operation of State government. The 40 members of the Senate are elected for a term of four years. The 80 members of the Assembly are elected for a term of two years. The Office of Legislative Services, a nonpartisan agency that provides legislators with economic and budget analyses required for making legislative decisions, is also a part of the legislative branch. Legislative commissions assist in the legislative process by providing in-depth studies, holding public hearings, and making recommendations on select issues as they arise.

Budget Highlights

The Fiscal 2009 Budget recommendation for the Legislature is \$75.7 million. It provides \$12 million to the Senate and \$18.4 million to the Assembly. The recommendation also provides \$30 million to the Office of Legislative Services and \$15.3 million to the various legislative commissions.

The proposed Budget recommends line-item appropriations to seven legislative commissions:

The Intergovernmental Relations Commission provides funding which permits the State of New Jersey to participate as a member of national and regional organizations.

The Joint Committee on Public Schools provides an ongoing study of the system of free public schools--its financing, administration, and operations.

The Commission on Business Efficiency of the Public Schools

recommends improvements that will result in greater efficiency in the operation of public schools.

The State Commission of Investigation probes organized crime and improprieties in the conduct of publicly-funded programs. The Commission has repeatedly demonstrated its ability to uncover and document waste, fraud, and abuse at all levels of government via investigations that have recouped millions of dollars in tax revenues.

The objective of the Law Revision Commission is to simplify, clarify, and modernize New Jersey statutes. It conducts an ongoing review of the statutes in order to identify areas that require revision and considers suggestions and recommendations from the American Law Institute, the National Conference of Commissioners on Uniform State Laws, and other learned bodies as well as from judges, public officials, bar associations, members of the bar, and the general public. The Commission recommends the correction of inconsistent, obsolete and redundant statutes, and comprehensive modifications of select areas of the law.

The State Capitol Joint Management Commission ensures the artistic, historical, and architectural integrity of any restoration or preservation project at the State House, the State House Annex, and adjacent environs, and also manages the Capitol Complex, including security and janitorial services.

The Clean Ocean and Shore Trust Committee studies strategies to enhance coastal tourism and to preserve, maintain, and restore the natural and scenic resources and the environmental integrity of the Hudson-Raritan estuary and the New York/New Jersey Bight area. The coasts of New York and New Jersey, along with a strong ocean current, create a triangular mini-sea wedge within the ocean, which is officially known as the New York/New Jersey Bight.

LEGISLATURE

SUMMARY OF APPROPRIATIONS BY FUND (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND							
73,893	17,999	1,187	93,079	77,707	76,508	75,669	75,669
---	288	---	288	117	---	---	---
73,893	18,287	1,187	93,367	77,824	76,508	75,669	75,669
73,893	18,287	1,187	93,367	77,824	76,508	75,669	75,669
Total Appropriation, Legislature					76,508	75,669	75,669

SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES - GENERAL FUND							
Legislative Activities							
11,681	4,485	178	16,344	11,565	11,959	11,959	11,959
18,096	2,921	178	21,195	18,779	18,402	18,402	18,402
28,883	2,244	1,331	32,458	30,844	30,797	29,958	29,958
58,660	9,650	1,687	69,997	61,188	61,158	60,319	60,319
Subtotal					61,158	60,319	60,319

LEGISLATURE

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
15,233	8,349	-500	23,082	16,519	Legislative Commissions and Committees		
					Legislative Commission		
15,233	8,349	-500	23,082	16,519	15,350	15,350	15,350
					<i>Subtotal</i>		
					15,350	15,350	15,350
73,893	17,999	1,187	93,079	77,707	Total Direct State Services - General Fund		
					76,508	75,669	75,669
73,893	17,999	1,187	93,079	77,707	TOTAL DIRECT STATE SERVICES		
					76,508	75,669	75,669
CAPITAL CONSTRUCTION							
Legislative Activities							
---	288	---	288	117	Legislative Support Services		
---	288	---	288	117	---	---	---
					<i>Subtotal</i>		
					---	---	---
---	288	---	288	117	TOTAL CAPITAL CONSTRUCTION		
					---	---	---
73,893	18,287	1,187	93,367	77,824	Total Appropriation, Legislature		
					76,508	75,669	75,669

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

71. LEGISLATIVE ACTIVITIES

0001. SENATE

Under the Constitution, as amended in 1966, certified by the Apportionment Commission and modified by the Supreme Court, the legislative power is vested in a Senate of 40 members and a General Assembly of 80 members with one Senator and two members of the General Assembly being elected from each of 40 legislative districts, apportioned according to population based on the latest decennial census. All members of the Senate and General Assembly were elected in November 2007. Senators are elected

for a term of four years and members of the General Assembly for a term of two years.

The compensation of members of the Legislature is \$49,000 per year (C52:10A-1). The President of the Senate and the Speaker of the General Assembly, by virtue of their offices, receive an additional allowance equal to one-third of their compensation.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	42	46	45	---
Total Positions	42	46	45	---
Filled Positions by Program Class				
Senate	42	46	45	---
Total Positions	42	46	45	---

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. Not included are the 40 Senators and part-time positions. The funded position count for fiscal year 2009 will be determined by the Legislature.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
11,681	4,485	178	16,344	11,565	Senate	01	11,959	11,959
11,681	4,485	178	16,344	11,565	Total Direct State Services		11,959 ^(a)	11,959
Distribution by Fund and Object								
Personal Services:								
---	---	---	---	1,975	Senators (40)		1,990	1,990
10,961	1,883	178	13,022	4,424	Salaries and Wages		4,849	4,849
---	---	---	---	4,564	Members' Staff Services		4,400	4,400
10,961	1,883	178	13,022	10,963	Total Personal Services		11,239	11,239
135	571	---	706	47	Materials and Supplies		135	135
486	1,298	---	1,784	552	Services Other Than Personal		486	486
72	624	---	696	2	Maintenance and Fixed Charges		72	72
27	109	---	136	1	Additions, Improvements and Equipment		27	27
11,681	4,485	178	16,344	11,565	Grand Total State Appropriation		11,959	11,959

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

The unexpended balance at the end of the preceding fiscal year in this account is appropriated.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL
71. LEGISLATIVE ACTIVITIES
0002. GENERAL ASSEMBLY

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	61	62	60	---
Total Positions	61	62	60	---
Filled Positions by Program Class				
General Assembly	61	62	60	---
Total Positions	61	62	60	---

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. Not included are the 80 State Assemblypersons and part-time positions. The funded position count for fiscal year 2009 will be determined by the Legislature.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
18,096	2,921	178	21,195	18,779	General Assembly	02	18,402	18,402
18,096	2,921	178	21,195	18,779	Total Direct State Services		18,402 ^(a)	18,402

LEGISLATURE

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Object								
---	---	---	---	3,932	Personal Services:			
17,318	455	278	18,051	5,563	Assemblypersons (80)			
---	---	---	---	8,483	Salaries and Wages			
17,318	455	278	18,051	17,978	Members' Staff Services			
108	149	---	257	153	<i>Total Personal Services</i>			
576	1,838	-100	2,314	592	Materials and Supplies			
90	183	---	273	56	Services Other Than Personal			
---	100	---	100	---	Maintenance and Fixed Charges			
4	196	---	200	---	Special Purpose:			
18,096	2,921	178	21,195	18,779	Transition Expense			
					02	---	---	---
					Additions, Improvements and Equipment			
					<i>Grand Total State Appropriation</i>			

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

The unexpended balance at the end of the preceding fiscal year in this account is appropriated.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

71. LEGISLATIVE ACTIVITIES

0003. OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services was established under the provisions of the Legislative Services Law, P.L. 1979, c.8 and amended by P.L. 1985, c.162 (C52:11-54 et seq.), which merged the former Office of Fiscal Affairs and the Legislative Services Agency. The Office is under the Legislative Services Commission

and provides nonpartisan staff services for the Legislature through an Executive Director, an Administrative Unit and Divisions of Legal Services, State Auditing, Information and Research, and Budget and Finance.

OBJECTIVES

1. To provide legal, fiscal, research and information services to the members and officers of the Legislature and its committees and commissions.
2. To provide administrative services on behalf of the Legislature in the areas of purchasing, data processing, facilities, public educational programs and legislative district offices.
3. To provide continuous revision of the general and permanent statute law of the State; to prepare and submit to the Legislature for its action, legislative bills designed to revise such portions of the general and permanent statute law as in the judgment of the commission may be necessary to remedy defects therein, to accomplish improvement thereof and to maintain the same in revised, consolidated and simplified form under the general plan and classification of the Revised Statutes.
4. To study the methods, practices and procedures employed by the Legislature and make such recommendations for their improvement and modernization as the commission shall deem desirable.

PROGRAM CLASSIFICATIONS

03. **Legislative Support Services.** This function encompasses the following: Office of the Executive Director, Office of the Legislative Counsel, Central Management Unit, Office of the

State Auditor, Office of the Legislative Budget and Finance Officer, Data Management Unit and the Administrative Unit.

Office of the Executive Director--Supervises and directs the office; conducts the district office leasing program and the related district office program for the Legislature.

Office of the Legislative Counsel--Acts as counsel to the Legislature; furnishes the Legislature with legal opinions as to the subject matter and legal effect of statutes and statutory proposals and parliamentary law and legislative procedure; provides standards for the examination and editing of all proposed bills and resolutions for compliance with prescribed form; conducts a continuous examination of statutory law and court decisions for the purpose of preparing legislation to correct defects and to revise and modernize the statutory law; assigns compilation numbers to newly enacted laws.

Central Management Unit--Provides staff for legislative standing reference committees and such other committees and commissions as directed; prepares informational memoranda and reports on legislative matters, drafts of bills, resolutions and bill amendments.

Office of Public Information--Operates a public information service; records proceedings of hearings; prepares and distributes various legislative documents.

Office of the State Auditor--Performs a comprehensive financial post-audit of the State and all of its agencies. The division examines and audits accounts, reports and statements and, in addition, makes independent verification of all assets

and liabilities, revenues and expenditures, policies and programs. The division makes, or causes to be made, studies and reports with respect to economy, internal management control and compliance with laws and regulations of the operation of State or State-supported agencies.

Office of the Legislative Budget and Finance Officer--Collects and assembles information with reference to the fiscal affairs of the State, examines all requests for appropriations and claims against the State; provides the Legislature with

expenditure information and performance analyses of programs and transactions; examines and processes fiscal notes.

Data Management Unit--Supervises the operation, maintenance and security of the legislative computer system.

Administrative Unit--Handles personnel, budgeting, accounting, purchasing, space acquisition and assignment and other centralized services for the Office of Legislative Services as well as the administration of legislative printing.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	347	358	352	---
Total Positions	347	358	352	---
Filled Positions by Program Class				
Legislative Support Services	347	358	352	---
Total Positions	347	358	352	---

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The funded position count for fiscal year 2009 will be determined by the Legislature.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES									
Distribution by Fund and Program									
28,883	2,244	1,331	32,458	30,844	Legislative Support Services	03	30,797	29,958	29,958
28,883	2,244	1,331	32,458	30,844	Total Direct State Services		30,797 (a)	29,958	29,958
Distribution by Fund and Object									
Personal Services:									
21,184	84	2,131	23,399	23,334	Salaries and Wages		22,701	22,701	22,701
21,184	84	2,131	23,399	23,334	Total Personal Services		22,701	22,701	22,701
1,065	232	-300	997	662	Materials and Supplies		1,065	1,065	1,065
2,527	907	-900	2,534	2,006	Services Other Than Personal		2,527	2,527	2,527
3,181	141	600	3,922	3,796	Maintenance and Fixed Charges		3,181	3,181	3,181
Special Purpose:									
30	---	---	30	30	State House Express Civics Education Program	03	30	30	30
29	---	---	29	29	Affirmative Action and Equal Employment Opportunity	03	29	29	29
---	661	---	661	196	Continuation and Expansion of Data Processing Systems	03	---	---	---
---	17	---	17	---	Statute Challenges Fund	03	---	---	---
100	---	---	100	100	Senator Wynona Lipman Chair in Women's Political Leadership at the Eagleton Institute	03	100	100	100
69	---	---	69	69	Henry J. Raimondo New Jersey Legislative Fellows Program	03	69	69	69
256					Additions, Improvements and Equipment		256		
442 S	202	-200	700	622			839 S	256	256

LEGISLATURE

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
CAPITAL CONSTRUCTION								
Distribution by Fund and Program								
---	288	---	288	117	Legislative Support Services	03	---	---
---	288	---	288	117	Total Capital Construction		---	---
Distribution by Fund and Object								
Office of Legislative Services								
---	288	---	288	117	Space Planning, Restore and Renovate Historical State House & Annex	03	---	---
<u>28,883</u>	<u>2,532</u>	<u>1,331</u>	<u>32,746</u>	<u>30,961</u>	Grand Total State Appropriation		<u>29,958</u>	<u>29,958</u>

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

Such sums as may be required for the cost of information system audits performed by the State Auditor are funded from the departmental data processing accounts of the department in which the audits are performed.

Such sums as are required, as determined by the Technology Executive Group of the Legislative Information Systems Committee of the Legislative Services Commission, for the continuation and expansion of existing and emerging computer and information technologies for the Legislature including but not limited to interactive video conferencing, telecommunication capabilities, electronic copying and facsimile transmissions, training and such other technologies in order to sustain a coordinated and comprehensive legislative technology infrastructure that the Legislature deems necessary are appropriated. No amounts so determined shall be obligated, expended or otherwise made available without the written prior authorization of the Senate President and the Speaker of the General Assembly.

Such sums as are required for Master Lease payments are appropriated, subject to the approval of the Director of the Division of Budget and Accounting and the Legislative Budget and Finance Officer.

Receipts derived from fees and charges for public access to legislative information systems and the unexpended balance at the end of the preceding fiscal year of such receipts are appropriated and shall be credited to a non-lapsing revolving fund established in and administered by the Office of Legislative Services for the purpose of continuing to modernize, maintain, and expand the dissemination and availability of legislative information.

The unexpended balance at the end of the preceding fiscal year in this account is appropriated.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

77. LEGISLATIVE COMMISSIONS AND COMMITTEES

The functions of the Intergovernmental Relations Commission (C52:9B-1 et seq.) are to participate as a member of regional and national commissions; to confer with officials of other states and the federal government; to formulate proposals for cooperation between this State and other states and with the federal government and to maintain liaison with inter-governmental agencies.

The functions of the Joint Committee on Public Schools Commission (C52:9B-1 et seq.) are to participate as a member of regional and national commissions; to confer with officials of other states and the federal government; to formulate proposals for cooperation between this State and other states and with the federal government and to maintain liaison with inter-governmental agencies.

The State Commission of Investigation (C52:9M-1) conducts investigations in connection with the effective enforcement of the laws of the State, with a particular focus on organized crime and racketeering, the conduct of public officers and public employees, and of officers and employees of public corporations and authorities. The Commission, in addition, performs investigations at the direction of the Legislature or the Governor and recommends legislative or regulatory changes.

The Commission on Business Efficiency in the Public Schools (P.L. 1979, c.69) was established to develop and implement a five-year plan to monitor the recommendations of the task force on business efficiency and to recommend to the Legislature such statutory changes as may become necessary to facilitate improvements in the business efficiency of the public schools.

The functions of the Apportionment Commission, pursuant to Article IV, Section III of the New Jersey State Constitution, are to establish Senate and Assembly districts and apportion the senators and members of the General Assembly among them within one month of receipt by the Governor of the official decennial census of the United States for New Jersey.

The New Jersey Law Revision Commission (created by P.L. 1985, c.498) was established to promote and encourage the clarification and simplification of the laws of New Jersey. The Commission continually examines general and permanent statutory law and related judicial decisions to identify defects and anachronisms.

The function of the New Jersey Redistricting Commission is to formulate Congressional districts in New Jersey for the election of members to the United States House of Representatives. The districts remain unaltered through the next year ending in zero in

which a federal census for New Jersey is taken, unless the districts are ruled invalid by New Jersey or United States courts.

The State Capitol Joint Management Commission was created by P.L. 1992, c.67 for the purpose of maintaining, monitoring, and preserving the architectural, historical, cultural and artistic integrity of any completed project whose purpose is to restore, preserve or improve the capitol complex. The complex consists of the State House, the State House Annex and the adjacent environs. The eight-member commission is equally balanced with four members from the executive branch of State government and four members

from the legislative branch.

The Clean Ocean and Shore Trust Commission was created by P.L. 1993, c.57 for the purpose of creating an 18 member bi-state committee, to be known as the Clean Ocean and Shore Trust (COAST) Committee. The committee studies strategies to preserve, protect, maintain, and restore the natural and scenic resources and the environmental integrity of the Hudson--Raritan estuary and the New York/New Jersey Bight area and to enhance coastal tourism.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	50	56	56	---
Total Positions	50	56	56	---
Filled Positions by Program Class				
Legislative Commission	50	56	56	---
Total Positions	50	56	56	---

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The funded position count for fiscal year 2009 will be determined by the Legislature.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Organization								
400	189	-175	414	330		400	400	400
335	1,082	-325	1,092	143		335	335	335
4,922	3,544	---	8,466	5,115		5,039(a)	5,039	5,039
110	38	---	148	104		110	110	110
321	288	---	609	306		321	321	321
9,001	3,094	---	12,095	10,446		9,001	9,001	9,001
144	114	---	258	75		144	144	144
Distribution by Fund and Program								
15,233	8,349	-500	23,082	16,519	09	15,350	15,350	15,350
15,233	8,349	-500	23,082	16,519		15,350	15,350	15,350
Distribution by Fund and Object								
Intergovernmental Relations Commission								
---	174	-150	24	---	09	---	---	---
155	5	-10	150	129	09	155	155	155
184	5	-15	174	153	09	184	184	184

LEGISLATURE

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
36	5	---	41	28	Eastern Trade Council - The Council of State Governments	09	36	36
25	---	---	25	20	Northeast States Association for Agriculture Stewardship--The Council of State Governments	09	25	25
Joint Committee on Public Schools								
335	1,082	-325	1,092	143	Expenses of Commission	09	335	335
State Commission of Investigation								
4,922	3,544	---	8,466	5,115	Expenses of Commission	09	5,039(a)	5,039
Commission on Business Efficiency In the Public Schools								
110	38	---	148	104	Expenses of Commission	09	110	110
New Jersey Law Revision Commission								
321	288	---	609	306	Expenses of Commission	09	321	321
State Capitol Joint Management Commission								
9,001	3,094	---	12,095	10,446	Expenses of Commission	09	9,001	9,001
Clean Ocean and Shore Trust Committee								
144	114	---	258	75	Expenses of Commission	09	144	144
<u>15,233</u>	<u>8,349</u>	<u>-500</u>	<u>23,082</u>	<u>16,519</u>	Grand Total State Appropriation		<u>15,350</u>	<u>15,350</u>

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

The unexpended balances at the end of the preceding fiscal year in these accounts are appropriated. From the unexpended balance at the end of the preceding fiscal year in the Clean Ocean and Shore Trust Committee account, \$54,000 is transferred to the Council of State Governments account and \$26,000 is transferred to the National Conference of State Legislatures account.

Receipts from the rental of the Cafeteria and the Welcome Center and any other facility under the jurisdiction of the State Capitol Joint Management Commission are appropriated to defray custodial, security, maintenance and other related costs of these facilities.

CHIEF EXECUTIVE
OVERVIEW

Mission and Goals

In the State of New Jersey, the Office of the Chief Executive, also referred to as the Governor's Office, includes the Governor along with staff responsible for the execution of the Governor's constitutional powers and duties.

The Governor is the State's chief executive officer. The Governor's Office directs and coordinates the activities of the various State departments. These duties include the implementation of new laws and activities, as well as ongoing responsibilities associated with

existing laws and other essential aspects of governing. The Office reviews and formulates proposals of law that are ultimately submitted to the State Legislature. It develops public policy affecting the citizens of New Jersey, and implements the State's fiscal plan, once it is adopted.

The Fiscal 2009 Budget for the Office of the Chief Executive totals \$5.3 million, a decrease of \$135,000, or 2.5% less than the fiscal 2008 adjusted appropriation of \$5.4 million.

CHIEF EXECUTIVE
SUMMARY OF APPROPRIATIONS BY FUND
(thousands of dollars)

Year Ending June 30, 2007					2008 Adjusted Approp.	Year Ending June 30, 2009	
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Requested	Recom- mended
GENERAL FUND							
4,924	1,620	---	6,544	5,275			
					Direct State Services	5,428	5,293
4,924	1,620	---	6,544	5,275	Total General Fund	5,428	5,293
4,924	1,620	---	6,544	5,275	Total Appropriation, Chief Executive	5,428	5,293

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Year Ending June 30, 2007					2008 Adjusted Approp.	Year Ending June 30, 2009	
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Requested	Recom- mended
DIRECT STATE SERVICES - GENERAL FUND							
					Management and Administration		
4,924	1,620	---	6,544	5,275	Executive Management	5,428	5,293
4,924	1,620	---	6,544	5,275	Subtotal	5,428	5,293
4,924	1,620	---	6,544	5,275	Total Direct State Services - General Fund	5,428	5,293
4,924	1,620	---	6,544	5,275	TOTAL DIRECT STATE SERVICES	5,428	5,293
4,924	1,620	---	6,544	5,275	Total Appropriation, Chief Executive	5,428	5,293

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL
76. MANAGEMENT AND ADMINISTRATION

OBJECTIVES

- To administer affairs of the State so that public needs are met and maximum benefit is effected from available public resources.
- To assure that the laws of the State are faithfully executed.
- To serve as Commander-In-Chief of all military and naval forces of the State.
- To make appointments and fill vacancies in accordance with legal requirements.
- To approve or disapprove legislation.
- To grant pardons and reprieves in all cases other than impeachment and treason.
- To supervise each department and agency of the State.
- To represent the State in relations with other governments and the public.

CHIEF EXECUTIVE

PROGRAM CLASSIFICATIONS

01. **Executive Management.** In accordance with provisions of the State Constitution, the Governor is elected by the legally qualified voters of New Jersey and is the principal executive and administrative officer of the State. The Governor administers the affairs of the State so that public needs are met and maximum benefit is attained. The Governor appoints executive and judicial officers pursuant to law, supervises the

administration of the executive branch, presides at regularly scheduled cabinet meetings with department heads, executes the laws, serves as Commander-In-Chief of the military and naval forces of the State, grants pardons and reprieves, convenes the Legislature, communicates to the Legislature concerning the condition of the State and recommends measures, submits the annual State budget to the Legislature, and approves or vetoes legislation either conditionally or absolutely.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	93	89	84	84
Total Positions	93	89	84	84
Filled Positions by Program Class				
Executive Management	93	89	84	84
Total Positions	93	89	84	84

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Organization								
4,924	1,620	---	6,544	5,275		5,428	5,293	5,293
Distribution by Fund and Program								
4,924	1,620	---	6,544	5,275	01	5,428	5,293	5,293
4,924	1,620	---	6,544	5,275		5,428 ^(a)	5,293	5,293
Distribution by Fund and Object								
Personal Services:								
3,996	1,242	-296	4,942	4,072		4,500	4,365	4,365
3,996	1,242	-296	4,942	4,072		4,500	4,365	4,365
Chief Executive's Office								
158	3	22	183	171	01	158	158	158
37	247	-36	248	46				
					01	37	37	37
108	3	6	117	116				
					01	108	108	108
42	3	8	53	50				
					01	42	42	42
10	5	1	16	14				
					01	10	10	10
95	---	---	95	40				
					01	95	95	95

CHIEF EXECUTIVE

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
89	11	10	110	103		89	89	89
284	76	220	580	520		284	284	284
85	12	---	97	52				
						85	85	85
20	18	65	103	91		20	20	20
4,924	1,620	---	6,544	5,275	Grand Total State Appropriation	5,428	5,293	5,293
OTHER RELATED APPROPRIATIONS								
All Other Funds								
---	945 654 ^R	---	1,599	623	Executive Management	01 900	900	900
---	1,599	---	1,599	623	Total All Other Funds	900	900	900
4,924	3,219	---	8,143	5,898	GRAND TOTAL ALL FUNDS	6,328	6,193	6,193

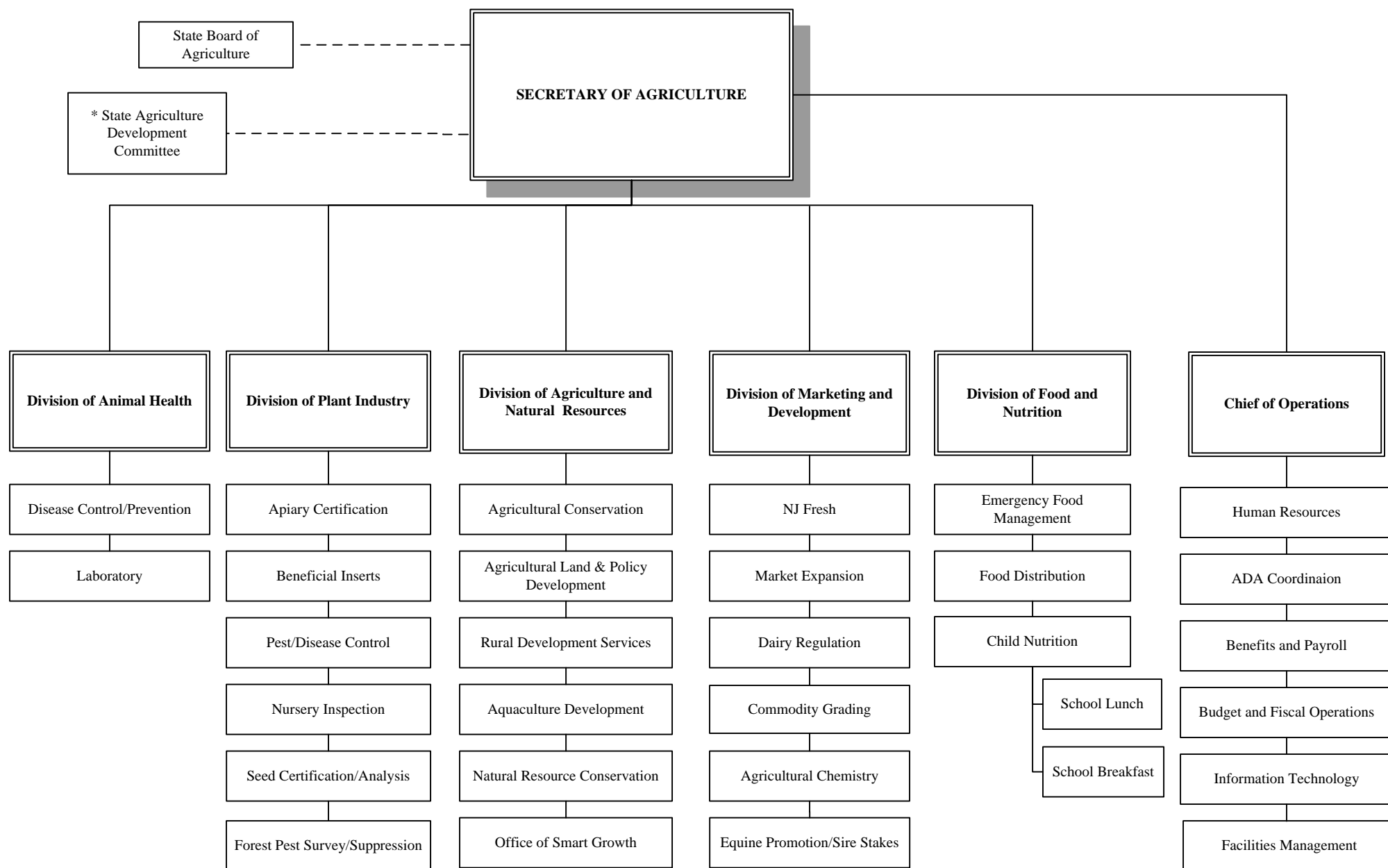
Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

The unexpended balance at the end of the preceding fiscal year in this account is appropriated.

AGRICULTURE**



*** In but not of the Department of Agriculture**

**** In fiscal 09, the functions of the Department of Agriculture are recommended for consolidation into other existing State agencies.**

DEPARTMENT OF AGRICULTURE OVERVIEW

Mission and Goals

The mission of the Department of Agriculture is to promote and provide high-quality, nutritious, abundant, safe, and affordable food and other agricultural products; improve the economic viability of the agricultural industry; foster opportunities for farm profitability; preserve and protect agricultural and natural resources; and provide leadership and excellence in services to New Jersey agriculture and to the general public.

The Department's goals are to preserve farms; protect producers and consumers by ensuring safe, high-quality agricultural products and services; support and expand profitable, innovative agricultural and food industry development; protect and conserve natural and agricultural resources; provide access to fresh and nutritious foods for children, the needy, and other New Jersey citizens; promote agricultural education awareness and involvement; and guarantee the delivery of quality services. Additionally, the State Agriculture Development Committee (SADC), which is organizationally situated in but not of the Department, administers farmland preservation programs.

FY 2009 Budget Highlights

The Fiscal 2009 Budget for the Department of Agriculture totals \$22.9 million, a decrease of \$3.8 million or 14.2% under the fiscal 2008 adjusted appropriation of \$26.7 million. Direct state services decrease by \$1.8 million, composed of \$.5 million from the consolidation of the Department, \$.5 million from reducing funded vacancies, \$.4 million from halving the recommended appropriation for the Jersey Fresh program, \$.2 million from the elimination of the Asian Longhorned Beetle Monitoring program, and the remaining \$.2 million from several smaller reductions. Grants in aid decrease \$.9 million, composed of \$.6 million from the elimination of the Conservation Assistance Program and \$.3 million from eliminating the Soil and Water Conservation Grant program. State aid decreases by \$.9 million, composed solely of a reduction in the recommended appropriation for the school breakfast program that corrects historic overfunding.

Department Accomplishments

The Farmland Preservation program, administered by SADC, reported a total of 164 farms covering 10,209 acres newly preserved in 2007 as of November 30, including 37 farms covering 2,133 acres in the Highlands and 2 farms covering 626 acres in the Pinelands. By November 30, a grand total of 1,635 farms covering 161,877 acres had been preserved statewide since the inception of the program, including 316 farms covering 27,599 acres in the Highlands and 59 farms covering 8,833 acres in the Pinelands. In fiscal 2009, the State's farmland preservation efforts will continue with funding from a \$200 million bond issue approved by voters in November 2007.

The Division of Food and Nutrition increased the amount of food delivered to the state's more than 600 community feeding operations in fiscal 2007. An additional \$3 million was appropriated for food

purchases through the Governor's Fighting Hunger Initiative in fiscal 2007, which was further increased an additional \$1 million to \$4 million in fiscal 2008. The additional funds were targeted toward a local-first, regional-second, national-third purchasing hierarchy that sought to increase the amount of locally produced, nutrient-dense foods used in community feeding programs. In fiscal 2007, each dollar spent returned 1.25 lbs of food distributed for a total of 3.9 million pounds. Nearly 47% of this amount was provided as fruits and vegetables. For fiscal 2008, a pilot project increased availability of fresh, locally grown fruits and vegetables. This purchasing approach helped to ensure that the money was spent to supply feeding operations benefiting New Jersey's agricultural and food-processing businesses first. The Department is now making \$100,000 from the program available to gleaning operations in the state to cover a variety of costs. These operations work with farmers to donate surplus produce to feeding operations. In addition, the Governor's Fighting Hunger Initiative included a one-time appropriation of \$1 million in fiscal 2007 to help community feeding operators upgrade their facilities. This has helped to enhance food storage and preparation capabilities.

In 2007, all New Jersey public schools successfully implemented the Department's Model School Nutrition Policy. The policy replaces unhealthy foods with more nutritious options in an effort to promote healthier eating habits and combat obesity and childhood diseases. The new nutritional standards, which cover a la carte lines, vending machines, school stores, and fundraisers held during school hours on school grounds, were made law in February of 2007.

The Department pursued, through a Produce Safety Task Force formed in December of 2006, the training of more than 700 farmers in food safety basics and preparing for third-party audits of their farms. The Department advocated for national standards for produce safety and continued to examine the best ways to ensure that New Jersey producers meet new, higher food-safety standards that might come from government action or from within the produce industry.

New Jersey became the 17th state in the nation to gain accreditation by the United States Department of Agriculture to offer in-state certification services to farmers and processors who want to enter the organic market in the Garden State. The Department's certification program allows the state to assist organic growers with marketing Jersey Organic products, similar to the Jersey Fresh brand for general produce. The Department was directed to establish an organic certification program through legislation signed into law in September of 2003. The law required the establishment of certification procedures for "certified organic" and "transitional sustainable" and the designing of a label to be affixed to agricultural products that receive certification. The Department had to endure a rigorous process to receive its accreditation, which allows the Department to certify crops, wild crops, livestock and handling operations to the National Organic Standards.

DEPARTMENT OF AGRICULTURE
SUMMARY OF APPROPRIATIONS BY FUND
(thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND								
8,994	3,244	302	12,540	11,376	Direct State Services	9,721	7,930	7,930
5,025	412	730	6,167	5,751	Grants-In-Aid	4,975	4,075	4,075
11,727	2,593	-7	14,313	11,150	State Aid	11,727	10,873	10,873
---	1,799	---	1,799	---	Capital Construction	250	---	---
25,746	8,048	1,025	34,819	28,277	Total General Fund	26,673	22,878	22,878
25,746	8,048	1,025	34,819	28,277	Total Appropriation, Department of Agriculture	26,673	22,878	22,878

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES - GENERAL FUND								
Agricultural Resources, Planning, and Regulation								
1,315	397	-15	1,697	1,349	Animal Disease Control	1,355	1,255	1,255
2,090	857	-208	2,739	2,499	Plant Pest and Disease Control	2,139	1,864	1,864
792	276	85	1,153	787	Agriculture and Natural Resources	1,176	1,101	1,101
338	---	---	338	338	Food and Nutrition Services	343	343	343
2,261	1,001	-207	3,055	2,862	Marketing and Development Services	2,274	1,624	1,624
1,740	670	---	2,410	2,410	Farmland Preservation	1,771	1,771	1,771
458	43	647	1,148	1,131	Administration and Support Services	663	497	497
8,994	3,244	302	12,540	11,376	Subtotal	9,721	8,455	8,455
---	---	---	---	---	Less: Department Consolidation Savings	---	(525)	(525)
8,994	3,244	302	12,540	11,376	Total Direct State Services - General Fund	9,721	7,930	7,930
8,994	3,244	302	12,540	11,376	TOTAL DIRECT STATE SERVICES	9,721	7,930	7,930
GRANTS-IN-AID - GENERAL FUND								
Agricultural Resources, Planning, and Regulation								
950	412	640	2,002	1,586	Agriculture and Natural Resources	600	---	---
4,000	---	---	4,000	4,000	Food and Nutrition Services	4,000	4,000	4,000
75	---	90	165	165	Marketing and Development Services	75	75	75
---	---	---	---	---	Farmland Preservation	300	---	---
5,025	412	730	6,167	5,751	Subtotal	4,975	4,075	4,075
5,025	412	730	6,167	5,751	Total Grants-In-Aid - General Fund	4,975	4,075	4,075
5,025	412	730	6,167	5,751	TOTAL GRANTS-IN-AID	4,975	4,075	4,075

AGRICULTURE

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
STATE AID - GENERAL FUND							
Agricultural Resources, Planning, and Regulation							
11,677	2,593	---	14,270	11,107	11,677	10,823	10,823
50	---	-7	43	43	50	50	50
<i>11,727</i>	<i>2,593</i>	<i>-7</i>	<i>14,313</i>	<i>11,150</i>	<i>11,727</i>	<i>10,873</i>	<i>10,873</i>
<i>11,727</i>	<i>2,593</i>	<i>-7</i>	<i>14,313</i>	<i>11,150</i>	<i>11,727</i>	<i>10,873</i>	<i>10,873</i>
<i>11,727</i>	<i>2,593</i>	<i>-7</i>	<i>14,313</i>	<i>11,150</i>	<i>11,727</i>	<i>10,873</i>	<i>10,873</i>
TOTAL STATE AID					11,727	10,873	10,873
CAPITAL CONSTRUCTION							
Agricultural Resources, Planning, and Regulation							
---	7	---	7	---	250	---	---
---	991	---	991	---	---	---	---
---	801	---	801	---	---	---	---
<i>---</i>	<i>1,799</i>	<i>---</i>	<i>1,799</i>	<i>---</i>	<i>250</i>	<i>---</i>	<i>---</i>
<i>---</i>	<i>1,799</i>	<i>---</i>	<i>1,799</i>	<i>---</i>	<i>250</i>	<i>---</i>	<i>---</i>
25,746	8,048	1,025	34,819	28,277	26,673	22,878	22,878

40. COMMUNITY DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT

49. AGRICULTURAL RESOURCES, PLANNING, AND REGULATION

OBJECTIVES

1. Permanently preserve and retain the maximum amount of New Jersey farmland in order to maintain a viable agriculture and food industry and to promote smart growth and a high quality of life for New Jersey citizens.
2. To encourage and support stewardship of agricultural open land and other natural resources in order to protect and enhance fertile soils, clean water, and productive and healthy animal and plant resources.
3. To administer fair and effective regulatory, inspection, grading, and other quality assurance programs for food, agricultural products, and agricultural inputs.
4. To foster agricultural economic growth, profitability, and a positive business climate through technical and financial assistance, market development, and effective product and industry promotion.
5. To implement food and nutrition assistance programs to maximize participation of eligible New Jersey citizens and strengthen agriculture's relationship with the food industry.
6. To ensure the sustainability of New Jersey's agricultural industry through agricultural education, youth development, training opportunities, and successful communication with the agricultural community, general public, and all levels of government.
7. To produce quality in all the Department does through a diverse, effectively managed, highly trained, and committed staff supported by efficient use of available technology and resources in a work environment that fosters excellence.

PROGRAM CLASSIFICATIONS

In fiscal 2009, the functions of the Department of Agriculture described below will be consolidated into other agencies where similar functions are performed.

01. **Animal Disease Control.** Resident and imported animals are subject to Department programs of disease detection, control, and eradication. These include surveys, periodic inspections, regular and special field and laboratory examinations, quarantines, slaughter of certain animals, disinfection, and related epidemiology. Programs and regulations are adjusted based on changes in the appearance and virulence of disease in and out of the State. The Division sets standards and issues licenses to livestock dealers, auctions, and biologic manufacturers and distributors in order to reduce the spread of infection. To prevent the introduction of exotic diseases not known to this country, it participates in the United States Department of Agriculture's (USDA) National Emergency Animal Disease Eradication Program. One phase involved is the licensing and supervision of the processing of food wastes fed to swine to prevent food borne disease. The Division takes the lead in working with the State's Domestic Security Taskforce in identifying potential terrorism threats related to the State's agricultural and agribusiness sectors.

In addition, the Division of Animal Health operates an animal health diagnostic laboratory to identify causes of disease.

02. **Plant Pest and Disease Control.** The food crop, forests, and other plant resources of the State are protected against injurious plant insects and diseases by programs of the Department. Surveys and investigations are conducted regularly to delineate and measure insect populations and disease problems. Major infestations are countered with

carefully regulated chemical and/or biological control programs. Where beneficial insects or other parasites are known, the Department, through its beneficial insect rearing laboratory, mass produces and releases them into the agricultural or forest environment for pest control.

In cooperation with the USDA, the Department controls the movement of plant materials. All nurseries producing plant materials are inspected for pests and disease and must be free of both to qualify for certification.

Samples of agricultural and garden seed are randomly selected and tested for variety content, germination, and other labeled guarantees. Products which do not conform to label claims are removed from sale and violators are subject to penalty action and prosecution.

03. **Agriculture and Natural Resources.** This program is designed to maintain, conserve, and enhance New Jersey's rural and agricultural resources and to control erosion, sedimentation, and nonpoint sources of water pollution and storm water damage. The primary objective of this program is to improve agricultural productivity and New Jersey's agricultural business climate while maintaining environmental quality.

Soil and water resource management standards and regulations are promulgated and plans for soil erosion and sediment control are certified for land disturbance activities. Technical assistance is provided to landowners and public agencies through the State Soil Conservation Committee and local soil conservation districts. Cost sharing is provided to eligible farmland owners who install conservation systems.

The Division coordinates the implementation of the State's Aquaculture Development Act and coordinates the agricultural education and Future Farmers of America youth programs.

05. **Food and Nutrition Services.** This division, which consolidated the former Bureaus of Commodity Distribution and Child Nutrition Services, was created to more accurately reflect the mission of the organizational unit.

The Child Nutrition program consists of six components in public and non-public schools, residential and non-residential childcare institutions, day care centers, recreation centers, and other agencies that qualify for this aid. Program responsibilities include developing, disseminating, evaluating, and approving all pertinent program documents required for participation; providing technical assistance in the areas of implementation, facilities improvement, and food service methods; on-site monitoring of programs for compliance with State and federal regulations; and providing financial assistance.

State and federal reimbursements are paid to school districts for part of the cost of school lunches and federal funds are paid to offset part of the cost of school breakfasts. In addition, non-school programs receive federal foods, especially for disadvantaged children.

The Commodity Distribution program requisitions, receives, handles, stores, and distributes federal surplus food made available by the United States Department of Agriculture to State, county and municipal institutions, schools, charitable and welfare organizations, and needy individuals. It also processes some of the federally-donated basic food commodities. Inspections are made in all organizations and institutions for compliance.

The Temporary Emergency Food Assistance Program (TEFAP) distributes federally-donated food commodities to

needy citizens through a network of food centers, food banks, and food pantries.

06. **Marketing and Development Services.** This division, formerly the Division of Markets, was renamed to accurately reflect its intent. The program conducts advertising, market development, and promotional activities to create a positive image of New Jersey's agricultural products and to increase consumer awareness and sales.

This "Jersey Fresh" Program, aimed at domestic and foreign consumers, assists New Jersey farmers in expanding their market share. Individual product promotions are also conducted by eight agricultural commodity councils.

Programs for the promotion of the New Jersey horse industry are conducted with funds derived from a small percentage of the pari-mutuel handle at both the thoroughbred and standard bred racetracks. Growth of the horse breeding industry is encouraged through monies awarded in the form of stakes purses and breeders awards. The continued growth and expansion of the Horse Park of New Jersey is supported.

This program also contains the Agricultural Chemistry Program, which determines compliance with the stated contents of animal feeds, fertilizers, and liming materials offered for sale for farm and non-farm use. Random inspections and analyses of raw material commodities and animal feeds are conducted to determine the presence of natural and anthropogenic contaminants and adulterants.

Through on-site inspections at agribusiness plants, consumers are assured a supply of the highest quality fresh fruits and vegetables, fish, shell eggs, egg, and poultry products. Official inspection and grading services are provided to farmers, packers, processors, and wholesale and retail markets under formal agreements with the United States Departments of Agriculture and Commerce.

The Dairy program is responsible for fostering a stable and competitive dairy industry, including the regulation and enforcement of the production, processing, distribution, and sales of fluid dairy products. In addition, this program licenses dealers who purchase milk from New Jersey farmers or who sell fluid dairy products to other dealers and to retail outlets. In order to be licensed, the dealers must post a bond with the Secretary of Agriculture conditioned upon the payment of all amount due and owing to New Jersey farmers.

08. **Farmland Preservation.** The State Agriculture Development Committee (SADC) administers New Jersey's Farmland Preservation Program.

The Farmland Preservation Program compensates farm owners for their development rights if they deed-restrict their farms against future development. The terms of these deed restrictions can be permanent or for as short a period as eight years. Future owners of permanently preserved farms must comply with all deed restrictions.

The SADC also coordinates a variety of programs with participating counties and farmland owners to protect important farmland in sufficient quantity and quality to foster long-term agricultural viability. It is also charged with specific right-to-farm responsibilities relating to agriculture.

99. **Administration and Support Services.** The State Board of Agriculture consists of eight farmers, elected at the annual Agricultural Convention. The Board is empowered to establish programs, regulations, and policies that it deems essential. The Secretary of Agriculture serves as Secretary to the Board and Chief Executive of the Department, and is a member of the Governor's Cabinet. The Secretary is

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responsible for implementing State laws, regulations, and policies established by the Board of Agriculture.

The Secretary's office provides overall planning, coordination, and priority guidance for Department programs, policy and plan development, general hearing services, agricultural

information services, and executive and legislative liaison. Department-wide general administrative services are provided, including services related to personnel and employee relations, fiscal control, management systems, and other administrative functions.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Animal Disease and Plant Pest and Disease Control				
Animal Disease Control:				
Regulatory licenses	645	645	645	645
General, special, and other laboratory exams	48,000	48,000	48,000	48,000
Plant Pest and Disease Control:				
Nurseries and dealers certified free of plant pests	1,739	1,739	1,800	1,800
Nursery acreage certified free of plant pests	18,877	20,000	20,000	20,000
Bee colonies found disease free	98%	97%	95%	98%
Seed meeting truth in labeling requirements	95%	95%	95%	95%
Pesticide not applied (lbs.)	1,280,000	1,280,000	1,280,000	1,280,000
Forest and crop acreage stabilized biologically	992,000	992,000	992,000	992,000
Forested acres protected from gypsy moth infestations	656	40,000	80,000	80,000
Major exotic insect and plant disease field surveys	9	9	9	9
Agriculture and Natural Resources				
Aquaculture production (lbs.)	44,000,000	44,000,000	44,000,000	44,000,000
Soil and Water Conservation Programs:				
Land protected from soil erosion and sedimentation (acres) . .	28,647	31,500	30,000	30,000
Farmland subject to nonpoint source pollution control (acres)	455,000	455,000	455,000	455,000
Food and Nutrition Services				
Temporary emergency food assistance delivered (lbs.)	8,500,000	8,250,000	8,300,000	8,350,000
State Food Purchase Program (lbs.)	---	3,900,000	5,200,000	5,200,000
School lunch delivered (lbs.)	26,074,105	30,464,143	29,500,000	29,500,000
Marketing and Development Services				
Agricultural inputs satisfying label guarantees:				
Fertilizer	88%	93%	88%	85%
Lime	70%	100%	90%	90%
Feed	95%	96%	95%	95%
Milk license financial disputes settled	216	268	275	275
Producers licensed to pack Jersey Fresh logo	265	278	325	360
Agricultural commodities inspected and graded (lbs.)	793,552,887	805,517,445	825,000,000	895,000,000
Individual store outlets featuring NJ agricultural products . . .	3,500	3,500	3,500	3,500
Racing mares bred	1,540	1,050	900	800
Farmland Preservation				
Cumulative acres permanently preserved	147,925	158,721	170,000	182,000
Cumulative farms permanently preserved	1,408	1,579	1,760	1,930
Eight year program - acres preserved	24,366	14,923	14,000	14,000
County/Municipal financial participation	\$36,846,606	\$63,128,883	\$60,000,000	\$60,000,000
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	19	18	19	22
Male Minority %	7.0	7.1	7.8	9.6
Female Minority	41	35	38	46
Female Minority %	15.2	13.7	15.5	20.2
Total Minority	60	53	57	68
Total Minority %	22.2	20.8	23.3	29.8

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	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Position Data				
Filled Positions by Funding Source				
State Supported	132	114	113	96
Federal	61	63	58	58
All Other	77	78	74	74
Total Positions	270	255	245	228
Filled Positions by Program Class				
Animal Disease Control	24	22	26	26
Plant Pest and Disease Control	44	42	34	34
Agriculture and Natural Resources	26	24	23	24
Food and Nutrition Services	58	57	55	55
Marketing and Development Services	62	58	56	55
Administration and Support Services	24	22	21	4
Farmland Preservation	32	30	30	30
Total Positions	270	255	245	228

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded, including a reduction for the savings and efficiencies from the consolidation of the Department. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
1,315	397	-15	1,697	1,349	01	1,355	1,255	1,255	
2,090	857	-208	2,739	2,499	02	2,139	1,864	1,864	
792	276	85	1,153	787					
					03	1,176	1,101	1,101	
338	---	---	338	338	05	343	343	343	
2,261	1,001	-207	3,055	2,862					
					06	2,274	1,624	1,624	
1,740	670	---	2,410	2,410	08	1,771	1,771	1,771	
458	43	647	1,148	1,131					
					99	663	497	497	
8,994	3,244	302	12,540	11,376		9,721 ^(a)	8,455	8,455	
Less:									
---	---	---	---	---					
							(525)	(525)	
---	---	---	---	---			(525)	(525)	
8,994	3,244	302	12,540	11,376		9,721	7,930	7,930	
Distribution by Fund and Object									
Personal Services:									
5,225	47 935 ^R	-45	6,162	6,078					
						6,106	5,406	5,406	
5,225	982	-45	6,162	6,078		6,106	5,406	5,406	
167	77	-34	210	183		128	128	128	
211	18	231	460	428		159	159	159	
195	1	-34	162	160		195	195	195	
Special Purpose:									
---	307 90 ^R	-49	348	---	01	---	---	---	

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Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
---	169 35 R	151	355	304	Plant Pest and Disease Control	02	---	---	---
200	---	---	200	200	Asian Longhorned Beetle Monitoring	02	150	---	---
---	87 118 R	---	205	149	Beneficial Insect Laboratory	02	---	---	---
---	272 4 R	---	276	14	Environmental Services	03	---	---	---
338	---	---	338	338	Temporary Emergency Food Assistance Program	05	343	343	343
826	193	---	1,019	827	Promotion/Market Develop- ment	06	800	400	400
---	---	134	134	134	Nutrition- State Match	06	---	---	---
---	144 R	-144	---	---	Marketing and Development Services	06	---	---	---
90	---	---	90	90	Agricultural Right-to-Farm Program	08	90	90	90
1,650	670 R	---	2,320	2,320	Open Space Administrative Costs	08	1,681	1,681	1,681
18	---	---	18	17	Expenses of State Board of Agriculture	99	18	18	18
28	---	---	28	28	Affirmative Action and Equal Employment Opportunity	99	28	28	28
46	77	92	215	106	Additions, Improvements and Equipment		23	7	7
---	---	---	---	---	Less:				
---	---	---	---	---	Deductions		---	(525)	(525)
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
950	412	640	2,002	1,586	Agriculture and Natural Resources	03	600	---	---
4,000	---	---	4,000	4,000	Food and Nutrition Services	05	4,000	4,000	4,000
75	---	90	165	165	Marketing and Development Services	06	75	75	75
---	---	---	---	---	Farmland Preservation	08	300	---	---
5,025	412	730	6,167	5,751	Total Grants-in-Aid		4,975	4,075	4,075
Distribution by Fund and Object									
Grants:									
950	244	250	1,444	1,215	Conservation Assistance Program	03	600	---	---
---	168	390	558	371	Conservation Cost Share Program	03	---	---	---
3,000	---	---	3,000	3,000	Hunger Initiative/Food Assistance Program	05	4,000	4,000	4,000
1,000	---	---	1,000	1,000	Capital Improvements for Storing Food for Food Banks	05	---	---	---
75	---	---	75	75	Promotion/Market Develop- ment	06	75	75	75
---	---	90	90	90	New Jersey Museum of Agriculture	06	---	---	---
---	---	---	---	---	Soil and Water Conservation Grants	08	300	---	---
<u>STATE AID</u>									
Distribution by Fund and Program									
11,677	2,593	---	14,270	11,107	Food and Nutrition Services	05	11,677	10,823	10,823
50	---	-7	43	43	Farmland Preservation	08	50	50	50
11,727	2,593	-7	14,313	11,150	Total State Aid		11,727	10,873	10,873

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Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended	
STATE AID									
Distribution by Fund and Object									
State Aid:									
3,854	1,879	---	5,733	2,925	School Breakfast - State Aid Grants	05	3,854	3,000	3,000
439	---	---	439	428	Non-Public Nutrition Aid - State Aid Grants	05	439	439	439
7,384	714	---	8,098	7,754	School Lunch Aid - State Aid Grants	05	7,384	7,384	7,384
50	---	-7	43	43	Payments in Lieu of Taxes	08	50	50	50
CAPITAL CONSTRUCTION									
Distribution by Fund and Program									
---	7	---	7	---	Plant Pest and Disease Control	02	250	---	---
---	991	---	991	---	Agriculture and Natural Resources	03	---	---	---
---	801	---	801	---	Farmland Preservation	08	---	---	---
---	1,799	---	1,799	---	Total Capital Construction		250	---	---
Distribution by Fund and Object									
Division of Plant Industry									
---	---	---	---	---	Chromatographic Diagnostic Equipment	02	250	---	---
---	7	---	7	---	Renovations to Phillip Alampi Beneficial Insect Laboratory	02	---	---	---
State Agriculture Development Committee									
---	991	---	991	---	Direct Easement	03	---	---	---
---	801	---	801	---	Open Space - Local Match	08	---	---	---
25,746	8,048	1,025	34,819	28,277	Grand Total State Appropriation		26,673	22,878	22,878
OTHER RELATED APPROPRIATIONS									
Federal Funds									
789									
430 ^S	504	195	1,918	1,069	Animal Disease Control	01	661	1,004	1,004
4,656	1,454	---	6,110	2,425	Plant Pest and Disease Control	02	4,935	4,865	4,865
480	119	---	599	374	Agriculture and Natural Resources	03	480	480	480
306,390	4,887	---	311,277	257,089	Food and Nutrition Services	05	317,290	342,095	342,095
446					Marketing and Development Services	06	499	501	501
25 ^S	1,134	---	1,605	1,390	Commodity Distribution	07	---	---	---
---	125	---	125	125	Farmland Preservation	08	4,525	4,525	4,525
9,429	8,399	---	17,828	8,807	Administration and Support Services	99	---	---	---
---	16	---	16	16					
322,645	16,638	195	339,478	271,295	Total Federal Funds		328,390	353,470	353,470
All Other Funds									
---	25 ^R	---	25	22	Animal Disease Control	01	100	80	80
---	2	---							
---	14 ^R	---	16	8	Plant Pest and Disease Control	02	305	300	300
---	48	---			Agriculture and Natural Resources	03	499	372	372
---	278 ^R	---	326	281					
---	1,321	---			Food and Nutrition Services	05	1,516	1,516	1,516
---	1,579 ^R	---	2,900	1,533	Marketing and Development Services	06	7,566	7,064	7,064
---	2,841	91	10,232	7,357					
---	7,300 ^R	---			Commodity Distribution	07	---	---	---
---	2	---							
---	1 ^R	---	3	---					

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Year Ending June 30, 2007							Year Ending June 30, 2009	
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
OTHER RELATED APPROPRIATIONS								
---	92 ^R	---	92	92	08	1,129	1,129	1,129
---	41	278	319	181				
---	13,544	369	13,913	9,474	99	---	---	---
348,391	38,230	1,589	388,210	309,046		11,115	10,461	10,461
GRAND TOTAL ALL FUNDS						366,178	386,809	386,809

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.
- (b) The fiscal 2009 deduction reflects savings from the consolidation of functions of the Department of Agriculture into other agencies where similar functions are performed.

Language Recommendations -- Direct State Services - General Fund

Receipts from laboratory test fees are appropriated to support the Animal Health Laboratory program. The unexpended balance at the end of the preceding fiscal year in the Animal Health Laboratory receipt account is appropriated for the same purpose.

Receipts from the seed laboratory testing and certification programs are appropriated for the cost of that program. The unexpended balance at the end of the preceding fiscal year in the seed laboratory testing and certification receipt account is appropriated for the same purpose.

Receipts from Nursery Inspection fees are appropriated for the cost of that program. The unexpended balance at the end of the preceding fiscal year in the Nursery Inspection program is appropriated for the same purpose.

Receipts from the sale or studies of beneficial insects are appropriated to support the Beneficial Insect Laboratory. The unexpended balance at the end of the preceding fiscal year in the Sale of Insects account is appropriated for the same purpose.

Receipts from Stormwater Discharge Permit program fees are appropriated for the cost of that program. The unexpended balance at the end of the preceding fiscal year in the Stormwater Discharge Permit program account is appropriated for the same purpose.

Receipts from dairy licenses and inspections are appropriated for the cost of that program.

Receipts in excess of the amount anticipated from feed, fertilizer, and liming material registrations and inspections are appropriated for the cost of that program.

Receipts from agriculture chemistry fees not to exceed \$75,000 are appropriated to support the organic certification program.

Receipts from organic certification program fees are appropriated for the cost of that program.

Receipts from inspection fees derived from fruit, vegetable, fish, red meat, and poultry inspections are appropriated for the cost of conducting fruit, vegetable, fish, red meat, and poultry inspections.

An amount equal to receipts generated at the rate of \$.47 per gallon of wine, vermouth, and sparkling wine sold by plenary winery and farm winery licensees issued pursuant to R.S.33:1-10, and certified by the Director of the Division of Taxation, are appropriated to the Department of Agriculture or any entity succeeding to the duties and functions of the Department of Agriculture, pursuant to separate legislation, from the alcoholic beverage excise tax for expenses of the Wine Promotion Program.

Receipts derived from the distribution of commodities, sale of containers, and salvage of commodities, in accordance with applicable federal regulations, are appropriated for Commodity Distribution expenses.

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for the Open Space Administrative Costs account is transferred from the Garden State Farmland Preservation Trust Fund to the General Fund, together with an amount not to exceed \$1,029,000, and is appropriated to the Department of Agriculture or any entity succeeding to the duties and functions of the Department of Agriculture, pursuant to separate legislation, for the State Agriculture Development Committee's administration of the Farmland Preservation program subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Promotion/Market Development account is appropriated for the same purpose.

Receipts derived from the surcharge on vehicle rentals pursuant to section 54 of P.L. 2002, c.34 (C.App.A:9-78), not to exceed \$278,000, are appropriated to support the Agro-Terrorism program within the Department of Agriculture or any entity succeeding to the duties and functions of the Department of Agriculture, pursuant to separate legislation.

Notwithstanding the provisions of any law or regulation to the contrary, an amount not to exceed \$200,000 shall be transferred from the appropriate funds established in the Open Space Preservation Bond Act of 1989, P.L.1989, c.183, to the State Transfer of Development Rights Bank account and is appropriated to the State Agriculture Development Committee for Transfer of Development Rights administrative costs.

Language Recommendations -- Grants-In-Aid - General Fund

The expenditure of funds for the Conservation Cost Share program shall be based upon an expenditure plan subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, \$540,000 shall be transferred from the Department of Environmental Protection's Water Resources Monitoring and Planning - Constitutional Dedication special purpose account and is appropriated to support the Conservation Cost Share program in the Department of Agriculture or any entity succeeding to the duties and functions of the Department of Agriculture, pursuant to separate legislation, on or before September 1, 2008. Further additional sums may be transferred pursuant to a Memorandum of Understanding between the Department of Environmental Protection and the Department of Agriculture or any entity succeeding to the duties and functions of the Department of Agriculture, pursuant to separate legislation, from the Department of Environmental Protection's Water Resources Monitoring and Planning - Constitutional Dedication account to support non-point source pollution control programs in the Department of Agriculture or any entity succeeding to the duties and functions of the Department of Agriculture, pursuant to separate legislation, subject to the approval of the Director of the Division of Budget and Accounting. The unexpended balance of this program at the end of the preceding fiscal year is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balances at the end of the preceding fiscal year in the Conservation Assistance Program are appropriated for the same purpose.

Notwithstanding the provisions of any law or regulation to the contrary, \$250,000 shall be transferred from the Department of Environmental Protection's Water Resources Monitoring and Planning - Constitutional Dedication special purpose account and is appropriated for the Animal Waste Management portion of the Conservation Assistance Program in the Division of Agricultural and Natural Resources in the Department of Agriculture or any entity succeeding to the duties and functions of the Department of Agriculture, pursuant to separate legislation.

The unexpended balances at the end of the preceding fiscal year in the Capital Improvements for Storing Food for Food Banks account are appropriated for the same purpose.

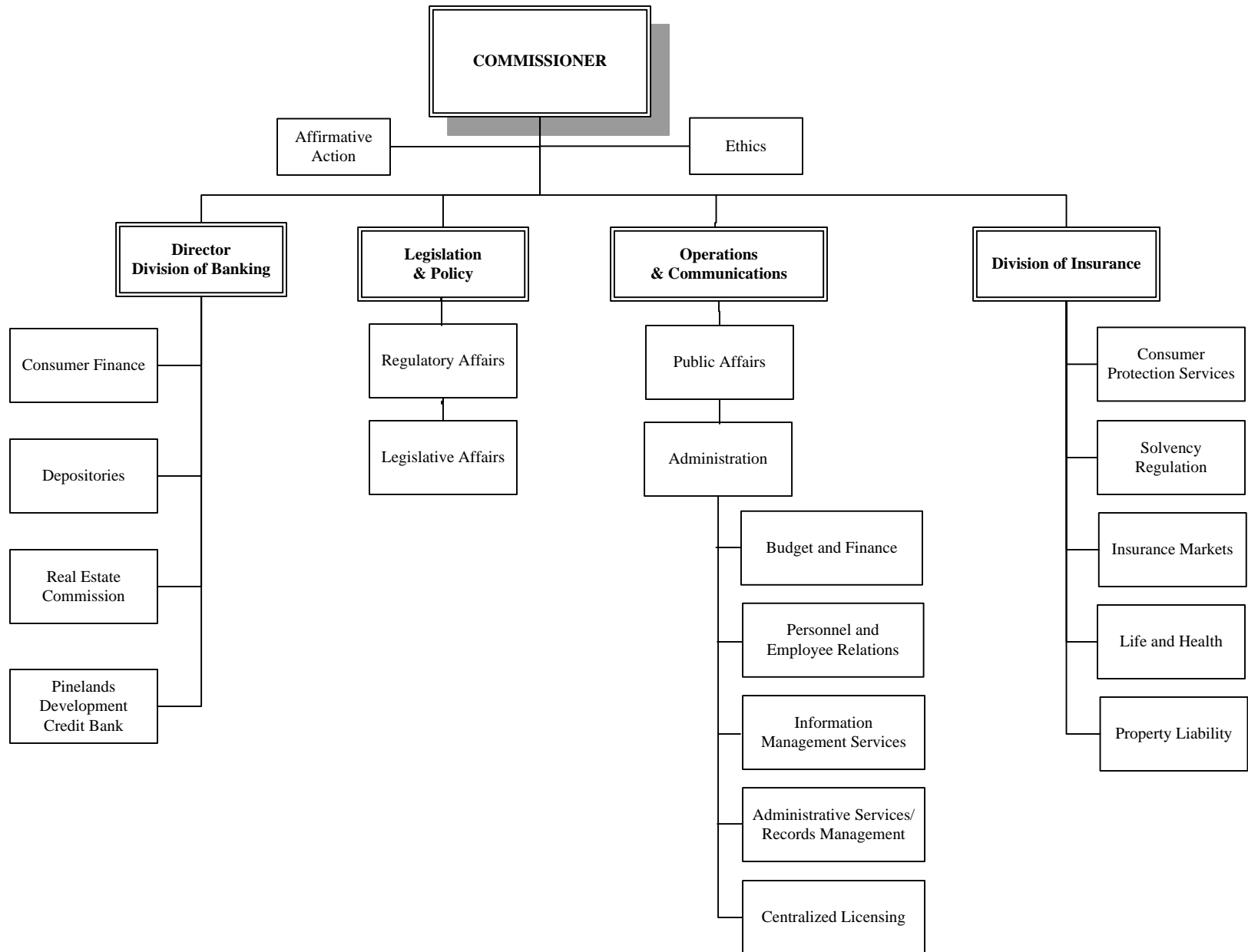
Language Recommendations -- State Aid - General Fund

The unexpended balances at the end of the preceding fiscal year in the School Breakfast - State Aid Grants account are appropriated for the same purpose.

Of the amounts hereinabove appropriated for the Department of Agriculture or any entity succeeding to the duties and functions of the Department of Agriculture, pursuant to separate legislation, such sums as the Director of the Division of Budget and Accounting shall determine from the amount listed under School Nutrition in the Department of Agriculture schedule included in the Governor's Budget Message and Recommendations shall first be charged to the State Lottery Fund.

The unexpended balances at the end of the preceding fiscal year in the School Lunch and Non-Public Nutrition Aid - State Aid Grants accounts are appropriated for the same purpose.

BANKING AND INSURANCE



BANKING AND INSURANCE

DEPARTMENT OF BANKING AND INSURANCE OVERVIEW

Mission and Goals

The mission of the Department of Banking and Insurance is to regulate the banking, insurance, and real estate industries in a professional and timely manner that protects and educates consumers and promotes the growth, financial stability, and efficiency of those industries.

The Department's goals are to ensure the solvency of the financial institutions through regular financial examinations and analysis; to protect the public from unlawful or unfair practices by insurers, financial institutions, and real estate licensees by promptly investigating complaints filed by consumers and aggressively prosecuting violators; to issue licenses to qualified individuals and companies to provide banking, insurance, and real estate services to New Jersey citizens; to improve the efficient and effective review of insurance rates and forms; and to apply technology, where appropriate, to more effectively interact with the public and regulated industries.

FY 2009 Budget Highlights

The Fiscal 2009 Budget for the Department of Banking and Insurance totals \$70.3 million, a decrease of \$1.8 million or 2.5% under the fiscal 2008 adjusted appropriation of \$72.1 million. In addition to its central mission of regulating the banking, insurance and real estate industries, \$29.9 million of the Department's budget is used to fund the activities of the Office of Insurance Fraud Prosecutor in the Department of Law and Public Safety.

Consumer Protection

The Insurance Consumer Protection and Enforcement Unit, the Office of Consumer Finance in Banking, and the Real Estate Commission answer questions and investigate complaints from consumers about insurance, banking, and real estate issues and take action against companies that have behaved improperly. In fiscal 2007, these units recovered more than \$13 million for consumers and collected more than \$2.5 million in fines. In the first six months of fiscal 2008, the Department recovered nearly \$14 million and collected fines of more than \$900,000.

Department Accomplishments

In response to the crisis in the residential subprime mortgage market, the Department, in cooperation with the Department of Community Affairs, established the New Jersey Home Ownership Preservation Effort (NJHOPE). NJHOPE is a voluntary public-private alliance designed to educate and assist New Jersey homeowners with issues related to homeownership and mortgages. The goals of the alliance are to enhance homeownership preservation by providing consumer awareness mortgage products, increased access to credit and loan counseling, and temporary assistance to those in danger of foreclosure.

The continuing progress of the auto insurance reform initiative codified in P.L. 2003, c.89, resulted in the entrance of several companies into the New Jersey auto insurance marketplace and economy. Seven of the top ten national companies now write

business in New Jersey. Since calendar year 2003, New Jersey drivers have received rate reductions and special dividends totaling to savings of more than \$1.2 billion.

The auto insurance reforms of 2003 transformed the marketplace by lowering prices, improving availability and increasing customer satisfaction, but two long-anticipated reforms have yet to be completed. They are: 1) the establishment of a comprehensive schedule of allowable fees for the treatment of auto accident injuries; and 2) the revision of the State's 60-year-old territorial rating map. The first measure, the Personal Injury Protection (PIP) Medical Fee Schedule, is designed to reduce fee disputes between medical providers and auto insurers and moderate this area of cost pressure on consumers. The Department proposed a regulation in September, 2006 establishing the fees but an appellate court stayed implementation in September, 2007 at the request of medical providers. The second measure will increase efficiency by increasing the accuracy of pricing. Implementation of the territorial rating has begun and will occur over a period of one to two years.

Fiscal 2008 represented the third and final year of payments from the Medical Malpractice Liability Insurance Subsidy Fund, provided for in the "New Jersey Medical Care and Responsibility and Patients First Act" of 2004. In December, 2007, the Department distributed over \$16.4 million to more than 1,163 eligible physicians in high-risk specialties and subspecialties to help offset the cost of medical malpractice insurance premiums.

In partnership with other departments and financial services representatives, the Division of Banking and the Office of Public Affairs' Education Unit continued the biannual Financial Literacy Awareness Program aimed at high school students across the state. The program focuses on a basic understanding of saving, budgeting, and use of financial credit. In 2007, the program reached 9,283 students at 183 high schools.

The Department collects five assessments from the industries it regulates, totaling approximately \$92 million. During fiscal 2008, the Department increased the use of lock box services to receive and process these payments. Over 2,500 payments that were previously deposited manually are now processed electronically. As a result, approximately \$62 million in deposits will be credited to the State's accounts on the day they were received.

As part of its continuing effort to identify common functions and business processes, the Department consolidated and streamlined the initial consumer inquiry and complaint functions through the creation of the Consumer Inquiry and Case Preparation Unit. This unit of cross-trained investigators will respond to all initial consumer inquiries and complaints concerning banking, insurance and real estate matters. The Department's goal is to improve efficiency and effectiveness by utilizing computer and telephone technology to track and categorize issues relating to these regulated industries.

BANKING AND INSURANCE

DEPARTMENT OF BANKING AND INSURANCE

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
68,944	1,725	870	71,539	68,336	GENERAL FUND		
					Direct State Services	72,127	70,340
68,944	1,725	870	71,539	68,336	Total General Fund	72,127	70,340
68,944	1,725	870	71,539	68,336	Total Appropriation, Department of Banking and Insurance	72,127	70,340

SUMMARY OF APPROPRIATIONS BY PROGRAM

(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES - GENERAL FUND							
Economic Regulation							
18,859	342	278	19,479	17,886	Consumer Protection Services and Solvency		
					Regulation	20,154	19,012
6,344	56	-245	6,155	5,892	Actuarial Services	6,404	6,404
3,009	96	---	3,105	3,055	Regulation of the Real Estate Industry	3,163	3,163
1,971	34	120	2,125	2,116	Public Affairs, Legislative and Regulatory		
					Services	2,458	2,458
31,747	53	---	31,800	31,054	Insurance Fraud Prevention	32,038	32,038
3,404	400	-271	3,533	3,532	Supervision and Examination of Financial		
					Institutions	3,721	3,221
---	630	---	630	166	Pinelands Development Credit Bank	---	---
3,610	114	988	4,712	4,635	Administration and Support Services	4,189	4,044
68,944	1,725	870	71,539	68,336	Subtotal	72,127	70,340
68,944	1,725	870	71,539	68,336	Total Direct State Services - General Fund	72,127	70,340
68,944	1,725	870	71,539	68,336	TOTAL DIRECT STATE SERVICES	72,127	70,340
68,944	1,725	870	71,539	68,336	Total Appropriation, Department of Banking and Insurance	72,127	70,340

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

52. ECONOMIC REGULATION

OBJECTIVES

- To ensure fair and equitable treatment of the public by financial institutions.
- To inform and educate the public concerning financial matters.
- To protect the public from financial loss resulting from the failure of financial and consumer credit institutions.
- To ensure that fair and equitable insurance markets exist to provide reliable insurance coverage.
- To improve the efficiency and responsiveness of the prior approval rate-making process.
- To protect the public from unlawful or unfair practices by insurance or real estate agents, brokers, solicitors, and salespersons.
- To provide research and legislative support for new or revised legislation and regulations which will ensure equitable pricing and reasonable underwriting standards.
- To examine, monitor, and investigate the affairs of insurance companies, banks, and consumer finance companies authorized to do business in New Jersey.
- To aggressively combat insurance fraud through prevention, investigations, and prosecution.
- To oversee the provision of services by managed care organizations, develop analytical data on managed care

BANKING AND INSURANCE

quality, and outcome measures for dissemination to the public, manage external appeals of managed care denials of care, and investigate consumer complaints.

PROGRAM CLASSIFICATIONS

01. Consumer Protection Services and Solvency Regulation. Insurance companies, brokers, and agents are licensed to engage in the business of insurance in the State. Companies are examined periodically for solvency and compliance with statutes and regulations and market conduct with regard to treatment of consumers. In instances of serious financial problems or insolvency, domiciled firms may be placed under the Department's jurisdiction as the rehabilitator or liquidator. The Office of the Ombudsman investigates direct property-casualty claims settlements to determine the appropriate disposition of claims. As a result of complaints and investigations, the Department may fine licensees and suspend or revoke licenses.

Responsible for the chartering of commercial banks, savings banks, credit unions, and savings and loan associations which operate in New Jersey. Responsible for investigating complaints against these institutions and/or licensees. Responsible for the licensing of all consumer credit lenders and vendors of credit as well as mortgage bankers and brokers. Processes applications of licensees and financial institutions and performs the necessary statistical, economic, and demographic research to determine the merits of these applications. Responsible for review and development of regulations, which includes regulating managed care organizations, addressing consumer complaints, and assessing the performance of Health Maintenance Organizations.

02. Actuarial Services. Reviews insurance policies and other insurance forms relating to individual and group accident health, life, property and liability insurance; regulates compliance with the rating law for property and liability insurance; verifies and analyzes liability calculations of domestic life and health insurers; participates with the Department of Health and Senior Services in regulating the financial aspects of health care facilities; and determines reasonableness of benefits provided in relation to premium charged.

03. Regulation of the Real Estate Industry. Ensures that members of the industry comply with existing statutes and regulations; investigates and resolves complaints; conducts hearings involving violations and improper practices; registers and regulates out-of-state land sales arranged through New Jersey brokers; inspects brokers' offices; examines and licenses brokers and salespersons; and maintains a directory of licensees and publishes bulletins.

04. Public Affairs, Legislative and Regulatory Services. Promulgates regulations and monitors proposed legislation and

legal issues affecting the regulation of the banking, insurance, and real estate industries for the Department; publishes a quarterly newsletter and consumer booklets and provides consumer educational outreach programs; researches policy questions and investigates consumer issues.

06. Insurance Fraud Prevention. The Office of the Insurance Fraud Prosecutor thoroughly and aggressively investigates allegations of insurance fraud in order to fully develop the facts of each case and thus determine whether criminal prosecution, civil fraud enforcement, or administrative professional licensing enforcement are required. Activities of State and local law enforcement and regulatory agencies are coordinated to develop a statewide enforcement strategy addressing insurance fraud in its many forms. Information is collected and analyzed about persons and entities engaging in insurance fraud related conduct to assist the prosecution in criminal, civil, or administrative forums. Fines are assessed with restitution made to insurance carriers. Activities related to Fraud Prevention are handled as part of a company's market conduct exam, including audits of fraud prevention and detection plans. Collection of all civil penalties related to insurance fraud and training for industry groups and law enforcement groups are also handled by the Department.

07. Supervision and Examination of Financial Institutions. Responsible for the supervision and examination of State chartered commercial banks, savings banks, credit unions, and savings and loan associations, as well as consumer credit associations such as check cashers, check sellers, insurance premium finance companies, pawnbrokers, secondary mortgage loan companies, and foreign money remitters. Ensures compliance with the mortgage loan discrimination statute (C17:16F et seq.). Regulates, supervises, and examines mortgage bankers and brokers (C17:11B-1 et seq.). Determines financial and legal compliance with all applicable statutes and regulations and takes appropriate legal and regulatory action to ensure compliance with existing statutes and regulations. Responsible for the examination of bank holding companies (C17:9A-1 et seq.) and savings and loan holding companies (C17:12B-281 et seq.).

08. Pinelands Development Credit Bank. Empowered to purchase and sell Pinelands development credits in accordance with the Comprehensive Management Plan for the Pinelands, thus preserving the resources of this area and accommodating regional growth in an orderly fashion.

99. Administration and Support Services. Directs the activities of the Department and provides administrative and support services. The Office of the Commissioner provides legislative and policy guidance to programs within the Department and coordinates all regulatory and legislative initiatives with the Legislature, Executive Branch, and the financial community.

EVALUATION DATA

PROGRAM DATA	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Consumer Protection Services and Solvency Regulation				
Consumer Credit Associations - Banking				
Licenses issued	7,489	8,194	8,000	8,500
Mortgage Solicitors	36,855	43,775	36,000	43,000
Associations subject to examination	2,168	1,892	1,792	1,692
Examinations conducted	409	437	790	821

BANKING AND INSURANCE

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Consumer Complaints				
Received	2,564	2,345	2,570	2,825
Completed	1,846	1,858	2,550	2,550
Inquiries and Referrals	700	700	700	925
Insurance Licensing				
Licenses issued	38,453	41,658	42,000	43,000
Candidates examined	18,316	16,951	16,000	15,500
Phone inquiries handled	31,542	33,826	35,988	38,150
Number of Insurance Companies and Regulated Entities	2,024	2,050	2,221	2,221
Field financial exams	30	28	38	40
Office analysis of companies - exams	631	674	694	702
Insurance Consumer Assistance				
Complaints received	7,102	7,548	7,500	7,500
Complaints resolved	7,005	9,550	8,000	8,000
Inquiries handled	56,728	57,261	55,000	55,000
Market analysis of companies	189	642	750	800
Companies data audited	79	24	70	85
Funds recovered on behalf of complainants	\$8,507,891	\$9,663,993	\$8,500,000	\$8,500,000
Actuarial Services				
Property and Casualty				
Filings for unit	2,821	2,717	3,100	3,200
Surveys	598	631	640	650
Record requests	411	371	400	425
Complaints/inquiries	235	250	300	325
Life and Health				
Policy forms processed	13,222	14,064	15,000	15,000
Filings for unit	2,673	2,447	2,762	2,762
Inquiries to unit	16,200	14,200	14,200	14,200
Office of Managed Care				
Complaints/inquiries	2,580	3,761	4,000	4,150
Independent Utilization Review Organization	462	519	600	650
Eligible/forwarded requests	326	345	400	425
Ineligible/returned requests	136	174	200	225
Regulation of the Real Estate Industry				
Licensed brokers and salespersons	93,783	95,889	97,000	99,500
Candidates examined	24,652	19,167	19,500	20,000
Broker offices	713	767	780	800
Offices inspected	307	318	330	340
Complaints investigated	2,385	1,819	1,900	2,000
Licensed schools	158	127	130	135
Licensed instructors	273	274	280	290
Public Affairs, Legislative and Regulatory Services				
Office of Administrative Law submissions	102	85	90	100
Bulletins and orders issued	112	87	100	100
Written inquiries handled	601	708	700	700
Services of process handled	819	806	810	800
Newsletters and booklets published	36	24	30	32
Insurance Fraud Prevention				
Market conduct examinations	7	8	7	7
Civil fines imposed	\$9,770,257	\$1,376,000	\$4,000,000	\$4,000,000
Restitution of fraudulently obtained dollars	\$170,869	\$12,504,393 (a)	\$1,000,000	\$1,000,000
Type of cases investigated (%)				
Auto	61%	54%	72%	72%
Health	15%	21%	8%	8%
Workers' compensation	4%	4%	3%	3%
Homeowners	3%	3%	3%	3%
Commercial	3%	3%	2%	2%
All other	14%	15%	12%	12%
New matters received (b)	5,992	5,141	7,700	7,700
Matters closed (b)	4,262	5,940	5,700	5,700

BANKING AND INSURANCE

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Supervision and Examination of Financial Institutions				
State Chartered Institutions				
Banks and Savings and Loans	93	92	92	94
Examinations conducted	42	33	41	42
Bank Holding Companies	14	9	14	14
Specialty examinations	44	40	56	56

PERSONNEL DATA

Affirmative Action Data				
Male Minority	50	53	54	55
Male Minority %	9.9	11.0	10.7	11.1
Female Minority	105	100	103	110
Female Minority %	20.8	20.7	20.4	22.1
Total Minority	155	153	157	165
Total Minority %	30.7	31.6	31.0	33.2

Position Data

Filled Positions by Funding Source

State Supported	5	2	2	3
All Other	505	481	463	466
Total Positions	510	483	465	469

Filled Positions by Program Class

Consumer Protection Services and Solvency Regulation	241	226	225	224
Actuarial Services	76	67	62	65
Regulation of the Real Estate Industry	46	45	43	42
Public Affairs, Legislative and Regulatory Services	28	31	31	31
Insurance Fraud Prevention	23	24	23	24
Supervision and Examination of Financial Institutions	36	34	31	32
Pinelands Development	3	1	2	3
Administration and Support Services	57	55	48	48
Total Positions	510	483	465	469

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

(a) Beginning in fiscal year 2007, figures include both industry and Office of Insurance Fraud Prevention (OIFP) civil and criminal restitutions. Prior to fiscal year 2007, criminal restitutions were not included.

(b) Includes both civil and criminal.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Prog. Class. Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
18,859	342	278	19,479	17,886	Consumer Protection Services and Solvency Regulation	01	20,154	19,012	19,012
6,344	56	-245	6,155	5,892	Actuarial Services	02	6,404	6,404	6,404
3,009	96	---	3,105	3,055	Regulation of the Real Estate Industry	03	3,163	3,163	3,163
1,971	34	120	2,125	2,116	Public Affairs, Legislative and Regulatory Services	04	2,458	2,458	2,458
31,747	53	---	31,800	31,054	Insurance Fraud Prevention	06	32,038	32,038	32,038
3,404	400	-271	3,533	3,532	Supervision and Examination of Financial Institutions	07	3,721	3,221	3,221
---	630	---	630	166	Pinelands Development Credit Bank	08	---	---	---
3,610	114	988	4,712	4,635	Administration and Support Services	99	4,189	4,044	4,044
68,944	1,725	870	71,539	68,336	Total Direct State Services		72,127 ^(a)	70,340	70,340

BANKING AND INSURANCE

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Object								
31,374	---	1,469	32,843	32,820	Personal Services:			
					Salaries and Wages	34,557	33,745	33,745
<u>31,374</u>	<u>---</u>	<u>1,469</u>	<u>32,843</u>	<u>32,820</u>	<i>Total Personal Services</i>	<u>34,557</u>	<u>33,745</u>	<u>33,745</u>
332	---	-39	293	282	Materials and Supplies	306	306	306
5,396	---	-31	5,365	5,048	Services Other Than Personal	5,322	5,322	5,322
211	---	-4	207	183	Maintenance and Fixed Charges	211	211	211
Special Purpose:								
	181				Public Adjusters Licensing	01		
---	118 ^R	---	299	---	Rate Counsel- Insurance	01	1,124	149
1,124	---	---	1,124	32	Actuarial Services	02	600	600
600	---	-125	475	303	Insurance Fraud Prosecution Services	06	29,877	29,877
29,877	---	---	29,877	29,189	Supervision and Examination of Financial Institutions	07	---	---
---	400	-400	---	---	Pinelands Development Credit Bank	08	---	---
---	630	---	630	166	Affirmative Action and Equal Employment Opportunity	99	30	30
30	---	---	30	29	Additions, Improvements and Equipment		<u>100</u>	<u>100</u>
---	<u>396</u>	<u>---</u>	<u>396</u>	<u>284</u>	<i>Grand Total State Appropriation</i>		<u>72,127</u>	<u>70,340</u>
68,944	1,725	870	71,539	68,336				
OTHER RELATED APPROPRIATIONS								
Federal Funds								
---	170	---	170	170	Supervision and Examination of Financial Institutions	07	---	---
---	<u>170</u>	<u>---</u>	<u>170</u>	<u>170</u>	<i>Total Federal Funds</i>		<u>---</u>	<u>---</u>
All Other Funds								
---	87	---	25,258	25,107	Consumer Protection Services and Solvency Regulation	01	432	432
---	238	---	379	17	Regulation of the Real Estate Industry	03	---	---
---	141 ^R	---	---	---	Supervision and Examination of Financial Institutions	07	<u>400</u>	<u>400</u>
---	<u>25,637</u>	<u>---</u>	<u>25,637</u>	<u>25,124</u>	<i>Total All Other Funds</i>		<u>832</u>	<u>832</u>
68,944	27,532	870	97,346	93,630	GRAND TOTAL ALL FUNDS		72,959	71,172

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

Receipts derived from extraordinary financial condition examinations or actuarial certifications of loss reserves are appropriated for the conduct of such examinations or certifications, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Public Adjusters' Licensing account, together with receipts derived from the "Public Adjusters' Licensing Act," P.L. 1993, c.66 (C.17:22B-1 et seq.), are appropriated for the administration of the act, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts from the investigation of out-of-State land sales are appropriated for the conduct of those investigations.

There are appropriated from the Real Estate Guaranty Fund such sums as may be necessary to pay claims.

There are appropriated from the assessments imposed by the New Jersey Individual Health Coverage Program Board, created pursuant to P.L. 1992, c.161 (C.17B:27A-2 et seq.), and by the New Jersey Small Employer Health Benefits Program Board, created pursuant to P.L. 1992, c.162 (C.17B:27A-17 et seq.), those sums as may be necessary to carry out the provisions of those acts, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of anticipated revenues from examination and licensing fees, bank assessments, fines and penalties, and the unexpended balances at the end of the preceding fiscal year, not to exceed \$400,000, are appropriated to the Division of Banking, subject to the approval of the Director of the Division of Budget and Accounting.

BANKING AND INSURANCE

Proceeds from the sale of credits by the Pineland Development Credit Bank pursuant to P.L. 1985, c.310 (C.13:18A-30 et seq.) are appropriated to the Pineland Development Credit Bank for the same purpose.

The unexpended balance at the end of the preceding fiscal year in the Pinelands Development Credit Bank account is appropriated for the same purpose.

In addition to the amounts hereinabove appropriated, such other sums as the Director of the Division of Budget and Accounting shall determine, are appropriated from the assessments of the insurance industry pursuant to P.L. 1995, c.156 (C.17:1C-19 et seq.) and from the assessments of the banking and consumer finance industries pursuant to P.L. 2005, c.199 (C.17:1C-33 et seq.) for the purpose of implementing the requirements of those statutes.

The amount hereinabove appropriated for the Division of Insurance accounts is payable from receipts received from the Special Purpose Assessment of insurance companies pursuant to section 2 of P.L. 1995, c.156 (C.17:1C-20). If the Special Purpose Assessment cap calculation is less than the amount hereinabove appropriated for this purpose for the Division of Insurance, the appropriation shall be reduced to the level of funding supported by the Special Purpose Assessment cap calculation.

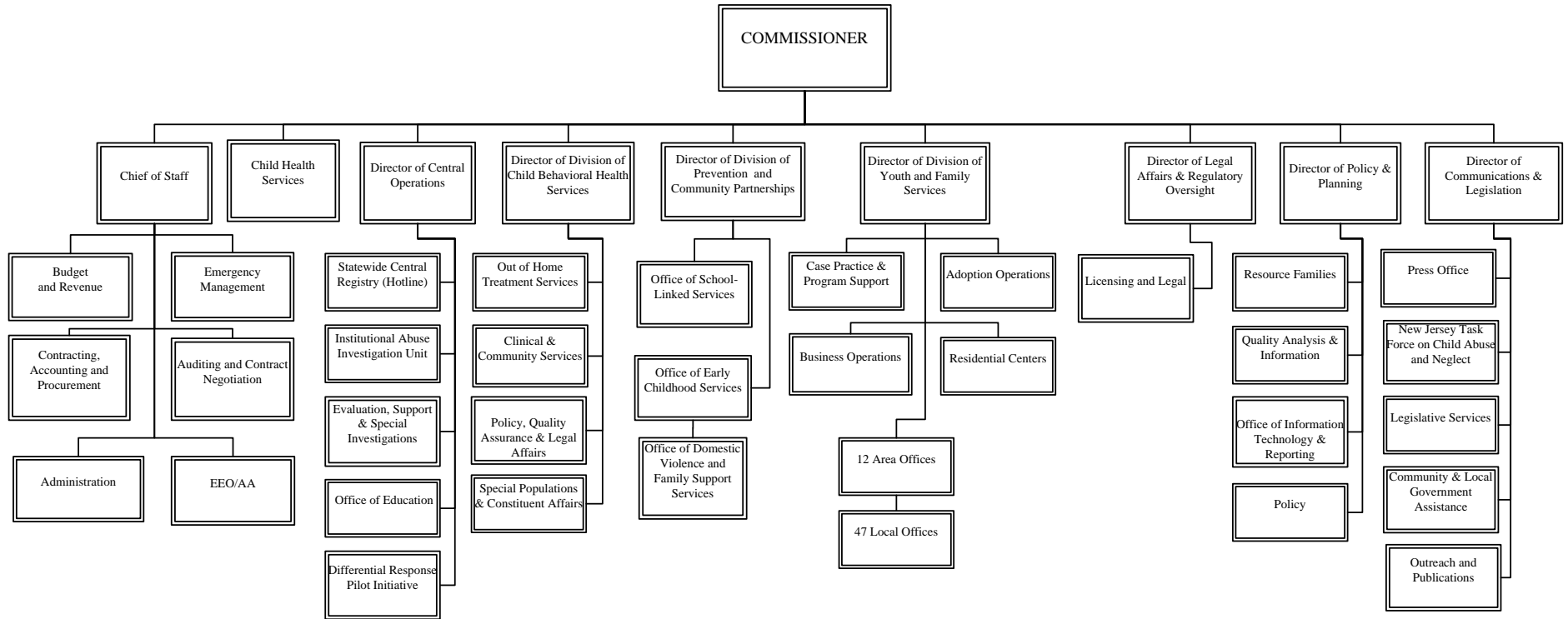
All monies deposited in the Division of Motor Vehicles Surcharge Fund are appropriated to the Market Transition Facility Revenue Fund in accordance with the provisions of P.L. 1994, c.57 (C.34:1B-21.1 et seq.).

The amount hereinabove appropriated for FAIR Act Administration shall be funded from the additional taxes on the taxable premiums of insurers for the payment of Department of Banking and Insurance administrative costs related to its statutory duties, pursuant to P.L. 1990, c.8 (C.17:33B-1 et al.).

There is appropriated such sums as are necessary to fund the administrative costs of the New Jersey Hospital Care Payment Commission pursuant to P.L. 2003, c.112, (C.17B:30-41 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, such sums as the Director of the Division of Budget and Accounting determines are necessary for the administrative costs associated with the "New Jersey Medical Care Access and Responsibility and Patients First Act," P.L. 2004, c.17 (C.2A:53A-37 et al.), are appropriated from the Medical Malpractice Liability Insurance Premium Assistance Fund. Such other sums, as the Director of the Division of Budget and Accounting shall determine as necessary on behalf of State employees, are appropriated to the Interdepartmental, Unemployment Insurance Liability account for deposit into the Medical Malpractice Liability Insurance Premium Assistance Fund. If annual receipts deposited in the Medical Malpractice Liability Insurance Premium Assistance Fund are higher or lower than the amounts projected for specific spending categories in the "New Jersey Medical Care Access and Responsibility and Patients First Act," the difference shall be pro-rated among those categories in the same proportion as established in section 27 of P.L. 2004, c.17 (C.17:30D-29).

CHILDREN & FAMILIES



DEPARTMENT OF CHILDREN AND FAMILIES OVERVIEW

Mission and Goals

The core of child welfare reform in New Jersey is to build a culture in the agency, together with the stakeholders, and the community, which allows the Department of Children and Families (DCF) to support and partner with children and families in achieving their full potential. Looking around the country, it is clear that system reform is not easy. It requires sustained will, significant investment, and careful planning and staging. But in the end, if given time to mature, thoughtful reform produces measurable returns that can be seen in improved outcomes in the safety, permanency, and well-being of children. New Jersey is committed to achieving that reform.

In its first stage of reform, New Jersey began by focusing on the fundamentals – creating the conditions which could make it possible for the change to happen. While that focus on the fundamentals continues, DCF and its divisions, the Division of Youth and Family Services (DYFS), the Division of Child Behavioral Health Services (DCBHS) and the Division of Prevention and Community Partnerships (DPCP), are now ready to move to the next stage, tackling the changes in practice that are necessary to make DCF the agency it needs to be for further progress to take place.

Last year, DCF published a case practice model, which identified family engagement as a core strategy in the agency's work. The case practice model clarifies who the agency serves, the expected outcomes of the services, and the guiding principles and expectations of the organization. This case practice model explains how DCF expects children and families to be treated and how they and their natural supports will be engaged and included in decisions affecting their safety and well-being. In 2008, DCF has begun to implement the case practice model. To do so, DCF will continue to use a data-driven approach to manage the reform process and incorporate the best thinking of New Jersey's child welfare stakeholders, child welfare workers and supervisors to identify and chart office-by-office and program-by-program the strengths and weaknesses in the State's child welfare work.

Budget Highlights

The Fiscal 2009 Budget for the Department of Children and Families totals \$1.076 billion, a decrease of \$5.2 million or 0.5% under the fiscal 2008 adjusted appropriation of \$1.081 billion.

Department Highlights

Dramatic Reduction in Caseloads for Workers

DCF is pleased to report that the number of DYFS caseworkers with caseloads exceeding 30 has declined by 95% since March, 2006 – over 82% of all DYFS local offices are meeting caseload standards in all areas.

Furthering Success in Adoptions

New Jersey now supports more children in permanent settings with their families through subsidized adoption and kinship legal guardianship than children in foster care and other temporary out-of-home placements. In calendar year 2007, the Department set a new State record for the most number of foster children ever adopted in a single year. In fact, the number of foster children adopted in the first two years of Governor Jon Corzine's Administration is the largest number ever adopted in any two year period in State history – in excess of 2,850 children. That progress, coupled with the Department's record setting net increase in foster families in 2007, demonstrates some of the tangible outcomes for children that are possible when a focused management team is matched with sufficient state resources. This critical work must continue, in particular, to achieve adoptions for adolescents whose parents' rights have been terminated by the courts. Focused reforms, such as extending the age limits on adoption subsidies to 21, will have a critical impact on

transitioning many more young people from foster care to loving, supportive homes and a stable future of young adulthood.

Building Healthcare Access and Medical Homes for Children in Foster Care

Over the past year, DCF has assessed the provision of health care services for children in placement to construct a statewide plan for better meeting the health care needs of children in custody. This year DCF will make significant strides forward in the health care delivery system for children in out-of-home placement. The heart of DCF's plan for health care reform is a commitment to build the capacity to provide strong coordination of children's health care needs and services within the 47 DYFS local offices. With implementation rolling out over the next year, each local office will have its own dynamic child health unit, led by nurses charged with ensuring continuity of care for children in DYFS custody. Concurrently, DCF is expanding access to health care by committing to broaden the array of medical providers available to offer services to DYFS children, working closely with the existing range of primary care and specialized providers to improve access to critically needed services.

Building Capacity and Improving Quality of Care in Children's Behavioral Health

This year the Division of Child Behavioral Health Services (DCBHS) is working to fortify the existing community based partial care and out-patient service system for children and to grow an infrastructure of evidence based, home-based services for children. These efforts will continue as DCF's focus sharpens on serving children in their home and communities whenever possible, and if out-of-home treatment is required, within proximity to family. In the past six months, DCF has managed a significant steady decline in placements of children in residential treatment outside of the State of New Jersey. DCBHS data will now be utilized internally and publicly released quarterly. As DCF prepares for system improvements in the children's behavioral health system next year, it is important to understand the baselines in residential and non-residential services for kids.

Expanding Child Abuse Prevention Services

Governor Corzine and DCF have committed to direct more resources to programs that strengthen families and prevent child abuse and neglect. Over the past 20 months, DCF has grown services markedly – and more is coming. The Division of Prevention and Community Partnerships (DPCP) has become a grant-making and best-practices center, funding innovative and evidence-based services across New Jersey designed to keep children safe and make families stronger. DCF is building one of the country's only statewide continuums of publicly supported family success centers in neighborhoods throughout New Jersey. And in the last year DCF has expanded home visitation programs, domestic violence services, school-linked services for adolescents, and supported evidence-based programs that improve family functioning and outreach programs that serve teens in high crime communities. This year DCF will continue to expand the pilot Differential Response Initiative, designed to provide access to voluntary support services to strengthen families and ultimately to help children and families before abuse or neglect occurs. The Differential Response approach is proving to be effective in child welfare systems nationally, and seeks to engage families who call or are referred to the New Jersey child abuse and neglect hotline when they need social services and no issues of child abuse or neglect are suspected. In just the first half of this year, DCF received approximately 7,000 calls to its statewide hotline that did not involve abuse or neglect, but were related to families needing or requesting assistance.

CHILDREN AND FAMILIES

DEPARTMENT OF CHILDREN AND FAMILIES SUMMARY OF APPROPRIATIONS BY FUND (thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND								
272,646	11	13,628	286,285	282,907	Direct State Services	326,958	320,636	320,636
676,769	10	10,443	687,222	656,341	Grants-In-Aid	753,952	755,067	755,067
10,000	---	2,881	12,881	6,916	Capital Construction	---	---	---
959,415	21	26,952	986,388	946,164	Total General Fund	1,080,910	1,075,703	1,075,703
959,415	21	26,952	986,388	946,164	Total Appropriation, Department of Children and Families	1,080,910	1,075,703	1,075,703

SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES - GENERAL FUND								
Social Services Programs								
197,978	11	11,425	209,414	206,991	Child Protective and Permanency Services	251,428	246,106	246,106
---	---	---	---	---	Child Behavioral Health Services	1,669	1,669	1,669
2,462	---	5	2,467	2,288	Prevention and Community Partnership Services	2,099	2,099	2,099
8,527	---	1,048	9,575	9,575	Education Services	10,514	10,514	10,514
3,661	---	---	3,661	3,661	Child Welfare Training Academy Services and Operations	10,155	9,155	9,155
2,575	---	---	2,575	2,575	Safety and Security Services	4,575	4,575	4,575
57,443	---	1,150	58,593	57,817	Administration and Support Services	46,518	46,518	46,518
272,646	11	13,628	286,285	282,907	Subtotal	326,958	320,636	320,636
272,646	11	13,628	286,285	282,907	Total Direct State Services - General Fund	326,958	320,636	320,636
272,646	11	13,628	286,285	282,907	TOTAL DIRECT STATE SERVICES	326,958	320,636	320,636
GRANTS-IN-AID - GENERAL FUND								
Social Services Programs								
346,981	10	7,579	354,570	354,103	Child Protective and Permanency Services	410,254	417,103	417,103
284,576	---	2,781	287,357	259,081	Child Behavioral Health Services	284,401	276,792	276,792
45,212	---	83	45,295	43,157	Prevention and Community Partnership Services	59,297	61,172	61,172
676,769	10	10,443	687,222	656,341	Subtotal	753,952	755,067	755,067
676,769	10	10,443	687,222	656,341	Total Grants-In-Aid - General Fund	753,952	755,067	755,067
676,769	10	10,443	687,222	656,341	TOTAL GRANTS-IN-AID	753,952	755,067	755,067

CHILDREN AND FAMILIES

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
CAPITAL CONSTRUCTION								
Social Services Programs								
10,000	---	2,881	12,881	6,916	Administration and Support Services	---	---	---
10,000	---	2,881	12,881	6,916	Subtotal	---	---	---
10,000	---	2,881	12,881	6,916	TOTAL CAPITAL CONSTRUCTION	---	---	---
959,415	21	26,952	986,388	946,164	Total Appropriation, Department of Children and Families	1,080,910	1,075,703	1,075,703

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

55. SOCIAL SERVICES PROGRAMS

OBJECTIVES

- To ensure the safety, permanency, and well-being of children.
- To achieve safe, sustained, and timely reunification among children and their families or achieve timely adoptions and kinship legal guardianship placements for children who cannot return home.
- To implement a new case practice model to include, but not be limited to, assuring effective engagement of the family and its natural supports, quality assessment of family and child strengths and needs, and quality protective services screening and investigations and decision-making.
- To further reduce investigators' caseloads, allowing staff to conduct thorough and appropriate investigations and functional assessments.
- To continue to grow the number of available resource homes for children, in order to provide a family-like setting to as many children in out-of-home placement as possible.
- To implement a model of coordinated health care for children in out-of-home placement to ensure children are connected to a medical home, receive timely comprehensive health examinations, dental care, mental health assessments, if appropriate, and follow-up care to address their health needs.
- To maintain the benchmarks established for ensuring the children under the supervision of DYFS who are legally free for adoption are adopted.
- To serve children and youth with emotional and behavioral health care challenges and their families based on the needs of the child and family in a family-centered, community-based environment.
- To improve outcomes for vulnerable children and families by expanding critical mental health services, such as round-the-clock mobile response, case management, and family support.
- To implement an accurate real time bed tracking system to manage the number of program beds available from the DCBHS and match those beds with children who need them.
- To establish evidence-based practices and interventions as a core piece of the DCBHS service delivery system, ensuring that children receive services that have demonstrated success in achieving positive outcomes.
- Competitively bid the Contracted Systems Administrator contract, gaining new service capacity, an updated Management Information System, and seeking a process that will be more accessible to the child welfare population.
- To continue supporting the development of the State's child abuse prevention and early intervention systems into an integrated network of locally-based, family-centered, user-friendly, and culturally competent services and supports.
- To improve outcomes for vulnerable children and families by expanding critical preventive services.
- To strengthen families through grant making and providing technical assistance to expert community agencies, making it possible for families to get the help they need within their own communities before a crisis occurs.
- To complete an organizational assessment of child abuse prevention assets and develop a plan to unify those assets within the organization.
- To create a statewide plan to prevent child abuse and neglect in New Jersey through the collaboration of the Division of Prevention and Community Partnerships and the New Jersey Task Force on Child Abuse and Neglect. The plan will be crafted through the active involvement of the broadest and most diverse group of State residents.
- To operate DCF Regional School Campuses across New Jersey by providing individualized, comprehensive, special education and general education year-round programs to students with a variety of disabilities, students at risk of school failure, students who have left school before earning a high school diploma, and students who are pregnant and parenting teenagers.
- To administer the delivery of educational programs and services to eligible students in State operated and contracted facilities and to provide educational funding and oversight to students determined by the Department of Education to be the responsibility of the State.
- To ensure the delivery of 40 hours of in-service training to case carrying staff on the new case practice model, using the Training Academy in partnership with New Jersey's colleges and universities, and to continue delivering quality training to new workers, investigators, and supervisors.

PROGRAM CLASSIFICATIONS

- Child Protective and Permanency Services.** DYFS investigates allegations of abuse or neglect, responds to voluntary requests for family services, and provides services to children found to have been abused or neglected.

An historic surge in referrals from the child abuse and neglect hotline continued in calendar year 2007. As part of its overall child welfare reform, New Jersey continues to invest in the statewide child protection hotline that operates 24-hours a day, 7-days a week, taking calls from the public regarding children's safety. The hotline also receives calls expressing concern about the well-being of families, even where there is not a safety issue, as well as requests for social services for that family. More than 64,000 calls were referred to 47 local DYFS offices in calendar year 2007 for further investigation or action to ensure a child's safety and well-being.

The DYFS budget is divided into four main areas: family support services; permanency; placements; and staffing to address the extensive demands of the child protection process.

Family Support Services: Family support services include services provided to families and children in their own homes as well as to foster and adoptive families and children in out-of-home placement. Eighty percent of the children counted within the active DYFS caseload are provided services in their homes. Those services are provided to the children individually, to parents, and to the family as a whole. Family support includes a wide variety of services designed to assist families in crisis and preserve and strengthen families and communities. Family support services are intended to reduce the need for more intensive services and promote independence and self-sufficiency. Support includes homemaker services, transportation assistance, psychological/therapeutic services, day treatment, companionship, legal and health related services.

Permanency: For children in out-of-home placement, DCF's goal is to achieve permanency for that child - a sustained, forever family who will love and nurture the child. The majority of children in New Jersey who enter foster care return home. But for those who do not, DCF must identify a new, forever family for that child. In 2007, DCF set a new State record for the most foster children ever adopted in a single year - 1,540 - and reduced the number of children awaiting adoption by 44%. Supporting a child can be expensive and many of the families willing to assume responsibility have real financial challenges that present a barrier to their ability to adopt or assume guardianship of a child. New Jersey's adoption and Kinship Legal Guardianship subsidy programs represent best practice across the country and support families who step forward to provide one of the most important gifts a child can receive - a loving, permanent home. New Jersey has seen tremendous growth in this area, a very positive development and one which DCF will continue to support vigorously.

Placement: Placement services are the umbrella term for the wide variety of out-of-home placements available to children in DYFS custody. (Note: this section of the budget does not include placements for DYFS children with behavioral health challenges who are served by the Division of Child Behavioral Health Services.) New Jersey has a strong commitment to family-based placements, both kin and non-kin placements. DCF set a new State record for the largest number of resource family homes licensed - 1,900 - and the largest new increase in resource homes with more than 800. Research consistently demonstrates that family-based placements produce better outcomes for most children - and New Jersey's rate of family-based placement is ranked well nationally, at 77%. Family-based placements include resource family and treatment homes. Twenty-two percent live in congregate care settings, such as group homes and residential

placements and .5% of the children are transitioning to independent living. Many of the children living in these congregate care settings need special services for addiction, a developmental disability, or a complex health challenge. A small number of older youth live in independent living settings. Children in crisis can also be placed in a temporary emergency placement while a more permanent home is identified.

Staffing: Adequate staffing plays a critical role in the ability of DYFS to provide quality investigatory, protective, and permanency services to children and families. A major element of the federal class action lawsuit filed against the New Jersey child welfare system addressed the need for lowered caseloads that comport with best practice. Governor Corzine and the Legislature have made substantial and important investments in caseworker staff and, as a result, caseloads have been dramatically reduced, even in the face of an historic surge in referrals. In fact, 76% of the DYFS offices have achieved compliance with the intake standard, 93% compliance with the adoption caseload standard, and 100% of the offices have achieved compliance with the permanency caseload standard - all of which exceed the required targets.

02. **Child Behavioral Health Services.** Most fundamental to DCBHS is its emphasis on the family or caregiver as playing a central role in the health and well-being of children. DCF involves families throughout the planning and treatment process in order to create a service system that values and promotes the advice and recommendations of the family, a system that is friendly to families and one which provides them the tools and support needed to create successful life experiences for their children. Among the system's virtues is its ability to enable families to access behavioral health care without having to surrender custody of their children and a very strong model of family engagement.

DCBHS contracts with community agencies in 15 areas across the State for Mobile Response and Stabilization Services, which operates 24-hours a day, 7-days a week, to respond quickly when a child exhibits emotional or behavioral challenges that threaten to disrupt current living arrangements. Mobile Response provides face-to-face crisis response within one hour of notification with the goal of stabilizing behavior and avoiding family disruption or loss of placement. The fragmentation of case management services across the State by Care Management Organizations in some areas or Youth Case Management entities in others, has posed challenges for families and children alike, leading DCF to undertake a competitive bid process this year to begin a phased-in unification of care management for youth.

Family Support Organizations (FSOs) are family-run, county-based organizations that provide direct family-to-family peer support, education, advocacy, and other services to family members of children with emotional and behavioral problems. FSOs provide support to children and families with problems. They are not case management agencies, but provide support and management information so families are better able to manage their children's care on their own.

In-Community Services are therapeutic services delivered in a child's home or community, designed to help stabilize the child in their home environment and reduce the need for out-of-home treatment services, such as residential treatment. These services are flexible both in the timing and the nature of the services so that they can be individualized to the needs of the child and their family.

CHILDREN AND FAMILIES

03. Prevention and Community Partnership Services. DPCP services fall within five areas that focus on primary prevention: early childhood services, family support and engagement, school-linked services, domestic violence, and county welfare services.

The key to overall child welfare is a robust commitment to strengthen families by supporting conditions that prevent abuse and neglect and allow children to flourish. DPCP funds primary and secondary child abuse prevention efforts across New Jersey in an effort to focus resources on meeting the unique needs of families before child maltreatment emerges as an issue. Essential programs that DPCP will continue to support include: (1) home visitation services for new mothers, ensuring that at-risk families access the parenting and coping skills necessary for successful parenthood; (2) strengthening families through early care and education; (3) family support initiatives such as community-based Family Success Centers and county-based Differential Response Systems, to enhance local social services for families in need; (4) school-linked services that allow students and families to receive social, health, and wrap-around services on school campuses including training to prevent peer assault and stranger abduction; (5) programs for children who have witnessed domestic violence in their homes, as well as a domestic violence shelter and 24-hour hotline in each of the 21 counties; and (6) county welfare social services such as the Family Preservation program directed toward promoting self-sufficiency, preserving family integrity, and preventing the abuse, neglect, or exploitation of minor children. DPCP, in response to Governor Corzine's Crime Prevention Plan, initiated three new programs in FY 2008: (1) Outreach to At-Risk Youth programs designed to provide enhanced recreational, vocational, educational, outreach or supportive services to youth, ages 13 to 18, with the option to serve youth until age 21, who live in a community of demonstrated high crime and gang violence; (2) a Teen Helpline to promote healthy youth development by providing immediate interactive, empathetic and respectful Helpline services for adolescents with linkage to information and services that address the social and health needs of youth; and (3) Evidenced-Based School Linked prevention services that support violence prevention programs targeted for elementary school aged children, including children enrolled in pre-kindergarten, kindergarten, and families, in at least five

schools within one of the State's high crime communities.

04. Education Services. DCF's Office of Education provides year-round educational programming for students who are DCF-involved or who have been referred by other government agencies as requiring intensive educational services and support that are not available through their local schools. Students include children at risk of school failure with severe physical or emotional disabilities, pregnant and parenting teens, and youth who have been referred by the juvenile justice system.

05. Child Welfare Training Academy Services and Operations. The New Jersey Child Welfare Training Academy delivers pre-service training for new recruits, investigator training for intake staff, and supervisory training for new supervisors. The training developed by the Academy balances classroom training, practicum, and use of training units in the field. With the resources of the Training Academy focused on these three critical areas, DCF has partnered with a consortium of New Jersey's colleges and universities for delivery of the required in-service training needs of staff.

06. Safety and Security Services. The purpose of safety and security services is to provide funding for the reimbursement of costs associated with the utilization of the Department of Human Services (DHS) Police to provide escort and intervention services for department staff and clients. Utilization of DHS Police will alleviate the need to create a new police force in the Department of Children and Families.

99. Administration and Support Services. The purpose of administration and support services in each program classification is to direct and support the divisions and offices of the Department of Children and Families including the 12 Area Offices, the 47 DYFS local offices, the Child Welfare Training Academy, and the other operations and facilities administered by DYFS, the Office of Education, the Division of Child Behavioral Health Services, and Division of Prevention and Community Partnerships. Also included in this program is the administration of purchase of service contracts to ensure compliance with the Department of Children and Families' policies and requirements and to planning, controlling and evaluation of internal operations, human resources administration, technological support, facilities management and fiscal operations including assessments, continuous quality improvement, legal, legislative, and communications.

EVALUATION DATA

PROGRAM DATA	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Education Services				
Average enrollment (a)	1,568	1,568	1,555	1,562
Child Protective and Permanency Services				
Active Children Receiving DYFS Services (Unduplicated) ..	148,745	156,707	164,013	175,213
DYFS Family Support Services				
Emergency Services	\$2,296,000	\$3,105,000	\$3,386,000	\$3,386,000
Case Management Services	\$8,858,000	\$9,229,000	\$10,065,000	\$10,065,000
Assessment Services	\$40,925,000	\$43,087,000	\$44,995,000	\$44,701,000
Parent Services	\$24,373,000	\$26,027,000	\$28,385,000	\$28,385,000
Total Family Support Services Program Cost	\$76,452,000	\$81,448,000	\$86,831,000	\$86,537,000
Adoption Subsidies (b)				
Average daily population	9,780	10,466	11,537	11,663
Subsidy cost	\$73,461,000	\$81,369,000	\$91,490,000	\$92,490,000
Average annual cost per client	\$7,511	\$7,775	\$7,930	\$7,930

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	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Foster Care				
Kinship Legal Guardianship (KLG) Placements (b)				
Average daily population	1,641	2,243	2,603	2,603
Total program cost	\$9,496,000	\$15,268,000	\$19,003,000	\$19,003,000
Average annual cost per client	\$5,787	\$6,807	\$7,300	\$7,300
Resource Family Placements (c)				
Average daily population	8,781	8,281	7,982	7,982
Total program cost	\$80,349,000	\$80,449,000	\$85,190,000	\$85,190,000
Average annual cost per client	\$9,150	\$9,715	\$10,673	\$10,673
Total Foster Care				
Average daily population	10,422	10,524	10,585	10,585
Total program cost	\$89,845,000	\$95,717,000	\$104,193,000	\$104,193,000
Average annual cost per client	\$8,621	\$9,095	\$9,843	\$9,843
DYFS Other Residential Placements				
Independent Living Placements				
Number of Children	139	158	177	177
Total program cost	\$5,855,000	\$5,966,000	\$6,785,000	\$6,785,000
Average annual cost per client	\$42,122	\$37,759	\$38,333	\$38,333
Emergency Placements				
Unduplicated Children Served	2,217	1,876	2,132	2,132
Total program cost	\$17,788,000	\$19,674,000	\$22,386,000	\$22,386,000
Average cost per unduplicated child	\$8,023	\$10,487	\$10,500	\$10,500
Total Other Residential Placements	\$23,643,000	\$25,640,000	\$29,171,000	\$29,171,000
Residential Placements (d)				
Average daily population	164	168	169	169
Total program cost	\$16,426,000	\$16,950,000	\$17,043,000	\$17,043,000
Average annual cost per client	\$100,159	\$100,893	\$100,846	\$100,846
Group Home Placements (e)				
Average daily population	128	128	122	122
Total program cost	\$11,154,000	\$11,114,000	\$10,931,000	\$10,931,000
Average annual cost per client	\$87,141	\$86,828	\$89,598	\$89,598
Treatment Home Placements (e)				
Average daily population	88	72	80	80
Total program cost	\$3,453,000	\$2,276,000	\$3,428,000	\$3,428,000
Average annual cost per client	\$39,239	\$31,611	\$42,850	\$42,850
Ewing Residential Center (f)				
Average population	24	24	29	29
Rated capacity	30	30	30	30
Total program cost	\$5,765,000	\$6,279,000	\$6,513,000	\$6,695,000
Average annual cost per client	\$240,208	\$261,625	\$224,586	\$230,862
Vineland Residential Center (f)				
Average population	33	34	35	35
Rated capacity	36	36	36	36
Total program cost	\$6,225,000	\$6,420,000	\$6,714,000	\$6,903,000
Average annual cost per client	\$188,636	\$188,824	\$191,829	\$197,229
Woodbridge Residential Center (f)				
Average population	26	24	29	29
Rated capacity	30	30	30	30
Total program cost	\$5,174,000	\$5,783,000	\$6,023,000	\$6,191,000
Average annual cost per client	\$199,000	\$240,958	\$207,690	\$213,483
Child Behavioral Health Services				
Mobile Response and Stabilization Services (g)				
Total dispatches	---	12,972	16,621	16,621
Total program cost	\$10,819,623	\$9,905,021	\$12,882,000	\$12,882,000
Cost per dispatch	---	\$764	\$775	\$775
Community and Evidence-Based Services				
Outpatient Services				
Youth served	8,813	9,873	11,186	11,186
Total program cost	---	\$4,577,000	\$5,734,000	\$5,734,000
Cost per youth served	---	\$464	\$513	\$513

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	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Partial Care/Partial Hospitalization				
Total youth served	2,604	3,075	3,204	3,204
Total program cost	---	\$6,514,000	\$6,890,000	\$6,890,000
Cost per youth served	---	\$2,118	\$2,150	\$2,150
Care Management Services (g)				
Total youth served	10,565	12,807	14,034	14,034
Total program cost	\$45,692,662	\$55,552,000	\$61,789,000	\$61,789,000
Cost per youth served	\$4,325	\$4,338	\$4,403	\$4,403
Behavioral Assistance and Intensive In-Home Community Services (g)				
Total service hours	531,439	669,635	590,385	590,385
Total program cost	\$32,179,730	\$44,868,079	\$39,558,000	\$43,588,000
Cost per service hour	\$61	\$67	\$67	\$74
Family Support Organizations				
Total program cost	\$6,288,607	\$7,292,065	\$7,291,000	\$7,291,000
Out-of-Home Treatment Services (g)				
Total program cost	\$224,209,819	\$230,740,000	\$266,727,000	\$246,609,000
Prevention and Community Partnership Services				
Early Childhood/Primary Prevention Services				
Home Visitation				
Number of programs	---	8	15	15
Total program cost	---	\$2,200,000	\$4,222,000	\$4,222,000
Cost per program	---	\$275,000	\$281,467	\$281,467
Parent Education and Services				
Number of programs	---	15	20	20
Total program cost	---	\$723,000	\$2,514,000	\$2,514,000
Cost per program	---	\$48,200	\$125,700	\$125,700
Safe Haven Infant Protection				
Total program cost	\$518,000	\$526,000	\$538,000	\$538,000
Children's Trust Fund				
Number of programs	12	17	15	15
Total program cost	\$563,230	\$986,587	\$1,375,681	\$1,205,352
Cost per program	\$46,936	\$58,035	\$91,712	\$80,357
Family Support Services				
Family Success Centers	16	16	36	36
Total program cost	\$2,830,000	\$3,074,000	\$8,101,000	\$8,101,000
Cost per program	\$176,875	\$192,125	\$225,028	\$225,028
Differential Response				
Number of counties served	---	4	6	6
Total program cost	---	\$1,248,042	\$4,999,000	\$6,999,000
Outreach to At Risk Youth				
Total program cost	---	---	\$2,700,000	\$2,700,000
School Linked Youth Services				
School Linked Service Programs				
Number of schools	19	90	92	92
Total program cost	\$8,883,000	\$30,943,000	\$29,277,000	\$29,277,000
Cost per school	\$467,526	\$343,811	\$318,228	\$318,228
NJ Child Assault Prevention				
Number of programs	---	22	22	22
Total program cost	---	\$1,548,000	\$1,658,000	\$1,658,000
Cost per program	---	\$70,364	\$75,364	\$75,364
Health Centers				
Number of programs	5	5	5	5
Total program cost	\$600,000	\$606,000	\$606,000	\$606,000
Cost per program	\$120,000	\$121,200	\$121,200	\$121,200
Domestic Violence Prevention				
Number of PALs and Domestic Violence Shelters	7	30	35	35
Total program cost	\$3,225,000	\$14,408,000	\$14,598,000	\$14,598,000
Cost per program	\$460,714	\$480,267	\$417,086	\$417,086

CHILDREN AND FAMILIES

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	---	916	925	925
Male Minority %	---	14%	13%	13%
Female Minority	---	3,320	3,345	3,345
Female Minority %	---	52%	48%	48%
Total Minority	---	4,236	4,270	4,270
Total Minority %	---	66%	61%	61%
Position Data				
Filled positions by Funding Source				
State Supported	4,593	5,098	5,020	5,037
Federal	865	883	1,502	1,502
All Other	461	478	453	453
Total Positions	5,919	6,459	6,975	6,992
Filled Positions by Program Class				
Education Services	543	555	532	506
Child Protective and Permanency Services	4,927	5,365	5,894	5,878
Prevention and Community Partnership Services	4	6	7	14
Training Academy Services and Operations	---	21	45	49
Child Behavioral Health Services	---	---	---	21
Administration and Support Services	445	512	497	524
Total Positions	5,919	6,459	6,975	6,992

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January and adjusted to reflect the prospective shift of State positions to federal positions. The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

Program expenditure data includes funds appropriated for cost of living adjustments and special purpose appropriations.

(a) Includes State Facilities Education Act (SFEA) Residential, Regional, State Responsible, and District Placed students.

(b) Adoption Subsidies and the Kinship Legal Guardianship Placements (KLG) are not open for case management services. Payments for KLG placements are charged to the Foster Care account. Expenditures reflect the portion of the board payments reimbursed by the Division of Family Development (DFD).

(c) Includes regular Foster Care and Relative Care Placements, but excludes KLG placements that are reflected separately. Expenditures reflect the portion of the Relative Care board payments reimbursed by DFD.

(d) Data reflects only Division of Youth and Family Services (DYFS) paid placements and not those served under the auspices of the Division of Child Behavioral Health Services (DCBHS). This category includes costs for Division of Developmental Disability (DDD) eligible, dually diagnosed children in DDD contracted residential treatment programs to be reimbursed by DYFS.

(e) Data reflects only DYFS paid placements and not those served under the auspices of the DCBHS.

(f) The three State-operated residential treatment centers are accredited by the Joint Commission on Health Care Organizations. Approximately half of the costs for these centers are reimbursed via the federal Title XIX program.

(g) Data includes funding provided for State Children's Health Insurance Program.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
384,453	467	13,458	398,378	361,587	Child Protective and Permanency Services	01	415,688	403,775	403,775
197,978	11	11,425	209,414	206,991	(From General Fund)		251,428	246,106	246,106
186,475	394	295	187,164	152,796	(From Federal Funds)		161,996	157,257	157,257
---	62	1,738	1,800	1,800	(From All Other Funds)		2,264	412	412
---	---	---	---	---	Child Behavioral Health Services	02	2,304	1,915	1,915
---	---	---	---	---	(From General Fund)		1,669	1,669	1,669
---	---	---	---	---	(From Federal Funds)		635	246	246
2,462	---	5	2,467	2,288	Prevention and Community Partnership Services	03	2,099	2,099	2,099
2,462	---	5	2,467	2,288	(From General Fund)		2,099	2,099	2,099

CHILDREN AND FAMILIES

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES									
10,643	24,384	3,963	38,990	37,344	Education Services	04	37,867	38,998	38,998
8,527	---	1,048	9,575	9,575	(From General Fund)		10,514	10,514	10,514
2,116	968	1,277	4,361	2,716	(From Federal Funds)		2,160	2,094	2,094
---	23,416	1,638	25,054	25,053	(From All Other Funds)		25,193	26,390	26,390
5,449	---	---	5,449	4,673	Child Welfare Training Academy				
					Services and Operations	05	13,693	12,095	12,095
3,661	---	---	3,661	3,661	(From General Fund)		10,155	9,155	9,155
1,788	---	---	1,788	1,012	(From Federal Funds)		3,538	2,940	2,940
2,575	---	---	2,575	2,575	Safety and Security Services	06	4,575	4,575	4,575
78,334	331	1,150	79,815	76,246	Administration and Support				
					Services	99	65,923	66,274	66,274
57,443	---	1,150	58,593	57,817	(From General Fund)		46,518	46,518	46,518
20,891	331	---	21,222	18,429	(From Federal Funds)		19,405	19,756	19,756
483,916	25,182	18,576	527,674	484,713	Total Direct State Services		542,149 (a)	529,731	529,731
Less:									
(211,270)	(1,693)	(1,572)	(214,535)	(174,953)	Federal Funds		(187,734)	(182,293)	(182,293)
---	(23,478)	(3,376)	(26,854)	(26,853)	All Other Funds		(27,457)	(26,802)	(26,802)
272,646	11	13,628	286,285	282,907	Total State Appropriation		326,958	320,636	320,636
Distribution by Fund and Object									
Personal Services:									
357,662	477 23,459 R	14,434	396,032	371,246	Salaries and Wages		431,163	427,725	427,725
357,662	23,936	14,434	396,032	371,246	Total Personal Services		431,163	427,725	427,725
4,724	---	1,700	6,424	6,237	Materials and Supplies		5,364	5,354	5,354
21,427	1,311	1,566	24,304	23,030	Services Other Than Personal		27,621	27,230	27,230
22,782	---	670	23,452	23,415	Maintenance and Fixed Charges		37,276	36,868	36,868
Special Purpose:									
3,437	---	201	3,638	1,899	Child Protective and				
					Permanency Services	01	1,835 (b)	1,835	1,835
44,267	---	---	44,267	37,727	Child Welfare Reform	01	---	---	---
526	---	5	531	531	New Jersey Safe Haven Infant				
					Protection Act (c)	03	538	538	538
---	---	---	---	---	NJ Partnership for Public Child				
					Welfare	05	4,000	3,500	3,500
---	---	---	---	---	Rutgers MSW Program	05	1,849 (d)	1,649	1,649
2,575	---	---	2,575	2,575	Safety and Security Services	06	4,575	4,575	4,575
1,524	---	---	1,524	1,524	Information Technology	99	1,524	1,524	1,524
7,188	---	---	7,188	6,688	Safety and Permanency in the				
					Courts	99	9,188	9,188	9,188
17,804	-65	---	17,739	9,841	Additions, Improvements and				
					Equipment		17,216	9,745	9,745
Less:									
(211,270)	(1,693)	(1,572)	(214,535)	(174,953)	Federal Funds		(187,734)	(182,293)	(182,293)
---	(23,478)	(3,376)	(26,854)	(26,853)	All Other Funds		(27,457)	(26,802)	(26,802)
GRANTS-IN-AID									
Distribution by Fund and Program									
391,732	18,967	11,479	422,178	405,417	Child Protective and Permanency				
					Services	01	465,629	473,383	473,383
346,981	10	7,579	354,570	354,103	(From General Fund)		410,254	417,103	417,103
44,751	11,680	3,597	60,028	47,656	(From Federal Funds)		52,121	53,026	53,026
---	7,277	303	7,580	3,658	(From All Other Funds)		3,254	3,254	3,254
419,619	-139	2,801	422,281	374,449	Child Behavioral Health Services	02	419,452	407,525	407,525
284,576	---	2,781	287,357	259,081	(From General Fund)		284,401	276,792	276,792
135,043	-139	20	134,924	115,368	(From Federal Funds)		135,051	130,733	130,733

CHILDREN AND FAMILIES

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
GRANTS-IN-AID									
53,715	1,733	1,221	56,669	51,755	Prevention and Community Partnership Services	03	68,666	70,431	70,431
45,212	---	83	45,295	43,157	(From General Fund)		59,297	61,172	61,172
8,503	---	1,138	9,641	7,741	(From Federal Funds)		9,369	9,259	9,259
---	1,733	---	1,733	857	(From All Other Funds)		---	---	---
---	28,541	-1,912	26,629	26,500	Education Services	04	27,302	27,488	27,488
---	28,541	-1,912	26,629	26,500	(From All Other Funds)		27,302	27,488	27,488
1,288	339	---	1,627	775	Administration and Support Services	99	1,284	1,234	1,234
1,288	339	---	1,627	775	(From Federal Funds)		1,284	1,234	1,234
866,354	49,441	13,589	929,384	858,896	Total Grants-in-Aid		982,333	980,061	980,061
Less:									
(189,585)	(11,880)	(4,755)	(206,220)	(171,540)	Federal Funds		(197,825)	(194,252)	(194,252)
---	(37,551)	1,609	(35,942)	(31,015)	All Other Funds		(30,556)	(30,742)	(30,742)
676,769	10	10,443	687,222	656,341	Total State Appropriation		753,952	755,067	755,067
Distribution by Fund and Object									
Grants:									
950	117	---	1,067	979	Rutgers MSW Program	01	--- (d)	---	---
12,000	---	-12,000	---	---	Substance Abuse Services	01	15,000	15,000	15,000
2,000	---	---	2,000	1,845	Capital Improvements for Child Advocacy Centers	01	---	---	---
---	---	---	---	---	Court Appointed Special Advocates	01	---	---	---
11,324	---	113	11,437	11,437	Group Homes	01	10,931	10,931	10,931
2,568	3 78 ^R	329	2,978	2,651	Treatment Homes	01	3,428	3,428	3,428
290	---	3	293	293	Public Awareness for Child Abuse Prevention Program	01	297	297	297
---	---	---	---	---	Community Provider Cost of Living Adjustment	01	---	6,013	6,013
22,589	---	314	22,903	22,899	Independent Living and Shelter Care	01	29,171	29,171	29,171
12,500	196 3,304 ^R	136	16,136	13,736	Residential Placements	01	17,043	17,043	17,043
58,839	10	522	59,371	59,285	Family Support Services	01	69,943	69,649	69,649
11,847	---	118	11,965	11,965	Child Abuse Prevention	01	12,119	12,119	12,119
73,958	288 3,408 ^R	14,462	92,116	90,905	Foster Care	01	104,193	104,193	104,193
76,422	363	764	77,549	77,548	Subsidized Adoption	01	91,490	92,490	92,490
687	---	7	694	694	Recruitment of Adoptive Parents	01	703	703	703
8,108	---	82	8,190	8,173	Foster Care and Permanency Initiative	01	8,174	8,174	8,174
21,810	---	---	21,810	15,545	Child Welfare Reform	01	---	---	---
7,945	---	82	8,027	8,027	County Human Services Advisory Board-Formula Funding	01	7,865	7,865	7,865
1,560	---	16	1,576	1,576	New Jersey Homeless Youth Act	01	1,596	1,596	1,596
1,022	---	10	1,032	1,032	Wynona M. Lipman Child Advocacy Center, Essex County	01	529	529	529
55,329	10,120	6,137	71,586	67,684	Purchase of Social Services	01	62,130	60,052	60,052
---	---	---	---	---	Child Health Units	01	16,900 (f)	19,016	19,016
9,663	---	---	---	---	Restricted Federal Grants	01	9,348	9,195	9,195
321 ^S	1,080	384	11,448	9,143	State Match	01	4,769 (g)	4,769	4,769
---	---	---	---	---					

CHILDREN AND FAMILIES

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended	
					Prog. Class.				
GRANTS-IN-AID									
42,311	-65	358	42,604	40,610	Care Management Organiza- tions	02	43,530	40,530	
265,686	---	1,856	267,542	230,740	Treatment Homes and Emergency Behavioral Health Services	02	266,727	243,309	
16,180	---	160	16,340	14,877	Youth Case Managers	02	18,259	17,828	
9,134	-74	69	9,129	7,218	Family Support Organizations	02	7,291	7,291	
12,263	---	114	12,377	9,905	Mobile Response	02	12,882	11,682	
45,588	---	---	45,588	44,868	Intensive In-Home Behavioral Assistance	02	39,588	37,788	
8,411	---	79	8,490	6,114	Youth Incentive Program	02	8,525	8,525	
4,599	---	69	4,668	4,577	Outpatient	02	5,734	5,734	
6,421	---	96	6,517	6,514	Partial Care	02	6,890	6,890	
9,026	---	---	9,026	9,026	Contracted Systems Administrator	02	10,026	10,026	
---	---	---	---	---	State Children's Health Insurance Program for Care Management Organizations	02	--- (h)	3,000	
---	---	---	---	---	State Children's Health Insurance Program for Residential Services	02	--- (h)	3,300	
---	---	---	---	---	State Children's Health Insurance Program for Youth Case Management	02	--- (h)	431	
---	---	---	---	---	State Children's Health Insurance Program for Mobile Response	02	--- (h)	1,200	
---	---	---	---	---	State Children's Health Insurance Program for Behavioral Assistance	02	--- (h)	5,800	
---	---	---	---	---	Community Provider Cost of Living Adjustment	02	---	4,191	
2,423	---	---	2,423	1,663	Early Childhood Services (i)	03	6,736	6,736	
31,427	---	14	31,441	30,121	School Linked Services Program (j)	03	31,541	31,541	
9,375	---	---	9,375	8,665	Family Support Services	03	14,800	16,800	
10,365	1,124 609 R	69	12,167	10,554	Domestic Violence Prevention Services	03	14,598	14,598	
---	---	138	138	138	Refugee School Impact Program	03	---	---	
125	---	---	125	125	Amanda Easel Project	03	125	---	
---	---	1,000	1,000	489	Community Based Child Abuse Prevention (k)	03	866	756	
---	28,541 R	-1,912	26,629	26,500	Educational Program Services	04	27,302	27,488	
487	97	---	584	248	Children's Justice Act	99	483	483	
801	242	---	1,043	527	National Center for Child Abuse and Neglect	99	801	751	
Less:									
(189,585)	(11,880)	(4,755)	(206,220)	(171,540)	Federal Funds	(197,825)	(194,252)	(194,252)	
---	(37,551)	1,609	(35,942)	(31,015)	All Other Funds	(30,556)	(30,742)	(30,742)	
CAPITAL CONSTRUCTION									
Distribution by Fund and Program									
10,000	---	2,881	12,881	6,916	Administration and Support Services	99	---	---	
10,000	---	2,881	12,881	6,916	Total Capital Construction	---	---	---	

CHILDREN AND FAMILIES

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
CAPITAL CONSTRUCTION								
Distribution by Fund and Object								
Office of Children's Services								
10,000	---	2,881	12,881	6,916	State Automated Child Welfare Information System	99 ---	---	---
959,415	21	26,952	986,388	946,164	Grand Total State Appropriation	1,080,910	1,075,703	1,075,703
OTHER RELATED APPROPRIATIONS								
400,855	13,573	6,327	420,755	346,493	Total Federal Funds	385,559	376,545	376,545
---	61,029	1,767	62,796	57,868	Total All Other Funds	58,013	57,544	57,544
1,360,270	74,623	35,046	1,469,939	1,350,525	GRAND TOTAL ALL FUNDS	1,524,482	1,509,792	1,509,792

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.
- (b) In fiscal 2008, appropriations of \$1,950,000 for costs related to the federal court-ordered Department of Children and Families caseload increase was reallocated to the Office of the Public Defender within the Department of the Treasury.
- (c) Funding for the New Jersey Safe Haven Infant Protection Act has been transferred from the Division of Youth and Family Services to the Division of Prevention and Community Partnership Services.

Notes -- Grants-In-Aid - General Fund

- (d) Funding for the Rutgers MSW Program has been transferred from the Division of Youth and Family Services to the Office of Children's Services.
- (e) In fiscal 2008, funding of \$1,150,000 was appropriated in the Purchase of Social Services account.
- (f) In fiscal 2008, funding of \$6,332,000 from the Purchase of Social Services account, \$1,997,000 from the Family Support Services account, and \$121,000 from the Foster Care and Permanency Initiative account has been transferred to the Child Health Units account and an equal federal match has been provided.
- (g) Funding for the State Match has been transferred from the Family Support Services account in the Division of Youth and Family Services.
- (h) In fiscal year 2008, funding for the State Children's Health Insurance Program for Care Management Organizations account of \$3,000,000 was appropriated in the Care Management Organizations account; funding for the State's Children's Health Insurance Program for Residential Services account of \$3,300,000 was appropriated in the Treatment Homes and Emergency Behavioral Health Services account; funding for the State Children's Health Insurance Program for Youth Case Management account of \$431,000 was appropriated in the Youth Case Managers account; funding for the State Children's Health Insurance Program for Mobile Response account of \$1,200,000 was appropriated in the Mobile Response account; and funding for the State Children's Health Insurance Program for Behavioral Assistance account of \$5,800,000 was appropriated in the Intensive In-Home Behavioral Assistance account. Of the above amounts, 35% is state funding and 65% is federal funding.
- (i) Funding for this program was previously provided as the appropriation for Area Prevention and Support Services.
- (j) Funding for this program was previously provided as the appropriation for School Based Youth Program.
- (k) Funding for the Community Based Child Abuse Prevention has been transferred from the Division of Youth and Family Services to the Division of Prevention and Community Partnership Services.

Language Recommendations -- Capital Construction

In reference to the State appropriation provided in prior fiscal years for the State Automated Child Welfare Information System (SACWIS) program, the Commissioner of the Department of Children and Families shall provide the Office of Management and Budget, the Office of Legislative Services, and the Commission on Capital Budgeting and Planning with two written reports, due on September 15, 2008 and March 15, 2009, containing the details of the status of project deliverables, the description of problems encountered and proposed solutions, details of any required change orders, and operating cost estimates for the NJ Spirit System.

Language Recommendations -- Direct State Services - General Fund

Of the amount hereinabove appropriated for Safety and Permanency in the Courts, an amount not to exceed \$8,688,000 shall be transferred to the Department of Law and Public Safety and is appropriated for legal services implementing the approved child welfare settlement with the federal court, subject to the approval of the Director of the Division of Budget and Accounting.

Of the amounts hereinabove appropriated for Salaries and Wages for the Child Welfare Training Academy Services and Operations, such sums as may be necessary shall be used to train the Department of Children and Families staff who serve children and families in the field, who have not already received training in cultural competence, in cultural competency. The Department of Children and Families shall also offer training opportunities in cultural competence to staff of community-based organizations serving children and families under contract to the Department of Children and Families.

CHILDREN AND FAMILIES

Language Recommendations -- Grants-In-Aid - General Fund

The sums hereinabove appropriated for the Residential Placements, Group Homes, Treatment Homes, Other Residential Services, Foster Care, Subsidized Adoption, and Family Support Services accounts are available for the payment of obligations applicable to prior fiscal years.

Any change by the Department of Children and Families in the rates paid for foster care and adoption subsidy programs from the sums hereinabove appropriated for Foster Care and Subsidized Adoption, other than an adjustment based on Cost of Living, shall be approved by the Director of the Division of Budget and Accounting.

Receipts in the Marriage and Civil Union License Fee Fund in excess of the amount anticipated are appropriated.

Of the amount hereinabove appropriated for the Domestic Violence Prevention Services, \$1,309,000 is payable out of the Marriage and Civil Union License Fee Fund. If receipts to that fund are less than anticipated, the appropriation shall be reduced by the amount of the shortfall.

Funds recovered under P.L.1951, c.138 (C.30:4C-1 et seq.) during the current fiscal year are appropriated for resource families and other out-of-home placements.

Notwithstanding the provisions of any law or regulation to the contrary, the amounts hereinabove appropriated in the Residential Placements account is subject to the following condition: amounts that become available as a result of the return of persons from in-State and out-of-State residential placements to community programs within the State may be transferred from the Residential Placements account to the appropriate Child Protective and Permanency Services account, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts from counties for persons under the care and supervision of the Division of Youth and Family Services are appropriated for the purpose of providing State Aid to the counties, subject to the approval of the Director of the Division of Budget and Accounting.

Of the amount hereinabove appropriated for the Purchase of Social Services account, \$1,000,000 is appropriated for the programs administered under the "New Jersey Homeless Youth Act," P.L.1999, c.224 (C.9:12A-2 et seq.), and the Division of Youth and Family Services shall prioritize the expenditure of this allocation to address transitional living services in the division's region that is experiencing the most severe over-capacity.

Notwithstanding the provisions of any law or regulation to the contrary, no funds hereinabove appropriated for Treatment Homes and Emergency Behavioral Health Services, Youth Case Managers, Care Management Organizations, Youth Incentive Program, and Mobile Response shall be expended for any individual served by the Division of Child Behavioral Health Services, with the exception of court-ordered placements or to ensure services necessary to prevent risk of harm to the individual or others, unless that individual makes a full and complete application for Medicaid or NJ FamilyCare, as applicable. Individuals receiving services from appropriations covered by the exceptions above shall apply for Medicaid or NJ FamilyCare, as applicable, in a timely manner, as shall be defined by the Commissioner of Children and Families, after receiving services.

Of the amounts hereinabove appropriated for the School Linked Services Program, there shall be available \$400,000 for the After School Reading Initiative, \$200,000 for the After School Start-Up Fund, \$400,000 for School Health Clinics, and \$530,000 for Positive Youth Development.

The amounts hereinabove appropriated for Family Support Services for county-based Differential Response programs, funded by the Department of Children and Families to prevent child abuse and neglect, shall be used to provide services to families and follow intervention strategies that are defined with the participation of local community-based organizations and shall assure cultural competency to serve families within their respective counties.

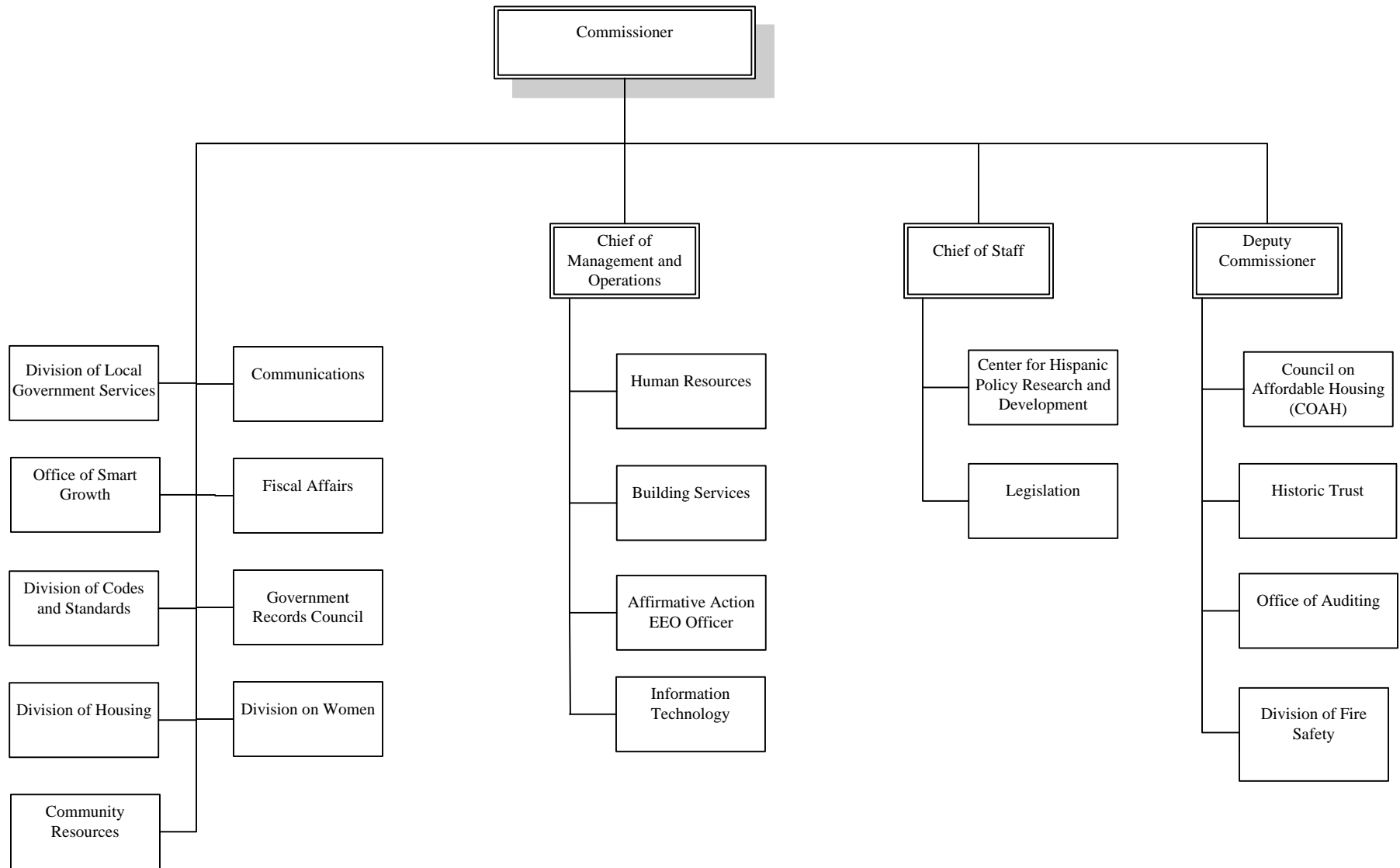
DEPARTMENT OF CHILDREN AND FAMILIES

Language Recommendations -- Grants-In-Aid - General Fund

To ensure the proper reallocation of funds in connection with the creation of the Department of Children and Families, of the amounts hereinabove appropriated, the Department of Children and Families may transfer appropriations to the Department of Human Services, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, of the amounts hereinabove appropriated for the Department of Children and Families no such grant monies shall be paid to the grantee for the costs of any efforts by the grantee or on behalf of the grantee for lobbying activities.

COMMUNITY AFFAIRS



In-But-Not-Of Agencies

New Jersey
Meadowlands
Commission

New Jersey
Redevelopment
Authority

New Jersey
Housing Mortgage
Finance Agency

DEPARTMENT OF COMMUNITY AFFAIRS OVERVIEW

Mission and Goals

The Department of Community Affairs (DCA) has many responsibilities, but one common mission – to invest in the people, places and progress of New Jersey. Through its various divisions and affiliates, the DCA provides a wide range of services and programs to improve the quality of life in New Jersey. The Department works to support local governments; protect the environment; provide housing; advocate for women, Latinos, individuals with special needs and other minorities; and keep New Jersey families safe.

Organizationally, the DCA also includes the following in-but-not-of agencies that receive funding through the State Budget: the New Jersey Historic Trust, the Government Records Council, and the State Planning Commission.

Budget Highlights

The Fiscal 2009 Budget for the Department of Community Affairs totals \$1.125 billion, a decrease of \$183.1 million or 14.0% under the fiscal 2008 adjusted appropriation of \$1.308 billion. This reduction is primarily taken in municipal aid and one-time legislative grants, as well as the elimination of the \$2.7 million Neighborhood Preservation Program for neighborhood rehabilitation. This overall reduction includes a recommended \$15.0 million General Fund increase for the State Rental Assistance Program.

Municipal Aid

The Fiscal 2009 Budget provides more than \$1.8 billion in municipal aid to New Jersey's 566 municipalities, nearly \$1 billion of which is budgeted in the Department of Community Affairs. In fiscal 2009, \$773.4 million is recommended for Consolidated Municipal Property Tax Relief Aid (CMPTRA). The fiscal 2009 CMPTRA appropriation represents a \$62 million decrease from the previous year. In addition, a portion of the CMPTRA appropriation will be diverted to provide for mandatory increases in municipal aid from the Energy Tax Receipts Property Tax Relief Fund, appropriated at \$788.5 million. Combined, these two programs provide nearly \$1.6 billion to municipal governments.

This Budget also recommends eliminating appropriations for five smaller municipal aid programs totaling over \$111 million, including: Municipal Efficiency Promotion Aid Program (\$34.8 million); 2008 Municipal Property Tax Assistance (\$32.6 million); Municipal Homeland Security Assistance Aid (\$32 million); Regional Efficiency Aid Program (\$8 million); and Sharing Available Resources Efficiently Program (\$4.2 million).

The Special Municipal Aid, Trenton Capital City Aid, and Extraordinary Aid programs are also recommended for reductions of 5% each, for a total savings of \$11.2 million.

Department Accomplishments

In addition to administering more than \$1 billion dollars in municipal aid in each of the last three years, the DCA's local government specialists provided continuing education, technical assistance, and ethics and Open Public Records Act (OPRA) training to municipal officials, chief financial officers, and municipal clerks.

The DCA is dedicated to helping local governments improve the quality of life in every one of the state's 566 municipalities. Recognizing the need to develop greater efficiencies throughout local government, the DCA has awarded more than \$8.2 million in more than 100 grants since fiscal 2005 through the Sharing Available Resources Efficiently (SHARE) program. SHARE encourages government interlocal cooperation and service sharing by offering grants to local units to help them study, develop, and implement new shared or regional service programs. Building on these accomplishments, this Budget recommends \$10 million for the Consolidation Fund. Given remaining balances in the Consolidation Fund and

SHARE program of nearly \$22 million, there will be a total of \$32 million available to assist with local consolidation efforts.

The Division of Codes and Standards establishes and enforces building codes, in partnership with the state's municipalities, to protect the health and safety of residents. In 2008, the Department will be adopting ride safety rules and regulations that will address the safe maintenance and operation of water parks. Recent legislation requires the registration of all one- and two-family rental properties, along with inspection to ensure that they are maintained in lead-safe condition.

The Division of Fire Safety serves as the central fire service agency in the state, and is responsible for the development and enforcement of the State Uniform Fire Code, as well as for implementing public education and firefighter training programs. This year, the Division's Bureau of Fire Code Enforcement conducted over 10,000 initial and re-inspections throughout the state and issued over 700 permits for firework displays, fairs, carnivals and other special events. Of all the permits issued, there were no accidents or incidents. The Division's delivery and support of firefighter training programs is second to none, especially in the areas of firefighter recruit training. This year, more than 4,000 firefighters benefited from the services offered by the Division's Training and Certifications Unit.

As a result of the tragic nightclub fire in Rhode Island several years ago, the Divisions of Fire Safety and Codes and Standards introduced amendments to enhance fire code regulations for night clubs. These rule changes were recently adopted and will have a direct impact on patron safety. Significant changes include the reduction of the occupancy threshold for fire suppression requirements, and a sound system override that will automatically shut down the sound system whenever the fire alarm system is activated.

In 2006, Governor Corzine established a landmark housing goal for the State to produce and preserve 100,000 units of affordable housing over the next 10 years. The plan will create housing for all New Jerseyans, especially those with moderate, low, and very low incomes, senior citizens, and residents with special needs. The DCA and its affiliates, the Housing and Mortgage Finance Agency (HMFA) and the Council on Affordable Housing (COAH), are committed to reaching this goal by working with private, for-profit, nonprofit, and local government partners. The DCA is dedicated to providing New Jersey residents with a choice of housing that is affordable, well-maintained, and located in communities that are attractive, safe, economically diverse, and easily accessible to employment, transportation, and services.

The housing initiatives and programs already offered by the DCA and its affiliates are designed to complement each other to generate housing solutions and opportunities that provide affordable housing to everyone who needs it now and in the future. The Department is committed to implementing new initiatives and has taken steps to revamp existing programs as necessary to be more efficient in providing affordable housing across the state. The DCA is well on its way to achieving the Governor's goal. In 2007, the DCA and the HMFA together committed funding to produce and preserve over 11,000 units, totaling more than \$1 billion in investments.

The State Rental Assistance Program was established in 2005 for the purpose of providing tenant-based rental assistance (i.e., housing vouchers), as well as project funding to encourage developers to build affordable housing units. Functioning as a supplement to federal Section 8 rental assistance, the program allows DCA to provide significantly more rental vouchers to low- and moderate-income families throughout New Jersey. By the end of fiscal 2008, the program is expected to assist over 2,400 families. Fiscal 2009

recommended funding for the State Rental Assistance Program is increased by \$15 million.

Home Express offers financing to developers of affordable rental housing in New Jersey under a streamlined application review process. Funded with DCA Neighborhood Preservation Fair Housing funding, the program allows developers to apply for the needed subsidies at the same time that they apply for federal low-income housing tax credits and HMFA financing. Since the program's inception in 2004, Home Express has helped create more than 4,700 affordable units with a total investment of nearly \$141 million. In 2007, the program has committed more than \$47.5 million in funding to build affordable housing across the state.

The CHOICE Program (Choices in Homeownership Created for Everyone) helps builders produce mixed-income developments and create homeownership opportunities for New Jersey families. CHOICE offers construction financing, gap subsidies, and no-down-payment, below-market mortgages for new and rehabilitated low, moderate, emerging-market, and deed-restricted middle-income homeownership units. In 2007, 260 units were approved for financing. It is anticipated that 250 subsidized units will be approved during 2008.

The DCA is dedicated to eliminating childhood lead poisoning in New Jersey by 2010. In 2007, 10 grantees were awarded \$627,333 to provide education and outreach opportunities across the state. Through a contract with Rutgers, more than 1,600 individuals received training in lead-safe building maintenance practices. Beginning in the 2008 Spring Semester, Rutgers will also offer these courses in Spanish, with Spanish textbooks and materials.

The Lead Hazard Control Assistance Program received 81 loan applications and 68 emergency relocation applications for the 2007 fiscal year. DCA has processed loans and relocation benefits totaling over \$2.1 million. During the first seven months of fiscal 2008, the program received over 100 applications. In fiscal 2008, the Department anticipates that loans and relocation benefits will reach over \$4.5 million.

The DCA administers the federal Low Income Energy Assistance Program (LIHEAP). In 2007, LIHEAP provided \$90 million in financial assistance to low-income households to offset the high cost of utility bills. As part of a comprehensive approach to provide energy assistance to New Jersey's at-risk population, the DCA also administers the Universal Service Fund (USF) for the New Jersey Board of Public Utilities. In 2007, the USF provided low-income families with an estimated \$160 million in utility bill credits.

The COAH governs municipal affordable housing obligations pursuant to the Fair Housing Act. On December 17, 2007, the Council proposed revised third round substantive and procedural rules to establish municipal affordable housing obligations for the period 1999 to 2018. The rules continue to utilize a "growth share" approach to address a new estimated statewide affordable housing need of approximately 115,000 units. New growth share ratios (one affordable unit among five housing units constructed and one affordable unit for every 16 jobs created as measured by new or expanded nonresidential construction) apply to developments built between 2004 and 2018. The COAH anticipates that the rules will become effective in June 2008 and that over 250 municipal affordable housing plans will be submitted by the end of 2008.

The New Jersey Historic Trust provides support and protection for New Jersey's historic resources. Funding assistance is limited to units of local and county government or qualified nonprofit organizations. Technical assistance and easement advice is available to public and private owners of historic resources. The 2007 Garden State Preservation Trust Fund funding round, conducted by the New Jersey Historic Trust, attracted 55 grant applications totaling \$2.1 million in requests for historic preservation planning projects. The Historic Trust Board of Trustees recommended funding for 26 projects, totaling \$1.1 million. Since 1990, the Historic Trust has awarded more than \$108 million in grants to 532 capital preservation and planning projects.

The DCA responds to the needs of New Jersey's 566 communities and provides the vital programs, services, and training necessary to improve the lives of residents, including women and minorities. The Division on Women (DOW) reviews federal and State legislation of concern to women, prepares background information and briefing papers, and provides comments and testimonies on related legislation. The DOW programs include 15 Displaced Homemakers Programs, three Urban Women's Centers, and three Hispanic Women's Centers. In 2007, these programs collectively provided services to 4,244 women and over 14,000 hours of workshops and training, and helped 809 women secure employment.

In fiscal 2007, the DOW instituted the Deployed Military Spouses Program, which provides assistance to spouses of deployed military personnel through direct financial assistance payments and referrals to existing program services. To date, the program has granted \$450,000 to the Burlington County Displaced Homemaker Center, which provided financial assistance to more than 85 families of deployed military personnel.

DEPARTMENT OF COMMUNITY AFFAIRS
SUMMARY OF APPROPRIATIONS BY FUND
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND							
37,009	35,919	-4,278	68,650	63,612	40,991	39,574	39,574
61,845	13,274	6,603	81,722	73,563	54,255	64,860	64,860
154,889	9,533	-2,249	162,173	155,028	92,036	55,906	55,906
253,743	58,726	76	312,545	292,203	187,282	160,340	160,340
<i>Total General Fund</i>							

COMMUNITY AFFAIRS

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	(E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
PROPERTY TAX RELIEF FUND								
1,061,472	---	-84,208	977,264	976,751	State Aid	1,120,572	964,378	964,378
<i>1,061,472</i>	<i>---</i>	<i>-84,208</i>	<i>977,264</i>	<i>976,751</i>	<i>Total Property Tax Relief Fund</i>	<i>1,120,572</i>	<i>964,378</i>	<i>964,378</i>
<i>1,315,215</i>	<i>58,726</i>	<i>-84,132</i>	<i>1,289,809</i>	<i>1,268,954</i>	<i>Total Appropriation, Department of Community Affairs</i>	<i>1,307,854</i>	<i>1,124,718</i>	<i>1,124,718</i>

SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES - GENERAL FUND								
Community Development Management								
6,119	6,095	-540	11,674	10,349	Housing Code Enforcement	6,898	6,898	6,898
4,856	405	2,197	7,458	7,107	Housing Services	5,219	5,066	5,066
7,391	13,717	-79	21,029	20,998	Uniform Construction Code	9,906	9,906	9,906
---	674	400	1,074	1,074	Boarding Home Regulation and Assistance	---	---	---
297	173	-3	467	467	Codes and Standards	549	349	349
6,147	14,541	-6,300	14,388	11,310	Uniform Fire Code	6,620	6,620	6,620
24,810	35,605	-4,325	56,090	51,305	Subtotal	29,192	28,839	28,839
Economic Planning and Development								
2,485	209	-155	2,539	2,401	Office of Smart Growth	2,535	2,217	2,217
2,485	209	-155	2,539	2,401	Subtotal	2,535	2,217	2,217
Social Services Programs								
502	---	380	882	882	Community Resources	510	492	492
1,184	1	-188	997	997	Women's Programs	1,212	961	961
1,686	1	192	1,879	1,879	Subtotal	1,722	1,453	1,453
State Subsidies and Financial Aid								
4,148	104	-35	4,217	4,103	Local Government Services	3,800	3,664	3,664
4,148	104	-35	4,217	4,103	Subtotal	3,800	3,664	3,664
Management and Administration								
3,880	---	45	3,925	3,924	Administration and Support Services	3,742	3,401	3,401
3,880	---	45	3,925	3,924	Subtotal	3,742	3,401	3,401
37,009	35,919	-4,278	68,650	63,612	Total Direct State Services - General Fund	40,991	39,574	39,574
37,009	35,919	-4,278	68,650	63,612	TOTAL DIRECT STATE SERVICES	40,991	39,574	39,574
GRANTS-IN-AID - GENERAL FUND								
Community Development Management								
919	---	500	1,419	826	Housing Code Enforcement	919	919	919
28,160	11,616	119	39,895	37,334	Housing Services	24,160	39,160	39,160
8,666	1,119	5,984	15,769	15,228	Uniform Fire Code	8,666	8,571	8,571

COMMUNITY AFFAIRS

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
---	300	---	300	300	New Jersey Meadowlands Commission	---	---	---
37,745	13,035	6,603	57,383	53,688	<i>Subtotal</i>	33,745	48,650	48,650
					Economic Planning and Development			
2,295	---	---	2,295	2,295	Office of Smart Growth	2,295	2,295	2,295
2,295	---	---	2,295	2,295	<i>Subtotal</i>	2,295	2,295	2,295
					Social Services Programs			
16,690	---	---	16,690	12,440	Community Resources	15,100	10,800	10,800
5,115	25	---	5,140	5,140	Women's Programs	3,115	3,115	3,115
21,805	25	---	21,830	17,580	<i>Subtotal</i>	18,215	13,915	13,915
					State Subsidies and Financial Aid			
---	214	---	214	---	Local Government Services	---	---	---
---	214	---	214	---	<i>Subtotal</i>	---	---	---
61,845	13,274	6,603	81,722	73,563	Total Grants-In-Aid - General Fund	54,255	64,860	64,860
61,845	13,274	6,603	81,722	73,563	TOTAL GRANTS-IN-AID	54,255	64,860	64,860
					STATE AID - GENERAL FUND			
					Community Development Management			
16,925	2,200	-2,200	16,925	16,875	Housing Services	16,925	14,175	14,175
16,925	2,200	-2,200	16,925	16,875	<i>Subtotal</i>	16,925	14,175	14,175
					State Subsidies and Financial Aid			
137,964	7,333	-49	145,248	138,153	Local Government Services	75,111	41,731	41,731
137,964	7,333	-49	145,248	138,153	<i>Subtotal</i>	75,111	41,731	41,731
154,889	9,533	-2,249	162,173	155,028	Total State Aid - General Fund	92,036	55,906	55,906
					STATE AID - PROPERTY TAX RELIEF FUND			
					State Subsidies and Financial Aid			
1,061,472	---	-84,208	977,264	976,751	Local Government Services	1,120,572	964,378	964,378
1,061,472	---	-84,208	977,264	976,751	<i>Subtotal</i>	1,120,572	964,378	964,378
1,061,472	---	-84,208	977,264	976,751	Total State Aid - Property Tax Relief Fund	1,120,572	964,378	964,378
1,216,361	9,533	-86,457	1,139,437	1,131,779	TOTAL STATE AID	1,212,608	1,020,284	1,020,284
1,315,215	58,726	-84,132	1,289,809	1,268,954	Total Appropriation, Department of Community Affairs	1,307,854	1,124,718	1,124,718

40. COMMUNITY DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT

41. COMMUNITY DEVELOPMENT MANAGEMENT

OBJECTIVES

1. To continue neighborhood preservation and balanced housing activities throughout the state by providing grants and technical assistance to municipalities for the establishment of

neighborhood rehabilitation programs, the development of revitalization strategies, planning and sustainable development concepts, and construction of low- and moderate-income housing.

COMMUNITY AFFAIRS

2. To provide for the protection of the health, safety, welfare, and rights of the residents of the state's rooming and boarding homes.
3. To preserve the existing multi-family housing stock in the state and protect the health and safety of the occupants.
4. To protect the public safety by ensuring that all buildings constructed in New Jersey meet required uniform construction standards.
5. To ensure that all the areas of the state are protected by a uniform, minimum fire safety code and that uniform and thorough fire safety inspections protect the public and firefighters in buildings which pose a serious life safety hazard. To serve as the lead State fire service agency.
6. To protect purchasers of units in condominiums, cooperatives, retirement communities, and other planned real estate developments by regulating such developments and requiring full and fair disclosure in their disposition; protect the residents of continuing care retirement communities from a provider becoming insolvent or unable to provide responsible care.
7. To provide rental assistance payments to low-income families and rehabilitation of existing housing units, with a special emphasis on services to the mentally and physically challenged.
8. To maximize the effectiveness of existing landlord/tenant laws and regulations through programs of information, education, training, outreach and enforcement; perform functions mandated by the Truth in Renting Act and tenants' rights legislation.
9. To continue providing to the residents of the state the opportunity to acquire low- and moderate-income housing through the efforts of the Council on Affordable Housing.
10. Address the needs of the homeless through prevention measures and by providing adequate shelter through rehabilitation and expansion of existing shelters.
11. Within the Meadowlands District, to continue to acquire open space for permanent preservation, enhance environmentally sensitive wetland areas, develop active and passive recreational opportunities, redevelop brownfields properties, and enhance wildlife habitats.
12. To prevent injuries to persons and damage to property from liquefied petroleum gases, and to prevent injuries and fatalities to the public on carnival amusement rides and ski lifts.

PROGRAM CLASSIFICATIONS

01. **Housing Code Enforcement.** Inspects, registers, and issues appropriate certificates of registration and occupancy for hotels, motels, and multiple dwellings; encourages participation in the cooperative housing inspection program; and maintains a statewide inventory of hotels and multiple dwellings.
02. **Housing Services.** Provides services in such areas as the Balanced Housing program (Fair Housing Act of 1985, C.52:27D-10), the regulation of limited dividend and non-profit housing agencies (C.55:16-1 et seq.), assistance to

established housing authorities (C.55:14A-1) and redevelopment agencies (C.40:55C-1), and administers a federal and State sponsored housing assistance program, and the HOME Investment Partnerships program. The Prevention of Homelessness program assists the homeless by providing emergency accommodations, rental assistance, and interest rate subsidies to low- and moderate-income families for affordable housing. The Shelter Assistance program provides assistance for construction of emergency shelters and services for the homeless.

06. **Uniform Construction Code.** Ensures that all buildings are constructed to meet uniform standards; ensures the competence of local construction code officials through a licensing program and verifies that all pre-manufactured buildings shipped into the state conform to the code (C.55:13A-1, C.52:27B-119); administers the New Home Warranty program (C.46:3B-1 et seq.); and enforces the Planned Real Estate Full Disclosure Act (C.45:22A-1). Inspects ski lifts, liquefied petroleum gas facilities, and carnival/amusement rides in the interest of public safety.
12. **Boarding Home Regulation and Assistance.** Provides for the health, safety, and welfare of all those who reside in rooming and boarding houses in the state; promotes the growth and continued improvement of boarding homes; and ensures that all State agencies work in unison for the protection and care of the residents of rooming houses, boarding houses, and residential health care facilities.
13. **Codes and Standards.** Provides for the management of the Division of Codes and Standards, which includes Housing Code Enforcement, Uniform Construction Code, and Boarding Home Regulation and Assistance.
18. **Uniform Fire Code.** Provides for public education programs to inform the general public on fire prevention, provides loans to emergency service agencies, and provides training programs for local firefighters, fire officers, and fire code enforcement personnel under the Uniform Fire Safety Act (C.52:27D-192 et seq. and C.52:27D-25a et seq.). Administers a statewide fire incident reporting program, administers local fire code enforcement and monitoring, conducts inspections in approximately 100 municipalities as well as all State-owned and leased property, and regulates and certifies the fire protection equipment industry. Provides domestic security guidance to local fire departments, administers the States' Fire Coordinator System and responds to all emergency incidents requiring mutual aid. Investigates serious firefighter injuries or fatalities and, in coordination with the NJ State Police Arson/Bomb Unit, seeks to determine the cause of suspicious fires. Supports the New Jersey Fire Safety Commission and its six advisory councils, and serves as the chair of the Governor's Fire Service and Safety Task Force.
20. **New Jersey Meadowlands Commission.** Empowered with regional planning and zoning authority to ensure the environmental protection and enhancement of the Meadowlands District (C.13:17-1 et seq.). Its mandates are to protect the delicate balance of nature, provide for orderly development, and provide facilities for the disposal of solid waste.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Housing Code Enforcement				
Buildings registered	84,905	85,776	85,776	85,776
Dwelling units registered	938,251	947,876	947,876	947,876
Dwelling units requiring inspection	198,848	187,815	194,463	187,182
Dwelling units inspected	206,641	204,913	194,463	187,182
Percentage of dwelling units inspected	104%	109%	100%	100%
Cost per unit inspected, State	\$30.37	\$33.97	\$37.74	\$40.97
Cost per unit inspected, local	\$33.63	\$32.25	\$35.07	\$37.77
Penalties issued	4,286	4,247	4,247	4,247
Housing Services				
Housing units produced	2,400	3,245	3,200	3,000
Technical assistance to non-profit housing developers	45	58	57	50
Homelessness Prevention				
Households assisted	1,081	1,121	1,600	1,600
Shelter beds funded	150	407	74	74
Relocation Assistance				
Families receiving State relocation funds	---	1	20	20
Relocation assistance programs approved	21	16	40	40
Complaints resolved	9	13	10	10
Uniform Construction Code				
Permits issued	5,345	4,822	4,921	4,921
Inspections	43,741	43,209	43,235	43,235
Officials licensed	4,748	4,683	4,700	4,700
Plans reviewed	1,963	1,792	1,880	1,880
State Building Unit				
Annual permits	50	48	50	50
Construction permits issued	749	769	885	885
Certificates of occupancy and approvals issued	1,576	543	600	600
Continuing education and training programs offered	317	302	305	305
Elevator Safety Unit				
Devices registered	30,421	31,509	31,510	31,510
State-administered municipalities	441	446	450	450
Liquefied petroleum gas inspections	1,921	2,024	2,025	2,025
Amusement ride inspections	5,943	5,889	5,890	5,890
Ski lift inspections	210	157	160	160
Boarding Home Regulation and Assistance				
Evaluations	1,427	1,519	1,520	1,520
Reevaluations	1,135	1,052	1,055	1,055
Closings-imminent hazard	4	5	5	5
Permanent licenses	1,214	1,177	1,177	1,177
Penalties issued	393	419	420	420
Complaints filed	351	497	500	500
Uniform Fire Code				
Life hazards registered	66,085	66,261	66,500	66,500
State inspections or reinspections performed	14,205	7,932	10,000	10,000
Fire officials and inspectors certified	4,038	3,843	4,000	4,000
State owned and maintained buildings inspected or reinspected	5,700	5,700	5,700	5,700
National fire incident reporting - participating organizations	636	633	700	744
Local enforcement monitoring	80	66	80	80
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	27	26	25	27
Federal	222	222	220	226
All Other	658	682	664	666
Total Positions	907	930	909	919

COMMUNITY AFFAIRS

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Filled Positions by Program Class				
Housing Code Enforcement	139	141	139	139
Housing Services	289	299	302	308
Uniform Construction Code	353	354	337	339
Boarding Home Regulation and Assistance	22	21	21	23
Codes and Standards	9	10	9	9
Uniform Fire Code	95	105	101	101
Total Positions	907	930	909	919

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded. All Other includes positions supported by fees and other dedicated resources previously reported as State Supported.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
6,119	6,095	-540	11,674	10,349	Housing Code Enforcement	01	6,898	6,898	6,898
4,856	405	2,197	7,458	7,107	Housing Services	02	5,219	5,066	5,066
7,391	13,717	-79	21,029	20,998	Uniform Construction Code	06	9,906	9,906	9,906
---	674	400	1,074	1,074	Boarding Home Regulation and Assistance	12	---	---	---
297	173	-3	467	467	Codes and Standards	13	549	349	349
6,147	14,541	-6,300	14,388	11,310	Uniform Fire Code	18	6,620	6,620	6,620
24,810	35,605	-4,325	56,090	51,305	Total Direct State Services		29,192^(a)	28,839	28,839
Distribution by Fund and Object									
Personal Services:									
18,251	10,723 22,784 ^R	-9,672	42,086	32,974	Salaries and Wages		22,330	22,220	22,220
---	---	---	---	5,594	Employee Benefits		---	---	---
18,251	33,507	-9,672	42,086	38,568	Total Personal Services		22,330	22,220	22,220
86	740	430	1,256	878	Materials and Supplies		86	86	86
859	202	1,365	2,426	2,133	Services Other Than Personal		766	723	723
621	578	-118	1,081	836	Maintenance and Fixed Charges		442	442	442
Special Purpose:									
243	---	---	243	243	Prevention of Homelessness	02	243	243	243
---	---	102	102	102	State Match Housing and Urban Development Small Cities	02	---	---	---
2,168	300	---	2,468	2,131	Neighborhood Preservation-Fair Housing (P.L. 1985, c.222)	02	2,393	2,393	2,393
2,207	105	2,200	4,512	4,500	Council on Affordable Housing	02	2,357	2,357	2,357
---	173 ^R	---	173	173	Truth in Renting	13	200 ^S	---	---
375	---	416	791	790	Local Fire Fighters' Training	18	375	375	375
---	---	952	952	951	Additions, Improvements and Equipment		---	---	---
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
919	---	500	1,419	826	Housing Code Enforcement	01	919	919	919
28,160	11,616	119	39,895	37,334	Housing Services	02	24,160	39,160	39,160
8,666	1,119	5,984	15,769	15,228	Uniform Fire Code	18	8,666	8,571	8,571

COMMUNITY AFFAIRS

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID								
---	300	---	300	300	New Jersey Meadowlands Commission	20	---	---
<u>37,745</u>	<u>13,035</u>	<u>6,603</u>	<u>57,383</u>	<u>53,688</u>	Total Grants-in-Aid		<u>33,745</u>	<u>48,650</u>
Distribution by Fund and Object								
Grants:								
919	---	500	1,419	826	Cooperative Housing Inspection	01	919	919
2,300	860	---	3,160	2,264	Shelter Assistance	02	2,300	2,300
4,360	---	---	4,360	4,360	Prevention of Homelessness	02	4,360	4,360
---	1,752	119	1,871	387	Downtown Business Improvement Loan Fund	02	---	---
17,500	9,004	---	26,504	26,323	State Rental Assistance Program	02	7,500 10,000 ^S	32,500
4,000	---	---	4,000	4,000	Capital Improvements for Homeless Shelters	02	---	---
8,425	505	6,400	15,330	15,133	Uniform Fire Code-Local Enforcement Agency Rebates	18	8,425	8,425
95	---	---	95	95	NJ Fire and EMS Crisis Intervention Services Telephone Hotline -- UMDNJ	18	95	---
146	614	-416	344	---	Uniform Fire Code-Continuing Education	18	146	146
---	110 ^R	---	110	110	New Jersey Meadowlands Commission	20	---	---
---	190 ^R	---	190	190	New Jersey Meadowlands Tax Sharing Stabilization Fund	20	---	---
STATE AID								
Distribution by Fund and Program								
16,925	2,200	-2,200	16,925	16,875	Housing Services	02	16,925	14,175
<u>16,925</u>	<u>2,200</u>	<u>-2,200</u>	<u>16,925</u>	<u>16,875</u>	Total State Aid		<u>16,925</u>	<u>14,175</u>
Distribution by Fund and Object								
State Aid:								
250	---	---	250	200	Relocation Assistance	02	250	250
2,750	---	---	2,750	2,750	Neighborhood Preservation (P.L. 1975, c.248 and c.249)	02	2,750	---
<u>13,925</u>	<u>2,200^R</u>	<u>-2,200</u>	<u>13,925</u>	<u>13,925</u>	Neighborhood Preservation-Fair Housing (P.L. 1985, c.222)	02	<u>13,925</u>	<u>13,925</u>
79,480	50,840	78	130,398	121,868	Grand Total State Appropriation		79,862	91,664
OTHER RELATED APPROPRIATIONS								
Federal Funds								
213,552	11,093	---	224,645	201,969	Housing Services	02	213,358	215,690
31	---	---	31	---	Uniform Construction Code	06	---	30
<u>28</u>	<u>10</u>	<u>259</u>	<u>297</u>	<u>110</u>	Uniform Fire Code	18	<u>28</u>	<u>28</u>
<u>213,611</u>	<u>11,103</u>	<u>259</u>	<u>224,973</u>	<u>202,079</u>	Total Federal Funds		<u>213,386</u>	<u>215,748</u>
All Other Funds								
---	---	---	---	---	Housing Code Enforcement	01	2,900	2,900
---	119,643 74,290 ^R	40	193,973	148,328	Housing Services	02	76,421	76,385
---	1 5,011 ^R	---	5,012	5,012	Uniform Construction Code	06	14,484	14,708
---	---	---	---	---	Boarding Home Regulation and Assistance	12	825	975

COMMUNITY AFFAIRS

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
OTHER RELATED APPROPRIATIONS									
---	---	---	---	---	Codes and Standards	13	93	---	---
---	11 209 ^R	---	220	214	Uniform Fire Code	18	9,728	9,742	9,742
---	---	---	---	---	New Jersey Meadowlands Commission	20	110	125	125
---	199,165	40	199,205	153,554	Total All Other Funds		104,561	104,835	104,835
293,091	261,108	377	554,576	477,501	GRAND TOTAL ALL FUNDS		397,809	412,247	412,247

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program, which includes \$2,203,000 in appropriated receipts, and for the reallocation of management efficiencies.

Language Recommendations -- Direct State Services - General Fund

The amount hereinabove appropriated for the Housing Code Enforcement program classification is payable out of the fees and penalties derived from bureau activities. If the receipts are less than anticipated, the appropriation shall be reduced proportionately.

The unexpended balance at the end of the preceding fiscal year in the Housing Code Enforcement program classification, together with any receipts in excess of the amount anticipated, is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balances at the end of the preceding fiscal year, in the several Uniform Construction Code program classification fee accounts, together with any receipts in excess of the amounts anticipated, are appropriated for expenses of code enforcement activities, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Planned Real Estate Development Full Disclosure Act fees account, together with any receipts in excess of the amount anticipated, is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The amounts received by the Uniform Construction Code Revolving Fund attributable to that portion of the surcharge fee in excess of \$0.0006, and to surcharges on other construction, shall be dedicated to the general support of the Uniform Construction Code Program and, notwithstanding the provisions of section 2 of P.L. 1979, c.121 (C.52:27D-124.1), shall be available for training and non-training purposes, except that the amounts attributable to \$0.00075 per cubic foot of new construction and \$0.39 per \$1,000 of other construction shall be dedicated to the Smart Future Planning Grant-in-Aid program. Notwithstanding the provision of law to the contrary, unexpended balances at the end of the preceding fiscal year in the Uniform Construction Code Revolving Fund are appropriated.

Such sums as may be required for the registration of builders and reviewing and paying claims under the "New Home Warranty and Builders' Registration Act," P.L. 1977, c.467 (C.46:3B-1 et seq.), are appropriated from the New Home Warranty Security Fund in accordance with section 7 of P.L. 1977, c.467 (C.46:3B-7), subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Uniform Fire Code program classification, together with any receipts in excess of the amount anticipated, is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The amounts hereinabove appropriated for the Uniform Fire Code program classification are payable out of the fees and penalties derived from code enforcement activities. If these receipts are less than anticipated, the appropriations shall be reduced proportionately.

Notwithstanding the provisions of any law or regulation to the contrary, receipts derived from fees associated with the Fire Protection Contractor's Certification program pursuant to P.L. 2001, c.289 (C.52:27D-25n et seq.), are appropriated to the Department of Community Affairs Division of Fire Safety, in such sums as are necessary to operate the program, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the Council on Affordable Housing and Neighborhood Preservation-Fair Housing accounts shall be payable from the receipts of the portion of the realty transfer fee directed to be credited to the Neighborhood Preservation Nonlapsing Revolving Fund pursuant to section 4 of P.L. 1968, c.49 (C.46:15-8) and from the receipts of the portion of the realty transfer fee directed to be credited to the Neighborhood Preservation Nonlapsing Revolving Fund pursuant to section 4 of P.L. 1975, c.176 (C.46:15-10.1). Any receipts in excess of the amount anticipated, and any unexpended balance at the end of the preceding fiscal year are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Pursuant to section 15 of P.L. 1983, c.530 (C.55:14K-15), the Commissioner of the Department of Community Affairs shall determine, at least annually, the eligibility of each boarding house resident for rental assistance payments; and notwithstanding the provisions of P.L. 1983, c.530 (C.55:14K-1 et seq.) to the contrary, moneys held in the Boarding House Rental Assistance Fund that were originally appropriated from the General Fund may be used by the Commissioner for the purpose of providing life safety improvement loans, and any moneys held in the Boarding House Rental Assistance Fund may be used for the purpose of providing rental assistance for repayment of such loans. Notwithstanding any provision of P.L. 1983, c.530 (C.55:14K-1 et seq.), the Commissioner shall have authority to disburse funds from the Boarding House Rental Assistance Fund established pursuant to section 14 of P.L. 1983, c.530 (C.55:14K-14) for the purpose of repaying, through rental assistance or otherwise, loans made to the boarding house owners for the purpose of rehabilitating boarding houses.

The unexpended balance at the end of the preceding fiscal year in the Truth in Renting account is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

There is appropriated from the Petroleum Overcharge Reimbursement Fund the sum of \$300,000 for the expenses of the Green Homes Office in the Division of Housing, subject to the approval of the Director of the Division of Budget and Accounting.

Any receipts from the sale of truth in renting statements, including fees, fines, and penalties, are appropriated for the Truth In Renting program.

Any receipts from the Boarding Home Regulation and Assistance program, including fees, fines, and penalties, are appropriated for the Boarding Home Regulation and Assistance program.

Language Recommendations -- Grants-In-Aid - General Fund

The amount hereinabove appropriated for the Housing Code Enforcement program classification is payable out of the fees and penalties derived from bureau activities. If these receipts are less than anticipated, the appropriation shall be reduced proportionately.

The unexpended balance at the end of the preceding fiscal year, in the Housing Code Enforcement program classification, together with any receipts in excess of the amount anticipated, is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the Uniform Fire Code program classification is payable out of the fees and penalties derived from inspection and enforcement activities. If these receipts are less than anticipated, the appropriation shall be reduced proportionately.

The unexpended balance at the end of the preceding fiscal year in the Uniform Fire Code program classification together with any receipts in excess of the amount anticipated is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated for the State Rental Assistance Program (SRAP), an amount not less than \$20,000,000 is appropriated from the Neighborhood Preservation Nonlapsing Revolving Fund to SRAP for the purposes of subsections a. and c. of section 1 of P.L. 2004, c.140 (C.52:27D-287.1).

The unexpended balance at the end of the preceding fiscal year in the State Rental Assistance Program account is appropriated.

The amount hereinabove appropriated for Shelter Assistance is payable from the receipts of the portion of the realty transfer fee directed to be credited to the Neighborhood Preservation Nonlapsing Revolving Fund pursuant to section 4 of P.L. 1968, c.49 (C.46:15-8) and from the receipts of the portion of the realty transfer fee directed to be credited to the Neighborhood Preservation Nonlapsing Revolving Fund pursuant to section 4 of P.L. 1975, c.176 (C.46:15-10.1). If the receipts are less than anticipated, the appropriation shall be reduced proportionately.

The unexpended balance at the end of the preceding fiscal year in the Shelter Assistance account is appropriated.

Upon determination by the Commissioner that all eligible shelter assistance projects have received funding from the amount appropriated for Shelter Assistance from receipts of the portions of the realty transfer fee dedicated to the Neighborhood Preservation Nonlapsing Revolving Fund, any available balance in the Shelter Assistance account may be transferred to the Neighborhood Preservation-Fair Housing account, subject to the approval of the Director of the Division of Budget and Accounting.

There is appropriated to the Revolving Housing Development and Demonstration Grant Fund an amount not to exceed 50% of the penalties derived from bureau activities in the Housing Code Enforcement program classification, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts from repayment of loans from the Downtown Business Improvement Loan Fund, together with the unexpended balance at the end of the preceding fiscal year of such loan fund and any interest thereon, are appropriated for the purposes of P.L. 1998, c.115 (C.40:56-71.1 et seq.).

Notwithstanding the provisions of section 35 of P.L. 1975, c.326 (C.13:17-10.1), sections 10 and 11 of P.L. 1981, c.306 (C.13:1E-109 and C.13:1E-110), section 8 of P.L. 1985, c.368 (C.13:1E-176), or any rules and regulations adopted pursuant thereto, or any order issued by the Board of Public Utilities to the contrary, an amount equal to \$125,000 shall be withdrawn from the escrow accounts by the New Jersey Meadowlands Commission and paid to the State Treasurer for deposit in the General Fund and the amount so deposited shall be appropriated to the New Jersey Meadowlands Commission to cover operational costs of the Hackensack Meadowlands Municipal Committee.

Notwithstanding the provisions of any law or regulation to the contrary, Revolving Housing Development and Demonstration Grant funds are appropriated to support loans and grants to non-profit entities for the purpose of economic development and historic preservation.

Notwithstanding the provisions of any law or regulation to the contrary, such sums as are necessary shall be available from the Homelessness Prevention Program grants-in-aid appropriation for program administrative expenses, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Capital Improvements for Homeless Shelters account is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- State Aid - General Fund

In addition to the sum hereinabove for Relocation Assistance, such amounts as may be required to fund relocation costs of boarding home residents are appropriated from the Boarding Home Rental Assistance Fund.

The unexpended balance at the end of the preceding fiscal year in the Relocation Assistance account, not to exceed \$250,000, is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Of the sum hereinabove appropriated for Neighborhood Preservation-Fair Housing, a sum not to exceed \$300,000 may be used for matching on a 50/50 basis for the administrative costs of the Federal Small Cities Block Grant.

Any receipts in excess of the amount anticipated in the Neighborhood Preservation-Fair Housing account are appropriated.

COMMUNITY AFFAIRS

The amount hereinabove appropriated for Neighborhood Preservation-Fair Housing is payable from the receipts of the portion of the realty transfer fee directed to be credited to the Neighborhood Preservation Nonlapsing Revolving Fund pursuant to section 4 of P.L. 1968, c.49 (C.46:15-8), and from the receipts of the portion of the realty transfer fee directed to be credited to the Neighborhood Preservation Nonlapsing Revolving Fund pursuant to section 4 of P.L. 1975, c.176 (C.46:15-10.1). If the receipts are less than anticipated, the appropriation shall be reduced proportionately.

Notwithstanding the provisions of any law or regulation to the contrary, of the amount hereinabove appropriated for Neighborhood Preservation-Fair Housing, an amount not to exceed \$7,000,000 may be used to provide technical assistance grants to non-profit housing organizations and authorities for creating and supporting affordable housing and community development opportunities.

The unexpended balance at the end of the preceding fiscal year in the Neighborhood Preservation-Fair Housing account is appropriated.

Notwithstanding the provisions of any law or regulation to the contrary, funds appropriated for Neighborhood Preservation-Fair Housing may be provided directly to the housing project being assisted; provided however, that any such project have the support by resolution of the governing body of the municipality in which it is located.

Notwithstanding the provisions of any law or regulation to the contrary, funds appropriated for Neighborhood Preservation - Fair Housing may be used for the purposes of constructing or rehabilitating special needs housing.

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

51. ECONOMIC PLANNING AND DEVELOPMENT

OBJECTIVES

1. The Office of Smart Growth is charged with implementing the New Jersey State Development and Redevelopment Plan, providing expertise and staff to carry out the objectives of the State Planning Commission.

PROGRAM CLASSIFICATIONS

49. **Office of Smart Growth.** This office includes the Office of State Planning and provides support to the State Planning Commission. The Office administers Smart Future Planning Grants, available to counties and municipalities to promote redevelopment, economic activities, and preservation that are consistent with smart growth principles. The Office facilitates the implementation of the State Plan and smart growth

projects. It ensures agency cooperation on plans, policies, and projects that serve smart growth principles. The Office carries out the statutory functions of the State Planning Commission, coordinates with State agencies, provides technical planning assistance, works with communities to implement the State Plan through cross-acceptance and plan endorsement, and supports outreach programs such as the Brownfields Redevelopment Task Force and urban redevelopment initiatives.

The New Jersey Historic Trust and associated administrative costs are affiliated with the Department of Community Affairs. The Historic Trust, through the Garden State Historic Preservation Trust Fund, awards and administers grants for historic preservation planning and capital projects.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Office of Smart Growth				
Smart Future Planning Grants Awarded	72	40	40	40
Endorsed County and Municipal Plans (Including Center Designations)	5	11	13	15
Historic Trust				
Historic Trust Grants	40	61	41	61
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	26	23	24	24
All Other	6	6	5	6
Total Positions	32	29	29	30
Filled Positions by Program Class				
Office of Smart Growth	32	29	29	30
Total Positions	32	29	29	30

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded. All Other includes positions supported by dedicated resources previously reported as State Supported.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES									
Distribution by Fund and Program									
2,485	209	-155	2,539	2,401	Office of Smart Growth	49	2,535	2,217	2,217
2,485	209	-155	2,539	2,401	Total Direct State Services		2,535 (a)	2,217	2,217
Distribution by Fund and Object									
Personal Services:									
1,596	---	-149	1,447	1,447	Salaries and Wages		1,678	1,403	1,403
1,596	---	-149	1,447	1,447	Total Personal Services		1,678	1,403	1,403
51	---	-8	43	43	Materials and Supplies		41	41	41
229	---	2	231	230	Services Other Than Personal		222	189	189
6	---	---	6	6	Maintenance and Fixed Charges		6	6	6
Special Purpose:									
25	---	---	25	25	Governor's Smart Growth Policy Council	49	10	---	---
---	209	---	209	154	Brownfields Redevelopment Task Force	49	---	---	---
578	---	---	578	496	Historic Trust/Open Space Administrative Costs	49	578	578	578
GRANTS-IN-AID									
Distribution by Fund and Program									
2,295	---	---	2,295	2,295	Office of Smart Growth	49	2,295	2,295	2,295
2,295	---	---	2,295	2,295	Total Grants-in-Aid		2,295	2,295	2,295
Distribution by Fund and Object									
Grants:									
2,295	---	---	2,295	2,295	Smart Future Planning Grants	49	2,295	2,295	2,295
4,780	209	-155	4,834	4,696	Grand Total State Appropriation		4,830	4,512	4,512
OTHER RELATED APPROPRIATIONS									
Federal Funds									
---	25	112	137	90	Office of Smart Growth	49	---	---	---
---	25	112	137	90	Total Federal Funds		---	---	---
All Other Funds									
---	153	9	183	---	Office of Smart Growth	49	25	25	25
---	174	9	183	---	Total All Other Funds		25	25	25
4,780	408	-34	5,154	4,786	GRAND TOTAL ALL FUNDS		4,855	4,537	4,537

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.

Language Recommendations -- Direct State Services - General Fund

The Office of Smart Growth is authorized to collect reasonable fees for the distribution of its publications, and receipts derived from such fees are appropriated for the Office of Smart Growth.

Moneys appropriated to the State Planning Commission pursuant to P.L. 2004, c.71, which were not expended pursuant to the contract entered into by the Office of Smart Growth for the State Plan Impact Assessment Study are hereby appropriated to the Office of Smart Growth for the completion of the State Plan Impact Assessment Study, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the Historic Trust/Open Space Administrative Costs program is appropriated for all administrative costs and expenses pursuant to the "New Jersey Cultural Trust Act," P.L. 2000, c.76 (C.52:16A-72 et seq.); the "Garden State Preservation Trust Act," P.L. 1999, c.152 (C.13:8C-1 et seq.); the "Historic Preservation Revolving Loan Fund," P.L. 1991, c.41 (C.13:1B-15.115a et seq.); the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L. 1992, c.88; and the "Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995," P.L. 1995, c.204, subject to the approval of the Director of the Division of Budget and Accounting.

COMMUNITY AFFAIRS

Notwithstanding the provisions of any law or regulation to the contrary, an amount not to exceed \$578,000 shall be transferred from the Garden State Historic Preservation Trust Fund to the General Fund and is appropriated to the Department of Community Affairs for Historic Trust/Open Space Administrative Costs.

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

55. SOCIAL SERVICES PROGRAMS

OBJECTIVES

1. To continue to address the needs of New Jersey's disadvantaged low- and moderate-income population through community-based organizations and agencies of local government.
2. To serve as the central permanent agency for the coordination of programs and services for the women of New Jersey and as a planning agency for the development of policy and new programs and services with the underlying theme of ensuring rights and opportunities for all of New Jersey's women.
3. To empower the Hispanic community in New Jersey through the process of inclusion in policy development and direct social services.
4. To increase energy conservation and reduce the utility costs of low-income households through the weatherization of single and multi-family dwellings and through direct energy assistance payments.
5. To assess and respond to the recreation needs of New Jersey's mentally and physically challenged citizens through events such as the Special Olympics and the Tournament of Champions.
6. To promote representation of the interests and needs of the State's low- and moderate-income people in state policy deliberations on issues of relevance to them.
7. To mitigate lead related paint hazards in housing by providing grants and loans to help fund interim controls, lead rehabilitation and abatement; to increase public awareness of such dangers; to provide training in lead-safe maintenance, rehabilitation, and identification of lead-based paint hazards; to increase awareness of the different types of indoor environmental hazards; and to identify housing that has been classified as lead safe.

PROGRAM CLASSIFICATIONS

05. **Community Resources.** Provides assistance to nonprofit groups, local governments, and other local organizations in improving the quality of life for the state's low-income population. In addition to serving as the New Jersey Office of Economic Opportunity (C.52:27D-7), supports programs for disadvantaged groups, community action agencies, community development, community recreation (especially for the disabled), the Hispanic community, weatherization and lead-based paint hazard control.

The Center for Hispanic Policy, Research and Development (CHPRD) ensures the empowerment of the Latino/Hispanic community of the state through the provision of grants to Hispanic community-based organizations for innovative programs and initiatives; technical assistance and referral services aimed at empowering Hispanic community-based organizations; creating training/employment opportunities for

Hispanic college interns (a source of potential leadership); conducting and supporting research on Hispanics in New Jersey; developing public/private partnerships that would enrich CHPRD programs and initiatives and provide additional resources; and recognizing the contributions of the Latino community in New Jersey.

The Special Olympics program, supported through volunteers, consists of four statewide sports training and athletic competition programs: the Association of Blind Athletes, NJ Tournament of Champions, Special Olympics NJ, and Wheelchair Sports Council of New Jersey. It provides training for 25,000 children and adult athletes with physical, intellectual, and learning disabilities and to those who are blind and/or visually impaired.

The State Office of Recreation (created by P.L. 1950, c.338) promotes and encourages the development and expansion of recreational facilities, sites, programs and opportunities for all citizens including the developmentally and physically challenged. This office has made possible the creation of 82 recreation programs serving 5,200 persons with disabilities across the state, and it has provided training and technical assistance to more than 1,000 individuals with disabilities each year.

The Low Income Home Energy Assistance Program (LIHEAP) is a federally funded program that provides subsidies to help low-income families and individuals pay for home heating costs or heating bills associated with rent. In addition to the heating assistance benefit, households may also be eligible for emergency energy assistance and medically necessary cooling assistance. To be eligible for LIHEAP benefits, the applicant household must be responsible for home heating costs, either directly or included in the rent, and must meet income eligibility requirements.

15. **Women's Programs.** The Division on Women (C.52:27D-43.9) serves as the central permanent agency for the coordination of programs and services for the women of New Jersey and as a planning agency for the development of policy and new programs and services. Executive Order No. 61 (1992) established the Office on the Prevention of Violence Against Women within the Division and rules adopted through N.J.A.C.5:2-1.1(f)2 established by the office on Women's Policy and Research, Support, Employment, and Training. The Division administers grant programs for displaced homemakers, urban women, Hispanic women, sexual assault programs, information hotlines, and women's shelters, and carries out multiple activities to expand rights and opportunities for all of New Jersey's women. The Division on Women has a successful outreach program to statewide women's organizations through the distribution of information concerning issues and programs that are pertinent to women, community-based organizations, and the general public.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Community Resources				
Hispanic population served	305,000	305,000	320,000	310,000
Community action agencies	27	26	26	26
Persons served by community action agencies	327,109	340,000	336,922	336,922
Recreation programs for individuals with disabilities	82	62	55	55
Units weatherized	2,757	3,097	2,835	2,835
Home Energy Assistance				
Number of households served	167,521	186,860	168,000	168,000
Number of household members served	385,298	417,244	386,000	386,000
Total assistance expenditures	\$73,258,000	\$89,745,000	\$69,000,000	\$69,000,000
Average assistance payments:				
Per household	\$437	\$480	\$411	\$411
Per household member	\$190	\$215	\$179	\$179
Women's Programs				
Clients served by Women's Referral Central Hot Line	7,600	5,492	6,800	6,800
Displaced homemakers served by funded programs	2,503	3,212	3,000	3,000
Number of rape victims served	8,525	8,000	8,000	8,000
Number of prevention and education programs for community members	2,693	2,000	1,500	1,000
Urban women served by grant programs	365	356	400	400
Hispanic women served by grant programs	609	676	650	650
Clients served by Women's Domestic Violence Hotline	4,460	4,250	4,000	4,000

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	19	18	18	18
Federal (a)	44	45	37	37
All Other	9	9	10	11
Total Positions	72	72	65	66

Filled Positions by Program Class

Community Resources (a)	59	59	53	54
Women's Programs	13	13	12	12
Total Positions	72	72	65	66

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

(a) Position data reflects the transfer of the Low Income Home Energy Assistance Program from the Department of Human Services to the Department of Community Affairs.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Total Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
502	---	380	882	882	Community Resources	05	510	492
1,184	1	-188	997	997	Women's Programs	15	1,212	961
1,686	1	192	1,879	1,879	Total Direct State Services		1,722 (a)	1,453
Distribution by Fund and Object								
Personal Services:								
872	---	242	1,114	1,114	Salaries and Wages		914	732
872	---	242	1,114	1,114	Total Personal Services		914	732

COMMUNITY AFFAIRS

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
62	1	-30	33	33		62	62	62
172	---	-18	154	154		166	148	148
5	---	-2	3	3		5	5	5
Special Purpose:								
75	---	---	75	75	05	75	75	75
93	---	---	93	93	15	93	93	93
7	---	---	7	7	15	7	7	7
400	---	---	400	400	15	400	331	331
<u>GRANTS-IN-AID</u>								
Distribution by Fund and Program								
16,690	---	---	16,690	12,440	05	15,100	10,800	10,800
5,115	25	---	5,140	5,140	15	3,115	3,115	3,115
21,805	25	---	21,830	17,580		18,215	13,915	13,915
Distribution by Fund and Object								
Grants:								
---	---	---	---	---	05	150	---	---
---	---	---	---	---	05	50	---	---
---	---	---	---	---	05	200	---	---
---	---	---	---	---	05	250	---	---
---	---	---	---	---	05	200	---	---
---	---	---	---	---	05	50	---	---
500	---	---	500	500	05	---	---	---
200	---	---	200	200	05	---	---	---
40	---	---	40	40	05	---	---	---
150	---	---	150	150	05	---	---	---
50	---	---	50	50	05	---	---	---
650	---	---	650	650	05	700	---	---
3,000	---	---	3,000	3,000	05	4,500	3,600	3,600
650	---	---	650	650	05	650	650	650
1,000	---	---	1,000	1,000	05	---	---	---
450	---	---	450	450	05	450	450	450
1,500	---	---	1,500	1,500	05	1,400	---	---
500	---	---	500	500	05	---	---	---
75	---	---	75	75	05	---	---	---
350	---	---	350	350	05	---	---	---

COMMUNITY AFFAIRS

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
GRANTS-IN-AID									
125	---	---	125	125	Center for Great Expectations	05	250	---	---
75	---	---	75	75	Trenton Catholic Charities	05	---	---	---
75	---	---	75	75	Lawrence Non-Profit Housing Inc.	05	---	---	---
75	---	---	75	75	Lawrence Neighborhood Center - After School Program	05	---	---	---
75	---	---	75	75	Mentor Power	05	---	---	---
50	---	---	50	50	Passaic PRIDE Program	05	---	---	---
250	---	---	250	---	Passaic County Domestic Violence Training Program	05	---	---	---
250	---	---	250	250	West New York Senior Outreach Transportation Program	05	---	---	---
500	---	---	500	500	Paterson Library	05	---	---	---
100	---	---	100	100	Grant to ASPIRA	05	250	100	100
6,000	---	---	6,000	2,000	Lead Hazard Control Assistance Fund	05	6,000	6,000	6,000
500	---	---	500	500	Grants to Hispanic Women's Resource Centers	15	500	500	500
25	---	---	25	25	Women's Referral Central	15	25	25	25
1,000	---	---	1,000	1,000	Rape Prevention	15	1,000	1,000	1,000
315	---	---	315	315	Job Training Center for Urban Women Act	15	315	315	315
25	25	---	50	50	Grants to Women's Shelters	15	25	25	25
1,250	---	---	1,250	1,250	Grants to Displaced Homemaker Centers	15	1,250	1,250	1,250
500	---	---	500	500	Capital Improvements for Rape Care Centers	15	---	---	---
1,500	---	---	1,500	1,500	Capital Improvements for Women's Shelters	15	---	---	---
23,491	26	192	23,709	19,459	Grand Total State Appropriation		19,937	15,368	15,368
OTHER RELATED APPROPRIATIONS									
Federal Funds									
68,453									
392 S	40,712	66,098	175,655	133,725	Community Resources	05	105,964	99,982	99,982
1,444									
145 S	246	40	1,875	1,757	Women's Programs	15	2,510	1,826	1,826
70,434	40,958	66,138	177,530	135,482	Total Federal Funds		108,474	101,808	101,808
All Other Funds									
---	177								
---	8,580 R	2	8,759	8,606	Community Resources	05	10,104	10,412	10,412
---	219								
---	721 R	---	940	664	Women's Programs	15	688	688	688
---	9,697	2	9,699	9,270	Total All Other Funds		10,792	11,100	11,100
93,925	50,681	66,332	210,938	164,211	GRAND TOTAL ALL FUNDS		139,203	128,276	128,276

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

Notwithstanding the provisions of any law or regulation to the contrary, receipts derived from the increases in divorce filing fees enacted in the amendment to N.J.S.22A:2-12 by section 41 of P.L. 2003, c.117, are appropriated for transfer to the General Fund as general State revenue, subject to the approval of the Director of the Division of Budget and Accounting.

Additional funds as may be allocated by the federal government for New Jersey's Low Income Home Energy Assistance Block Grant Program (LIHEAP) are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

COMMUNITY AFFAIRS

Language Recommendations -- Grants-In-Aid - General Fund

Notwithstanding the provisions of P.L. 2003, c.311 (C.52:27D-437.1 et seq.), or any law or regulation to the contrary, the amount hereinabove appropriated for the Lead Hazard Control Assistance Fund is payable from receipts of the portion of the sales tax directed to be credited to the Lead Hazard Control Assistance Fund pursuant to section 11 of P.L. 2003, c.311 (C.52:27D-437.11), and there is further appropriated from such receipts an amount not to exceed \$8,000,000, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of section 4 of the "Lead Hazard Control Assistance Act," P.L. 2003, c.311 (C.52:27D-437.4), such sums as are necessary are appropriated from the Lead Hazard Control Assistance Fund for administrative costs, subject to the approval of the Director of the Division of Budget and Accounting.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

75. STATE SUBSIDIES AND FINANCIAL AID

OBJECTIVES

1. To maintain the fiscal integrity of local government units, and provide intense financial, professional, and technical assistance in strengthening their fiscal, managerial, and functional systems.
2. To provide a central staff agency to serve as a clearinghouse and information and referral service on general municipal law, local government problems, and matters of concern to local officials.

PROGRAM CLASSIFICATIONS

04. **Local Government Services.** Provides assistance to local governments and authorities in developing and strengthening managerial, planning, and financial competence; administers statutory and regulatory programs overseeing local govern-

ment financial activities and ethics programs; conducts research and generates reports on local fiscal and operational activities; administers State Aid providing property tax relief to municipalities; assists fiscally distressed municipalities with financial and management support; assists local governments and schools with procurement law assistance; distributes and maintains financial disclosure statements of local government officials; administers and supports State programs encouraging shared services and improved operational efficiency of government activities; coordinates the GovConnect program and promotes e-government; administers certification and continuing education programs for local officials; oversees local government deferred compensation programs and length of service award programs to volunteer fire and rescue organizations; and assists the public in resolving problems with their local governments.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Local Government Services				
Managerial Competence				
Local Public Contracts Law - assistance requests processed	4,352	4,920	4,750	5,000
Deferred compensation plans approved	27	21	25	25
Cooperative purchasing plans approved	20	16	17	27
Municipalities receiving self insurance assistance	45	40	40	40
Municipalities approved to enroll in joint insurance pools ..	17	19	20	22
Applications for professional certification exams (a)	395	387	400	400
Professional certifications issued (a)	144	137	140	150
Length Of Service Award Program - plans approved	26	8	10	10
Qualified purchasing agents certificates issued	53	62	60	65
Continuing education programs approved	786	897	1,000	1,100
Research and Technical Assistance				
Budget amendments reviewed	3,600	3,700	3,700	3,700
Legislative proposals reviewed	200	200	200	200
Single audit reviews conducted	60	60	60	60
Joint insurance pools supervised	42	42	42	42
Number of officials enrolled in GovConnect	4,550	4,850	4,850	5,250
Number of GovConnect postings	500	550	550	625
State Aid Administration				
Municipalities applying for extraordinary aid	159	160	165	170
Municipalities receiving extraordinary aid	130	135	140	145
REDI/SHARE participants	95	520	500	450
REDI/SHARE approved participants	86	484	450	450
Municipalities receiving REAP grants	14	14	14	---

COMMUNITY AFFAIRS

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Authority Regulation				
Authority budgets approved	560	565	565	565
Authority project financing proposals reviewed	211	215	215	220
Authorities assisted	500	500	500	520
Registered municipal accountants and certified public accountants assisted	325	325	325	325
Local Government Ethics Law				
Complaints filed against local officials	32	36	35	40
Local codes of ethics reviewed	2	1	3	5
Requests for advisory opinions	23	19	25	35

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	47	49	50	48
Total Positions	47	49	50	48

Filled Positions by Program Class

Local Government Services	47	49	50	48
Total Positions	47	49	50	48

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

(a) Applications for exams and issuance of professional certifications include Municipal Clerk, Municipal Finance Officer, Tax Collector, and Public Works Manager titles.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
4,148	104	-35	4,217	4,103	04	3,800	3,664	3,664
4,148	104	-35	4,217	4,103		3,800 (a)	3,664	3,664
Distribution by Fund and Object								
Personal Services:								
---	---	---	---	---		84	84	84
3,179	104 R	-43	3,240	3,240		3,448	3,343	3,343
3,179	104	-43	3,240	3,240		3,532	3,427	3,427
67	---	3	70	70		40	40	40
411	---	33	444	443		193	162	162
58	---	-28	30	30		35	35	35
Special Purpose:								
338	---	---	338	320	04	---	---	---
95 S	---	---	95	---	04	---	---	---
GRANTS-IN-AID								
Distribution by Fund and Program								
---	214	---	214	---	04	---	---	---
---	214	---	214	---		---	---	---

COMMUNITY AFFAIRS

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID								
Distribution by Fund and Object								
Grants:								
---	3	---	3	---	Bordentown Township - Municipal Complex	04	---	---
---	33	---	33	---	Lodi Borough - Public Safety Equipment	04	---	---
---	46	---	46	---	Lodi Borough - Recreation Department	04	---	---
---	101	---	101	---	Long Branch City - Senior Facility Expansion	04	---	---
---	5	---	5	---	Local Library Grants	04	---	---
---	26	---	26	---	Statewide Livable Communi- ties	04	---	---
STATE AID								
Distribution by Fund and Program								
1,199,436	7,333	-84,257	1,122,512	1,114,904	Local Government Services	04	1,195,683	1,006,109
137,964	7,333	-49	145,248	138,153	(From General Fund)		75,111	41,731
1,061,472	---	-84,208	977,264	976,751	(From Property Tax Relief Fund)		1,120,572	964,378
1,199,436	7,333	-84,257	1,122,512	1,114,904	Total State Aid		1,195,683	1,006,109
137,964	7,333	-49	145,248	138,153	(From General Fund)		75,111	41,731
1,061,472	---	-84,208	977,264	976,751	(From Property Tax Relief Fund)		1,120,572	964,378
Distribution by Fund and Object								
State Aid:								
---	---	---	---	---	Consolidation Fund (PTRF)	04	15,000	10,000
43,000	---	---	43,000	43,000	Extraordinary Aid (C.52:27D-118.35)	04	34,000	32,300
835,447	---	-81,948	753,499	752,986	Consolidated Municipal Property Tax Relief Aid (PTRF)	04	835,447	773,403
821	---	---	821	820	County Prosecutors and Officials Salary Increase (P.L. 2007, c.350)	04	821 40 ^S	1,181
8,000	---	---	8,000	8,000	County Prosecutor Funding Initiative Pilot Program	04	8,000	8,000
32,000	---	---	32,000	31,755	Municipal Homeland Security Assistance Aid	04	32,000	---
34,825	---	---	34,825	34,825	Municipal Efficiency Promotion Aid Pro- gram (PTRF)	04	34,825	---
250	---	---	250	250	Domestic Violence Training Cost Reimbursement - Local Law Enforcement Agencies	04	250	250
4,000	---	---	4,000	4,000	Trenton Municipal Assistance	04	---	---
24,000	---	---	24,000	24,000	Newark Municipal Assistance	04	---	---
1,500	---	---	1,500	1,500	Ewing Municipal Assistance	04	---	---
1,900	---	---	1,900	1,900	Irvington Municipal Assistance	04	---	---
1,900	---	---	1,900	1,900	East Orange Municipal Assistance	04	---	---
950	---	---	950	950	Orange Municipal Assistance	04	---	---
950	---	---	950	950	Gloucester City Municipal Assistance	04	---	---
665	---	---	665	665	Bloomfield Municipal Assistance	04	---	---
15	---	---	15	---	Mercer Shared Services	04	---	---
16,500	---	---	16,500	16,500	Trenton Capital City Aid (PTRF)	04	37,500	35,625

COMMUNITY AFFAIRS

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
---	---	---	---	---	STATE AID			
					Sharing Available Resources Efficiently Program (PTRF)	04	4,200	---
4,200	7,333	-49	11,484	4,651	Regional Efficiency Development Incentive Grant Program	04	---	---
10,992	---	---	10,992	10,991	Regional Efficiency Aid Program	04	---	---
---	---	---	---	---	Regional Efficiency Aid Program (PTRF)	04	8,000	---
94,700	---	-2,260	92,440	92,440	Special Municipal Aid Act (PTRF)	04	153,000	145,350
80,000	---	---	80,000	80,000	Supplemental Special Municipal Aid (PTRF)	04	---	---
---	---	---	---	---	2008 Municipal Property Tax Assistance (PTRF)	04	32,600	---
2,821 ^S	---	---	2,821	2,821	Essex County Prosecutor's Office Crime Scene Unit	04	---	---
<u>1,203,584</u>	<u>7,651</u>	<u>-84,292</u>	<u>1,126,943</u>	<u>1,119,007</u>	Grand Total State Appropriation		<u>1,199,483</u>	<u>1,009,773</u>

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.
- (b) Funding for the Municipal Rehabilitation/Recovery Act has been transferred from the Division of Local Government Services in the Department of Community Affairs to the Division of Administration in the Department of the Treasury.
- (c) The supplemental appropriation for the Local Unit Alignment, Reorganization, and Consolidation Commission is reflected in the Department of Community Affairs consistent with the Commission's establishment in the Department.

Language Recommendations -- Direct State Services - General Fund

Receipts from the Division of Local Government Services are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Local Unit Alignment, Reorganization, and Consolidation Commission account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- State Aid - General Fund

The amount hereinabove appropriated for Extraordinary Aid shall first be charged to receipts of the supplemental fee established pursuant to section 2 of P.L. 2003, c.113 (C.46:15-7.1), credited to the Extraordinary Aid account. Notwithstanding the provisions of any law or regulation to the contrary, the amount appropriated for municipal aid from receipts deposited in the Extraordinary Aid account shall not exceed the amount hereinabove appropriated.

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for Extraordinary Aid shall be distributed subject to the determination of the Director of the Division of Local Government Services.

The amount hereinabove appropriated for the County Prosecutor Funding Initiative Pilot Program shall be distributed as follows: Camden County, \$1,790,000; Essex County, \$3,622,000; Hudson County, \$1,605,000; and Mercer County, \$983,000.

Loan repayments received in the Regional Efficiency Development Incentive Grant Program account, established pursuant to P.L. 2003, c.122, are appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Regional Efficiency Development Incentive Grant Program account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, municipal appropriations for "Reserve for Tax Appeals" may be made in exception to spending limitations pursuant to section 3 of P.L. 1976, c.68 (C.40A:4-45.3).

Notwithstanding the provisions of any law or regulation to the contrary, any qualified municipality, as defined in section 1 of P.L. 1978, c.14 (C.52:27D-178) for the previous fiscal year, shall continue to be a qualified municipality thereunder during the current fiscal year.

Language Recommendations -- State Aid - Property Tax Relief Fund

The amount hereinabove appropriated for the Consolidation Fund is appropriated for the purposes that shall be set forth in a spending plan jointly established by the Departments of Community Affairs, Education, and Treasury, which shall give primary consideration to municipalities below 10,000 in population, subject to the approval of the Director of the Division of Budget and Accounting.

Of the amount hereinabove appropriated for the Consolidation Fund, an amount may be used to contract with State institutions of higher education to assist with the consolidation of local units of government and for the operating expenses of the Local Unit Alignment, Reorganization and Consolidation Commission, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Consolidation Fund account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

COMMUNITY AFFAIRS

- The amount hereinabove appropriated for Consolidated Municipal Property Tax Relief Aid shall be distributed on the following schedule: on or before August 1, 45% of the total amount due; September 1, 30% of the total amount due; October 1, 15% of the total amount due; November 1, 5% of the total amount due; and December 1, 5% of the total amount due.
- Notwithstanding the provisions of any law or regulation to the contrary, from the amount received from the appropriation to the Consolidated Municipal Property Tax Relief Aid program, each municipality shall be required to distribute to each fire district within its boundaries the amount received by the fire district from the Supplementary Aid for Fire Services program pursuant to the provisions of the fiscal year 1995 annual appropriations act, P.L. 1994, c.67.
- Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for Consolidated Municipal Property Tax Relief Aid shall be distributed in the same amounts, and to the same municipalities which received funding pursuant to the previous fiscal year's annual appropriations act, provided further, however, that from the amount hereinabove appropriated there is transferred to the Energy Tax Receipts Property Tax Relief Fund account such sums as were determined for fiscal year 2003, fiscal year 2006, fiscal year 2007, fiscal year 2008, and fiscal year 2009 pursuant to subsection e. of section 2 of P.L. 1997, c.167 (C.52:27D-439) as amended by P.L. 1999, c.168; and except that, using the Department of Labor and Workforce Development New Jersey 2006 Municipal Population estimates, the amount allocated to municipalities below 5,000 in population shall be reduced to zero, and the amount received by municipalities between 5,000 and 10,000 in population shall be proportionally reduced by \$15,000,000, and the remaining amount received by all municipalities shall be proportionally reduced by \$25,000,000; and the amount received by the City of Newark shall be further reduced by an amount certified by the Division of Taxation and appropriated to the Division of Taxation for any aspect of the revaluation of real property in Newark, subject to the approval of the Director of the Division of Budget and Accounting. The Director of the Division of Local Government Services shall further take such actions as may be necessary to ensure that the Consolidated Municipal Property Tax Relief Aid appropriated to offset losses from business personal property tax that would have otherwise been used for the support of public schools will be used to reduce the school property tax levy for those affected school districts with the remaining State Aid used as municipal property tax relief. The chief financial officer of the municipality shall pay to the school districts such amounts as may be due by December 31, 2008.
- Notwithstanding the provisions of any law or regulation to the contrary, of the amount hereinabove appropriated for municipal aid for the municipality of Haledon, \$72,809.48 shall be deducted for repayment to the State of State Aid funds used to offset the increase in the 2007-08 school tax levy required under the applicable regional school funding requirements.
- Notwithstanding the provisions of any law or regulation to the contrary, of the amount hereinabove appropriated for municipal aid for the municipality of Prospect Park, \$137,219.20 shall be deducted for repayment to the State of State Aid funds used to offset the increase in the 2007-08 school tax levy required under the applicable regional school funding requirements.
- The amount hereinabove appropriated for Trenton Capital City Aid is made pursuant to the provisions of the "Special Municipal Aid Act," P.L. 1987, c.75 (C.52:27D-118.24 et seq.) and, in addition, is subject to the City of Trenton entering into an agreement with the Department of Community Affairs providing for the terms and conditions of such aid, which shall include, among other things, financial oversight by the Department of Community Affairs.
- Loan repayments received in the Sharing Available Resources Efficiently Program account, established pursuant to P.L. 2007, c.63, are appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.
- The unexpended balance at the end of the preceding fiscal year in the Sharing Available Resources Efficiently Program account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.
- Of the amount hereinabove appropriated for the Sharing Available Resources Efficiently Program, not more than 5% may be used to finance the development of performance measures and training modules and to employ staff as authorized by sections 4 and 9 of P.L. 2007, c.54 (C.52:27D-504 and C.52:27D-18.2).
- Of the amount hereinabove appropriated for the Sharing Available Resources Efficiently Program, an amount may be used to provide technical support programs to assist local units in applying for grants or aid for studying shared services as authorized by P.L. 2007, c.63 (C.40A:65-30 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.
- Municipalities that received Municipal Revitalization Program aid in fiscal year 1995 pursuant to the provisions of P.L. 1994, c.67 shall continue to be subject to the provisions of the "Special Municipal Aid Act," P.L. 1987, c.75 (C.52:27D-118.24 et seq.), and the Director of the Division of Local Government Services may withhold aid payments or portions thereof from any municipality that fails to comply with those provisions, until such time as the director determines the municipality to be in compliance.
- Notwithstanding the provisions of P.L. 2002, c.43 as amended (C.52:27BBB-1 et seq.) to the contrary, any municipality receiving State Aid provided through the "Special Municipal Aid Act," P.L. 1987, c.75 (C.52:27D-118.24 et seq.) appropriation shall be subject to the provisions of the Special Municipal Aid Act and subject to entering into an agreement with the Department of Community Affairs to provide, among other things, for financial oversight.
- Notwithstanding the provisions of any law or regulation to the contrary, whenever funds appropriated as State Aid and payable to any municipality, which municipality requests and receives the approval of the Local Finance Board, such funds may be pledged as a guarantee for payment of principal and interest on any bond anticipation notes issued pursuant to section 11 of P.L. 2003, c.15 (C.40A:2-8.1) and any tax anticipation notes issued pursuant to N.J.S.40A:4-64 by such municipality. Such funds, if so pledged, shall be made available by the State Treasurer upon receipt of a written notification by the Director of the Division of Local Government Services that the municipality does not have sufficient funds available for prompt payment of principal and interest on such notes, and shall be paid by the State Treasurer directly to the holders of such notes at such time and in such amounts as specified by the Director, notwithstanding that payment of such funds does not coincide with any date for payment otherwise fixed by law.
- The State Treasurer, in consultation with the Commissioner of the Department of Community Affairs, is empowered to direct the Director of the Division of Budget and Accounting to transfer appropriations from any State department to any other State department as may be necessary to provide a loan for a term not to exceed 30 days to a municipality faced with a fiscal crisis, including but not limited to a potential default on tax anticipation notes. Extension of the term of the loan shall be conditioned on the municipality being an "eligible municipality" pursuant to P.L. 1987, c.75 (C.52:27D-118.24 et seq.).

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL
76. MANAGEMENT AND ADMINISTRATION

OBJECTIVES

1. To maximize efficiency in all departmental operating programs and to improve budgeting and accounting, personnel, grant policy and procedures, operational analysis, office automation, data processing, public information, and both the State and federal legislative review subsystems.
2. To enhance the delivery of services to local governments and constituent groups by evaluating the impact of changing federal and State aid systems and by initiating and advocating priority legislation and other actions in their best interest.
3. To maintain an effective affirmative action policy.
4. To continue to undertake needed special research studies for the Governor, the Commissioner, the Legislature, and local governments.
5. To adjudicate complaints filed by the public with the Government Records Council concerning access to govern-

ment records, issue advisory opinions on public records issues, and prepare guidelines for records custodians.

PROGRAM CLASSIFICATIONS

99. **Administration and Support Services.** Provides, through the office of the Commissioner, executive and management leadership for the Department and provides staff services for grant coordination and management, fiscal control, data processing, personnel, public information, management services, legislative review, and intergovernmental relations. In addition, the Department (C.52:27D-1 et seq.) provides assistance in improving the management, financial, and planning capability of New Jersey's 566 municipalities and 21 counties. The Government Records Council provides, through its members and staff, technical and educational assistance and guidance to the public and government records custodians concerning the Open Public Records Act.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Government Records Council				
Formal Complaints Received	258	243	260	265
Public Inquiries Received	1,092	1,289	1,300	1,350
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	91	107	107	107
Male Minority %	7.9	9.2	9.2	9.2
Female Minority	276	283	283	283
Female Minority %	23.9	24.4	24.4	24.4
Total Minority	367	390	390	390
Total Minority %	31.8	33.7	33.7	33.7
Position Data				
Filled Positions by Funding Source				
State Supported	53	52	55	55
All Other	24	21	20	20
Total Positions	77	73	75	75
Filled Positions by Program Class				
Administration and Support Services	77	73	75	75
Total Positions	77	73	75	75

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal 2009 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
3,880	---	45	3,925	3,924	Administration and Support Services	99	3,742	3,401
3,880	---	45	3,925	3,924	Total Direct State Services		3,742 ^(a)	3,401

COMMUNITY AFFAIRS

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
DIRECT STATE SERVICES								
Distribution by Fund and Object								
2,754	---	68	2,822	2,822	Personal Services:			
						2,827	2,644	2,644
2,754	---	68	2,822	2,822	Total Personal Services			
8	---	27	35	35		8	8	8
266	---	-33	233	233		93	4	4
21	---	-17	4	3		21	21	21
Special Purpose:								
771	---	---	771	771	99	733	664	664
60	---	---	60	60				
						60	60	60
3,880	---	45	3,925	3,924	Grand Total State Appropriation			
						3,742	3,401	3,401
OTHER RELATED APPROPRIATIONS								
All Other Funds								
	706				Administration and Support			
---	1,364 ^R	250	2,320	1,611				
						1,179	1,400	1,400
---	2,070	250	2,320	1,611	Total All Other Funds			
3,880	2,070	295	6,245	5,535		1,179	1,400	1,400
					GRAND TOTAL ALL FUNDS			
						4,921	4,801	4,801

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.

Language Recommendations -- Direct State Services - General Fund

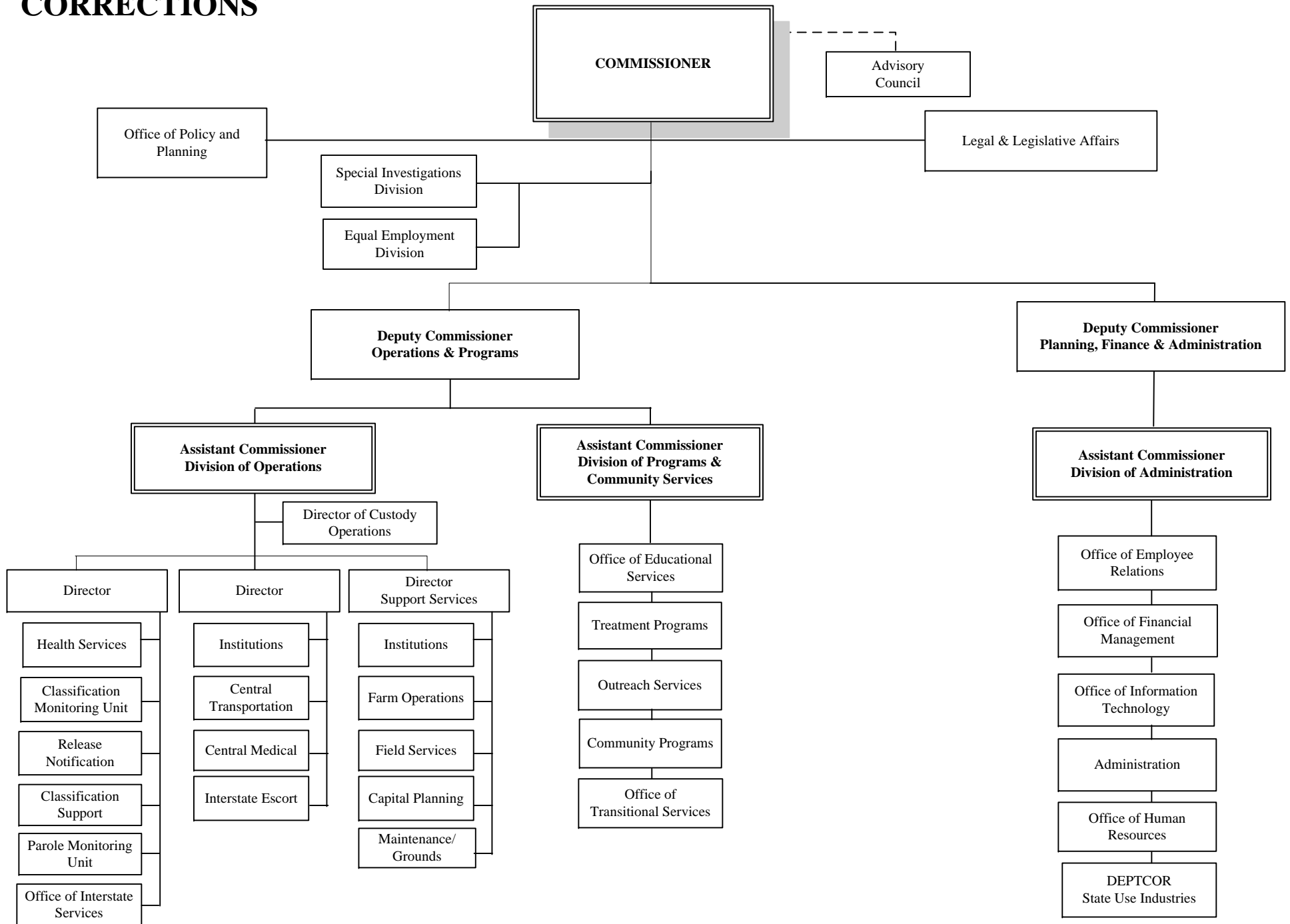
Notwithstanding the provisions of any law or regulation to the contrary, from the amount hereinabove appropriated for the Government Records Council, the Council shall expend such amount as is necessary to employ staff legal counsel other than counsel provided by the Office of the Attorney General.

DEPARTMENT OF COMMUNITY AFFAIRS

All moneys comprising repayment of loans or advances from the Mortgage Assistance Fund established under the "New Jersey Mortgage Assistance Bond Act of 1976," P.L. 1976, c.94, are appropriated in accordance with the purposes set forth in section 5 of that act.

Notwithstanding the provisions of any law or regulation to the contrary, deposits of any funds into the Revolving Housing Development and Demonstration Grant Fund are subject to prior approval of the Director of the Division of Budget and Accounting.

CORRECTIONS



DEPARTMENT OF CORRECTIONS OVERVIEW

Mission and Goals

The mission of the New Jersey Department of Corrections (DOC) is to ensure that all persons committed to the State's correctional institutions are confined with the level of custody necessary to protect the public, and that they are provided with the care, discipline, training, and treatment needed to prepare them for reintegration into the community.

The Department's goals and objectives are to: enhance safety within institutions and protect the community; control costs, and improve productivity and operational efficiency; expand treatment and rehabilitation services; increase community programs and reintegration services; and improve academic and educational programs.

The Department will accomplish these goals and objectives by: promoting staff development; maximizing the use of technology to improve service delivery in the most cost effective manner; evaluating and measuring program effectiveness; and enhancing departmental emergency response capabilities.

Budget Highlights

The Fiscal 2009 Budget for the Department of Corrections totals \$1.149 billion, a decrease of \$34.7 million or 2.9% under the fiscal 2008 adjusted appropriation of \$1.184 billion.

Prisons

The Division of Operations is responsible for 14 major institutions—12 men's correctional facilities, one women's correctional institution, and the central reception/intake unit. Collectively, county jails, community treatment programs and the state correctional facilities, which are diverse and unique in their operations, house approximately 27,000 inmates in minimum, medium, and maximum security levels. The Adult Diagnostic and Treatment Center operates a rehabilitative program for habitual sex offenders. Northern State Prison contains the Security Threat Group Management Unit, which houses gang members considered a threat to the safety of the institutions and individuals. The Edna Mahan Correctional Facility, New Jersey's only correctional institution for women, houses inmates at all security levels.

In fiscal 2009, \$941.6 million is recommended for State prison facilities and system-wide program support. This amount represents a net decrease of \$3.7 million from the fiscal 2008 adjusted appropriation.

The Fiscal 2009 Budget recommendation for Central Planning, Direction and General Support is recommended at \$17.9 million. This represents a decrease of \$715,000 over the fiscal 2008 adjusted appropriation of \$18.6 million.

Funding of \$22.9 million is recommended for the purchase of services for approximately 1,133 inmates incarcerated in county penal facilities. This represents a reduction of \$29.9 million from the fiscal 2008 adjusted appropriation. This reflects revised forecasts as well as the anticipated impact to the overall Corrections inmate population through proposed initiatives to be implemented in the Judiciary, through expansion of the Drug Court Program and the Intensive Supervision Program, and in State Parole, through a new assessment and treatment program to be used as an alternative to re-incarceration in managing technical parole violators.

Programs and Community Services

The Division of Programs and Community Services offers an array of institutional and community-based programs for offenders, including community labor assistance, academic and vocational educational programs, recreational programs, library (lending and law) services, and substance abuse treatment. The Division also contracts with private and non-profit providers throughout the State

to provide community-based residential treatment programs for offenders under community supervision. The Fiscal 2009 Budget recommendation for these services is \$61.5 million, supporting an average daily population of 2,629 offenders.

Office of Transitional Services

In an effort to combat the problem of recidivism, the New Jersey Department of Corrections created an Office of Transitional Services. This office is responsible for the coordination of institutional and community programs and social services that reduce the risk of recidivism and increase the likelihood of successful reentry. All institutional social services have been centralized under the Office of Transitional Services, which has also begun to develop partnerships with federal, State, and local agencies for creating linkages to existing resources that provide the support necessary to reduce the cycle of incarceration.

Transitional Services Initiatives

The Governor's Crime Plan includes Another Chance, a reentry initiative. The Department of Corrections, together with other state agencies whose programs and services impact the reentry process, will implement this reentry project in an effort to improve the success rate of offenders returning to the community and reduce the high number of ex-offenders returning to prison. Programming consists of several areas including educational, career-technical, treatment, and social services. This represents an opportunity for the offender to change his/her thought patterns and behavior, and to adopt pro-social norms. The following highlight some of these programs currently underway.

In July 2007, the Department officially launched the S.T.A.R.S. (Successful Transition and Reentry Series) reentry preparation program at each of its 14 correctional facilities. S.T.A.R.S. is a three month reentry preparatory course that provides offenders nearing their release a structured and detailed approach to addressing each major reentry barrier that ex-offenders face when returning to community life. As a curriculum developed in house, S.T.A.R.S. is a practical, cost effective program of study that is customized to address the specific reentry needs of New Jersey's offender population. Fourteen chapters cover multiple reentry areas including topics such as employment readiness, looking for housing, transportation, education, family reunification, and financial responsibility.

Other initiatives undertaken by the Department to assist the ex-offender with reentry are: facilitation of discharge planning to include SSI benefits and continuation of medical care; provision of duplicate Social Security card prior to release; and the addition of the Department's inmate temporary release identification card to the list of Motor Vehicle Commission's six point ID verification system.

Federal Grant Awards

The Department's Office of Transitional Services was awarded a two year grant of \$900,000, from the U.S. Department of Justice, Bureau of Justice Assistance for the Prisoner Reentry Initiative (PRI). This funding has been used to develop Project R.E.S.P.E.C.T. (Reentry Employment Service Program Enhancing Community Transition). Project R.E.S.P.E.C.T. is an employment centered reentry preparation program for non-violent offenders returning to Atlantic, Essex, Hudson, Passaic, and Union counties. The services are rendered while the offender is incarcerated and continues upon release by the community-based organizations.

The Department has been awarded a \$558,000 Targeting Violent Crime grant from the U.S. Department of Justice, Bureau of Justice Assistance. The goal of this is to reduce gang and radicalized violent behavior within the department and improve intelligence-led, data

driven counter-terrorism investigations. It is anticipated that this initiative will improve the abilities of the Department's Special Investigations Division, Intelligence Section to detect radicalization in DOC facilities and deter and disrupt its forward movement.

The Department of Corrections in partnership with the New Jersey Department of Labor and Workforce Development (LWD), Department of Law and Public Safety, Department of State, and the State Parole Board received \$560,783 in federal funds to develop a comprehensive prisoner reentry project, entitled the Camden Offender Reentry Program (PRI-CORP). PRI-CORPS targets inmates who are within 12 - 15 months of parole eligibility or max release date and returning to Camden County upon release from the Department. The program includes a strong employability/job readiness component through the involvement of LWD and the Camden County One-Stop Career Center. Funding for this initiative has been provided by the U.S. Department of Justice, Bureau of Justice Assistance and the U.S Department of Labor, Employment and Training Administration.

The U.S. Department of Justice, through the State Criminal Alien Assistance Program, provides annual payments to the Department for the cost of incarcerating undocumented illegal aliens convicted of felony offenses. Efficiencies in the Department's inmate data reporting and an increase in the federal appropriation over the last few years lead the DOC to receive \$5.6 million in fiscal 2007, a 60% increase over fiscal 2006 funding of \$3.5 million.

State Parole Board

The State Parole Board's mission is to promote the effective and efficient assessment of inmates prior to parole and the efficient supervision of parolees after they have attained parole status. During fiscal 2002, the Division of Parole Supervision within the Department of Corrections was transferred to the State Parole Board to promote the effective and efficient assessment of inmates prior to parole and supervision of parolees. The Division of Parole is responsible for monitoring parolee compliance with special release conditions imposed by the State Parole Board and the collection of fines, penalties, and restitution payments owed by parolees.

The Fiscal 2009 Budget for the State Parole Board is recommended at \$105.3 million, an increase of \$3.5 million over fiscal 2008.

In fiscal 2009, funding for alternative programs supports the Electronic Monitoring/Home Confinement Program (\$5.1 million), and the Supervision, Surveillance and Gang Suppression Program (\$2.4 million). The Mutual Agreement Program (MAP) provides inpatient and outpatient substance abuse treatment to parolees in need of these services. The budget recommendation for MAP remains at \$3.1 million for fiscal 2009.

The Reentry Substance Abuse Program (RESAP), a residential treatment program, provides specialized residential substance abuse treatment services for offenders who are eligible to re-enter the community on parole but have a chronic substance abuse history. The Reentry Substance Abuse Program has a fiscal 2009 recommended budget of \$4 million.

The Halfway Back Program was initiated in fiscal 2002 to reduce recidivism. This program provides a highly supervised resident environment with services concentrated in the areas of the offenders' highest needs such as addictive or chemical dependencies and life skills development. In fiscal 2007, the State Parole Board expanded the Halfway Back Program by 50 beds through a \$1 million Governor's Priority increase. This funding is increased in fiscal 2009 to expand the program by an additional 33 beds with a recommendation for the Halfway Back Program of \$18.1 million.

The Day Reporting Centers provide services in the areas of the offenders' highest needs in a supervised, non-residential environ-

ment. The services include anger and aggression management, job readiness skills, academic assistance, computer-supported educational and vocational programs, life skills development, substance abuse prevention and counseling services, as well as parenting skills, family interventions, and other mentoring programs. The fiscal 2009 funding recommendation for the Day Reporting Program is \$11.9 million.

In fiscal 2005, the State Parole Board established the Sex Offender Management Unit. The staff in this unit is specifically trained to address the unique challenges faced in managing sexual offenders and sexually violent predator caseloads within the Community Supervision for Life and Parole Supervision for Life Programs. The fiscal 2009 recommended appropriation is \$9 million, an increase of \$1.1 million over fiscal 2008.

The GPS Monitoring of Sex Offenders was initiated in fiscal 2006. Originally funded as a two year pilot program, the Satellite-based Monitoring of Sex Offenders Program received full funding in fiscal 2007. For fiscal 2009 funding is recommended at \$2.6 million.

The Parole Violator Assessment and Treatment Program will provide a structured alternative to re-incarceration for parole violators. The fiscal 2009 funding for this initiative is \$3.9 million which will allow for savings in the Department of Corrections of \$5.1 million through the reduction of the number of parolees being returned to prison.

Department Accomplishments Education

In accordance with federal and state requirements, the Department provides mandatory educational services in all of the Department's facilities housing inmates under the age of 21 who have been identified as being in need of special education intervention in addition to other formal educational instruction provided on a voluntary basis for the adult inmate population. In fiscal 2007, 163 high school diplomas were awarded to the school age population, and 1,190 GED tests were administered to both school age and adult students, with 802 passing, or a 67% passage rate.

Upon commission to the Correctional system, an education survey is given to offenders to determine educational attainment. All information is self reported. Statistics as of January 2, 2008 reflect the following: 1,022 offenders with an education of 8th grade or less; 6,668 offenders within grade 9-12; 6,945 offenders with a high school diploma/GED; 3,444 offenders who refused to provide information; and 6,157 offenders without an education record. Continuous efforts are being made to solicit responses to the survey. The Department continues to encourage and prioritize attaining a high school diploma/GED for each offender as one of the primary reentry initiatives.

The Department was the recipient of two awards presented by the Department of Education in 2007. The Department received a first place award for administering the highest number of GED tests in the state (1,573 during calendar year 2006). Additionally, the Department received a second place award for having the highest passing rate on the GED (84.1%) in the state for calendar year 2006.

Supervisor Training

The Department has initiated a new training initiative in conjunction with the Department of Personnel utilizing the Enterprise-wide Learning Management System. This has made on-line training available to numerous staff in a cost effective manner. As funds become available, more licenses can be procured along with the hardware to allow more staff to access this training media. Security Audit Training was completed while conducting actual security audits on various institutions. There is now a pool of certified staff that may be called on to conduct security audits. A Train-the Trainer course was conducted for the National Incident Management System. As funds become available this mandated training can be completed.

CORRECTIONS

DEPARTMENT OF CORRECTIONS SUMMARY OF APPROPRIATIONS BY FUND (thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND								
942,404	1,259	57,954	1,001,617	994,270	Direct State Services	1,028,994	1,027,707	1,027,707
133,151	4,402	-41	137,512	136,668	Grants-In-Aid	151,098	121,591	121,591
---	8,517	-1	8,516	1,125	Capital Construction	3,936	---	---
1,075,555	14,178	57,912	1,147,645	1,132,063	Total General Fund	1,184,028	1,149,298	1,149,298
1,075,555	14,178	57,912	1,147,645	1,132,063	Total Appropriation, Department of Corrections	1,184,028	1,149,298	1,149,298

SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES - GENERAL FUND								
Detention and Rehabilitation								
495,629	22	44,789	540,440	537,624	Institutional Control and Supervision	560,524	549,715	549,715
222,951	---	-3,155	219,796	219,737	Institutional Care and Treatment	259,905	266,666	266,666
58,416	257	4,222	62,895	61,543	Institutional Program Support	38,189	38,544	38,544
84,484	33	13,004	97,521	96,197	Administration and Support Services	86,701	86,681	86,681
861,480	312	58,860	920,652	915,101	Subtotal	945,319	941,606	941,606
Parole								
45,146	936	-157	45,925	44,485	Parole	47,574	51,666	51,666
13,428	11	-135	13,304	13,032	State Parole Board	13,558	12,681	12,681
3,647	---	60	3,707	3,629	Administration and Support Services	3,921	3,847	3,847
62,221	947	-232	62,936	61,146	Subtotal	65,053	68,194	68,194
Central Planning, Direction and Management								
---	---	---	---	---	Planning, Management and General Support	---	---	---
18,703	---	-674	18,029	18,023	Administration and Support Services	18,622	17,907	17,907
18,703	---	-674	18,029	18,023	Subtotal	18,622	17,907	17,907
942,404	1,259	57,954	1,001,617	994,270	Total Direct State Services - General Fund	1,028,994	1,027,707	1,027,707
942,404	1,259	57,954	1,001,617	994,270	TOTAL DIRECT STATE SERVICES	1,028,994	1,027,707	1,027,707
GRANTS-IN-AID - GENERAL FUND								
Detention and Rehabilitation								
96,873	4,402	2,460	103,735	103,344	Institutional Program Support	114,420	84,509	84,509
96,873	4,402	2,460	103,735	103,344	Subtotal	114,420	84,509	84,509

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
36,278	---	-2,501	33,777	33,324	Parole		
					Parole	36,678	37,082
36,278	---	-2,501	33,777	33,324	Subtotal	36,678	37,082
133,151	4,402	-41	137,512	136,668	Total Grants-In-Aid - General Fund	151,098	121,591
133,151	4,402	-41	137,512	136,668	TOTAL GRANTS-IN-AID	151,098	121,591
CAPITAL CONSTRUCTION							
Detention and Rehabilitation							
---	163	---	163	55	Administration and Support Services	---	---
---	163	---	163	55	Subtotal	---	---
Central Planning, Direction and Management							
---	8,354	-1	8,353	1,070	Administration and Support Services	3,936	---
---	8,354	-1	8,353	1,070	Subtotal	3,936	---
---	8,517	-1	8,516	1,125	TOTAL CAPITAL CONSTRUCTION	3,936	---
1,075,555	14,178	57,912	1,147,645	1,132,063	Total Appropriation, Department of Corrections	1,184,028	1,149,298

10. PUBLIC SAFETY AND CRIMINAL JUSTICE

16. DETENTION AND REHABILITATION

OBJECTIVES

1. To receive, diagnose and classify offenders legally committed to the prisons, correctional institutions and the Adult Diagnostic and Treatment Center, with emphasis on satisfying the individual rehabilitation program needs of the offender.
2. To effect a reorientation of attitudes and habits, upgrade educational attainment and develop work skills through vocational programs, which will assist offenders to conform to acceptable community living standards upon release from institutions.
3. To develop and enhance public interest and encourage community participation in the correctional process.

PROGRAM CLASSIFICATIONS

07. **Institutional Control and Supervision.** Designed to provide the level of control necessary to protect the inmate and the community from harm by providing custodial control and supervision in all institutional areas and during inmate transportation outside of the institution.
08. **Institutional Care and Treatment.** Includes the activities of housekeeping, safety and medical care which provide a safe, sanitary, and healthful environment for inmates and employees, as well as food service to meet the nutritional needs of inmates and staff. Provides suitable and adequate clothing to inmates to meet their needs during the period of incarceration. Provides medical, dental, surgical, and nursing services to maintain and promote the physical health of inmates.

Includes the treatment and classification services designed to assist the offender with emotional and/or maturational problems; makes program assignments, reassignments, and release decisions for inmates; and maintains accurate, up-to-date cumulative records of relevant information concerning all inmates from admission to final discharge from parole. A recreation program is provided to enhance inmate social development and promote the constructive use of leisure time. Professional staff activities in the disciplines of psychology, psychiatry, and social work provide guidance counseling and other diagnostics and treatments designed to enable offenders to adopt norms of acceptable behavior, improve their adaptive behavior, and increase their positive interaction with the staff, other offenders, and the community upon release. Institutional work is available in State Use Industries shops and in the operation of farming, laundry, bakery, maintenance, and food service programs. In addition, furlough and work release programs are provided for the transition to normal family and employment situations.

Provides basic, secondary and college education, library activities, high school equivalency, and vocational training. State and federal funds support this program.

99. **Administration and Support Services.** Coordinates the fiscal, physical, and personnel resources of the institution.

Comprises the planning, management, and operation of the physical assets of the institution including utilities, buildings and structures, grounds and equipment of all kinds. Activities include operation, maintenance, repair, rehabilitation, improvement, custodial, and housekeeping services.

INSTITUTIONAL DESCRIPTIONS

New Jersey State Prison

The maximum security prison, located in Trenton, provides programs for adult male offenders. Educational opportunities are comprehensive, covering adult basic education through college and include a five cluster vocational education program. An Administrative and Management Services Unit inside the prison is available for housing and programming designed to treat the more severe behavioral problems which occur in the prison system.

Vroom Central Reception and Assignment Facility

The Central Reception and Assignment Facility serves as a central processing unit for all adult males sentenced to the New Jersey Department of Corrections. It is responsible for objectively classifying all State inmates, and providing all intake examinations/evaluations, including medical, dental, educational, psychological, etc.

The Jones Farm Minimum Security Unit is a satellite unit. It serves as a work camp for inmates serving non-violent short term sentences. The facility supports the Reception and Assignment Facility in the delivery of food services, building and grounds, maintenance/repairs and other activities as needed.

East Jersey State Prison

This prison provides maximum, medium, and minimum security programs for male adult offenders. Work opportunities are provided by three State Use Industries shops (furniture, clothing and metal) within the prison for the production of materials and products to be used by various State agencies and local governments. Food service, grounds maintenance, institutional maintenance, and farm services are provided by inmates at the North Jersey Developmental Center, Totowa. A functional vocational technical training program offers courses in auto body, mechanics, welding, building trades, painting and decorating, masonry, and horticulture.

South Woods State Prison

This facility, located in Bridgeton, Cumberland County, houses male offenders in a safe and secure environment providing custody, care, and rehabilitative services. Its bed space design capacity totals 3,188, consisting of three 960 bed medium security general housing units, a 44 bed long-term care facility, and a 264 bed minimum security unit. The first 960 bed unit became operational in fiscal 1997. The second unit opened in the fall of 1997 and the remaining beds opened in the spring of 1998.

Work opportunities are provided by five State Use Industries shops: clothing, shoe manufacturing, sign manufacturing, printing, and the consolidated food warehouse.

Bayside State Prison

This combined minimum-medium security prison located at Leesburg in Cumberland County provides programs for male adult offenders at the medium security prison and the minimum security unit. In addition, an inmate detail is housed at, and provides services for the Ancora Psychiatric Hospital.

Work opportunities are provided in farm operations for minimum security inmates. The auto license tag and clothing industries offer training for medium security inmates. The Regional Bakery, which has an inmate training program, provides services to institutions throughout the State. The dairy provides services to institutions in southern New Jersey.

The education program covers adult basic education and a vocational education program offering a total of ten subjects.

Modular units on institution grounds provide for additional inmate housing.

Southern State Correctional Facility

Southern State Correctional Facility, which opened in July 1983, is located at Delmont in Cumberland County adjacent to Bayside State Prison. This institution is a medium security facility constructed of modular buildings with a razor ribboned double fence acting as the secured perimeter. A 352 bed minimum-security permanent unit opened on the grounds of the facility in fiscal 2004.

Work opportunities are provided by two State Use Industries shops: concrete products and wood products.

Mid-State Correctional Facility

Mid-State Correctional Facility is a male medium security institution located on 13 acres of federal government property on Ft. Dix, in Burlington County. The facility was formerly a military Pre-Trial Detention Center. In 1982, the Department of Corrections entered into a very stringent leasing agreement with the federal government requiring unique operating procedures. In August 2004, the property was deeded to the Department of Corrections.

Riverfront State Prison

Riverfront State Prison is a medium security institution located in the City of Camden on a 12.5 acre site adjacent to the Delaware River. The population consists of adult male offenders who are incarcerated for a variety of offenses adjudicated by the courts of New Jersey.

Edna Mahan Correctional Facility for Women

This institution, located at Clinton in Hunterdon County, provides custody and treatment programs for female offenders 16 years of age and older. The academic program offers educational opportunities from basic education through high school equivalency. College courses are also available. A vocational education program offers courses in quantity food service, beauty culture, upholstery training, clerical skills, horticulture, life skills, nurses aides, and electronic assembly programs. The State Use sewing industry provides work experience and training.

Psychiatric, psychological, and social work services are available on an individual and group basis. A drug and alcohol treatment unit is operational. Inmates who have a history of alcohol abuse are provided with individual and group counseling. Medical services are affiliated with surrounding community medical facilities.

Food service is provided for the neighboring Hunterdon Developmental Center and the Mountainview Youth Correctional Facility.

Northern State Prison

This medium security institution, designed for male adult offenders and located on 42 acres of property in Essex County, opened in fiscal 1987. Programs provide work release, furloughs, and community service activities for inmates classified in minimum security status. Vocational training courses are offered in printing, carpentry, and electrical repairs. Located within the main structure, a State Use Industries shop for the production of clothing items also provides training and work opportunities.

Adult Diagnostic and Treatment Center, Avenel

This center provides custody and inpatient treatment services for adult male sex offenders who come under the purview of the Sex Offender Act (N.J.S. 2A:164 and 2C:47); it also provides outpatient services, comprised of diagnostic assessments for the

courts, State Parole Board, and other State and local agencies; moreover, aftercare therapy is afforded to sex offender parolees. Also, a county-based treatment program is offered for offenders housed in county jails awaiting admission. Work opportunities are provided by a State Use Industries computer assisted design (CAD) / textile shop. In fiscal 2000, the Kearny Unit was converted to the first temporary facility for housing the civilly committed. In fiscal 2001, Rahway Camp was converted to be a second temporary facility for the same purpose. Both facilities are administered by the Adult Diagnostic and Treatment Center.

Garden State Youth Correctional Facility

The facility, located at Yardville in Burlington County, is part of the State's youth correctional institution complex. It consists of eight housing units (R.S. 30:4-146). The Prison Reception Unit, previously located at Garden State, was transferred to the Central Reception and Assignment effective July 1, 1997.

A number of programs, such as academic education, vocational training, and the supportive education team program are offered. Work opportunities are provided by a State Use Industries shop

which manufactures brushes, brooms, and mops. In addition, two therapeutic community programs have been established.

Albert C. Wagner Youth Correctional Facility

The Youth Correctional Facility (R.S. 30:4-146), located at Bordentown in Burlington County, provides programs for male offenders. A limited number of prison complex inmates are also housed here. This medium security institution emphasizes vocational, academic, and social education along with group and individual psychotherapy, substance abuse treatment, social casework, and psychiatric treatment. Work opportunities are provided by two State Use Industries shops, metal and clothing.

Mountainview Youth Correctional Facility

This medium security, cottage-type institution, located at Annandale in Hunterdon County, provides programs for males with both indeterminate and State prison sentences who have a minimal history of previous commitment to correctional institutions. Work opportunities include a farming operation and two State Use Industries shops, furniture and mattress.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
New Jersey State Prison				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	397	382	382	382
General Educational Development	45	59	61	61
Vocational Education	13	19	19	19
OPERATING DATA				
Design Capacity	1,819	1,819	1,819	1,819
Average daily population	1,833	1,804	1,790	1,790
Annual Per Capita	\$41,897	\$47,405	\$49,423	\$49,387
Daily Per Capita	\$114.79	\$129.88	\$135.04	\$135.31
Vroom Central Reception and Assignment Facility				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	110	112	112	112
General Educational Development	49	56	57	57
Vocational Education	39	25	26	26
OPERATING DATA				
Design Capacity	691	691	691	691
Average daily population (a)	1,054	976	927	927
Annual Per Capita	\$37,144	\$43,353	\$47,846	\$46,133
Daily Per Capita	\$101.76	\$118.78	\$130.73	\$126.39
East Jersey State Prison				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	437	426	428	428
General Educational Development	135	128	129	129
Vocational Education	121	123	124	124

CORRECTIONS

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
OPERATING DATA				
Design Capacity	1,551	1,551	1,551	1,551
Average daily population	1,935	1,928	1,922	1,922
Main institution	1,383	1,370	1,383	1,383
Satellite units	116	122	103	103
Administrative Segregation	436	436	436	436
Annual Per Capita	\$34,998	\$37,695	\$39,187	\$39,325
Daily Per Capita	\$95.86	\$103.27	\$107.07	\$107.74
South Woods State Prison				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	675	667	668	668
General Educational Development	315	321	322	322
Vocational Education	1,094	1,073	1,075	1,075
OPERATING DATA				
Design Capacity	3,188	3,188	3,188	3,188
Average daily population	3,373	3,368	3,360	3,360
Annual Per Capita	\$30,536	\$32,761	\$35,318	\$35,436
Daily Per Capita	\$83.66	\$89.76	\$96.50	\$97.08
Bayside State Prison				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	241	245	246	246
General Educational Development	198	182	182	182
Vocational Education	303	292	294	294
OPERATING DATA				
Design capacity	1,347	1,347	1,347	1,347
Average daily population	2,258	2,213	2,280	2,280
Main institution	1,008	939	1,006	1,006
Modular units	297	274	274	274
Satellite units	953	1,000	1,000	1,000
Annual Per Capita	\$27,200	\$30,041	\$30,516	\$30,405
Daily Per Capita	\$74.52	\$82.30	\$83.38	\$83.30
Southern State Correctional Facility				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	375	394	395	395
General Educational Development	153	137	139	139
Vocational Education	309	320	320	320
OPERATING DATA				
Design Capacity	1,352	1,352	1,352	1,352
Average daily population	2,054	2,047	2,028	2,028
Annual Per Capita	\$28,698	\$30,565	\$32,920	\$33,195
Daily Per Capita	\$78.62	\$83.74	\$89.94	\$90.94

CORRECTIONS

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Mid-State Correctional Facility				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	178	196	197	197
General Educational Development	95	81	82	82
Vocational Education	45	42	42	42
OPERATING DATA				
Design Capacity	604	604	604	604
Average daily population	639	639	643	643
Annual Per Capita	\$35,111	\$37,258	\$40,509	\$40,226
Daily Per Capita	\$96.19	\$102.08	\$110.68	\$110.21
Riverfront State Prison				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	288	271	271	271
General Educational Development	44	35	37	37
Vocational Education	475	468	468	468
OPERATING DATA				
Design Capacity	631	631	631	631
Average daily population	1,017	1,020	1,009	1,009
Annual Per Capita	\$36,124	\$38,710	\$41,653	\$41,732
Daily Per Capita	\$98.97	\$106.05	\$113.81	\$114.34
Edna Mahan Correctional Facility for Women				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	516	502	503	503
General Educational Development	55	48	49	49
Vocational Education	542	528	529	529
OPERATING DATA				
Design Capacity	648	648	648	648
Average daily population	1,091	1,050	1,101	1,101
Annual Per Capita	\$38,088	\$41,307	\$44,844	\$45,211
Daily Per Capita	\$104.35	\$113.17	\$122.52	\$123.86
Northern State Prison				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	223	202	203	203
General Educational Development	113	101	102	102
Vocational Education	105	96	96	96
OPERATING DATA				
Design Capacity	1,530	1,530	1,530	1,530
Average daily population	2,645	2,754	2,760	2,760
Annual Per Capita	\$29,433	\$31,241	\$32,729	\$32,801
Daily Per Capita	\$80.64	\$85.59	\$89.42	\$89.87

CORRECTIONS

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Adult Diagnostic and Treatment Center, Avenel				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	169	184	185	185
General Educational Development	70	54	55	55
Vocational Education	238	223	224	224
OPERATING DATA				
Design Capacity	512	512	512	512
Average daily population	687	683	684	684
Main institution	687	683	684	684
Annual Per Capita	\$41,137	\$47,001	\$47,102	\$47,183
Daily Per Capita	\$112.70	\$128.77	\$128.69	\$129.27
Residents--Civilly Committed Sexual Offender Facility	155	153	158	158
Residents--Civilly Committed Sexual Offender Facility - Annex	184	199	236	236
Garden State Youth Correctional Facility				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	1,879	1,843	1,843	1,843
General Educational Development	142	179	180	180
Vocational Education	1,898	1,872	1,873	1,873
OPERATING DATA				
Design Capacity	1,168	1,168	1,168	1,168
Average daily population	1,819	1,811	1,818	1,818
Annual Per Capita	\$24,208	\$26,193	\$29,480	\$29,350
Daily Per Capita	\$66.32	\$71.76	\$80.55	\$80.41
Albert C. Wagner Youth Correctional Facility				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	798	785	785	785
General Educational Development	201	193	195	195
Vocational Education	330	319	319	319
OPERATING DATA				
Design Capacity	1,032	1,032	1,032	1,032
Average daily population	1,336	1,353	1,375	1,375
Main institution	817	847	875	875
Close-custody unit	225	235	235	235
Modular units	164	141	135	135
Satellite units	130	130	130	130
Annual Per Capita	\$36,480	\$38,553	\$39,870	\$39,441
Daily Per Capita	\$99.94	\$105.62	\$108.93	\$108.06
Mountainview Youth Correctional Facility				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	995	979	981	981
General Educational Development	262	257	258	258
Vocational Education	687	675	676	676

CORRECTIONS

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
OPERATING DATA				
Design Capacity (b)	803	755	755	710
Average daily population (b)	1,267	1,262	1,265	1,157
Main institution	1,157	1,154	1,157	1,157
Satellite units (b)	110	108	108	---
Annual Per Capita	\$31,478	\$34,164	\$35,165	\$35,696
Daily Per Capita	\$86.24	\$93.60	\$96.08	\$97.80

Institutional Total

PROGRAM DATA

Education Program

Participants

Adult Basic Education	7,281	7,188	7,199	7,199
General Educational Development	1,877	1,831	1,848	1,848
Vocational Education	6,199	6,075	6,085	6,085

OPERATING DATA

Design Capacity	16,876	16,828	16,828	16,783
Average daily population	23,008	22,908	22,962	22,854
Main institution	20,577	20,462	20,541	20,541
Modular units	461	415	409	409
Close-custody unit	225	235	235	235
Administrative Segregation	436	436	436	436
Satellite units	1,309	1,360	1,341	1,233
Ratio: Population/positions	2.8/1	2.8/1	2.8/1	2.8/1
Residents--Civilly Committed Sexual Offender Facility	155	153	158	158
Residents--Civilly Committed Sexual Offender Facility - Annex	184	199	236	236

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	8,186	8,160	8,053	8,063
Federal (c)	11	12	10	11
All Other	134	121	116	121
Total Positions	8,331	8,293	8,179	8,195

Filled Positions by Program Class

Institutional Control and Supervision	6,705	6,722	6,620	6,521
Institutional Care and Treatment	1,029	995	995	1,023
Administration and Support Services	597	576	564	651
Total Positions	8,331	8,293	8,179	8,195

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded. Position ratios and per capita costs do not include the Civilly Committed Sexual Offender's Facility or the Civilly Committed Sexual Offender's Facility-Annex.

In accordance with county assistance contracts with the Department of Corrections, the rate of per diem reimbursement to the counties attributable to the housing of state inmates shall be based on the average cost of operating the New Jersey, East Jersey, and Bayside State Prisons, using fiscal 2007 actual daily per capita data of \$82.30 for Bayside State Prison, \$103.27 for East Jersey State Prison, and \$129.88 for New Jersey State Prison.

Daily per capita rate calculations are based on 366 days for fiscal 2008 and 365 days for the other fiscal years.

(a) Average Daily Population in fiscal years 2007, 2008, and 2009 was reduced due to critical repair of structural damage.

(b) Design Capacity and Average Daily Population declined in fiscal 2009 due to closure of Satellite Unit.

(c) All Basic Skills Program positions were transferred from the various institutions to Central Planning, Direction and Management.

CORRECTIONS

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
473,794	22	40,602	514,418	511,602	Institutional Control and Supervision	07 533,777	522,968	522,968
222,951	---	-3,155	219,796	219,737	Institutional Care and Treatment	08 259,905	266,666	266,666
84,484	33	13,004	97,521	96,197	Administration and Support Services	99 86,701	86,681	86,681
781,229	55	50,451	831,735	827,536	Total Direct State Services ^(a)	880,383 ^(b)	876,315	876,315
Distribution by Fund and Object								
Personal Services:								
529,906	---	35,061	564,967	562,762	Salaries and Wages	592,918	581,995	581,995
---	---	---	---	2,064	Food In Lieu of Cash	2,353	2,353	2,353
529,906	---	35,061	564,967	564,826	Total Personal Services	595,271	584,348	584,348
75,226	2	15,452	90,680	90,507	Materials and Supplies	74,979	74,290	74,290
133,280	---	-2,055	131,225	131,177	Services Other Than Personal	165,863	173,293	173,293
12,286	---	-732	11,554	11,552	Maintenance and Fixed Charges	12,094	12,094	12,094
Special Purpose:								
3,546	---	---	3,546	3,546	Stabilization and Reintegration Unit at Albert C. Wagner	07 3,786	3,800	3,800
---	---	79	79	79	Jones Farm - Repopulation	07 ---	---	---
757	---	---	757	757	Gang Management Unit	07 854	881	881
8,607	---	---	8,607	8,464	Civilly Committed Sexual Offender Facility	07 9,226	9,259	9,259
14,127	---	---	14,127	11,595	Civilly Committed Sexual Offender Facility - Annex	07 15,114	15,154	15,154
82	---	---	82	82	State Match - Byrne Grant Therapeutic Community Program	08 ---	---	---
268	---	---	268	268	State Match - Residential Substance Abuse Treatment Grant	08 26	26	26
33	---	---	33	32	State Match - Social Services Block Grant	08 33	33	33
---	---	27	27	27	State Match - Violence Against Women Grant	08 26	26	26
---	---	262	262	262	Other Special Purpose	---	---	---
3,111	53	2,357	5,521	4,362	Additions, Improvements and Equipment	3,111	3,111	3,111
<u>CAPITAL CONSTRUCTION</u>								
Distribution by Fund and Program								
---	163	---	163	55	Administration and Support Services	99 ---	---	---
---	163	---	163	55	Total Capital Construction	---	---	---
Distribution by Fund and Object								
East Jersey State Prison								
---	2	---	2	---	Sewer Line Repair/Replacement	99 ---	---	---
Bayside State Prison								
---	124	---	124	55	Bayside Locking System	99 ---	---	---
Albert C. Wagner Youth Correctional Facility								
---	37	---	37	---	Sewage Treatment Plant Expansion	99 ---	---	---
781,229	218	50,451	831,898	827,591	Grand Total State Appropriation	880,383	876,315	876,315

CORRECTIONS

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
OTHER RELATED APPROPRIATIONS								
Federal Funds								
906	974	---	1,880	1,417	Institutional Care and Treatment	08 890	786	786
<u>906</u>	<u>974</u>	<u>---</u>	<u>1,880</u>	<u>1,417</u>	Total Federal Funds	<u>890</u>	<u>786</u>	<u>786</u>
All Other Funds								
---	2,090 174 R	8,058	10,322	7,991	Institutional Care and Treatment	08 8,627	8,765	8,765
---	1,275 18,669 R	43	19,987	18,395	Administration and Support Services	99 15,287	15,553	15,553
<u>---</u>	<u>22,208</u>	<u>8,101</u>	<u>30,309</u>	<u>26,386</u>	Total All Other Funds	<u>23,914</u>	<u>24,318</u>	<u>24,318</u>
<u>782,135</u>	<u>23,400</u>	<u>58,552</u>	<u>864,087</u>	<u>855,394</u>	GRAND TOTAL ALL FUNDS	<u>905,187</u>	<u>901,419</u>	<u>901,419</u>

Notes -- Direct State Services - General Fund

- (a) Funding for Additional Mental Health Treatment Services from System-Wide Program Support is moved to the base appropriations of the appropriate institutions beginning fiscal 2007.
- (b) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

In order to permit flexibility and ensure the appropriate levels of services to the civilly committed, appropriated amounts may be transferred between the Civilly Committed Sexual Offender Facility and the Civilly Committed Sexual Offender Facility - Annex accounts, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balances at the end of the preceding fiscal year in the Civilly Committed Sexual Offender Facility and the Civilly Committed Sexual Offender Facility- Annex accounts are appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived from the Upholstery Program at the Albert C. Wagner Youth Correctional Facility, and any unexpended balance at the end of the preceding fiscal year are appropriated for the operation of the program with surplus funds being credited to the institution's Inmate Welfare Fund, subject to the approval of the Director of the Division of Budget and Accounting.

10. PUBLIC SAFETY AND CRIMINAL JUSTICE 16. DETENTION AND REHABILITATION 7025. SYSTEM-WIDE PROGRAM SUPPORT

OBJECTIVES

1. To provide for the cost of maintaining State sentenced offenders housed in county correctional facilities and private halfway houses under contract to the Department.
2. To conduct a central training and staff development program to provide training to staff of all Departmental operating units.
3. To plan, direct, and coordinate the Department's automated information processing activities.
4. To upgrade and maintain the quality of medical and dental care provided to the inmate population of State correctional institutions.
5. To provide for a coordinated approach to the institutional personnel and payroll function.

PROGRAM CLASSIFICATIONS

07. **Institutional Control and Supervision.** Designed to provide the level of control necessary to protect the inmate and the community from harm by providing custodial control and supervision in all institutional areas and during inmate transportation outside of the institution.
13. **Institutional Program Support.** Includes those activities which support institutional programs and programs directly administered by the Commissioner and staff. Programs include the purchase of services for State inmates housed in county facilities, private contracted residential facilities, inmate medical support programs, training and staff development, integrated information systems planning, and the provision of hospital services and medical transportation of inmates.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
OPERATING DATA				
Institutional Control and Supervision				
Average Number of State Inmates in County Penal Facilities .	1,885	1,917	1,617	1,133
County Assistance and County Contract	1,562	1,562	1,362	1,362
Community Bed Spaces	2,521	2,551	2,555	2,629

CORRECTIONS

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	613	600	603	637
Federal	12	10	14	19
All Other	22	21	25	33
Total Positions	647	631	642	689
Filled Positions by Program Class				
Institutional Control and Supervision	309	312	302	301
Institutional Program Support	338	319	340	388
Total Positions	647	631	642	689

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES									
Distribution by Fund and Program									
21,835	---	4,187	26,022	26,022	Institutional Control and Supervision	07	26,747	26,747	26,747
58,416	257	4,222	62,895	61,543	Institutional Program Support	13	38,189	38,544	38,544
80,251	257	8,409	88,917	87,565	Total Direct State Services		64,936 ^(a)	65,291	65,291
Distribution by Fund and Object									
Personal Services:									
36,038	---	3,568	39,606	39,604	Salaries and Wages		43,408	43,408	43,408
36,038	---	3,568	39,606	39,604	Total Personal Services		43,408	43,408	43,408
1,145	---	-154	991	991	Materials and Supplies		1,130	1,130	1,130
7,364	---	36	7,400	7,400	Services Other Than Personal		8,915	9,268	9,268
---	---	737	737	737	Maintenance and Fixed Charges		---	---	---
Special Purpose:									
---	---	4,253	4,253	4,253	Institutional Program Support	13	---	---	---
7,472	225	---	7,697	6,546	Integrated Information Systems	13	7,966	7,966	7,966
49	---	-25	24	---	State Match - Gang Prevention and Awareness Program	13	---	---	---
27	---	-1	26	6	State Match - Discharge Planning Unit	13	---	---	---
44	---	---	44	44	State Match - Drug Interdiction Unit	13	---	---	---
200	---	---	200	78	State Match - Prison Rape Elimination Grant	13	200	200	200
---	---	---	---	---	Offender Reentry Program	13	1,000	1,000	1,000
1,120	---	---	1,120	1,120	Mutual Agreement Program	13	1,163	1,165	1,165
537	---	---	537	537	DOC/DOT Work Details	13	537	537	537
300	---	---	300	300	Video Teleconferencing	13	300	300	300
25,638	---	---	25,638	25,638	Additional Mental Health Treatment Services ^(b)	13	---	---	---
317	32	-5	344	311	Additions, Improvements and Equipment		317	317	317

CORRECTIONS

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended	
GRANTS-IN-AID									
Distribution by Fund and Program									
96,873	4,402	2,460	103,735	103,344	Institutional Program Support	13	114,420	84,509	84,509
96,873	4,402	2,460	103,735	103,344	Total Grants-in-Aid		114,420	84,509	84,509
Distribution by Fund and Object									
Grants:									
33,778	3,470	5,800	43,048	42,947	Purchase of Service for Inmates Incarcerated In County Penal Facilities	13	52,845	22,934	22,934
100	---	-40	60	60	Purchase of Service for Inmates Incarcerated In Out-Of-State Facilities	13	80	80	80
61,495	932	-1,800	60,627	60,337	Purchase of Community Services	13	61,495	61,495	61,495
1,500	---	-1,500	---	---	Life Skills Academy	13	---	---	---
177,124	4,659	10,869	192,652	190,909	Grand Total State Appropriation		179,356	149,800	149,800
OTHER RELATED APPROPRIATIONS									
Federal Funds									
8,296					Institutional Program Support	13			
334 ^S	1,059	225	9,914	5,947	Total Federal Funds		8,167	7,022	7,022
8,630	1,059	225	9,914	5,947	All Other Funds		8,167	7,022	7,022
All Other Funds									
---	3,480				Institutional Program Support	13			
-82 ^R	11	3,409	355		Total All Other Funds		151	193	193
---	3,398	11	3,409	355	GRAND TOTAL ALL FUNDS		151	193	193
185,754	9,116	11,105	205,975	197,211			187,674	157,015	157,015

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.
- (b) Funding for Additional Mental Health Treatment Services is provided in the base appropriations of the appropriate institutions beginning fiscal 2007.

Language Recommendations -- Direct State Services - General Fund

The unexpended balance at the end of the preceding fiscal year in the Integrated Information Systems account is appropriated to provide funding for the cost of upgrading the Department of Corrections' Correctional Management Information System, subject to the approval of the Director of the Division of Budget and Accounting, the expenditures of which shall directly improve the Department's ability to collect fines, restitutions, penalties, surcharges, or other debts owed by inmates.

Of the sums hereinabove appropriated for Video Teleconferencing, an amount shall be transferred to the Judiciary and the Office of the Public Defender for telephone line charges, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - General Fund

A portion of the total amount appropriated in the Purchase of Service for Inmates Incarcerated in County Penal Facilities account is available for operational costs of additional State facilities for inmate housing, which become ready for occupancy and other programs which reduce the number of State inmates in county facilities, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Purchase of Service for Inmates Incarcerated in County Penal Facilities account is appropriated for the same purpose.

Any change by the Department of Corrections in the per diem rates paid for Inmates Incarcerated in County Penal Facilities and for Community Services shall first be approved by the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Purchase of Community Services account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

10. PUBLIC SAFETY AND CRIMINAL JUSTICE

17. PAROLE

OBJECTIVES

1. To carry out, in the community, programs of conditional release from custody such as furlough or work/study release, which assist institutionalized offenders in reintegrating into the community and prevent their further involvement in the formal institutionalized correctional process.
2. To provide supervision of parolees by making available the necessary assistance, guidance, and controls required for community living.
3. To provide residential/community service and treatment programs for reintegrating institutionalized offenders into the community.
4. To determine when adult and juvenile inmates of State and county correctional facilities are eligible for parole release and to conduct parole hearings to grant parole to those eligible where it appears consistent with the safety of the community and the successful reintegration of the individual therein.
5. To provide at least an annual review of all young adult cases and a quarterly review of all juvenile cases.
6. To provide a legal due process hearing when parole revocation or parole rescission is considered.
7. To consider parole discharges and the imposition of parole conditions.
8. To issue parole warrants, subpoenas, and certificates of good conduct when necessary.
9. To process executive clemency petitions for the Governor.
10. To receive and evaluate the input of victims of crimes and provide pre-parole information to prosecutors.
11. To promulgate rules and regulations governing the parole system.

PROGRAM CLASSIFICATIONS

03. **Parole.** This program provides supervision, investigates parole plans, work/study release, and furlough sites for all adult parolees from State and county institutions and those

entering New Jersey from other states. It manages several unique community programs designed to support the re-entry and effective supervision of parolees and promotes pro-social behavior for those re-entering our communities. Executive clemency and extradition investigations are performed for the Executive Office. Through its various field offices, fines, penalties, and restitution are collected for deposit in the General Treasury. Treatment is obtained and the progress of parolees and offenders is monitored through the general and specialized caseload officers.

05. **State Parole Board.** The Parole Board establishes parole eligibility for young adult State inmates and monitors parole eligibility for adult inmates of State and county facilities. The Parole Board also monitors cases, conducts parole hearings, approves community parole plans for the parolee, receives and evaluates the input of victims of crime, complies with court ordered procedures for parole revocation or parole rescission, approves discharge from parole earlier than maximum sentences, processes executive clemency petitions, and provides pre-parole information to prosecutors. The Board exercises a quasi-judicial decision making function to determine when and under what conditions inmates are released on parole. In addition, the Board hears parole revocation cases to consider alleged parole violations.

99. **Administration and Support Services.** The Chairman and supporting staff are responsible for conducting all Agency programs by developing and maintaining an efficient administration of programs, operations, and services by identifying, defining, and delegating authority where appropriate; by interpreting and enforcing statutes and administrative regulations of the Agency and the Departments of Personnel and Treasury; by seeking and providing opportunities for interested agencies, individuals, and groups to receive information so as to enhance public interest, awareness, and participation in the parole process; and by increasing efficiency and effectiveness by providing leadership and overall supervision of parole and community programs.

EVALUATION DATA

PROGRAM DATA	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Parole				
Parolees under supervision (beginning of year)	14,009	14,320	14,770	15,220
Added to Supervision	11,171	10,356	10,900	10,900
Removed from Supervision	10,860	9,906	10,450	10,500
Level of Parole Supervision				
General Supervision	8,280	8,250	8,500	8,670
Special Caseload Data	6,044	6,412	6,262	6,678
Parolee Electronic Monitoring Program	470	509	400	400
Supervision, Surveillance and Gang Suppression	517	450	640	640
Parolee Drug Treatment (a)	419	300	---	---
Sex Offender Management Unit	2,957	3,401	3,500	3,700
Re-Entry Substance Abuse Program (RESAP)	152	121	152	160
Day Reporting Program	732	776	700	700
Halfway Back Program	713	706	700	733
Satellite-Based Monitoring of Sex Offenders	84	149	170	200
Parole Violator Assessment and Treatment Program (b)	---	---	---	145

CORRECTIONS

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
State Parole Board				
Hearings	45,733	41,499	41,900	41,900
State	29,292	29,348	29,500	29,500
Counties (c)	7,429	4,866	4,800	4,800
Juvenile	3,838	3,290	3,500	3,500
Parole revocations considered	5,174	3,995	4,100	4,100
Reviews:				
Appeals	1,875	2,749	2,750	2,750
Community Program Placements (d)	3,468	3,779	3,800	3,800
Victim Input Registration	1,122	1,131	1,100	1,100
Special Investigations	177	193	200	200

PERSONNEL DATA

Affirmative Action Data

Male Minority	96	103	102	102
Male Minority %	13.4	14.2	14.3	13.9
Female Minority	169	156	153	153
Female Minority %	23.5	21.5	21.5	20.9
Total Minority	265	259	255	255
Total Minority %	36.9	35.7	35.8	34.8

Position Data

Filled Positions by Funding Source

State Supported	718	725	713	732
Total Positions	718	725	713	732

Filled Positions by Program Class

Parole	493	504	499	512
State Parole Board	171	168	165	166
Administration and Support Services	54	53	49	54
Total Positions	718	725	713	732

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.

The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

(a) Beginning in fiscal 2008, Parolee Drug Treatment is funded within base appropriation.

(b) New program initiated in fiscal 2009.

(c) In fiscal 2007, a streamlined hearing process for county offenders reduced the number of required hearings.

(d) This category which previously only included MAP referrals, now also includes placements to Halfway Back, RESAP and other community release programs.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
<u>Distribution by Fund and Program</u>								
45,146	936	-157	45,925	44,485	Parole	03	47,574	51,666
13,428	11	-135	13,304	13,032	State Parole Board	05	13,558	12,681
3,647	---	60	3,707	3,629	Administration and Support Services	99	3,921	3,847
62,221	947	-232	62,936	61,146	Total Direct State Services		65,053 ^(a)	68,194
<u>Distribution by Fund and Object</u>								
Personal Services:								
37,926	---	3,026	40,952	40,847	Salaries and Wages		41,193	39,801
37,926	---	3,026	40,952	40,847	Total Personal Services		41,193	39,801

CORRECTIONS

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Total Expended		2008 Prog. Class.	Adjusted Approp.	Requested	Recommended
<u>DIRECT STATE SERVICES</u>									
962	---	-117	845	771	Materials and Supplies		1,040	811	811
2,632	---	-143	2,489	2,243	Services Other Than Personal		2,098	2,051	2,051
1,094	---	-27	1,067	1,025	Maintenance and Fixed Charges		1,140	1,140	1,140
Special Purpose:									
120	---	---	120	120	Payments to Inmates				
					Discharged From Facilities	03	182	182	182
---	---	14	14	12	State Match - Program Class 03	03	---	---	---
5,861	---	-289	5,572	5,071	Parolee Electronic Monitoring Program	03	5,228	5,138	5,138
---	---	---	---	---	SPB Training Academy (b)	03	620	620	620
2,192	---	-387	1,805	1,725	Supervision, Surveillance, and Gang Suppression Program	03	2,388	2,377	2,377
2,345	---	-1,860	485	485	Parolee Drug Treatment	03	---	---	---
437	---	---	437	437	Mutual Agreement Program (MAP)	03	437	437	437
5,624	868	277	6,769	6,344	Sex Offender Management Unit	03	7,852	9,011	9,011
3,000	67	-1,150	1,917	1,736	Satellite-based Monitoring of Sex Offenders	03	2,844	2,643	2,643
---	---	---	---	---	Parole Violator Assessment and Treatment Program	03	---	3,952	3,952
---	---	175	175	175	State Parole Board	05	---	---	---
---	---	16	16	15	State Match - Program Class 05	05	---	---	---
28	12	233	273	140	Additions, Improvements and Equipment		31	31	31
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
36,278	---	-2,501	33,777	33,324	Parole	03	36,678	37,082	37,082
36,278	---	-2,501	33,777	33,324	Total Grants-in-Aid		36,678	37,082	37,082
Distribution by Fund and Object									
Grants:									
3,997	---	-1,070	2,927	2,927	Re-Entry Substance Abuse Program	03	3,997	3,997	3,997
2,690	---	-183	2,507	2,240	Mutual Agreement Program (MAP)	03	2,690	2,690	2,690
11,902	---	-1,207	10,695	10,683	Day Reporting Program	03	11,902	11,902	11,902
400	---	137	537	537	Re-Entry Case Management Services	03	800	400	400
<u>17,289</u>	<u>---</u>	<u>-178</u>	<u>17,111</u>	<u>16,937</u>	Halfway Back Program	03	<u>17,289</u>	<u>18,093</u>	<u>18,093</u>
98,499	947	-2,733	96,713	94,470	Grand Total State Appropriation		101,731	105,276	105,276
OTHER RELATED APPROPRIATIONS									
Federal Funds									
454	320	21	795	484	Parole	03	10	10	10
454	320	21	795	484	Total Federal Funds		10	10	10
All Other Funds									
---	62 ^R	---	62	---	Administration and Support Services	99	235	235	235
---	62	---	62	---	Total All Other Funds		235	235	235
98,953	1,329	-2,712	97,570	94,954	GRAND TOTAL ALL FUNDS		101,976	105,521	105,521

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

(b) Beginning in fiscal year 2008, resources are reallocated from the Parole account to the SPB Training Academy to support the training of Parole Officer Recruits.

Language Recommendations -- Direct State Services - General Fund

From the appropriations hereinabove, the Executive Director shall make payment to the Interstate Commission for Adult Offender Supervision in the amount required for the New Jersey state assessment in the current fiscal year.

Language Recommendations -- Grants-In-Aid - General Fund

Any change by the Division of Parole in the per diem rates affecting Special Caseload accounts shall first be approved by the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, the New Jersey State Parole Board is authorized to expend the amounts appropriated for Re-Entry Substance Abuse Program, Halfway Back Program, Mutual Agreement Program and Day Reporting Program to provide services to ex-offenders who are age 18 or older and under juvenile or adult parole supervision, subject to the approval of the Director of the Division of Budget and Accounting.

The amounts hereinabove appropriated for Re-Entry Case Management Services shall be expended consistent with the recommendations in the final report of the Governor's Task Force on Mental Health.

10. PUBLIC SAFETY AND CRIMINAL JUSTICE**19. CENTRAL PLANNING, DIRECTION AND MANAGEMENT****OBJECTIVES**

1. To identify, define, and delegate authority and responsibility for the effective operation of State correctional institutions, residential centers, and staff bureaus.
2. To coordinate fiscal operations throughout the Department and to provide administrative data and analysis for planning and budgeting.
3. To account for the efficient and effective operation of the Department's operational components.
4. To provide the support services necessary to improve and modify the methods and techniques used in the State's correctional operations in intervening in the lives of offenders.
5. To coordinate the disparate statewide operations so that a wide range of resources is made available to offenders with a minimum of duplication.
6. To provide inspection and consultation services for maintaining proper and adequate standards in correctional facilities at the county and local government level.

PROGRAM CLASSIFICATIONS

99. **Administration and Support Services.** The Commissioner and the supporting staff are responsible for conducting all Department programs by developing and maintaining an efficient administration of programs, operations, and services; by identifying, defining, and delegating authority where appropriate; by interpreting and enforcing statutes and administrative regulations of the Department of Personnel and the Department; by seeking and providing opportunities for interested agencies, individuals, and groups to receive information so as to enhance public interest, awareness, and participation in the correctional process; and by increasing efficiency and effectiveness by providing leadership and overall supervision of institutional services, parole, and community programs.

Comprises the planning, management, and operation of physical assets including utilities, buildings and structures, grounds, and equipment of all kinds. Activities include operation, maintenance, repair, rehabilitation and improvement, and custodial and housekeeping services.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	2,703	2,677	2,691	2,691
Male Minority %	27.9	27.9	29.2	29.0
Female Minority	1,395	1,425	1,365	1,365
Female Minority %	14.4	14.9	14.8	14.7
Total Minority	4,098	4,102	4,056	4,056
Total Minority %	42.3	42.8	44.0	43.7
Position Data				
Filled Positions by Funding Source				
State Supported	198	183	170	173
Federal (a)	10	11	11	11
All Other	8	5	3	4
Total Positions	216	199	184	188
Filled Positions by Program Class				
Administration and Support Services	216	199	184	188
Total Positions	216	199	184	188

CORRECTIONS

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

(a) All Basic Skills Program positions were transferred from the various institutions to Central Planning, Direction and Management.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Prog. Adjusted Class. Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES									
Distribution by Fund and Program									
18,703	---	-674	18,029	18,023	Administration and Support Services	99	18,622	17,907	17,907
18,703	---	-674	18,029	18,023	Total Direct State Services		18,622 (a)	17,907	17,907
Distribution by Fund and Object									
Personal Services:									
14,557	---	-457	14,100	14,094	Salaries and Wages		15,530	14,815	14,815
14,557	---	-457	14,100	14,094	Total Personal Services		15,530	14,815	14,815
623	---	249	872	872	Materials and Supplies		612	612	612
2,090	---	-648	1,442	1,442	Services Other Than Personal		997	997	997
701	---	115	816	816	Maintenance and Fixed Charges		701	701	701
Special Purpose:									
---	---	---	---	---	DOC State Match Account	99	50	50	50
655	---	---	655	655	Affirmative Action and Equal Employment Opportunity	99	655	655	655
77	---	67	144	144	Additions, Improvements and Equipment		77	77	77
CAPITAL CONSTRUCTION									
Distribution by Fund and Program									
---	8,354	-1	8,353	1,070	Administration and Support Services	99	3,936	---	---
---	8,354	-1	8,353	1,070	Total Capital Construction		3,936	---	---
Distribution by Fund and Object									
Division of Management and General Support									
---	17	-17	---	---	Deferred Maintenance-Vari- ous Institutions	99	---	---	---
---	249	-22	227	---	Additional Bed Spaces-Vari- ous Institutions	99	---	---	---
---	901	---	901	---	Locking System Upgrade	99	---	---	---
---	738	---	738	64	Perimeter Security Enhance- ments, Various Facilities	99	---	---	---
---	106	-30	76	66	Fire Safety Code Compliance	99	---	---	---
---	1,673	235	1,908	370	Critical Repairs	99	3,936	---	---
---	64	-52	12	12	Roof Replacements/Repairs	99	---	---	---
---	2	---	2	---	Repairs and Renovations, Various Institutions	99	---	---	---
---	1	---	1	---	Sewage Separators & System Upgrades	99	---	---	---
---	90	45	135	58	Replace Facility Systems	99	---	---	---
---	523	-160	363	---	Computer	99	---	---	---
---	3,990	---	3,990	500	Security Improvements	99	---	---	---
---	---	---	---	---	Replace Modular Units	99	---	---	---
18,703	8,354	-675	26,382	19,093	Grand Total State Appropriation		22,558	17,907	17,907

CORRECTIONS

Year Ending June 30, 2007							Year Ending June 30, 2009	
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
OTHER RELATED APPROPRIATIONS								
Federal Funds								
1,098	39	103	1,240	1,196				
					Administration and Support Services	99	1,214	1,270
<u>1,098</u>	<u>39</u>	<u>103</u>	<u>1,240</u>	<u>1,196</u>	Total Federal Funds		<u>1,214</u>	<u>1,270</u>
All Other Funds								
---	631 8,674 ^R	-7,769	1,536	939	Administration and Support Services	99	406	268
<u>---</u>	<u>9,305</u>	<u>-7,769</u>	<u>1,536</u>	<u>939</u>	Total All Other Funds		<u>406</u>	<u>268</u>
<u>19,801</u>	<u>17,698</u>	<u>-8,341</u>	<u>29,158</u>	<u>21,228</u>	GRAND TOTAL ALL FUNDS		<u>24,178</u>	<u>19,445</u>

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

Receipts derived from the Culinary Arts Vocational Program, and any unexpended balance at the end of the preceding fiscal year in that account, are appropriated for the operation of the program, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Capital Construction

Receipts from the sale of real property in the amount of \$5,440,000 are appropriated for the purpose of Modular Unit Replacement.

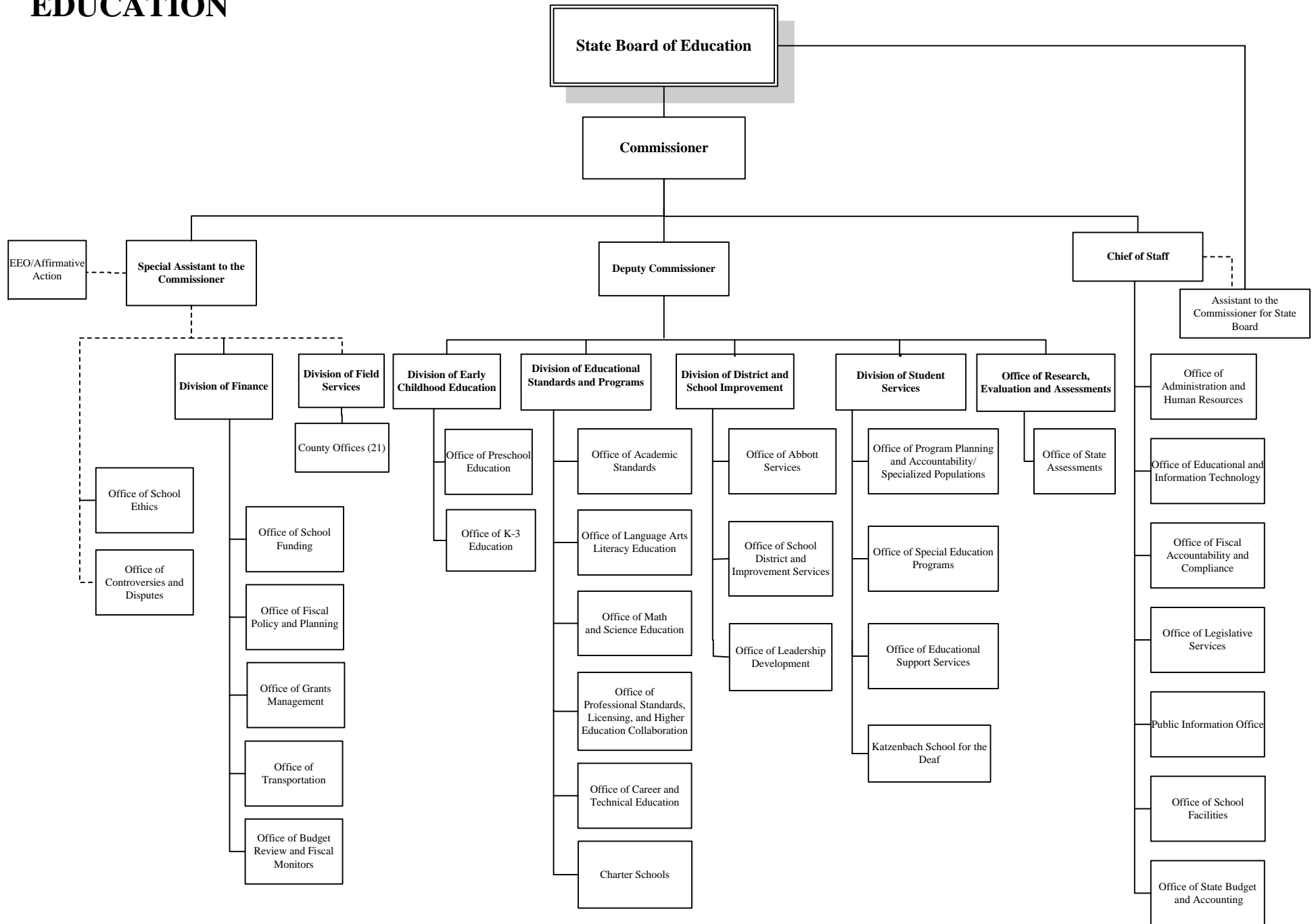
DEPARTMENT OF CORRECTIONS

Language Recommendations -- Direct State Services - General Fund

The unexpended balance at the end of the preceding fiscal year of funds held for the benefit of inmates in the several institutions, and such funds as may be received, are appropriated for the benefit of such inmates.

Payments received by the State from employers of prisoners on their behalf, as part of any work release program, are appropriated for the purposes provided under P.L. 1969, c. 22 (C.30:4-91.4 et seq.).

EDUCATION



DEPARTMENT OF EDUCATION OVERVIEW

Mission and Goals

The New Jersey Department of Education provides leadership to prepare all students for their roles as citizens and for career opportunities in the 21st century information-based, highly technological world. There are four major areas of focus that guide the Department's policies, plans, and initiatives: achievement, including an emphasis on programs and professional development; standards and assessments; accountability; and improving school environments.

Budget Highlights

The Fiscal 2009 Budget for the Department of Education totals \$11.638 billion, an increase of \$594.6 million or 5.4% over the fiscal 2008 adjusted appropriation of \$11.043 billion.

School Aid

School aid for fiscal 2009 is recommended at \$11.544 billion, an increase of \$614.1 million from fiscal 2008. Of this amount, \$7.780 billion is formula aid for K-12 programs, which will be distributed in accordance with the School Funding Reform Act of 2008, and represents an increase of \$514.6 million over fiscal 2008. The recommended amount for Preschool Education aid is \$543.8 million, an increase of \$26.9 million over fiscal 2008. School building aid programs, which will service debt on new and existing bond issues and provide aid for qualifying local debt issued for school construction, will increase by \$48.5 million to \$703.9 million. Also, \$2.296 billion is recommended for payments on behalf of local school districts for teachers' retirement benefits, debt service on pension bonds, and the employer's share of social security payments for teachers. This represents an increase of \$31.4 million over the fiscal 2008 adjusted appropriation.

The new formula was carefully developed to ensure that it will be constitutional. It assigns per pupil spending amounts within the "adequacy budget" to provide a thorough and efficient education for the types and numbers of students being educated in the school district. The new formula allocates additional resources to support students who live in districts with high concentrations of poverty, regardless of their zip code, by calculating aid based on the student population rather than district location. It also includes a calculation to determine what portion of the adequacy budget will be supported by the State and local taxpayers, giving consideration to the districts' ability to pay. Under the new law, State Aid will be distributed in a more streamlined approach, collapsing 23 aid categories into 8. Enrollment data will be used in the calculation of formula aid, a practice that has not occurred since 2002 due to budgetary constraints. Under the new formula, all school districts will see an increase of at least 2% during the first year of the new formula, with the majority (58%) receiving an increase greater than the minimum 2%. Of the 594 regular and vocational school districts, 23% will receive increases of 10% and 22% will receive increases of 20%.

Besides having the highest current per pupil spending on education in the nation when State Aid and local tax levy contributions are combined, New Jersey is leading the country in the level of resources invested per student in high-quality, full-day preschool for three- and four-year old students. Based on the success of the Abbott preschool program, the preschool program will be expanded by offering the same high-quality, full-day preschool to at-risk three- and four-year-olds in districts throughout the state. The expansion will be phased in over six years, with fiscal 2009 being a planning year for most districts.

Department Accomplishments

New Jersey schools are among the best in the country with exemplary educational outcomes. The State's foremost goal is to continue this progress under the new school funding formula enacted in January 2008.

Programs

The Department's focus on achievement, particularly early literacy, has already paid dividends in preparing children to be strong readers by the end of third grade, and in fiscal 2009, the Department will continue to focus on high-quality preschool programs.

In addition to this focus on early literacy, the Department is concentrating its efforts on addressing the problems in middle school, where the decline in proficiency levels ultimately affects student success in high school. The Department continues to work on a research-based blueprint that includes a comprehensive instructional model and an intensive training program to improve literacy instruction and outcomes for middle school students. Currently, 15 districts are using the research-based adolescent literacy model, and an expansion of the model is planned. Furthermore, in 2007, New Jersey became 1 of 16 states involved in Schools to Watch, a school improvement and recognition program focusing on middle-level grades. Participants in the New Jersey Schools to Watch program are required to share strategies and accomplishments through professional development and mentoring.

The Department is also working with Achieve, the American Diploma Project Network, and the National Governors Association to help every child complete high school with the requisite skills for success. To accomplish this goal, the Department will deploy its resources strategically and devote its efforts to raising student achievement and closing the achievement gap. The new State assessment system will provide educators with test items that can be used throughout the school year to assess student progress and to revise instruction as needed to address student weaknesses. Also, for the first time, the new system will allow for Spanish-speaking students who have not yet achieved English language proficiency to be tested in their native language. Overall, the system will better measure student proficiency with regard to skills necessary for the 21st century.

Professional Development

The Department has expanded its work with the higher education community to improve teacher and administrator preparation and assist districts in providing ongoing professional development opportunities. The work of the Higher Education Task Force will be used to redesign the teacher and school administration preparation programs.

To ensure that all teachers are highly qualified and that teachers are being allocated equitably among schools and districts, the Department has created an internal Teacher Quality Council that addresses critical issues such as shortages of special education, math, or science teachers. Funding from the highly competitive three-year \$3.6 million federal Teacher Quality Enhancement Recruitment (TQE-R) grant has allowed the Department to set forth a State plan for equity in the distribution of highly qualified teachers, and it is the main reason that New Jersey was 1 of only 9 states whose plan was approved by the federal government.

The Department also is revising the alternate route certification program, which is an important avenue for recruiting teachers for the State's urban centers.

Standards and Assessments

The Office of Academic Standards officially launched the 2008-2009 Standards Revision Project in February 2008. The primary goal of the 2009 revision is to align state content standards with the knowledge and skills needed for postsecondary education and the global workplace. As a recent partner of the national initiative, the Partnership for 21st Century Skills, the Department will ensure that newly revised standards will integrate 21st century knowledge and skills; reflect 21st century themes such as global awareness, financial, economic, civic literacy, and health literacy; and strongly emphasize technology skills. In addition, new standards will include recommendations from Achieve's American Diploma Project in math and language arts as well as essential knowledge and skills from other content areas identified through the Standards Clarification Project. The 2009 revised standards will be reviewed by state and national organizations prior to the adoption process in spring 2009.

As the Department continues to strengthen its standards, it also must focus on higher-level skills in math and science, as specified in Governor Corzine's economic growth initiative. New Jersey has joined a partnership of nine states in the American Diploma Project Secondary Math Partnership to administer an end-of-course exam with common standards for Algebra II students, beginning in May 2008. Similarly, all high school students who take biology this school year will be required to take an end-of-course exam in that subject. The Department has also established a new Office of Math and Science education to coordinate all math and science initiatives, including professional development. The Office will play a leadership role in helping to define best practices in math and science education and ensuring that all education partners are working toward a common understanding of quality education. The Office will approach this work through several strategies. One strategy is to expand public awareness and understanding of the importance of math and science to success in the 21st century workplace and to the state's future economic growth and prosperity. A second strategy is to increase the number of students who take courses and master high-level mathematics and science subjects, and ultimately pursue STEM (science, technology, engineering, and math) careers.

Ensuring that New Jersey students are prepared for the challenges that await them after high school in a highly competitive, 21st century global economy requires the Department's statewide assessment system to provide timely, meaningful information about student

achievement that can inform classroom instruction and curriculum design at almost every grade level. Toward this end, the grade 3-8 assessment system has been completely redesigned. The new system, which will be implemented in May 2008, is a two-tiered assessment system that incorporates federal No Child Left Behind (NCLB) accountability testing with State and local diagnostic functions, supported by significant professional development components. This new system has as its central concern the evaluation and improvement of educational practice in the State, not the labeling of schools by performance categories. The high school assessment system is also being redesigned to implement end-of-course assessments. This will better foster connections among high school and postsecondary education and the workplace, so as to link educational disciplines more directly with college-level course content and career options.

Accountability

In fiscal 2009, the Department will continue to implement the NJ Quality Single Accountability Continuum (NJQSAC), which provides a thorough process to monitor all New Jersey school districts. This monitoring and accountability process covers every aspect of district performance, including governance, operations, fiscal management, personnel, and program and instruction. In districts that show the need for improvement, the Department offers technical assistance, either directly or through the use of highly skilled professionals. The goal is to work collaboratively with districts on improvement rather than rely on a system of compliance.

The Department is also expanding NJSMART, a student-level database that includes a unique identification number for every student in the State. This is another accountability tool that can be used to monitor academic improvements.

Improving School Environments

Whether fighting gang influence, drug distribution, or possible violence in the school buildings, the Department must find ways to increase collaboration among local districts, law enforcement agencies, municipalities, and other partners. In support of Governor Corzine's Strategic Action for Violence Elimination (S.A.V.E.) initiative, the Department recently issued model policy and procedures to assist districts in the area of school safety. Also, the Department created a school safety and security website and is now collaborating with the Office of Homeland Security and Preparedness to develop online training modules for educators.

DEPARTMENT OF EDUCATION SUMMARY OF APPROPRIATIONS BY FUND (thousands of dollars)

Year Ending June 30, 2007					Year Ending —June 30, 2009—		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND							
57,542	2,386	27,398	87,326	85,346	78,410	74,998	74,998
39,713	---	579	40,292	36,054	31,688	18,453	18,453
840,315	8,224	80	848,619	802,205	916,206	1,015,495	1,015,495
2,450	1,638	---	4,088	1,168	2,800	---	---
940,020	12,248	28,057	980,325	924,773	1,029,104	1,108,946	1,108,946
PROPERTY TAX RELIEF FUND							
9,473,687	6,020	-19,271	9,460,436	9,411,057	10,014,012	10,528,816	10,528,816
9,473,687	6,020	-19,271	9,460,436	9,411,057	10,014,012	10,528,816	10,528,816
10,413,707	18,268	8,786	10,440,761	10,335,830	11,043,116	11,637,762	11,637,762
Total Appropriation, Department of Education							

EDUCATION

SUMMARY OF APPROPRIATIONS BY PROGRAM

(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom-mended	
DIRECT STATE SERVICES - GENERAL FUND								
Operation and Support of Educational Institutions								
3,264	24	---	3,288	3,191	Marie H. Katzenbach School for the Deaf	3,590	3,590	3,590
3,264	24	---	3,288	3,191	<i>Subtotal</i>	3,590	3,590	3,590
Supplemental Education and Training Programs								
266	---	20	286	259	General Vocational Education	294	294	294
266	---	20	286	259	<i>Subtotal</i>	294	294	294
Educational Support Services								
24,420	1,148	-3,988	21,580	20,471	Educational Programs and Assessment	28,215	26,615	26,615
644	---	60	704	702	Grants Management	469	371	371
2,830	917	-72	3,675	3,636	Professional Development and Licensure	2,966	2,966	2,966
6,407	2	-346	6,063	5,936	Service to Local Districts	7,036	6,963	6,963
127	---	2,573	2,700	2,693	Early Childhood Education	2,625	2,406	2,406
422	---	-41	381	366	Student Transportation	491	491	491
---	---	21,729	21,729	21,729	District and School Improvement	8,758	8,512	8,512
2,770	6	-236	2,540	2,492	Facilities Planning and School Building			
					Aid	2,758	2,484	2,484
1,395	---	206	1,601	1,541	Student Services	1,539	1,539	1,539
39,015	2,073	19,885	60,973	59,566	<i>Subtotal</i>	54,857	52,347	52,347
Education Administration and Management								
3,353	---	373	3,726	3,690	School Finance	4,979	4,478	4,478
1,918	---	514	2,432	2,402	Compliance and Auditing	3,103	3,007	3,007
9,726	289	6,606	16,621	16,238	Administration and Support Services	11,587	11,282	11,282
14,997	289	7,493	22,779	22,330	<i>Subtotal</i>	19,669	18,767	18,767
57,542	2,386	27,398	87,326	85,346	<i>Total Direct State Services - General Fund</i>	78,410	74,998	74,998
57,542	2,386	27,398	87,326	85,346	TOTAL DIRECT STATE SERVICES	78,410	74,998	74,998
GRANTS-IN-AID - GENERAL FUND								
Direct Educational Services and Assistance								
---	---	---	---	---	Miscellaneous Grants-In-Aid	10,000	---	---
19,500	---	---	19,500	19,500	Special Education	---	---	---
19,500	---	---	19,500	19,500	<i>Subtotal</i>	10,000	---	---
Educational Support Services								
5,213	---	579	5,792	5,493	Educational Programs and Assessment	6,688	3,853	3,853
15,000	---	---	15,000	11,061	Student Services	15,000	14,600	14,600
20,213	---	579	20,792	16,554	<i>Subtotal</i>	21,688	18,453	18,453
39,713	---	579	40,292	36,054	<i>Total Grants-In-Aid - General Fund</i>	31,688	18,453	18,453
39,713	---	579	40,292	36,054	TOTAL GRANTS-IN-AID	31,688	18,453	18,453

EDUCATION

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
STATE AID - GENERAL FUND								
Direct Educational Services and Assistance								
17,007	650	---	17,657	16,954	General Formula Aid	252,646	305,505	305,505
108,065	421	---	108,486	108,183	Nonpublic School Aid	104,664	104,664	104,664
9,461	---	---	9,461	9,189	Miscellaneous Grants-In-Aid	4,991	5,730	5,730
52,000	---	---	52,000	51,993	Special Education	52,000	52,000	52,000
186,533	1,071	---	187,604	186,319	Subtotal	414,301	467,899	467,899
Supplemental Education and Training Programs								
4,860	---	---	4,860	4,847	General Vocational Education	4,860	4,860	4,860
4,860	---	---	4,860	4,847	Subtotal	4,860	4,860	4,860
Educational Support Services								
416,500	7,153	80	423,733	391,534	Facilities Planning and School Building Aid	497,045	542,736	542,736
232,422	---	---	232,422	219,505	Teachers' Pension and Annuity Assistance	---	---	---
648,922	7,153	80	656,155	611,039	Subtotal	497,045	542,736	542,736
840,315	8,224	80	848,619	802,205	Total State Aid - General Fund	916,206	1,015,495	1,015,495
STATE AID - PROPERTY TAX RELIEF FUND								
Direct Educational Services and Assistance								
5,838,335	6,020	-11,191	5,833,164	5,827,483	General Formula Aid	5,899,113	6,989,490	6,989,490
86,979	---	---	86,979	85,434	Miscellaneous Grants-In-Aid	108,909	67,774	67,774
65,578	---	---	65,578	65,578	Bilingual Education	65,578	---	---
199,512	---	---	199,512	199,512	Programs for Disadvantaged Youth	266,310	---	---
896,420	---	---	896,420	896,420	Special Education	896,420	718,131	718,131
7,086,824	6,020	-11,191	7,081,653	7,074,427	Subtotal	7,236,330	7,775,395	7,775,395
Supplemental Education and Training Programs								
38,948	---	---	38,948	38,948	General Vocational Education	38,948	---	---
38,948	---	---	38,948	38,948	Subtotal	38,948	---	---
Educational Support Services								
313,047	---	---	313,047	313,037	Student Transportation	316,247	296,774	296,774
65,195	---	---	65,195	65,195	Facilities Planning and School Building Aid	158,391	161,187	161,187
1,969,673	---	-8,080	1,961,593	1,919,450	Teachers' Pension and Annuity Assistance	2,264,096	2,295,460	2,295,460
2,347,915	---	-8,080	2,339,835	2,297,682	Subtotal	2,738,734	2,753,421	2,753,421
9,473,687	6,020	-19,271	9,460,436	9,411,057	Total State Aid - Property Tax Relief Fund	10,014,012	10,528,816	10,528,816
10,314,002	14,244	-19,191	10,309,055	10,213,262	TOTAL STATE AID	10,930,218	11,544,311	11,544,311

EDUCATION

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
					CAPITAL CONSTRUCTION			
					Operation and Support of Educational Institutions			
1,950	513	---	2,463	350	Marie H. Katzenbach School for the Deaf	2,400	---	---
1,950	513	---	2,463	350	Subtotal	2,400	---	---
					Education Administration and Management			
500	1,125	---	1,625	818	Administration and Support Services	400	---	---
500	1,125	---	1,625	818	Subtotal	400	---	---
2,450	1,638	---	4,088	1,168	TOTAL CAPITAL CONSTRUCTION	2,800	---	---
10,413,707	18,268	8,786	10,440,761	10,335,830	Total Appropriation, Department of Education	11,043,116	11,637,762	11,637,762

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

31. DIRECT EDUCATIONAL SERVICES AND ASSISTANCE

OBJECTIVES

1. To provide financial assistance to all public local education agencies to ensure their capacity to deliver the programs and services necessary to bring their students to achievement of the Core Curriculum Content Standards.
2. To provide financial assistance for the education of children attending nonpublic schools.
3. To provide technical assistance to local school districts in the preparation, adoption, and implementation of school desegregation plans and affirmative action plans; to monitor departmental and school district compliance with federal and State law and establish policy regarding school desegregation, affirmative action, and equality of opportunity for minorities and women.
4. To aid, administer, evaluate, and monitor educational programs for children and adults with educational disabilities, including those served by State and federal projects.
5. To aid, develop, manage, and evaluate federal and State educational programs for children and adults of limited English speaking proficiency; to assist in implementing mandated statewide testing programs for the limited English speaking population.
6. To administer and monitor the funding of federal and State programs for students at-risk of educational failure, including remedial programs for youth and adults; to assure suitable educational programs to residents of State institutions.

PROGRAM CLASSIFICATIONS

01. **General Formula Aid.** The School Funding Reform Act of 2008 established the basis for the aid that ensures the provision of a thorough and efficient (T&E) system of education. The Act specifies the amount of money per pupil (the base amount) appropriate for delivering the Core Curriculum Content Standards. The base amount represents the cost of educating a student in the elementary school (grades 1-5). The cost of educating a kindergarten pupil in a half-day kindergarten program is 50% of the base amount and the cost of educating a full-day kindergarten student is

counted at the full elementary amount. The cost for a middle school student (grades 6-8) is 4% higher than the base amount and the cost for a high school student (grades 9-12) is 17% higher. The Act also considers the increased cost for vocational school students. It further specifies the additional amount per pupil for students at-risk, which is 47% to 57% higher than the base amount after the grade adjustment, and an additional 50% higher than the base amount after the grade adjustment for a limited English proficient (LEP) student. The cost for students that are both LEP and at-risk is 25% more than the applicable at-risk percentage increase. All of these costs are added to two-thirds of the cost for special education and all of the speech costs, which are determined by a census method, based on the district's enrollment to determine the district's adequacy budget. In recognition of legitimate local differences in cost, a geographic cost index is applied to the sum of these amounts to determine the final adequacy budget to be supported by the State.

a. **Equalization Aid -** Aid is provided to a district whose adequacy budget exceeds the local fair share tax effort. The measure of fiscal capacity is determined by applying statewide multipliers to the value of property and personal income in the district. The local fair share represents the local resources a district would have to appropriate in order to spend at the level of its adequacy budget. A district may spend above its adequacy budget level under a variety of circumstances, but its Equalization Aid would not increase. A district may appropriate less than its fair share without its Equalization Aid being reduced. However, all districts are required to appropriate a minimum local share.

b. **Adjustment Aid and Stabilized Aid -** Provisions in the Act moderate the effects of the abrupt changes in the entitlements from the prebudget year to the budget year. A district whose entitlement growth exceeds the stabilization growth limit of 10% or 20%, depending on whether the district is spending above or below adequacy, experiences an aid reduction to reach the limit; this reduction is reflected in its aid allocations. A district that experiences an increase less than 2% over the prebudget year receives adjustment aid to offset the amount of the loss or the increase less than 2%.

- c. **Preschool Education Aid** - Aid is provided to districts that received Early Childhood Program Aid (ECPA), Early Launch to Learning Initiative aid (ELLI) or Preschool Expansion Aid (PSEA) in the prebudget year. For all other districts, 2008-09 is a planning year. Districts that received ECPA in the prebudget year and did not also receive PSEA receive Preschool Education aid equal to the higher of the district's total prebudget ECPA for preschool or the district's prebudget ECPA for preschool per pupil amount inflated and multiplied by the district's projected preschool enrollment. ELLI districts will receive Preschool Education aid equal to the prebudget ELLI award. Districts that received PSEA in the prebudget year will receive Preschool Education aid equal to the approved preschool budget for the budget year.
 - d. **Security Aid** - Aid is provided as a base amount for every student plus an additional allocation that varies based on the district's concentration of students eligible for free milk or free and reduced price meals.
02. **Nonpublic School Aid.** Various types of assistance are available to Boards of Education in public school districts in New Jersey to reimburse such districts for expenses they are required to incur on behalf of students who are enrolled in grades K-12 in a nonpublic school, within the district, which complies with compulsory school attendance requirements and with the requirements of Title VI of the Civil Rights Act of 1964. The following aid programs are included:
- a. **Nonpublic Textbook Aid** - Supports the purchase and lending of textbooks upon individual request (N.J.S.A. 18A:58-37.1 et seq.). State Aid is paid in an amount equal to the state average budgeted textbook expense per public school pupil for the prebudget year, for all nonpublic students enrolled in grades K-12 of a nonpublic school on the last school day prior to October 16 of the prebudget year.
 - b. **Nonpublic Auxiliary Services Aid** - Aid for compensatory education, English as a second language, and home instruction (N.J.S.A. 18A:46A-1 et seq.) is provided upon consent of the parent or guardian. State Aid is paid for providing services to nonpublic pupils equivalent to the services provided to pupils enrolled in the public schools.
 - c. **Nonpublic Handicapped Aid** - Provides identification, examination, classification, supplemental, and speech correction services (N.J.S.A. 18A:46-19.1 et seq.) for each student who is enrolled full-time. State Aid is paid to each school district in an amount sufficient to provide examination, classification, supplemental, and speech correction services to nonpublic pupils.
 - d. **Nonpublic Auxiliary/Handicapped Transportation Aid** - Provides for transporting nonpublic pupils to public schools or neutral sites, for auxiliary/handicapped services that cannot be provided constitutionally in sectarian schools.
 - e. **Nonpublic Nursing Services Aid** - Provides funds for Boards of Education to provide basic nursing services for nonpublic school pupils who are enrolled full-time in nonpublic schools within the school district (N.J.S.A. 18A:40-23).
 - f. **Nonpublic Technology Initiative** - Provides funds for Boards of Education to provide technology to nonpublic school students. The goal of the nonpublic technology initiative program is to provide nonpublic school pupils with computers, educational software, distance learning equipment, and other technologies that can improve their education by meeting their specific educational needs and to give nonpublic school teachers the skills, resources, and incentives to use educational technologies effectively to improve teaching and learning in the classroom.
03. **Miscellaneous Grants-in-Aid.** The following programs are included:
- a. **Emergency Fund** - Allows the Commissioner, with the approval of the State Board of Education, to distribute funds to meet unforeseen conditions in any school district (N.J.S.A. 18A:58-11).
 - b. **Charter School Aid** - Provides direct State Aid to charter schools for first year charter school students who attended nonpublic schools prior to enrolling in the charter school. Charter School Aid is also provided to charter schools that experience a reduction in district payments from the prebudget year to offset that loss and to districts that experience an increase in payments to charter schools greater than the increase in the budget year State Aid allocation.
 - c. **Payments for Institutionalized Children-Unknown District of Residence** - Provides for the payment of State Aid for educational services to students in grades K-12 who are homeless or a resident in an institution of the Department of Corrections, the Department of Human Services, or the Juvenile Justice Commission, and for whom a local school district of residence has not been identified.
 - d. **Adult Education Aid** - State Aid is distributed for pupils enrolled in approved adult high schools.
05. **Bilingual Education.** The Bureau of Bilingual Education administers, monitors, and evaluates grant programs related to the education of limited English proficient students and develops administrative code to implement laws related to the provision of programs and services. The Bureau provides and/or coordinates professional development and technical assistance activities for school district professionals and assists in the implementation of mandated statewide testing programs as they relate to the limited English speaking population. Under the School Funding Reform Act of 2008, State Aid for LEP students is provided through the Equalization Aid formula.
06. **Programs for Disadvantaged Youth.** Federal funds are provided to school districts to address the needs of educationally disadvantaged pupils who are vulnerable to school failure as a consequence of community conditions of poverty. Under the School Funding Reform Act of 2008, State Aid for at-risk students is provided through the Equalization Aid formula.
07. **Special Education.** The School Funding Reform Act of 2008 supports the additional costs incurred by districts in providing individualized educational programs to students with disabilities in public and private school settings and to non-classified pupils in certain State facilities. The Act funds two-thirds of the special education cost through the Equalization Aid formula and one-third through Special Education Categorical Aid. Pupils are aided via a census method, which applies the state average excess cost for special education and the state average classification rate to district enrollments. Pupils classified solely for speech-language services are also aided based on the census method, which applies the excess cost for speech and the state average speech classification rate to district enrollments. Additional support is provided for high cost students through Extraordinary Special Education Costs Aid.

EDUCATION

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
General Formula Aid				
Resident Enrollment	1,448,232	1,440,767	1,433,498	1,429,092
Support Per Pupil (Per State Expenditure/Appropriation and District Budgets)	\$15,040	\$16,255	\$17,064	\$17,719
Local	\$8,108	\$8,690	\$8,974	\$9,182
State	\$6,375	\$7,000	\$7,535	\$7,984
Federal	\$557	\$565	\$555	\$553
Percent Support Per Pupil				
Local	53.9%	53.5%	52.6%	51.8%
State	42.4%	43.0%	44.2%	45.1%
Federal	3.7%	3.5%	3.2%	3.1%
Enrollment as of October 15 (Pre-Budget Year)				
All Districts, Total	1,446,815	1,448,232	1,440,767	1,433,498
Kindergarten/Preschool	138,331	140,531	139,162	138,245
Elementary School (Grades 1-5)	461,671	458,842	456,717	456,244
Middle School (Grades 6-8)	276,422	272,255	268,260	264,457
High School (Grades 9-12)	333,547	338,223	338,842	337,685
Evening School, Post-Graduate	12,182	10,908	8,973	8,960
Special Education	198,805	201,260	202,467	201,221
County Vocational	22,316	22,883	23,218	23,959
Students in State Facilities	3,541	3,330	3,128	2,727
Nonpublic School Aid				
Textbook Aid - Pupils Enrolled	184,164	180,008	175,953	176,000
Auxiliary Services Aid - Students Served	42,166	36,515	36,919	36,500
Handicapped Aid - Students Served	39,937	35,438	35,175	35,700
Nursing Services Aid - Pupils Enrolled	185,851	181,486	177,582	178,000
Bilingual Education				
Limited English Speaking Students Served	55,394	54,043	53,668	56,663
Programs for Disadvantaged Youth				
Federal Title I				
Migrant Children Served	2,415	2,325	2,400	2,400
Disadvantaged Children Served	300,000	300,000	300,000	300,000
Students Eligible for Free Milk/Free & Reduced Meals(a) ...	285,445	287,400	396,088	377,270
Special Education				
Enrollments				
Local Districts	192,140	194,740	196,068	194,952
Regional Day Schools	1,038	961	941	940
County Vocational Special Education	5,627	5,559	5,458	5,329
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
Federal	115	101	98	106
Total Positions	115	101	98	106
Filled Positions by Program Class				
Bilingual Education	2	2	2	2
Programs for Disadvantaged Youth	14	14	14	14
Special Education	99	85	82	90
Total Positions	115	101	98	106

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.

The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

(a) Prior to fiscal 2008, data reflects free lunch/free milk enrollments.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
GRANTS-IN-AID									
Distribution by Fund and Program									
---	---	---	---	---	Miscellaneous Grants-In-Aid	03	10,000	---	---
19,500	---	---	19,500	19,500	Special Education	07	---	---	---
19,500	---	---	19,500	19,500	Total Grants-in-Aid		10,000	---	---
Distribution by Fund and Object									
Grants:									
---	---	---	---	---	Preschool Expansion and Enhancement Grants	03	10,000	---	---
15,000	---	---	15,000	15,000	Autism In-District Program				
					Grants	07	---	---	---
4,500	---	---	4,500	4,500	Special Education In-District				
					Grants	07	---	---	---
STATE AID									
Distribution by Fund and Program									
5,937,368	6,670	-11,191	5,932,847	5,928,263	General Formula Aid	01	6,233,785	7,298,955	7,298,955
17,007	650	---	17,657	16,954	(From General Fund)		252,646	305,505	305,505
5,920,361	6,020	-11,191	5,915,190	5,911,309	(From Property Tax Relief Fund)		5,981,139	6,993,450	6,993,450
108,065	421	---	108,486	108,183	Nonpublic School Aid	02	104,664	104,664	104,664
96,440	---	---	96,440	94,623	Miscellaneous Grants-In-Aid	03	113,900	73,504	73,504
9,461	---	---	9,461	9,189	(From General Fund)		4,991	5,730	5,730
86,979	---	---	86,979	85,434	(From Property Tax Relief Fund)		108,909	67,774	67,774
65,578	---	---	65,578	65,578	Bilingual Education	05	65,578	---	---
65,578	---	---	65,578	65,578	(From Property Tax Relief Fund)		65,578	---	---
199,512	---	---	199,512	199,512	Programs for Disadvantaged Youth				
199,512	---	---	199,512	199,512	(From Property Tax Relief Fund)	06	266,310	---	---
948,420	---	---	948,420	948,413	Special Education				
52,000	---	---	52,000	51,993	(From General Fund)	07	948,420	770,131	770,131
896,420	---	---	896,420	896,420	(From Property Tax Relief Fund)		52,000	52,000	52,000
							896,420	718,131	718,131
7,355,383	7,091	-11,191	7,351,283	7,344,572	Total State Aid		7,732,657	8,247,254	8,247,254
186,533	1,071	---	187,604	186,319	(From General Fund)		414,301	467,899	467,899
7,168,850	6,020	-11,191	7,163,679	7,158,253	(From Property Tax Relief Fund)		7,318,356	7,779,355	7,779,355
Less:									
(73,576)	---	---	(73,576)	(73,576)	Stabilization Growth Limitation		(73,576)	---	---
(8,450)	---	---	(8,450)	(10,250)	Growth Savings - Payment Changes		(8,450)	(3,960)	(3,960)
(82,026)	---	---	(82,026)	(83,826)	Total Deductions		(82,026)	(3,960)	(3,960)
7,273,357	7,091	-11,191	7,269,257	7,260,746	Total State Appropriation		7,650,631	8,243,294	8,243,294
Distribution by Fund and Object									
State Aid:									
---	---	---	---	---	Equalization Aid	01	---	305,505	305,505
---	---	---	---	---	Equalization Aid (PTRF)	01	---	5,360,686	5,360,686
---	650	---	650	---	State Aid Supplemental Funding	01	---	---	---
107	---	-54	53	---	Core Curriculum Standards Aid	01	252,646	---	---

EDUCATION

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
STATE AID									
3,080,211	---	---	3,080,211	3,080,164	Core Curriculum Standards Aid (PTRF)	01	2,830,572	---	---
251,768	---	---	251,768	251,768	Supplemental Core Curriculum Standards Aid (PTRF)	01	251,768	---	---
---	---	---	---	---	Educational Adequacy Aid (PTRF)	01	---	8,167	8,167
86,772	---	---	86,772	86,772	Additional Formula Aid (PTRF)	01	179,378	---	---
16,900	---	54	16,954	16,954	High Expectations for Learning Proficiency	01	---	---	---
---	---	---	---	---	High Expectations for Learning Proficiency (PTRF)	01	16,900	---	---
330,630	---	---	330,630	330,630	Early Childhood Aid (PTRF)	01	330,630	---	---
15,621	---	---	15,621	15,621	Instructional Supple- ment (PTRF)	01	15,621	---	---
---	---	---	---	---	Security Aid (PTRF)	01	---	223,792	223,792
111,626	---	---	111,626	111,626	Stabilization Aid (PTRF)	01	111,626	---	---
---	---	---	---	---	Adjustment Aid (PTRF)	01	---	849,115	849,115
5,250	---	---	5,250	5,250	Large Efficient District Aid (PTRF)	01	5,250	---	---
1,231	---	---	1,231	1,231	Aid for Districts with High Senior Citizen Popula- tions (PTRF)	01	1,231	---	---
2,491	---	---	2,491	2,491	Stabilization Aid 2 (PTRF)	01	2,491	---	---
11,402	---	---	11,402	11,402	Stabilization Aid 3 (PTRF)	01	11,402	---	---
18,295	---	---	18,295	18,295	Regionalization Incentive Aid (PTRF)	01	18,295	---	---
129,684	---	---	129,684	129,684	Consolidated Aid (PTRF)	01	129,684	---	---
1,564,940	6,020	4,882	1,575,842	1,575,055	Education Opportunity Aid (PTRF)	01	1,727,294	---	---
243,200	---	-15,847	227,353	224,925	Abbott Preschool Expansion Aid (PTRF)	01	246,300 9,600 ^S	---	---
3,000	---	-226	2,774	2,155	Early Launch to Learning Initiative (PTRF)	01	2,675 ^(a)	---	---
---	---	---	---	---	Preschool Education Aid (PTRF)	01	---	543,839	543,839
21,903	---	---	21,903	21,903	Abbott-Bordered District Aid (PTRF)	01	21,903	---	---
---	---	---	---	---	Full-Day Kindergarten Supplemental Aid (PTRF)	01	26,182	---	---
8,306	---	---	8,306	8,306	School Choice (PTRF)	01	8,306	7,851	7,851
16,456	---	---	16,456	16,456	Aid for Enrollment Adjust- ments (PTRF)	01	16,456	---	---
17,575	---	---	17,575	17,575	Above Average Enrollment Growth (PTRF)	01	17,575	---	---
10,279	---	-230	10,049	10,048	Nonpublic Textbook Aid	02	10,066	10,084	10,084
30,900	---	3,829	34,729	34,729	Nonpublic Handicapped Aid	02	30,768	31,325	31,325
34,498	---	---	---	---	Nonpublic Auxiliary Services Aid	02	37,429	37,116	37,116
6,450 ^S	421	-3,482	37,887	37,845	Nonpublic Auxiliary/Handi- capped Transportation Aid	02	4,944	5,239	5,239
4,694	---	387	5,081	4,823	Nonpublic Nursing Services Aid	02	14,013	13,767	13,767
13,800	---	-324	13,476	13,475	Nonpublic Technology Initiative	02	7,444	7,133	7,133
7,444	---	-180	7,264	7,263	Emergency Fund	03	200	200	200
200	---	---	200	---	Evening School for the Foreign Born	03	211	---	---
211	---	---	211	144	Charter School Aid (PTRF)	03	22,643	24,478	24,478
15,058	---	---	15,058	14,296					

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Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended	
					STATE AID				
10,500	---	---	10,500	9,728	Charter Schools - Council on Local Mandates (PTRF)	03	13,335	---	---
450	---	---	450	450	Educational Information and Resource Center	03	450	450	450
50	---	---	50	45	Bridge Loan Interest and Approved Borrowing Cost	03	50	50	50
30,200	---	---	30,200	30,200	Payments for Institutionalized Children - Unknown District of Residence (PTRF)	03	31,710	33,296	33,296
30	---	---	30	30	Community Relations Committee of the United Jewish Federation of Metrowest	03	30	30	30
675	---	---	675	675	Lawrence Township (Mercer) School District Extraordinary Aid	03	---	---	---
2,500	---	---	2,500	2,489	Teacher Quality Mentor- ing (PTRF)	03	2,500	---	---
---	---	---	---	---	Adult Education (PTRF)	03	10,000	10,000	10,000
28,721	---	---	28,721	28,721	Adult and Postsecondary Education Grants (PTRF)	03	28,721	---	---
1,000	---	---	1,000	1,000	Montclair Board of Education - Minority Student Achieve- ment Network	03	---	---	---
4,000	---	---	4,000	4,000	Integration Assistance Aid	03	4,000	5,000	5,000
1,300	---	---	1,300	1,300	Edison School District	03	---	---	---
1,300	---	---	1,300	1,300	East Brunswick School District	03	---	---	---
195	---	---	195	195	South Plainfield School District	03	---	---	---
50	---	---	50	50	NJSIAA Steriod Testing	03	50	---	---
65,578	---	---	65,578	65,578	Bilingual Education Aid (PTRF)	05	65,578	---	---
199,512	---	---	199,512	199,512	Demonstrably Effective Program Aid (PTRF)	06	199,512	---	---
---	---	---	---	---	Targeted At-Risk Aid (PTRF)	06	66,798	---	---
---	---	---	---	---	Special Education Categorical Aid (PTRF)	07	---	718,131	718,131
896,420	---	---	896,420	896,420	Special Education Aid (PTRF)	07	896,420	---	---
52,000	---	---	52,000	51,993	Extraordinary Special Education Costs Aid	07	52,000	52,000	52,000
					Less:				
(82,026)	---	---	(82,026)	(83,826)	Deductions		(82,026)	(3,960)	(3,960)
7,292,857	7,091	-11,191	7,288,757	7,280,246	Grand Total State Appropriation		7,660,631	8,243,294	8,243,294
OTHER RELATED APPROPRIATIONS									
Federal Funds									
21,530	1,318	---	22,848	17,520	Bilingual Education	05	17,751	19,090	19,090
287,097	28,999	-244	315,852	308,930	Programs for Disadvantaged Youth	06	278,520	321,348	321,348
343,370	37,507	-91	380,786	343,161	Special Education	07	347,766	352,022	352,022
651,997	67,824	-335	719,486	669,611	Total Federal Funds		644,037	692,460	692,460
All Other Funds									
---	1,000 R	---	1,000	---	Miscellaneous Grants-In-Aid	03	1,000	1,050	1,050
---	1,000	---	1,000	---	Total All Other Funds		1,000	1,050	1,050
7,944,854	75,915	-11,526	8,009,243	7,949,857	GRAND TOTAL ALL FUNDS		8,305,668	8,936,804	8,936,804

Notes -- State Aid - Property Tax Relief Fund

- (a) The fiscal year 2008 appropriation has been adjusted to reflect the transfer of funds from Early Launch to Learning Initiative to Direct State Services authorized by language in the fiscal 2008 Appropriations Act.

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Language Recommendations -- State Aid - General Fund

Receipts from nonpublic schools handicapped and auxiliary recoveries are appropriated for the payment of additional aid in accordance with section 17 of P.L.1977, c.192 (C.18A:46A-14) and section 14 of P.L.1977, c.193 (C.18A:46-19.8).

Notwithstanding the provisions of section 14 of P.L.1977, c.193 (C.18A:46-19.8) for the purpose of computing Nonpublic Handicapped Aid for pupils requiring the following services, the per pupil amounts for the 2008-2009 school year shall be: \$1,326.17 for an initial evaluation or reevaluation for examination and classification; \$380 for an annual review for examination and classification; \$930 for speech correction; and \$826 for supplementary instruction services, provided however, that the commissioner may adjust the per pupil amounts based upon the nonpublic pupil population and the need for services.

Notwithstanding the provisions of section 9 of P.L.1977, c.192 (C.18A:46A-9), the per pupil amount for compensatory education for the 2008-2009 school year for the purposes of computing Nonpublic Auxiliary Services Aid shall equal \$995.33 and the per pupil amount for providing the equivalent service to children of limited English-speaking ability shall be \$1,015, provided however, that the commissioner may adjust the per pupil amounts based upon the nonpublic pupil population and the need for services.

Notwithstanding the provisions of section 9 of P.L.1991, c.226 (C.18A:40-31), the amount hereinabove appropriated for Nonpublic Nursing Services Aid shall be made available to local school districts based upon the number of pupils enrolled in each nonpublic school on the last day prior to October 16, 2007 and the rate per pupil shall be \$77.20.

Nonpublic Technology Initiative aid shall be paid to school districts and allocated for nonpublic school pupils at the rate of \$40 per pupil in a manner that is consistent with the provisions of the federal and State constitutions.

Such sums received in the "School District Deficit Relief Account," established pursuant to section 5 of P.L.2006, c.15 (C.18A:7A-58), including loan repayments, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

From the amount hereinabove appropriated for Integration Assistance Aid, there is appropriated \$4,000,000 for Englewood City School District, \$500,000 for Teaneck Township School District, and \$500,000 for Montclair Town School District to assist with the implementation of integration programs, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of P.L.1999, c.12 (C.54A:9-25.12 et seq.), there is appropriated from the Drug Abuse Education Fund, the sum of \$50,000, to be used for the NJSIAA Steroid Testing program.

The amount hereinabove appropriated for Extraordinary Special Education Costs Aid shall be charged first to receipts of the supplemental fee established pursuant to section 2 of P.L.2003, c.113 (C.46:15-7.1) credited to the Extraordinary Aid Account. Notwithstanding the provisions of that law to the contrary, the amount appropriated for Extraordinary Special Education Costs Aid from receipts deposited in the Extraordinary Aid Account shall not exceed the amount hereinabove appropriated.

Notwithstanding the provisions of section 13 of P.L.2007, c.260 (C.18A:7F-55) to the contrary, for the purposes of approving an 2008-09 application for reimbursement of extraordinary special education costs, an individual classified pupil shall be reimbursed: pursuant to paragraph (1) of subsection b. of that section at 95% of the direct instructional and support services costs in excess of \$40,000, pursuant to paragraph (2) of that subsection at 85% of the direct instructional and support services costs in excess of \$40,000, and pursuant to paragraph (3) of that subsection at 85% for tuition costs in excess of \$55,000. The reimbursement will occur in 2009-10, subject to appropriation.

Language Recommendations -- State Aid - Property Tax Relief Fund

Notwithstanding the provisions of any law or regulation to the contrary, the allocation of the amount hereinabove appropriated for Equalization Aid to a "SDA district" shall be reduced by the amount of proceeds received by the district from the sale of district surplus property, which shall be appropriated by the district for regular education operations. Surplus property means that property which is not being replaced by other property under a grant agreement with the New Jersey Schools Development Authority.

Notwithstanding the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to the contrary, the Commissioner of Education, in consultation with the Commissioner of Human Services, shall adopt immediately upon filing with the Office of Administrative Law such regulations as the commissioner deems necessary to ensure that funds appropriated to the Department of Human Services for before- and after-school and summer "wrap around" child care are expended in accordance with this act.

Notwithstanding the provisions of any law or regulation to the contrary, amounts hereinabove appropriated for Charter School aid shall be used for such sums as are necessary: 1) to provide that in the 2008-2009 school year, a charter school receives no less total support from the State and the resident district than the sum of the total 2007-2008 payments from the resident district and the 2007-2008 payments of Charter School aid and Charter Schools - Council on Local Mandates aid; 2) to provide that a resident district will receive State support in the amount of any increase in the required payments to charter schools from 2007-2008 to 2008-2009 in excess of the 2008-2009 increase reflected in the revised 2008-09 District State Aid Profile; and 3) to provide amounts pursuant to section 12 of P.L.1995, c.426 (C.18A:36A-12).

The amount hereinabove appropriated as Adult Education Aid shall be distributed at a rate of \$1,116 per pupil for pupils enrolled in approved adult high schools and post-graduate programs as of October, 2007 as reported in the Application for State School Aid.

Notwithstanding the provisions of any law or regulation to the contrary, there are appropriated as SDA New Facilities Transition Aid such additional sums as may be required, not to exceed \$15,000,000, to be distributed based on criteria established by the Commissioner of Education, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, the preschool per pupil amounts set forth in subsection d. of section 12 of P.L.2007, c.260 (C.18A:7F-54) shall be adjusted by the geographic cost adjustment developed by the commissioner pursuant to P.L.2007, c.260.

Notwithstanding the provisions of section 3 of P.L.1971, c.271 (C.18A:46-31), a portion of the district tuition amounts payable to a county special services school district operating an extended school year program may be transferred to the county special services school district prior to the first of September in the event the board shall file a written request with the Commissioner of Education stating the need for the funds. The commissioner shall review the board's request and determine whether to grant the request after an assessment of whether the district needs to spend the funds prior to September and after considering the availability of district surplus. The commissioner shall transfer the payment for the portion of the tuition payable for which need has been demonstrated.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

32. OPERATION AND SUPPORT OF EDUCATIONAL INSTITUTIONS

OBJECTIVES

1. To provide preschool, elementary, middle, and comprehensive high school programs for deaf and multiply-disabled students whose primary disability is deafness.
2. To provide regional facilities for the education of disabled students.
3. To implement the Katzenbach Center on Deafness to provide services to deaf and hard of hearing persons of all ages in order to enhance their quality of life and to assist them in maximizing their potential.

PROGRAM CLASSIFICATIONS

12. **Marie H. Katzenbach School for the Deaf.** The Marie H. Katzenbach School for the Deaf provides educational and vocational services to deaf and multiply-disabled deaf children from birth through twelfth grade. Residential services will be provided to nearly 43% of the school's 195 students on a five-day-a-week basis. Special programs to broaden the population served by the school include preschool age deaf, adult deaf, emotionally disturbed, and deaf-blind students. The school's operating costs are supported by State appropriation and tuition.

Regional Schools for the Handicapped are authorized by the State Facilities for the Handicapped Bond Fund (Chapter 149, Laws of 1973). Funds were used for the construction of eleven regional schools to provide educational services to children with severe disabilities. The first schools opened in the fall of 1981, and by September 1984, all eleven schools were serving children. All of the schools are managed by local school districts, under contract, and are funded entirely by receipts from the sending school districts.

13. **Positive Learning Understanding Support Program.** The PLUS program, established in 1994, will continue with a projected enrollment of five residential pupils. The PLUS program responds to the needs of deaf and hard-of-hearing students with behavioral difficulties. This program provides educational services that address the social, cultural, behavioral, and psychological needs of students in elementary through high school who also have emotional disturbances. Tuition paid by the districts that send these children to the Katzenbach School will fully support the costs of the program.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Marie H. Katzenbach School for the Deaf				
Annual Enrollment	215	220	205	195
Day Pupils	128	125	117	112
Residential Pupils	87	95	88	83
Gross Annual Cost Per Student	\$60,191	\$60,164	\$68,746	\$77,354
Annual Payments From Local School Boards				
For Regular Day Pupils	\$31,115	\$32,049	\$35,500	\$42,600
For Residential Pupils	\$38,225	\$39,372	\$44,375	\$53,228
Direct Annual State Support Per Student	\$14,409	\$14,505	\$17,512	\$18,410
Annual Graduates	27	13	19	28
Annual Graduates Enrolled in College	5	3	5	7
Annual Graduates Employed	22	10	14	21
Regional Schools for the Handicapped				
Annual Enrollment in Schools Operated Under Contract	1,038	961	941	940

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	30	27	24	25
Federal	13	13	11	11
All Other	161	184	182	181
Total Positions	204	224	217	217

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	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Filled Positions by Program Class				
Marie H. Katzenbach School for the Deaf	192	208	205	204
Positive Learning Understanding Support Program	12	16	12	13
Total Positions	204	224	217	217

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Prog. Class. Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
3,264	10,213	---	13,477	13,236	Marie H. Katzenbach School for the Deaf	12	14,093	15,084	15,084
3,264	24	---	3,288	3,191	(From General Fund)		3,590	3,590	3,590
---	10,189	---	10,189	10,045	(From All Other Funds)		10,503	11,494	11,494
---	743	---	743	686	Positive Learning Understanding Support Program	13	744	638	638
---	743	---	743	686	(From All Other Funds)		744	638	638
3,264	10,956	---	14,220	13,922	Total Direct State Services		14,837 ^(a)	15,722	15,722
---	(10,932)	---	(10,932)	(10,731)	Less: All Other Funds		(11,247)	(12,132)	(12,132)
3,264	24	---	3,288	3,191	Total State Appropriation		3,590	3,590	3,590
<u>Distribution by Fund and Object</u>									
Personal Services:									
1,790	47 9,897 ^R	---	11,734	11,578	Salaries and Wages		12,131	12,682	12,682
1,790	9,944	---	11,734	11,578	Total Personal Services		12,131	12,682	12,682
815	37 702 ^R	-152	1,402	1,373	Materials and Supplies		1,600	1,815	1,815
193	6 127 ^R	60	386	378	Services Other Than Personal		413	453	453
295	68 ^R	92	455	448	Maintenance and Fixed Charges		522	601	601
Special Purpose:									
40	---	---	40	40	Transportation Expenses for Students	12	40	40	40
131	61 11 ^R	---	203	105	Additions, Improvements and Equipment		131	131	131
---	(10,932)	---	(10,932)	(10,731)	Less: All Other Funds		(11,247)	(12,132)	(12,132)
<u>CAPITAL CONSTRUCTION</u>									
Distribution by Fund and Program									
1,950	513	---	2,463	350	Marie H. Katzenbach School for the Deaf	12	2,400	---	---
1,950	513	---	2,463	350	Total Capital Construction		2,400	---	---
<u>Distribution by Fund and Object</u>									
Marie H. Katzenbach School for the Deaf									
1,950	180	---	2,130	238	Fire Protection - Regional Day Schools	12	2,400	---	---
---	147	---	147	5	Bathroom Renovations	12	---	---	---

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
CAPITAL CONSTRUCTION								
---	72	---	72	3				
					Small Capital Projects			
					Contingency	12	---	---
	106	---	106	104	Boiler System Upgrades	12	---	---
---	8	---	8	---	Lower School Air Conditioning Project	12	---	---
5,214	537	---	5,751	3,541	Grand Total State Appropriation	5,990	3,590	3,590
OTHER RELATED APPROPRIATIONS								
---	10,932	---	10,932	10,731	Total All Other Funds	11,247	12,132	12,132
Federal Funds								
778	323	38	1,139	687	Marie H. Katzenbach School for the Deaf	12	882	882
778	323	38	1,139	687	Total Federal Funds	882	882	882
5,992	11,792	38	17,822	14,959	GRAND TOTAL ALL FUNDS	18,119	16,604	16,604

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

Notwithstanding the provisions of N.J.S.18A:61-1 and N.J.S.18A:46-13, or any law or regulation to the contrary, in addition to the amount hereinabove appropriated to the Marie H. Katzenbach School for the Deaf for the 2008-2009 academic year, payments from local boards of education to the school at an annual rate and payment schedule adopted by the Commissioner of Education and the Director of the Division of Budget and Accounting are appropriated.

Any income from the rental of vacant space at the Marie H. Katzenbach School for the Deaf is appropriated for the operation and maintenance cost of the facility and for capital costs at the school, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year, in the receipt account of the Marie H. Katzenbach School for the Deaf is appropriated for expenses of operating the school.

The unexpended balance at the end of the preceding fiscal year, in the receipt account of the Positive Learning Understanding Support (PLUS) program is appropriated for the expenses of operating the Marie H. Katzenbach School for the Deaf.

Language Recommendations -- Capital Construction

Notwithstanding the provisions of any law or regulation to the contrary, accumulated and current year interest earnings in the State Facilities for the Handicapped Fund established pursuant to section 12 of P.L. 1973, c.149 are appropriated for capital improvements and maintenance of facilities for the eleven regional day schools throughout the State and the Marie H. Katzenbach School for the Deaf as authorized in the State Facilities for the Handicapped Bond Act, P.L. 1973, c.149, subject to the approval of the Director of the Division of Budget and Accounting.

**30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT
33. SUPPLEMENTAL EDUCATION AND TRAINING PROGRAMS**

OBJECTIVES

1. To provide quality educational programs that further develop the academic and technical skills of career and technical education students through high standards.
2. To provide quality programs to New Jersey students to assist them in clarifying career goals, exploring career possibilities, experiencing career applications of academic knowledge and skills, developing employability skills, and obtaining other skills necessary to function in a technological society.
3. To facilitate the planning, implementation, and expansion of transition programs, activities or services for career and technical education students to support linkages between secondary and postsecondary career and technical programs, including two-year and four-year collegiate programs.
4. To provide students strong experience in and understanding of all aspects of an industry, including the academic, technical,

and technological requirements for career development and lifelong learning.

5. To provide professional development and technical assistance to career and technical educators.

PROGRAM CLASSIFICATIONS

20. **General Vocational Education.** To assist the State in attaining the objectives stated above in assuring a well-trained quality workforce, the federal government provides funds to conduct State career and technical education administrative activities. To be eligible for these funds under the Carl D. Perkins Career and Technical Education Act, the State must match this federal grant award on a dollar for dollar basis (P.L. 105-332).

In order for the State to qualify to receive federal grant money under the Perkins Act, New Jersey is required to provide a maintenance of effort equal to, or greater than, the amount of

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effort in the prior fiscal year. Failure to provide such maintenance of effort disqualifies a state from receipt of Perkins money.

These combined funds allow the State to maintain, in cooperation with business, industry and labor, quality career and technical education programs, by providing consultation, technical assistance, and regulatory services to public and private educational agencies.

The Department also develops new and innovative career and technical education programs; provides in-service training for career and technical education teachers; conducts program evaluations; develops occupational competencies; provides administrative services for the Office of Career and Technical Education Programs; maintains liaison with agencies and personnel on the local, State, and federal levels; and develops the annual revisions of the State Plan for Career and Technical

Education. These activities maximize educational opportunities and minimize costly duplication of effort.

General vocational education - Aid is paid (N.J.S.A. 18A:58-34 et seq.) on the following criteria: (a) the State may grant up to 100% of approved expenditures for new and innovative projects, and (b) expenditures for the improvement of career and technical education programs conducted under Public Law 101-392, subject to federal mandates requiring that special populations be given full opportunity to participate in career and technical programs.

County Vocational Program Aid - Prior to fiscal 2009, this categorical aid was paid to county vocational school districts on a per pupil basis for all pupils enrolled in the district. The School Funding Reform Act of 2008 eliminates this categorical aid and provides funding for these programs through the Equalization Aid formula.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
General Vocational Education				
Secondary Vocational Education				
Annual Enrollments	110,770	111,683	122,230	127,871
Annual Graduates or Completions	34,345	28,129	29,979	30,949
Annual Grade 11-12 Occupational Program Enrollments ..	57,896	57,903	61,827	63,857

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	5	5	4	5
Federal	25	22	20	20
Total Positions	30	27	24	25

Filled Positions by Program Class

General Vocational Education	30	27	24	25
Total Positions	30	27	24	25

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.

The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
266	---	20	286	259	20	294	294	294
266	---	20	286	259	Total Direct State Services			
						294 (a)	294	294
Distribution by Fund and Object								
Personal Services:								
215	---	20	235	234		243	243	243
215	---	20	235	234	Total Personal Services			
26	---	---	26	2		26	26	26
25	---	---	25	23		25	25	25
STATE AID								
Distribution by Fund and Program								
43,808	---	---	43,808	43,795	20	43,808	4,860	4,860
4,860	---	---	4,860	4,847	(From General Fund)			
						4,860	4,860	4,860

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
38,948	---	---	38,948	38,948	STATE AID			
					<i>(From Property Tax Relief Fund)</i>			
						38,948	---	---
43,808	---	---	43,808	43,795	Total State Aid			
4,860	---	---	4,860	4,847	<i>(From General Fund)</i>			
38,948	---	---	38,948	38,948	<i>(From Property Tax Relief Fund)</i>			
						38,948	---	---
Distribution by Fund and Object								
State Aid:								
4,860	---	---	4,860	4,847	Vocational Education	20	4,860	4,860
38,948	---	---	38,948	38,948	County Vocational Program Aid (PTRF) ^(b)	20	38,948	---
44,074	---	20	44,094	44,054	Grand Total State Appropriation		44,102	5,154
							5,154	5,154
OTHER RELATED APPROPRIATIONS								
Federal Funds								
26,650	4,762	-163	31,249	24,161	General Vocational Education	20	26,860	
							116 ^S	
26,650	4,762	-163	31,249	24,161	Total Federal Funds		26,991	26,991
							26,991	26,991
All Other Funds								
---	25	---	25	---	General Vocational Education	20	---	---
---	25	---	25	---	Total All Other Funds		---	---
70,724	4,787	-143	75,368	68,215	GRAND TOTAL ALL FUNDS		71,078	32,145
							32,145	32,145

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Notes -- State Aid - Property Tax Relief Fund

(b) The fiscal 2009 funding for this program is included in Equalization Aid in accordance with the School Funding Reform Act of 2008.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

34. EDUCATIONAL SUPPORT SERVICES

OBJECTIVES

1. To ensure that all schools and districts meet State standards for a thorough and efficient system of education, pursuant to law, regulation, and judicial opinions.
2. To provide curriculum leadership for local school districts in critical instructional areas, and to assist schools and teachers in implementing effective strategies for teaching and learning.
3. To create comprehensive assessments that will measure students' progress toward achieving the new content standards.
4. To design and implement mandated professional development for teachers and school leaders to enable them to accomplish new educational initiatives in schools and districts throughout the state.
5. To assure that college teacher training programs effectively prepare teachers based on professional standards and to issue educational certificates upon verification of eligibility.
6. To provide oversight and guide implementation of the Charter School Program Act of 1995.
7. To ensure that young children are ready to learn the Core Curriculum Content Standards in all districts receiving Preschool Education Aid, including districts that have

- contracted services from Department of Human Services licensed child care providers.
8. To provide technical and financial assistance for the safe transportation of public and nonpublic students at minimum expense to the State and local school districts.
9. To ensure provision of suitable educational facilities in local school districts through inspections and financial assistance.
10. To maximize resources to support the Department's mission and priorities; to assure accountability for use of the Department's grant resources.
11. To provide program resources, technical assistance, and demonstration projects supporting school efforts to reduce student violence and disruption, so that school environments are safe, disciplined, and conducive to learning.
12. To ensure that all districts are operating at a high level of performance by evaluating them in the five key components of effectiveness as defined by the New Jersey Quality Single Accountability Continuum: instruction and program, personnel, fiscal management, operations, and governance; and to provide assistance and oversight where necessary to improve a district's effectiveness.
13. To promote district operational and administrative efficiencies through the review and approval of district budgets and administrators' contracts, and the implementation of shared services among districts.

14. To assist non-K-12 districts in a consolidation plan through the establishment or enlargement of regional school districts.
15. To support the positive development of students in grades K-12 by providing policy guidance, professional development, and technical assistance in the areas of student support services; intervention and referral services for student learning, behavior, and health problems; student conduct; school safety and security, including law enforcement operations, substance abuse, violence, vandalism, bullying, and traumatic loss; health services; HIV; alternative education programs; home or out-of-school instruction for general education students; family literacy; and extracurricular programs.

PROGRAM CLASSIFICATIONS

30. **Educational Programs and Assessment.** Coordinates standards-based reform initiatives to improve teaching and learning; identifies and promotes research-based programs to assist school improvement and other innovation efforts, including early literacy initiatives and gifted and talented programs; coordinates with the higher education community to ensure that there are sufficient numbers of highly qualified teachers; and oversees the statewide assessment program.

To ensure that New Jersey's students are prepared for lives as productive citizens, Core Curriculum Content Standards (CCCS) have been adopted in mathematics, language arts literacy (reading, writing, listening, viewing, and speaking), science, the arts, social studies, world languages, gifted education, comprehensive health/physical education, technological literacy, and career education and consumer, family and life skills. Supporting the CCCS, curriculum frameworks have been developed to help teachers help their students to master the knowledge and skills identified in the standards. Professional development requirements are in place for teachers and administrators. To maintain currency in their fields, all teachers are required to complete 100 hours of State-approved continuing education every five years effective September 2000. A similar professional development requirement for school leaders was implemented in 2004. Additional professional development initiatives include the National Board for Professional Teaching Standards subsidy program and the State Action for Education Leadership Project (SAELP).

Research-based programmatic initiatives include the Governor's Literacy Initiative and the federal Reading First program, both geared at ensuring that all children read at or above grade level by the end of the third grade. The Charter School Program Act of 1995 allows for the creation of new types of public schools to provide parents and students with a variety of educational options. Charter schools are designed to stimulate reform in the traditional public school system and serve as one of the State's strategies to bring about significant improvements in student achievement. The Inter-district Public School Choice Program provides options for parents and students in participating districts.

To ensure that New Jersey has sufficient numbers of highly qualified teachers, several strategies are employed, including partnerships with college and university placement offices and a public relations campaign promoting careers in education. The division is working collaboratively with key higher education administrators and faculty to ensure the success of this program. The teacher quality preparation initiatives unit provides services to the higher education community in areas such as, but not limited to, review of teacher education programs, accreditation, and the teacher quality initiative.

The statewide assessment program includes testing in language arts literacy and mathematics in grades 3 through 8 and at the high school level. Science assessments are in place for grades 4, 8, and the high school level. The Alternate Proficiency Assessment is administered to students with severe cognitive disabilities. All assessments are based on the Core Curriculum Content Standards in the academic areas being assessed. For individuals aged 16 or older who are no longer enrolled in school, the General Educational Development (GED) assessment process provides an opportunity to earn a New Jersey high school diploma.

31. **Grants Management.** Establishes and maintains systems to acquire, manage, and distribute approximately \$760 million in State and federal grant funds to school districts, colleges, community-based organizations, and other eligible grant recipient agencies in a manner that supports initiatives that enhance the educational experience of children and adult learners and that promote statewide educational excellence. The grant management systems ensure efficiency, accountability, and integrity in the management of the Department's subgrant funds. Staff assist in developing notices of grant opportunities, guidelines and applications; coordinate the receipt and evaluation of grant applications; and manage grant awards and contracts, including the approval of contract modifications and the maintenance of records.
32. **Professional Development and Licensure.** Assures that educational personnel meet minimum professional qualifications (N.J.S.A. 18A:6-38 et seq.) by setting standards for approval of teacher education programs; providing professional assistance to establish, evaluate, and approve college programs, which lead to licensure; providing technical assistance to county and district offices; coordinating the employment and training of professional educators; determining licensure eligibility for in-state and out-of-state applicants; issuing professional certificates and evaluating existing certificates. The Office of Licensure and Credentials, which also administers the State Board of Examiners, is supported by a fee structure.
33. **Service to Local Districts.** Consists of the following regulatory functions: the tasks of educational planning and evaluation/accreditation (required by N.J.S.A. 18A:7A-1 et seq.); implementation of the New Jersey Quality Single Accountability Continuum (NJQSAC), including establishment of a schedule for district evaluation, review and verification of districts' performance reviews (DPRs), onsite validation as necessary, and technical assistance and oversight of district action plans; implementation of P.L. 2007, c.63 (the "CORE Act"), including review and approval of district budgets, which includes line-item vetoes, promotion of administrative and operational efficiencies and shared administrative services, consolidation of districts, and approval of district administrative contracts; supervision of school and special elections; review and approval of private schools for the disabled; and oversight of transportation, teacher certification, and reporting procedures. These functions are performed by the Department's county Offices of Education, which also maintain liaison between school districts and the Department.
35. **Early Childhood Education.** Programmatic responsibility for the development, administration and alignment of standards curricula, and assessment among preschool through 3rd grade (PK3) programs. The Division of Early Childhood Education is responsible for the oversight of early childhood education statewide and coordination with other K-12 initiatives. The Division coordinates policy, program

development, and evaluation for PK3 in accordance with State mandates by providing leadership, resources, and professional development in support of high-quality early childhood programs within a comprehensive, collaborative program. The Division has developed Preschool Program Implementation Guidelines that provide instructions for districts on developing their program plans to assure accountability and implementation of early childhood programs. In addition, the Division provides technical support and oversight to school districts; reviews literature; collaborates with other State departments and State and national experts on early childhood education; organizes and facilitates the delivery of professional development; and develops evaluation data to track the progress and implementation of early childhood education programs.

36. **Student Transportation.** Monitors, analyzes, and evaluates local districts' transportation systems and records in order to increase the safety, cost-effectiveness, and accountability of transportation operations. Develops safety education programs and provides technical assistance to local boards of education to promote safety and to efficiently administer transportation services. The Department trains county and local district personnel to administer transportation services according to statute and code. Transportation Aid is provided to local school districts for students who are required to be transported according to N.J.S.A. 18A:39-1 et seq. and N.J.S.A. 18A:46-23 as amended, based on the efficient costs of transporting pupils. The costs are based on per pupil allocations for students with and without special transportation needs and adjusted for the average distance pupils reside from school and an efficiency incentive factor.
 37. **District and School Improvement.** Develops and implements district and school improvement initiatives to address deficiencies identified through the New Jersey Quality Single Accountability Continuum (NJQSAC) and Collaborative Assessment and Planning for Achievement (CAPA) processes; fosters statewide professional development in leadership and promising practices; and works with the at-risk districts to ensure that the programs and services are effectively and efficiently implemented. Improvement strategies include literacy instruction and a literacy-rich curriculum in the primary grades; small classes; the development of research-based educational programs designed to close the achievement gap between urban and suburban students; continuous school improvement through the use of data-driven accountability systems; standards-driven school improvement to ensure that every student is provided the opportunity to achieve the Core Curriculum Content Standards; professional development focused on improving classroom instruction; collaboration with all stakeholders, including district and school staff, parents, and representatives from higher education, professional organizations and the community at large; school-based decision-making relying on fruitful collaboration and cooperation with the district's central office; and fiscal accountability.
- Ensures compliance with State and federal laws governing equity in educational programs; promotes interagency

collaboration and institutional partnerships to coordinate the delivery of services to school districts; and offers flexibility to New Jersey parents and students in the selection of a public school program that best meets the needs and interests of the individual students.

38. **Facilities Planning and School Building Aid.** Approves architectural review, master plans, and site acquisitions; evaluates facilities for educational adequacy, health and safety; and periodically surveys public school buildings. Reviews and approves long-range facilities plans, as well as applications for school facilities projects. Project review includes the determination of consistency with the district's long-range plan and compliance with facilities efficiency standards and area allowances per FTE student derived from those standards. Based on that review, the preliminary eligible costs for State financing are calculated. School Building Aid provides State support for debt service on projects approved prior to the enactment of the Educational Facilities Construction and Financing Act of 2000 (EFCFA). The School Construction and Renovation Fund provides for State debt service for school construction projects approved under the provisions of EFCFA. School Construction Debt Service Aid provides aid for local debt for EFCFA projects.
39. **Teachers' Pension and Annuity Assistance.** The State provides the employer's share to the Teachers' Pension and Annuity Fund (N.J.S.A. 18A:66-33) in amounts actuarially determined by using experience of the preceding year as certified to the Governor by the Fund's Board of Trustees. All public school teachers are required to contribute to the Fund, except for optional participation of certain persons based on age, veteran status, or teacher status prior to specified dates. Janitorial employees of local boards of education also are covered.
40. **Student Services.** Provides statewide leadership and coordinates oversight of NCLB, Title 1, Special Education, Bilingual Education, and Educational Support Services. Assists school districts in promoting positive student development and behavior. Specifically, the Department develops and implements policy and programs in the following areas: violence prevention, substance abuse prevention and education, student conduct, school safety and security, comprehensive health education, school health services, HIV/AIDS education, family life education, bilingual education, character education, social emotional learning, equal education opportunities, adult literacy, and basic skills.

Holocaust and Genocide Education was created by the State Legislature in 1994. The New Jersey Commission on Holocaust Education has as its central mission the study, development, recommendation, and dissemination of curricular materials to local school districts on a wide range of genocides, with the goal of eradicating ethnic and racial intolerance and fostering tolerance for cultural diversity. The Commission coordinates activities to assist districts in implementing the mandate, including the dissemination of instructional materials, the provision of staff training, and the establishment of Holocaust Education demonstration sites.

EDUCATION

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Educational Programs and Assessment				
High School Proficiency Assessment – Mathematics				
Students Ranked Proficient	49.3%	50.2%	50.2%	50.2%
Students Ranked Advanced Proficient	26.6%	23.2%	23.2%	23.2%
Students Ranked Partially Proficient	24.1%	26.6%	26.6%	26.6%
High School Proficiency Assessment – Language Arts Literacy				
Students Ranked Proficient	61.6%	66.0%	66.0%	66.0%
Students Ranked Advanced Proficient	21.9%	19.4%	19.4%	19.4%
Students Ranked Partially Proficient	16.5%	14.6%	14.6%	14.6%
High School Equivalency				
Adults Enrolled	15,500	15,500	18,500	20,000
Adults Earning State Diplomas	9,200	10,000	11,400	13,200
Charter Schools Licensed	51	54	57	64
Grants Management				
Discretionary Contracts Awarded Annually	324	305	305	305
Entitlement Contracts Awarded Annually	5,589	5,755	5,755	5,755
Professional Development And Licensure				
Annual Evaluations (Non-Issuance)(a)	1,104	---	---	---
Certificates Awarded Annually	17,500	17,400	18,000	18,500
Academic Credentials Issued Annually	500	500	500	500
County Substitute Certificate Applications Received Annually	25,000	20,000	20,000	20,000
Certificates of Eligibility Issued Annually	17,590	18,000	18,250	18,250
Training Contracts Approved Annually	7,000	7,100	7,000	7,000
Annual Induction Evaluations	21,000	21,300	21,000	21,000
Service to Local Districts (b)				
Needs Identified				
Districts Monitored Annually	148	100	100	150
School Level Objectives Approved Annually	4,500	4,500	4,500	3,500
Level II and Level III Monitors of School Districts Annually	9	9	9	---
Assistance Rendered				
Districts Certified Annually	69	60	60	---
Districts Conditionally Certified for One Year Annually ..	80	40	40	---
District Objectives Achieved Annually	4,300	4,300	4,300	3,000
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	271	243	220	224
Federal	47	50	38	41
All Other	35	43	40	40
Total Positions	353	336	298	305
Filled Positions by Program Class				
Educational Programs and Assessment	94	78	71	69
Grants Management	30	29	18	19
Professional Development and Licensure	36	44	41	41
Service to Local Districts	61	56	54	66
Early Childhood Education	16	14	17	16
Student Transportation	5	5	6	6
Abbott Implementation(c)	65	64	---	---
District and School Improvement(c)	---	---	48	47
Facilities Planning and School Building Aid	29	28	28	26
Student Services	17	18	15	15
Total Positions	353	336	298	305

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded. All Other includes positions supported by fees.

EDUCATION

(a) Annual Evaluations were suspended in fiscal year 2006 and discontinued in fiscal year 2007.

(b) Beginning in fiscal year 2009, reflects changes in monitoring process under P.L.2005, c.235 and P.L.2007, c.16.

(c) Position data reflects Department's fiscal year 2008 reorganization for expanded oversight responsibilities.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
24,420	1,148	-3,988	21,580	20,471	Educational Programs and Assessment	30	28,215	26,615	26,615
644	---	60	704	702	Grants Management	31	469	371	371
2,830	917	-72	3,675	3,636	Professional Development and Licensure	32	2,966	2,966	2,966
6,407	2	-346	6,063	5,936	Service to Local Districts	33	7,036	6,963	6,963
127	---	2,573	2,700	2,693	Early Childhood Education	35	2,625	2,406	2,406
422	---	-41	381	366	Student Transportation	36	491	491	491
---	---	21,729	21,729	21,729	District and School Improvement	37	8,758	8,512	8,512
2,770	6	-236	2,540	2,492	Facilities Planning and School Building Aid	38	2,758	2,484	2,484
1,395	---	206	1,601	1,541	Student Services	40	1,539	1,539	1,539
39,015	2,073	19,885	60,973	59,566	Total Direct State Services		54,857 (a)	52,347	52,347
Distribution by Fund and Object									
Personal Services:									
15,307	305 553 R	-405	15,760	14,841	Salaries and Wages		21,686	20,775	20,775
---	---	---	---	778	Employee Benefits		---	---	---
15,307	858	-405	15,760	15,619	Total Personal Services		21,686	20,775	20,775
446	20	-160	306	251	Materials and Supplies		582	552	552
1,018	15	100	1,133	1,054	Services Other Than Personal		3,737	3,687	3,687
53	2	---	55	21	Maintenance and Fixed Charges		95	95	95
Special Purpose:									
---	---	201	201	146	Teacher Quality Enhancement		---	---	---
16,225	---	-628	15,597	15,402	Grants - State Match	30	---	---	---
135	---	---	135	134	Statewide Assessment Program	30	20,725	20,725	20,725
152	---	---	152	49	Professional Development - Recruitment	30	135	---	---
3,826	1,148	-3,318	1,656	1,268	Continuing Education	30	152	52	52
1,474	---	---	1,474	1,145	Governor's Literacy Initiative	30	2,762	2,566	2,566
---	---	2,348	2,348	2,347	General Education Develop- ment	30	1,474	386	386
---	---	21,729	21,729	21,729	Early Childhood Education	35	--- (b)	---	---
---	---	---	---	---	Abbott Implementation	37	--- (c)	---	---
244	---	18	262	262	District and School Improve- ment	37	3,130	3,130	3,130
135	---	---	135	135	New Jersey Commission on Holocaust Education	40	244	244	244
---	30	---	30	4	Commission on Italian American Heritage Cultural and Educational Programs	40	135	135	135
Additions, Improvements and Equipment									
GRANTS-IN-AID									
Distribution by Fund and Program									
5,213	---	579	5,792	5,493	Educational Programs and Assessment	30	6,688	3,853	3,853
15,000	---	---	15,000	11,061	Student Services	40	15,000	14,600	14,600
20,213	---	579	20,792	16,554	Total Grants-in-Aid		21,688	18,453	18,453

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Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
GRANTS-IN-AID									
Distribution by Fund and Object									
Grants:									
3,000	---	---	3,000	3,000	Liberty Science Center - Educational Services	30	5,750	3,000	3,000
2,025	---	579	2,604	2,428	Governor's Literacy Initiative	30	750	750	750
188	---	---	188	65	Teacher Preparation	30	188	103	103
15,000	---	---	15,000	11,061	New Jersey After 3	40	15,000	14,600	14,600
STATE AID									
Distribution by Fund and Program									
313,047	---	---	313,047	313,037	Student Transportation	36	316,247	296,774	296,774
313,047	---	---	313,047	313,037	(From Property Tax Relief Fund)		316,247	296,774	296,774
481,695	7,153	80	488,928	456,729	Facilities Planning and School Building Aid	38	655,436	703,923	703,923
416,500	7,153	80	423,733	391,534	(From General Fund)		497,045	542,736	542,736
65,195	---	---	65,195	65,195	(From Property Tax Relief Fund)		158,391	161,187	161,187
2,202,095	---	-8,080	2,194,015	2,138,955	Teachers' Pension and Annuity Assistance	39	2,264,096	2,295,460	2,295,460
232,422	---	---	232,422	219,505	(From General Fund)		---	---	---
1,969,673	---	-8,080	1,961,593	1,919,450	(From Property Tax Relief Fund)		2,264,096	2,295,460	2,295,460
2,996,837	7,153	-8,000	2,995,990	2,908,721	Total State Aid		3,235,779	3,296,157	3,296,157
648,922	7,153	80	656,155	611,039	(From General Fund)		497,045	542,736	542,736
2,347,915	---	-8,080	2,339,835	2,297,682	(From Property Tax Relief Fund)		2,738,734	2,753,421	2,753,421
Distribution by Fund and Object									
State Aid:									
312,947	---	---	312,947	312,947	Transportation Aid (PTRF) ^(d)	36	316,147	296,774	296,774
100	---	---	100	90	School Bus Crossing Arms (PTRF)	36	100	---	---
23	---	---	23	23	School Building Aid Debt Service (PTRF)	38	---	---	---
51,654	---	81	51,735	51,735	School Building Aid	38	---	---	---
65,172	---	---	65,172	65,172	School Building Aid (PTRF)	38	112,997	103,050	103,050
33,394	---	-1	33,393	33,393	School Construction Debt Service Aid	38	---	---	---
---	---	---	---	---	School Construction Debt Service Aid (PTRF)	38	45,394	58,137	58,137
331,452	7,153	---	338,605	306,406	School Construction & Renovation Fund	38	466,963	542,736	542,736
616,540	---	---	616,540	580,831	Teachers' Pension and Annuity Fund - Post Retirement Medical (PTRF)	39	30,082 ^S		
661,383	---	---	661,383	661,383	Teachers' Pension and Annuity Fund (PTRF)	39	642,445	638,219	638,219
691,750	---	-8,080	683,670	677,236	Social Security Tax (PTRF)	39	661,383	661,383	661,383
32,471	---	---	32,471	26,790	Teachers' Pension and Annuity Fund - Non-contributory Insurance	39	717,150	739,550	739,550
---	---	---	---	---	Teachers' Pension and Annuity Fund - Non-contributory Insurance (PTRF)	39	---	---	---
1	---	---	1	---	Minimum Pension for Pre-1955 Retirees	39	30,952	31,888	31,888
104,853	---	---	104,853	97,618	Post Retirement Medical Other Than TPAF	39	---	---	---

EDUCATION

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
					STATE AID			
---	---	---	---	---	Post Retirement Medical Other Than TPAF (PTRF)	39	108,694	111,910
95,097	---	---	95,097	95,097	Debt Service on Pension Obligation Bonds	39	---	---
---	---	---	---	---	Debt Service on Pension Obligation Bonds (PTRF)	39	<u>103,472</u>	<u>112,510</u>
3,056,065	9,226	12,464	3,077,755	2,984,841	Grand Total State Appropriation		3,312,324	3,366,957
OTHER RELATED APPROPRIATIONS								
Federal Funds								
89,313	8,672	---	97,985	85,163	Educational Programs and Assessment	30	86,855	85,582
2,339	1,217	---	3,556	1,144	Grants Management	31	---	---
100	85	---	185	121	Professional Development and Licensure	32	156	156
<u>29,576</u>	<u>17,695</u>	<u>173</u>	<u>47,444</u>	<u>43,108</u>	Student Services	40	<u>28,305</u>	<u>29,924</u>
121,328	27,669	173	149,170	129,536	Total Federal Funds		115,316	115,662
All Other Funds								
---	2,212	---	---	---	Educational Programs and Assessment	30	1	1
---	230 R	---	2,442	219	Professional Development and Licensure	32	1,000	1,292
---	85	---	---	---	Student Services (e)	40	40	40
<u>---</u>	<u>3,798</u>	<u>27</u>	<u>3,825</u>	<u>606</u>	Total All Other Funds		1,041	1,333
3,177,393	40,693	12,664	3,230,750	3,114,983	GRAND TOTAL ALL FUNDS		3,428,681	3,483,952

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and to reflect the transfer of funds from Early Launch to Learning Initiative authorized by language in the fiscal 2008 Appropriations Act.
- (b) Appropriation of \$2,572 distributed to applicable operating accounts and adjusted for the reallocation of management efficiencies.
- (c) Appropriation of \$11,120 distributed to applicable operating accounts and adjusted for the reallocation of management efficiencies.

Notes -- State Aid - Property Tax Relief Fund

- (d) The stabilization growth limitation, which is displayed elsewhere in the Direct Educational Services and Assistance section of the Budget for fiscal 2007 and fiscal 2008, is not applied in fiscal 2009.

Notes -- All Other Funds

- (e) In addition to the resources reflected in All Other Funds above, funding will be transferred from the Department of Treasury to support operations and services related to the Project DARE (Drug Abuse Resistance Education) in fiscal 2009. The recent history of such receipts is reflected in the Department of Education's budget.

Language Recommendations -- Direct State Services - General Fund

From the amount hereinabove appropriated for the Governor's Literacy Initiative, the sum of \$900,000 may be transferred to the Commission for the Blind and Visually Impaired for increased Braille lessons for blind children, subject to the approval of the Director of the Division of Budget and Accounting.

From the amount hereinabove appropriated for the Governor's Literacy Initiative, there is appropriated \$300,000 for a grant for the Learning Through Listening program at the New Jersey Unit of the Recording for the Blind and Dyslexic.

Receipts from the State Board of Examiners' fees in excess of those anticipated and the unexpended program balances at the end of the preceding fiscal year, are appropriated for the operation of the Professional Development and Licensure programs.

Language Recommendations -- Grants-In-Aid - General Fund

The amount hereinabove appropriated for the Liberty Science Center--Educational Services shall be used to provide educational services to districts with high concentrations of at-risk students in the science education component of the core curriculum content standards as established by law.

The amount hereinabove appropriated for the Governor's Literacy Initiative shall be used to provide grants to districts to improve instruction in language arts literacy, science, and mathematics. In awarding such grants, the Commissioner of Education shall use criteria including the School Improvement Status based upon the federal No Child Left Behind Act and student performance on the New Jersey Assessment of Skills and Knowledge.

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The sums provided hereinabove for New Jersey After 3 shall be conditioned upon the State Treasurer and the grant recipient entering into a grant agreement; shall be available for grants and reasonable administrative costs of New Jersey After 3, Inc.; and shall be available for funding programs, activities, functions and facilities consistent with recommendations and proposals of the New Jersey After 3 Advisory Committee.

Language Recommendations -- State Aid - General Fund

Of the amount hereinabove appropriated for the School Construction and Renovation Fund, an amount equal to the total earnings of investments of the Fund for the Support of Free Public Schools shall first be charged to such fund.

In addition to the sum hereinabove appropriated for the School Construction and Renovation Fund account to make payments under the contracts authorized pursuant to section 18 of P.L. 2000, c.72 (C.18A:7G-18), there are hereby appropriated such other sums as the Director of the Division of Budget and Accounting shall determine are required to pay all amounts due from the State pursuant to such contracts.

The unexpended balance at the end of the preceding fiscal year in the School Construction and Renovation Fund account is appropriated for the same purpose.

Language Recommendations -- State Aid - Property Tax Relief Fund

Notwithstanding the provisions of section 1 of P.L.1997, c.53 (C.18A:39-11.1) districts shall not be reimbursed for administrative fees paid to Cooperative Transportation Service Agencies.

For any school district receiving amounts from the amount hereinabove appropriated for Pupil Transportation, and notwithstanding the provisions of N.J.S.18A:39-1 to the contrary, if the school district is located in a county of the third class or a county of the second class with a population of less than 235,000, according to the 1990 federal decennial census, transportation shall be provided to school pupils residing in this school district in going to and from any remote school other than a public school, not operated for profit in whole or in part, located within the State not more than 30 miles from the residence of the pupil.

Of the amount hereinabove appropriated for School Building Aid, the calculation of each eligible district's allocation shall include the amount based on school bond and lease purchase agreement payments for interest and principal payable during the 2008-2009 school year pursuant to section 10 of P.L.2000, c.72 (C.18A:7G-10) and the adjustments required based on the difference between the amounts calculated using actual 2006-2007 principal and interest amounts and the amounts allocated and paid in 2006-2007.

Such additional sums as may be required for Teachers' Pension and Annuity Fund - Post Retirement Medical are appropriated, as the Director of the Division of Budget and Accounting shall determine.

In addition to the amounts hereinabove for Social Security Tax, there are appropriated such sums as are required for payment of Social Security Tax on behalf of members of the Teachers' Pension and Annuity Fund.

Such additional sums as may be required for the Teachers' Pension and Annuity Fund - Non-contributory Insurance and Post Retirement Medical Other Than TPAF are appropriated, as the Director of the Division of Budget and Accounting shall determine.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

35. EDUCATION ADMINISTRATION AND MANAGEMENT

OBJECTIVES

1. To plan, execute, monitor, and evaluate the management of the administrative, programmatic, and fiscal affairs of the Department consistent with State Board rules and State and federal regulations.
2. To provide assistance to local school districts in the administration of their financial and accounting procedures.
3. To maintain the Department's budgetary, human resource, and support services.
4. To compute and distribute State Aid, to provide payment of federal aid, and to advise districts on borrowing funds.
5. To provide local school district personnel with assistance in their budgeting, accounting, fiscal, and recordkeeping activities; to collect, edit, review, and compile statistical information for the Commissioner's Annual Report.
6. To provide Department level executive and management leadership in implementing laws affecting the educational system of the State.
7. To support the State Board of Education in its function of establishing goals and policies, as well as resolving conflicts in the educational system.
8. To improve fiscal and management practices of local school districts and the Department.

9. To provide leadership in the use and integration of technology into the Department's and districts' operations, instruction, and decision-making processes.

PROGRAM CLASSIFICATIONS

42. **School Finance.** Responsible for the calculation and distribution of Education State Aid in accordance with the applicable statutes; provides leadership in the development of uniform school district accounting and administrative practices; provides support for research and consulting services for start-up requirements needed for reorganization under N.J.S.A. 18A:7A-1 et seq., including an analysis of school business practices, dissemination of modern budgeting materials, and further design of reporting requirements.
43. **Compliance and Auditing.** Provides the auditing capability to examine how money is used in local school districts; monitors Department fiscal activities and investigates complaints of irregularities or improprieties in the Department, school districts, and other entities receiving educational funding. Performs background checks of applicants for positions with local school districts.
99. **Administration and Support Services.** Provides Department-wide direction, management, and general administrative support services. The State Board of Education (N.J.S.A. 18A:4-3 et seq.) consists of 13 members appointed by the Governor with the consent of the Senate. The Board sets

policy for the Department as well as local school districts and hears appeals from the Commissioner's decisions on controversies and disputes. The Commissioner of Education is appointed by the Governor to serve as the official agent of the State Board of Education and chief executive and administrative officer of the Department (N.J.S.A. 18A:4-22 and N.J.S.A. 18A:4-35) and is responsible for assisting the Board, implementing the Board's policy and laws affecting education, and deciding controversies and disputes presented to the Department. The School Ethics Commission (N.J.S.A. 18A:12-21 et seq.) is responsible for collecting, retaining, and reviewing financial and personal/relative disclosure statements from all local school board members and administrators as set forth by the School Ethics Act, and rendering decisions on alleged violations of that Act. In addition, numerous citizens' councils are formally established to provide advice to the Department in specific areas of responsibility.

Support services include oversight of information and educational technology and infrastructure for statewide connectivity so that all students will have access to resources needed to achieve the Core Curriculum Content Standards, budgeting, accounting, purchasing, personnel and payroll as well as administrative services such as printing, mail, and facilities. The Department has implemented a statewide student information data warehouse to assist educators and help meet federal reporting requirements. Executive services include providing support to the State Board of Education and the School Ethics Commission, assisting the Commissioner in developing policy positions on legislative initiatives, and providing accountability information to the public. Federal funds include the consolidated administration of federal programs under the No Child Left Behind Act and educational technology grants to schools.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Compliance and Auditing				
Annual Compliance and Fiscal Reviews of School Districts . .	4	4	4	4
Annual Audits of Applications for State School Aid	41	50	50	50
Annual Monitoring of Private Schools for the Disabled	27	28	28	30
Annual Audits of Title I Funds	35	23	30	30
Annual Grant Audits	26	26	26	26
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	66	64	65	68
Male Minority %	6.9	7.2	7.4	7.6
Female Minority	192	188	181	190
Female Minority %	20.2	21.3	20.5	21.1
Total Minority	258	252	246	258
Total Minority %	27.1	28.5	27.9	28.7
Position Data				
Filled Positions by Funding Source				
State Supported	174	168	195	197
Federal	43	38	37	38
All Other	29	29	12	12
Total Positions	246	235	244	247
Filled Positions by Program Class				
School Finance(a)	40	40	43	48
Compliance and Auditing(a)	22	21	34	33
Administration and Support Services	184	174	167	166
Total Positions	246	235	244	247

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.

The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

(a) Position data reflects Department's fiscal year 2008 reorganization for expanded oversight responsibilities.

EDUCATION

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
3,353	---	373	3,726	3,690	School Finance	42	4,979	4,478
1,918	---	514	2,432	2,402	Compliance and Auditing	43	3,103	3,007
9,726	289	6,606	16,621	16,238	Administration and Support Services	99	11,587	11,282
14,997	289	7,493	22,779	22,330	Total Direct State Services		19,669 ^(a)	18,767
Distribution by Fund and Object								
Personal Services:								
12,776	---	2,552	15,328	15,226	Salaries and Wages		17,096	16,714
12,776	---	2,552	15,328	15,226	Total Personal Services		17,096	16,714
301	---	-9	292	243	Materials and Supplies		285	285
1,100	---	830	1,930	1,874	Services Other Than Personal		972	972
67	---	-8	59	49	Maintenance and Fixed Charges		63	63
Special Purpose:								
---	---	---	---	---	School Funding Formula Development Costs	42	500 ^S	---
---	---	238	238	238	Early Childhood Enrollment Audits	42	---	---
600	---	19	619	619	Internal Auditing	43	600	600
---	---	255	255	234	Early Childhood Compliance Audits	43	---	---
85	---	---	85	74	State Board of Education Expenses	99	85	65
---	289	3,616	3,905	3,705	Student Registration and Record System	99	---	---
68	---	---	68	68	Affirmative Action and Equal Employment Opportunity Program	99	68	68
<u>CAPITAL CONSTRUCTION</u>								
Distribution by Fund and Program								
500	1,125	---	1,625	818	Administration and Support Services	99	400	---
500	1,125	---	1,625	818	Total Capital Construction		400	---
Distribution by Fund and Object								
Division of Administration								
---	80	---	80	10	Roof Replacement and HVAC Repairs, Regional Day Schools	99	---	---
---	291	---	291	6	Health and Life Safety Projects	99	---	---
500	754	---	1,254	802	Fire Sprinkler Systems, Various Regional Day Schools	99	400	---
15,497	1,414	7,493	24,404	23,148	Grand Total State Appropriation		20,069	18,767
OTHER RELATED APPROPRIATIONS								
Federal Funds								
---	1	---	1	1	Compliance and Auditing	43	---	---
9,992	1,455	---	11,447	8,051	Administration and Support Services	99	9,612	10,104
9,992	1,456	---	11,448	8,052	Total Federal Funds		9,612	10,104
All Other Funds								
---	850 ^R	---	850	808	Compliance and Auditing	43	850	850
---	850	---	850	808	Total All Other Funds		850	850
25,489	3,720	7,493	36,702	32,008	GRAND TOTAL ALL FUNDS		30,531	29,721

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.
- (b) Appropriation of \$178,000 distributed to applicable operating accounts.
- (c) Appropriation of \$202,000 distributed to applicable operating accounts.

Language Recommendations -- Direct State Services - General Fund

Receipts derived from fees for school district personnel background checks and unexpended balances at the end of the preceding fiscal year of such receipts are appropriated for the operation of the criminal history review program.

The unexpended balance at the end of the preceding fiscal year in the Student Registration and Record System account are appropriated for the same purpose.

Costs attributable to EdSmart and EasyIEP shall be paid from revenue received from the Special Education Medicaid Initiative (SEMI) and the Medicaid Administrative Claiming (MAC) programs and are appropriated for these purposes to the Student Registration and Record System account upon recommendation from the Commissioner of Education, subject to the approval of the Director of the Division of Budget and Accounting.

In the event that revenues received from the Special Education Medicaid Initiative (SEMI) and the Medicaid Administrative Claiming (MAC) programs are insufficient to satisfy costs attributable to EdSmart and EasyIEP, there are appropriated to the Student Registration and Record System account such sums as may be required as the Director of the Division of Budget and Accounting shall determine.

DEPARTMENT OF EDUCATION**Language Recommendations -- Direct State Services - General Fund**

Of the amount hereinabove appropriated from the General Fund for the Department of Education, or otherwise available from federal sources, there are appropriated funds to establish a School Security Planning and Assurance Unit within the Department of Education, staffed to plan, coordinate, and conduct an on-going comprehensive security assessment and vulnerability reduction program for school sites Statewide, in collaboration with schools and law enforcement, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Direct State Services - General Fund**Language Recommendations -- State Aid - General Fund**

Of the amount hereinabove appropriated for the Department of Education, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule included in the Governor's Budget Message and Recommendations shall first be charged to the State Lottery Fund.

Language Recommendations -- Direct State Services - General Fund**Language Recommendations -- Grants-In-Aid - General Fund****Language Recommendations -- State Aid - General Fund**

Notwithstanding the provisions of any law or regulation to the contrary, monies directed to be paid to the Department of Education as a result of settlement of litigation by the Board of Public Utilities or to be paid to the Department of Education in connection with a stipulation of settlement in a merger approved by the Board of Public Utilities are appropriated for the purposes specified in the settlement agreement or stipulation, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- State Aid - General Fund

The unexpended balances at the end of the preceding fiscal year in the State Aid accounts, not to exceed \$650,000, are appropriated to the State Aid Supplemental Funding account.

Language Recommendations -- State Aid - General Fund**Language Recommendations -- State Aid - Property Tax Relief Fund**

In the event that sufficient funds are not appropriated to fully fund any State Aid item, the Commissioner of Education shall apportion such appropriation among the districts in proportion to the State Aid each district would have been apportioned had the full amount of State Aid been appropriated.

Notwithstanding the provisions of any law or regulation to the contrary, should appropriations in the Property Tax Relief Fund exceed available revenues, the Director of the Division of Budget and Accounting is authorized to transfer General Fund revenues into the Property Tax Relief Fund, provided that unrestricted balances are available from the General Fund, as determined by the Director of the Division of Budget and Accounting.

The Director of the Division of Budget and Accounting may transfer from one State Aid appropriations account for the Department of Education in the General Fund to another appropriations account in the same department in the Property Tax Relief Fund such funds as are necessary to effect the intent of the provisions of the appropriations act governing the allocation of State Aid to local school districts and to effect the intent of legislation enacted subsequent to the enactment of the appropriations act, provided that sufficient funds are available in the appropriations for that department.

Notwithstanding the provisions of section 8 of P.L.1996, c.138 (C.18A:7F-8), the June 22nd school aid payment is subject to the approval of the State Treasurer.

EDUCATION

Language Recommendations -- State Aid - General Fund

Language Recommendations -- State Aid - Property Tax Relief Fund

From the amounts hereinabove appropriated, such sums as are required to satisfy delayed June 2008 school aid payments are appropriated and the State Treasurer is hereby authorized to make such payment in July 2008.

Notwithstanding the provisions of any law or regulation to the contrary, any school district receiving a final judgment or order against the State to assume the fiscal responsibility for the residential placement of a special education student shall have the amount of the judgment or order deducted from the State aid to be allocated to that district.

Notwithstanding the provisions of any law or regulation to the contrary, the Commissioner of Education may reduce the total State Aid amount payable for the 2008-2009 school year for a district in which an independent audit of the 2007-2008 school year conducted pursuant to N.J.S.18A:23-1 identifies any deviation from the Uniform Minimum Chart of Accounts after the recalculation of the district's actual "Total Administrative Costs" pursuant to N.J.A.C.6A:23-8.2.

Notwithstanding the provisions of any law or regulation to the contrary, the Commissioner of Education may withhold State aid payments to a school district that has not submitted in final form the data elements requested for inclusion in a Statewide data warehouse within 60 days of the department's initial request or its request for additional information, whichever is later.

In the event sufficient balances are not available in the "School District Deficit Relief Account" for amounts recommended by the Commissioner of Education to the State Treasurer for advance State Aid payments in accordance with P.L.2006, c.15 (C.18A:7A-58 et seq.), the Director of the Division of Budget and Accounting is authorized to transfer such sums as required from available balances in State Aid accounts.

Notwithstanding the provisions of section 28 of P.L.2007, c.260 (C.18A:7F-5), where the 2008-09 District State Aid Profile differs from a district's State Aid amounts payable in the December 12, 2007 report of the commissioner, the 2008-09 District State Aid Profile shall govern the State Aid amounts payable to the district, except as otherwise provided in P.L.2007, c.260.

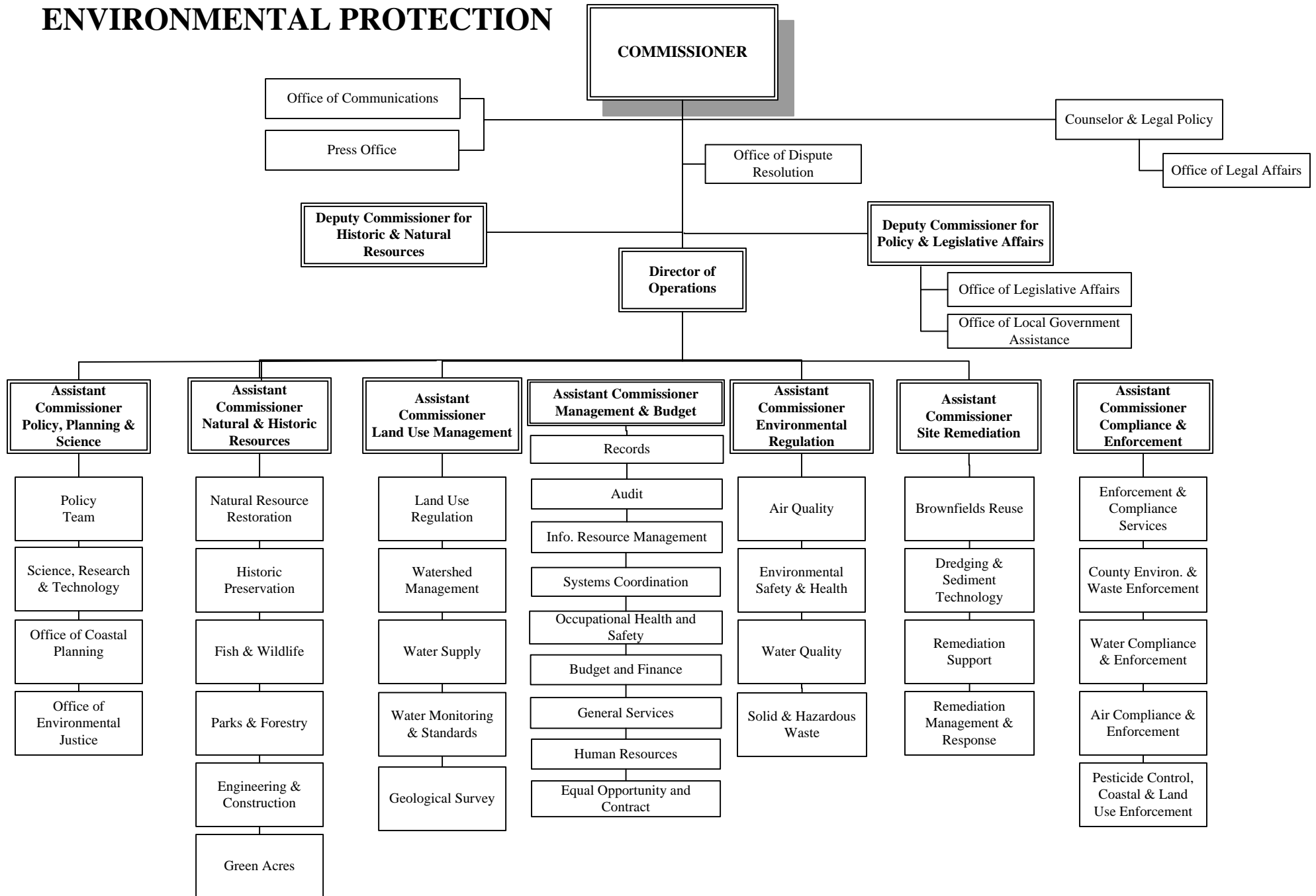
Notwithstanding the provisions of "The State Facilities Education Act of 1979," P.L.1979, c.207 (C.18A:7B-1 et seq.) and section 24 of P.L. 1996, c.138 (C.18A:7F-24), or any law or regulation to the contrary, the amount of Department of Education State aid appropriations made available to the Department of Human Services, the Department of Children and Families, the Department of Corrections or the Juvenile Justice Commission pursuant to P.L.1979, c.207 (C.18A:7B-1 et al.) to defray the costs of educating eligible children in approved facilities under contract with the applicable department shall be made at annual rate and payment schedule adopted by the Commissioner of Education and the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, tuition for pupils under contract for services at the Marie H. Katzenbach School for the Deaf, the Commission for the Blind and Visually Impaired, or in a regional day school operated by or under contract with the Department of Human Services or the Department of Children and Families shall be withheld from State Aid and paid to the respective department.

Language Recommendations -- State Aid - Property Tax Relief Fund

The Director of the Division of Budget and Accounting may transfer from one appropriations account for the Department of Education in the Property Tax Relief Fund to another account in the same department and fund such funds as are necessary to effect the intent of the provisions of the appropriations act governing the allocation of State Aid to local school districts, provided that sufficient funds are available in the appropriations for that department.

ENVIRONMENTAL PROTECTION



In-But-Not-Of Agencies



DEPARTMENT OF ENVIRONMENTAL PROTECTION OVERVIEW

Mission and Goals

The mission of the Department of Environmental Protection (DEP) is to protect and improve New Jersey's air, land, water, and natural resources; to ensure public health; to promote sustainable economic growth; and to preserve and enhance the quality of life for all New Jersey citizens and for future generations.

The Department strives toward its mission by: employing a decision-making process that is open, comprehensive, timely, predictable, and efficient; developing standards to protect human health, the environment, and natural resources; protecting public trust through sound management and restoration of natural resources and by ensuring public access to safe local parks, the waterfront, protected open space, and historic and natural resources; enhancing environmental awareness and private stewardship through education, communication, and incentives; ensuring that the environment and natural resources of all communities receive equal protection and benefits under the Department's regulations and programs; protecting biodiversity and the water supply through land acquisition, enforcement, and conservation; promoting sustainable living, including conservation of water, conservation of energy, use of environmentally-friendly building materials, promotion of renewable energy, and reduction of waste through recycling and reuse programs; and fostering a work environment that attracts and retains a dedicated, diverse, and talented work force.

The DEP is organizationally divided into six environmental areas: Natural Resource Management, Science and Technical Programs, Land Use, Site Remediation and Waste Management, Environmental Regulation, and Compliance and Enforcement. The Management and Administration program provides department-wide administrative support to the programs. The Department of Environmental Protection also includes several in-but-not-of agencies that receive State appropriations. Among them are the Palisades Interstate Park Commission, the Highlands Water Protection and Planning Council, and the Pinelands Commission.

Budget Highlights

The Fiscal 2009 Budget for the Department of Environmental Protection, excluding Debt Service, totals \$361.4 million, a decrease of \$62.4 million or 14.7% under the fiscal 2008 adjusted appropriation of \$423.8 million.

Of the overall \$62.4 million reduction, \$31.5 million is dictated by the annual 4% constitutional dedication of revenues from the Corporation Business Tax and \$9.4 million is attributable to the elimination of non-recurring supplemental appropriations, including an \$8 million General Fund advance to the State Recycling Fund pursuant to the "Recycling Enhancement Act," P.L. 2007, c.311.

Most of the remaining budget reduction, or \$16.2 million of the remaining \$21.4 million, is in the area of Natural Resources Management. Approximately \$9.6 million has been reduced from the operational budgets of the DEP's Divisions of Parks and Forestry and Fish and Wildlife. A further \$6.6 million for flood control projects and forest fire service operations has been cut from the General Fund supported budget but will be replaced with off-budget, dedicated funding sources.

In addition, the Department will attain \$2.8 million in savings through other streamlining efforts and management efficiencies. Furthermore, State Aid for administration of the County Environmental Health Act program will be reduced by \$753,000, or 20%. Aside from the reductions undertaken by the DEP, General Fund savings were also generated from reduced funding of the

following in-but-not-of agencies: the Highlands Water Protection and Planning Council (\$600,000), the Pinelands Commission (\$780,000), and the Lake Hopatcong Commission (\$400,000).

Department Accomplishments

New Jersey's coastline, a national treasure, provides relief to residents from the state's densely populated areas and contributes to New Jersey's growing tourism industry. Cognizant of the increasing importance of providing widespread access to our shoreline, the DEP adopted a new rule on November 7, 2007 to strengthen the Department's existing public access requirements so as to better protect the shore and expand its public usage. The rule, published in the December 17, 2007 New Jersey Register, not only sets forth specific public access requirements for the Shore Protection Program and the Green Acres' program funding, but also provides a new special area rule for protecting tidal waterways and their shores. These rule changes enforce the Public Trust Doctrine, which states that public rights to tidal waterways and their shores are held by the State in trust for the benefit of all, allowing the public to fully enjoy these lands and waters for a variety of uses, including bathing, swimming, sunbathing, and walking along the tidal waterway and its shore. To further emphasize the importance of public accessibility to shorelines, the DEP released an interactive coastal access web page that provides a map of public access points with information about New Jersey's Atlantic Ocean beach access sites and their associated fees.

The protection of the Highlands Region and its valuable water supplies continues to be a top priority. The Department has worked closely with the Highlands Council staff since their first meeting in December 2004. The draft Regional Master Plan, released in 2006 and revised in 2007, is designed to protect vital resources in the Highlands Region. This is the product of extensive work between the Council and the DEP staff, as the Department provided a multitude of data, documents, and technical expertise to assist with the final preparation and production of the Plan.

The New Jersey Flood Mitigation Task Force was established in response to incidents of extreme flooding endured by New Jersey over the past few years. The Department's membership in the task force helped craft recommendations to mitigate future effects of flooding. On November 5, 2007, the DEP adopted comprehensive new rules that implement the Flood Hazard Area Control Act to minimize flood damage and protect residents living in chronic flood areas. These rules clarify and reorganize New Jersey's regulations to limit new development in flood plains, require larger buffers around surface waters, stipulate that floor elevations and roadway surfaces be set one foot above the state's flood elevation in flood hazard areas, and simplify mapping requirements for communities. Moreover, these rules streamline the permitting process for environmentally-responsible stream cleanings and the relocation and reconstruction of damaged buildings.

The Department's Division of Watershed Management has proposed significant amendments to the Water Quality Management Planning (WQMP) rules to better dictate where sanitary sewers are allowed. These amendments will simplify the application process and delineate sewer service area boundaries that reflect environmental concerns and constraints (e.g., water supply, habitat protection, and avoidance of high hazard areas). In anticipation of the spring 2008 adoption of the new rules, the Department has worked collaboratively with county agencies to exchange environmental data and other technical information and assist them in preparing plans and applications.

The Division of Water Supply is currently completing updates to the NJ Water Supply Plan, scheduled for release in early 2008. The Plan includes information about existing water supplies, water deficits, stressed aquifers, projected future potable water demands, and options for meeting the demands necessary for the Governor's economic growth and redevelopment initiatives. The NJ Water Supply Plan will be used by programs within and outside the DEP, such as the Office of Smart Growth Plan Endorsement.

New Jersey has established itself as a national leader in addressing global warming with its commitment to reduce greenhouse gas (GHG) emissions. It is the third state in the nation to establish GHG reduction goals through legislation and the first to mandate a long-term reduction goal - to reduce GHG emissions below 80% of 2006 levels by 2050. Furthermore, the DEP is upholding the State's participation in the Regional Greenhouse Gas Initiative by developing proposals with the Legislature to reduce GHG emitted from energy generation. Following both Executive Order #54 in February 2007 and the enactment of the "Global Warming Response Act," P.L.2007, c.112, the Department has begun to create an emissions inventory system to track New Jersey's progress in reducing GHGs. Likewise, the DEP is working with other State entities to make the much needed revisions to the State's Energy Master Plan and to develop strategies in achieving the State's short- and long-term mandates for overall GHG reductions.

Beginning in January 2008, the DEP has been undertaking various comprehensive natural resource baseline studies of the ocean environment as recommended by the Blue Ribbon Panel on Development of Wind Turbine Facilities in Coastal Waters. These studies are highly rigorous in nature and are designed to set a scientifically sound baseline for ocean-based natural resources (e.g., birds, marine turtles, and marine mammals) to ensure their protection. This initiative for a comprehensive assessment of the ocean's ecosystem puts New Jersey ahead of other states in the effort to provide important data for sound policymaking. As such, this will

inform the Board of Public Utilities in their concurrent offshore wind competitive grant solicitation to support the finance and development of an offshore wind pilot project.

As part of the State's commitment to non-lethal black bear management, the DEP is aggressively enforcing the bear feeding ban through proper garbage management, increased education and outreach, and increased non-lethal bear control. Funds have also been committed towards DNA studies specific to tracking and monitoring the movement of aversively-conditioned bears. These research projects are designed to evaluate the success of non-lethal control techniques, the effect of proper garbage management, and the accuracy of bear population estimates. Outreach activities have included public service announcements and literature distributed at formal programs to approximately 16,500 residents across 18 counties.

The Site Remediation Program reinforces the licensing of prospective owners of child care facilities by issuing No Further Action (NFA) letters to the applicants and by certifying that drinking water in those facilities meets all safety standards. These efforts help applicants fulfill the Physical Plant Requirement rule adopted in 2006 by the Department of Children and Families. Similarly, the DEP is working with the New Jersey Economic Development Authority in the implementation of the Child Care Facility Grant Program that provides up to \$1,500 to prospective owners for completing the Preliminary Assessment necessary for an NFA determination. Other program accomplishments in 2007 include the publicly-funded cleanup of 33 specific areas and 16 entire sites, the issuance of nearly 3,600 NFA determinations and the commitment of over \$39 million of Hazardous Discharge Site Remediation funding for investigation and/or remediation of 113 project sites. The DEP designated five Brownfield Development Areas in 2007, for a total of 31 sites (492 acres), which will become future locations for commerce, retail, residence, and other uses.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND								
241,208	45,044	7,640	293,892	277,371	Direct State Services	249,653	230,046	230,046
27,165	17,240	-750	43,655	4,744	Grants-In-Aid	35,947	19,481	19,481
11,066	140	155	11,361	11,203	State Aid	11,369	9,236	9,236
116,767	114,270	-9,118	221,919	99,251	Capital Construction	117,024	92,611	92,611
64,664	---	-1	64,663	64,663	Debt Service	56,790	59,735	59,735
460,870	176,694	-2,074	635,490	457,232	Total General Fund	470,783	411,109	411,109
PROPERTY TAX RELIEF FUND								
9,500	---	---	9,500	9,068	State Aid	9,828	10,000	10,000
9,500	---	---	9,500	9,068	Total Property Tax Relief Fund	9,828	10,000	10,000
470,370	176,694	-2,074	644,990	466,300	Total Appropriation, Department of Environmental Protection	480,611	421,109	421,109

ENVIRONMENTAL PROTECTION

SUMMARY OF APPROPRIATIONS BY PROGRAM

(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES - GENERAL FUND								
Natural Resource Management								
7,087	---	607	7,694	7,694	Forest Resource Management	8,540	7,740	7,740
38,491	3,287	-926	40,852	39,582	Parks Management	40,514	31,658	31,658
15,475	2,512	-95	17,892	15,841	Hunters' and Anglers' License Fund	15,538	14,669	14,669
1,504	---	395	1,899	1,899	Shellfish and Marine Fisheries Management	1,971	1,971	1,971
661	207	188	1,056	642	Wildlife Management	1,403	1,218	1,218
1,682	---	3,472	5,154	5,114	Natural Resources Engineering	1,375	1,375	1,375
2,464	---	64	2,528	2,528	Palisades Interstate Park Commission	2,728	2,728	2,728
---	---	316	316	316	Environmental Management - CBT Dedication	---	---	---
67,364	6,006	4,021	77,391	73,616	Subtotal	72,069	61,359	61,359
Science and Technical Programs								
7,976	3,280	-894	10,362	10,021	Water Supply	8,521	8,521	8,521
13,380	2,959	-638	15,701	14,960	Land Use Regulation	13,585	12,973	12,973
3,145	---	-98	3,047	3,047	Science, Research and Technology	3,274	2,749	2,749
---	---	428	428	428	New Jersey Geological Survey	---	---	---
16,338	311	-1,857	14,792	14,457	Environmental Management - CBT Dedication	19,224	17,189	17,189
40,839	6,550	-3,059	44,330	42,913	Subtotal	44,604	41,432	41,432
Site Remediation and Waste Management								
6,836	2,550	-265	9,121	7,881	Solid and Hazardous Waste Management	6,308	6,308	6,308
41,979	14,963	-446	56,496	55,764	Remediation Management and Response	30,769	30,769	30,769
7,715	3,612	1,000	12,327	9,791	Environmental Management - CBT Dedication	13,155	10,314	10,314
56,530	21,125	289	77,944	73,436	Subtotal	50,232	47,391	47,391
Environmental Regulation								
8,194	636	-271	8,559	7,498	Radiation Protection	8,416	7,347	7,347
17,034	2,176	-602	18,608	18,535	Air Pollution Control	17,901	17,901	17,901
8,193	3,843	-134	11,902	10,049	Water Pollution Control	8,651	8,651	8,651
3,140	1	267	3,408	3,377	Public Wastewater Facilities	3,318	3,318	3,318
---	331	900	1,231	717	Environmental Management - CBT Dedication	---	---	---
---	1,200	-1,200	---	---	Clean Waters	---	---	---
36,561	8,187	-1,040	43,708	40,176	Subtotal	38,286	37,217	37,217
Environmental Planning and Administration								
2,338	---	-287	2,051	2,051	Regulatory and Governmental Affairs	2,120	1,595	1,595
15,659	4	4,767	20,430	20,426	Administration and Support Services	19,877	18,587	18,587
17,997	4	4,480	22,481	22,477	Subtotal	21,997	20,182	20,182
Compliance and Enforcement								
6,057	800	67	6,924	5,403	Air Pollution Control	4,761	4,812	4,812
2,419	---	-27	2,392	2,388	Pesticide Control	2,586	2,586	2,586
5,968	---	741	6,709	6,709	Water Pollution Control	6,433	6,433	6,433
2,029	929	-225	2,733	2,733	Land Use Regulation	2,103	2,103	2,103
5,444	---	393	5,837	5,837	Solid and Hazardous Waste Management	6,582	6,531	6,531

ENVIRONMENTAL PROTECTION

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended	
---	1,443	2,000	3,443	1,683	Environmental Management - CBT Dedication	---	---	---
21,917	3,172	2,949	28,038	24,753	Subtotal	22,465	22,465	22,465
241,208	45,044	7,640	293,892	277,371	Total Direct State Services - General Fund	249,653	230,046	230,046
241,208	45,044	7,640	293,892	277,371	TOTAL DIRECT STATE SERVICES	249,653	230,046	230,046
GRANTS-IN-AID - GENERAL FUND								
Natural Resource Management								
---	63	---	63	---	Forest Resource Management	---	---	---
---	19	---	19	---	Natural Resources Engineering	---	---	---
---	82	---	82	---	Subtotal	---	---	---
Science and Technical Programs								
400	---	---	400	400	Water Monitoring and Standards	400	---	---
5,000	1,424	---	6,424	4,194	Environmental Management - CBT Dedication	2,700	---	---
5,400	1,424	---	6,824	4,594	Subtotal	3,100	---	---
Site Remediation and Waste Management								
---	---	---	---	---	Solid and Hazardous Waste Management	8,000	---	---
---	---	---	---	---	Subtotal	8,000	---	---
Environmental Regulation								
21,765	15,734	-900	36,599	---	Environmental Management - CBT Dedication	24,847	19,481	19,481
21,765	15,734	-900	36,599	---	Subtotal	24,847	19,481	19,481
Environmental Planning and Administration								
---	---	150	150	150	Administration and Support Services	---	---	---
---	---	150	150	150	Subtotal	---	---	---
27,165	17,240	-750	43,655	4,744	Total Grants-In-Aid - General Fund	35,947	19,481	19,481
27,165	17,240	-750	43,655	4,744	TOTAL GRANTS-IN-AID	35,947	19,481	19,481
STATE AID - GENERAL FUND								
Environmental Planning and Administration								
7,613	140	155	7,908	7,750	Administration and Support Services	7,916	6,536	6,536
7,613	140	155	7,908	7,750	Subtotal	7,916	6,536	6,536
Compliance and Enforcement								
3,453	---	---	3,453	3,453	Water Pollution Control	3,453	2,700	2,700
3,453	---	---	3,453	3,453	Subtotal	3,453	2,700	2,700
11,066	140	155	11,361	11,203	Total State Aid - General Fund	11,369	9,236	9,236

ENVIRONMENTAL PROTECTION

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recommended	
					STATE AID - PROPERTY TAX RELIEF FUND			
					Environmental Planning and Administration			
9,500	---	---	9,500	9,068	Administration and Support Services	9,828	10,000	10,000
9,500	---	---	9,500	9,068	Subtotal	9,828	10,000	10,000
9,500	---	---	9,500	9,068	Total State Aid - Property Tax Relief Fund	9,828	10,000	10,000
20,566	140	155	20,861	20,271	TOTAL STATE AID	21,197	19,236	19,236
					CAPITAL CONSTRUCTION			
					Natural Resource Management			
9,000	1,865	---	10,865	2,890	Parks Management	---	---	---
---	231	---	231	5	Hunters' and Anglers' License Fund	---	---	---
---	1	---	1	1	Shellfish and Marine Fisheries Management	---	---	---
---	107	---	107	22	Wildlife Management	---	---	---
30,555	40,715	-3,569	67,701	23,829	Natural Resources Engineering	30,790	25,000	25,000
---	356	---	356	240	Palisades Interstate Park Commission	---	---	---
---	---	9,286	9,286	1,006	Environmental Management - CBT Dedication	21,924	17,189	17,189
39,555	43,275	5,717	88,547	27,993	Subtotal	52,714	42,189	42,189
					Site Remediation and Waste Management			
---	24	---	24	---	Publicly-Funded Site Remediation	---	---	---
77,212	70,971	-14,835	133,348	71,258	Environmental Management - CBT Dedication	64,310	50,422	50,422
77,212	70,995	-14,835	133,372	71,258	Subtotal	64,310	50,422	50,422
116,767	114,270	-9,118	221,919	99,251	TOTAL CAPITAL CONSTRUCTION	117,024	92,611	92,611
					DEBT SERVICE			
					Environmental Planning and Administration			
64,664	---	-1	64,663	64,663	Administration and Support Services	56,790	59,735	59,735
64,664	---	-1	64,663	64,663	Subtotal	56,790	59,735	59,735
64,664	---	-1	64,663	64,663	TOTAL DEBT SERVICE	56,790	59,735	59,735
470,370	176,694	-2,074	644,990	466,300	Total Appropriation, Department of Environmental Protection	480,611	421,109	421,109

40. COMMUNITY DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT

42. NATURAL RESOURCE MANAGEMENT

OBJECTIVES

- To provide recreational, historic, natural, and interpretive facilities.
- To develop recreational lands and facilities, located in balance with population distribution.
- To regulate the recreational use of public lands and minimize natural resource damage.
- To provide safe marina facilities, navigational aids, and other services to the boating public.
- To provide the financial assistance and engineering technology that minimizes potential loss of life and property damage due to flooding.
- To manage and protect the State's forest resources. To minimize forest damage from wildfire, insects and disease, and to enhance the public's understanding of sustainable forest resource management.
- To manage fish and wildlife resources of the state for long-term biological, economic, and recreational viability.
- To provide for the development of shore protection facilities and improvements, and to minimize personal and property damage resulting from tidal waters of the state.

9. To preserve open space and support development of parks.
10. To provide technical assistance and implement statutory provisions that prevent, minimize, or mitigate damage to historic resources.
11. To provide a system of highways, parkway roads, and bridges for the Palisades Interstate Park to facilitate travel through and within the park and ensure safe and efficient movement of traffic.

PROGRAM CLASSIFICATIONS

11. **Forest Resource Management.** The State Forestry Service manages and protects the rural and urban forest resources of New Jersey. The Forest Fire Service is mandated to prevent, manage, and suppress wildfire that threatens 3.1 million acres of State and private forest and wildlands of New Jersey. The Forest Service promotes forestry by providing both State and federal programs in urban and community forestry; forest product conservation and recycling; private non-industrial forest lands management; forest insect and disease control; forest conservation and education; reforestation and tree improvement; and State lands management.
12. **Parks Management.** Operates, maintains, and provides stewardship for 42 State parks, five marinas, 57 historic sites and districts, and other recreational, natural, and interpretive facilities in a clean, safe, and non-discriminatory manner; staffs facilities with maintenance, administrative, ranger, and seasonal personnel to provide assistance, information, education, and interpretive and protective services to the public; manages properties to ensure the preservation of natural and historic resources while maintaining high quality recreational opportunities; plans for the development and improvement of new facilities and reviews and approves all new construction; provides literature regarding recreational facilities, natural area, and historic preservation. Operates and maintains State marinas in a clean, safe, and non-discriminatory manner for all boat owners and visitors. Safe moorings are provided for boaters during heavy storms.
13. **Hunters' and Anglers' License Fund.** Manages the wildlife resources of the State through programs of research, regulation, habitat development, land acquisition, law enforcement, and public education. Trout and other species of fish, pheasants, and quail are reared at State hatcheries and game farms and released throughout the state; public lands are acquired and maintained for use as wildlife management areas. Regulations regarding hunting and fishing seasons are developed; and licenses, stamps, and permits are sold to provide a source of revenue to manage the State's wildlife resources.
14. **Shellfish and Marine Fisheries Management.** Manages the marine shellfish and finfish resources of the state through

research, monitoring, habitat protection, licensing, and regulatory programs. Clam and oyster grounds are leased to commercial shellfishermen for aquaculture activities. Programs (relay and depuration) also provide for the safe utilization of shellfish from marginally polluted areas. Marine fisheries programs support the effective management of the numerous migratory species on a coastwide basis. An artificial reef program constructs fisheries habitat in ocean areas to enhance productivity, thus providing additional fishing and diving opportunities.

20. **Wildlife Management.** Conducts wildlife research to protect and manage the State's non-game, endangered, and problem species. Additional responsibilities include permit review for wildlife possession, bird banding, scientific collection, and public information.
21. **Natural Resources Engineering.** (Office of Engineering and Construction). Provides financial and technical assistance to local governments for the construction of groins, jetties, bulkheads, sea walls, and beach replenishment under the shore protection program. Performs dam safety inspections and dam construction and reconstruction permit reviews. Manages the dam loan program to achieve compliance with safe dam regulations. Provides financial and technical assistance to local governments for flood control projects, including flood walls, levees, and property buy-outs. Operates and maintains the bayshore floodgate. Dredges and marks 200 miles of navigation channels in the State's tidal inland waterways and large State-controlled lakes for boating safety.
24. **Palisades Interstate Park Commission.** Operates and maintains existing parks and historic sites in a clean, safe, and non-discriminatory manner for all visitors; plans for the improvement and development of new facilities; maintains highways, bridges, landscaped areas, signs, and traffic lines to ensure the safety of the motoring public. Enforces traffic laws on the Palisades Parkway and all other roads within the Commission's boundaries; polices Commission lands to ensure that park facilities are utilized in accordance with laws, statutes, and Commission regulations; maintains a police court with the powers and jurisdiction of a municipal court with respect to crimes, disorderly conduct, and violations of the motor vehicle and traffic or other laws of the State or of any of the rules and regulations of the Commission.
29. **Environmental Management - CBT Dedication.** Since 1996, 4% of the revenue annually derived from the tax imposed by the Corporation Business Tax Act (P.L.1945, c.162) has been dedicated to the Department. Beginning in 2007, the dedication is expanded to provide funding for the development and conservation of recreational lands.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Forest Resource Management				
Fires (annual)	2,367	1,271	1,800	1,800
Acres lost (annual)	2,716	18,888	10,500	10,500
Acres of prescribed burning	17,270	10,458	20,000	20,000
Parks Management				
State parks and forests				
Total visitors	16,975,700	16,200,000	16,800,000	16,800,000
Total revenue (millions)	\$6.9	\$6.8	\$6.9	\$6.9

ENVIRONMENTAL PROTECTION

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Historic sites				
Visitors	760,000	759,000	760,000	760,000
Revenue	\$34,000	\$55,000	\$55,000	\$55,000
Green Acres / Open Space Preservation				
Acres preserved since inception of GSPT (a)	137,740	164,979	173,284	193,877
Annual acres preserved	27,239	8,305	20,593	15,000
State funding (millions)	\$108.3	\$80.0	\$80.0	\$80.0
County/ Municipal funding (millions)	\$59.4	\$65.0	\$65.0	\$80.0
County/ Municipal dedicated tax revenue (millions)	\$301.4	\$337.4	\$301.4	\$350.0
Non-profit funding (millions)	\$12.0	\$8.2	\$8.2	\$12.0
Hunters' and Anglers' License Fund				
Trout propagated and distributed	770,000	770,000	700,000	700,000
Pheasants reared at game farms	60,000	57,573	64,000	55,000
Other fish propagated and distributed	2,000,000	1,700,000	1,500,000	1,500,000

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	660	633	619	529
Federal	6	6	5	5
All Other	326	308	293	292
Total Positions	992	947	917	826

Filled Positions by Program

Forest Resource Management	116	113	106	105
Parks Management	551	534	516	422
Hunters' and Anglers' License Fund	192	177	170	167
Shellfish and Marine Fisheries Management	43	39	43	45
Wildlife Management	16	17	22	22
Natural Resources Engineering	74	67	60	65
Total Positions	992	947	917	826

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.

The Budget Estimate for fiscal year 2009 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

(a) Garden State Preservation Trust (GSPT)

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
7,087	---	607	7,694	7,694	Forest Resource Management	11	8,540	7,740	7,740
38,491	3,287	-926	40,852	39,582	Parks Management	12	40,514	31,658	31,658
15,475	2,512	-95	17,892	15,841	Hunters' and Anglers' License Fund	13	15,538	14,669	14,669
1,504	---	395	1,899	1,899	Shellfish and Marine Fisheries Management	14	1,971	1,971	1,971
661	207	188	1,056	642	Wildlife Management	20	1,403	1,218	1,218
1,682	---	3,472	5,154	5,114	Natural Resources Engineering	21	1,375	1,375	1,375
2,464	---	64	2,528	2,528	Palisades Interstate Park Commission	24	2,728	2,728	2,728
---	---	316	316	316	Environmental Management - CBT Dedication	29	---	---	---
67,364	6,006	4,021	77,391	73,616	Total Direct State Services		72,069 ^(a)	61,359	61,359
Distribution by Fund and Object									
Personal Services:									
48,796	977								
290 ^S	1,398 ^R	1,759	53,220	48,652	Salaries and Wages		47,608		
							300 ^S	36,991	36,991

ENVIRONMENTAL PROTECTION

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
---	---	---	---	2,666	Employee Benefits	3,199	2,832	2,832
49,086	2,375	1,759	53,220	51,318	Total Personal Services	51,107	39,823	39,823
4,200	97	755	5,052	5,013	Materials and Supplies	4,782	5,109	5,109
2,188	18	1,418	3,624	3,519	Services Other Than Personal	2,192	2,872	2,872
3,254	2	-75	3,181	3,181	Maintenance and Fixed Charges	3,433	3,278	3,278
1,759	---	59	1,818	1,818	Special Purpose: Fire Fighting Costs	11	2,759	2,759
---	1,569	---	---	---	Parks Management	12	---	---
4,683	1,611 R	-2,012	1,168	---	Green Acres / Open Space Administration	12	4,925	4,925
11	105 R	-19	4,769	4,768	Liberty State Park Commission	12	11	---
124	---	---	11	11	Natural Lands Trust	12	79	---
3	---	-80	44	43	Natural Areas Council	12	3	---
79	---	-3	---	---	Wildlife Monitoring - West Nile Virus	20	---	---
382	---	-2	77	70	Matching Grant for Wildlife Habitat Federal Grants	20	382	382
200	188	---	407	---	Endangered Species Tax Check-Off Donations	20	158	158
---	19 R	---	190	190	Black Bear Management	20	863	678
---	---	190	190	190	Bayshore Flood Control	21	---	---
1,355	---	410	410	410	Dam Safety	21	1,375	1,375
---	---	-4	1,351	1,350	Recreational Land Administra- tive Costs - Constitutional Dedication	29	---	---
40	22	316	316	316	Additions, Improvements and Equipment	---	---	---
<u>GRANTS-IN-AID</u>								
Distribution by Fund and Program								
---	63	---	63	---	Forest Resource Management	11	---	---
---	19	---	19	---	Natural Resources Engineering	21	---	---
---	82	---	82	---	Total Grants-in-Aid	---	---	---
Distribution by Fund and Object								
---	63	---	63	---	Grants: Statewide Community Forestry Program	11	---	---
---	19 R	---	19	---	Significant Hazard Dams Grants/Loans	21	---	---
<u>CAPITAL CONSTRUCTION</u>								
Distribution by Fund and Program								
9,000	1,865	---	10,865	2,890	Parks Management	12	---	---
---	231	---	231	5	Hunters' and Anglers' License Fund	13	---	---
---	1	---	1	1	Shellfish and Marine Fisheries Management	14	---	---
---	107	---	107	22	Wildlife Management	20	---	---
30,555	40,715	-3,569	67,701	23,829	Natural Resources Engineering	21	30,790	25,000
---	356	---	356	240	Palisades Interstate Park Commission	24	---	---
---	---	9,286	9,286	1,006	Environmental Management - CBT Dedication	29	21,924	17,189
39,555	43,275	5,717	88,547	27,993	Total Capital Construction	52,714	42,189	42,189

ENVIRONMENTAL PROTECTION

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
CAPITAL CONSTRUCTION								
Distribution by Fund and Object								
Bureau of Parks								
---	66	---	66	11	Parks Improvements	12	---	---
---	128	---	128	56	Historic Preservation/Renovation - Buildings, Structures and Monuments	12	---	---
9,000	---	---	9,000	2,078	Capital Improvements for State Parks, Forests, Historic Sites, Wildlife Areas	12	---	---
---	39	---	39	37	Sanitary Facilities	12	---	---
---	10	---	10	10	Major Maintenance and Improvement Program	12	---	---
---	9	---	9	8	Picnic Area Rehabilitation - Various State Parks & Forests	12	---	---
---	74	---	74	35	Delaware River Recreational Path, Frenchtown to Milford	12	---	---
---	43	---	43	30	Belleplain State Park - Water Supply Improvement	12	---	---
---	203	---	203	160	ADA Development - Statewide	12	---	---
---	526	---	526	307	Buildings - Rehabilitation and Renovation	12	---	---
---	3	---	3	3	Site Areas/Facilities - Development, Rehabilitation and Repair	12	---	---
---	25	---	25	20	Administrative/Maintenance Facilities - Renovation, Rehabilitation & Maintenance	12	---	---
---	15	---	15	7	Asbestos Removal	12	---	---
---	24	---	24	24	Overnight Facilities - Development, Rehabilitation, Improvement and Repair	12	---	---
---	30	---	30	---	Recreational Areas - Development, Rehabilitation, Improvement and Repair	12	---	---
---	2	---	2	2	Demolition of Unused Structures	12	---	---
---	108	---	108	17	Dam Repairs and Inspections	12	---	---
---	85	---	85	53	Health, Safety and Environmental Compliance	12	---	---
---	254	---	254	2	Road, Bridge and Parking Area Repairs	12	---	---
---	84	---	84	---	Open Space - Local Match	12	---	---
---	35	---	35	28	Liberty State Park	12	---	---
---	66	---	66	2	Liberty State Park, Boring and Testing	12	---	---
---	8	---	8	---	Underground Storage Tanks	12	---	---
---	28	---	28	---	Liberty State Park, Caven Point Pier Renovations	12	---	---
---	---	9,286	9,286	1,006	Recreational Land Development and Conservation - Constitutional Dedication	29	21,924	17,189
Palisades Interstate Park Commission								
---	240	---	240	240	Bridge and Pedestrian Overpass Repairs	24	---	---
---	116	---	116	---	Shore Protection Structures Repairs	24	---	---
Division of Fish and Wildlife								
---	194	---	194	---	Dam Repair, Maintenance and Renovation	13	---	---
---	13	---	13	5	Pequest Hatchery Water Treatment	13	---	---
---	24	---	24	---	Roof Replacement - Fish Hatchery	13	---	---

ENVIRONMENTAL PROTECTION

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
CAPITAL CONSTRUCTION									
---	3	---	3	3					
					Wildlife Management Roof Replacement	20	---	---	---
---	85	---	85	3	Storage Buildings - Wildlife Management - Regional	20	---	---	---
---	19	---	19	16	Demolition of Unused Structures	20	---	---	---
Shellfish and Marine Fisheries Management									
---	1	---	1	1	Marine Fisheries Field Office Improvements	14	---	---	---
Natural Resources Engineering									
---	10	---	10	---	Maintenance Dredging of Shrewsbury River Channel	21	---	---	---
25,000	34,416	-3,173	56,243	17,671	Shore Protection Fund Projects	21	25,000	25,000	25,000
5,555	5,638	-396	10,797	6,158	HR-6 Flood Control	21	5,790	---	---
---	651	---	651	---	Dam Repairs	21	---	---	---
106,919	49,363	9,738	166,020	101,609	Grand Total State Appropriation		124,783	103,548	103,548
OTHER RELATED APPROPRIATIONS									
Federal Funds									
6,465									
50 ^S	2,868	---	9,383	3,077	Forest Resource Management	11	6,530	6,760	6,760
35,352	4,615	---	39,967	4,614	Parks Management	12	37,540	34,640	34,640
12,815					Hunters' and Anglers' License Fund	13	12,155	11,430	11,430
474 ^S	1,516	3	14,808	5,358	Shellfish and Marine Fisheries Management	14	4,025	3,790	3,790
3,505	739	---	4,324	2,213					
80 ^S					Wildlife Management	20	2,695	2,695	2,695
1,630	-29	---	1,652	984					
51 ^S					Natural Resources Engineering	21	425	440	440
390	322	---	742	360					
30 ^S					Total Federal Funds		63,370	59,755	59,755
60,842	10,031	3	70,876	16,606	All Other Funds				
	3,869								
---	3,274 ^R	193	7,336	2,363	Forest Resource Management	11	4,330	4,330	4,330
	3,151				Parks Management	12	6,640	6,616	6,616
---	4,742 ^R	70	7,963	3,936	Hunters' and Anglers' License Fund	13	1,478	1,473	1,473
	3,888				Shellfish and Marine Fisheries Management	14	523	522	522
---	187 ^R	157	4,232	354					
	1,166				Wildlife Management	20	372	364	364
---	536 ^R	197	1,899	439					
	109				Natural Resources Engineering	21	3,820	3,950	3,950
---	388 ^R	---	497	337	Palisades Interstate Park Commission	24	4,629	4,385	4,385
	4,531								
---	5,156 ^R	---	9,687	4,323	Total All Other Funds		21,792	21,640	21,640
	2,009				GRAND TOTAL ALL FUNDS		209,945	184,943	184,943
---	5,122 ^R	---	7,131	5,527					
---	38,128	617	38,745	17,279					
167,761	97,522	10,358	275,641	135,494					

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program, which includes \$242,000 in appropriated receipts, and for the reallocation of management efficiencies.

Language Recommendations -- Direct State Services - General Fund

In addition to the amount hereinabove appropriated for Forest Resource Management, an amount not to exceed \$500,000 shall be made available from the Water Resources Monitoring and Planning-Constitutional Dedication special purpose account, to support nonpoint source pollution and watershed management programs in the Bureau of Forestry.

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove for the Green Acres/Open Space Administration account is transferred from the Garden State Preservation Trust to the General Fund, together with an amount not to exceed \$419,000, and is appropriated to the Department of Environmental Protection for Green Acres/Open Space Administration, subject to the approval of the Director of the Division of Budget and Accounting.

ENVIRONMENTAL PROTECTION

Receipts in excess of the amount anticipated from fees and permit receipts from the use of State park and marina facilities, and the unexpended balance at the end of the preceding fiscal year of such receipts, are appropriated for Parks Management, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts from police court, stands, concessions, and self-sustaining activities operated or supervised by the Palisades Interstate Park Commission, and the unexpended balance at the end of the preceding fiscal year of such receipts, are appropriated.

Of the amount hereinabove for the Hunters' and Anglers' License Fund, the first \$11,000,000 is payable out of that fund and any amount remaining therein and the unexpended balance at the end of the preceding fiscal year of the receipts in the Hunters' and Anglers' License Fund, together with any receipts in excess of the amount anticipated, are appropriated. If receipts to that fund are less than anticipated, the appropriation from the fund shall be reduced proportionately.

Pursuant to section 2 of P.L.1993, c.303 (C.23:3-1f), there are appropriated such sums as may be necessary to offset revenue losses associated with the issuance of free waterfowl stamps and hunting and fishing licenses to active members of the New Jersey State National Guard and disabled veterans. The amount to be appropriated shall be certified by the Division of Fish and Wildlife and is subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Endangered Species Tax Check-Off Donations account is payable out of receipts, and the unexpended balances in the Endangered Species Tax Check-Off Donations account at the end of the preceding fiscal year, together with receipts in excess of the amount anticipated, are appropriated. If receipts are less than anticipated, the appropriation shall be reduced proportionately.

An amount not to exceed \$3,166,000 is allocated from the capital construction appropriation for Shore Protection Fund Projects for costs attributable to planning, operation, and administration of the shore protection program, subject to the approval of the Director of the Division of Budget and Accounting.

An amount not to exceed \$1,158,000 is allocated from the capital construction appropriation for HR-6 Flood Control for costs attributable to the operation and administration of the State Flood Control Program, subject to the approval of the Director of the Division of Budget and Accounting.

An amount not to exceed \$440,000 is allocated from the capital construction appropriation for Shore Protection Fund Projects for the operation and maintenance of the Bayshore Flood Control facility.

In accordance with the "Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project Bond Act of 2003," P.L. 2003, c.162, an amount not to exceed \$68,000 is appropriated from the 2003 Dam, Lake, Stream and Flood Control Project Fund-Flood Control account for administrative costs attributable to flood control and an amount not to exceed \$255,000 is appropriated from the 2003 Dam, Lake and Stream Project Revolving Loan Fund-Dam Safety account for administrative costs attributable to dam safety, subject to the approval of the Director of the Division of Budget and Accounting.

Of the amount hereinabove appropriated for the Recreational Land Development and Conservation - Constitutional Dedication account, an amount not to exceed five percent of the appropriation shall be allocated for costs associated with the administration of the program pursuant to the amendments effective December 7, 2006 to Article VIII, Section II, paragraph 6 of the State Constitution.

The unexpended balance at the end of the preceding fiscal year in the Recreational Land Development and Conservation - Constitutional Dedication administrative account is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

There is appropriated to the Delaware and Raritan Canal Commission such sums as may be collected from permit review fees pursuant to P.L. 2007, c.142, subject to the approval of the Director of the Division of Budget and Accounting.

There is appropriated to the Department of Environmental Protection from penalties collected under the "Safe Dam Act," P.L. 2005, c.228 (C.58:4-6 et seq.), such sums as may be necessary to remove dams that may be abandoned, have disputed ownership or are not in compliance with current inspection requirements or repair.

In addition to the amount hereinabove appropriated for Forest Resource Management, there is appropriated \$800,000 from the Motor Vehicle Commission.

Language Recommendations -- Grants-In-Aid - General Fund

Loan repayments received from dam rehabilitation projects pursuant to P.L.1999, c.347, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Capital Construction

The amount hereinabove appropriated for Shore Protection Fund Projects is payable from the receipts of the portion of the realty transfer fee directed to be credited to the Shore Protection Fund pursuant to section 1 of P.L.1992, c.148 (C.13:19-16.1).

An amount not to exceed \$500,000 is allocated from the capital construction appropriation for Shore Protection Fund Projects for repairs to the Bayshore Flood Control facility.

The amounts hereinabove appropriated for Recreational Land Development and Conservation - Constitutional Dedication shall be provided from revenue received from the Corporation Business Tax, pursuant to the "Corporation Business Tax Act (1945)," P.L. 1945, c.162 (C. 54:10A-1 et seq.), as dedicated by Article VIII, Section II, paragraph 6 of the State Constitution.

40. COMMUNITY DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT

43. SCIENCE AND TECHNICAL PROGRAMS

OBJECTIVES

1. To assure a safe and dependable supply of water.
2. To undertake technical activities, applied scientific research, policy analysis, and technology evaluation associated with human and ecological exposure to toxic substances, as well as other critical environmental issues identified by the DEP. To serve as the DEP's primary unit for environmental assessment, risk analysis, and evaluation of innovative technologies and cutting-edge environmental management strategies. These activities are designed to meet the Department's information and problem-solving needs, and to identify current scientific needs which warrant the Department's attention, as well as to proactively identify scientific issues and environmental problems before they become crises.
3. To map, research, and interpret scientific information on the state's geology and groundwater resources. This information supports the Department's and other government agencies' regulatory and planning activities and provides the business community and the public with the geologic and hydrologic information needed to address environmental concerns and make economic decisions.
4. To develop and coordinate implementation of watershed management programs, ground water protection programs, water quality monitoring and water supply management, development, conservation, and protection plans.
5. To develop and coordinate the implementation of the Coastal Zone Management and the National Estuary programs, including the Delaware, NY/NJ Harbor, and Barnegat Bay Estuaries.
6. To develop and coordinate water quality management planning functions, including wastewater management, point and nonpoint source pollution control, and the restoration of aquatic habitats.
7. To coordinate the sustainable growth and capacity-based planning policies of the Department and to incorporate these policies into all levels of planning.
8. To collaborate and support environmental justice advocacy groups and to assist DEP programs in integrating environmental justice principles in decision making and developing quality of life initiatives.
9. To collect and analyze ambient water data and develop water quality standards to assess water quality status and trends, to evaluate water-related ecological and public health risks, to classify 700,000 acres of NJ coastal waters for safe harvest of molluscan shellfish, and for existing/emerging problem identification.

PROGRAM CLASSIFICATIONS

05. **Water Supply.** Administers the New Jersey Private Well Testing Act and the federal and State Safe Drinking Water programs, the Well Permit program, and the Water Allocation program to ensure a safe and reliable water supply. Also administers the Drought Management Program. As part of the Safe Drinking Water program, administers the Drinking Water State Revolving Fund (DWSRF) which includes a financing program for water supply projects, along with set asides for capacity development, training for licensed operators, and source water assessment and delineation activities.

07. **Water Monitoring and Standards.** Conducts ambient monitoring of freshwater (i.e., rivers and streams, lake and ground water) and marine surface water quality on a statewide basis, as well as biological monitoring and targeted assessments in support of Total Maximum Daily Load (TMDL) program. Develops New Jersey's Integrated Water Quality Monitoring and Assessment Report, including the Integrated Waterbodies List. Develops surface water and ground water standards. Coordinates the development and integration of biological criteria into State water quality standards, which support the New Jersey Pollutant Discharge System (NJPDES) and the Site Remediation Programs. Classifies shellfish growing area waters for shellfish harvesting, and conducts bacteriological and chemical analysis of shellfish for public health protection. Oversees Volunteer Monitoring, Beach Monitoring and Operation Clean Shores programs. Develops, operates, and maintains water quality database systems for both government and public data dissemination.

15. **Land Use Regulation.** Protects and manages the State's land and water resources through the implementation of the Coastal Area Facility Review Act (CAFRA), the Waterfront Development Law, the Coastal Wetlands Act of 1970, the Flood Hazard Area Control Act, the Freshwater Wetlands Protection Act, the Highlands Water Protection and Planning Act, and the federal consistency provisions of the federal Coastal Zone Management Act. In addition to the resource protection mandates of these statutes, these programs protect lives and property from storm and flood damages.

18. **Science, Research and Technology.** Provides a fundamental scientific foundation for a wide range of departmental policies, actions, and standard setting activities. Develops scientific information and innovative environmental management strategies by performing environmental assessments and risk analyses, scientific investigations and technical assessments of toxic and carcinogenic contaminants, human health and ecological studies and risk assessments, water quality studies and assessments, applied research and technical evaluations, comprehensive review and assessment of the current state of scientific knowledge on specific issues, scientific connections for dealing with cross-media contaminants, new economically-based environmental management approaches, innovative technologies for remediation of hazardous waste sites, and effective risk communication techniques. Identifies emerging environmental issues and develops them for departmental consideration. Provides technical expertise toward the development of human health criteria and analytical capabilities for toxic contaminant standards in potable water, ground water, surface water, and soil. Serves as the DEP's lead program for the implementation of the Regional Greenhouse Gas Initiative. Acts as the primary liaison with the New Jersey Board of Public Utilities (BPU) regarding environmental implications of the BPU's renewable energy and energy conservation programs in fulfillment of the DEP's role as environmental consultant to the BPU, as established in the Electric Discount and Energy Competition Act. Provides expertise to the DEP in areas of environmental economics and sustainability.

22. **New Jersey Geological Survey.** Maps the geology and topography of the state, assesses offshore mineral resources and dredging, maintains a cooperative water monitoring program with the United States Geological Service (USGS)

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and reviews plans for underground storage of gas, oil, and chemical disposal wells. The program also evaluates the supply potential and water quality of the state's aquifers, maintains a statewide geohydrologic database, maps aquifer recharge and wellhead protection areas, investigates groundwater pollution problems, and supports other State and municipal programs through geophysical studies, groundwater investigations, and the use of Geographic Information Systems (GIS) technology.

29. **Environmental Management - CBT Dedication.** Since 1996, 4% of the revenue annually derived from the tax imposed by the Corporation Business Tax Act (P.L.1945, c.162) has been dedicated to the Department. A portion of this dedication has been used for the following purposes: watershed-based water resource planning and management, financing the cost of water quality point and nonpoint source pollution monitoring, nonpoint source pollution prevention projects, TMDL development and implementation, as well as lake restoration and grants. Conducts planning on watershed management, water quality, water supply, coastal zone

management, nonpoint source control, stormwater management, and other planning requirements associated with the federal Clean Water Act and the New Jersey Water Quality Planning Act. Also administers the National Estuary Program and federal Section 604(b) water quality management planning and Section 319(h) nonpoint source grant programs.

80. **Drinking Water State Revolving Fund.** Set asides provided by the Drinking Water State Revolving Fund, including program administration, small system technical assistance, capacity development, operator certification, and source water protection activities. See related program classification 05 for further details.
90. **Watershed Management.** Conducts planning on watershed management, water quality, water supply, coastal zone management, stormwater management, and planning requirements associated with the federal Clean Water Act. Conducts environmental impact statement reviews, acts as liaison with the State Planning Commission, and implements the State Development and Redevelopment Plan within the Department.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Water Monitoring and Standards				
Ambient Marine Water:				
Water samples analyzed	17,500	16,000	16,000	16,000
Shellfish bed acres open	78%	78%	78%	78%
Shellfish bed acres seasonal	4%	3%	3%	3%
Shellfish bed acres condemned	11%	11%	11%	11%
Shellfish bed acres specially restricted	8%	8%	8%	8%
Land Use Regulation				
Tidelands:				
Inquiries	406	316	300	300
Appraisals	325	325	325	325
Grant applications approved	208	76	100	100
New licenses	363	499	500	500
License renewals	341	695	650	650
Statements of No Interest (SNI) issued	8	17	17	17
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	42	40	35	24
Federal	53	48	38	36
All Other	467	453	456	457
Total Positions	562	541	529	517
Filled Positions by Program				
Water Supply	157	155	148	149
Water Monitoring and Standards	47	48	47	45
Land Use Regulation	194	188	189	182
Science, Research and Technology	33	34	29	24
New Jersey Geological Survey	22	20	19	19
Environmental Management - CBT Dedication	65	63	63	63
Drinking Water State Revolving Fund	9	6	5	6
Watershed Management	35	27	29	29
Total Positions	562	541	529	517

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

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APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
7,976	3,280	-894	10,362	10,021	Water Supply	05	8,521	8,521	8,521
13,380	2,959	-638	15,701	14,960	Land Use Regulation	15	13,585	12,973	12,973
3,145	---	-98	3,047	3,047	Science, Research and Technology	18	3,274	2,749	2,749
---	---	428	428	428	New Jersey Geological Survey	22	---	---	---
16,338	311	-1,857	14,792	14,457	Environmental Management - CBT Dedication	29	19,224	17,189	17,189
40,839	6,550	-3,059	44,330	42,913	Total Direct State Services		44,604 ^(a)	41,432	41,432
<u>Distribution by Fund and Object</u>									
Personal Services:									
10,584	129	1,654	12,367	12,361	Salaries and Wages		10,104	10,035	10,035
<i>10,584</i>	<i>129</i>	<i>1,654</i>	<i>12,367</i>	<i>12,361</i>	Total Personal Services		10,104	10,035	10,035
30	---	18	48	44	Materials and Supplies		68	65	65
1,596	113	597	2,306	2,306	Services Other Than Personal		2,126	1,721	1,721
132	6	-6	132	132	Maintenance and Fixed Charges		82	109	109
Special Purpose:									
---	2,856 ^R	-2,745	111	---	Water Supply	05	---	---	---
2,111	94 ^R	-21	2,184	2,184	Administrative Costs Water Supply Bond Act of 1981 - Management	05	2,269	2,269	2,269
1,545	57 ^R	-6	1,596	1,596	Administrative Costs Water Supply Bond Act of 1981 - Watershed and Aquifer	05	1,728	1,728	1,728
255	17 ^R	---	272	272	Administrative Costs Water Supply Bond Act of 1981 - Planning and Standards	05	324	324	324
43	---	-17	26	26	Water/Wastewater Operators Licenses	05	43	43	43
58	---	50	108	108	Office of the Rivermaster	05	---	---	---
2,368	---	-39	2,329	2,111	Safe Drinking Water Fund	05	2,433	2,433	2,433
---	3 ^R	---	3	---	Wetlands	15	---	---	---
---	996 ^R	-259	737	---	Stream Encroachment	15	---	---	---
12	---	-10	2	2	Tidelands Resource Council	15	12	---	---
2,701	1,960 ^R	115	4,776	4,776	Tidelands Peak Demands	15	3,002	3,002	3,002
647	---	-201	446	445	Office of Permit Information and Assistance	15	600	---	---
2,169	---	-326	1,843	1,843	Highlands Permitting	15	2,264	2,264	2,264
---	---	---	---	---	New Jersey Coastal and Ocean Protection Council	18	75 ^S	---	---
250	---	---	250	250	Hazardous Waste Research	18	250	250	250
16,338	311	-1,857	14,792	14,457	Water Resources Monitoring and Planning - Constitutional Dedication	29	19,224	17,189	17,189
---	8	-6	2	---	Additions, Improvements and Equipment		---	---	---
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
400	---	---	400	400	Water Monitoring and Standards	07	400	---	---
5,000	1,424	---	6,424	4,194	Environmental Management - CBT Dedication	29	2,700	---	---
5,400	1,424	---	6,824	4,594	Total Grants-in-Aid		3,100	---	---

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Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended	
GRANTS-IN-AID									
Distribution by Fund and Object									
Grants:									
400	---	---	400	400	Lake Hopatcong Commission	07	400	---	---
---	1,424	---	1,424	1,144	Stormwater Management				
					Grants	29	---	---	---
5,000	---	---	5,000	3,050	Watershed Restoration Projects	29	2,700	---	---
46,239	7,974	- 3,059	51,154	47,507	Grand Total State Appropriation		47,704	41,432	41,432
OTHER RELATED APPROPRIATIONS									
Federal Funds									
22,200	124	---	22,324	2,058	Water Supply (b)	05	22,200	22,200	22,200
5,250	-495	---	4,755	2,427	Water Monitoring and Standards	07	4,982	4,450	4,450
10,575	1,576	---	12,151	2,885	Land Use Regulation	15	10,050	10,050	10,050
1,465					Science, Research and Technology	18	1,590	1,550	1,550
204 S	165	---	1,834	785	New Jersey Geological Survey	22	375	390	390
350	23	---	373	135	Watershed Management	90	6,275	6,275	6,275
6,387	172	424	6,983	4,740	Total Federal Funds		45,472	44,915	44,915
46,431	1,565	424	48,420	13,030	All Other Funds				
	381				Water Supply	05	5,715	5,456	5,456
---	625 R	---	1,006	605	Water Monitoring and Standards	07	---	---	---
---	59	---	59	36	Land Use Regulation	15	3,852	4,290	4,290
	1,389				Science, Research and Technology	18	2,000	---	---
---	25 R	---	1,414	---	Drinking Water State Revolving Fund	80	4,450	4,000	4,000
	977				Watershed Management	90	---	---	---
---	20 R	---	997	58	Total All Other Funds		16,017	13,746	13,746
	8				GRAND TOTAL ALL FUNDS		109,193	100,093	100,093
---	3,044 R	---	3,052	3,052					
---	102	---	102	26					
---	6,630	---	6,630	3,777					
92,670	16,169	- 2,635	106,204	64,314					

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program, which includes \$448,000 in appropriated receipts, and for the reallocation of management efficiencies.
- (b) Water supply project expenditures for the Drinking Water State Revolving Fund are reflected off budget.

Language Recommendations -- Direct State Services - General Fund

The amounts hereinabove appropriated for the Administrative Costs Water Supply Bond Act of 1981 - Water Supply Management, Watershed and Aquifer, and Planning and Standards accounts are appropriated from the "Water Supply Bond Act of 1981," P.L.1981, c.261, together with an amount not to exceed \$149,000, for costs attributable to administration of water supply programs, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the Safe Drinking Water Fund account is appropriated from receipts received pursuant to the "Safe Drinking Water Act," P.L.1977, c.224 (C.58:12A-1 et seq.), together with an amount not to exceed \$1,279,000, for administration of the Safe Drinking Water program, subject to the approval of the Director of the Division of Budget and Accounting. If receipts are less than anticipated, the appropriation shall be reduced proportionately.

The amount hereinabove for the Hazardous Waste Research account is appropriated from interest earned by the New Jersey Spill Compensation Fund for research on the prevention and the effects of discharge of hazardous substances on the environment and organisms, on methods of pollution prevention and recycling of hazardous substances, and on the development of improved cleanup, removal and disposal operations, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the Environmental Management - CBT Dedication program classification shall be provided from revenue received from the Corporation Business Tax, pursuant to the "Corporation Business Tax Act (1945)," P.L.1945, c.162 (C.54:10A-1 et seq.), as dedicated by Article VIII, Section II, paragraph 6 of the State Constitution. The unexpended balance at the end of the preceding fiscal year in the Water Resources Monitoring and Planning-Constitutional Dedication special purpose account is appropriated to be used in a manner consistent with the requirements of the constitutional dedication.

Notwithstanding the provisions of any law or regulation to the contrary, funds appropriated in the Water Resources Monitoring and Planning - Constitutional Dedication special purpose account shall be made available to support nonpoint source pollution and watershed management programs, consistent with the constitutional dedication, within the Department of Environmental Protection in the amounts of \$1,536,000 for Water Monitoring and Standards, \$1,392,000 for New Jersey Geological Survey, \$157,000 for Watershed Management, \$500,000 for Forestry Management, and \$790,000 transferred to the Department of Agriculture or any entity succeeding to the duties and functions of the Department of Agriculture, pursuant to separate legislation, to support the Conservation Cost Share program, at a level of \$540,000, and the Conservation Assistance Program, at a level of \$250,000, on or before September 1, 2008.

Notwithstanding the provisions of the "Spill Compensation and Control Act," P.L.1976, c.141 (C.58:10-23.11 et seq.) and the "Safe Drinking Water Act," P.L.1977, c.224 (C.58:12A-1 et seq.), the Commissioner of the Department of Environmental Protection may utilize from the funds appropriated from those sources hereinabove such sums as the Commissioner may determine as necessary to broaden the department's research efforts to address emerging environmental issues.

In addition to the federal funds amount hereinabove appropriated for the Water Supply program classification, such additional sums that may be received from the federal government for the Drinking Water State Revolving Fund program are appropriated.

Receipts in excess of those anticipated for Water Allocation Fees, and the unexpended balance at the end of the preceding fiscal year of such receipts, are appropriated to the Department of Environmental Protection to offset the costs of the Water Supply program, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of the individual amounts anticipated for Coastal Area Facility Review Act, Freshwater Wetlands, Stream Encroachment, Waterfront Development, and Wetlands fees, and the unexpended balance at the end of the preceding year of such receipts, are appropriated for administrative costs associated with Land Use Regulation, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year, of the amounts appropriated pursuant to P.L.2004, c.71 from the Water Supply Fund established in Section 14 of the "Water Supply Bond Act of 1981," P.L.1981, c.261, is appropriated to the Department of Environmental Protection to be used for water supply demonstration projects consistent with the "Water Supply Bond Act of 1981," P.L.1981, c.261, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of the amounts anticipated for Well Permits/Well Drillers/Pump Installers Licenses, and the unexpended balances at the end of the preceding year of such receipts, are appropriated to the Department of Environmental Protection for the Water Supply Program and for the Private Well Testing Program, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - General Fund

The unexpended balance at the end of the preceding fiscal year in the Stormwater Management Grants account is appropriated.

The unexpended balance at the end of the preceding fiscal year in the Watershed Restoration Projects account is appropriated.

There is appropriated to the Lake Hopatcong Commission such sums as may be collected from a boat registration surcharge, or other fee as may be authorized pursuant to separate legislation, for the purposes of continuing operations of the Commission.

40. COMMUNITY DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT

44. SITE REMEDIATION AND WASTE MANAGEMENT

OBJECTIVES

1. To remediate sites contaminated by hazardous substances and pollutants to protect human health and the environment, and to restore contaminated areas of the state for beneficial use.
2. To identify the universe of potential remediation sites, including currently known and suspected discharge sites, regulated underground storage tank sites, industrial establishments as defined by Industrial Site Recovery Act (ISRA), non-operating landfills with development potential, and Resource Conservation and Recovery Act (RCRA) facilities, for cleanup and closure in accordance with applicable regulations.
3. Determine the imminent risk of sites to human health and the environment consistent with legislated mandates and in those cases when the responsible party is either unknown or unable to perform the cleanup, utilize public funds to remediate the worst sites first.
4. To coordinate responses and take immediate action when discharges of hazardous substances and pollutants endanger human health and the environment, especially water supplies.
5. To respond to emergency discharges of hazardous substances and pollutants throughout the state and enable the public to report environmental emergencies to the Department's communication center via toll-free access.
6. To maximize the use of private-party funds and require responsible parties to either conduct remedial work with Department oversight or to pay the Department for performing remedial work using public funds.
7. To develop and implement clear, consistent, and predictable regulations on site remediation for use by the regulated community and the Department, and ensure that technically, geologically, and scientifically justified cleanup objectives are met.
8. To implement a statewide solid waste planning process that emphasizes source reduction, recycling, and market development activities. To conduct comprehensive reviews of permit applications for solid waste, hazardous waste, recycling and composting facilities, and landfill closures.
9. To compensate persons affected by hazardous substance discharges through the Spill Compensation Fund environmental claims program, the Sanitary Landfill Contingency Fund claims program, and loans and grants, administered in conjunction with the Economic Development Authority, from the Hazardous Discharge Site Remediation Fund and Underground Storage Tank Fund.

ENVIRONMENTAL PROTECTION

PROGRAM CLASSIFICATIONS

19. **Publicly-Funded Site Remediation.** Conducts a program to remediate sites contaminated by hazardous substances where a responsible party cannot be identified or is unable or unwilling to voluntarily participate. These activities are supported by federal (Superfund) funds.
23. **Solid and Hazardous Waste Management.** Provides leadership, planning, education, and financial and technical assistance to the state's citizens and businesses to help them manage their waste responsibly. Regulates the generation, storage, collection, transportation, processing, treatment, and disposal of solid and hazardous wastes. Regulations and standards are implemented and monitored through on-site construction inspections, design reviews, data collection, and permit issuance. Administers the federal Resource Conservation and Recovery Act of 1976 (RCRA). Develops and implements programs to attain statewide recycling goals and to reduce the quantities of waste generated. Monitors the solid waste collection industry to promote effective competition and to prohibit anti-competitive practices. Regulates and oversees mergers, acquisitions, and long-term financing arrangements of the solid waste utility industry. Promoting the reuse of non-operating landfills, the Landfill Unit provides oversight of landfill remediation, closure, and redevelopment through the melding and implementation of solid waste regulations and technical requirements for site remediation. The Office of Dredging and Sediment Technology is responsible for evaluating and permitting all coastal dredging projects and is committed to the beneficial reuse of dredged material.
27. **Remediation Management and Response.** Conducts a statewide program to oversee the remediation of sites by

private parties under both the State's mandated and voluntary cleanup programs. Provides oversight to ensure that appropriate standards and technical requirements are met. The State Spill Compensation and Control Act, ISRA, Underground Storage of Hazardous Substances Act, and the Water Pollution Control Act authorize the Department to oversee these projects. Provides management assistance and coordination of remedial activities at National Priorities List Site-Cleanups where the projects are led by the federal Environmental Protection Agency, Department of Defense, or Department of Energy. Provides an around-the-clock response program for chemical, biological, radiological, nuclear, and explosive (CBRNE) emergencies. Also operates an around-the-clock communication center which is the point of initial notification for events and the key point of contact/communication for many State agencies. The program also reviews preliminary assessment and site investigation reports to determine the approval of child care/ educational facility licenses and conducts periodic inspections of those facilities in the state.

29. **Environmental Management - CBT Dedication.** Since 1996, 4% of the revenue annually derived from the tax imposed by the Corporation Business Tax Act (P.L.1945, c.162) has been dedicated to the Department. A portion of this dedication has been used to provide loans or grants to upgrade, replace, or close underground storage tanks, including the costs of remediation, and to finance the cost of remediating hazardous substance discharges. Beginning in fiscal 2005, the dedication was expanded to include the provision of loans and grants for site remediation redevelopment of brownfields, pursuant to a November 2003 amendment to the State Constitution.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Solid and Hazardous Waste Management				
Annual tonnage of solid waste:				
Generated statewide	20,700,000	21,555,981	23,000,000	24,000,000
Generated per capita (lbs./person/day)	13.10	13.30	13.40	13.60
Recycled statewide	10,500,000	11,406,773	12,200,000	13,200,000
Recycled per capita (lbs./person/day)	6.80	6.90	7.20	7.40
Reduction in solid waste stream due to recycling	50.9%	52.9%	53.0%	55.0%
Annual tonnage of hazardous waste generated statewide	75,127	110,152	92,640	92,640
Disposed	50,834	75,985	63,410	63,410
Incinerated	24,293	34,167	29,230	29,230
Remediation Management and Response				
Responsible Party Remediation:				
ISRA negative declarations	314	236	300	300
ISRA remedial action workplan approvals	---	2	10	10
ISRA remediations monitored	1,550	1,612	1,500	1,500
ISRA remediations completed	314	236	300	300
Voluntary cleanup - remediations monitored	5,737	7,008	7,000	7,000
Voluntary cleanup - remediations completed	3,692	3,069	3,000	3,000
Remedial Response:				
Remedial action workplan approvals	72	59	60	60
Remediation Support:				
Emergency responses total deployments	1,259	1,331	1,350	1,350
Child Care Facilities inspected	---	84	1,700	1,900

ENVIRONMENTAL PROTECTION

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
Federal	26	20	20	19
All Other	616	582	583	582
Total Positions	642	602	603	601
Filled Positions by Program				
Solid and Hazardous Waste Management	122	92	94	91
Remediation Management and Response	392	381	374	375
Environmental Management - CBT Dedication	128	129	135	135
Total Positions	642	602	603	601

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
6,836	2,550	-265	9,121	7,881				
41,979	14,963	-446	56,496	55,764	23	6,308	6,308	6,308
7,715	3,612	1,000	12,327	9,791	27	30,769	30,769	30,769
					29	13,155	10,314	10,314
56,530	21,125	289	77,944	73,436		50,232 (a)	47,391	47,391
Distribution by Fund and Object								
Personal Services:								
14,725	6,855 R	-2,645	18,935	15,609		16,262	15,075	15,075
---	---	---	---	3,325		---	---	---
14,725	6,855	-2,645	18,935	18,934		16,262	15,075	15,075
205	---	10	215	215		166	219	219
3,597	---	137	3,734	3,734		1,866	2,512	2,512
727	---	-246	481	481		389	592	592
Special Purpose:								
	265							
---	2,068 R	-1,099	1,234	---	23	---	---	---
355	214 R	---	569	569				
---	3	---	3	---	23	390	390	390
---	---	3,223	3,223	2,759	23	---	---	---
16,322	7,757 R	-90	23,989	23,989	27	---	---	---
12,000	---	---	12,000	12,000	27	16,931	16,931	16,931
884	---	-7	877	877	27	---	---	---
7,715	3,143	---	10,858	9,433	27	953	953	953
---	469	1,000	1,469	358	29	13,155	10,314	10,314
					29	---	---	---

ENVIRONMENTAL PROTECTION

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
---	351	6	357	87	Additions, Improvements and Equipment	120	405	405
GRANTS-IN-AID								
Distribution by Fund and Program								
---	---	---	---	---	Solid and Hazardous Waste Management	23 8,000	---	---
---	---	---	---	---	Total Grants-in-Aid	8,000	---	---
Distribution by Fund and Object								
---	---	---	---	---	Grants:			
---	---	---	---	---	Recycling Grants	23 8,000 ^S	---	---
CAPITAL CONSTRUCTION								
Distribution by Fund and Program								
---	24	---	24	---	Publicly-Funded Site Remediation	19 ---	---	---
77,212	70,971	-14,835	133,348	71,258	Environmental Management - CBT Dedication	29 64,310	50,422	50,422
77,212	70,995	-14,835	133,372	71,258	Total Capital Construction	64,310	50,422	50,422
Distribution by Fund and Object								
---	24	---	24	---	Site Remediation			
34,535	69,308	-3,201	100,642	38,552	Hazardous Site Mitigation - Statewide	19 ---	---	---
17,071	---	-9,535	7,536	7,536	Hazardous Substance Discharge Remediation - Constitutional Dedication	29 27,770	21,773	21,773
25,606	1,663	-2,099	25,170	25,170	Private Underground Tank Remediation - Constitutional Dedication	29 ---	---	---
133,742	92,120	-14,546	211,316	144,694	Hazardous Substance Discharge Remediation Loans & Grants - Constitutional Dedication	29 36,540	28,649	28,649
					Grand Total State Appropriation	122,542	97,813	97,813
OTHER RELATED APPROPRIATIONS								
Federal Funds								
30,450	525	---	30,975	525	Publicly-Funded Site Remediation	19 30,450	30,450	30,450
2,395	18	---	2,413	1,342	Solid and Hazardous Waste Management	23 2,395	2,395	2,395
5,555	2,338	-62	7,831	2,985	Remediation Management and Response	27 6,755	5,555	5,555
38,400	2,881	-62	41,219	4,852	Total Federal Funds	39,600	38,400	38,400
All Other Funds								
---	15	---	15	---	Publicly-Funded Site Remediation	19 ---	---	---
---	---	---	---	---	Solid and Hazardous Waste Management	23 1,528	1,541	1,541
---	9 1,922 ^R	---	1,931	1,892	Remediation Management and Response	27 19,070	19,720	19,720
---	1,946	---	1,946	1,892	Total All Other Funds	20,598	21,261	21,261
172,142	96,947	-14,608	254,481	151,438	GRAND TOTAL ALL FUNDS	182,740	157,474	157,474

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program, which includes \$1,198,000 in appropriated receipts, and for the reallocation of management efficiencies.

Language Recommendations -- Direct State Services - General Fund

- The amount hereinabove appropriated for the Office of Dredging and Sediment Technology is appropriated from the 1996 Dredging and Containment Facility Fund, created pursuant to section 18 of P.L.1996, c.70, the "Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development Bond Act of 1996," together with an amount not to exceed \$241,000 for the administration of the Dredging and Sediment Technology program, subject to the approval of the Director of the Division of Budget and Accounting.
- There are appropriated from the Sanitary Landfill Facility Contingency Fund such sums as may be required to carry out the provisions of the "Sanitary Landfill Facility Closure and Contingency Fund Act," P.L.1981, c.306 (C.13:1E-100 et seq.).
- In addition to site specific charges, the amounts hereinabove for the Remediation Management and Response program classification, excluding the Hazardous Discharge Site Cleanup Fund - Responsible Party and the Underground Storage Tanks accounts, are appropriated from the New Jersey Spill Compensation Fund, in accordance with the provisions of P.L.1976, c.141 (C.58:10-23.11 et seq.), together with an amount not to exceed \$6,161,000 for administrative costs associated with the cleanup of hazardous waste sites, subject to the approval of the Director of the Division of Budget and Accounting.
- The amount hereinabove for the Hazardous Discharge Site Cleanup Fund - Responsible Party account is appropriated from responsible party cost recoveries deposited in the Hazardous Discharge Site Cleanup Fund, together with an amount not to exceed \$10,970,000 for administrative costs associated with the cleanup of hazardous waste sites, subject to the approval of the Director of the Division of Budget and Accounting.
- In addition to the federal funds amount for the Publicly-Funded Site Remediation program classification and the Remediation Management and Response program classification, such additional sums that may be received from the federal government for the Superfund Grants program are hereby appropriated.
- The amount hereinabove appropriated for the Environmental Management - CBT Dedication program classification shall be provided from revenue received from the Corporation Business Tax, pursuant to the "Corporation Business Tax Act (1945)," P.L.1945, c.162 (C.54:10A-1 et seq.), as dedicated by Article VIII, Section II, paragraph 6 of the State Constitution. The unexpended balance at the end of the preceding fiscal year in the Cleanup Projects Administrative Costs - Constitutional Dedication account is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.
- Receipts in excess of the amount anticipated from Solid Waste Utility Regulation, and the unexpended balance at the end of the preceding fiscal year of such receipts, are appropriated to the Solid and Hazardous Waste Management program classification for costs incurred to oversee the State's recycling efforts and other solid waste program activities.
- Receipts derived from the sale of salvaged materials are appropriated to offset costs incurred in the cleanup and removal of hazardous substances.
- There are appropriated from the New Jersey Spill Compensation Fund such sums as may be required for cleanup operations, adjusters, and paying approved claims for damages in accordance with the provisions of P.L.1976, c.141 (C.58:10-23.11 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding the provisions of P.L. 1954, c.48 (C.52:34-6 et seq.), monies hereinabove appropriated to the Department of Environmental Protection from the Clean Communities Program Fund shall be provided by the Department to the Clean Communities Council pursuant to a contract between the Department and the Clean Communities Council to implement the requirements of the Clean Communities Program pursuant to subsection d. of section 6 of P.L. 2002, c.128 (C.13:1E-218).
- There is hereby appropriated from the Petroleum Underground Storage Tank Remediation, Upgrade, and Closure Fund an amount not to exceed \$1,000,000 for costs associated with the Department's administration of the loan and grant program for the upgrade, replacement, or closure of underground storage tanks that store or were used to store hazardous substances pursuant to the amendments effective December 8, 2005 to Article VIII, Section II, paragraph 6 of the State Constitution. The unexpended balance at the end of the preceding fiscal year in the Private Underground Tank Administrative Costs - Constitutional Dedication account is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.
- The unexpended balance at the end of the preceding fiscal year in the Passaic River Cleanup Litigation account is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.
- There is appropriated to the Department of Environmental Protection from those facilities submitting environmental assessments required for licensing pursuant to subsection f. of section 7 of P.L.2006, c.47 (C.9:3A-7) and section 5 of P.L.1983, c.492 (C.30:5B-5) such sums as may be collected to offset the Department's cost related to the environmental inspection of day care facilities.
- Notwithstanding the provisions of any other law or regulation to the contrary, there is appropriated from the New Jersey Spill Compensation Fund an amount of \$6,000,000 for the direct and indirect costs of legal and consulting services associated with litigation related to the Passaic River Cleanup. Future cost recoveries from this litigation, not to exceed \$6,000,000, shall be reimbursed to the New Jersey Spill Compensation Fund, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Capital Construction

- The amounts hereinabove appropriated for Hazardous Substance Discharge Remediation - Constitutional Dedication and Hazardous Substance Discharge Remediation Loans and Grants - Constitutional Dedication shall be provided from revenue received from the Corporation Business Tax, pursuant to the "Corporation Business Tax Act (1945)," P.L. 1945, c.162 (C.54:10A-1 et seq.), as dedicated by Article VIII, Section II, paragraph 6 of the State Constitution.
- Of the amount hereinabove appropriated for Hazardous Substance Discharge Remediation - Constitutional Dedication, such sums as necessary, as determined by the Director of the Division of Budget and Accounting, shall be made available for site remediation costs associated with State-owned properties and State-owned underground storage tanks.

ENVIRONMENTAL PROTECTION

All natural resource and other associated damages recovered by the State shall be deposited in the Hazardous Discharge Site Cleanup Fund established pursuant to section 1 of P.L.1985, c.247 (C.58:10-23.34), and are appropriated for: direct and indirect costs of remediation, restoration, and clean up; costs for consulting, expert, and legal services incurred in pursuing claims for damages; and grants to local governments and nonprofit organizations to further implement restoration activities of the Office of Natural Resource Restoration.

Funds made available for the remediation of the discharges of hazardous substances pursuant to the amendments effective December 4, 2003, to Article VIII, Section II, paragraph 6 of the State Constitution and hereinabove appropriated, shall be allocated to the Economic Development Authority's Hazardous Discharge Site Remediation Fund and the Department of the Treasury's Brownfield Site Reimbursement Fund, subject to the approval of the Director of the Division of Budget and Accounting.

40. COMMUNITY DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT

45. ENVIRONMENTAL REGULATION

OBJECTIVES

1. To monitor and report on the biological, chemical, and physical quality of surface waters, ground waters, and sediments in the state so as to evaluate the effectiveness of existing regulatory programs in protecting and improving New Jersey's water quality. To monitor New Jersey Pollutant Discharge Elimination System (NJPDES) permit compliance.
2. To carry out the purposes and requirements of enabling legislation and regulations.
3. To conduct reviews of permit applications and to promote meaningful public input.
4. To assist permittees in complying with applicable permit requirements and inform them of compliance issues.
5. To improve the efficiency of the permit review process while maintaining or improving protection of the environment, to eliminate procedures and requirements that do not lead to greater environmental protection, and to consolidate the reviews of multiple permits for individual facilities or projects.
6. To improve and protect water quality with available Environmental Infrastructure Financing Program funds.
7. To establish and maintain policies and procedures for the generation, compilation, review and use of data of documented quality, consistent with scientific protocols and as required by the federal government.
8. To certify the analytical capabilities of laboratories performing analyses in response to the State's environmental programs.
9. To provide a comprehensive program to prevent releases of petroleum products and hazardous substances by providing information regarding these releases in the community and the workplace.

PROGRAM CLASSIFICATIONS

01. **Radiation Protection.** Licenses, registers, and inspects owners of machine sources, naturally occurring or accelerator-produced radioactive materials, and non-ionizing sources of radiation. Responsible for maintaining the capability to respond and provide technical assistance during radiological emergencies. Certifies and inspects businesses and individuals that conduct radon testing and mitigation. Inspects mammography facilities under contract with the Food and Drug Administration. Licenses x-ray technologists, nuclear medicine technologists, and radon testers and mitigators. Determines exposure pathways and environmental or health impact of sources of radiation and provides direction on remediation. Provides emergency planning and response and monitoring around nuclear power plant sites. Tracks shipments of large quantities of radioactive materials through New Jersey. Establishes and maintains policies and

procedures for the generation, compilation, review and the use of data of documented quality, as required by the USEPA. Reviews data submitted to the Department to verify its quality and determine its usability. Certifies the analytical capabilities of laboratories performing analyses in response to the State's environmental programs.

02. **Air Pollution Control.** Protects and enhances the air environment. Provides overall air quality management to attain the health based ambient air quality standards and visibility goals. Coordinates air quality planning to ensure compliance with State and federal requirements. Conducts ambient air monitoring, emission inventory development, and air pollution control rule development. Participates in the air pollution control aspects of the motor vehicle inspection and maintenance programs, administers the Low Emission Vehicle Program, and identifies and implements, where appropriate, programs to reduce emissions of diesel exhaust. Reviews construction plans for new and modified stationary sources of potential air pollution and issues permits for construction and operation; validates tax exemption claims for air pollution control equipment; oversees the conduct of periodic stack tests to determine air contaminant emission rates; oversees continuous emission monitoring of stacks; reviews and conducts air quality modeling studies of major new sources of air contamination; reviews and restricts the health risk of toxic air contaminant emissions from stationary sources; and reviews and issues facility-wide operating permits for major existing sources of air pollution. Provides program coordination in compliance with State and federal mandates to attain air quality standards. Conducts air monitoring, planning and analysis, as well as motor vehicle pollution control projects and the development of regulations.

Release Prevention. Implements and ensures compliance with New Jersey's Community Right To Know and Superfund Amendments and Reauthorization Act (SARA) Title III programs, which gather information on the use, storage, and release of toxic chemicals in the state and make information available to the public. Monitors compliance with the Toxic Catastrophe Prevention Act to identify companies which handle extraordinarily hazardous substances and ensure that procedures are in place to prevent devastating accidental chemical releases. The Discharge Prevention Containment and Countermeasures (Oil Spill Prevention) program reduces the possibility of hazardous spills through plan submittals and compliance/investigative procedures. The Pollution Prevention program analyzes pollution prevention plans submitted by operators of priority industrial facilities. These plans document how operators plan to reduce the release of hazardous substances into the environment.

08. **Water Pollution Control.** Administers the NJPDES program to protect New Jersey's surface and ground water by assuring proper treatment and disposal of wastewater (and its residuals)

and stormwater from various types of facilities and activities, including the generation, monitoring, and beneficial management of sludge and sludge derived products. To accomplish this, the program issues permits which impose requirements to limit and/or prevent the discharge of pollutants into waters of the state. The regulated facilities vary widely in size from small uses such as campgrounds, schools, and shopping centers to larger industrial and municipal wastewater discharges. Implements Treatment Works Approval program to regulate the construction of wastewater collection, conveyance, and treatment facilities.

09. Public Wastewater Facilities. Administers the New Jersey Environmental Infrastructure Financing program along with the New Jersey Environmental Infrastructure Trust, an independent State financing authority. The program provides loans to local government units for the construction of environmental infrastructure facilities through the Clean Water State Revolving Fund, with funds made available under the federal Clean Water Act and various State bond acts. The projects eligible for financial assistance include water and wastewater treatment plant upgrades or improvements, facilities for the beneficial reuse and treatment of sewage sludge, collection and conveyance facilities, on-site system

rehabilitation, infiltration/inflow correction, combined sewer overflow and interconnection/cross-connection abatement, and nonpoint source projects (such as land acquisition, brownfield remediation, well sealing, and landfills).

16. Water Monitoring and Planning. Federal funds for regulating the discharge of contaminants/toxics from wastewater treatment facilities and the management of residuals, the management of sludge, and the issuance of stormwater permits.

29. Environmental Management - CBT Dedication. Since 1996, 4% of the revenue annually derived from the tax imposed by the Corporation Business Tax Act (P.L.1945, c.162) has been dedicated to the Department. Beginning in 2006, the dedication was expanded to provide grants for the costs of air pollution control equipment to reduce particulate matter emissions from diesel-powered engines and to provide funds for other measures to reduce human exposure to emissions.

70. Clean Waters. Administrative costs provided by the Clean Water State Revolving Fund, which provides loans to local government units for the construction of environmental infrastructure treatment facilities. See related program classification 09 for further details.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Radiation Protection				
X-ray machines inspected	6,822	5,660	5,800	6,300
X-ray machine violations (% of inspected)	25%	20%	20%	20%
Homes tested for radon	57,671	58,800	59,000	60,000
Homes mitigated for radon	3,277	3,000	3,200	3,300
Lung cancers avoided	140	140	140	140
Release Prevention				
Toxic Catastrophe Prevention				
Inspections	148	180	270	270
Accident investigations	2	1	1	2
Right To Know				
Information requests	3,003	2,904	3,000	3,000
Audits for facilities	1,012	914	1,000	1,000
Administrative Orders (a)	---	255	300	300
Public Wastewater Facilities				
Capitalized funding provided for municipal infrastructure improvement projects (in millions)	\$ 481.5	\$ 520.0	\$ 440.0	\$ 440.0
Municipal infrastructure improvement projects funded	47	92	50	50
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
All Other	563	532	518	519
Total Positions	563	532	518	519
Filled Positions by Program				
Radiation Protection	91	85	84	84
Air Pollution Control	179	165	159	160
Release Prevention	68	60	58	58
Water Pollution Control	145	140	133	133
Public Wastewater Facilities	54	54	51	51
Environmental Management - CBT Dedication	---	7	11	11
Clean Waters	26	21	22	22
Total Positions	563	532	518	519

ENVIRONMENTAL PROTECTION

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

(a) No data available prior to fiscal 2007.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
8,194	636	-271	8,559	7,498	Radiation Protection	01	8,416	7,347	7,347
17,034	2,176	-602	18,608	18,535	Air Pollution Control	02	17,901	17,901	17,901
8,193	3,843	-134	11,902	10,049	Water Pollution Control	08	8,651	8,651	8,651
3,140	1	267	3,408	3,377	Public Wastewater Facilities	09	3,318	3,318	3,318
---	331	900	1,231	717	Environmental Management - CBT Dedication	29	---	---	---
---	1,200	-1,200	---	---	Clean Waters	70	---	---	---
36,561	8,187	-1,040	43,708	40,176	Total Direct State Services		38,286^(a)	37,217	37,217
<u>Distribution by Fund and Object</u>									
Personal Services:									
19,827	1,386	1,088	22,301	22,301	Salaries and Wages		21,037	21,103	21,103
19,827	1,386	1,088	22,301	22,301	Total Personal Services		21,037	21,103	21,103
301	---	-89	212	212	Materials and Supplies		255	232	232
4,416	---	574	4,990	4,990	Services Other Than Personal		4,908	4,792	4,792
529	---	-298	231	231	Maintenance and Fixed Charges		203	276	276
Special Purpose:									
2,306					Nuclear Emergency Response	01	2,490		
1,201 ^S	635	-2	4,140	3,079			1,069 ^S	2,490	2,490
1,703	---	-91	1,612	1,612	Quality Assurance - Lab Certification Programs	01	1,817	1,817	1,817
---	1,144 ^R	-1,074	70	---	Air Pollution Control	02	---	---	---
1,497	137 ^R	-6	1,628	1,628	Pollution Prevention	02	1,549	1,549	1,549
1,144	---	-284	860	860	Toxic Catastrophe Prevention	02	1,213	1,213	1,213
1,071	217 ^R	-77	1,211	1,210	Worker and Community Right to Know Act	02	1,097	1,097	1,097
2,566	652 ^R	-2	3,216	3,215	Oil Spill Prevention	02	2,648	2,648	2,648
---	2,456 ^R	-609	1,847	---	Water Pollution Control	08	---	---	---
---	331	900	1,231	717	Diesel Risk Mitigation Fund				
---					Administrative Costs - Constitutional Dedication	29	---	---	---
---	1,200 ^R	-1,200	---	---	State Revolving Fund - Administrative Costs	70	---	---	---
---	29	130	159	121	Additions, Improvements and Equipment		---	---	---
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
21,765	15,734	-900	36,599	---	Environmental Management - CBT Dedication	29	24,847	19,481	19,481
21,765	15,734	-900	36,599	---	Total Grants-in-Aid		24,847	19,481	19,481
<u>Distribution by Fund and Object</u>									
Grants:									
21,765	15,734	-900	36,599	---	Diesel Risk Mitigation Fund - Constitutional Dedication	29	24,847	19,481	19,481
58,326	23,921	-1,940	80,307	40,176	Grand Total State Appropriation		63,133	56,698	56,698

ENVIRONMENTAL PROTECTION

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
OTHER RELATED APPROPRIATIONS								
Federal Funds								
500	34	---	534	313	Radiation Protection	01	500	500
10,165	2,954	---	13,119	6,679	Air Pollution Control	02	6,448	6,448
44,035	---	---	44,035	---	Public Wastewater Facilities (b)	09	65,000	28,000
710	28	---	738	103	Water Monitoring and Planning	16	110	110
<u>55,410</u>	<u>3,016</u>	<u>---</u>	<u>58,426</u>	<u>7,095</u>	Total Federal Funds		<u>72,058</u>	<u>35,058</u>
All Other Funds								
---	172	---	576	426	Radiation Protection	01	454	1,529
	404 ^R							1,529
---	165	---	767	510	Air Pollution Control	02	4,233	3,745
	121 ^R	481						3,745
---	8 ^R	---	8	8	Water Pollution Control	08	3,300	3,300
---	5	---	5	4	Public Wastewater Facilities	09	1,889	1,592
	10							
---	844 ^R	699	1,553	1,553	Clean Waters	70	1,432	1,760
								1,760
<u>---</u>	<u>1,729</u>	<u>1,180</u>	<u>2,909</u>	<u>2,501</u>	Total All Other Funds		<u>11,308</u>	<u>11,926</u>
<u>113,736</u>	<u>28,666</u>	<u>-760</u>	<u>141,642</u>	<u>49,772</u>	GRAND TOTAL ALL FUNDS		<u>146,499</u>	<u>103,682</u>

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program, which includes \$256,000 in appropriated receipts, and reallocation of management efficiencies.
- (b) Program expenditures for the Clean Water State Revolving Fund are reflected off budget in the Wastewater Treatment Fund.

Language Recommendations -- Direct State Services - General Fund

The amount hereinabove appropriated for the Nuclear Emergency Response account is payable from receipts received pursuant to the assessments of electrical utility companies under P.L.1981, c.302 (C.26:2D-37 et seq.), and the unexpended balances at the end of the preceding fiscal year in the Nuclear Emergency Response account, together with receipts in excess of the amount anticipated, not to exceed \$1,078,000, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

There is appropriated from the Commercial Vehicle Enforcement Fund, established pursuant to section 17 of P.L.1995, c.157 (C.39:8-75), such sums as may be necessary to fund the costs of the regulation of the Diesel Exhaust Emissions program, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the Pollution Prevention account is payable from receipts received pursuant to the "Pollution Prevention Act," P.L.1991, c.235 (C.13:1D-35 et seq.), together with an amount not to exceed \$630,000, for administration of the Pollution Prevention program, subject to the approval of the Director of the Division of Budget and Accounting. If receipts are less than anticipated, the appropriation shall be reduced proportionately.

Notwithstanding the provisions of the "Worker and Community Right to Know Act," P.L.1983, c.315 (C.34:5A-1 et seq.), the amount hereinabove appropriated for the Worker and Community Right to Know Act account is payable out of the Worker and Community Right to Know Fund, and the receipts in excess of the amount anticipated, not to exceed \$548,000, are appropriated. If receipts to that fund are less than anticipated, the appropriation shall be reduced proportionately.

The amount hereinabove appropriated for the Oil Spill Prevention account is payable out of the New Jersey Spill Compensation Fund, and the receipts in excess of those anticipated, not to exceed \$1,147,000, from the New Jersey Spill Compensation Fund for the Oil Spill Prevention program are appropriated, in accordance with the provisions of P.L.1990, c.76 (C.58:10-23.11f2 et seq.), P.L.1990, c.78 (C.58:10-23.11d1 et seq.), and P.L.1990, c.80 (C.58:10-23.11f1), subject to the approval of the Director of the Division of Budget and Accounting.

Any funds received by the New Jersey Environmental Infrastructure Trust from any State agency to offset the Trust's annual operating expenses are appropriated.

In addition to the federal funds amount for the Public Wastewater Facilities program classification, such additional sums that may be received from the federal government for the Clean Water State Revolving Fund program are appropriated.

Receipts in excess of those anticipated from Air Permitting Minor Source Fees, and the unexpended balance at the end of the preceding fiscal year of such receipts, are appropriated to the Department of Environmental Protection for expansion of the Air Pollution Control program, and for County Environmental Health Act agencies to inspect non-major source facilities, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provision of subsection b. of section 1 of P.L. 2005, c.202 (C.58:11B-10.2) or any law or regulation to the contrary, in addition to the amount anticipated to the General Fund from the Environmental Infrastructure Financing Program Administrative Fee, there is appropriated \$1,592,000 to the Department of Environmental Protection for associated administrative and operating expenses, subject to the approval of the Director of the Division of Budget and Accounting.

ENVIRONMENTAL PROTECTION

Of the amount hereinabove appropriated for the Diesel Risk Mitigation Fund - Constitutional Dedication, an amount not to exceed \$1,150,000 shall be appropriated for costs associated with the administration of the program pursuant to the amendments effective December 8, 2005, to Article VIII, Section II, paragraph 6 of the State Constitution. The unexpended balance at the end of the preceding fiscal year in the Diesel Risk Mitigation Fund Administrative Costs - Constitutional Dedication account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - General Fund

The amount hereinabove appropriated for the Diesel Risk Mitigation Fund - Constitutional Dedication shall be provided from revenue received from the Corporation Business Tax, pursuant to the "Corporation Business Tax Act (1945)," P.L. 1945, c.162 (C.54:10A-1 et seq.), as dedicated by Article VIII, Section II, paragraph 6 of the State Constitution. The unexpended balance at the end of the preceding fiscal year in the Diesel Risk Mitigation Fund - Constitutional Dedication account is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, funds hereinabove appropriated from the Diesel Risk Mitigation Fund - Constitutional Dedication account may be used to reimburse the owner of a regulated vehicle or regulated equipment as defined by section 2 of P.L.2005, c.219 (C.26:2C-8.27) for the cost of repowering or rebuilding a diesel engine if repowering or rebuilding results in a reduction of fine particle diesel emissions from that engine as approved by the Department of Environmental Protection and in accordance with rules adopted pursuant thereto. Any reimbursement shall be subject to conditions and limitations provided in P.L.2005, c.219 (C.26:2C-8.26 et seq.) and rules adopted pursuant thereto and shall not exceed the amount of the lowest priced retrofit device on the State Contract at the prescribed best available retrofit technology level for the subject vehicle or equipment type.

40. COMMUNITY DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT 46. ENVIRONMENTAL PLANNING AND ADMINISTRATION

OBJECTIVES

1. To develop administrative policy, evaluate performance, and coordinate program activities.
2. To support activities related to departmental planning, auditing, and legislative services.
3. To support a communication program which imparts the Department's mission to the public and to encourage public participation in decision-making.
4. To support the Department and its objectives in terms of the control of personnel, financial resources, general services, information systems, and equipment.
5. To increase transparency and encourage public understanding of the DEP, and provide the public with timely information through outreach and access to the Department, through the Open Public Records Act.

PROGRAM CLASSIFICATIONS

26. **Regulatory and Governmental Affairs.** Coordinates the proposal and adoption of environmental rules and regulations.

Serves as central point of contact regarding State and federal legislation. Develops and executes public information, environmental education, and communications strategies for the Department's programs. Serves as liaison to the Legislature as well as county and municipal governmental officials.

99. **Administration and Support Services.** Sets policies and develops short and long range plans and strategies; coordinates with governmental agencies; and provides legislative review and legal analysis. Provides general support services including personnel, payroll, purchasing, data processing, printing, information technology, e-government applications, training and organizational development, program evaluation, and property control. Provides financial management, including budget and accounting services, as well as fiscal control and financial monitoring of all General Fund monies, federal funds, bond funds, and tax accounts. Also, receives and processes Open Public Records Act requests.

EVALUATION DATA

PROGRAM DATA	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Administration and Support Services				
Affirmative Action Data				
Male Minority	250	262	265	270
Male Minority %	7.3	7.9	8.0	8.1
Female Minority	299	304	309	314
Female Minority %	8.6	9.2	9.3	9.4
Total Minority	549	566	574	584
Total Minority %	15.9	17.1	17.3	17.5
Open Public Records Act (OPRA) Data				
Number of OPRA requests received	12,392	12,362	12,350	12,350

ENVIRONMENTAL PROTECTION

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	306	298	281	284
All Other	34	31	32	32
Total Positions	340	329	313	316
Filled Positions by Program				
Regulatory and Governmental Affairs	37	32	31	27
Administration and Support Services	303	297	282	289
Total Positions	340	329	313	316

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December, and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
2,338	---	-287	2,051	2,051	Regulatory and Governmental Affairs	26	2,120	1,595	1,595
15,659	4	4,767	20,430	20,426	Administration and Support Services	99	19,877	18,587	18,587
17,997	4	4,480	22,481	22,477	Total Direct State Services		21,997 (a)	20,182	20,182
Distribution by Fund and Object									
15,045	---	4,663	19,708	19,708	Personal Services: Salaries and Wages		19,078	17,447	17,447
15,045	---	4,663	19,708	19,708	Total Personal Services		19,078	17,447	17,447
116	---	-25	91	90	Materials and Supplies		96	104	104
1,079	---	-69	1,010	1,010	Services Other Than Personal		1,055	905	905
159	---	9	168	166	Maintenance and Fixed Charges		170	228	228
Special Purpose:									
1,500	---	---	1,500	1,500	New Jersey Environmental Management System	99	1,500	1,400	1,400
98	---	-98	---	---	Affirmative Action and Equal Employment Opportunity	99	98	98	98
---	4	---	4	3	Additions, Improvements and Equipment		---	---	---
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
---	---	150	150	150	Administration and Support Services	99	---	---	---
---	---	150	150	150	Total Grants-in-Aid		---	---	---
Distribution by Fund and Object									
---	---	150	150	150	Grants: Black Fly Treatment - Delaware River	99	---	---	---

ENVIRONMENTAL PROTECTION

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
STATE AID								
Distribution by Fund and Program								
17,113	140	155	17,408	16,818	Administration and Support Services	99	17,744	16,536
7,613	140	155	7,908	7,750	(From General Fund)		7,916	6,536
9,500	---	---	9,500	9,068	(From Property Tax Relief Fund)		9,828	10,000
17,113	140	155	17,408	16,818	Total State Aid		17,744	16,536
7,613	140	155	7,908	7,750	(From General Fund)		7,916	6,536
9,500	---	---	9,500	9,068	(From Property Tax Relief Fund)		9,828	10,000
Distribution by Fund and Object								
State Aid:								
1,515	140	---	1,655	1,497	Mosquito Control, Research, Administration and Operations	99	1,518	1,518
9,500	---	---	9,500	9,068	Payment In Lieu of Taxes (PTRF)	99	9,500 ^S	10,000
3,000	---	5	3,005	3,005	Administration and Operations of the Highlands Council	99	3,000	2,400
3,098	---	150	3,248	3,248	Administration, Planning and Development Activities of the Pinelands Commission	99	3,398	2,618
35,110	144	4,785	40,039	39,445	Grand Total State Appropriation		39,741	36,718
OTHER RELATED APPROPRIATIONS								
64,664	---	-1	64,663	64,663	Total Debt Service		56,790	59,735
Federal Funds								
150	---	---	150	---	Regulatory and Governmental Affairs	26	150	150
2,400	---	---	---	---	Administration and Support Services	99	2,300	2,350
702 ^S	83	---	3,185	151			2,350	2,350
3,252	83	---	3,335	151	Total Federal Funds		2,450	2,500
All Other Funds								
---	76 ^R	---	86	22	Regulatory and Governmental Affairs	26	---	---
---	3,457 ^R	---	---	---	Administration and Support Services	99	149	114
---	117 ^R	1,049	4,623	3,847			114	114
---	3,660	1,049	4,709	3,869	Total All Other Funds		149	114
103,026	3,887	5,833	112,746	108,128	GRAND TOTAL ALL FUNDS		99,130	99,067

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.

Language Recommendations -- State Aid - General Fund

Receipts derived from permit fees issued by the Pinelands Commission on behalf of the Department of Environmental Protection, pursuant to a memorandum of agreement between the Pinelands Commission and the Department of Environmental Protection, are hereby appropriated to the Pinelands Commission.

The unexpended balance at the end of the preceding fiscal year in the Mosquito Control, Research, Administration and Operations account is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- State Aid - Property Tax Relief Fund

If the amount hereinabove appropriated for Payment in Lieu of Taxes is insufficient to compensate municipalities for land owned by the State for recreation and conservation purposes, as determined according to the formula for payments in lieu of taxes in the "Garden State Preservation Trust Act," P.L.1999, c.152 (C.13:8C-1 et seq.) such additional sums as are necessary are appropriated for the program, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of subsection d. of section 29 of P.L.1999, c.152 (C.13:8C-29) or subsection d. of section 30 of P.L.1999, c.152 (C.13:8C-30), or any law or regulation to the contrary, all payments to municipalities in lieu of taxes for lands acquired by the State for recreation and conservation purposes shall be retained by the municipality and not apportioned in the same manner as the general tax rate of the municipality.

40. COMMUNITY DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT

47. COMPLIANCE AND ENFORCEMENT

OBJECTIVES

1. To protect public health and improve the environment by ensuring compliance with the State's rules and regulations concerning coastal and land use, air pollution, water resources, solid and hazardous waste, and pesticides.
2. To assure consistency in enforcement policies, protocols, and actions taken by the Department.
3. To provide compliance assistance to all businesses, with a special emphasis on small businesses and local governments.
4. To augment the Department's enforcement, inspection, and monitoring activities under the County Environmental Health Act by strengthening agreements with local health agencies to enforce environmental regulations.
5. To improve the quality of the state's beaches through cooperation with the Departments of Correction and Health and the Army Corps of Engineers in programs which reduce floatable debris and monitor ocean water quality.
6. To inspect, monitor, and report on the quality of surface and groundwater discharges in the state.
7. To protect the public and the environment from any hazards resulting from the production, use, sale, storage, or other activities related to pesticides.
8. To perform regular comprehensive underground storage tank inspections in order to protect ground water resources from gasoline and other contamination by reducing the number of leaking tanks.

PROGRAM CLASSIFICATIONS

02. **Air Pollution Control.** Conducts investigations to determine compliance with the Air Pollution Control Act at regulated facilities. Conducts investigations based on citizen complaints of air pollution. Issues enforcement documents and tracks, records and reports on associated administrative activities to ensure compliance. Develops enforcement cases, processes violations, assesses penalties, and negotiates compliance schedules for these programs.
04. **Pesticide Control.** Regulates the manufacture, distribution, storage, sale, possession, and use of pesticides. Conducts complaint investigations and routine inspections. Compliance assistance and pollution prevention activities are performed through training and outreach. Promotes reducing the use of pesticides through practical pest control techniques known as "Integrated Pest Management" (IPM). Enforces requirements for IPM in public, private, and charter schools in New Jersey. Enforces farm worker pesticide safety requirements at agricultural establishments. All pesticide products sold in the state are registered with this program. Pesticide applicators and dealers are certified and licensed, and permits are issued for mosquito/fly control and aquatic pesticide use. Monitoring and evaluation of pesticide hazards and laboratory analysis of pesticide samples are also conducted.

08. **Water Pollution Control.** Responsible for providing compliance assistance, conducting, monitoring and investigations, and issuing enforcement actions in support of the water programs. A particular focus is placed on inspections of wastewater dischargers and community drinking water supply facilities; prevention and correction of non-compliance conditions through a multifaceted compliance assistance program including outreach, education, and a Discharge Monitoring Report guidance manual; issuance of administrative and judicial enforcement actions for chronic or significant violations; and investigation of complaints relating to water resources. Monitors compliance with all permits issued under the New Jersey Pollutant Discharge Elimination System (NJPDES) for surface water, ground water, and indirect discharges to Publicly-Owned Treatment Works. Formal enforcement actions are also issued for violations in the Water Allocation Program and against State certified laboratories which fail to comply with the laboratory certification program requirements.

15. **Land Use Regulation.** Conducts investigations and site inspections required for compliance with State regulations and permits issued pursuant to the Highlands Water Protection and Planning Act, Freshwater Wetlands Protection Act, the Flood Hazard Area Control Act, the Coastal Area Facility Review Act, the Wetlands Act of 1970, the Dam Safety Act, and the Waterfront Development and Riparian Lands statutes. Responding to reports of alleged violations of the above statutes, the program advises individuals how to achieve and/or maintain compliance.

23. **Solid and Hazardous Waste Management.** Manages and conducts compliance and enforcement activities to ensure that solid waste, hazardous waste, regulated medical waste, and used oil are collected, stored, transported, recycled, and disposed of in an environmentally acceptable manner. Assures compliance with federal Resource Conservation and Recovery Act (RCRA) regulations, the New Jersey Solid Waste Management Act, and the Solid Waste Utility Control Act. Activities include such compliance assistance functions as environmental audits, grace periods, and supplemental environmental projects as well as conventional inspections, investigations, transporter and regulated medical waste generator licensing, and when necessary, formal enforcement actions.

29. **Environmental Management - CBT Dedication.** Since 1996, 4% of the revenue annually derived from the tax imposed by the Corporation Business Tax Act (P.L.1945, c.162) has been dedicated to the Department. A portion of this dedication is used to provide loans or grants to upgrade, replace or close underground storage tanks, including the costs of remediation, and to finance the cost of remediating hazardous substance discharges. Beginning in fiscal 2004, the dedication is expanded to include the implementation of the Underground Storage Tank (UST) Inspection Program.

ENVIRONMENTAL PROTECTION

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Air Pollution Control				
Investigations and inspections	5,009	6,500	6,200	6,200
Pesticide Control				
Investigations and inspections	722	963	800	800
Pesticide products regulated	12,337	12,462	12,400	12,400
Pesticide licenses and permits	17,078	17,226	17,000	17,000
Water Pollution Control				
Inspections	5,280	4,500	4,500	4,500
Clean Shores:				
Miles of beaches cleaned	138	135	120	120
Tons of debris removed	2,702	2,430	2,300	2,300
Land Use Regulation				
Investigations and inspections	2,300	1,835	1,750	1,500
Solid and Hazardous Waste Management				
Hazardous waste annual inspections	2,311	2,397	2,000	2,000

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

Federal	14	20	19	19
All Other	319	337	328	331
Total Positions	333	357	347	350

Filled Positions by Program

Air Pollution Control	77	73	70	70
Pesticide Control	39	37	35	35
Water Pollution Control	99	97	96	97
Land Use Regulation	33	32	29	30
Solid and Hazardous Waste Management	75	104	97	98
Environmental Management - CBT Dedication	10	14	20	20
Total Positions	333	357	347	350

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES									
Distribution by Fund and Program									
6,057	800	67	6,924	5,403	Air Pollution Control	02	4,761	4,812	4,812
2,419	---	-27	2,392	2,388	Pesticide Control	04	2,586	2,586	2,586
5,968	---	741	6,709	6,709	Water Pollution Control	08	6,433	6,433	6,433
2,029	929	-225	2,733	2,733	Land Use Regulation	15	2,103	2,103	2,103
5,444	---	393	5,837	5,837	Solid and Hazardous Waste Management	23	6,582	6,531	6,531
---	1,443	2,000	3,443	1,683	Environmental Management - CBT Dedication	29	---	---	---
21,917	3,172	2,949	28,038	24,753	Total Direct State Services		22,465 ^(a)	22,465	22,465
Distribution by Fund and Object									
Personal Services:									
17,258	---	1,222	18,480	18,480	Salaries and Wages		18,021	17,843	17,843
17,258	---	1,222	18,480	18,480	Total Personal Services		18,021	17,843	17,843
149	---	-4	145	143	Materials and Supplies		182	73	73

ENVIRONMENTAL PROTECTION

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
1,627								
1,500 ^S	797	-512	3,412	1,912		2,722	2,688	2,688
502	---	141	643	643		512	833	833
881	929 ^R	-107	1,703	1,703				
---	1,443	2,000	3,443	1,683				
---	3	209	212	189				
<u>STATE AID</u>								
Distribution by Fund and Program								
3,453	---	---	3,453	3,453	08	3,453	2,700	2,700
3,453	---	---	3,453	3,453		3,453	2,700	2,700
Distribution by Fund and Object								
State Aid:								
3,453	---	---	3,453	3,453				
25,370	3,172	2,949	31,491	28,206	08	3,453	2,700	2,700
						25,918	25,165	25,165
<u>OTHER RELATED APPROPRIATIONS</u>								
Federal Funds								
1,802	265	---	2,067	2,038	02	1,802	1,802	1,802
740	11	---	751	448	04	570	571	571
1,000	34	---	1,034	34	08	---	---	---
600	301	---	901	335	15	600	600	600
2,500	72	---	2,572	2,136				
6,642	683	---	7,325	4,991	23	2,500	2,500	2,500
						5,472	5,473	5,473
All Other Funds								
---	685	---						
---	420 ^R	---	1,105	650	02	520	520	520
---	8 ^R	---	8	8	04	---	---	---
---	2,069	---						
---	995 ^R	-197	2,867	959	08	1,890	1,890	1,890
---	12 ^R	---	12	12	15	668	689	689
---	1 ^R	---	1	---				
---	4,190	-197	3,993	1,629	23	---	---	---
32,012	8,045	2,752	42,809	34,826		3,078	3,099	3,099
						34,468	33,737	33,737

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program, which includes \$68,000 in appropriated receipts, and for the reallocation of management efficiencies.

Language Recommendations -- Direct State Services - General Fund

Receipts deposited into the Coastal Protection Trust Fund pursuant to P.L.1993, c.168 (C.39:3-27.47 et seq.) are appropriated in an amount not to exceed \$540,000 for the cleanup or maintenance of beaches or shores, an amount not to exceed \$180,000 for the cost of providing monitoring, surveillance and enforcement activities for the Cooperative Coastal Monitoring Program, an amount not to exceed \$45,000 for the implementation of the "New Jersey Adopt a Beach Act," P.L.1992, c.213 (C.13:19-22 et seq.), and an amount not to exceed \$135,000 for a program of grants for the operation of a sewage pump-out boat and the construction of sewage pump-out devices for marine sanitation devices and portable toilet emptying receptacles at public and private marinas and boatyards in furtherance of the provisions of P.L.1988, c.117 (C.58:10A-56 et seq.). Receipts collected in excess of \$900,000 up to \$1,000,000 are also appropriated and distributed proportionately pursuant to P.L.1993, (c.39:3-27.47 et seq.). Receipts deposited to the Coastal Protection Trust Fund in excess of \$1,000,000 are appropriated to finance emergency shore protection projects and the cleanup of discharges into the ocean.

Receipts in excess of the amount anticipated for Pesticide Fees are appropriated to the Department of Environmental Protection, subject to the approval of the Director of the Division of Budget and Accounting.

ENVIRONMENTAL PROTECTION

DEPARTMENT OF ENVIRONMENTAL PROTECTION

The amounts hereinabove appropriated for the Tidelands Peak Demands account are payable from receipts derived from the sales, grants, leases, licensing, and rentals of State riparian lands. If receipts are less than anticipated, the appropriation shall be reduced proportionately. In addition, there is appropriated an amount not to exceed \$3,626,000 from the same source for other administrative costs, including legal services, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, with regard to the fee-related appropriations provided hereinabove, the Commissioner of the Department of Environmental Protection shall obtain concurrence from the Director of the Division of Budget and Accounting before altering fee schedules or any other revenue-generating mechanism under the Department's purview.

Notwithstanding the provisions of the "Environmental Fee Fund Accountability Act of 1991," P.L.1991, c.426 (C.52:27B-20.1 et seq.) and P.L.1991, c.427 (C.13:1D-9.1 et seq.), all revenues from fees and fines collected by the Department of Environmental Protection, unless otherwise herein dedicated, shall be deposited into the State General Fund without regard to their specific dedication.

Notwithstanding the provisions of any law or regulation to the contrary, of the Federal Fund amounts hereinabove appropriated for the programs included in the Performance Partnership Grant Agreement with the United States Environmental Protection Agency, the Department of Environmental Protection is authorized to reallocate the appropriations, in accordance with the Grant Agreement and subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of P.L.1954, c.48 (C.52:34-6 et seq.) or any law or regulation to the contrary, of the amounts appropriated for site remediation, the Department of Environmental Protection may enter into a contract with the United States Environmental Protection Agency (EPA) to provide the State's statutory matching share for EPA-led Superfund remedial actions pursuant to the State Superfund Contract.

Receipts in excess of \$7,210,000 anticipated for Air Pollution, Clean Water Enforcement, Land Use, Solid Waste, and Hazardous Waste fines, not to exceed \$1,500,000, and the unexpended balance at the end of the preceding fiscal year are appropriated for the expansion of compliance, enforcement, and permitting efforts in the Department, subject to the approval of the Director of the Division of Budget and Accounting.

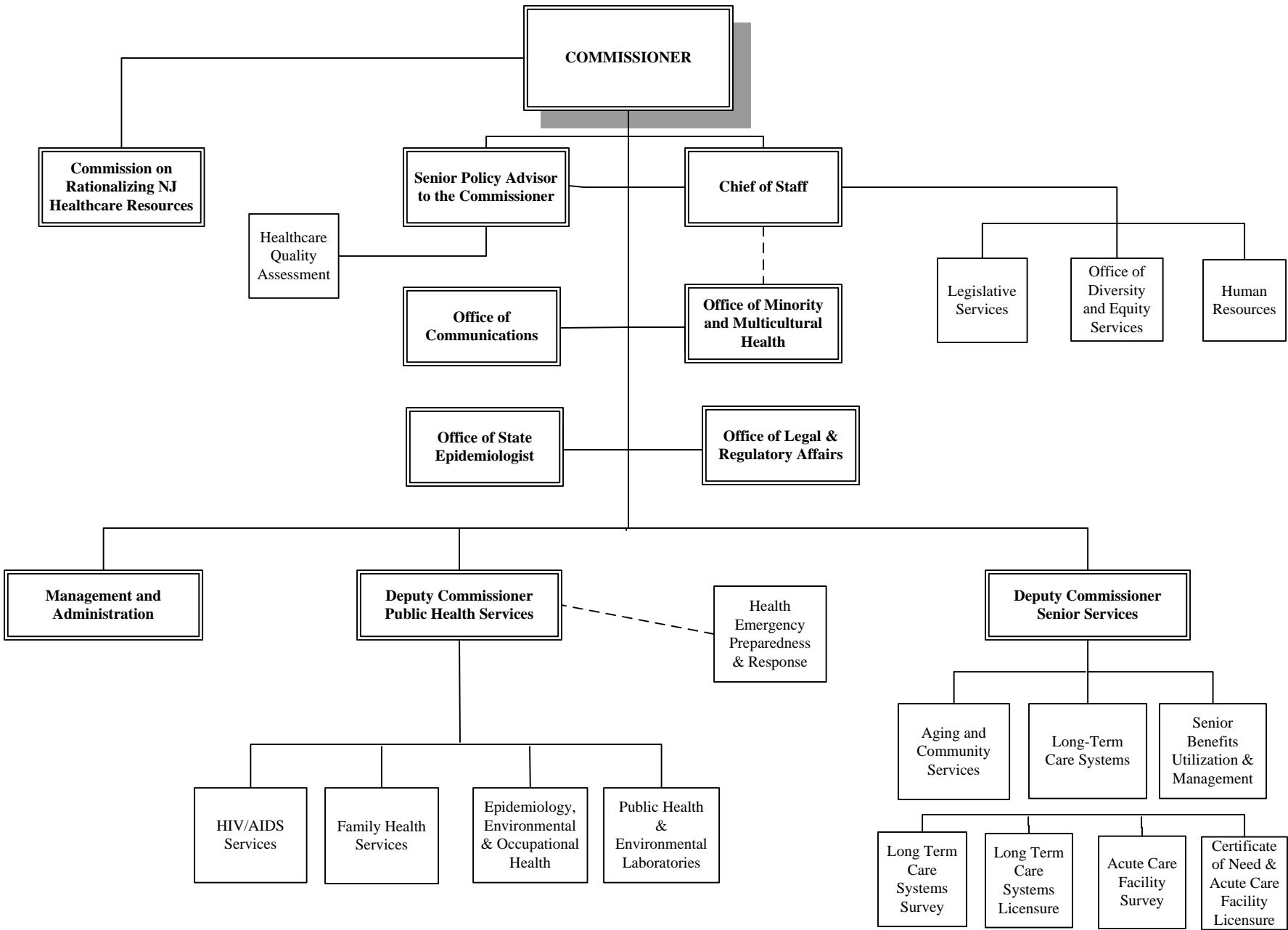
Receipts in excess of the amount anticipated from New Jersey Pollutant Discharge Elimination System/Stormwater Permits, and the unexpended balance at the end of the preceding fiscal year of such receipts, are appropriated to the Department of Environmental Protection to offset the costs of the Water Pollution Control Program, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of P.L. 1954, c.48 (C.52:34-6 et seq.) or any law or regulation to the contrary, of the amounts hereinabove appropriated for water resource evaluation studies and monitoring, the Department of Environmental Protection may enter into contracts with the United States Geological Survey to provide the State's match to joint funding agreements for water resource evaluation studies and monitoring analyses.

Of the amount hereinabove appropriated for the Hazardous Substance Discharge Remediation Loans and Grants-Constitutional Dedication account, an amount not to exceed \$2,000,000 shall be allocated for costs associated with the State Underground Storage Tank Inspection Program, pursuant to the amendments effective December 4, 2003, to Article VIII, Section II, paragraph 6 of the State Constitution. The unexpended balance at the end of the preceding fiscal year in the Underground Storage Tank Inspection Program account is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of P.L.1954, c.48 (C.52:34-6 et seq.) or any other law to the contrary, of the amounts hereinabove appropriated for environmental restoration and mitigation, the Department of Environmental Protection may enter into agreements with the United States Army Corps of Engineers to provide the State's matching share to any federally authorized restoration or mitigation projects.

HEALTH AND SENIOR SERVICES



HEALTH AND SENIOR SERVICES

DEPARTMENT OF HEALTH AND SENIOR SERVICES

OVERVIEW

Mission and Goals

The mission of the Department of Health and Senior Services (DHSS) is to foster accessible health and senior services of the highest quality for all people in New Jersey to ensure optimal health, dignity, and independence. The Department's initiatives prevent disease, promote and protect the well-being at all life stages, and encourage informed choices that enrich the quality of life for individuals and communities. This mission is accomplished through leadership, collaborative partnerships, accountability, advocacy, especially for those with the greatest need, and a strong commitment to informing and serving the diverse health needs of New Jersey citizens.

The Department's objectives are to:

Optimize access to the highest quality health care and benefits for the people of New Jersey.

Provide high quality services and program benefits that promote independence, dignity, and choice for older adults in New Jersey.

Strengthen New Jersey's public health infrastructure by adopting and implementing best practices, inspecting and monitoring health care facilities, creating a comprehensive communications system that links health care providers and institutions statewide, forming a coordinated disease surveillance and response network, and providing comprehensive public health and environmental laboratory testing services.

Implement scientific, evidence-based primary and secondary prevention programs designed to decrease mortality rates of health conditions such as heart disease, cancer, obesity, and stroke and promote longer and healthier lives.

Eliminate disparities in health care access, treatment, and clinical outcomes between racial, ethnic, and socioeconomic populations, in part through cultural competency, education, and partnering with minority-oriented health organizations.

Prepare New Jersey to rapidly detect, identify, and respond to health-related aspects of biological, chemical, radiological, nuclear, explosive and incendiary acts of terrorism as well as natural disasters and disease outbreaks.

Budget Highlights

The Fiscal 2009 Budget for the Department of Health and Senior Services totals \$1.566 billion, a decrease of \$180.2 million or 10.3% under the fiscal 2008 adjusted appropriation of \$1.746 billion.

Health Services

The Fiscal 2009 Budget continues funding for the Early Childhood Intervention Program (ECI) to address the expanding needs of the developmentally disabled under three years of age.

The Fiscal 2009 Budget continues funding for Federally Qualified Health Centers (FQHC). There are now 79 licensed sites throughout the State. The number of uninsured primary care visits to FQHCs during fiscal year 2008 is expected to surpass 400,000.

Senior Services

The Fiscal 2009 Budget continues funding for the Department's major programs. Funding is provided to continue the Pharmaceutical Assistance to the Aged and Disabled Program (PAAD), which provides needed pharmaceutical services to seniors and disabled clients with incomes below \$23,092 if single and \$28,313 if married. The Fiscal 2009 Budget recommendation includes an increase in co-payments for PAAD clients, from \$5 per prescription to \$6 for generic and \$7 for brand name drugs, saving \$7 million. This is the first co-payment increase in 16 years.

The Budget also includes funding for the Senior Gold Program that provides pharmaceutical services to aged and disabled clients with

incomes below \$33,092 if single and \$38,313 if married. Senior Gold clients pay a \$15 co-payment and 50% of the remaining cost of the drug, which is the same as the current policy.

The PAAD program continues to coordinate coverage with the federal Medicare Part D drug assistance program. Approximately 183,000 PAAD and Senior Gold beneficiaries are enrolled into a Medicare Part D plan that best meets their needs based on their prescription drug utilization. The Part D enrollment effort in PAAD has resulted in significant savings for the State. The State will continue to provide coverage for those drugs not covered by Medicare Part D.

New Jersey is witnessing a fundamental change in its long-term care policy for older adults and persons with disabilities across all incomes - a transformation that is mandated under the Independence, Dignity and Choice in Long-Term Care Act. This law continues to redirect long-term care away from an over-reliance on institutional care toward more home and community-based options. The Global Budget program now includes funding previously provided separately through the Community Care Alternatives, Assisted Living, and ElderCare Initiatives appropriations. Since the Department began the new Global Options (GO) for Long-Term Care initiative in fiscal year 2006, nearly 1,000 nursing home residents have been transitioned to alternative long-term care options. GO provides supportive services to enable nursing facility residents who are clinically and financially approved for long-term care through Medicaid to return to the community. It is the Aging and Disability Resource Connection (ADRC) model that is the framework underpinning this reform process. In fiscal year 2008, the ADRC grew from a pilot in two counties to a reality in seven counties. It is expanding statewide with the deployment of an integrated computer application. Medicaid Fast Track Eligibility will also continue statewide. This initiative was launched so that people can get home care options while the full Medicaid application and eligibility determination process is completed.

Health Planning and Evaluation

The Fiscal 2009 Budget recommends a net reduction to Charity Care of \$108 million; however, the Charity Care allocation of \$608 million in fiscal 2009 includes a new Health Care Stabilization Fund for distressed hospitals as well as a new distribution formula. The formula to distribute these funds will be adjusted to maintain necessary support for essential hospitals and updated based on current service data. A portion of the \$608 million will not be distributed but instead will be held in a newly created Health Care Stabilization Fund to assist hospitals facing specific financial needs during the fiscal year.

Department Accomplishments

Patient Safety

With the passage of the Patient Safety Act (P.L.2004, c.9) every licensed health care facility must report every serious preventable adverse event that results in a patient death, loss of body part, disability, or loss of bodily function lasting for more than seven days or still present at the time of discharge. A preventable event is defined as an occurrence that could have been anticipated and prepared against, but occurs because of an error or other system failure. In 2005, (after 11 months of reporting) 376 events were reported by hospitals. In 2006, (full twelve months of reporting) there were 450 events reported to the Department. For the year ending December, 2007 a total of 1,285 events have been reported to the program. Root cause analysis are required from hospitals with the expectation that they will help decrease the occurrence of, or prevent a similar event in the future resulting in safer medical care for New Jersey residents. This data has been used to create newsletters that provide feedback on general and specific events to educate facilities.

Reforming Long-term Care for Older Adults and Persons with Disabilities

New Jersey's efforts to reform its long-term care system were advanced when Governor Corzine signed the Independence, Dignity and Choice in Long-Term Care Act into law, giving older adults and persons with disabilities more control over their care and the ability to receive more support for community living. The Act redirects public funding to be moved from the budget for nursing homes to home and community-based services in order to provide more options for older adults. Most recently, New Jersey received nearly \$700,000 in federal grants effective October 1, 2007 to create two model programs that will enable seniors to get long-term care services in their homes instead of a nursing home.

Pharmaceutical Assistance to the Aged and Disabled & Medicare Part D

Effective January 1, 2006, the federal government began offering prescription coverage through the Medicare Part D plan. The PAAD program helped beneficiaries choose a Medicare Part D plan that would best fit their prescription needs, and then facilitated their enrollment into the plan. As a result of a seamless transition, all PAAD beneficiaries with Medicare coverage in the PAAD program have been enrolled in a Medicare Part D plan or have retiree employer-sponsored prescription coverage saving the State millions of dollars. PAAD beneficiaries now use both their Medicare Part D coverage and their PAAD coverage to obtain prescriptions with only a small co-payment.

EMS System Modernization

DHSS has advanced the recommendations of an independent EMS Study through issuance of guidelines that frame system modernization, survivability and sustainability. These principles: a system that is patient-centric, metric driven, survivable and sustainable, diverse and flexible, and technology enabled and enhanced, were presented by DHSS leadership to the State EMS Council, an advisory board to DHSS comprised of representation from all facets of the EMS community. DHSS has empowered the EMS Council to lead the effort in providing final recommendations, an implementation plan, and draft legislation in support of state EMS by November, 2008. In parallel, DHSS will work with the Governor's Office and legislators to ensure changes are understood, acceptable, supported, and in the best interest of the residents of New Jersey.

Office of Minority and Multicultural Health

As part of its core mission to address health disparities, the Department has made progress in establishing a health disparities initiative which focuses on several health indicators and establishes goals for reducing and ultimately eliminating health disparities in New Jersey. The Department soon will release the health disparities plan which will guide the Department in strengthening and replicating best practices in addressing health disparities initiatives across the Department. The Health Disparities Work Group under the leadership of the Office of Minority and Multicultural Health serves as the steering committee for the development and implementation of the Department's Plan to Eliminate Health Disparities. The intent of the Plan is to improve measurable outcomes in minority communities in various medical areas including: hospitalization for asthma attacks; decreased incidence of infant mortality/SIDS through awareness and education; increased numbers of minorities getting screened for various cancers; increased awareness of diabetes and identification of diabetics and higher numbers of individuals in minority communities effectively managing diabetes; as well as several other goals to improve the health of minorities in specific medical areas. The Plan strengthens the Department's infrastructure to address health disparities including increasing access to language services.

Maintaining Standards and Access to Quality Care

In order to ensure New Jersey residents have access to high quality care, the Department's Division of Health Facilities and Evaluation conducted 4,300 acute care, primary care facility and nursing homes inspections. In addition, over 2,500 specific complaints were investigated at both acute and long-term care facilities.

Pandemic Influenza Preparedness Plan

New Jersey has made significant progress in preparing for an influenza pandemic during this reporting period. The State's Pandemic Influenza Plan was released by the State lead for pandemic planning to the Domestic Security Preparedness Task Force Infrastructure Advisory Committee sectors, county health departments, and the New Jersey Hospital Association for initial feedback with the intent of Issuing Version 1 by Spring, 2008. DHSS has recently released Annex 1 to the State Plan, called the "Health Pandemic Influenza Plan," and has requested comments back from stakeholders with inputs expected by mid-March. Once initial drafts are issued, these plans will be tested by responders for assessment of operational efficiency.

Expansion of Centers for Primary Health Care (CPHCs)

To address the health care needs of the over 1.3 million New Jersey residents without health insurance coverage, funding has been provided to expand the number of CPHCs (also known as Federally Qualified Health Centers), and to continue reimbursement to established CPHCs for delivery of uncompensated care (including medical and dental care) to uninsured and underinsured residents. The purpose of this expansion is to provide access to affordable, quality primary health care in community health settings, reducing the need for use of emergency departments as the safety net for primary care services. In fiscal year 2008 an increase in funding for ongoing operations of \$5 million has been awarded to CPHCs to increase capacity to provide primary care medical or dental services. Funds are being used to add medical/dental providers, renovate facilities, purchase medical/dental equipment and improve patient management and flow through more extensive use of technology.

Expansion of the New Jersey Chronic Care Collaborative

The New Jersey Asthma Collaborative was launched in September, 2005 and serves to address asthma disparities by effective prevention, identification, and management of the disease and to enable effective system change in health care delivery. This ongoing initiative is designed to: generate and document improved health outcomes for underserved populations within the state; transform clinical practice through the proven effective, evidence-based models of care; develop infrastructure, expertise, and multi-disciplinary leadership within the state and within each organization to improve health status and; build strategic partnerships nationally, throughout the state, and within the communities. Currently, sixteen Centers for Primary Health Care completed the learning phase and have moved into the sustain and spread improvement model of chronic care management to reduce the prevalence rates, to improve quality of life, and reduce hospitalization and mortality related to asthma. This collaborative will improve the delivery of healthcare services to persons living with diabetes by increasing access to primary and preventive health care.

Rapid HIV Testing

Rapid HIV Testing is a major advancement in diagnostic technology for HIV disease, with the ability to provide negative (non-reactive) results and preliminary positive (reactive) results within 10 to 20 minutes, rather than days. Rapid HIV Testing is one of four FDA-approved tests that are currently available in the United States.

In 2002, the year prior to rapid testing, those not receiving results included 381 of 1,327 (29%) of persons testing positive. These patients did not know that they were positive, were not referred for treatment, were not referred for prevention or social services, and posed a continuing risk for HIV transmission. Rapid HIV testing is

HEALTH AND SENIOR SERVICES

currently available at 164 publicly funded sites in New Jersey. Additionally, 22 emergency departments in 12 counties were funded and licensed by DHSS to offer and perform voluntary rapid HIV testing. Since inception, more than 98% (19,410) of the clients tested in the emergency departments received results. The percentage of clients tested in the emergency departments, both positive and overall, who get their results is substantially higher than the

percentage of clients who get their results through conventional testing. In addition, the proportion of persons testing positive in emergency departments is higher than that for other rapid HIV counseling and testing sites. Thus, rapid testing in emergency departments furthers the Department's goals for increasing the percentage of persons tested for HIV at publicly funded sites who receive their test results.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND							
78,306	24,201	10,956	113,463	94,078	72,843	67,363	67,363
1,426,416	4,735	-12,052	1,419,099	1,256,783	1,403,266	1,229,394	1,229,394
9,552	---	---	9,552	9,417	9,552	9,552	9,552
---	246	---	246	98	---	---	---
1,514,274	29,182	-1,096	1,542,360	1,360,376	1,485,661	1,306,309	1,306,309
CASINO REVENUE FUND							
871	25	114	1,010	948	871	871	871
316,910	9,497	-114	326,293	258,682	259,808	258,948	258,948
317,781	9,522	---	327,303	259,630	260,679	259,819	259,819
1,832,055	38,704	-1,096	1,869,663	1,620,006	1,746,340	1,566,128	1,566,128
Total Appropriation, Department of Health and Senior Services							

SUMMARY OF APPROPRIATIONS BY PROGRAM

(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES - GENERAL FUND							
Health Services							
1,678	2,736	-1,600	2,814	2,747	1,678	1,678	1,678
2,279	---	2,538	4,817	4,590	2,178	3,178	3,178
30,706	2,157	-406	32,457	31,381	30,863	26,143	26,143
8,048	679	3,563	12,290	12,285	8,567	7,927	7,927
1,993	1	456	2,450	2,409	1,991	1,991	1,991
44,704	5,573	4,551	54,828	53,412	45,277	40,917	40,917
Health Planning and Evaluation							
3,549	2,600	-2,470	3,679	3,344	5,762	5,562	5,562
10,345	5,314	-3,294	12,365	6,847	2,682	2,682	2,682
13,894	7,914	-5,764	16,044	10,191	8,444	8,244	8,244
Health Administration							
3,597	10,714	5,183	19,494	8,745	3,498	3,498	3,498
3,597	10,714	5,183	19,494	8,745	3,498	3,498	3,498

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Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
					Senior Services			
6,193	---	3,165	9,358	8,496	Medical Services for the Aged	5,097	4,737	4,737
8,606	---	3,630	12,236	11,749	Pharmaceutical Assistance to the Aged and Disabled	9,215	8,655	8,655
462	---	191	653	635	Programs for the Aged	462	462	462
850	---	---	850	850	Office of the Public Guardian	850	850	850
16,111	---	6,986	23,097	21,730	Subtotal	15,624	14,704	14,704
78,306	24,201	10,956	113,463	94,078	Total Direct State Services - General Fund	72,843	67,363	67,363
					DIRECT STATE SERVICES - CASINO REVENUE FUND			
					Senior Services			
871	25	114	1,010	948	Programs for the Aged	871	871	871
871	25	114	1,010	948	Subtotal	871	871	871
871	25	114	1,010	948	Total Direct State Services - Casino Revenue Fund	871	871	871
79,177	24,226	11,070	114,473	95,026	TOTAL DIRECT STATE SERVICES	73,714	68,234	68,234
					GRANTS-IN-AID - GENERAL FUND			
					Health Services			
118,840	4,207	9,250	132,297	131,897	Family Health Services	140,605	147,180	147,180
115,694	---	-3,668	112,026	112,025	Public Health Protection Services	72,403	61,044	61,044
31,898	---	-783	31,115	21,977	AIDS Services	30,607	30,816	30,816
266,432	4,207	4,799	275,438	265,899	Subtotal	243,615	239,040	239,040
					Health Planning and Evaluation			
151,162	---	3,450	154,612	139,062	Health Care Systems Analysis	201,462	87,462	87,462
151,162	---	3,450	154,612	139,062	Subtotal	201,462	87,462	87,462
					Senior Services			
830,968	---	-4,260	826,708	819,010	Medical Services for the Aged	866,168	831,758	831,758
163,916	528	-15,850	148,594	19,065	Pharmaceutical Assistance to the Aged and Disabled	77,018	55,566	55,566
13,938	---	-191	13,747	13,747	Programs for the Aged	15,003	15,568	15,568
1,008,822	528	-20,301	989,049	851,822	Subtotal	958,189	902,892	902,892
1,426,416	4,735	-12,052	1,419,099	1,256,783	Total Grants-In-Aid - General Fund	1,403,266	1,229,394	1,229,394
					GRANTS-IN-AID - CASINO REVENUE FUND			
					Health Services			
529	---	---	529	529	Family Health Services	529	529	529
529	---	---	529	529	Subtotal	529	529	529
					Senior Services			
30,629	---	---	30,629	28,828	Medical Services for the Aged	29,129	27,830	27,830
271,075	9,497	---	280,572	214,762	Pharmaceutical Assistance to the Aged and Disabled	215,473	215,912	215,912
14,677	---	-114	14,563	14,563	Programs for the Aged	14,677	14,677	14,677

HEALTH AND SENIOR SERVICES

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
316,381	9,497	-114	325,764	258,153	Subtotal	259,279	258,419	258,419
316,910	9,497	-114	326,293	258,682	Total Grants-In-Aid - Casino Revenue Fund	259,808	258,948	258,948
1,743,326	14,232	-12,166	1,745,392	1,515,465	TOTAL GRANTS-IN-AID	1,663,074	1,488,342	1,488,342
STATE AID - GENERAL FUND								
Health Services								
2,400	---	---	2,400	2,265	Public Health Protection Services	2,400	2,400	2,400
2,400	---	---	2,400	2,265	Subtotal	2,400	2,400	2,400
Senior Services								
7,152	---	---	7,152	7,152	Programs for the Aged	7,152	7,152	7,152
7,152	---	---	7,152	7,152	Subtotal	7,152	7,152	7,152
9,552	---	---	9,552	9,417	Total State Aid - General Fund	9,552	9,552	9,552
9,552	---	---	9,552	9,417	TOTAL STATE AID	9,552	9,552	9,552
CAPITAL CONSTRUCTION								
Health Services								
---	246	---	246	98	Laboratory Services	---	---	---
---	246	---	246	98	Subtotal	---	---	---
---	246	---	246	98	TOTAL CAPITAL CONSTRUCTION	---	---	---
1,832,055	38,704	-1,096	1,869,663	1,620,006	Total Appropriation, Department of Health and Senior Services	1,746,340	1,566,128	1,566,128

20. PHYSICAL AND MENTAL HEALTH 21. HEALTH SERVICES

OBJECTIVES

1. To provide a system for the registration of births, deaths, marriages and other vital statistics and to furnish certified copies as requested.
2. To reduce infant mortality and improve the health of mothers and children; to provide medical and dental services to special high risk populations; to provide access to quality medical and developmental intervention services for handicapped children; to provide and promote family planning services and to identify, treat and minimize the exposure of children at high risk of lead poisoning.
3. To promote and improve local health department practice and performance through regulation, licensing, technical assistance, education and health service grants.
4. To promote and improve local health delivery services, particularly for low income and minority families, and assist local health agencies in meeting recognized minimum standards of performance.
5. To assure the wholesomeness and safety of foods and cosmetics; to prevent food related illnesses and the

misbranding, adulteration and illicit tampering of foods and cosmetics; to prevent the spread of animal diseases to man, especially rabies; to enhance the Department's capabilities to protect the citizenry from environmental hazards; to assure the health and safety of youth attending camps and the safety of those persons swimming in recreational waters; to assure a high level of sanitation in health care facilities and various State operated institutions; and to administer animal population control programs.

6. To detect, prevent, control and treat chronic diseases with emphasis on assistance for persons with low or limited socioeconomic status.
7. To reduce the incidence and spread of tuberculosis.
8. To detect, prevent and control occupationally related diseases, fatal injuries and hazards in high-risk public and private workplaces.
9. To reduce abuse of and dependence on tobacco.
10. To provide a comprehensive range of timely and accurate public health, environmental and chemical laboratory analytical and diagnostic services to State and federal agencies, physicians, clinics, hospitals, local health depart-

ments, and other health care interests in the identification and control of disease and environmental threats and Biological and Biochemical Terrorism preparedness.

11. To improve the quality of performance in New Jersey's clinical laboratories in the specialties of microbiology, blood banking, chemistry, hematology, serology and immuno-hematology and to serve as a reference resource for all laboratories, clinical and analytical, in New Jersey.
12. To reduce the spread of AIDS and HIV infection by providing an integrated continuum of AIDS health and social support services to promote cost-effective treatment, and to expand prevention and education efforts.
13. To reduce death and disability by improving response to medical emergencies, by assuring the availability of trained personnel for emergency medical services.
14. To ensure the timely identification and treatment of infants with biochemical or metabolic disorders, hearing impairments and/or birth defects.

PROGRAM CLASSIFICATIONS

01. **Vital Statistics.** Collects and records data such as births, deaths and marriages from the 566 local registrars; approves appointment of, instructs and supervises local registrars of vital statistics; receives and processes vital records, searches and makes certified copies of these records (R.S. 26:8-23 et seq.); processes legal changes of name, adoptions and corrections to vital records.
02. **Family Health Services.** Provides funding of specialized medical and rehabilitative services for handicapped children (R.S. 9:13-1 et seq.); provides and promotes family planning and genetic services (R.S. 26:5B), maternal and child health care (C.26:1A-37E) including supplemental nutrition services, prenatal care, child health supervision and screening of newborns for metabolic causes of mental retardation and deafness; administers poison control activities e.g., childhood lead poisoning (C.24:14A-1 et seq.); provides prenatal services for children; coordinates programs on fetal alcohol syndrome and child abuse; provides financial assistance to persons with hemophilia (C.26:2-87 et seq.); provides financial assistance to persons with chronic renal disease (C.26:2-87 et seq.) and general assistance to persons with other chronic diseases (C.26:1A-92 et seq.); provides assistance to local health departments for the provision of primary and preventive health services; develops community based chronic disease detection programs and supports the special health needs of the geriatric population.
03. **Public Health Protection Services.** Initiates programs to reduce incidence of sexually transmitted diseases (R.S. 26:4-27 et seq.); controls tuberculosis (R.S. 26:4-1 et seq.); monitors and initiates programs to reduce the incidence of other communicable diseases such as hepatitis, measles, polio, pertussis and diphtheria; maintains a cancer registry which provides epidemiologic intelligence regarding cancer associated risk factors for control and prevention activities. Assists in training of emergency medical personnel and coordinating emergency medical services, including aeromedical response. Assures quality of food and milk, drugs, and general sanitation (C.26:1A-7); distributes vaccine for the prevention of rabies; and assures the appropriate utilization of funds from dog license fees (\$1.00 per dog) to support activities. Performs health investigations in private and public workplaces to evaluate occupational exposures; conducts medical screenings for individuals exposed to chemicals; implements the worker provisions of the Worker and Community Right to Know Act and the health provisions of the Public Employees Occupational Safety and Health Act; collects occupational illness and exposure data; conducts environmental monitoring, health assessments, health screening and epidemiologic investigations of community exposure to toxic substances, and implements the State asbestos policy; provides assistance to local health departments for the provision of primary and preventive health services. Directs the State's Comprehensive Tobacco Control Program to provide clients counseling and treatment services.
08. **Laboratory Services.** Performs comprehensive analytical and diagnostic laboratory services through five primary service categories on a 24-hour 7-day a week basis, which includes: Bacteriology (e.g. tuberculosis, dairy products, sexually transmitted diseases, gastrointestinal illnesses, drinking water, and ocean pollution); Virology (e.g. AIDS, influenza, Rubella, and rabies); Serology (e.g. Lyme, Legionella, and syphilis); Inborn Errors of Metabolism (e.g. sickle cell, hypothyroidism, PKU, and Galactosemia) and Environmental and Chemical (e.g. blood lead, asbestos, drugs, water, food, and other environmental and chemical contaminants). Clinical Laboratory Services performs tests and monitors the quality of laboratory testing performed in independent, hospital and public health laboratories in the State; inspects, proficiency tests and licenses all such laboratories (C.45:9-42.26 et seq.); improves techniques of laboratory personnel by conducting workshops and seminars as necessary; and certifies clinical laboratories for Medicare participation.
12. **AIDS Services.** Promotes the health of the people of New Jersey by reducing the spread of AIDS by establishing and maintaining a comprehensive system of HIV/AIDS-related prevention, surveillance, counseling and testing, health and supportive services.

EVALUATION DATA

PROGRAM DATA	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Vital Statistics				
Searches	154,621	151,634	155,000	160,000
Certified Copies Issued	118,939	116,641	120,000	123,000
Family Health Services				
Agencies receiving health services grants	462	505	510	510
Handicapped Children				
Physically disabled children receiving services	42,500	42,521	43,000	43,000
Children newly registered with Special Child Health Services	8,423	9,275	9,000	9,000

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	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Maternal and Child Health				
Infant mortality rate/1,000 live births	5.7	5.7	5.7	5.7
Infant born to mothers with no prenatal care/1,000 live births (a)	11.0	10.0	11.0	11.0
Newborns screened for metabolic and genetic disorders ...	110,851	111,607	115,000	115,000
Number of infants to be followed	6,400	6,775	7,200	7,000
Number of infants in early intervention	17,403	18,513	19,600	20,700
HealthStart (prenatal)	35,439	29,167	31,000	31,000
Women assessed for alcohol use/abuse during pregnancy .	28,546	29,046	30,000	34,000
Women, Infants and Children (WIC) receiving services ...	269,548	271,954	280,000	280,000
Family Planning				
Women in reproductive years applying for and receiving services	126,827	131,756	132,000	132,000
Poison Control				
Children screened for lead poisoning	222,000	184,563	190,000	200,000
Number of lead poisoned children identified	5,200	2,885	3,000	3,000
Adult Health				
Adults served with Cystic Fibrosis	99	105	105	105
Health Promotion				
Persons screened and educated for breast and cervical cancer	22,449	20,621	20,000	20,000
Number of renal patients served	1,371	1,391	1,350	1,350
Public Health Protection Services				
Cancer and Epidemiological Services				
Number of new cancer cases reported	118,228	128,001	128,000	135,000
Number of cumulative cancer reports in master file	1,986,594	2,114,595	2,237,000	2,244,000
Tuberculosis Control				
TB cases on register as of June 30	511	489	490	490
Visits to chest clinics	65,362	48,671	48,000	48,000
Percent of TB patients completing chemotherapy	81.8%	86.0%	86.0%	86.0%
Emergency Medical Services				
Mobile intensive care paramedics certified/recertified	790	873	900	900
Emergency Medical Technicians certified/recertified	8,000	8,642	7,800	8,600
Helicopter response missions	2,500	2,977	2,500	3,000
Mobile intensive care unit's patient charts audited	1,000	1,500	1,000	1,500
Ambulance/invalid services licensed	350	385	400	400
Ambulance/invalid vehicles licensed	2,500	2,955	3,000	3,000
EMT training agencies certified	64	67	70	70
Sexually Transmitted Diseases (STD)				
Percent of STD clinic patients receiving education about HIV infection	75%	78%	75%	75%
Reported cases of early syphilis	406	465	510	540
Syphilis cases (early and late) brought to treatment by Department of Health	741	732	825	825
Reported cases of gonorrhea	5,398	5,865	6,100	6,300
Gonorrhea cases brought to treatment by Department of Health	1,728	1,877	2,000	2,100
Visits to STD clinics	17,535	18,783	18,100	19,500
Patients receiving diagnostic services	10,093	10,811	11,100	11,350
Consumer Health				
Pet spay/neuter surgeries performed	5,300	4,700	5,000	5,000
Registration of dogs (rabies control)	486,706	462,000	460,000	460,000
Environmental and sanitary inspections and investigations conducted	6,500	5,500	5,500	5,500
Number of food, drug and cosmetic embargoes, destructions and recalls	35	40	85	90
Other Communicable Disease Control				
Number of disease cases reported	9,600	15,000	15,000	14,000
Number of investigations of outbreaks	150	147	150	150

HEALTH AND SENIOR SERVICES

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Levels of protection for children entering school against:				
Rubella	98%	99%	99%	99%
Measles	98%	99%	99%	99%
Mumps	98%	99%	99%	99%
Polio	98%	99%	99%	99%
Diphtheria	98%	99%	99%	99%
Infectious disease consultations	30,000	35,000	35,000	35,000
Non-outbreak investigations	300	297	300	300
Public Employees Occupational Safety and Health				
Complaint inspections conducted	484	446	470	480
Telephone consultations	877	724	700	700
Educational seminars presented	144	95	100	110
Right to Know				
Fact sheets written or revised	85	117	200	200
Public and private workplaces inspected	423	685	332	400
Telephone consultations	3,500	3,879	3,500	3,500
Occupational Health Surveillance				
Exposure and illness reports received	20,000	16,068	16,000	16,000
Educational materials mailed to public	4,000	11,016	5,000	5,000
In-depth industrial hygiene evaluations	50	23	40	40
Follow-up industrial hygiene evaluations	5	3	5	5
Work-related chronic disease and epidemiology studies ..	5	6	5	5
Worker interviews and mailings	600	562	600	600
Environmental Health Services				
Certification of private training agencies	35	35	35	35
Audits of asbestos and lead training agencies	100	100	100	100
Quality assurance inspections in schools	125	125	125	125
Major community health field study ongoing	12	12	12	12
Telephone consultations	4,500	4,500	4,500	4,500
Responses to acute environmental emergencies	25	20	20	20
Consultations provided to other agencies and to the public	30	35	35	35
Local health consultations, evaluations, and				
training services	10,983	11,030	11,050	11,050
Laboratory Services				
Bacteriology				
Specimens analyzed	151,544	104,912	114,000	114,000
Inborn Errors of Metabolism				
Specimens performed	125,791	126,650	130,000	130,000
Chemistry				
Occupational health samples examined	5	5	5	5
Sewage, stream & trade waste samples examined	4,636	6,778	6,700	6,700
Narcotic samples examined	146,539	116,399	122,219	128,330
Potable water samples examined	3,559	4,828	4,600	4,600
Food and milk samples examined	6,064	4,516	4,520	5,020
Blood lead samples examined	6,394	4,309	122	---
Clinical Laboratory Services				
Clinical laboratories licensed	1,700	2,028	2,028	2,028
Proficiency test samples (percent acceptable)	95%	95%	95%	95%
Proficiency test samples reviewed	57,401	57,500	57,500	57,500
Blood banks inspected	75	78	95	95
Clinical laboratory inspections	400	440	460	460
Blood banks licensed	258	290	300	300
Serology				
Routine screen tests for syphilis	26,613	23,567	23,600	23,600
Virology				
Specimens analyzed	102,613	60,682	62,000	62,000

HEALTH AND SENIOR SERVICES

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
AIDS Services				
Number of clients tested and counseled	74,277	76,828	78,000	80,000
Contact tracing of individuals	329	432	400	400
Hotline network calls	10,109	5,785	6,000	6,000
Living AIDS clients	18,047	17,551	18,635	19,088
HIV positive clients	16,063	16,724	16,901	17,360
Clients receiving early intervention services	8,500	8,003	8,050	8,100
Individuals reached/HIV training	1,000	1,050	1,000	1,000
AIDS Drug Distribution Program clients served	6,872	7,005	7,050	7,100

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	358	330	303	299
Federal	570	546	529	542
All Other	104	103	129	131
Total Positions	1,032	979	961	972

Filled Positions by Program Class

Vital Statistics	58	50	51	51
Family Health Services	206	202	191	204
Public Health Protection Services	492	465	462	467
AIDS Services	142	134	134	131
Laboratory Services	134	128	123	119
Total Positions	1,032	979	961	972

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

(a) Rates for fiscal years 2006 have been restated based on 1,000 live births to conform to fiscal year 2007, 2008, and 2009 presentation.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES									
Distribution by Fund and Program									
1,678	2,736	-1,600	2,814	2,747	Vital Statistics	01	1,678	1,678	
2,279	---	2,538	4,817	4,590	Family Health Services	02	2,178	3,178	
30,706	2,157	-406	32,457	31,381	Public Health Protection Services	03	30,863	26,143	
8,048	679	3,563	12,290	12,285	Laboratory Services	08	8,567	7,927	
1,993	1	456	2,450	2,409	AIDS Services	12	1,991	1,991	
44,704	5,573	4,551	54,828	53,412	Total Direct State Services	45,277 (a)	40,917	40,917	
Distribution by Fund and Object									
Personal Services:									
16,035	4,247 R	1,125	21,407	21,324	Salaries and Wages	16,554	16,554	16,554	
16,035	4,247	1,125	21,407	21,324	Total Personal Services	16,554	16,554	16,554	
2,229	---	-75	2,154	2,108	Materials and Supplies	2,229	2,229	2,229	
964	1	3,801	4,766	4,734	Services Other Than Personal	937	937	937	
153	---	-10	143	141	Maintenance and Fixed Charges	153	153	153	
Special Purpose:									
100	---	---	100	---	Family Health Services	02	---	---	
87	---	---	87	87	WIC Farmers Market Program	02	87	87	
90	---	---	90	90	Breast Cancer Public Awareness Campaign	02	90	90	

HEALTH AND SENIOR SERVICES

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
300	---	---	300	300				
---	---	---	---	---	02	300	300	300
---	---	---	---	---	02	---	500	500
500	---	---	500	487	02	---	500	500
---	---	250	250	167	02	500	500	500
1,450	---	-48	1,402	1,399	02	---	---	---
4,000	---	---	4,000	3,998	03	1,450	1,450	1,450
400	---	-30	370	364	03	4,000	---	---
500	---	-40	460	450	03	400	400	400
---	---	208	208	205	03	500	500	500
50	---	---	50	50	03	---	---	---
7,000	---	---	7,000	6,999	03	50	50	50
4,000	---	---	4,000	3,999	03	7,000	7,000	7,000
1,000	541	---	1,541	752	03	4,000	4,000	4,000
720	105	---	825	657	03	1,000	1,000	1,000
300	---	---	300	300	03	720	---	---
2,186	---	---	2,186	2,115	03	300	300	300
200	---	---	200	200	03	2,367	2,367	2,367
---	679 R	-678	1	---	08	200	200	200
1,800	---	48	1,848	1,847	08	---	---	---
640	---	---	640	639	08	1,800	1,800	1,800
					08	640	---	---
<u>GRANTS-IN-AID</u>								
Distribution by Fund and Program								
119,369	4,207	9,250	132,826	132,426	02	141,134	147,709	147,709
118,840	4,207	9,250	132,297	131,897		140,605	147,180	147,180
529	---	---	529	529		529	529	529
115,694	---	-3,668	112,026	112,025	03	72,403	61,044	61,044
31,898	---	-783	31,115	21,977	12	30,607	30,816	30,816
266,961	4,207	4,799	275,967	266,428		244,144	239,569	239,569
266,432	4,207	4,799	275,438	265,899		243,615	239,040	239,040
529	---	---	529	529		529	529	529
Distribution by Fund and Object								
Special Purpose:								
6,888	---	---	6,888	6,887	02	7,749	7,749	7,749
1,138	---	---	1,138	1,138	02	1,408	1,208	1,208
2,309	---	---	2,309	2,307				
471	---	---	471	471	02	2,441	2,441	2,441
					02	498	498	498

HEALTH AND SENIOR SERVICES

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
GRANTS-IN-AID									
348	---	---	348	348	Pharmaceutical Services for Adults With Cystic Fibrosis	02	368	368	368
32	---	---	32	32	Birth Defects Registry	02	34	34	34
529	---	---	529	529	Statewide Birth Defects Registry (CRF)	02	529	529	529
2,116	---	---	2,116	2,116	Community Provider Cost of Living Adjustment, Family Health Services (c)	02	---	3,925	3,925
5,587	---	---	5,587	5,585	Maternal and Child Health Services	02	5,930	5,930	5,930
160	---	---	160	---	Area Health Education Centers	02	---	---	---
---	---	---	---	---	Mobile Health Van Pilot Program	02	900	---	---
---	10	---	10	10	Lead Testing Kits for Expectant Mothers	02	---	---	---
905	---	---	905	877	Lead Poisoning Program	02	957	957	957
538	---	---	538	538	Poison Control Center	02	569	569	569
78,487	---	12,000	90,487	90,487	Early Childhood Intervention Program	02	100,104	105,104	105,104
---	---	---	---	---	Autism Registry	02	500 ^S	---	---
500	398 3,799 ^R	---	4,697	4,697	Governor's Council for Medical Research and Treatment of Autism (b)	02	500	---	---
668	---	---	668	668	Cleft Palate Programs	02	707	707	707
1,250	---	---	1,250	1,250	Tourette Syndrome Association of New Jersey	02	1,250	1,250	1,250
5,536	---	-250	5,286	5,286	Cancer Screening - Early Detection and Education Program	02	5,853	5,853	5,853
202	---	---	202	202	SIDS Assistance Act	02	214	214	214
305	---	---	305	305	Services to Victims of Huntington's Disease	02	323	323	323
1,500	---	---	1,500	1,500	Osborn Family Health Center - Our Lady of Lourdes Medical Center	02	---	---	---
2,500	---	-2,500	---	---	Postpartum Education Campaign	02	2,500	2,500	2,500
2,000	---	---	2,000	1,822	Postpartum Screening	02	2,000	2,000	2,000
350	---	---	350	350	Camden Optometric Eye Center	02	250	---	---
50	---	---	50	50	New Jersey Council on Physical Fitness and Sports	02	50	50	50
5,000	---	---	5,000	4,971	Federally Qualified Health Centers - Services to Family Care Clients (d)	02	5,000	5,000	5,000
---	---	---	---	---	Federally Qualified Health Centers - Services to the Homeless	02	500	500	500
1,583	---	---	1,583	1,583	Tuberculosis Services	03	1,707	1,707	1,707
1,500	---	-218	1,282	1,282	Implementation of Comprehensive Cancer Control Program	03	1,500	1,500	1,500
4,700	---	---	4,700	4,700	Trinitas Hospital	03	---	---	---
86	---	---	86	86	Community Provider Cost of Living Adjustment, Public Health Protection (e)	03	---	141	141
25,700	---	---	25,700	25,700	Jersey City Medical Center	03	---	---	---
4,000	---	---	4,000	4,000	Hoboken University Medical Center	03	---	---	---
1,800	---	---	1,800	1,800	Solaris Health System	03	---	---	---
12,000	---	---	12,000	12,000	Tamiflu Prescription Medicine	03	6,000	---	---
855	---	---	855	854	Immunization Services	03	922	922	922

HEALTH AND SENIOR SERVICES

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID								
200	---	---	200	200	Hemophilia Association of New Jersey	03	---	---
350	---	---	350	350	St. Barnabas Nuerological Center	03	---	---
32	---	---	32	32	Voices for Patient Protection	03	---	---
---	---	---	---	---	Hospital Asset Transformation Program	03	---	15,000
457	---	---	457	457	AIDS Communicable Disease Control	03	493	493
1,000	---	---	1,000	1,000	Palisades Medical Center	03	---	---
22,250	---	---	22,250	22,250	Cancer Institute of New Jersey	03	25,250	20,000
6,900	---	-3,450	3,450	3,450	Cancer Institute of New Jersey, South Jersey Program - Debt Service	03	6,400	6,000
32,000	---	---	32,000	32,000	Cancer Research	03	29,850	15,000
281	---	---	281	281	Worker and Community Right to Know	03	281	281
504	---	-200	304	267	Community Provider Cost of Living Adjustment, AIDS Services ^(f)	12	---	1,609
18,194	---	-583	17,611	17,511	AIDS Grants	12	20,307	20,307
4,200	---	---	4,200	4,199	Rapid AIDS Testing	12	4,200	4,200
9,000	---	---	9,000	---	AIDS Drug Distribution Program	12	6,000	4,700
---	---	---	---	---	AIDS Resource Foundation	12	100	---
STATE AID								
Distribution by Fund and Program								
2,400	---	---	2,400	2,265	Public Health Protection Services	03	2,400	2,400
2,400	---	---	2,400	2,265	Total State Aid		2,400	2,400
Distribution by Fund and Object								
2,400	---	---	2,400	2,265	State Aid: Public Health Priority Funding	03	2,400	2,400
CAPITAL CONSTRUCTION								
Distribution by Fund and Program								
---	246	---	246	98	Laboratory Services	08	---	---
---	246	---	246	98	Total Capital Construction		---	---
Distribution by Fund and Object								
Division of Public Health and Environmental Laboratories								
---	63	---	63	15	Improvements to Laboratories and Installed Equipment	08	---	---
---	135	---	135	83	Laboratory Equipment	08	---	---
---	2	---	2	---	Warehouse Equipment	08	---	---
---	46	---	46	---	Clinical Laboratory Services - Automation	08	---	---
314,065	10,026	9,350	333,441	322,203	Grand Total State Appropriation		291,821	282,886
OTHER RELATED APPROPRIATIONS								
Federal Funds								
1,100	702	---	1,802	672	Vital Statistics	01	1,100	1,100
170,302	28,761	12,100	211,808	143,409	Family Health Services	02	191,555	186,405
645 ^S					Public Health Protection Services	03	70,379	68,439
76,472	12,701	520	89,695	60,071				
2 ^S					Laboratory Services	08	5,649	5,774
5,394	958	3	6,491	3,471				
136 ^S								

HEALTH AND SENIOR SERVICES

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
OTHER RELATED APPROPRIATIONS								
80,758	10,616	---	91,374	61,480	AIDS Services	12	79,870	71,632
334,809	53,738	12,623	401,170	269,103	Total Federal Funds		348,553	333,350
					All Other Funds			
---	539	---	1,087	52	Vital Statistics	01	600	600
---	548 R	---						
---	13,784							
---	40,965 R	37,626	92,375	75,249	Family Health Services	02	60,506	61,506
---	6,772							
---	4,927 R	7,400	19,099	12,733	Public Health Protection Services (g)	03	11,696	12,994
---	245							
---	311 R	---	556	85	Laboratory Services	08	350	150
---	13,557							
---	23,841 R	---	37,398	26,094	AIDS Services	12	25,000	25,000
---	105,489	45,026	150,515	114,213	Total All Other Funds		98,152	100,250
648,874	169,253	66,999	885,126	705,519	GRAND TOTAL ALL FUNDS		738,526	716,486

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program, which includes \$79,000 in appropriated receipts.
- (b) As a result of P.L.2007, c.168, the Governor's Council for Medical Research and Treatment of Autism has been transferred from the Department of State to the Department of Health and Senior Services.

Notes -- Grants-In-Aid - General Fund

- (c) Adjusted Appropriation for Cost of Living Adjustment, Family Health Services has been allocated to other accounts.
- (d) In addition to the amount recommended in fiscal year 2009, \$40 million is funded from the Health Care Subsidy Fund.
- (e) Adjusted Appropriation for Cost of Living Adjustment, Public Health Protection has been allocated to other accounts.
- (f) Adjusted Appropriation for Cost of Living Adjustment, AIDS Services has been allocated to other accounts.

Notes -- All Other

- (g) In addition to the resources reflected in All Other Funds above, a total of \$4.722 million will be transferred from the Department of Treasury to support operations and services related to the Medical Emergency Disaster Preparedness for Bioterrorism program in fiscal 2009. The recent history of such receipts is reflected in the Department of Treasury's budget.

Language Recommendations -- Direct State Services - General Fund

The unexpended balance at the end of the preceding fiscal year in the New Jersey Emergency Medical Service Helicopter Response Program account is appropriated.

In addition to the amounts appropriated hereinabove, notwithstanding the provisions of any law or regulation to the contrary, there is appropriated \$150,000 from the "Emergency Medical Technician Training Fund" to fund the Emergency Medical Services for Children Program.

Notwithstanding the provisions of any law or regulation to the contrary, there is appropriated from the "Emergency Medical Technician Training Fund" \$79,000 for Emergency Medical Services and \$125,000 for the First Response EMT Cardiac Training Program.

Receipts deposited in the Autism Medical Research and Treatment Fund are appropriated for the Governor's Council for Medical Research and Treatment of Autism, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the New Jersey State Commission on Cancer Research is charged to the Cancer Research Fund pursuant to section 5 of P.L.1982, c.40 (C.54:40A-37.1).

The unexpended balance at the end of the preceding fiscal year in the New Jersey State Commission on Cancer Research account is appropriated.

Amounts deposited in the "New Jersey Breast Cancer Research Fund" from the gross income tax check-offs pursuant to the provisions of P.L.1995, c.26 (C.54A:9-25.7 et al.) are appropriated to the New Jersey State Commission on Cancer Research for breast cancer research projects, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of the "Worker and Community Right to Know Act," P.L.1983, c.315 (C.34:5A-1 et seq.), the amount hereinabove appropriated for the Worker and Community Right to Know account is payable from the "Worker and Community Right to Know Fund," and the receipts in excess of the amount anticipated, not to exceed \$764,000, are appropriated. If receipts to that fund are less than anticipated, the appropriation shall be reduced proportionately.

Receipts derived from the agency surcharge on vehicle rentals pursuant to section 54 of P.L.2002, c.34 (C.App.A:9-78), not to exceed \$4,722,000, are appropriated for the Medical Emergency Disaster Preparedness for Bioterrorism program and shall be deposited into a dedicated account, the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, the amounts hereinabove appropriated for the two anti-smoking programs (School Based Programs and Youth Anti-Smoking, and Anti-Smoking Programs) shall be charged to the proceeds of the increase in the cigarette tax, established pursuant to P.L.2002, c.33.

Notwithstanding the provisions of section 4 of P.L.1997, c.264 (C.26:2H-18.58g), \$11,000,000 is appropriated for anti-smoking programs (School Based Programs and Youth Anti-Smoking, and Anti-Smoking Programs).

In order to permit flexibility in the handling of the various appropriations for anti-tobacco initiative accounts hereinabove, funds may be transferred to and from the following items of appropriations: School Based Programs and Youth Anti-Smoking, and Anti-Smoking Programs. Such transfers are subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

The Director of the Division of Budget and Accounting is empowered to transfer or credit appropriations to the Department of Health and Senior Services for diagnostic laboratory services provided to any other agency or department, provided that funds have been appropriated or allocated to such agency or department for the purpose of purchasing these services.

Receipts from fees established by the Commissioner of Health and Senior Services for licensing of clinical laboratories, pursuant to P.L.1975, c.166 (C.45:9-42.26 et seq.), and blood banks, pursuant to P.L.1963, c.33 (C.26:2A-2 et seq.), are appropriated.

Receipts from licenses, permits, fines, penalties and fees collected by the Department of Health and Senior Services in Health Services, in excess of those anticipated, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - General Fund

Of the amounts hereinabove appropriated for Family Planning Services, \$2,500,000 shall be appropriated to the Office of Maternal and Child Health in the Department of Health and Senior Services for family planning.

Receipts from the federal Medicaid (Title XIX) program for handicapped infants are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Of the amount hereinabove appropriated for Cancer Screening - Early Detection and Education Program, an amount may be transferred to Direct State Services in the Department of Health and Senior Services to cover administrative costs of the program, subject to the approval of the Director of the Division of Budget and Accounting.

There is appropriated \$570,000 from the Alcohol Education, Rehabilitation and Enforcement Fund to fund the Fetal Alcohol Syndrome Program.

Of the amount hereinabove appropriated for the Implementation of Comprehensive Cancer Control Program, an amount may be transferred to Direct State Services in the Department of Health and Senior Services to cover administrative costs of the program and to the corresponding program in Family Health Services in the Department of Health and Senior Services for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

From the amount hereinabove appropriated for the Cancer Institute of New Jersey, \$250,000 is appropriated to the Ovarian Cancer Research Fund.

There are appropriated from the New Jersey Emergency Medical Service Helicopter Response Program Fund, established pursuant to section 2 of P.L.1992, c.87 (C.26:2K-36.1), such sums as are necessary to pay the reasonable and necessary expenses of the operation of the New Jersey Emergency Medical Service Helicopter Response Program, established pursuant to P.L.1986, c.106 (C.26:2K-35 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, in order to maximize prescription drug coverage under the Medicare Part D program established pursuant to the federal "Medicare Prescription Drug, Improvement, and Modernization Act of 2003," the amount hereinabove appropriated for the AIDS Drug Distribution Program (ADDP) shall be designated as the authorized representative for the purposes of coordinating benefits with the Medicare Part D program, including enrollment and appeals of coverage determinations. ADDP is authorized to represent program beneficiaries in the pursuit of such coverage. ADDP representation shall not result in any additional financial liability on behalf of such program beneficiaries and shall include, but need not be limited to, the following actions: application for the premium and cost-sharing subsidies on behalf of eligible program beneficiaries; pursuit of appeals, grievances, or coverage determinations; and facilitated enrollment in a prescription drug plan or MA-PD plan. If any beneficiary declines enrollment in any Medicare Part D plan, that beneficiary shall be barred from all benefits of the ADDP Program.

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated to the AIDS Drug Distribution Program (ADDP) is conditioned upon the Department of Health and Senior Services coordinating the benefits of ADDP with the prescription drug benefits of the Medicare Part D program established pursuant to the federal "Medicare Prescription Drug, Improvement, and Modernization Act of 2003" as the primary payer. The ADDP benefit and reimbursement shall only be available to cover the beneficiary cost share to in-network pharmacies and for deductible and coverage gap costs, as determined by the Commissioner of Health and Senior Services, associated with enrollment in Medicare Part D for ADDP beneficiaries, and for Medicare Part D premium costs for ADDP beneficiaries.

Notwithstanding the provisions of any law or regulation to the contrary, effective January 1, 2006, no funds appropriated in the AIDS Drug Distribution Program (ADDP) account, shall be available as payment as an ADDP benefit to any pharmacy that is not enrolled as a participating pharmacy in a pharmacy network under the Medicare Part D program established pursuant to the federal "Medicare Prescription Drug, Improvement, and Modernization Act of 2003."

Commencing with the start of the fiscal year, and consistent with the requirements of the federal "Medicare Prescription Drug, Improvement, and Modernization Act of 2003" (MMA), no funds hereinabove appropriated from the AIDS Drug Distribution Program (ADDP) account shall be expended for any individual enrolled in the ADDP program unless the individual provides all data necessary to enroll the individual in the Medicare Part D program established pursuant to the MMA, including data required for the subsidy assistance, as outlined by the Centers for Medicare and Medicaid Services.

HEALTH AND SENIOR SERVICES

In order to permit flexibility in the handling of appropriations, amounts may be transferred to and from the various items of appropriation within the AIDS Services program classification in the Department of Health and Senior Services, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for the Early Childhood Intervention Program shall be conditioned on the Early Childhood Intervention Program's family cost sharing program involving a progressive charge for each hour of direct services provided to the child and/or the child's family in accordance with the child's Individualized Family Service Plan, based upon household size and gross income as set forth in the New Jersey Early Intervention System Family Cost Participation Handbook (June 2008).

There are appropriated such additional sums as are required to pay all amounts due from the State pursuant to any contract entered into between the State Treasurer and the New Jersey Health Care Facilities Financing Authority pursuant to section 6 of P.L.2000, c.98 (C.26:21-7.1) in connection with the Hospital Asset Transformation program.

The unexpended balance at the end of the preceding fiscal year in the AIDS Drug Distribution Program account is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, any additional federal disproportionate share hospital matching funds received as a result of the conversion to a municipal hospital known as Hoboken University Medical Center are appropriated for the Hoboken University Medical Center in an amount to be determined by the Division of Medical Assistance and Health Services, subject to the approval of the Director of the Division of Budget and Accounting.

The Commissioner shall allocate the amount hereinabove appropriated for Federally Qualified Health Care Centers – Services to the Homeless to provide not less than \$50,000 to each of the five centers that received State funds in the preceding fiscal year for serving the homeless, and in allocating funds in excess of that amount to each center shall consider factors including, but not limited to, the number, type and location of available services, the growth in health care visits, and the availability of extended hours and specialty care services.

From the amount hereinabove appropriated to Cancer Research, an amount up to \$15,000,000 is appropriated for competitive grants to be made by the New Jersey Commission on Cancer Research, for cancer research, provided that the award of such grants is: 1) made in consultation with the New Jersey Department of Health and Senior Services; 2) the notice of grant availability is published in the New Jersey Register; 3) not more than 5% of the total amount hereinabove appropriated may be transferred to various accounts as required, including Direct State Services accounts, and is appropriated for a comprehensive scientific peer review process, subject to the Director of the Division of Budget and Accounting; and 4) the Department of Health and Senior Services shall execute the grant agreements and the New Jersey Commission on Cancer Research shall oversee and administer the grant agreements.

No funds hereinabove appropriated to the Department of Health and Senior Services shall be used for the Medical Waste Management Program. The Department of Health and Senior Services and the Department of Environmental Protection shall establish a transition plan to ensure provisions of the "Comprehensive Regulated Medical Waste Act," P.L.1989, c.34 (C.13:1E-48.1 et al.) are met.

The unexpended balance at the end of the preceding fiscal year in the Cancer Research account is appropriated.

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for the Cancer Institute of New Jersey (CINJ) shall be conditioned upon the following provision: no funds shall be expended except to support CINJ's infrastructure necessary to support cancer research, prevention and treatment.

The unexpended balance at the end of the preceding fiscal year in the Cancer Institute of New Jersey Research, South Jersey Program – Debt Service account is appropriated to the program for cancer-related capital equipment and expenditures, site acquisition and pre-development expenses.

Language Recommendations -- State Aid - General Fund

The capitation for Public Health Priority Funding is set not to exceed \$0.40 for the fiscal year ending June 30, 2009 for the purposes prescribed in P.L.1966, c.36 (C.26:2F-1 et seq.).

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for the Public Health Priority Funding shall not be allocated to county health departments.

20. PHYSICAL AND MENTAL HEALTH 22. HEALTH PLANNING AND EVALUATION

OBJECTIVES

1. To ensure high quality health care accessible to all New Jerseyans, in a safe environment, utilizing the appropriate level of health care facilities, at reasonable costs; to enhance the Department's response to consumer complaints and to conduct on-site visits at all health care facilities against which a complaint has been filed; to ensure that all new applications for licensure are capable of providing high quality care to the ill, the aging, and the vulnerable elderly and young; to continue development and implementation of improved licensure regulations for health care delivery; to monitor the

quality of health care personnel training programs and to ensure an adequate number of certified personnel capable of providing quality care; and to increase consumer and professional awareness of the quality of care at New Jersey's licensed health care facilities.

2. To coordinate the development of public health and regulatory databases and the publication of health services research.
3. To administer a Certificate of Need program for certain types of health care facilities/services in order to assure access to needed health care services that are of high quality, and to

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administer a comprehensive licensure and inspection program to assure quality of services in licensed health care facilities.

4. Allocate health care subsidy funds for hospitals and other health care initiatives; review and analyze issues related to health care financing.
5. To develop Medicaid reimbursement policies and procedures to refine the system in response to changes in the health care environment.
6. To develop analytical data on key hospital quality and outcome measures for dissemination to the public.

PROGRAM CLASSIFICATIONS

06. **Long Term Care Systems.** Conducts on-site inspections and licenses nursing homes, residential health care facilities, assisted living residences, comprehensive personal care homes, alternate family care and medical day care; maintains a survey and certification program for nursing homes; investigates complaints received from consumers and other State and federal agencies; develops new and revises existing licensing standards; licenses nursing home administrators,

certifies nurse aides in long term care facilities, including criminal background checks and training programs; and provides consumers and professionals with information. The mission is to ensure that New Jersey citizens receive quality health care at appropriate levels of care in the regulated facilities under the Division's purview. Emphasis is placed on senior services. Contributes to the development of the State Health Plan; administers the Certificate of Need program; evaluates and controls capital expenditures for health facilities; establishes and maintains uniform health facility reporting systems; establishment of a subsidized health benefits program for workers and the temporarily unemployed.

07. **Health Care Systems Analysis.** Administers the allocation of health care subsidy funds for hospitals and other health care initiatives; review and analysis of other issues related to health care financing; relates to other agencies in the State and federal government that are affected by the planning and reimbursement system; and the administration and development of analytical data, which includes data on all vital health events to determine the health status of New Jerseyans.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Long Term Care Systems				
Licensed health care facilities	766	785	840	860
Licensed nursing home administrators	925	1,027	950	1,000
Total licenses issued	936	911	1,080	1,100
Number of beds licensed	82,186	83,076	86,000	87,000
Total inspections	3,000	2,914	3,000	3,075
Total federally certified licensed facilities	9	9	9	9
Total federally certified licensed beds	3,665	3,661	3,661	3,661
Administrative actions/penalties	125	43	75	75
Federal Enforcement Actions	1,500	1,183	1,200	1,300
Nurse Aide applications processed	23,200	23,929	25,000	25,000
Inspections of Acute Care facilities	576	667	700	800
Complaints investigations	2,087	806	900	1,000
Acute Health Care facilities licensed	1,000	1,002	1,040	1,060
Acute Health Care facilities license applications processed ..	1,400	1,217	1,290	1,320
Acute Health Care facilities enforcement actions/penalties ...	40	30	40	40
Certificate of Need applications processed	60	59	70	65
Health Care Systems Analysis				
Hospital charity care audits	328	327	320	312
Collection and analysis of hospital cost, financial, and utilization data				
By patient	4,100,000	4,200,000	4,200,000	4,200,000
By hospital	83	81	80	80
Hospital Performance Report - Distribution	20,000	15,000	15,000	15,000
Cardiac Surgery Report - Consumer	500	400	400	400

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	87	79	119	121
Federal	100	94	103	104
All Other	101	99	47	47
Total Positions	288	272	269	272

Filled Positions by Program Class (a)

Long Term Care Systems	148	136	206	205
Health Care Systems Analysis	140	136	63	67
Total Positions (b)	288	272	269	272

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Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

(a) Fiscal years 2007 and 2008 reflect (1) a transfer of positions and funding sources per P.L.2005, c.237 and (2) a Department of Health and Senior Services reorganization between Long Term Care Systems (Program Class 06) & Health Care Systems Analysis (Program Class 07).

(b) Per Executive Reorganization Plan No. 005-2005, the total positions listed for fiscal year 2007 reflect the transfer of 21 Managed Care positions to the Department of Banking and Insurance.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
3,549	2,600	-2,470	3,679	3,344	06	5,762	5,562	5,562
10,345	5,314	-3,294	12,365	6,847	07	2,682	2,682	2,682
13,894	7,914	-5,764	16,044	10,191		8,444 (a)	8,244	8,244
Distribution by Fund and Object								
Personal Services:								
6,026	5,314 R	-3,164	8,176	8,173		6,026	6,049	6,049
6,026	5,314	-3,164	8,176	8,173		6,026	6,049	6,049
96	---	---	96	24		96	73	73
506	---	---	506	494		506	506	506
200	---	---	200	187		200	200	200
Special Purpose:								
---	2,600 R	-2,600	---	---	06	---	---	---
979	---	---	979	846				
600	---	---	600	467	06	979	979	979
5,450	---	---	5,450	---	06	600	400	400
37	---	---	37	---	07	---	---	---
						37	37	37
<u>GRANTS-IN-AID</u>								
Distribution by Fund and Program								
151,162	---	3,450	154,612	139,062	07	201,462	87,462	87,462
151,162	---	3,450	154,612	139,062		201,462	87,462	87,462
Distribution by Fund and Object								
Grants:								
115,962	---	-5,000	110,962	95,412				
35,200	---	8,450	43,650	43,650	07	201,462	87,462	87,462
165,056	7,914	-2,314	170,656	149,253	07	---	---	---
						209,906	95,706	95,706
OTHER RELATED APPROPRIATIONS								
Federal Funds								
16,872	3,558	---	20,430	10,634	06	18,702	19,102	19,102
122,712								
22,837 S	1,802	---	147,351	145,227	07	94,650	94,650	94,650
162,421	5,360	---	167,781	155,861		113,352	113,752	113,752
All Other Funds								
---	671 372 R	---	1,043	---	06	654	768	768

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Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
OTHER RELATED APPROPRIATIONS								
---	6,709 45,461 ^R	-39,400	12,770	6,301	Health Care Systems Analysis 07	47,200 1,000 ^S	48,200	48,200
---	53,213	-39,400	13,813	6,301	Total All Other Funds	48,854	48,968	48,968
327,477	66,487	-41,714	352,250	311,415	GRAND TOTAL ALL FUNDS	372,112	258,426	258,426

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the reallocation of management efficiencies.

Language Recommendations -- Direct State Services - General Fund

There are appropriated such sums as are required to the "Health Care Facilities Improvement Fund" to provide available resources in an emergency situation at a health care facility, as defined by the Commissioner of Health and Senior Services, or for closure of a health care facility, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived from fees charged for processing Certificate of Need applications and the unexpended balances at the end of the preceding fiscal year of such receipts are appropriated for the cost of this program, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - General Fund

There are appropriated such sums as are necessary to pay prior-year obligations of programs within the Health Care Subsidy Fund, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, \$6,000,000 of the amount hereinabove for the Health Care Subsidy Fund Payments account is appropriated from the Admission Charge Hospital Assessment revenue item.

Notwithstanding the provisions of any law or regulation to the contrary, the amounts hereinabove appropriated for Health Care Subsidy Fund Payments shall be charged to the revenues derived from the \$0.35 increase in the cigarette tax rate imposed pursuant to P.L.2004, c.67.

In addition to the amounts hereinabove appropriated for Health Care Subsidy Fund Payments, \$1,000,000 is appropriated to the Health Care Subsidy Fund Payments account from the hospital and other health care initiatives account, established pursuant to section 12 of P.L.1992, c.160 (C.26:2H-18.62).

Of the amounts hereinabove appropriated for Health Care Subsidy Fund Payments, \$5,000,000 shall be appropriated to the NJ FamilyCare program in the Department of Human Services to provide health care for uninsured children.

Notwithstanding the provisions of any law or regulation to the contrary, all revenues collected from the tax on cosmetic medical procedures pursuant to P.L.2004, c.53 (C.54:32E-1) shall be deposited in the Health Care Subsidy Fund established pursuant to section 8 of P.L.1992, c.160 (C.26:2H-18.58).

An amount not to exceed \$2,000,000 is appropriated to the Department of Health and Senior Services from the Health Care Subsidy Fund Payments account to fund the Infant Mortality Reduction Program and an amount not to exceed \$2,000,000 is appropriated to the Department of Health and Senior Services from the Health Care Subsidy Fund Payments account to fund the Primary Care Physician and Dentist Loan Redemption Program.

Notwithstanding the provisions of any law or regulation to the contrary, as a condition of the receipt of any monies hereunder by an acute care hospital that is requesting an advance of Charity Care/Medicaid or payments from the "Health Care Facilities Improvement Fund" or any payments over and above this Act, the hospital shall comply with a request by the Commissioner of the Department of Health and Senior Services for a review of its finances and operations to ensure that access to health care is maintained and public funds are utilized for their intended purpose, the cost of such review to be borne by the acute care hospital, and shall comply with any financial and operational performance requirements imposed by the Commissioner as deemed necessary as a result of the review.

Notwithstanding the provisions of any law or regulation to the contrary, the appropriation for Health Care Subsidy Fund Payments shall be conditioned upon the following provisions: (1) Charity Care subsidies shall be calculated according to statutory formula at N.J.S.A. 26:2H-18.59i (P.L. 2004, c.113), except that (1) in section 3.b.(4), source data used shall be Charity Care Claims data from calendar year 2007, and Acute Care Hospital Cost Report data, and Medicare Cost Report data, each from calendar year 2006 yielding a calendar year 2007 based subsidy calculation; (2) each hospital shall be assigned to one of three groups based on their initial RCCP as calculated in section 3.b.(1) with the first group having an initial RCCP greater than 8%, the second group having an RCCP less than the first group and greater than 3.5% and the third group having an RCCP less than the 2nd group; (3) the hospital-specific subsidy calculated for each hospital shall be reduced by 5% for the first group, 34% for the 2nd group and 100% for the 3rd group. A pro-rata reduction will be applied if necessary such that the State fiscal year 2009 Charity Care subsidy allocation for all hospitals totaled shall not exceed \$573,000,000. Any funds remaining as the result of an acute care hospital closing shall be redistributed at the discretion of the Commissioner of the Department of Health and Senior Services.

Of the amount hereinabove appropriated for Health Care Subsidy Fund Payments, an amount not to exceed \$35,000,000 shall be provided for the Health Care Stabilization Program to be established within the Department of Health and Senior Services for the purpose of maintaining access to essential health care services in the community. The eligibility and participation requirements shall be developed by the Commissioner of the Department of Health and Senior Services and set forth in separate legislation.

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The amounts hereinabove appropriated for Health Care Subsidy Fund Payments are conditioned upon the following provision: the Department of Health and Senior Services shall review, examine and/or audit any and all financial information maintained by acute care hospitals to ensure appropriate use of public funds.

20. PHYSICAL AND MENTAL HEALTH

25. HEALTH ADMINISTRATION

OBJECTIVES

1. To execute legislative mandates and to assure the health and well-being of the citizens in New Jersey through the development of responsive public health policy and the provision of appropriate public health programs.
2. To plan, develop, and maintain financial, human resource, information processing and managerial support services which will ensure the delivery of effective and efficient public health programs.

PROGRAM CLASSIFICATIONS

99. **Administration and Support Services.** The Commissioner and staff (C.26:1A-13 et seq.) provide Department-wide support in policy and planning development, legal services, legislative services, public information, program evaluation; the Office of Minority Health; and a full range of centralized support services to the operating divisions including:

Financial and General Services-Prepares Department budgets; ensures the meeting of financial requirements for all federal, State and private grants; maintains Department financial records in accordance with legal requirements and generally accepted accounting principles; supervises Department auditing, procurement and grant processes and provides technical financial guidance to the Department and its grantees. Warehousing, printing, facilities, and mail handling are also provided.

Management and Information Services-Develops and maintains electronic data processing services for the Department; ensures the collection, storage and retrieval of data in a uniform, centralized system; provides systems analysis, design and implementation.

Human Resource Services-Provides personnel management and development, labor relations and affirmative action services for the Department.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	181	163	170	170
Male Minority %	8.1	7.8	7.9	7.9
Female Minority	608	571	595	595
Female Minority %	27.2	27.4	27.6	27.6
Total Minority	789	734	765	765
Total Minority %	35.2	35.2	35.4	35.4
Position Data				
Filled Positions by Funding Source				
State Supported	90	88	76	79
Federal	15	15	10	13
All Other	129	120	121	119
Total Positions	234	223	207	211
Filled Positions by Program Class				
Administration and Support Services	234	223	207	211
Total Positions	234	223	207	211

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES									
Distribution by Fund and Program									
3,597	10,714	5,183	19,494	8,745	Administration and Support Services	99	3,498	3,498	3,498
3,597	10,714	5,183	19,494	8,745	Total Direct State Services		3,498 (a)	3,498	3,498

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the reallocation of management efficiencies.

OBJECTIVES

8. To set nursing facility Medicaid reimbursement through the rate setting process.

22. **Medical Services for the Aged.** Supports medically related services to eligible elderly and disabled individuals including community-based services to clients who would normally be eligible for Medicaid coverage only in an institution. Rebates for hearing aids purchased are provided to persons eligible for Pharmaceutical Assistance to the Aged and Disabled. Home care services are also provided to persons previously ineligible because of income limits.

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same basis as income is determined for the purpose for eligibility for PAAD.

55. **Programs for the Aged.** The Division of Senior Affairs (C.52:27D-28.1) supports programs which improve the quality of life for New Jersey's older citizens through technical assistance and grants to local entities. Funded programs include congregate and home delivered meals, informational assistance, outreach, personal care, legal services, transportation, telephone reassurance, housekeeping and chore services, and case management. These programs

are financed with both State and federal funds. The 21 County Offices on Aging are also supported with State Aid.

57. **Office of the Public Guardian.** The Public Guardian (C.52:27G-20 et seq.) provides guardianship services for elderly adults who have been deemed by the courts to be in need of a guardian or conservator. Services include legal assistance, individualized social service plans, investigations into family/social history, and financial management, dependent on the client's personal needs.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Medical Services for the Aged				
Nursing Home Services:				
Per diem	\$161.25	\$162.05	\$166.45	\$166.68
Patient days	10,673,039	10,612,083	10,559,023	10,347,842
Gross annual cost (a)	\$1,721,070,613	\$1,719,671,311	\$1,757,504,080	\$1,724,757,203
Medical Day Care Services:				
Per diem	\$83.43	\$84.49	\$87.16	\$82.96
Total days	1,959,578	2,018,495	2,089,142	2,144,505
Gross annual cost	\$163,496,809	\$170,537,829	\$182,079,880	\$177,902,000
Global Budget for Long Term Care (b):				
Clients Served	8,775	8,775	9,175	11,038
Gross annual cost	\$108,287,986	\$109,672,111	\$128,796,000	\$149,634,000
Pharmaceutical Assistance to the Aged and Disabled				
Pharmaceutical Assistance to the Aged (PAA) Only:				
Average monthly eligibles	13,083	11,088	10,933	10,807
Average monthly prescriptions per eligible	2.48	2.01	2.15	2.32
Cost per prescription (excludes cost sharing)	\$60.50	\$20.68	\$21.31	\$21.28
Annual Cost	\$23,556,032	\$5,539,403	\$6,011,206	\$6,403,000
Pharmaceutical Assistance to the Aged & Disabled (PAAD) Only:				
Aged				
Average monthly eligibles	146,142	138,084	137,441	133,923
Average monthly prescriptions per eligible	3.13	2.66	2.83	2.92
Cost per prescription (excludes cost sharing)	\$66.33	\$35.52	\$36.36	\$35.92
Gross Cost PAAD Program (Aged only)	\$364,090,219	\$156,407,068	\$169,728,596	\$168,537,659
Disabled				
Average monthly eligibles	29,492	28,509	28,473	27,841
Average monthly prescriptions per eligible	4.01	3.04	3.20	3.30
Cost per prescription (excludes cost sharing)	\$85.52	\$50.12	\$51.75	\$50.25
Gross Cost PAAD Program (Disabled only)	\$121,363,406	\$52,135,689	\$56,576,199	\$55,397,341
Total State PAAD Costs				
Prescription drug expenses	\$492,963,958	\$214,082,161	\$232,316,000	\$230,338,000
Payments for Medicare Part D monthly premiums	\$16,045,699	\$27,459,437	\$32,000,000	\$45,000,000
PAAD manufacturers' rebates (c)	(\$165,557,049)	(\$9,497,178)	(\$8,600,000)	(\$9,700,000)
PAAD recoveries	(\$21,609,960)	(\$21,240,447)	(\$10,800,000)	(\$8,500,000)
Net Annual Cost	\$321,842,648	\$210,803,973	\$244,916,000	\$257,138,000
Total General Fund	\$43,642,551	\$5,539,403	\$29,443,000	\$41,226,000
Total Casino Revenue Fund	\$278,200,097	\$205,264,570	\$215,473,000	\$215,912,000
Senior Gold				
Aged				
Average monthly eligibles	29,194	27,782	22,781	20,503
Average monthly prescriptions per eligible	2.14	2.05	2.29	2.31
Cost per prescription (excludes cost sharing)	\$27.51	\$17.60	\$18.49	\$17.35
Gross Cost Senior Gold Program (Aged only)	\$20,621,614	\$12,037,408	\$11,576,373	\$9,859,500

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	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Disabled				
Average monthly eligibles	1,834	1,823	1,372	1,229
Average monthly prescriptions per eligible	2.31	2.28	2.45	2.47
Cost per prescription (excludes cost sharing)	\$35.30	\$29.87	\$31.89	\$30.07
Gross Cost Senior Gold Program (Disabled only)	\$1,794,790	\$1,487,769	\$1,286,264	\$1,095,500
Total State Senior Gold Costs				
Gross Annual Cost Senior Gold	\$22,416,404	\$13,525,177	\$12,862,637	\$10,955,000
Manufacturers' rebates	(\$6,100,133)	(\$527,716)	(\$649,000)	(\$465,000)
Net Annual Cost	\$16,316,271	\$12,997,461	\$12,213,637	\$10,490,000
Total General Fund (d)	\$16,316,270	\$12,997,461	\$12,213,637	\$10,490,000
Programs for the Aged				
Services and Service Units Provided:				
Congregate meals service	1,977,470	1,946,178	1,947,000	1,947,000
Home delivered meals service	3,922,393	3,932,211	3,933,000	3,933,000
Transportation service	937,695	990,796	991,000	991,000
Information and referral service	396,299	371,639	372,000	372,000
Telephone reassurance service	281,535	259,223	260,000	260,000
Outreach service	61,232	100,436	101,000	101,000
Personal care service	799,553	777,294	778,000	778,000
Legal service	26,852	26,907	27,000	27,000
Housekeeping and chore services	433,846	416,542	417,000	417,000
Education and training services	30,710	37,207	38,000	38,000
Case management service	224,654	188,374	189,000	189,000
Physical health services	73,572	74,393	75,000	75,000
Congregate Housing Services Program				
Persons served	2,793	2,950	3,200	3,400
Site locations	54	61	62	62
Adult Protective Services				
Persons served	4,770	4,649	4,800	5,000
Health Insurance Counseling				
Clients served	255,061	273,000	280,000	290,000
Security Housing and Transportation				
Clients served	6,817	8,188	8,200	8,200
Gerontology Services				
Geriatric Patients Served	3,465	3,514	3,500	3,600
Alzheimer's Day Care Units Provided	60,346	62,506	63,000	63,000
Persons Trained in Gerontology	4,171	4,000	4,800	4,800
Caregivers Receiving Respite Care	2,400	2,429	2,400	2,400
Office of the Public Guardian				
Office of the Public Guardian				
Number of inquiries	625	641	650	665
Number of cases handled	2,273	2,556	2,856	3,186
Number of court-appointed cases	251	283	300	330
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	293	273	271	281
Federal	166	162	117	138
All Other	29	26	28	28
Total Positions	488	461	416	447
Filled Positions by Program Class				
Medical Services for the Aged	200	187	169	192
Pharmaceutical Assistance to the Aged & Disabled	182	175	153	153
Lifeline	19	18	12	17
Programs for the Aged	49	46	41	46
Office of the Public Guardian	38	35	41	39
Total Positions	488	461	416	447

HEALTH AND SENIOR SERVICES

Notes:

- Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
 The Budget Estimate for fiscal year 2009 reflects the number of positions funded.
- (a) Includes expenses for Medicaid High Occupancy, federal Peer Grouping, and SOBRA funded in the General Fund.
- (b) Clients and expenditures in fiscal years 2006 through 2008 represent services through the Community Care Alternatives and Assisted Living Services programs. In fiscal year 2009, these services and others are combined into the Global Budget for Long Term Care.
- (c) Rebates and recoveries earned by all portions of the PAA/PAAD program.
- (d) Excludes \$3,850,000 appropriated for administration.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES									
Distribution by Fund and Program									
6,193	---	3,165	9,358	8,496	Medical Services for the Aged	22	5,097	4,737	4,737
8,606	---	3,630	12,236	11,749	Pharmaceutical Assistance to the Aged and Disabled	24	9,215	8,655	8,655
1,333	25	305	1,663	1,583	Programs for the Aged	55	1,333	1,333	1,333
462	---	191	653	635	(From General Fund)		462	462	462
871	25	114	1,010	948	(From Casino Revenue Fund)		871	871	871
850	---	---	850	850	Office of the Public Guardian	57	850	850	850
16,982	25	7,100	24,107	22,678	Total Direct State Services		16,495	15,575	15,575
16,111	---	6,986	23,097	21,730	(From General Fund)		15,624 (a)	14,704	14,704
871	25	114	1,010	948	(From Casino Revenue Fund)		871	871	871
Distribution by Fund and Object									
Personal Services:									
9,505	---	-1,141	8,364	8,316	Salaries and Wages		9,676	8,756	8,756
796	---	-112	684	684	Salaries and Wages (CRF)		658	658	658
---	---	---	---	---	Employee Benefits (CRF)		138	138	138
10,301	---	-1,253	9,048	9,000	Total Personal Services		10,472	9,552	9,552
9,505	---	-1,141	8,364	8,316	(From General Fund)		9,676	8,756	8,756
796	---	-112	684	684	(From Casino Revenue Fund)		796	796	796
163	---	---	163	77	Materials and Supplies		163	163	163
14	---	---	14	10	Materials and Supplies (CRF)		14	14	14
2,139	---	---	2,139	2,139	Services Other Than Personal		2,904	2,904	2,904
47	---	64	111	86	Services Other Than Person- al (CRF)		47	47	47
437	---	-7	430	387	Maintenance and Fixed Charges		437	437	437
2	---	---	2	---	Maintenance and Fixed Charges (CRF)		2	2	2
Special Purpose:									
737	---	-187	550	292	Fiscal Agent - Medical Services for the Aged	22	550	550	550
---	---	4,260	4,260	3,796	ElderCare Initiatives	22	---	---	---
2,959	---	---	2,959	2,546	Payments to Fiscal Agent - PAA	24	1,723	1,723	1,723
---	---	3,850	3,850	3,838	Senior Gold Prescription Discount Program	24	---	---	---
---	---	162	162	156	Federal Programs for the Aged (State Share) (CRF)	55	---	---	---
---	---	191	191	185	ElderCare Advisory Commission Initiatives	55	---	---	---
143	---	20	163	153	Federal Programs for the Aged (State Share)	55	143	143	143
28	---	---	28	1	Additions, Improvements and Equipment		28	28	28
12	25	---	37	12	Additions, Improvements and Equipment (CRF)		12	12	12

HEALTH AND SENIOR SERVICES

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID								
Distribution by Fund and Program								
861,597	---	-4,260	857,337	847,838	Medical Services for the Aged	22	895,297	859,588
830,968	---	-4,260	826,708	819,010	(From General Fund)		866,168	831,758
30,629	---	---	30,629	28,828	(From Casino Revenue Fund)		29,129	27,830
434,991	10,025	-15,850	429,166	233,827	Pharmaceutical Assistance to the Aged and Disabled	24	292,491	271,478
163,916	528	-15,850	148,594	19,065	(From General Fund)		77,018	55,566
271,075	9,497	---	280,572	214,762	(From Casino Revenue Fund)		215,473	215,912
28,615	---	-305	28,310	28,310	Programs for the Aged	55	29,680	30,245
13,938	---	-191	13,747	13,747	(From General Fund)		15,003	15,568
14,677	---	-114	14,563	14,563	(From Casino Revenue Fund)		14,677	14,677
1,325,203	10,025	-20,415	1,314,813	1,109,975	Total Grants-in-Aid		1,217,468	1,161,311
1,008,822	528	-20,301	989,049	851,822	(From General Fund)		958,189	902,892
316,381	9,497	-114	325,764	258,153	(From Casino Revenue Fund)		259,279	258,419
Distribution by Fund and Object								
Grants:								
30,358	---	---	30,358	28,660	Global Budget for Long Term Care (CRF) ^(b)	22	28,858	27,559
38,540	---	-6,205	32,335	28,639	Global Budget for Long Term Care ^(b)	22	40,540	47,258
672,700	---	8,776	681,476	681,476	Payments for Medical Assistance Recipients - Nursing Homes ^(c)	22	699,900	671,672
90,851	---	-779	90,072	86,071	Medical Day Care Services	22	96,851	88,951
9,000	---	---	9,000	9,000	Medicaid High Occupancy - Nursing Homes	22	9,000	9,000
19,877	---	-6,052	13,825	13,824	ElderCare Initiatives ^(b)	22	19,877	14,877
71	---	---	71	56	Home Care Expansion (CRF)	22	71	71
200	---	---	200	112	Hearing Aid Assistance for the Aged and Disabled (CRF)	22	200	200
29,835	---	---	29,835	5,540	Pharmaceutical Assistance to the Aged - Claims	24	9,835	6,403
108,841	---	-12,000	96,841	---	Pharmaceutical Assistance to the Aged and Disabled - Claims ^(d)	24	49,443	34,823
271,075	9,497 ^R	---	280,572	214,762	Pharmaceutical Assistance to the Aged and Disabled - Claims (CRF)	24	215,473	215,912
25,240	528 ^R	-3,850	21,918	13,525	Senior Gold Prescription Discount Program	24	17,740	14,340
---	---	---	---	---	Demonstration Adult Day Care Center Program - Alzheimer's Disease	55	500	500
9,296	---	---	9,296	9,296	Purchase of Social Services	55	10,104	10,104
2,500	---	-191	2,309	2,309	ElderCare Advisory Commission Initiatives	55	2,500	2,500
406	---	---	406	406	Community Provider Cost of Living Adjustment	55	---	565
831	---	---	831	831	Alzheimer's Disease Program	55	910	910
2,724	---	-50	2,674	2,674	Demonstration Adult Day Care Center Program - Alzheimer's Disease (CRF)	55	2,724	2,724
905	---	---	905	905	Adult Protective Services	55	989	989
1,842	---	-64	1,778	1,778	Adult Protective Services (CRF)	55	1,842	1,842
1,726	---	---	1,726	1,726	Senior Citizen Housing-Safe Housing and Transportation (CRF)	55	1,726	1,726
5,359	---	---	5,359	5,359	Respite Care for the Elderly (CRF)	55	5,359	5,359

HEALTH AND SENIOR SERVICES

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
GRANTS-IN-AID									
2,006	---	---	2,006	2,006	Congregate Housing Support Services (CRF)	55	2,006	2,006	2,006
1,020	---	---	1,020	1,020	Home Delivered Meals Expansion (CRF)	55	1,020	1,020	1,020
STATE AID									
Distribution by Fund and Program									
7,152	---	---	7,152	7,152	Programs for the Aged	55	7,152	7,152	7,152
<u>7,152</u>	<u>---</u>	<u>---</u>	<u>7,152</u>	<u>7,152</u>	Total State Aid		<u>7,152</u>	<u>7,152</u>	<u>7,152</u>
Distribution by Fund and Object									
State Aid:									
2,498	---	---	2,498	2,498	County Offices on Aging	55	2,498	2,498	2,498
4,654	---	---	4,654	4,654	Older Americans Act-State Share	55	4,654	4,654	4,654
<u>1,349,337</u>	<u>10,050</u>	<u>-13,315</u>	<u>1,346,072</u>	<u>1,139,805</u>	Grand Total State Appropriation		<u>1,241,115</u>	<u>1,184,038</u>	<u>1,184,038</u>
OTHER RELATED APPROPRIATIONS									
Federal Funds									
1,132,803	93	-12,440	1,120,456	1,058,821	Medical Services for the Aged	22	1,160,458	1,127,965	1,127,965
3,842	2,885	---	6,727	2,886	Pharmaceutical Assistance to the Aged and Disabled	24	---	---	---
47,201									
1,352 ^S	2,767	14	51,334	41,519	Programs for the Aged	55	47,242	47,119	47,119
---	6	---	6	6	Office of the Ombudsman	56	---	---	---
951	---	---	951	651	Office of the Public Guardian	57	1,000	1,000	1,000
<u>1,186,149</u>	<u>5,751</u>	<u>-12,426</u>	<u>1,179,474</u>	<u>1,103,883</u>	Total Federal Funds		<u>1,208,700</u>	<u>1,176,084</u>	<u>1,176,084</u>
All Other Funds									
---	134,227 ^R	---	134,227	129,439	Medical Services for the Aged	22	136,000	136,000	136,000
---	93								
---	74 ^R	---	167	73	Programs for the Aged	55	150	150	150
---	790 ^R	---	790	790	Office of the Public Guardian	57	825	1,106	1,106
<u>---</u>	<u>135,184</u>	<u>---</u>	<u>135,184</u>	<u>130,302</u>	Total All Other Funds		<u>136,975</u>	<u>137,256</u>	<u>137,256</u>
<u>2,535,486</u>	<u>150,985</u>	<u>-25,741</u>	<u>2,660,730</u>	<u>2,373,990</u>	GRAND TOTAL ALL FUNDS		<u>2,586,790</u>	<u>2,497,378</u>	<u>2,497,378</u>

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the reallocation of management efficiencies.

Notes -- Grants-In-Aid - General Fund

- (b) Amounts previously appropriated to Community Care Alternatives, Assisted Living Program, and a portion of the ElderCare Initiatives program are now funded within the Global Budget for Long Term Care pursuant to the federal approval of the comprehensive "Global Options" waiver program.
- (c) The fiscal 2008 adjusted appropriation and the fiscal 2009 recommended and requested amounts reflect a \$24 million offset for the Enhanced Peer Grouping initiative.
- (d) Amounts represent partial costs of the Pharmaceutical Assistance to the Aged and Disabled program. The remainder is funded by the Casino Revenue Fund.

Language Recommendations -- Direct State Services - General Fund

When any action by a county welfare agency, whether alone or in combination with the Division of Medical Assistance and Health Services in the Department of Human Services or the Department of Health and Senior Services, results in a recovery of improperly granted medical assistance, the Division of Medical Assistance and Health Services or the Department of Health and Senior Services may reimburse the county welfare agency in the amount of 25% of the gross recovery.

Notwithstanding the provisions of any law or regulation to the contrary, any third party, as defined in subsection m. of section 3 of P.L.1968, c.413 (C.30:4D-3), writing health, casualty, or malpractice insurance policies in the State or covering residents of this State, shall enter into an agreement with the Department of Health and Senior Services to permit and assist the matching of the Department of Health and Senior Services' program eligibility and/or adjudication claims files against that third party's eligibility and/or adjudicated claims files for the purpose of the coordination of benefits, utilizing, if necessary, social security numbers as common identifiers.

The unexpended balance at the end of the preceding fiscal year in the Payments to Fiscal Agent - PAA account are appropriated.

Such sums as may be necessary, not to exceed \$1,860,000, may be credited from the Energy Assistance program account in the Board of Public Utilities to the Lifeline program account and shall be applied in accordance with a Memorandum of Understanding between the President of the Board of Public Utilities and the Commissioner of Health and Senior Services, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts from the Office of the Public Guardian for Elderly Adults are appropriated.

Language Recommendations -- Grants-In-Aid - General Fund

The amounts hereinabove appropriated for Payments for Medical Assistance Recipients-Nursing Homes are available for the payment of obligations applicable to prior fiscal years.

In order to permit flexibility in the handling of appropriations and ensure the timely payment of claims to providers of medical services, amounts may be transferred to and from the various items of appropriation within the General Medical Services program classification in the Division of Medical Assistance and Health Services in the Department of Human Services and the Medical Services for the Aged program classification in Senior Services in the Department of Health and Senior Services, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

All funds recovered pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.) and P.L.1975, c.194 (C.30:4D-20 et seq.) during the fiscal year ending June 30, 2008 are appropriated for payments to providers in the same program class from which the recovery originated.

Subject to federal approval, the appropriations for those programs within the Medical Services for the Aged program classification are conditioned upon the Division of Medical Assistance and Health Services in the Department of Human Services and the Department of Health and Senior Services implementing policies that would limit the ability of persons who have the financial ability to provide for their own long-term care needs to manipulate current Medicaid rules to avoid payment for that care. The Division of Medical Assistance and Health Services and the Department of Health and Senior Services shall require, in the case of a married individual requiring long-term care services, that the portion of the couple's resources which are not protected for the needs of the community spouse be used solely for the purchase of long-term care services.

Notwithstanding the provisions of any law or regulation to the contrary, a sufficient portion of receipts generated or savings realized in the Medical Services for the Aged or Pharmaceutical Assistance to the Aged and Disabled Grants-In-Aid accounts from initiatives included in the current fiscal year appropriations act may be transferred to administration accounts to fund costs incurred in realizing these additional receipts or savings, subject to the approval of the Director of the Division of Budget and Accounting.

Such sums as may be necessary are appropriated from enhanced audit recoveries obtained by the Department of Health and Senior Services to fund the costs of enhanced audit recovery efforts of the Department within the Medical Services for the Aged program classification, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, payments from the Payments for Medical Assistance Recipients-Nursing Homes account shall be made at 50% only for bedhold days at facilities with total occupancy rates at 90% or higher based on the occupancy percentage reported on each facility's latest cost report; however, nursing homes shall hold a bed for a Medicaid beneficiary who is hospitalized for up to ten days.

The funds hereinabove appropriated for Medicaid High Occupancy-Nursing Homes shall be distributed for patient services among those nursing homes where the Medicaid patient day occupancy level is at or above 75%. Each such facility shall receive its distribution through a prospective per diem adjustment using actual days reported on the most recent cost report.

The amounts hereinabove appropriated for payments for the Pharmaceutical Assistance to the Aged and Disabled program, P.L.1975, c.194 (C.30:4D-20 et seq.), and the Senior Gold Prescription Discount Program, P.L.2001, c.96 (C.30:4D-43 et seq.), are available for the payment of obligations applicable to prior fiscal years.

Benefits provided under the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program, P.L.1975, c.194 (C.30:4D-20 et seq.), and the Senior Gold Prescription Discount Program, P.L.2001, c.96 (C.30:4D-43 et seq.), shall be the last resource benefits, notwithstanding any provisions contained in contracts, wills, agreements, or other instruments. Any provision in a contract of insurance, will, trust agreement, or other instrument which reduces or excludes coverage or payment to an individual because of that individual's eligibility for, or receipt of, PAAD or Senior Gold Prescription Discount Program benefits shall be void, and no PAAD and Senior Gold Prescription Discount Program payments shall be made as a result of any such provision.

Of the amount hereinabove appropriated in the Pharmaceutical Assistance to the Aged and Disabled-Claims program, notwithstanding the provisions of section 3 of P.L.1975, c.194 (C.30:4D-22) to the contrary, the co-payment in the Pharmaceutical Assistance to the Aged and Disabled program shall be \$6.00 for generic drugs and \$7.00 for brand name drugs.

Notwithstanding the provisions of any law or regulation to the contrary, no funds appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program, pursuant to P.L.1975, c.194 (C.30:4D-20 et seq.), and the Senior Gold Prescription Discount Program, pursuant to P.L.2001, c.96 (C.30:4D-43 et seq.), shall be expended, when PAAD or Senior Gold is the primary payer, unless participating pharmaceutical manufacturing companies execute contracts with the Department of Health and Senior Services, through the Department of Human Services, providing for the payment of rebates to the State. Furthermore, rebates from pharmaceutical manufacturing companies for prescriptions purchased by the PAAD program and the Senior Gold Prescription Discount Program shall continue during the current fiscal year, provided that the manufacturer's rebates for the Senior Gold Prescription Discount Program shall apply only to the amount paid by the State under the Senior Gold Prescription Discount Program. All revenues from such rebates during the current fiscal year are appropriated for the PAAD program and the Senior Gold Prescription Discount Program.

HEALTH AND SENIOR SERVICES

Notwithstanding the provisions of any other law or regulation to the contrary, no funds appropriated in the Pharmaceutical Assistance to the Aged and Disabled program classification and the Senior Gold Prescription Discount Program account shall be expended for prescription claims with no Medicare Part D coverage except under the following conditions: (a) reimbursement for the cost of single source brand name legend drugs and non-legend drugs shall be on the basis of Average Wholesale Price less a 15% discount and reimbursement for the cost of multisource generic drugs shall be in accordance with the federal Deficit Reduction Act of 2005 upon final adoption of regulations by the Department of Health and Human Services; (b) the current prescription drug dispensing fee structure set as a variable rate of \$3.73 to \$3.99 shall remain in effect through the current fiscal year, including the current increments for impact allowances, as determined by revised qualifying requirements, and allowances for 24-hour emergency services; and (c) multisource generic and single source brand name drugs shall be dispensed without prior authorization but multisource brand name drugs shall require prior authorization issued by the Department of Health and Senior Services or its authorizing agent, however, a 10-day supply of the multisource brand name drug shall be dispensed pending receipt of prior authorization. Certain multisource brand name drugs with a narrow therapeutic index, other drugs recommended by the Drug Utilization Review Board, or brand name drugs with a lower cost per unit than the generic may be excluded from prior authorization by the Department of Health and Senior Services.

In addition to the amount hereinabove appropriated for the Pharmaceutical Assistance to the Aged and Disabled and Senior Gold Prescription Discount programs, there are appropriated from the General Fund and available federal matching funds such additional sums as may be required for the payment of claims, credits, and rebates, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, no funds appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program and the Senior Gold Prescription Discount Program are available to pharmacies that have not submitted an application to enroll as an approved medical supplier in the Medicare program, unless they already are an approved Medicare medical supplier. Pharmacies shall not be required to bill Medicare directly for Medicare Part B drugs and supplies, but must agree to allow PAAD to bill Medicare on their behalf by completing and submitting an electronic data interchange (EDI) form to PAAD. Beneficiaries are responsible for the applicable PAAD or Senior Gold Prescription Discount Program co-payment.

Notwithstanding the provisions of any law or regulation to the contrary, no funds appropriated for the Pharmaceutical Assistance to the Aged and Disabled program and the Senior Gold Prescription Discount Program shall be used to pay for quantities of erectile dysfunction therapy medication in excess of four dosage units (tablets/injections/suppositories) per month. Moreover, payment will only be provided if the diagnosis of erectile dysfunction is written on the prescription form and the treatment is provided to males over the age of 18 years. Furthermore, no payments for erectile dysfunction therapy will be made on behalf of sex offenders.

Notwithstanding the provisions of any law or regulation to the contrary, the appropriations for the Pharmaceutical Assistance to the Aged and Disabled and Senior Gold Prescription Discount Program are conditioned upon the Department of Health and Senior Services coordinating benefits with any voluntary prescription drug mail-order or specialty pharmacy in a Medicare Part D provider network or private Third Party Liability plan network for beneficiaries enrolled in a Medicare Part D program or beneficiaries with primary prescription coverage that requires use of mail order. The mail-order program may waive, discount, or rebate the beneficiary co-payment and mail-order pharmacy providers may dispense up to a 90-day supply on prescription refills with the voluntary participation of the beneficiary, subject to the approval of the Commissioner of Health and Senior Services and the Director of the Division of Budget and Accounting.

At any point during the year, and notwithstanding the provisions of any law or regulation to the contrary, subject to the approval of a plan by the Commissioner of Health and Senior Services, no funds appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program, pursuant to P.L.1975, c.194 (C.30:4D-20 et seq.), or the Senior Gold Prescription Discount Program, pursuant to P.L.2001, c.96 (C.30:4D-43 et seq.), shall be expended, when PAAD or Senior Gold is the primary payer, unless participating pharmaceutical manufacturing companies execute contracts with the Department of Health and Senior Services, through the Department of Human Services. Name brand manufacturers must provide for the payment of rebates to the State on the same basis as provided for in section 1927 (a) through (c) of the federal Social Security Act, 42 U.S.C. s.1396r-8(a)-(c). Generic manufacturers shall be required to provide rebates equal to 15.1% of the Average Manufacturers Price for all drugs, with the exception that any branded generic pharmaceutical shall generate rebates on the same basis as provided for in section 1927 (a) through (c) of the federal Social Security Act, 42 U.S.C. s.1396r-8(a)-(c).

From the amount hereinabove appropriated for the Senior Gold Prescription Discount Program, an amount not to exceed \$3,850,000 may be transferred to various accounts as required, including Direct State Services accounts, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, and subject to the notice provisions of 42 CFR 447.205, for rates implemented on or after July 1, 2000, target occupancy as determined pursuant to N.J.A.C.8:85-3.16 shall not apply to those facilities receiving enhanced rates of reimbursement pursuant to N.J.A.C.8:85-2.21. The per diem amounts for all other expenses of the enhanced rates shall be based upon reasonable base period costs divided by actual base period patient days, but no less than 85% of licensed bed days shall be used.

In order to permit flexibility in the handling of appropriations and ensure the timely payment of claims to providers of medical services, amounts may be transferred between the various items of appropriation within the Medical Services for the Aged and Programs for the Aged program classifications to ensure the continuity of long-term care support services for beneficiaries receiving services within the Medical Services for the Aged program classification in the Division of Senior Services in the Department of Health and Senior Services, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

Notwithstanding the provisions of any law or regulation to the contrary, effective January 1, 2005, no payment for Medicaid Adult or Pediatric Medical Day Care services, as hereinabove appropriated in the Medical Day Care Services account, shall be provided unless the services are prior authorized by professional staff designated by the Department of Health and Senior Services.

From the amount hereinabove appropriated for Payments for Medical Assistance Recipients-Nursing Homes, the Commissioner of Health and Senior Services shall increase the reasonableness limit for total nursing care up to 120% of the median costs in the Medicaid nursing home rate-setting system during the current fiscal year.

Such sums as may be necessary, not to exceed \$70,840,000, for payments for the Lifeline Credit and Tenants' Lifeline Assistance programs, may be credited from the Energy Assistance program account in the Board of Public Utilities to the Lifeline program account and shall be applied in accordance with a Memorandum of Understanding between the President of the Board of Public Utilities and the Commissioner of Health and Senior Services, subject to the approval of the Director of the Division of Budgeting and Accounting.

Such sums as may be necessary are appropriated from the General Fund for the payment of increased nursing home rates to reflect the costs incurred due to the payment of a nursing home provider assessment, pursuant to the "Nursing Home Quality of Care Improvement Fund Act," P.L.2003, c.105 (C.26:2H-92 et seq.) and P.L.2004, c.41, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for Medical Day Care Services is conditioned upon rate increases for the nursing home provider assessment not being included in the calculation of the Adult/Pediatric Day Care payment rates.

Notwithstanding the provisions of any law or regulation to the contrary, the amounts hereinabove appropriated for the Pharmaceutical Assistance to the Aged and Pharmaceutical Assistance to the Aged and Disabled (PAAD) programs are conditioned upon the Department of Health and Senior Services coordinating the benefits of the PAAD programs with the prescription drug benefits of the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003 as the primary payer due to the current federal prohibition against State automatic enrollment of PAAD recipients in the new federal program. The PAAD benefit and reimbursement shall only be available to cover the beneficiary cost share to in-network pharmacies and for deductible and coverage gap costs (as determined by the Commissioner of Health and Senior Services) associated with enrollment in Medicare Part D for beneficiaries of the PAAD and Senior Gold Prescription Discount programs, and for Medicare Part D premium costs for PAAD beneficiaries.

Notwithstanding the provisions of any law or regulation to the contrary, effective January 1, 2006, no funds appropriated in the Pharmaceutical Assistance to the Aged or Pharmaceutical Assistance to the Aged and Disabled (PAAD) and Senior Gold Prescription Discount Program accounts shall be available as payment as a PAAD or Senior Gold benefit to any pharmacy that is not enrolled as a participating pharmacy in a pharmacy network under Medicare Part D.

Consistent with the requirements of the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003 and the current federal prohibition against State automatic enrollment of Pharmaceutical Assistance to the Aged and Pharmaceutical Assistance to the Aged and Disabled (PAAD) and Senior Gold Prescription Discount Program recipients, no funds hereinabove appropriated to the PAAD or Senior Gold accounts shall be expended for any individual unless the individual enrolled in the PAAD or Senior Gold Program provides all data necessary to enroll the individual in Medicare Part D, including data required for the subsidy assistance, as outlined by the Centers for Medicare and Medicaid Services.

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for the Pharmaceutical Assistance to the Aged, Pharmaceutical Assistance to the Aged and Disabled, and Senior Gold Prescription Discount programs shall be conditioned upon the following provision: no funds shall be appropriated for the refilling of a prescription drug until such time as the original prescription is 85% finished.

Notwithstanding the provisions of any law or regulation to the contrary, in order to maximize prescription drug coverage under Medicare Part D, the Pharmaceutical Assistance to the Aged and Disabled (PAAD) Program shall be designated the authorized representative for the purposes of coordinating benefits with Medicare Part D, including enrollment and appeals of coverage determinations. PAAD is authorized to represent program beneficiaries in the pursuit of such coverage. PAAD representation shall not result in any additional financial liability on behalf of such program beneficiaries and shall include, but need not be limited to, the following actions: application for the premium and cost-sharing subsidies on behalf of eligible program beneficiaries; pursuit of appeals, grievances, or coverage determinations; facilitated enrollment in a prescription drug plan or Medicare Advantage Prescription Drug plan. If the beneficiary declines enrollment in any Medicare Part D plan, the beneficiary shall be barred from all benefits of the PAAD program.

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for the ElderCare Initiatives program shall be conditioned upon the following provision: State-funded home and community care (Jersey Assistance for Community Caregiving (JACC)) benefits paid incorrectly on behalf of JACC beneficiaries may be recovered from individuals found ineligible.

The amounts hereinabove appropriated for Global Budget for Long Term Care shall only be expended if federal approvals are received for such a program and only if federal Medicaid reimbursement or other federal matching funds are available to support the State appropriation.

The amounts hereinabove appropriated for Payments for Medical Assistance Recipients-Nursing Homes, Medical Day Care Services, Global Budget for Long Term Care, and Medicaid High Occupancy-Nursing Homes are conditioned upon the Commissioner of Health and Senior Services making changes to such programs to make them consistent with the federal Deficit Reduction Act of 2005.

Notwithstanding the provisions of any law or regulation to the contrary, in order to maximize drug coverage under Medicare Part D, the appropriation for the Senior Gold Prescription Discount Program is conditioned on the Senior Gold Prescription Discount Program being designated the authorized representative for the purpose of coordinating benefits with the Medicare drug program, including appeals of coverage determinations. Senior Gold is authorized to represent program beneficiaries in the pursuit of such coverage. Senior Gold representation shall include, but not to be limited to, the following actions: pursuit of appeals, grievances, or coverage determinations.

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Notwithstanding the provisions of any law or regulation to the contrary, all financial recoveries obtained through the efforts of any entity authorized to undertake the prevention and detection of Medicaid fraud, waste, and abuse, are appropriated to Medical Services for the Aged in the Division of Senior Services.

Notwithstanding the provisions of any law or regulation to the contrary, resources in the Global Budget for Long Term Care line item may be supplemented with transfers from the Medical Services for the Aged Program accounts, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, persons receiving services through the Demonstration Adult Day Care Center Program - Alzheimer's Disease may receive services if appropriate medical documentation is provided to the Department of Health and Senior Services to justify those expenditures. A medical day services provider that is providing services through the Demonstration Adult Day Care Center Program - Alzheimer's Disease shall be reimbursed at not less than 85% of the free-standing Adult Day Medical Medicaid day rate. A social day services provider that is providing services through the program shall be reimbursed at not less than 70% of the free-standing Adult Day Medical Medicaid day rate. A medical or social day services provider that is providing services through the program shall not be subject to the 25% matching requirement set forth in section 3 of P.L.1988, c.114 (C.26:2M-11) or the requirement to submit a cost proposal to the Department of Health and Senior Services as set forth in N.J.A.C.8:92-3.2. The Demonstration Adult Day Care Center Program - Alzheimer's Disease shall reimburse the agency the difference between the client co-pay and the agreed upon rate. The Department of Health and Senior Services shall authorize enrollment of persons in the Demonstration Adult Day Care Center Program - Alzheimer's Disease for a maximum of three days per week. The Department shall not require participants in the program to pay for services provided through the program in excess of the amounts currently required under N.J.A.C.8:92-1.1. et seq.

Notwithstanding the provisions of any law or regulation to the contrary, no amounts hereinabove appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program or the Senior Gold Prescription Discount Program shall be expended for diabetic testing materials and supplies which are covered under the federal Medicare Part B program.

Notwithstanding the provisions of any law or regulation to the contrary, amounts appropriated hereinabove for Medical Day Care Services shall be conditioned upon the following: the daily per diem reimbursement rate for all adult Medical Day Care providers, regardless of setting, shall be set at the average rate for a free-standing Medical Day care facility as of December 1, 2007.

Notwithstanding the provisions of N.J.A.C.8:85-3.19 or any other law to the contrary, the amounts hereinabove appropriated for Payments for Medical Assistance Recipients - Nursing Homes shall be conditioned upon the following provisions: no facility shall receive a per diem rate increase as the result of the annual rebasing of facility submitted costs. In addition, only those facilities with greater than 75% Medicaid occupancy shall receive an inflation adjustment to their per diem reimbursement rate.

Language Recommendations -- Grants-In-Aid - Casino Revenue Fund

In addition to the amounts hereinabove appropriated, there are appropriated from the Casino Revenue Fund and available federal matching funds such additional sums as may be required for the payment of claims, credits, and rebates, subject to the approval of the Director of the Division of Budget and Accounting.

All funds recovered under P.L.1968, c.413 (C.30:4D-1 et seq.) and P.L.1975, c.194 (C.30:4D-20 et seq.), during the current fiscal year are appropriated for payments to providers in the same program class from which the recovery originated.

In order to permit flexibility in the handling of appropriations and ensure the timely payment of claims to providers of medical services, amounts may be transferred to and from the various items of appropriation within the Medical Services for the Aged program classification, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

For the purposes of account balance maintenance, all object accounts in the Medical Services for the Aged program classification shall be considered as one object. This will allow timely payment of claims to providers of medical services, but ensure that no overspending will occur in the program classification.

Notwithstanding the provisions of P.L.1988, c.92 (C.30:4E-5 et seq.) to the contrary, funds appropriated for the Home Care Expansion Program (HCEP) shall be paid only for individuals enrolled in the program as of June 30, 1996 who are not eligible for the Community Care Program for the Elderly and Disabled or alternative programs, and only for so long as those individuals require services covered by the HCEP. Individuals enrolled in the HCEP as of June 30, 1996 and eligible for the Community Care Program for the Elderly and Disabled may apply to be enrolled in that program.

Notwithstanding the provisions of any law or regulation to the contrary, a sufficient portion of receipts generated or savings realized in Casino Revenue Fund, Medical Services for the Aged, or Pharmaceutical Assistance to the Aged and Disabled Grants-In-Aid accounts from initiatives included in the current fiscal year's annual appropriations act may be transferred to administration accounts to fund costs incurred in realizing these additional receipts or savings, subject to the approval of the Director of the Division of Budget and Accounting.

The amounts hereinabove appropriated for payments for the Pharmaceutical Assistance to the Aged and Disabled program, P.L.1975, c.194 (C.30:4D-20 et seq.), are available for the payment of obligations applicable to prior fiscal years.

Benefits provided under the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program, P.L.1975, c.194 (C.30:4D-20 et seq.), shall be the last resource benefits, notwithstanding any provision contained in contracts, wills, agreements, or other instruments. Any provision in a contract of insurance, will, trust agreement, or other instrument which reduces or excludes coverage or payment to an individual because of that individual's eligibility for or receipt of PAAD benefits shall be void, and no PAAD payments shall be made as a result of any such provision.

Of the amount hereinabove appropriated in the Pharmaceutical Assistance to the Aged and Disabled-Claims program, notwithstanding the provisions of section 3 of P.L.1975, c.194 (C.30:4D-22) to the contrary, the co-payment in the Pharmaceutical Assistance to the Aged and Disabled program shall be \$6.00 for generic drugs and \$7.00 for brand name drugs.

Notwithstanding the provisions of any law or regulation to the contrary, effective July 1, 2003, no State funds are appropriated for a Drug Utilization Review Council in the Department of Health and Senior Services, and therefore, the functions of the Council shall cease.

Notwithstanding the provisions of any law or regulation to the contrary, no funds appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program, pursuant to P.L.1975, c.194 (C.30:4D-20 et seq.), shall be expended, when PAAD is the primary payer, unless participating pharmaceutical manufacturing companies execute contracts with the Department of Health and Senior Services, through the Department of Human Services, providing for the payment of rebates to the State. Furthermore, rebates from pharmaceutical manufacturing companies for prescriptions purchased by the PAAD program and the Senior Gold Prescription Discount Program shall continue during the current fiscal year, provided that the manufacturers' rebates for the Senior Gold Prescription Discount Program shall apply only to the amount paid by the State under the Senior Gold Prescription Discount Program. All revenues from such rebates during the current fiscal year are appropriated for the PAAD program and the Senior Gold Prescription Discount Program.

Notwithstanding the provisions of any law or regulation to the contrary, no funds appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program are available to pharmacies that have not submitted an application to enroll as an approved medical supplier in the Medicare program, unless they already are an approved Medicare medical supplier. Pharmacies shall not be required to bill Medicare directly for Medicare Part B drugs and supplies, but must agree to allow PAAD to bill Medicare on their behalf by completing and submitting an electronic data interchange (EDI) form to PAAD. Beneficiaries are responsible for the applicable PAAD co-payment.

Notwithstanding the provisions of any law or regulation to the contrary, no funds appropriated for the Pharmaceutical Assistance to the Aged and the Disabled program shall be used to pay for quantities of erectile dysfunction therapy medication in excess of four dosage units (tablets/injections/suppositories) per month. Moreover, payment shall only be provided if the diagnosis of erectile dysfunction is written on the prescription form and the treatment is provided to males over the age of 18 years. Furthermore, no payments for erectile dysfunction therapy will be made on behalf of sex offenders.

Notwithstanding the provisions of any law or regulation to the contrary, no funds appropriated in the Pharmaceutical Assistance to the Aged and Disabled program classification and the Senior Gold Prescription Drug Discount Program account shall be expended for prescription claims with no Medicare Part D coverage except under the following conditions: (a) reimbursement for the cost of single source brand name legend drugs and non-legend drugs shall be on the basis of Average Wholesale Price less a 15% discount and reimbursement for the cost of multisource generic drugs shall be in accordance with the federal Deficit Reduction Act of 2005 upon final adoption of regulations by the Department of Health and Human Services; (b) the current prescription drug dispensing fee structure set as a variable rate of \$3.73 to \$3.99 shall remain in effect through the current fiscal year, including the current increments for impact allowances, as determined by revised qualifying requirements, and allowances for 24-hour emergency services; and (c) multisource generic and single source brand name drugs shall be dispensed without prior authorization but multisource brand name drugs shall require prior authorization issued by the Department of Health and Senior Services or its authorizing agent, however, a 10-day supply of the multisource brand name drug shall be dispensed pending receipt of prior authorization. Certain multisource brand name drugs with a narrow therapeutic index, other drugs recommended by the Drug Utilization Review Board, or brand name drugs with a lower cost per unit than the generic may be excluded from prior authorization by the Department of Health and Senior Services.

Notwithstanding the provisions of any law or regulation to the contrary, the appropriations for the Pharmaceutical Assistance to the Aged and Disabled and Senior Gold Prescription Discount Program are conditioned upon the Department of Health and Senior Services coordinating benefits with any voluntary prescription drug mail-order or specialty pharmacy in a Medicare Part D provider network or private Third Party Liability plan network for beneficiaries enrolled in a Medicare Part D program or beneficiaries with primary prescription coverage that requires use of mail order. The mail-order program may waive, discount, or rebate the beneficiary co-payment and mail-order pharmacy providers may dispense up to a 90-day supply on prescription refills with the voluntary participation of the beneficiary, subject to the approval of the Commissioner of Health and Senior Services and the Director of the Division of Budget and Accounting.

At any point during the year, and notwithstanding the provisions of any law or regulation to the contrary, subject to the approval of a plan by the Commissioner of Health and Senior Services, no funds appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program, pursuant to P.L.1975, c.194 (C.30:4D-20 et seq.), or the Senior Gold Prescription Discount Program, pursuant to P.L.2001, c.96 (C.30:4D-43 et seq.), shall be expended, when PAAD or Senior Gold is the primary payer, unless participating pharmaceutical manufacturing companies execute contracts with the Department of Health and Senior Services, through the Department of Human Services. Name brand manufacturers must provide for the payment of rebates to the State on the same basis as provided for in section 1927 (a) through (c) of the federal Social Security Act, 42 U.S.C. s.1396r-8(a)-(c). Generic manufacturers shall be required to provide rebates equal to 15.1% of the Average Manufacturers Price for all drugs, with the exception that any branded generic pharmaceutical shall generate rebates on the same basis as provided for in section 1927 (a) through (c) of the federal Social Security Act, 42 U.S.C. s.1396r-8(a)-(c).

Notwithstanding the provisions of section 2 of P.L.1988, c.114 (C.26:2M-10) to the contrary, private for-profit agencies shall be eligible grantees for funding from the Demonstration Adult Day Care Center Program-Alzheimer's Disease account.

Notwithstanding the provisions of any law or regulation to the contrary, of the amount hereinabove appropriated for the Respite Care for the Elderly (CRF) account, \$600,000 shall be charged to the Casino Simulcasting Fund.

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated to the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program is conditioned upon the Department of Health and Senior Services coordinating the benefits of the PAAD program with the prescription drug benefits of the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003 as the primary payer due to the current federal prohibition against State automatic enrollment of PAAD recipients in the new federal program. The PAAD benefit and reimbursement shall only be available to cover the beneficiary cost share to in-network pharmacies and for deductible and coverage gap costs (as determined by the Commissioner of

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Health and Senior Services) associated with enrollment in Medicare Part D for beneficiaries of the PAAD and Senior Gold programs, and for Medicare Part D premium costs for PAAD beneficiaries.

Notwithstanding the provisions of any law or regulation to the contrary, effective January 1, 2006, no funds appropriated in the Pharmaceutical Assistance to the Aged and Disabled (PAAD) and Senior Gold program accounts shall be available as payment as a PAAD or Senior Gold benefit to any pharmacy that is not enrolled as a participating pharmacy in a pharmacy network under Medicare Part D.

Consistent with the requirements of the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003 and the current federal prohibition against State automatic enrollment of Pharmaceutical Assistance to the Aged and Disabled (PAAD) recipients, no funds hereinabove appropriated from the PAAD account shall be expended for any individual enrolled in the PAAD program unless the individual provides all data that may be necessary to enroll the individual in Medicare Part D, including data required for the subsidy assistance, as outlined by the Centers for Medicare and Medicaid Services.

Notwithstanding the provisions of any law or regulation to the contrary, in order to maximize prescription drug coverage under Medicare Part D, the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program shall be designated the authorized representative for the purposes of coordinating benefits with Medicare Part D, including enrollment and appeals of coverage determinations. PAAD is authorized to represent program beneficiaries in the pursuit of such coverage. PAAD representation shall not result in any additional financial liability on behalf of such program beneficiaries and shall include, but need not be limited to, the following actions: application for the premium and cost-sharing subsidies on behalf of eligible program beneficiaries; pursuit of appeals, grievances, or coverage determinations; facilitated enrollment in a prescription drug plan or Medicare Advantage Prescription Drug plan. If any beneficiary declines enrollment in any Medicare Part D plan, that beneficiary shall be barred from all benefits of the PAAD program.

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program and the Senior Gold Prescription Discount Program shall be conditioned upon the following provision: no funds shall be appropriated for the refilling of a prescription drug until such time as the original prescription is 85% finished.

The amounts hereinabove appropriated for Global Budget for Long Term Care are conditioned upon the Commissioner of Health and Senior Services making changes to such program to make it consistent with the federal Deficit Reduction Act of 2005.

Notwithstanding the provisions of any other law or regulation to the contrary, persons receiving services through the Demonstration Adult Day Care Center Program - Alzheimer's Disease may receive services if appropriate medical documentation is provided to the Department of Health and Senior Services to justify those expenditures. A medical day services provider that is providing services through the Demonstration Adult Day Care Center Program - Alzheimer's Disease shall be reimbursed at not less than 85% of the free-standing Adult Day Medical Medicaid day rate. A social day services provider that is providing services through the program shall be reimbursed at not less than 70% of the free-standing Adult Day Medical Medicaid day rate. A medical or social day services provider that is providing services through the program shall not be subject to the 25% matching requirement set forth in section 3 of P.L.1988, c.114 (C.26:2M-11) or the requirement to submit a cost proposal to the Department of Health and Senior Services as set forth in N.J.A.C.8:92-3.2. The Demonstration Adult Day Care Center Program - Alzheimer's Disease shall reimburse the agency the difference between the client co-pay and the agreed upon rate. The Department of Health and Senior Services shall authorize enrollment of persons in the Demonstration Adult Day Care Center Program - Alzheimer's Disease for a maximum of three days per week. The Department shall not require participants in the program to pay for services provided through the program in excess of the amounts currently required under N.J.A.C.8:92-1.1. et seq.

The amounts hereinabove appropriated for Global Budget for Long Term Care shall only be expended if federal approvals are received for such a program and only if federal Medicaid reimbursement or other federal matching funds are available to support the State appropriation.

Notwithstanding the provisions of any law or regulation to the contrary, no amounts hereinabove appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program shall be expended for diabetic testing materials and supplies which are covered under the federal Medicare Part B program.

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Language Recommendations -- Direct State Services - General Fund

Consistent with the provisions of P.L.2005, c.237, the \$40 million from the surcharge on each general hospital and each specialty heart hospital is appropriated to fund federally qualified health centers. Any unexpended balance at the end of the preceding fiscal year in the Health Care Subsidy Fund received through the hospital and other health care initiatives account during fiscal year 2008 is appropriated.

Such sums as may be necessary are appropriated or transferred from existing appropriations within the Department of Health and Senior Services for the purpose of promoting awareness to increase participation in programs that are administered by the Department, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts from licenses, permits, fines, penalties and fees collected by the Department of Health and Senior Services, in excess of those anticipated, are appropriated, subject to a plan prepared by the Department and approved by the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of section 7 of P.L.1992, c.160 (C.26:2H-18.57) or any law or regulation to the contrary, the first \$1,200,000 in per adjusted admission charge assessment revenues, attributable to \$10.00 per adjusted admission charge assessments made by the Department of Health and Senior Services, shall be anticipated as revenue in the General Fund available for health-related purposes. Furthermore, it is recommended that the remaining revenue attributable to this fee shall be available to carry out the provisions of section 7 of P.L.1992, c.160 (C.26:2H-18.57), as determined by the Commissioner of Health and Senior Services, and subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, the State Treasurer shall transfer to the Health Care Subsidy Fund, established pursuant to section 8 of P.L.1992, c.160 (C.26:2H-18.58), only those additional revenues generated from third party liability recoveries, excluding Medicaid, by the State arising from a review by the Director of the Division of Budget and Accounting of hospital payments reimbursed from the Health Care Subsidy Fund with service dates that are after the date of enactment of P.L.1996, c.29.

Notwithstanding the provisions of any law or regulation to the contrary, the Commissioner of Health and Senior Services shall devise, at the commissioner's discretion, rules or guidelines that allocate reductions in health service grants to the extent possible toward administration, and not client services.

Any change in program eligibility criteria and increases in the types of services or rates paid for services to or on behalf of clients for all programs under the purview of the Department of Health and Senior Services, not mandated by federal law, shall first be approved by the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, fees, fines, penalties and assessments owed to the Department of Health and Senior Services shall be offset against payments due and owing from other appropriated funds.

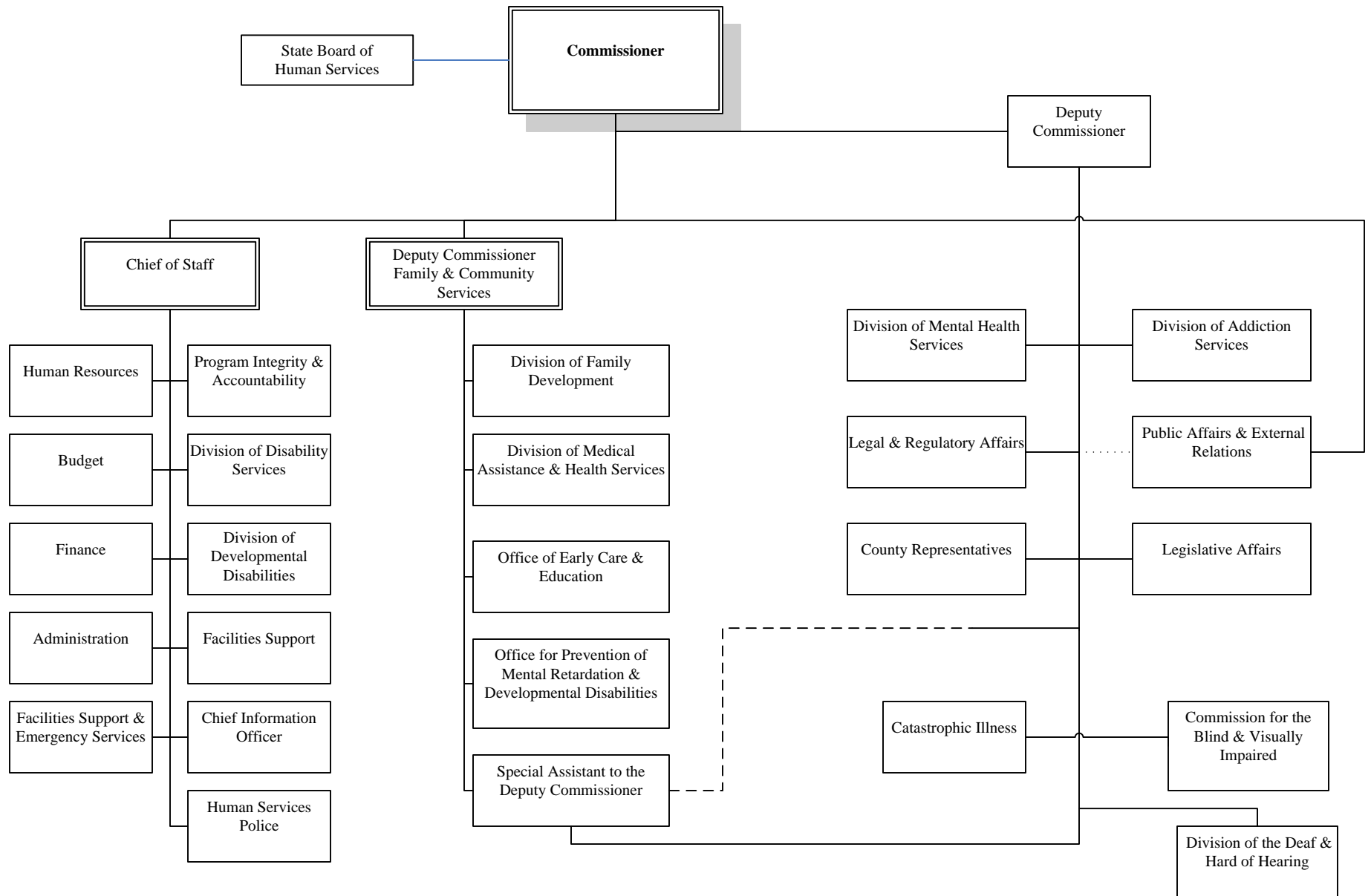
In addition to the amount hereinabove appropriated, receipts from the federal Medicaid (Title XIX) program for health services-related programs throughout the Department of Health and Senior Services are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - General Fund

In order to permit flexibility in implementing ElderCare Initiatives and the Global Budget for Long Term Care within the Medical Services for the Aged program classification, amounts may be transferred between Direct State Services and Grants-In-Aid accounts, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

In order to permit flexibility in implementing the ElderCare Advisory Commission Initiatives within the Programs for the Aged program classification, amounts may be transferred between Direct State Services and Grants-In-Aid accounts, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

HUMAN SERVICES



DEPARTMENT OF HUMAN SERVICES OVERVIEW

Mission and Goals

The New Jersey Department of Human Services (DHS) is the State's social services and healthcare agency that serves more than one million, or approximately one of every eight, New Jersey residents. DHS assists economically disadvantaged individuals and families by providing cash assistance, food stamps, rental assistance, child care, child support and health care services. DHS operates twelve State institutions and provides community services to individuals with developmental disabilities and mental illness through contracts with private service-provider agencies to provide home and community-based services. DHS also serves individuals with hearing or vision loss; people with disabilities caused by illness or injury; and people who are in need of substance abuse treatment. Additionally, DHS operates the State's Medicaid infrastructure, supporting programs throughout State government. Through the work of DHS individuals and families in need are able to keep their lives on track, their families together, a roof over their heads, and obtain healthcare. DHS works to maximize resources in order to provide an extensive array of community services to New Jersey residents. DHS is the largest agency in State government, with approximately 16,000 employees, or about one fifth of the State's total workforce.

FY 2009 Budget Highlights

The fiscal 2009 Budget for the Department of Human Services totals \$4.859 billion, a decrease of \$62.8 million or 1.3% under the fiscal 2008 adjusted appropriation of \$4.922 billion. This budget provides \$60.9 million in State funds to support the Divisions of Developmental Disabilities (DDD) and Mental Health Services in placing individuals ready to transition from developmental centers and psychiatric hospitals into community residences. This amount includes \$39 million for new placements expected to occur in fiscal 2009 and \$21.9 million to annualize placements made in prior fiscal years. In addition, with the approval of a plan that supports future year costs with ongoing revenues, the Division of Developmental Disabilities will be able to provide additional placements for clients on the DDD Community Services Waiting List.

Fiscal 2009 savings initiatives include the following: \$7.5 million from implementing a \$2 co-pay in the Medicaid program for prescription drugs (with a \$10 monthly cap per recipient) and a \$6 co-pay for emergency room visits that are not a true emergency. In addition, \$2.8 million in staff and overtime savings is expected from the implementation of the electronic Cost Accounting Timesheet System (eCATS) and a new biometric-based time clock system at the developmental centers and mental health hospitals, and another \$2.8 million will be saved from implementing day-specific eligibility in the Medicaid program.

Division of Developmental Disabilities

The Division of Developmental Disabilities (DDD) provides essential services to New Jersey residents with developmental disabilities in order to meet each individual's specific needs and prevent institutionalization. This Budget provides professional treatment and services in communities throughout the State to promote the highest possible level of independence for individuals with developmental disabilities.

DDD is actively addressing compliance with Federal Medicaid Intermediate Care Facilities for the Mentally Retarded (ICF/MR) regulations, implementing its Olmstead initiative to place people in community settings and complying with the U.S. Department of Justice (DOJ) settlement agreements for the Woodbridge and New Lisbon Developmental Centers.

In support of these efforts, DDD received \$50 million in fiscal 2007 to be spent over three years to address the following: Olmstead-related residential and other support services and infrastructure for individuals transitioning from developmental centers to the community; individuals on the community services waiting list; and family support services for individuals living at home. When combined with federal funding, the total available resources are \$75 million.

DDD has also begun to work with private service providers to solicit interest in providing services in New Jersey to children and adults now residing in out-of-state placements. DDD's goal is to avoid the need for future out-of-state placements and bring individuals who are now in out-of-state placements back to New Jersey. As part of this effort, DDD has initiated a two-year pilot program.

As part of national Olmstead related efforts, DDD has joined numerous other states in participating in the National Core Indicators (NCI) Project. NCI is a collaborative effort among participating National Association of State Directors of Developmental Disabilities Services (NASDDDS) member state agencies and the Human Services Research Institute, with the goal of gathering input from individuals and their families regarding supports, services and quality of life. This is now the benchmarking tool for New Jersey's developmental disabilities community.

Division of Medical Assistance and Health Services

Through the Medicaid, General Assistance, and NJ FamilyCare programs, the Division of Medical Assistance and Health Services (DMAHS) fulfills its commitment to provide health care to New Jersey's most vulnerable citizens. The total number of residents currently receiving services within DMAHS is more than 1 million, which means that more than one in eight New Jerseyans is on Medicaid. Of all beneficiaries eligible for the Division's services, 746,000 people, or 75% of all DMAHS clients, receive health care coverage through five health maintenance organizations (HMOs).

The Managed Care program seeks to provide quality access and care management to Medicaid clients, including NJ FamilyCare. Managed care growth assumes the continued phase-in of the aged, blind and disabled (ABDs) population into managed care. Beginning September 1, 2007, P.L. 2004, c. 156 expanded health insurance benefits and opened enrollment in NJ FamilyCare to parents whose income does not exceed 133% of the federal poverty level (FPL). Recommended funding assumes that these eligible beneficiaries are covered with a 65% match of federal funding through the federal State Children's Health Insurance Program.

Fiscal 2009 funding will see the annualization of Governor Corzine's fiscal 2008 pediatric rate increase initiative to \$20 million in state and federal funding to provide better medical care for our children by increasing reimbursements to fee for service pediatric service providers. The increase in funding for pediatric services as of January 1, 2008, will improve access to primary care services and result in fewer Medicaid resources being spent on expensive and less-appropriate settings such as hospital emergency rooms.

A significant portion of the Medicaid budget is devoted to covering prescription drug costs for fee-for-service clients, long term care prescription drugs, and those enrolled in Medicaid Managed Care plans or the NJ FamilyCare program. Currently, 149,000 dual eligibles (beneficiaries eligible for both Medicare and Medicaid) are enrolled in Medicare Part D, which has resulted in significant savings to the State Budget. However, this savings is offset by the fact that the State is responsible for reimbursing the federal government for

what it would have paid for dual-eligible prescriptions prior to the implementation of Medicare Part D. This is commonly referred to as the clawback.

Division of Family Development

The Division of Family Development (DFD) provides resources and supportive assistance to economically disadvantaged residents of New Jersey. DFD is New Jersey's IV-A and IV-D agency and oversees the State's welfare program, Work First New Jersey, and Child Support and Child Care Programs.

DFD continues to support the efforts of people who are transitioning from welfare to work or struggling economically by providing food stamps, child care subsidies, rental and emergency housing assistance, kinship services, and other support services.

In addition, DFD provides leadership as well as technical and financial support to public agencies responsible for administering programs for New Jersey's vulnerable citizens.

In fiscal 2008, DFD instituted its Child Care Reform initiative in an effort to align its child care programs, NJ Cares for Kids (NJCK) and Abbott wrap-around services. This initiative established a maximum income limit of 300% of the federal poverty level (FPL) for Abbott wrap-around services while eliminating the co-pay for NJCK recipients below 100% of the FPL. Prior to fiscal 2008, Abbott wrap-around services were provided for free, without regard to income. With these changes, DFD's budget will provide more than \$370 million in combined State and federal funds to provide child care services for approximately 70,000 economically disadvantaged children.

Division of Mental Health Services

The Division of Mental Health Services (DMHS) operates five inpatient psychiatric facilities to serve persons with mental illness who have been screened and legally committed to a state facility for inpatient mental health treatment. These facilities include four adult psychiatric hospitals - Greystone Park in Morris County, Trenton in Mercer County, Ancora in Camden County, and Hagedorn in Hunterdon County - as well as the Ann Klein Forensic Center in Mercer County, providing forensic psychiatric services and sharing the same grounds as Trenton Psychiatric Hospital.

The construction phase of a new replacement psychiatric facility on the grounds of Greystone Park Psychiatric Hospital is substantially complete, and patients are now located in the building. The final phase of the project, including demolition of some structures and site work, is underway with total project completion anticipated this year.

In addition to these state-operated psychiatric facilities, DMHS also provides State Aid funding to support indigent patients in six county-operated facilities in Bergen, Burlington, Camden, Essex, Hudson and Union counties.

DMHS plans, coordinates, and contracts with community provider agencies to ensure that a wide array of community-based mental health treatment options and program supports are available to consumers and their families, including emergency/screening services, outpatient counseling, partial and day treatment services, case management, Programs of Assertive Community Treatment (PACT), Projects for Assistance in Transition from Homelessness (PATH), residential and supported housing, jail diversion services, family support, self-help centers, and supported employment.

In fiscal 2008, \$21.9 million was provided to facilitate community integration of individuals from institutional settings into the least restrictive environments, in accordance with the U.S. Supreme Court's Olmstead decision.

Addiction Services

The Division of Addiction Services (DAS) promotes the prevention and treatment of substance abuse and supports the recovery of individuals affected by the chronic disease of addiction. As the single state agency for substance abuse, DAS is responsible for regulating, licensing, monitoring, planning, and funding substance abuse prevention, treatment, and recovery support services in New Jersey.

DAS is also implementing the Needle Exchange Treatment Initiative (NETI), with \$10 million being appropriated through the Bloodborne Disease Harm Reduction Act signed December 2006. The NETI consists of multiple components, including the following: mobile medication/outreach/office based services; supportive housing; development of sub-acute medically managed detoxification services; a voucher system for outpatient treatment; recovery mentors; transportation; traditional residential treatment services; and an evaluation of the NETI.

To achieve its mission, DAS provides leadership and collaborates with providers, consumers, and other stakeholders to develop and sustain a system of client-centered care that is accessible, culturally competent, accountable to the public, and grounded in best practices that yield measurable results.

Division of Disability Services

The Division of Disability Services provides information and assistance to people of all ages with disabilities, and their families, who are seeking help in locating community services and supports. The Division administers Medicaid personal care assistant services providing daily living support to children and adults with functional limitations. The Division also oversees three Medicaid home and community-based waiver programs which enable people with disabilities to live in the community. In addition, the Division is the State's lead agency for brain injury services and administers the New Jersey Traumatic Brain Injury Fund. The Division publishes an annual Statewide Resource Directory for people with disabilities.

Department Accomplishments

In fiscal 2008, demonstrating its commitment to the State's most vulnerable citizens, the department is expanding services for people with disabilities and mental illness, maintaining medical services, increasing enrollment in FamilyCare, maintaining support for the economically disadvantaged, and increasing substance abuse treatment beds.

The Division of Medical Assistance and Health Services (DMAHS) has seen a significant increase in the enrollment of children in the Medicaid and NJ FamilyCare programs as a result of the Governor's commitment to provide health insurance to uninsured children. To expand upon that goal, the division - through Horizon Blue Cross and Blue Shield - announced universal access to health coverage for children which became effective January 1, 2008. Families with income in excess of 350% of the federal poverty level will be eligible to purchase insurance coverage at an affordable rate for their children.

In fiscal 2008, DMAHS implemented fee-for-service rate increases for services to children. Previous to 2008 funding, NJ ranked 50th in the country in fee-for-service payment rates. The fiscal 2009 funding of \$20 million of State and federal funds will go a long way to improving our standing and, more importantly, providing access to care for these children.

The Division of Developmental Disabilities (DDD) continues to implement its Olmstead plan through increased community residential placements. The Division submitted proposed amendments to its Community Care Waiver to the Centers for Medicare & Medicaid (CMS) - with the goal of maximizing federal reimbursement and optimizing service availability. The Division

HUMAN SERVICES

also launched a Child In-State Placement Enhancement pilot project to begin to build infrastructure in New Jersey to serve children with significantly challenging behaviors, and maximize federal reimbursement.

DDD, along with the Division of Mental Health Services, launched a Task Force on Services and Supports for Individuals with Co-Occurring Developmental Disabilities and Mental Health Needs. The Task Force will examine serious service delivery issues, particularly in the area of crisis care, affecting adults and children with dual diagnosis and their families in New Jersey.

In fiscal 2008, the Division of Mental Health Services (DMHS) continues to implement recommendations from the Governor's Mental Health Task Force.

DMHS has also published the Home to Recovery Plan to facilitate the timely discharge of CEPP (Conditional Extension Pending Placement) patients in New Jersey's State Psychiatric Hospitals, as well as preclude additional patients from attaining this status in the future. The report is a multi-year plan to develop additional permanent and supportive housing options and other necessary treatment supports.

Additionally, DMHS released the Wellness and Recovery Transformation Action Plan - a collaborative process that actively sought and incorporated recommendations from consumers and their families, providers, and governmental and non-governmental agencies. This three-year plan puts into action transformational activities in key areas that will result in greater opportunities for wellness and recovery. In keeping with the goals of these plans, DMHS will serve over 200 consumers discharged from state hospitals and 100 individuals in the community at-risk of hospitalization through an expansion of supported housing.

In conjunction with the New Jersey Certification Board and the Mental Health Association of New Jersey, the DMHS Disaster and Terrorism Branch awarded more than 150 professionals the certification of Disaster Response Crisis Counselor. New Jersey is the first state to provide such comprehensive preparation for deployment during major emergencies as a prerequisite for this Certification.

As part of the Division of Family Development's (DFD) strategy to meet new federal requirements and meet the work participation rate,

DFD increased the Earned Income Disregard from the current 50% to 75% for up to six months for welfare recipients to ease the transition to self-sufficiency through employment.

Child support collections surpassed \$1 billion, a New Jersey record for distributed collections. Further, DFD recouped over \$4 million for fraud and overpayment of Food Stamps, TANF, and Medicaid benefits as part of the Division's effort to reduce fraud, waste, and abuse in the system. The passport denial program posted a 57% increase in collections for a total of just over \$2 million.

In fiscal 2008, the Commission for the Blind and Visually Impaired (CBVI) provided free vision screenings to over 48,000 people. CBVI also funded critical follow-up eye care services to 870 NJ residents without health insurance through our prevention of blindness initiatives.

CBVI also entered into a partnership agreement with the College of New Jersey in Trenton to create the first Teacher of the Blind certification program in New Jersey. Now in its second year, this certification program will assist to facilitate training and hiring Teachers of the Blind and Visually Impaired for CBVI.

In fiscal 2008, the Division of Deaf and Hard of Hearing (DDHH) signed an agreement with the New Jersey Council of the Arts and the New Jersey Theater Alliance and provided 32 plays throughout the State with open captions so that people with hearing loss would have access. In addition, DDHH distributed 894 Telecommunication Devices for the Deaf (TTYs), Voice Carry Over machines (VCOs) and amplified telephones, smoke detectors, carbon monoxide detectors, artificial larynx devices, and baby alert systems to qualified individuals with hearing loss.

In fiscal 2008, \$3.5 million was provided to reduce the Personal Assistant Services Program waiting list in the Division of Disability Services (DDS). At the end of fiscal 2009, DDS anticipates that the 150-person waiting list of beneficiaries for PASP will be eliminated.

With a federal grant, DDS has developed a NJ Strategic Plan on Employment of People with Disabilities, "DiscoverAbility". New Jersey will work to enhance job and career opportunities for people with disabilities, reform delivery systems, and create partnerships among people with disabilities, their families, employers, as well as the public sector and service organizations to meet New Jersey's critical workforce needs.

DEPARTMENT OF HUMAN SERVICES SUMMARY OF APPROPRIATIONS BY FUND (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND							
452,155	113,172	69,711	635,038	536,247	515,948	475,962	475,962
3,631,689	196,537	-21,119	3,807,107	3,708,626	3,860,488	3,802,976	3,802,976
416,855	3,618	251	420,724	412,408	429,546	449,394	449,394
7,700	20,653	-2,881	25,472	10,044	2,800	---	---
4,508,399	333,980	45,962	4,888,341	4,667,325	4,808,782	4,728,332	4,728,332
CASINO REVENUE FUND							
163,738	---	---	163,738	162,972	112,844	130,457	130,457
163,738	---	---	163,738	162,972	112,844	130,457	130,457
4,672,137	333,980	45,962	5,052,079	4,830,297	4,921,626	4,858,789	4,858,789
Total Appropriation, Department of Human Services							
					4,921,626	4,858,789	4,858,789

HUMAN SERVICES

SUMMARY OF APPROPRIATIONS BY ORGANIZATION (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES - GENERAL FUND								
Mental Health Services								
4,178	---	---	4,178	3,662	Division of Mental Health Services	14,095	12,225	12,225
63,911	392	2,083	66,386	66,242	Greystone Park Psychiatric Hospital	70,275	69,581	69,581
61,685	204	1,861	63,750	63,746	Trenton Psychiatric Hospital	67,789	66,951	66,951
21,382	47	8,193	29,622	29,516	Ann Klein Forensic Center	23,789	23,320	23,320
77,589	325	16,089	94,003	93,741	Ancora Psychiatric Hospital	86,627	86,043	86,043
35,270	1,098	4,151	40,519	39,497	Senator Garrett W. Hagedorn Gero-Psychiatric Hospital	38,170	37,719	37,719
264,015	2,066	32,377	298,458	296,404	Subtotal	300,745	295,839	295,839
Special Health Services								
25,641	5,122	2,857	33,620	29,770	Division of Medical Assistance and Health Services	24,457	23,896	23,896
25,641	5,122	2,857	33,620	29,770	Subtotal	24,457	23,896	23,896
Disability Services								
1,234	---	---	1,234	1,234	Division of Disability Services	1,324	1,274	1,274
1,234	---	---	1,234	1,234	Subtotal	1,324	1,274	1,274
Operation and Support of Educational Institutions								
3,336	137	---	3,473	3,450	Division of Developmental Disabilities	3,486	2,920	2,920
3,743	450	---	4,193	3,960	Community Programs	4,788	6,721	6,721
1,447	42	219	1,708	1,706	Green Brook Regional Center	1,444	1,444	1,444
15,640	18,043	2,539	36,222	19,303	Vineland Developmental Center	17,998	17,684	17,684
10,891	1	1,976	12,868	12,836	North Jersey Developmental Center	23,891	13,716	13,716
16,123	13,678	1,487	31,288	12,979	Woodbine Developmental Center	12,974	7,747	7,747
16,729	22,876	1,372	40,977	40,109	New Lisbon Developmental Center	27,213	17,015	17,015
14,041	21,500	2,576	38,117	15,098	Woodbridge Developmental Center	16,219	15,995	15,995
12,491	18,666	4,062	35,219	16,538	Hunterdon Developmental Center	13,925	13,659	13,659
94,441	95,393	14,231	204,065	125,979	Subtotal	121,938	96,901	96,901
Supplemental Education and Training Programs								
9,152	785	900	10,837	10,812	Commission for the Blind and Visually Impaired	10,487	9,876	9,876
9,152	785	900	10,837	10,812	Subtotal	10,487	9,876	9,876
Economic Assistance and Security								
25,774	8,010	395	34,179	23,946	Division of Family Development	29,353	24,171	24,171
25,774	8,010	395	34,179	23,946	Subtotal	29,353	24,171	24,171
Social Services Programs								
455	---	19,877	20,332	19,275	Division of Addiction Services	1,222	672	672
---	---	---	---	---	Division of Youth and Family Services	---	---	---
747	---	122	869	786	Division of the Deaf and Hard of Hearing	807	807	807
1,202	---	19,999	21,201	20,061	Subtotal	2,029	1,479	1,479

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Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
30,696	1,796	-1,048	31,444	28,041	Management and Administration		
					Division of Management and Budget		
30,696	1,796	-1,048	31,444	28,041	25,615	22,526	22,526
					<i>Subtotal</i>		
					25,615	22,526	22,526
452,155	113,172	69,711	635,038	536,247	Total Direct State Services - General Fund		
					515,948	475,962	475,962
452,155	113,172	69,711	635,038	536,247	TOTAL DIRECT STATE SERVICES		
					515,948	475,962	475,962
GRANTS-IN-AID - GENERAL FUND							
Mental Health Services							
276,133	---	4,295	280,428	280,428	Division of Mental Health Services		
276,133	---	4,295	280,428	280,428	304,977	324,887	324,887
					<i>Subtotal</i>		
					304,977	324,887	324,887
Special Health Services							
2,419,062	140,085	7,234	2,566,381	2,533,097	Division of Medical Assistance and Health Services		
					2,612,173	2,502,678	2,502,678
2,419,062	140,085	7,234	2,566,381	2,533,097	<i>Subtotal</i>		
					2,612,173	2,502,678	2,502,678
Disability Services							
52,506	---	-18,461	34,045	33,891	Division of Disability Services		
52,506	---	-18,461	34,045	33,891	91,251	75,289	75,289
					<i>Subtotal</i>		
					91,251	75,289	75,289
Operation and Support of Educational Institutions							
535,623	55,424	5,242	596,289	548,960	Community Programs		
---	---	---	---	---	518,944	548,359	548,359
---	---	---	---	---	Green Brook Regional Center		
---	---	---	---	---	---	---	---
---	---	---	---	---	Vineland Developmental Center		
---	---	---	---	---	---	---	---
---	---	---	---	---	North Jersey Developmental Center		
---	---	---	---	---	---	---	---
---	---	---	---	---	Woodbine Developmental Center		
---	---	---	---	---	---	---	---
---	---	---	---	---	New Lisbon Developmental Center		
---	---	---	---	---	---	---	---
---	---	---	---	---	Woodbridge Developmental Center		
---	---	---	---	---	---	---	---
---	---	---	---	---	Hunterdon Developmental Center		
---	---	---	---	---	---	---	---
535,623	55,424	5,242	596,289	548,960	<i>Subtotal</i>		
					518,944	548,359	548,359
Supplemental Education and Training Programs							
4,242	---	14	4,256	4,256	Commission for the Blind and Visually Impaired		
					4,277	4,277	4,277
4,242	---	14	4,256	4,256	<i>Subtotal</i>		
					4,277	4,277	4,277
Economic Assistance and Security							
267,997	425	-13,009	255,413	249,174	Division of Family Development		
267,997	425	-13,009	255,413	249,174	277,025	269,216	269,216
					<i>Subtotal</i>		
					277,025	269,216	269,216
Social Services Programs							
44,240	595	14,599	59,434	49,533	Division of Addiction Services		
---	---	---	---	---	41,904	43,904	43,904
44,240	595	14,599	59,434	49,533	Division of Youth and Family Services		
					---	---	---
					<i>Subtotal</i>		
					41,904	43,904	43,904

HUMAN SERVICES

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
					Management and Administration			
31,886	8	-21,033	10,861	9,287	Division of Management and Budget	9,937	34,366	34,366
31,886	8	-21,033	10,861	9,287	Subtotal	9,937	34,366	34,366
3,631,689	196,537	-21,119	3,807,107	3,708,626	Total Grants-In-Aid - General Fund	3,860,488	3,802,976	3,802,976
					GRANTS-IN-AID - CASINO REVENUE FUND			
					Disability Services			
131,222	---	---	131,222	131,222	Division of Disability Services	80,328	97,941	97,941
131,222	---	---	131,222	131,222	Subtotal	80,328	97,941	97,941
					Operation and Support of Educational Institutions			
32,516	---	---	32,516	31,750	Community Programs	32,516	32,516	32,516
32,516	---	---	32,516	31,750	Subtotal	32,516	32,516	32,516
163,738	---	---	163,738	162,972	Total Grants-In-Aid - Casino Revenue Fund	112,844	130,457	130,457
3,795,427	196,537	-21,119	3,970,845	3,871,598	TOTAL GRANTS-IN-AID	3,973,332	3,933,433	3,933,433
					STATE AID - GENERAL FUND			
					Mental Health Services			
108,175	---	---	108,175	104,631	Division of Mental Health Services	122,039	119,093	119,093
108,175	---	---	108,175	104,631	Subtotal	122,039	119,093	119,093
					Economic Assistance and Security			
293,680	3,618	251	297,549	292,777	Division of Family Development	287,507	307,301	307,301
293,680	3,618	251	297,549	292,777	Subtotal	287,507	307,301	307,301
					Social Services Programs			
15,000	---	---	15,000	15,000	Division of Addiction Services	20,000	23,000	23,000
15,000	---	---	15,000	15,000	Subtotal	20,000	23,000	23,000
416,855	3,618	251	420,724	412,408	Total State Aid - General Fund	429,546	449,394	449,394
416,855	3,618	251	420,724	412,408	TOTAL STATE AID	429,546	449,394	449,394
					CAPITAL CONSTRUCTION			
					Mental Health Services			
---	1,830	---	1,830	5	Greystone Park Psychiatric Hospital	---	---	---
---	2,620	---	2,620	2,522	Trenton Psychiatric Hospital	---	---	---
---	404	---	404	---	Ann Klein Forensic Center	---	---	---
---	1,019	---	1,019	10	Ancora Psychiatric Hospital	---	---	---
---	---	---	---	---	Arthur Brisbane Child Treatment Center	---	---	---
---	116	---	116	---	Senator Garrett W. Hagedorn Gero-Psychiatric Hospital	---	---	---
---	5,989	---	5,989	2,537	Subtotal	---	---	---
					Operation and Support of Educational Institutions			
---	46	---	46	46	Green Brook Regional Center	---	---	---
---	149	---	149	72	Vineland Developmental Center	---	---	---
---	78	---	78	---	North Jersey Developmental Center	---	---	---
---	1,058	---	1,058	25	Woodbine Developmental Center	---	---	---

HUMAN SERVICES

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
---	35	---	35	---	New Lisbon Developmental Center	---	---
---	346	---	346	184	Woodbridge Developmental Center	---	---
---	113	---	113	---	Hunterdon Developmental Center	---	---
---	1,825	---	1,825	327	<i>Subtotal</i>	---	---
					Supplemental Education and Training Programs		
---	597	---	597	---	Commission for the Blind and Visually Impaired	---	---
---	597	---	597	---	<i>Subtotal</i>	---	---
					Management and Administration		
7,700	12,242	-2,881	17,061	7,180	Division of Management and Budget	2,800	---
7,700	12,242	-2,881	17,061	7,180	<i>Subtotal</i>	2,800	---
7,700	20,653	-2,881	25,472	10,044	TOTAL CAPITAL CONSTRUCTION	2,800	---
4,672,137	333,980	45,962	5,052,079	4,830,297	<i>Total Appropriation, Department of Human Services</i>	4,921,626	4,858,789

20. PHYSICAL AND MENTAL HEALTH

23. MENTAL HEALTH SERVICES

Greystone Park Psychiatric Hospital (C30:4-160) provides services for voluntarily and legally committed mentally ill persons from Bergen, Essex, Hudson, Morris, Passaic, and Sussex Counties. It is approved by the Joint Commission on Accreditation of Hospitals.

Trenton Psychiatric Hospital (C30:4-160) provides services for voluntarily and legally committed mentally ill persons from Mercer, Middlesex, Monmouth, and Union Counties. It is approved by the Joint Commission on Accreditation of Hospitals. Its psychiatric residency training program is approved by the Council on Medical Education of the American Medical Association.

The Ann Klein Forensic Center (C30:4-160) serves the entire State in providing forensic psychiatric services for mentally ill persons

who are legally committed. It is approved by the Joint Commission on Accreditation of Hospitals.

Ancora Psychiatric Hospital (C30:4-160) provides services for voluntarily and legally committed mentally ill persons from Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, and Salem Counties. It is approved by the Joint Commission on Accreditation of Hospitals.

Senator Garrett W. Hagedorn Gero-Psychiatric Hospital provides long-term rehabilitative care for patients previously discharged from State psychiatric hospitals who may require psychiatric intervention but whose major need is for skilled or intermediate nursing and medical care. The hospital provides services for mentally ill persons from Hunterdon, Somerset, and Warren Counties.

54. DEPARTMENT OF HUMAN SERVICES

20. PHYSICAL AND MENTAL HEALTH

23. MENTAL HEALTH SERVICES

OBJECTIVES

1. To provide prompt, effective care, treatment and rehabilitation of individuals suffering from mental illness.
2. To evaluate medical, psychological, social, educational and related factors affecting the functioning of the individual and to determine and meet his/her need for specialized care, training and treatment.
3. To resolve problems of mental illness within the community environment to the fullest extent possible.
4. To enable mentally ill persons to return to and remain in community living.
5. To educate and counsel families to understand and accept the problems of persons with mental illness.

PROGRAM CLASSIFICATIONS

10. **Patient Care and Health Services.** Treats patients with mental disorders through modern therapeutic programs and emphasizes return to outpatient community status; provides housing, food, clothing, supervision and services, within the framework of general psychiatry, geriatrics, occupational therapy, alcoholic, drug, and physical rehabilitation.
99. **Administration and Support Services.** Provides services required for effective operation of the institutions including general management, purchasing, accounting, budgeting, personnel, payroll and clerical services. Other services include operation and maintenance of buildings, grounds and equipment, including utilities, housekeeping and security services.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
OPERATING DATA				
Patient Care and Health Services				
Greystone Park Psychiatric Hospital				
Average daily population	579	576	495 ^(a)	505 ^(a)
Total admissions	410	337	263	268
Readmissions	70	50	40	41
All other admissions, including transfers	340	287	223	227
Total terminations, including transfers	364	371	538	548
Ratio: Population/total positions	0.5 / 1	0.5 / 1	0.4 / 1	0.4 / 1
Annual per capita	\$ 128,815	\$ 115,295	\$ 146,970	\$ 142,699
Daily per capita	\$352.92	\$315.88	\$402.66	\$390.96
Trenton Psychiatric Hospital				
Average daily population	505	473	460	465
Total admissions	843	696	742	750
Readmissions	259	201	143	144
All other admissions, including transfers	584	495	599	606
Total terminations, including transfers	837	729	738	746
Ratio: Population/total positions	0.5 / 1	0.5 / 1	0.4 / 1	0.5 / 1
Annual per capita	\$132,240	\$135,137	\$152,322	\$148,901
Daily per capita	\$362.30	\$370.24	\$417.32	\$407.95
Ann Klein Forensic Center				
Average daily population	197	197	198	200
Total admissions	502	501	464	468
Readmissions	95	79	106	107
All other admissions, including transfers	407	422	358	361
Total terminations, including transfers	503	499	460	464
Ratio: Population/total positions	0.4 / 1	0.4 / 1	0.4 / 1	0.4 / 1
Annual per capita	\$104,096	\$150,853	\$125,076	\$121,525
Daily per capita	\$285.19	\$413.30	\$342.67	\$332.95
Ancora Psychiatric Hospital				
Average daily population	736	753	750	720
Total admissions	1,210	1,309	1,502	1,443
Readmissions	359	374	451	433
All other admissions, including transfers	851	935	1,051	1,010
Total terminations, including transfers	1,190	1,281	1,263	1,214
Ratio: Population/total positions	0.5 / 1	0.5 / 1	0.5 / 1	0.5 / 1
Annual per capita	\$109,716	\$124,746	\$120,135	\$123,647
Daily per capita	\$300.59	\$341.77	\$329.14	\$338.76
Senator Garrett W. Hagedorn Gero-Psychiatric Hospital				
Average daily population	285	295	283	280
Total admissions	475	469	389	385
Readmissions	99	120	104	102
All other admissions, including transfers	376	349	285	283
Total terminations, including transfers	487	447	420	416
Ratio: Population/total positions	0.5 / 1	0.5 / 1	0.5 / 1	0.5 / 1
Annual per capita	\$117,260	\$134,163	\$139,477	\$139,375
Daily per capita	\$321.26	\$367.57	\$382.13	\$381.85
PERSONNEL DATA				
Position Data				
Institutional Total				
Filled positions by Funding Source				
State Supported	4,593	4,555	4,707	4,687
All Other	17	16	18	18
Total Positions	4,610	4,571	4,725	4,705
Filled Positions by Program Class				
Patient Care and Health Services	3,600	3,603	3,743	3,860
Administration and Support Services	1,010	968	982	845
Total Positions	4,610	4,571	4,725	4,705

HUMAN SERVICES

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.

The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

(a) Census expected to decline in anticipation of a new, smaller Greystone Park Psychiatric Hospital opening in fiscal year 2008.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recommended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
210,521	951	17,670	229,142	228,656	Patient Care and Health Services	10	242,305	242,305
49,316	1,115	14,707	65,138	64,086	Administration and Support Services	99	44,345	41,309
259,837	2,066	32,377	294,280	292,742	Total Direct State Services		286,650 ^(a)	283,614
Distribution by Fund and Object								
Personal Services:								
233,080	---	22,377	255,457	255,457	Salaries and Wages		259,911	256,875
233,080	---	22,377	255,457	255,457	Total Personal Services		259,911	256,875
13,025	38	8,881	21,944	21,942	Materials and Supplies		13,025	13,025
8,247	---	1,029	9,276	9,274	Services Other Than Personal		8,229	8,229
3,138	---	80	3,218	3,203	Maintenance and Fixed Charges		3,138	3,138
Special Purpose:								
334	165	---	960	845	Interim Assistance	10	334	334
---	461 ^R	---	10	10	Administration and Support Services	99	---	---
2,013	1,402	---	3,415	2,011	Additions, Improvements and Equipment		2,013	2,013
CAPITAL CONSTRUCTION								
Distribution by Fund and Program								
---	5,989	---	5,989	2,537	Administration and Support Services	99	---	---
---	5,989	---	5,989	2,537	Total Capital Construction		---	---
Distribution by Fund and Object								
Greystone Park Psychiatric Hospital								
---	1,580	---	1,580	5	Infrastructure Improvements, Institutions and Community Facilities	99	---	---
---	8	---	8	---	Bathroom Renovations	99	---	---
---	212	---	212	---	Upgrade Security Systems	99	---	---
---	30	---	30	---	Renovate Residential Cottages	99	---	---
Trenton Psychiatric Hospital								
---	2,173	---	2,173	2,153	Steam and Condensate Line Replacement	99	---	---
---	289	---	289	257	Fire Protection	99	---	---
---	45	---	45	---	Various Preservation Projects	99	---	---
---	113	---	113	112	Drake Building Ceiling	99	---	---
Ann Klein Forensic Center								
---	404	---	404	---	Construction of Residential Buildings	99	---	---
Ancora Psychiatric Hospital								
---	174	---	174	---	Correct Brick Veneer Problems	99	---	---
---	845	---	845	10	Sewage Treatment Plant	99	---	---
Senator Garrett W. Hagedorn Gero-Psychiatric Hospital								
---	116	---	116	---	Sewage Treatment Plant	99	---	---
259,837	8,055	32,377	300,269	295,279	Grand Total State Appropriation		286,650	283,614

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HUMAN SERVICES

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
OPERATING DATA				
Community Care Services				
Provider Agencies	118	125	125	129
Contracts	191	194	160	164
Total Cost to State (a)	\$246,388,000	\$261,851,000	\$286,615,000	\$306,822,000
Total Clients Served	262,573	269,604	281,352	285,031
Service Programs:				
Emergency Services				
Clients Served	25,308	23,646	28,868	28,868
Contacts	66,441	73,173	78,177	78,177
Cost to State	\$5,524,000	\$4,124,000	\$4,065,000	\$4,065,000
Screening Services				
Clients Served	82,955	91,007	91,714	92,494
Contacts	312,646	383,517	401,654	405,070
Cost to State	\$36,227,000	\$41,875,000	\$45,497,000	\$45,497,000
Outpatient Services				
Clients Served	106,685	105,856	105,539	106,579
Contacts	808,920	820,666	887,785	896,533
Cost to State	\$42,373,000	\$48,655,000	\$51,158,000	\$51,524,000
Partial Care				
Clients Served	11,839	12,129	12,116	12,260
Contacts	2,786,419	3,023,996	2,859,456	2,893,480
Cost to State	\$23,090,000	\$16,463,000	\$16,472,000	\$16,756,000
Residential				
Clients Served	3,046	2,789	2,685	3,123
Bed Days	692,719	620,167	652,597	730,425
Cost to State	\$46,216,000	\$44,976,000	\$51,158,000	\$62,152,000
Supported Housing				
Clients Served	2,136	2,534	3,181	3,584
Cost to State	\$21,347,000	\$28,901,000	\$38,311,000	\$46,558,000
Supported Employment				
Clients Served	1,692	1,791	2,158	2,631
Hours	67,455	71,962	106,180	129,448
Cost to State	\$3,086,000	\$2,982,000	\$3,969,000	\$4,180,000
Self-Help Centers				
Clients Served	2,800	3,024	3,448	3,500
Cost to State	\$5,200,000	\$5,648,000	\$5,755,000	\$5,755,000
Integrated Case Management				
Clients Served	10,529	10,451	10,447	10,507
Hours	351,547	356,410	392,505	394,759
Cost to State	\$20,807,000	\$23,354,000	\$23,588,000	\$23,588,000
Projects for Assistance in Transition from Homelessness (PATH)				
Clients Served	2,348	2,662	2,656	2,656
Contacts	41,745	48,603	48,927	48,927
Cost to State	\$2,123,000	\$2,069,000	\$2,493,000	\$2,493,000
Program for Assertive Community Treatment (PACT)				
Clients Served	2,111	2,056	2,044	2,044
Cost to State	\$14,032,000	\$14,996,000	\$15,341,000	\$15,341,000
Jail Diversion & Re-entry Services				
Clients Served	980	2,074	3,750	4,039
Contacts	11,996	23,658	29,538	31,815
Cost to State	\$2,674,000	\$3,006,000	\$3,650,000	\$3,845,000
Legal Services				
Clients Served	3,727	3,651	5,704	5,704
Cost to State	\$3,580,000	\$3,917,000	\$3,829,000	\$3,829,000
Intensive Family Support Services				
Clients Served	6,417	5,934	7,042	7,042
Contact Hours	75,734	63,246	67,462	67,462
Cost to State	\$4,160,000	\$3,925,000	\$3,875,000	\$3,875,000
Non-Client Specific Programs Cost to State	\$15,949,000	\$16,960,000	\$17,454,000	\$17,364,000

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	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Total, State billable average daily population, county psychiatric hospitals	576	589	647	647
Bergen	165	177	218	218
Burlington	27	27	26	26
Camden	147	147	145	145
Essex	135	133	154	154
Hudson	73	73	78	76
Union	29	32	28	28

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	146	146	144	140
Federal	2	2	1	1
Total Positions	148	148	145	141

Filled Positions by Program Class

Community Services	2	2	1	1
Administration and Support Services	146	146	144	140
Total Positions	148	148	145	141

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

Patient service statistics for some Community Care Services programs for FY 2006 have been revised to reflect previously missing or corrected data submitted after the Governor's FY 2008 Budget was printed.

(a) "Cost to State" refers only to the State portion of the costs in each program incurred by the Community Care, Olmstead Support Services and NAMI NJ (FY 08 only) accounts. Additional funds for these programs are available from other divisions and funding sources and the mix of State and other funding sources is subject to change from year to year.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
4,178	---	---	4,178	3,662	Administration and Support Services	99 14,095	12,225	12,225
4,178	---	---	4,178	3,662	Total Direct State Services	14,095^(a)	12,225	12,225
Distribution by Fund and Object								
Personal Services:								
2,173	---	---	2,173	2,173	Salaries and Wages	12,405	10,945	10,945
2,173	---	---	2,173	2,173	Total Personal Services	12,405	10,945	10,945
51	---	1	52	52	Materials and Supplies	79	79	79
572	---	-1	571	566	Services Other Than Personal	429	429	429
155	---	---	155	152	Maintenance and Fixed Charges	155	155	155
Special Purpose:								
300	---	---	300	300	Fraud and Abuse Initiative	99 300	---	---
200	---	---	200	200	Nursing Incentive Program	99 ---	---	---
350	---	---	350	182	Governor's Council on Mental Health Stigma	99 350	240	240
377	---	---	377	37	Additions, Improvements and Equipment	377	377	377

HUMAN SERVICES

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID									
Distribution by Fund and Program									
276,133	---	4,295	280,428	280,428	Community Services	08	304,977	324,887	324,887
276,133	---	4,295	280,428	280,428	Total Grants-in- Aid		304,977	324,887	324,887
Distribution by Fund and Object									
Grants:									
10,000	---	---	10,000	10,000	Olmstead Support Services	08	22,136	40,383	40,383
---	---	---	---	---	National Alliance on Mental Illness - New Jersey	08	90	---	---
248,068	---	4,295	252,363	252,363	Community Care (b)	08	264,686	266,439	266,439
6,205	---	---	6,205	6,205	Community Mental Health Center-University of Medicine and Dentistry- Newark	08	6,205	6,205	6,205
11,860	---	---	11,860	11,860	Community Mental Health Center-University of Medicine and Dentistry- Piscataway	08	11,860	11,860	11,860
STATE AID									
Distribution by Fund and Program									
108,175	---	---	108,175	104,631	Community Services	08	122,039	119,093	119,093
108,175	---	---	108,175	104,631	Total State Aid		122,039	119,093	119,093
Distribution by Fund and Object									
State Aid:									
108,175	---	---	108,175	104,631	Support of Patients in County Psychiatric Hospitals	08	122,039	119,093	119,093
388,486	---	4,295	392,781	388,721	Grand Total State Appropriation		441,111	456,205	456,205
OTHER RELATED APPROPRIATIONS									
Federal Funds									
14,077	1,548	4,361	19,986	13,230	Community Services	08	14,072	14,072	14,072
11,767	2,594	1,931	16,292	15,954	Administration and Support Services	99	4,426	4,426	4,426
25,844	4,142	6,292	36,278	29,184	Total Federal Funds		18,498	18,498	18,498
All Other Funds									
---	391	---	692	674	Community Services	08	324	324	324
---	301 R	---	20	---	Administration and Support Services	99	---	---	---
---	20 R	---	---	---					
---	712	---	712	674	Total All Other Funds		324	324	324
414,330	4,854	10,587	429,771	418,579	GRAND TOTAL ALL FUNDS		459,933	475,027	475,027

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Notes -- Grants-In-Aid - General Fund

(b) In fiscal 2008, \$407,000 has been reallocated from the Division of Family Development.

Language Recommendations -- Grants-In-Aid - General Fund

The amount hereinabove appropriated for the Community Mental Health Centers and the amount appropriated to the University of Medicine and Dentistry of New Jersey are first charged to the federal disproportionate share hospital reimbursements anticipated as Medicaid uncompensated care, and, as a condition for such appropriation, the University of Medicine and Dentistry of New Jersey shall be required to provide fiscal reports to the Division of Mental Health Services and the Office of State Comptroller, including all applicable expenses incurred for programs supported in whole or in part with the above appropriations, as well as all applicable revenues generated from the provision of such program services, as well as any other revenues used to support such services, in such a format and frequency as required by the Division of Mental Health Services.

With the exception of disproportionate share hospital revenues that may be received, federal and other funds received for the operation of community mental health centers at the New Jersey Medical School and the Robert Wood Johnson Medical School shall be available to the University of Medicine and Dentistry of New Jersey for the operation of the centers.

Revenues that may be received from fees derived from the licensing of all community mental health programs as specified in N.J.A.C.10:190-1.1 et seq. are appropriated to the Division of Mental Health Services to offset the costs of performing the required reviews.

Of the amounts hereinabove appropriated for Community Care, \$39,212,000 shall be expended consistent with the recommendations in the final report of the Governor's Task Force on Mental Health as follows: \$14,803,000 for Mental Health Screening Centers; \$2,637,000 for Self-Help Centers; \$5,359,000 for psychiatric services; \$5,125,000 for support services for permanent supportive housing; \$1,000,000 for supported employment services; \$600,000 for jail diversion in Atlantic County; \$600,000 for jail diversion in Essex County; \$600,000 for jail diversion in Union County; \$924,000 for additional jail diversion programs; \$2,868,000 for bilingual and culturally competent services; \$1,346,000 for treatment of co-occurring disorders; \$1,000,000 for Short-Term Care Facilities; \$850,000 for Community Health Law Project; and \$1,500,000 for Special Case Management services.

Language Recommendations -- State Aid - General Fund

The amount hereinabove appropriated for the Support of Patients in County Psychiatric Hospitals account is available to pay liabilities applicable to prior fiscal years, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Support of Patients in County Psychiatric Hospitals account is appropriated.

Notwithstanding the provisions of N.J.S.A. 30:4-78, or any law or regulation to the contrary, as of July 1, 2008, the State share of payments from the Support of Patients in County Psychiatric Hospitals account to the several county psychiatric facilities on behalf of the reasonable cost of maintenance of patients deemed to be county indigents shall be at the rate of 125% of the State House Commission rate during the period July 1 through December 31 and at the rate of 45% of the established State House Commission rate during the period January 1 through June 30 of each year, provided that the total amount to be paid by the State shall not exceed 87.5% of the total reasonable per capita cost for the period January 1, 2008 through December 31, 2008. For all calendar years thereafter, beginning January 1, 2009, the total amount to be paid by the State shall not exceed 85% of the total reasonable per capita cost.

With the exception of all past, present, and future revenues representing federal financial participation received by the State from the United States that is based on payments to hospitals that serve a disproportionate share of low-income patients, which shall be retained by the State, the sharing of revenues received to defray the State Aid appropriation for the costs of maintaining patients in State and county psychiatric hospitals shall be based on the same percent as costs are shared between the State and counties.

The amount hereinabove appropriated for State Aid reimbursement payments for maintenance of patients in county psychiatric facilities shall be limited to inpatient services only, except that such reimbursement shall be paid to a county for outpatient and partial hospitalization services as defined by the Department of Human Services, if outpatient and/or partial hospitalization services had been previously provided at the county psychiatric facility prior to January 1, 1998. These outpatient and partial hospitalization payments shall not exceed the amount of State Aid funds paid to reimburse outpatient and partial hospitalization services provided during calendar year 1997. In addition, any revision or expansion to the number of inpatient beds or inpatient services provided at such hospitals which will have a material impact on the amount of State Aid payments made for such services, must first be approved by the Department of Human Services before such change is implemented.

The amount hereinabove appropriated for the Division of Mental Health Services for State facility operations and the amount appropriated as State Aid for the costs of county facility operations are first charged to the federal disproportionate share hospital reimbursements anticipated as Medicaid uncompensated care.

In addition to the amounts hereinabove appropriated for the Support of Patients in County Psychiatric Hospitals, in the event that the Assistant Commissioner of the Division of Mental Health Services determines that in order to provide the least restrictive setting appropriate a patient should be admitted to a county psychiatric hospital in a county other than the one in which the patient is domiciled rather than to a State psychiatric hospital, there are hereby appropriated such additional sums as may be required, as determined by the Assistant Commissioner of the Division of Mental Health Services, to reimburse a county for the extra costs, if any, which were incurred in connection with the care of such patient in a county psychiatric hospital which exceeded the cost of care which would have been incurred had the patient been placed in a State psychiatric hospital, subject to the approval of the Director of Budget and Accounting.

20. PHYSICAL AND MENTAL HEALTH

24. SPECIAL HEALTH SERVICES

7540. DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

OBJECTIVES

1. To provide immediate and quality diagnosis and treatment of acute illness or disability, as well as health maintenance services. Beneficiaries include New Jersey residents determined eligible for financial assistance, pregnant women and certain dependent children, low-income disabled or blind persons, Supplemental Security Income recipients, children in foster home programs, persons qualifying for the State's

Medically Needy programs or Medical Assistance Only, and certain classes of refugees and immigrants.

2. To provide subsidized health care coverage for children with gross family incomes which do not exceed 350% of the Federal Poverty Level through the Medicaid Title XIX or the State Children's Health Insurance Program (SCHIP) Title XXI. To provide subsidized health care coverage for a parent or caretaker relative of a child with gross family income up to

HUMAN SERVICES

200% of the poverty level who was covered prior to June 2002. The Family Health Care Coverage Act of 2005 opened health care coverage to a parent or caretaker relative with gross family incomes not to exceed 100% poverty level effective September 1, 2005 with further expansion not exceeding 115% of the poverty level effective September 1, 2006 and gross family income not exceeding 133% poverty level effective September 1, 2007. To provide health coverage for those single adults eligible for General Assistance with incomes not exceeding 23% of the poverty level while continuing the health care coverage of childless adults with incomes between 24% and 100% of the poverty level who were covered prior to September 2001.

PROGRAM CLASSIFICATIONS

21. **Health Services Administration and Management.** Evaluates the medical needs of persons eligible for the Medicaid and Medically Needy, KidCare and FamilyCare, and General Assistance programs and assures that these needs are met through immediate and quality diagnosis, treatment, rehabilitation, and health maintenance. Provides payments to fiscal agent for claims processing and managed care capitation, and county welfare agencies for eligibility determination and to a health benefits coordinator vendor to assist with eligibility determination and client HMO selection. Administers the

Division's network of fee-for-service providers as well as the HMOs contracted with the Division and provides overall program policy direction and management. Principal units are the director's office, fiscal services, administrative support services, including information systems, program integrity, medical care support services, Medicaid district offices, managed care oversight and quality assurance.

22. **General Medical Services.** Distributes payments to providers of medical care for services rendered on behalf of recipients covered by the various programs. These services include inpatient and outpatient general hospital, psychiatric hospital, dental, home health, clinical services, rehabilitation, x-ray, laboratory services, prosthetic devices, medical supplies, medical transportation, prescribed drugs, Medicare premiums, personal care services, certain other community-based services under federal waiver, and managed care. Subsidized health insurance coverage is also provided to certain non-Medicaid lower-income children up to 350% FPL, parents up to 133% FPL, and a limited number of childless adults meeting income eligibility requirements before July 1, 2003, as a result of authority and funding from P.L.1997, c.272 and P.L.1997, c.263, which established the NJ KidCare program pursuant to Title XXI of the federal Social Security Act and P.L.2000, c.71 which established the NJ FamilyCare program.

EVALUATION DATA

PROGRAM DATA	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
General Medical Services:				
Population Data				
Average monthly eligibles (a)	759,979	767,884	773,271	781,004
Adult Mental Health Residential Services	\$38,344,870	\$46,750,151	\$48,219,312	\$49,476,000
Managed Care Initiative				
Gross annual capitation payments	\$1,204,579,460	\$1,367,618,914	\$1,498,326,581	\$1,641,957,000
Hospital Relief Offset Payments	141,690,000	141,690,000	141,690,000	121,690,000
Hospital Health Care Subsidy Payments	61,310,000	61,310,000	61,310,000	61,310,000
Hospital Inpatient Services				
Patient admissions	65,987	66,581	67,082	67,784
Average cost per admission	\$8,406	\$9,012	\$9,227	\$9,370
Gross annual cost (b)	\$554,693,838	\$600,039,478	\$618,995,053	\$635,123,000
Prescription Drugs (c)				
Prescriptions	16,352,981	17,321,446	17,667,653	17,625,341
Average cost per prescription	\$63.90	\$48.40	\$49.63	\$48.66
Gross annual cost	\$1,044,997,972	\$838,382,771	\$876,823,795	\$857,604,000
Less: Pharmaceutical manufacturer rebates (d)	(\$195,014,417)	(\$120,000,000)	(\$186,300,000)	(\$167,228,000)
Total program cost	\$849,983,555	\$718,382,771	\$690,523,795	\$690,376,000
Hospital Outpatient Services				
Visits	2,032,669	2,080,944	2,187,113	2,154,791
Average cost per visit	\$165.67	\$166.06	\$135.59	\$131.62
Gross annual cost	\$336,754,841	\$345,570,970	\$296,546,799	\$283,610,000
Physician Services				
Visits	3,470,613	3,476,245	3,580,861	3,676,716
Average cost per visit	\$18.30	\$18.36	\$18.34	\$20.50
Gross annual cost	\$63,501,339	\$63,832,774	\$65,688,004	\$75,388,000

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	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Home Health Care				
Visits	1,478,440	1,291,334	1,105,002	1,089,947
Average cost per visit	\$18.96	\$19.28	\$20.49	\$21.60
Gross annual cost	\$28,024,371	\$24,899,937	\$22,643,723	\$23,538,000
Medicare Premiums (e)	\$219,386,717	\$212,572,113	\$250,646,247	\$268,482,000
Dental Services	\$25,140,508	\$22,639,724	\$23,219,285	\$22,076,000
Clinic Services	\$139,921,933	\$151,109,438	\$156,410,885	\$165,524,000
Transportation Services (f)	\$81,641,742	\$86,024,034	\$85,921,303	\$91,023,000
All Other Services (Gross) (g)	\$194,900,177	\$205,392,625	\$194,970,784	\$200,967,000
Less: Recoveries and Adjustments	(\$59,815,666)	(\$46,728,785)	(\$60,000,000)	(\$60,000,000)
Grand Total	\$3,880,057,685	\$4,001,104,144	\$4,095,111,771	\$4,270,540,000
State share (General Fund)	\$2,023,796,544	\$2,151,006,357	\$2,171,664,977	\$2,283,568,000
State share (Hospital Health Care Subsidy Fund)	\$30,655,000	\$30,655,000	\$30,655,000	\$30,655,000
Federal share	\$1,825,606,141	\$1,819,442,787	\$1,892,791,794	\$1,956,317,000
NJ FamilyCare-Children's Health Insurance Program:				
Enrollment (h)	307,206	343,420	337,223	345,459
Total costs	\$180,026,524	\$191,157,625	\$179,674,874	\$187,600,381
State share	\$60,601,225	\$65,575,361	\$58,960,753	\$61,807,000
Federal share	\$105,515,726	\$113,574,374	\$108,905,190	\$112,531,644
Individuals share	\$13,909,573	\$12,007,890	\$11,808,931	\$13,261,737
NJ FamilyCare-Adult Health Coverage Benefits:				
Enrollment	83,890	92,901	107,901	120,830
Total costs	\$223,452,908	\$275,271,483	\$329,860,479	\$362,029,361
State share (i)	\$111,160,421	\$128,545,531	\$150,206,700	\$159,411,211
Federal share	\$111,828,284	\$145,908,754	\$179,067,667	\$202,027,053
Employers/Individuals share	\$464,203	\$817,198	\$586,112	\$591,097
General Assistance Medical Services:				
Enrollment	38,536	38,831	39,537	40,247
Total costs	\$118,918,989	\$121,228,257	\$131,359,993	\$133,799,000

PERSONNEL DATA

Position Data

Filled positions by Funding Source				
State Supported	192	174	168	155
Federal	380	359	343	343
Total Positions	572	533	511	498
Filled Positions by Program Class				
Health Services Administration and Management	572	533	511	498
Total Positions	572	533	511	498

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

The Evaluation Data for Unit Dose Contract Services and Consulting Pharmacy Services are now displayed in the Department of Human Services, Division of Management and Budget.

(a) Fiscal year 2006 amount has been revised since the reporting of monthly eligibles has been updated.

(b) Includes \$50 million in funding from the Health Care Subsidy Fund in fiscal year 2006.

(c) Payments for Medical Assistance Recipients - Prescription Drugs decreases in fiscal year 2007 due to the implementation of Medicare Part D, which began on January 1, 2006. Fiscal year 2006 expenditures have been revised to reflect finalized amounts.

(d) Fiscal year 2008 reflects a one-time resource of rebates from prior years.

(e) Includes enhanced federal funding for Specified Low-Income Medicare Beneficiary eligibility expansions and premium shifts, pursuant to the Federal Balanced Budget Act of 1997. In fiscal year 2007, State expenses were offset by \$25 million in federal resources.

(f) In fiscal years 2006 and 2007 \$18.5 million and \$20.6 million were respectively paid by the State out of the Payments to Medicaid Recipients - Transportation Services account to the county welfare agencies to administer transportation services. In fiscal years 2008 and 2009, \$18.3 million and \$21.1 million will be respectively paid by the State out of the Payments to Medicaid Recipients - Transportation Services account to the county welfare agencies to administer transportation services.

(g) All Other Services includes all Grants-in-Aid programs not displayed as a separate line item above.

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(h) Enrollment includes children funded under Medicaid - Title XIX, who are also reflected in the Population Data. The enrollment figure for fiscal year 2006 is as of January, and the enrollment figures for fiscal years 2007 through 2009 are as of June.

(i) Fiscal 2009 expenditures include those covered by carryforward balances from the prior year.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
25,641	5,122	2,857	33,620	29,770	Health Services Administration and Management	21	24,457	23,896	23,896
25,641	5,122	2,857	33,620	29,770	Total Direct State Services		24,457 ^(a)	23,896	23,896
Distribution by Fund and Object									
Personal Services:									
14,068	---	154	14,222	14,221	Salaries and Wages		14,545	14,296	14,296
14,068	---	154	14,222	14,221	Total Personal Services		14,545	14,296	14,296
180	---	-115	65	65	Materials and Supplies		180	180	180
3,328	---	892	4,220	4,220	Services Other Than Personal		2,155	4,155	4,155
308	---	-243	65	65	Maintenance and Fixed Charges		308	308	308
Special Purpose:									
6,588	4,859	---	11,447	8,766	Payments to Fiscal Agents	21	6,588	4,588	4,588
1,079	---	---	1,079	264	Professional Standards Review Organization-Utilization Review	21	591	329	329
90	---	---	90	7	Drug Utilization Review Board--Administrative Costs	21	90	40	40
---	---	2,132	2,132	2,132	NJ FamilyCare Affordable and Accessible Health Coverage -- Administration	21	---	---	---
---	263	37	300	30	Additions, Improvements and Equipment		---	---	---
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
2,419,062	140,085	7,234	2,566,381	2,533,097	General Medical Services	22	2,612,173	2,502,678	2,502,678
2,419,062	140,085	7,234	2,566,381	2,533,097	Total Grants-in-Aid		2,612,173	2,502,678	2,502,678
Distribution by Fund and Object									
Grants:									
23,771	---	-157	23,614	23,614	Payments for Medical Assistance Recipients - Adult Mental Health Residential	22	26,323	25,381	25,381
674,659	1,098 ^R	13,249	689,006	689,006	Managed Care Initiative	22	756,749	835,852	835,852
70,845	---	20,655	91,500	91,500	Hospital Relief Offset Payments ^(b)	22	70,845	60,845	60,845
6,691	---	-401	6,290	6,290	Payments for Medical Assistance Recipients - ICF/MR	22	6,394	5,652	5,652
282,376	---	25,895	308,271	308,271	Payments for Medical Assistance Recipients - Inpatient Hospital	22	328,660	325,818	325,818
554,494	120,000 ^R	-38,767	635,727	635,727	Payments for Medical Assistance Recipients - Prescription Drugs	22	547,158	502,565	502,565
168,874	---	8,715	177,589	177,589	Payments for Medical Assistance Recipients - Outpatient Hospital	22	189,682	145,492	145,492

HUMAN SERVICES

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended	
					GRANTS-IN-AID				
33,000	---	-238	32,762	32,762	Payments for Medical Assistance Recipients - Physician Services	22	41,005	38,674	38,674
10,639	---	1,858	12,497	12,497	Payments for Medical Assistance Recipients - Home Health Care	22	12,787	12,075	12,075
127,991	---	-6,034	121,957	98,679	Payments for Medical Assistance Recipients - Medicare Premiums (c)	22	118,043	122,129	122,129
14,159	---	-2,616	11,543	11,543	Payments for Medical Assistance Recipients - Dental Services	22	12,459	11,325	11,325
11,054	---	-1,675	9,379	9,379	Payments for Medical Assistance Recipients - Psychiatric Hospital	22	9,740	8,642	8,642
20,489	---	700	21,189	21,189	Payments for Medical Assistance Recipients - Medical Supplies	22	25,633	18,154	18,154
74,152	---	-757	73,395	73,395	Payments for Medical Assistance Recipients - Clinic Services	22	45,497	75,174	75,174
55,485	---	-1,883	53,602	53,602	Payments for Medical Assistance Recipients - Transportation Services	22	58,647	56,986	56,986
20,868	---	1,393	22,261	22,261	Payments for Medical Assistance Recipients - Other Services	22	16,925	18,143	18,143
5,136	---	-929	4,207	4,207	Eligibility Determination Services	22	4,729	4,710	4,710
4,729	---	2,898	7,627	7,627	Health Benefit Coordination Services	22	8,556	9,000	9,000
133,270	3,000 R	-14,982	121,288	121,288	General Assistance Medical Services	22	143,965	133,799	133,799
120,469	15,731 256 R	---	136,456	126,450	NJ FamilyCare-Affordable and Accessible Health Coverage Benefits	22	181,611	85,311	85,311
5,911	---	310	6,221	6,221	Programs for Assertive Community Treatment	22	6,765	6,951	6,951
2,444,703	145,207	10,091	2,600,001	2,562,867	Grand Total State Appropriation		2,636,630	2,526,574	2,526,574
OTHER RELATED APPROPRIATIONS									
Federal Funds									
77,318	-176	379	77,521	60,355	Health Services Administration and Management	21	83,874	75,519	75,519
2,404,835	42,936	-379	2,447,392	2,121,282	General Medical Services	22	2,219,566	2,264,700	2,264,700
2,482,153	42,760	---	2,524,913	2,181,637	Total Federal Funds		2,303,440	2,340,219	2,340,219
All Other Funds									
---	1,185 1,841 R	---	3,026	2,850	Health Services Administration and Management	21	6,896	4,538	4,538
---	608,812 R	-20,655	588,157	588,156	General Medical Services	22	718,923	603,830	603,830
---	611,838	-20,655	591,183	591,006	Total All Other Funds		725,819	608,368	608,368
4,926,856	799,805	-10,564	5,716,097	5,335,510	GRAND TOTAL ALL FUNDS		5,665,889	5,475,161	5,475,161

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program as well as the reallocation of management efficiencies.

Notes -- Grants-In-Aid - General Fund

(b) The Hospital Relief Offset Payments account includes appropriations from the Department of Health and Senior Services through the Health Care Subsidy Fund.

(c) In fiscal 2007, expenditures in Payments for Medical Assistance Recipients - Medicare Premiums was offset by \$25 million in federal resources.

HUMAN SERVICES

The fiscal 2007 Expenditure Data for all fund categories have been adjusted to reflect the transfer of Unit Dose Contracting Services and Consulting Pharmacy Services to the Department of Human Services, Division of Management and Budget.

Language Recommendations -- Direct State Services - General Fund

The unexpended balances at the end of the preceding fiscal year, in the Payments to Fiscal Agent account are appropriated.

Sufficient funds from the Health Care Subsidy Fund are appropriated to the Division of Medical Assistance and Health Services for payment to disproportionate share hospitals for uncompensated care costs as defined in P.L.1991, c.187 (C.26:2H-18.24 et seq.), and for subsidized children's health insurance in the NJ FamilyCare program established in P.L.2005, c.156 (C.30:4J-8 et al.) to maximize federal Title XXI funding.

Additional federal Title XIX revenue generated from the claiming of uncompensated care payments made to disproportionate share hospitals shall be deposited in the General Fund as anticipated revenue.

Notwithstanding the provisions of any law or regulation to the contrary, any third party as defined in subsection m. of section 3 of P.L.1968, c.413 (C.30:4D-3), writing health, casualty, workers' compensation or malpractice insurance policies in the State or covering residents of this State, shall enter into an agreement with the Division of Medical Assistance and Health Services to permit and assist the matching no less frequently than on a monthly basis of the Medicaid, NJ FamilyCare, Charity Care, and Work First New Jersey General Assistance eligibility files and/or adjudicated claims files against that third party's eligibility file, including indication of coverage derived from the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, and/or adjudicated claims file for the purpose of coordination of benefits, utilizing, if necessary, social security numbers as common identifiers.

Notwithstanding the provisions of any law or regulation to the contrary, all past, present and future revenues representing federal financial participation received by the State from the United States and that are based on payments made by the State to hospitals that serve a disproportionate share of low-income patients shall be deposited in the General Fund and may be expended only upon appropriation by law.

Notwithstanding the provisions of any law or regulation to the contrary, all revenues received from health maintenance organizations shall be deposited in the General Fund.

Additional federal Title XIX revenue generated from the claiming of medical service payments on behalf of individuals enrolled in the second year of Medicaid Extension is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any other law or regulation to the contrary, the appropriation to the Division of Medical Assistance and Health Services is conditioned upon the Division of Medical Assistance and Health Services continuing to be responsible for third party liability and the prevention and detection of fraud, waste and abuse in the Medicaid, NJ FamilyCare and Work First New Jersey General Assistance Medical Programs and shall refer those matters, as appropriate, to the Office of the Insurance Fraud Prosecutor, Division of Criminal Justice for enforcement pursuant to 42 U.S.C. 1396(a) and P.L.1968, c.413 (C.30:4D-7 et seq.) This provision shall remain in effect until the Medicaid Inspector General is appointed and the Medicaid Inspector General's office becomes operational pursuant to the "Medicaid Program Integrity and Protection Act," P.L.2007, c.58 (C.30:4D-53 et seq.).

Language Recommendations -- Grants-In-Aid - General Fund

The amounts hereinabove appropriated for Payments for Medical Assistance Recipients are available for the payment of obligations applicable to prior fiscal years.

In order to permit flexibility in the handling of appropriations and ensure the timely payment of claims to providers of medical services, amounts may be transferred to and from Payments for Medical Assistance Recipients-Adult Mental Health Residential and Payments for Medical Assistance Recipients-Other Services accounts within the General Medical Services program classification in the Division of Medical Assistance and Health Services and the Payments for Medical Assistance Recipients-Personal Care and the Payments for Medical Assistance Recipients-Other Services accounts in the Division of Disability Services in the Department of Human Services. Amounts may also be transferred to and from various items of appropriation within the General Medical Services program classification of the Division of Medical Assistance and Health Services in the Department of Human Services and the Medical Services for the Aged program classification in the Division of Aging and Community Services in the Department of Health and Senior Services. All such transfers are subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

For the purposes of account balance maintenance, all object accounts appropriated in the General Medical Services program classification shall be considered as one object. This will allow timely payment of claims to providers of medical services but ensure that no overspending will occur in the program classification.

Notwithstanding the provisions of any law or regulation to the contrary, all object accounts appropriated in the General Medical Services program classification shall be conditioned upon the following provision: the Commissioner of Human Services shall have the authority to convert individuals enrolled in a State-funded program who are also eligible for a federally matchable program, to the federally matchable program without the need for regulations.

In addition to the amounts hereinabove appropriated for payments to providers on behalf of medical assistance recipients, such additional sums as may be required are appropriated from the General Fund to cover costs consequent to the establishment of presumptive eligibility for children and pregnant women in the Medicaid (Title XIX) program and the NJ FamilyCare program as defined in P.L.2005, c.156 (C.30:4J-8 et al.).

Notwithstanding the provisions of P.L.1962, c.222 (C.44:7-76 et seq.), the Medical Assistance for the Aged program is eliminated.

Notwithstanding the provisions of any law or regulation to the contrary, all object accounts appropriated in the General Medical Services program classification shall be conditioned upon the following provision: when any action by a county welfare agency, whether alone or in combination with the Division of Medical Assistance and Health Services, results in a recovery of improperly granted medical assistance, the Division of Medical Assistance and Health Services may reimburse the county welfare agency in the amount of 25% of the gross recovery.

All funds recovered pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.) and P.L.1975, c.194 (C.30:4D-20 et seq.) during the current fiscal year are appropriated for payments to providers in the same program class from which the recovery originated.

The amount hereinabove appropriated for the Division of Medical Assistance and Health Services first is to be charged to the federal disproportionate share hospital reimbursements anticipated as Medicaid uncompensated care.

Notwithstanding the provisions of any law or regulation to the contrary, a sufficient portion of receipts generated or savings realized in Medical Assistance Grants-in-Aid accounts from initiatives may be transferred to the Health Services Administration and Management accounts to fund costs incurred in realizing these additional receipts or savings, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, and subject to federal approval, the Commissioner of Human Services is authorized to develop and introduce Optional Service Plan Innovations to enhance client choice for users of Medicaid optional services, while containing expenditures.

Notwithstanding the provisions of any law or regulation to the contrary, and subject to the notice provisions of 42 CFR 447.205, of the amount hereinabove appropriated for Payments for Medical Assistance Recipients-Adult Mental Health Residential, personal care assistant services shall be limited to no more than 25 hours per week, per recipient.

The Division of Medical Assistance and Health Services, subject to federal approval, shall implement policies that would limit the ability of persons who have the financial ability to provide for their own long-term care needs to manipulate current Medicaid rules to avoid payment for that care. The Division shall require, in the case of a married individual requiring long-term care services, that the portion of the couple's resources that is not protected for the needs of the community spouse be used solely for the purchase of long-term care services.

Such sums as may be necessary are appropriated from the General Fund for the payment of any provider assessments to Intermediate Care Facilities/Mental Retardation facilities, subject to the approval of the Director of the Division of Budget and Accounting of a plan as shall be submitted by the Commissioner of Human Services.

The Division of Medical Assistance and Health Services is empowered to competitively bid and contract for performance of federally mandated inpatient hospital utilization reviews, and the funds necessary for the contracted utilization review of these hospital services are made available from the Payments for Medical Assistance Recipients-Inpatient Hospital account, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, State funding for the New Jersey Health ACCESS program shall cease, and all enrollment shall be terminated as of July 1, 2001, or at such later date as shall be established by the Commissioner of Human Services.

Notwithstanding the provisions of any law or regulation to the contrary, the NJ FamilyCare program benefit service packages, premium contributions, co-payment levels, enrollment levels, and any other program features or operations may be modified as the Commissioner of Human Services deems necessary based upon a plan approved by the Director of the Division of Budget and Accounting to ensure that monies expended for the NJ FamilyCare program do not exceed the amount hereinabove appropriated.

Notwithstanding the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C. 52:14B-1 et seq.), to the contrary, the Commissioner of Human Services shall adopt immediately upon filing with the Office of Administrative Law such regulations as the Commissioner deems necessary to ensure that monies expended for the NJ FamilyCare program do not exceed the amount hereinabove appropriated. Such regulation may change or adjust the financial and non-financial eligibility requirements for some or all of the applicants or beneficiaries in the program, the benefits provided, cost-sharing amounts, or may suspend in whole or in part the processing of applications for any or all categories of individuals covered by the program.

Notwithstanding the provisions of any law or regulation to the contrary, those hospitals that are eligible to receive a Hospital Relief Subsidy Fund (HRSF) payment as hereinabove appropriated in the Payments for Medical Assistance Recipients-Inpatient Hospital program shall receive enhanced payments from the Medicaid program for providing services to Medicaid and NJ FamilyCare beneficiaries. The total payments shall not exceed the amount appropriated and shall be allocated among hospitals proportionately based on the amount of HRSF payments (excluding any adjustments to the HRSF for other Medicaid payment increases). Interim payments shall be made from the Hospital Relief Offset Payment account, based on an estimate of the total enhanced amount payable to a qualifying hospital, and subject to cost settlement. The enhanced payment, determined at cost settlement, shall be an amount approved by the Director of the Division of Budget and Accounting per Medicaid patient day, adjusted by a volume variance factor (the ratio of expected Medicaid inpatient days to actual Medicaid inpatient days for the rate year) and an HRSF factor (the ratio of the hospital's HRSF payments to total HRSF payments) and subject to a pro rata adjustment so that the total enhanced per diem amounts are equivalent to the total State and federal funds appropriated not to exceed an amount to be approved by the Director of the Division of Budget and Accounting. The total of these payments shall be reduced by an amount equal to any increase in Medicaid and NJ FamilyCare fee-for-service payments to New Jersey hospitals enacted herein or subsequent to this legislation.

Notwithstanding the provisions of any law or regulation to the contrary, for those hospitals that qualify for a Hospital Relief Subsidy Fund payment the State Medicaid program shall reimburse those hospitals Graduate Medical Education outpatient payments up to the amount the hospital would have received under Medicare principles of reimbursement for Medicaid and NJ FamilyCare fee-for-service beneficiaries. Payments shall be made from and are hereinabove appropriated in the Hospital Relief Offset Payment account, and shall be based on the qualifying hospitals' first finalized 1996 cost reports. The amount that the qualifying hospital would otherwise be eligible to receive from the Hospital Relief Subsidy Fund shall be reduced by the amount of this Graduate Medical Education outpatient payment. The total amount of these payments shall not exceed an amount approved by the Director of the Division of Budget and Accounting in combined State and federal funds. In no case shall these payments and all other enhanced payments related to those services primarily used by Medicaid and NJ FamilyCare beneficiaries that the hospital receives exceed the amount the hospital would otherwise have been eligible to receive from the Hospital Relief Subsidy Fund in the State fiscal year.

HUMAN SERVICES

Of the amounts hereinabove appropriated in State and federal funds in the Hospital Relief Offset Payment accounts in the Department of Human Services, Division of Medical Assistance and Health Services, such sums as may be necessary shall be transferred to the Hospital Relief Subsidy Fund within the Health Care Subsidy Fund established pursuant to P.L.1992, c.160 (C26:2H-18.51 et seq.) to maximize federal revenues related to these accounts and maintain an appropriate level of hospital payments, subject to the approval of the Director of the Division of Budget and Accounting.

Rebates from pharmaceutical manufacturing companies during the current fiscal year for prescription expenditures made to providers on behalf of Medicaid clients are appropriated for the Payments for Medical Assistance Recipients-Prescription Drugs account.

Notwithstanding the provisions of any law or regulation to the contrary, and subject to the notice provisions of 42 CFR 447.205 where applicable, no funds appropriated for prescription drugs in the Payments for Medical Assistance Recipients-Prescription Drugs or General Assistance Medical Services account shall be expended except under the following conditions: (a) reimbursement for the cost of single source brand name legend and non-legend drugs shall be on the basis of Average Wholesale Price less a 15% discount and reimbursement for the cost of multisource generic drugs shall be in accordance with the federal Deficit Reduction Act of 2005 upon final adoption of regulations by the Department of Health and Human Services; (b) the current prescription drug dispensing fee structure set as a variable rate of \$3.73 to \$3.99 shall remain in effect through the current fiscal year, including the current increments for impact allowances as determined by revised qualifying requirements and allowances for 24-hour emergency services; and (c) multisource generic and single source brand name drugs shall be dispensed without prior authorization but multisource brand name drugs shall require prior authorization issued by the Division of Medical Assistance and Health Services or its authorizing agent; however, a 10-day supply of the multisource brand name drug shall be dispensed pending receipt of prior authorization. Certain multi-source brand name drugs with a narrow therapeutic index, other drugs recommended by the Drug Utilization Board or brand name drugs with lower cost per unit than the generic, may be excluded from prior authorization by the Division of Medical Assistance and Health Services.

Notwithstanding the provisions of any law or regulation to the contrary, and subject to the notice provisions of 42 CFR 447.205, approved nutritional supplements which are funded hereinabove in the Payments for Medical Assistance Recipients-Prescription Drug program shall be reimbursed in accordance with a fee schedule set by the Director of the Division of Medical Assistance and Health Services.

No funding shall be provided from the General Assistance Medical Services or NJ FamilyCare programs for anti-retroviral drugs for the treatment of HIV/AIDS, as specified in the Department of Health and Senior Services' formulary for the AIDS Drugs Distribution Program (ADDP).

Notwithstanding the provisions of any law or regulation to the contrary, the appropriation in the General Assistance Medical Services account hereinabove shall be conditioned upon the following provisions which shall apply to the dispensing of prescription drugs through that account: (a) all Maximum Allowable Cost (MAC) drugs dispensed shall state "Brand Medically Necessary" in the prescriber's own handwriting if the prescriber determines that it is necessary to override generic substitution of drugs; and (b) each prescription order shall follow the requirements of P.L.1977, c.240 (C.24:6E-1 et seq.). The list of drugs substituted shall conform to all requirements pertaining to drug substitution and federal upper limits for MAC drugs as administered by the State Medicaid Program.

Such sums as may be necessary are appropriated from enhanced audit recoveries obtained by the Division of Medical Assistance and Health Services to fund the costs of enhanced audit recovery efforts of the division within the General Medical Services program classification, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, the appropriations in the Payments for Medical Assistance Recipients-Prescription Drugs, General Assistance Medical Services, and NJ FamilyCare accounts shall be conditioned upon the following provision: each prescription order for protein nutritional supplements and specialized infant formulas dispensed shall be filled with the generic equivalent unless the prescription order states "Brand Medically Necessary" in the prescriber's own handwriting.

Of the amount hereinabove appropriated for Payments for Medical Assistance Recipients-Outpatient Hospital, an amount not to exceed \$1,900,000 is allocated for limited prenatal medical care for New Jersey pregnant women who, except for financial requirements, are not eligible for any other State or federal health insurance program.

Of the amount hereinabove appropriated for Payments for Medical Assistance Recipients-Clinic Services, an amount not to exceed \$1,900,000 is allocated for limited prenatal medical care provided by clinics, or in the case of radiology and clinical laboratory services ordered by a clinic, for New Jersey pregnant women who, except for financial requirements, are not eligible for any other State or federal health insurance program.

Of the revenues received as a result of sanctions to health maintenance organizations participating in Medicaid Managed Care, an amount not to exceed \$500,000 is appropriated to the NJ KidCare A - Administration account to improve access to medical services and quality care through such activities as outreach, education, and awareness, subject to the approval of the Director of the Division of Budget and Accounting.

Non-contracted hospitals providing emergency services to Medicaid or NJ FamilyCare members enrolled in the managed care program shall accept, as payment in full, the amounts that the non-contracted hospital would receive from Medicaid for the emergency services and/or any related hospitalization if the beneficiary were enrolled in Medicaid fee-for-service.

Notwithstanding the provisions of subsection (b) of N.J.A.C.10:60-5.3 and subsection (a) of N.J.A.C.10:60-5.4 to the contrary, a person receiving the maximum number of Early and Periodic Screening, Diagnosis and Treatment/Private Duty Nursing (EPSDT/PDN) services, that is, 16 hours in any 24-hour period, may be authorized to receive additional PDN hours if private health insurance is available to cover the cost of the additional hours and appropriate medical documentation is provided that indicates that additional PDN hours are required and that the primary caregiver is not qualified to provide the additional PDN hours.

Additional federal Title XIX revenue generated from the claiming of family planning services payments on behalf of individuals enrolled in the Medicaid managed care program is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

- The Division of Medical Assistance and Health Services (DMAHS), in coordination with the county welfare agencies, shall continue a program to outstation eligibility workers in disproportionate share hospitals and federally qualified health centers.
- The amount hereinabove appropriated for Payments for Medical Assistance Recipients-Other Services, NJ FamilyCare, and NJ KidCare may be used to pay financial rewards to individuals or entities who report instances of health care-related fraud and/or abuse involving the programs administered by DMAHS (including, but not limited to, the New Jersey Medicaid and NJ FamilyCare programs), or the Pharmaceutical Assistance to the Aged and Disabled (PAAD) or Work First New Jersey General Public Assistance programs. Rewards may be paid only when the reports result in a recovery by DMAHS, and only if other conditions established by DMAHS are met, and shall be limited to 10% of the recovery or \$1,000, whichever is less. Notwithstanding the provisions of any law or regulation to the contrary, but subject to any necessary federal approval and/or change in federal law, receipt of such rewards shall not affect an applicant's individual financial eligibility for the programs administered by DMAHS, or for PAAD or Work First New Jersey General Public Assistance programs.
- Of the amount hereinabove appropriated for Eligibility Determination, an amount not to exceed \$630,000 is allocated for increased eligibility determination costs related to immigrant services.
- Premiums received from families enrolled in the NJ FamilyCare program established pursuant to P.L.2005, c.156 (C.30:4J-8 et al.) are appropriated for NJ FamilyCare payments.
- Of the amount hereinabove appropriated for the NJ FamilyCare program, there shall be transferred to various accounts, including Direct State Services and State Aid accounts, such amounts, not to exceed \$6,000,000, as are necessary to pay for the administrative costs of the program, subject to the approval of the Director of the Division of Budget and Accounting.
- The Commissioners of Human Services and Health and Senior Services shall establish a system to utilize unopened prescription drugs at nursing facilities issued to patients at such facilities and which have not exceeded their expiration date.
- Notwithstanding the provisions of any law or regulation to the contrary, from the amount hereinabove appropriated for the Payments for Medical Assistance Recipients-Inpatient Hospital program, the Commissioner of Human Services shall establish a disease management program to improve the quality of care for beneficiaries of the Division of Medical Assistance and Health Services and reduce costs in the General Medical Services program.
- Notwithstanding the provisions of any law or regulation to the contrary, no funds appropriated for the Medicaid program as hereinabove appropriated in the Payments for Medical Assistance Recipients-Prescription Drugs account are available to any pharmacy that does not agree to allow Medicaid to bill on its behalf any third party, as defined in subsection m. of section 3 of P.L. 1968, c.413 (C.30:4D-3), by participating in a billing agreement executed between the State and the pharmacy.
- Notwithstanding the provisions of any law or regulation to the contrary, effective January 1, 2005, inpatient hospital reimbursements for Medical Assistance services for dually eligible individuals shall exclude Medicare Part A crossover payments according to a plan designed by the Commissioner of Human Services and approved by the Director of the Division of Budget and Accounting.
- Notwithstanding the provisions of N.J.A.C.10:49-7.1 et seq. to the contrary, and subject to approval by the federal government, the Division of Medical Assistance and Health Services shall increase reimbursement for ambulance services, including BLS emergency and nonemergency ambulance services and specialty care transport services, provided to Medicaid recipients who are also Medicare eligible to the applicable Medicare rate.
- Notwithstanding the provisions of any law or regulation to the contrary, and subject to the notice provisions of 42 CFR 447.205 where applicable, the appropriation in the Payments for Medical Assistance Recipients-Physician Services account shall be conditioned upon the following provisions: (a) reimbursement for the cost of physician-administered drugs shall be consistent with reimbursement for legend and non-legend drugs; and (b) reimbursement for selected high cost physician-administered drugs shall be limited to those drugs supplied by manufacturers who have entered into the federal Medicaid Drug Rebate Agreement and are subject to drug rebate rules and regulations consistent with this agreement. The Division of Medical Assistance and Health Services shall collect and submit utilization and coding information to the Secretary of the United States Department of Health and Human Services for all single source drugs administered by physicians.
- Notwithstanding the provisions of any law or regulation to the contrary, the appropriation in the Payments for Medical Assistance Recipients-Clinic Services, Payments for Medical Assistance Recipients-Physician Services, Payments for Medical Assistance Recipients-Medical Supplies and Payments for Medical Assistance Recipients-Other Services shall be conditioned upon the following provision: no funds shall be expended for partial care services, chiropractic services, medical supplies except those sold in a pharmacy, or podiatry services to any provider who was not a Medicaid/NJ FamilyCare approved provider of partial care services, chiropractic services, medical supplies except those sold in a pharmacy, or podiatry services, respectively, prior to July 1, 2006 with the exception of new providers whose services are deemed necessary to meet special needs by the Division of Medical Assistance and Health Services.
- Notwithstanding the provisions of any law or regulation to the contrary, the hereinabove appropriation for Payments for Medical Assistance Recipients-Prescription Drugs shall be conditioned upon the following provision: no funds shall be appropriated for the refilling of a prescription drug until such time as the original prescription is 85% finished.
- Notwithstanding the provisions of any law or regulation to the contrary, the appropriation hereinabove for Payments for Medical Assistance Recipients-Outpatient Hospital shall be conditioned upon the following provision: certifications shall not be granted for new or re-locating off-site hospital-based entities in accordance with N.J.A.C.10:52-1.3 with the exception of providers whose services are deemed necessary to meet special needs by the Division of Medical Assistance and Health Services.
- Of the amount hereinabove appropriated for Payments for Medical Assistance Recipients-Prescription Drugs, such sums as are necessary are available for payment of Medicare Part D copayments and for certain pharmaceuticals not included in the Part D provider formularies for those individuals who are dually eligible for Medicaid and Medicare. These funds shall only be available to cover copayments and non-formulary drugs to pharmacies participating in the federal Medicare Part D program. Payments for pharmaceuticals not included in the Part D formularies may be subject to prior authorization. The Department of Human Services may require proof of appeal or may appeal the Medicare Part D formulary decision on behalf of a dual-eligible client.

HUMAN SERVICES

Notwithstanding the provisions of any law or regulation to the contrary, no funds appropriated in the Payments for Medical Assistance Recipients-Prescription Drugs line item shall be expended for the payment of claims for pharmaceuticals not included in the Part D provider formularies of Medicare Part D eligibles unless participating pharmaceutical manufacturing companies execute contracts with the Department of Human Services providing for the payment of rebates to the State on the same basis as provided for in section 1927 (a) through (c) of the federal Social Security Act, 42 U.S.C. s.1396r-8(a) - (c). All rebates received are appropriated for the Medical Assistance Recipients-Prescription Drugs account.

Notwithstanding the provisions of any law or regulation to the contrary, commencing at the beginning of the current fiscal year, distribution of the Graduate Medical Education (GME) Medicaid payment to eligible acute care teaching hospitals shall not include federal funds without federal approval.

The amounts hereinabove appropriated for Adult Mental Health Residential, Managed Care, Hospital Relief Offset Payments, ICF/MR, Inpatient Hospital, Prescription Drugs, Outpatient Hospital, Physician Services, Home Health Care, Medicare Premiums, Dental Services, Psychiatric Hospital, Medical Supplies, Clinic Services, Transportation Services, Other Services, Eligibility Determination Services, and Health Benefit Coordination Services are conditioned upon the Commissioner of Human Services making changes to such programs to make them consistent with the federal Deficit Reduction Act of 2005.

The unexpended balance at the end of the preceding fiscal year in the NJ FamilyCare-Affordable and Accessible Health Coverage Benefits account is appropriated for the same purpose and may also be transferred to any appropriation in the General Medical Services program classification for payment for services to NJ FamilyCare clients. All such transfers are subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

In accordance with the "Family Health Care Coverage Act," P.L.2005, c.156 (C.30:4J-8 et seq.), rebates collected during the current fiscal year from the pharmaceutical manufacturing companies for prescription expenditures made to providers on behalf of General Assistance Medical Services clients are appropriated to NJ FamilyCare - Affordable and Accessible Health Coverage Benefits.

Notwithstanding the provisions of any law or regulation to the contrary, all financial recoveries obtained through the efforts of any entity authorized to undertake the prevention and detection of Medicaid fraud, waste and abuse, are appropriated to General Medical Services in the Division of Medical Assistance and Health Services.

Notwithstanding the provisions of any law or regulation to the contrary, effective January 1, 2009, payments for the Payments of Medical Assistance Recipients - Outpatient Hospital account for outpatient hospital reimbursement for all psychiatric services provided as an outpatient hospital service to all eligible individuals regardless of age, shall be paid at the lower of charges or the prospective hourly rates as defined in N.J.A.C. 10:52. Cost related to such services shall be excluded from outpatient hospital cost settlements. Hospitals may provide continued services to all eligible individuals in partial hospitalization programs in need of additional care beyond the 24 month limit and shall bill for these extended services at the community partial care rate of \$77 per day.

Notwithstanding the provisions of any law or regulation to the contrary, the Commissioner of Human Services is authorized to utilize savings not to exceed \$8,000,000 in the Payments for Medical Assistance Recipients-Outpatient Hospital account that materialize as a result of the annualization of the February 5, 2007 Outpatient Hospital Psychiatric Reimbursement changes for individuals age 22 and older. Utilization of the savings not to exceed \$8,000,000 shall be for outpatient hospital psychiatric service rate adjustments in the Medicaid program and/or reinvestment into community based psychiatric services for individuals age 22 and older. An amount not to exceed \$8,000,000 may be transferred to the Community Care appropriation within the Division of Mental Health Services to support outpatient hospital and community based psychiatric services for individuals age 22 and older, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any other law or regulation to the contrary, and subject to the notice provisions of 42 CFR 447.205 where applicable, the appropriations hereinabove for Managed Care Initiative, Payments to Medical Assistance Recipients - Outpatient Hospital, and General Assistance Medical Services shall be subject to the following condition: all qualifying beneficiaries, in accordance with 42 CFR 447.53, of the Division of Medical Assistance and Health Services will be responsible for a \$6 co-payment for each emergency room visit that is determined to be for a non-emergent visit. Qualifying beneficiaries will be charged a \$3 co-payment for outpatient hospital visit. Beneficiary cost-sharing responsibility for certain outpatient hospital services will not exceed \$12 per month.

Notwithstanding the provisions of any law or regulation to the contrary, and subject to the notice provisions of 42 CFR 447.205 where applicable, the appropriations hereinabove for Managed Care Initiative, Payments to Medical Assistance Recipients - Prescription Drugs, and General Assistance Medical Services shall be subject to the following condition: all qualifying beneficiaries, in accordance with 42 CFR 447.53, of the Division of Medical Assistance and Health Services will be responsible for a \$2 co-payment per prescription drug. The maximum amount a beneficiary will be charged each month is \$10.

20. PHYSICAL AND MENTAL HEALTH 27. DISABILITY SERVICES 7545. DIVISION OF DISABILITY SERVICES

OBJECTIVES

1. To facilitate the maximum independence and participation of people with disabilities in community life through information and access to services and supports, as well as to foster coordination and cooperation among government agencies providing services to this population.
2. To function as a single point of entry for all seeking disability related information in New Jersey.
3. To administer an array of direct services and innovative programs to improve the quality of life for individuals with disabilities.

PROGRAM CLASSIFICATIONS

27. **Disability Services.** Responsible for the administration of several Medicaid Waiver Programs including: Traumatic Brain Injury (TBI) which provides full Medicaid benefits plus case management, structured day programs, personal care assistants, transportation, respite care and night supervision to TBI survivors between 18 and 64; AIDS Community Care Alternatives Program (ACCAP) which provides full Medicaid benefits plus case management, private-duty nursing, medical day care, personal care assistant services, certain narcotic and drug abuse treatments at home and hospice care to people of any age with AIDS and children up to age 13 who are HIV positive; Community Resources for People with Disabilities (formerly known as Model Waivers 1, 2 and 3) which provides specialized services in addition to full Medicaid benefits to people who otherwise would be unable to live in the community and would probably have to move into a nursing home or other institution for disabled fragile children under the care and supervision of the Division of Youth and Family Services (DYFS) in the Department of Children and Families. Personal Care Assistance (PCA) services are an optional benefit offered to New Jersey Medicaid beneficiaries who are experiencing functional impairment. It provides assistance with aspects of daily living for people who have either a short-term or long-term disability. Personal Preference: New Jersey's Cash and Counseling Demonstra-

tion Project, a national research and demonstration project sponsored by the Robert Wood Johnson Foundation, studies the effects of allowing disabled Medicaid recipients who are eligible for PCA services to direct their own care. Through a monthly cash allowance, participants work with a consultant to develop a cash management plan by which they decide the services they need and the individuals and/or agencies they wish to hire to provide the identified services. The program requires greater consumer responsibility but offers participants greater control, flexibility and choice. NJ Workability offers people with disabilities who are working, and whose income would otherwise make them ineligible for Medicaid, the opportunity to pay a small premium and receive full NJ Medicaid coverage. People with disabilities, between the ages of 16 and 64, can qualify for the program with annual gross incomes as high as \$45,084. Personal Assistant Services Program (PASP) provides routine, non-medical assistance to people with disabilities who are employed, involved in community volunteer work or attending school. Personal assistants help with tasks such as light housekeeping, bathing, dressing, preparing meals, shopping, driving or using public transportation. The number of hours a person receives depends on individual need but can be as great as 40 hours per week. The Division provides comprehensive information and referral services and also publishes the New Jersey RESOURCES Directory, which lists state and national resources for people with disabilities.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
OPERATING DATA				
Disability Services				
Personal Care Services	\$266,281,529	\$262,154,816	\$272,185,944	\$274,152,000
Waiver Initiatives	\$34,653,468	\$42,104,423	\$42,294,358	\$42,886,000
Personal Assistance Services Program				
Number of Clients	510	510	660	660
Total Program Cost	\$6,803,997	\$7,404,956	\$11,011,000	\$11,011,000
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	18	17	14	19
Federal	13	12	13	13
Total Positions	31	29	27	32
Filled Positions by Program Class				
Disability Services	31	29	27	32
Total Positions	31	29	27	32

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

HUMAN SERVICES

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES									
Distribution by Fund and Program									
1,234	---	---	1,234	1,234	Disability Services	27	1,324	1,274	1,274
1,234	---	---	1,234	1,234	Total Direct State Services		1,324 (a)	1,274	1,274
Distribution by Fund and Object									
Personal Services:									
1,061	---	---	1,061	1,061	Salaries and Wages		1,151	1,101	1,101
1,061	---	---	1,061	1,061	Total Personal Services		1,151	1,101	1,101
4	---	---	4	4	Materials and Supplies		4	4	4
160	---	---	160	160	Services Other Than Personal		160	160	160
9	---	---	9	9	Maintenance and Fixed Charges		9	9	9
GRANTS-IN-AID									
Distribution by Fund and Program									
183,728	---	-18,461	165,267	165,113	Disability Services	27	171,579	173,230	173,230
52,506	---	-18,461	34,045	33,891	(From General Fund)		91,251	75,289	75,289
131,222	---	---	131,222	131,222	(From Casino Revenue Fund)		80,328	97,941	97,941
183,728	---	-18,461	165,267	165,113	Total Grants-in-Aid		171,579	173,230	173,230
52,506	---	-18,461	34,045	33,891	(From General Fund)		91,251	75,289	75,289
131,222	---	---	131,222	131,222	(From Casino Revenue Fund)		80,328	97,941	97,941
Distribution by Fund and Object									
Grants:									
3,601	---	70	3,671	3,671	Personal Assistance Services Program	27	7,277	7,277	7,277
3,734	---	---	3,734	3,734	Personal Assistance Services Program (CRF)	27	3,734	3,734	3,734
2,000	---	---	2,000	2,000	Community Supports to Allow Discharge from Nursing Homes	27	2,000	2,000	2,000
35,619	---	-18,531	17,088	16,934	Payments for Medical Assistance Recipients - Personal Care	27	75,213	59,371	59,371
110,986	---	---	110,986	110,986	Payments for Medical Assistance Recipients - Personal Care (CRF)	27	60,092	77,705	77,705
4,934	---	---	4,934	4,934	Payments for Medical Assistance Recipients - Waiver Initiatives	27	4,934	4,941	4,941
16,502	---	---	16,502	16,502	Payments for Medical Assistance Recipients - Waiver Initiatives (CRF)	27	16,502	16,502	16,502
1,652	---	---	1,652	1,652	Payments for Medical Assistance Recipients - Other Services	27	1,652	1,700	1,700
4,700	---	---	4,700	4,700	Payments for Medical Assistance Recipients - Personal Care Salary Increase	27	---	---	---
---	---	---	---	---	Eastern Christian Children's Retreat (b)	27	175	---	---
184,962	---	-18,461	166,501	166,347	Grand Total State Appropriation		172,903	174,504	174,504
OTHER RELATED APPROPRIATIONS									
Federal Funds									
184,541	257	-1,931	182,867	157,633	Disability Services	27	164,665	163,698	163,698
184,541	257	-1,931	182,867	157,633	Total Federal Funds		164,665	163,698	163,698

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
OTHER RELATED APPROPRIATIONS								
All Other Funds								
---	11,056 3,473 ^R	528	15,057	4,488				
---	14,529	528	15,057	4,488	Disability Services	27 300	---	---
369,503	14,786	- 19,864	364,425	328,468	Total All Other Funds	300	---	---
					GRAND TOTAL ALL FUNDS	337,868	338,202	338,202

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Notes -- Grants-In-Aid - General Fund

(b) The fiscal year 2008 appropriation was moved to the Division of Developmental Disabilities within the Department of Human Services per Ruling No. 08-01.

Language Recommendations -- Grants-In-Aid - General Fund

In order to permit flexibility in the handling of appropriations and ensure the timely payment of claims to providers of medical services, amounts may be transferred to and from Payments for Medical Assistance Recipients-Adult Mental Health Residential and Payments for Medical Assistance Recipients-Other Services accounts within the General Medical Services program classification in the Division of Medical Assistance and Health Services and the Payments for Medical Assistance Recipients-Personal Care and the Payments for Medical Assistance Recipients-Other Services accounts in the Division of Disability Services in the Department of Human Services. Amounts may also be transferred to and from various items of appropriations within the General Medical Services program classification of the Division of Medical Assistance and Health Services in the Department of Human Services and the Medical Services for the Aged program classification in the Division of Aging and Community Services in the Department of Health and Senior Services. All such transfers are subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

Notwithstanding the provisions of any law or regulation to the contrary, and subject to the notice provisions of 42 CFR 447.205, of the amount hereinabove appropriated for Payments for Medical Assistance Recipients-Personal Care, personal care assistant services shall be authorized prior to the beginning of services by the Director of the Division of Disability Services. The hourly rate for personal care services shall not exceed \$16.15.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

32. OPERATION AND SUPPORT OF EDUCATIONAL INSTITUTIONS

Green Brook Regional Center (C.30:4-165.1 et seq.), an Intermediate Care Facility (ICF) of the Division of Developmental Disabilities, provides habilitative and residential functional services for residents over age 55. Residents of the center range from moderately to profoundly developmentally disabled. Green Brook is funded from a combination of State appropriations and Federal receipts.

Vineland Developmental Center (C.30:4-165.1 et seq.), founded in 1888, provides services for all levels of developmentally disabled females. The institution has a unique feature in that 60% of the population is located at the East Campus at Main and Landis Avenues, Vineland, and the remaining 40% is located at the West Campus on Orchard Road, Vineland. Both facilities function under a single administrative organization. Federal funds provide educational programs and adult contact for deprived children.

The North Jersey Developmental Center (C.30:4-165.1 et seq.) provides residential services for developmentally disabled men and women at all levels of capability on its main campus, as well as servicing the needs of multiply handicapped adolescents and young children in its nursery. Federal funds provide education and training programs.

Woodbine Developmental Center (C.30:4-165.1 et seq.) provides care and training for people with severe or profound developmental disabilities. The Center program is designed to encourage residents

to become as self-sufficient as possible. Federal funds provide training and education programs.

New Lisbon Developmental Center (C.30:4-165.1 et seq.) provides resident care, training, education, and habilitation to developmentally disabled residents. A program providing for limited enrollment in community centers is administered. During fiscal 1983, New Lisbon began operating a long term care facility for 60 geriatric residents. This facility is located adjacent to the school hospital. Federal funds provide education and habilitation of residents, community living and training programs.

Woodbridge Developmental Center (C.30:4-165.1 et seq.) admits developmentally disabled individuals five years of age and over. Federal funds supplement ongoing training, rehabilitation, education, and health programs. In addition, the federal foster grandparents program provides socialization skills for developmentally disabled persons through contact with senior citizens.

Hunterdon Developmental Center (C.30:4-165.1 et seq.) is located adjacent to the Edna Mahan Correctional Facility for Women. This Center serves as a treatment and training facility for profoundly to mildly developmentally disabled residents. The physical plant consists of 18 cottages. Federal funds provide for educational programs. Additionally, the federal foster grandparents program provides socialization skills through contact with senior citizens.

HUMAN SERVICES

54. DEPARTMENT OF HUMAN SERVICES

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

32. OPERATION AND SUPPORT OF EDUCATIONAL INSTITUTIONS

OBJECTIVES

1. To provide prompt and effective evaluation, care, treatment, training, and rehabilitation of individuals with developmental disabilities.
2. To ensure that such individuals are developed, educated, and trained to the maximum extent possible to function in the community or in an institutional environment.

PROGRAM CLASSIFICATIONS

05. **Residential Care and Habilitation Services.** Includes provision of housing; food and clothing; care and supervision; development of self-help skills and personal hygiene (e.g. feeding, personal toilet habits, dressing, bathing, and grooming) and social skills (e.g. following directions, getting along with others).

Habilitation Services comprises evaluation of individual needs and the development and implementation of programs leading to physical, emotional, and social development of the developmentally disabled individual, under the direct supervision of the professional staff of the institution. Specific services include psychological evaluation, recreation, and family contact. In addition, sound medical techniques under the direct supervision of the professional medical and paramedical staff of the institution, as well as the physical, social, and vocational development is included.

99. **Administration and Support Services.** Provides services required for effective operation of the institutions including general management, purchasing, accounting, budgeting, personnel, payroll, and clerical services. Other services include operation and maintenance of buildings, grounds and equipment, including utilities, housekeeping, and security services.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
OPERATING DATA				
Residential Care and Habilitation Services				
Green Brook Regional Center				
Average daily population	99	103	99	95
Ratio: Population/total positions	0.4 / 1	0.4 / 1	0.4 / 1	0.4 / 1
Gross Per Capitas				
Annual	\$122,707	\$128,087	\$134,131	\$145,884
Daily	\$336.18	\$350.92	\$367.48	\$399.68
Vineland Developmental Center				
Average daily population	478	472	474	474
Ratio: Population/total positions	0.3 / 1	0.3 / 1	0.3 / 1	0.3 / 1
Gross Per Capitas				
Annual	\$166,483	\$140,625	\$174,470	\$176,430
Daily	\$456.12	\$385.27	\$478.00	\$483.37
North Jersey Developmental Center				
Average daily population	398	394	395	383
Ratio: Population/total positions	0.4 / 1	0.4 / 1	0.4 / 1	0.4 / 1
Gross Per Capitas				
Annual	\$122,874	\$104,858	\$167,572	\$174,958
Daily	\$336.64	\$287.28	\$459.10	\$479.34
Woodbine Developmental Center				
Average daily population	506	508	505	485
Ratio: Population/total positions	0.4 / 1	0.4 / 1	0.4 / 1	0.4 / 1
Gross Per Capitas				
Annual	\$126,253	\$99,421	\$137,598	\$145,085
Daily	\$345.90	\$272.39	\$376.98	\$397.49
New Lisbon Developmental Center				
Average daily population	513	499	479	403
Ratio: Population/total positions	0.3 / 1	0.3 / 1	0.3 / 1	0.3 / 1
Gross Per Capitas				
Annual	\$161,828	\$175,214	\$189,958	\$229,682
Daily	\$443.37	\$480.04	\$520.43	\$629.27
Woodbridge Developmental Center				
Average daily population	477	461	436	405
Ratio: Population/total positions	0.4 / 1	0.3 / 1	0.3 / 1	0.3 / 1
Gross Per Capitas				
Annual	\$145,348	\$129,631	\$191,869	\$209,731
Daily	\$398.21	\$355.15	\$525.67	\$574.61

HUMAN SERVICES

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Hunterdon Developmental Center				
Average daily population	608	589	582	571
Ratio: Population/total positions	0.4 / 1	0.4 / 1	0.4 / 1	0.4 / 1
Gross Per Capitas				
Annual	\$109,544	\$93,576	\$122,153	\$126,147
Daily	\$300.12	\$256.37	\$334.67	\$345.61

PERSONNEL DATA

Position Data

Institutional Total

Filled positions by Funding Source

State Supported	4,735	4,774	4,721	4,702
Federal	3,397	3,495	3,518	3,518
All Other	1	---	---	---
Total Positions	8,133	8,269	8,239	8,220

Filled Positions by Program Class

Residential Care and Habilitation Services	6,954	7,093	7,083	7,077
Administration and Support Services	1,179	1,176	1,156	1,143
Total Positions	8,133	8,269	8,239	8,220

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES									
Distribution by Fund and Program									
264,890	95,092	-655	359,327	281,209	Residential Care and Habilitation Services	05	325,418	312,754	312,754
33,438	94,747	-655	127,530	49,842	(From General Fund)		61,079	41,079	41,079
231,452	345	---	231,797	231,367	(From Federal Funds)		264,280	271,675	271,675
---	---	---	---	---	(From All Other Funds)		59	---	---
77,684	59	14,886	92,629	92,487	Administration and Support Services	99	76,976	71,641	71,641
53,924	59	14,886	68,869	68,727	(From General Fund)		52,585	46,181	46,181
23,760	---	---	23,760	23,760	(From Federal Funds)		24,391	25,460	25,460
342,574	95,151	14,231	451,956	373,696	Total Direct State Services		402,394 ^(a)	384,395	384,395
Less:									
(255,212)	(345)	---	(255,557)	(255,127)	Federal Funds		(288,671)	(297,135)	(297,135)
---	---	---	---	---	All Other Funds		(59)	---	---
87,362	94,806	14,231	196,399	118,569	Total State Appropriation		113,664	87,260	87,260
Distribution by Fund and Object									
Personal Services:									
281,587	94,695	---	376,282	301,887	Salaries and Wages		350,994	332,995	332,995
281,587	94,695	---	376,282	301,887	Total Personal Services ^(b)		350,994	332,995	332,995
29,301	36	13,281	42,618	41,578	Materials and Supplies		27,055	27,055	27,055
21,208	---	-780	20,428	19,305	Services Other Than Personal		17,519	17,519	17,519
5,443	---	1,230	6,673	6,665	Maintenance and Fixed Charges		3,895	3,895	3,895
Special Purpose:									
6	---	---	6	6	Family Care	05	6	6	6
5,029	420	500	5,949	4,255	Additions, Improvements and Equipment		2,925	2,925	2,925

HUMAN SERVICES

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
DIRECT STATE SERVICES								
<i>Less:</i>								
(255,212)	(345)	---	(255,557)	(255,127)		(288,671)	(297,135)	(297,135)
---	---	---	---	---		(59)	---	---
CAPITAL CONSTRUCTION								
Distribution by Fund and Program								
---	1,825	---	1,825	327	Administration and Support Services	99	---	---
---	1,825	---	1,825	327	Total Capital Construction	---	---	---
Distribution by Fund and Object								
Green Brook Regional Center								
---	46	---	46	46	Air Handlers, Chiller and Burner Replacement	99	---	---
Vineland Developmental Center								
---	3	---	3	---	Renovations and Improvements	99	---	---
---	34	---	34	14	Fire Notification System	99	---	---
---	112	---	112	58	HVAC Improvements	99	---	---
North Jersey Developmental Center								
---	3	---	3	---	Renovations and Improvements	99	---	---
---	75	---	75	---	HVAC Improvements	99	---	---
Woodbine Developmental Center								
---	1	---	1	---	Replace Steam Tunnel	99	---	---
---	1,057	---	1,057	25	Food Service Building Renovations	99	---	---
New Lisbon Developmental Center								
---	23	---	23	---	Replace Boiler & Condensate Recovery Tank	99	---	---
---	12	---	12	---	Food Service Building Renovations	99	---	---
Woodbridge Developmental Center								
---	241	---	241	184	Replace Electrical Main Feeder	99	---	---
---	105	---	105	---	Replace/Upgrade Emergency Generators	99	---	---
Hunterdon Developmental Center								
---	113	---	113	---	Replace Electrical Main Feeder	99	---	---
87,362	96,631	14,231	198,224	118,896	Grand Total State Appropriation	113,664	87,260	87,260
OTHER RELATED APPROPRIATIONS								
255,212	345	---	255,557	255,127	Total Federal Funds	288,671	297,135	297,135
---	---	---	---	---	Total All Other Funds	59	---	---
342,574	96,976	14,231	453,781	374,023	GRAND TOTAL ALL FUNDS	402,394	384,395	384,395

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.
- (b) Additional amounts are available from prior year carryforward funds in fiscal year 2008.

Language Recommendations -- Direct State Services - General Fund

The State appropriation for the State's developmental centers is based on ICF/MR revenues of \$344,238,000 provided that if the ICF/MR revenues exceed \$344,238,000 there will be placed in reserve a portion of the State appropriation equal to the excess amount of ICF/MR revenues, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated for Operation and Support of Educational Institutions of the Division of Developmental Disabilities, such other sums provided in Interdepartmental accounts for Employee Benefits, as the Director of the Division of Budget and Accounting shall determine, are considered as appropriated on behalf of the Developmental Centers and are available for matching federal funds.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT
32. OPERATION AND SUPPORT OF EDUCATIONAL INSTITUTIONS
7600. DIVISION OF DEVELOPMENTAL DISABILITIES

OBJECTIVES

1. To provide executive management to the entire Developmental Disabilities program.
2. To provide support service for the operational program units through which programs for the developmentally disabled are carried out.

PROGRAM CLASSIFICATIONS

99. **Administration and Support Services.** Provides the leadership, administration, and general support services necessary for the overall control and supervision of the Developmental Disabilities program.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	69	66	67	59
Federal	138	129	128	131
Total Positions	207	195	195	190
Filled Positions by Program Class				
Administration and Support Services	207	195	195	190
Total Positions	207	195	195	190

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
10,772	159	---	10,931	10,794	Administration and Support Services	99	11,138	10,961
3,336	137	---	3,473	3,450	(From General Fund)		3,486	2,920
7,436	22	---	7,458	7,344	(From Federal Funds)		7,652	8,041
10,772	159	---	10,931	10,794	Total Direct State Services		11,138 (a)	10,961
(7,436)	(22)	---	(7,458)	(7,344)	Less:			
					Federal Funds		(7,652)	(8,041)
3,336	137	---	3,473	3,450	Total State Appropriation		3,486	2,920
Distribution by Fund and Object								
9,826	---	---	9,826	9,778	Personal Services:			
					Salaries and Wages		10,394	10,217
9,826	---	---	9,826	9,778	Total Personal Services		10,394	10,217
64	---	10	74	47	Materials and Supplies		64	64
252	---	60	312	298	Services Other Than Personal		250	250
99	---	-70	29	28	Maintenance and Fixed Charges		99	99
Special Purpose:								
---	137 ^R	---	137	135	Foster Grandparents Program	99	---	---
306	---	---	306	306	Developmental Disabilities Council	99	306	306
200	---	---	200	200	Nursing Incentive Program	99	---	---
25	22	---	47	2	Additions, Improvements and Equipment		25	25

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Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
DIRECT STATE SERVICES								
<i>Less:</i>								
(7,436)	(22)	---	(7,458)	(7,344)	Federal Funds	(7,652)	(8,041)	(8,041)
3,336	137	---	3,473	3,450	Grand Total State Appropriation	3,486	2,920	2,920
OTHER RELATED APPROPRIATIONS								
7,436	22	---	7,458	7,344	Total Federal Funds	7,652	8,041	8,041
10,772	159	---	10,931	10,794	GRAND TOTAL ALL FUNDS	11,138	10,961	10,961

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

An amount not to exceed \$223,000 from receipts from individuals for whom the Division of Developmental Disabilities in the Department of Human Services collects contribution to care reimbursements is appropriated for participation in the Foster Grandparents and Senior Companions programs.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT 32. OPERATION AND SUPPORT OF EDUCATIONAL INSTITUTIONS 7601. COMMUNITY PROGRAMS

OBJECTIVES

1. To provide prompt and effective care, treatment, training, and habilitation of individuals with developmental disabilities.
2. To ensure that such individuals are developed, educated, and trained to the maximum extent possible to function in the community or in an institutional environment.
3. To enable persons with developmental disabilities to return to and/or remain in the community.
4. To educate and counsel families to understand and accept the problems of their family member with developmental disabilities.
5. To provide guardianship services to incapacitated adults for whom no legal guardian has been appointed.
6. To evaluate medical, psychological, social, educational, and related factors affecting the functioning of the individual and to determine the need for specialized care, training, or treatment as a person with developmental disabilities.
7. To ensure maximum utilization of private and public facilities for the eligible population with developmental disabilities, and to recommend and to secure alternate services for those awaiting residential functional services.
8. To provide non-residential training programs designed to develop self-sufficiency and social competence in persons with developmental disabilities living in the community.

PROGRAM CLASSIFICATIONS

01. **Purchased Residential Care.** Contracts with approved private institutions and group homes for residential functional services to clients with developmental disabilities declared eligible for and in need of residential placement for whom a current vacancy does not exist or for such clients who can better be served in non-public facilities. Services may be provided to eligible persons with developmental disabilities through placement in substitute family situations in cases where individuals must be separated from their natural families, but do not require services in a congregate facility. Such service is also known as Community Care Residences.
02. **Social Supervision and Consultation.** Provides services designed to assist persons with developmental disabilities to continue to live and function in their home communities or to return to communities after receiving residential functional service. It includes family support funding and contracts to provide services to individuals living with families or independently in the community. It also funds services to determine eligibility and to provide case management and guardianship services.
03. **Adult Activities.** Provides community-based day services to adults with developmental disabilities that will allow for experience, training, and opportunities in an adult atmosphere conducive to the development of the person's personal, social, and work skills. Provides the opportunity to achieve the greatest independence possible in employment and vocational areas.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Purchased Residential Care (a)				
Private Institutional Care				
Average daily population	617	683	711	711
Average cost/client/year	\$91,991	\$98,141	\$106,522	\$109,717
Total Program Cost	\$56,758,447	\$67,030,303	\$75,737,142	\$78,008,787
Skill Development Homes				
Average daily population	1,326	1,234	1,181	1,131
Average cost/client/year	\$16,276	\$17,236	\$16,974	\$18,162
Gross cost, placements	\$21,581,976	\$21,268,766	\$20,045,871	\$20,541,426
Other program costs	\$5,500,000	\$2,200,012	\$450,000	\$450,000
Total Program Cost	\$27,081,976	\$23,468,778	\$20,495,871	\$20,991,426
Family Care Homes				
Average daily population	39	33	30	25
Average cost/client/year	\$7,843	\$8,309	\$8,522	\$8,777
Total Program Cost	\$305,877	\$274,196	\$255,645	\$219,429
Group Homes				
Group Homes				
Consumer Placements	4,121	4,201	4,485	4,610
Average cost per consumer	\$80,422	\$82,910	\$86,792	\$91,237
Total Cost, Group Home Placements	\$331,417,832	\$348,304,062	\$389,262,310	\$420,603,698
Supervised Apartments				
Consumer Placements	1,056	1,088	1,184	1,184
Average cost per consumer	\$64,064	\$73,413	\$70,463	\$70,884
Total Cost, Supervised Apartment Placements	\$67,651,850	\$79,873,797	\$83,428,591	\$83,926,152
Supported Living				
Consumer Placements	704	722	755	755
Average cost per consumer	\$46,047	\$48,985	\$50,959	\$51,263
Total Cost, Supported Living Placements	\$32,417,382	\$35,367,287	\$38,473,986	\$38,703,441
Emergency Placement Costs	\$11,752,000	\$9,850,440	\$12,000,000	\$12,420,000
Other Program Costs	\$4,005,000	\$4,048,000	\$4,191,000	\$4,337,685
Total Cost, All Group Home Programs (b)	\$447,244,064	\$477,443,586	\$527,355,887	\$559,990,976
Social Supervision and Consultation				
Average number in community supervision (c)	33,731	34,681	35,014	35,500
Average number in guardianship services (c)	3,309	3,162	3,237	3,250
Real Life Choices				
Individuals Served	289	500	656	750
Average cost of yearly plan	\$18,643	\$24,451	\$33,509	\$32,373
Total Program Cost	\$5,387,827	\$12,225,734	\$21,981,931	\$24,280,000
Adult Activities				
Average daily population - private facilities	8,447	8,744	8,990	9,115
Average cost/client/year	\$15,687	\$18,030	\$18,391	\$18,364
Total Program Cost	\$132,508,089	\$157,657,212	\$165,338,000	\$167,392,000
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	248	252	252	332
Federal	337	336	325	376
Total Positions	585	588	577	708

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	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Filled Positions by Program Class				
Purchased Residential Care	50	52	51	86
Social Supervision and Consultation	509	513	497	590
Adult Activities	26	23	29	32
Total Positions	585	588	577	708

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

(a) The evaluation data for Purchased Residential Care, including Group Homes, has been restated for all fiscal years to reflect the Division of Developmental Disabilities Capacity Report.

(b) Includes amounts from the Group Homes and Olmstead Residential Services line items.

(c) Individuals may be in more than one category.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES									
Distribution by Fund and Program									
3,638	60,874	---	64,512	58,099	Purchased Residential Care	01	4,442	4,575	4,575
1,137	437	---	1,574	1,471	(From General Fund)		1,485	1,485	1,485
2,501	60,437	---	62,938	56,628	(From Federal Funds)		2,957	3,090	3,090
25,283	6,281	148	31,712	31,102	Social Supervision and Consultation	02	31,719	36,466	36,466
1,486	13	148	1,647	1,517	(From General Fund)		1,883	3,816	3,816
23,797	6,268	---	30,065	29,585	(From Federal Funds)		29,836	32,650	32,650
2,058	7,817	-148	9,727	9,727	Adult Activities	03	2,511	2,550	2,550
1,120	---	-148	972	972	(From General Fund)		1,420	1,420	1,420
938	7,817	---	8,755	8,755	(From Federal Funds)		1,091	1,130	1,130
30,979	74,972	---	105,951	98,928	Total Direct State Services		38,672 ^(a)	43,591	43,591
Less:									
(27,236)	(74,522)	---	(101,758)	(94,968)	Federal Funds		(33,884)	(36,870)	(36,870)
3,743	450	---	4,193	3,960	Total State Appropriation		4,788	6,721	6,721
Distribution by Fund and Object									
Personal Services:									
29,861	74,408	---	104,269	97,520	Salaries and Wages		37,442	41,068	41,068
29,861	74,408	---	104,269	97,520	Total Personal Services		37,442	41,068	41,068
76	---	22	98	98	Materials and Supplies		76	76	76
319	114	286	719	684	Services Other Than Personal		408	685	685
491	---	-308	183	183	Maintenance and Fixed Charges		491	491	491
Special Purpose:									
---	437	---	437	436	Developmental Center Enhancement	01	---	---	---
232	13	---	245	7	Additions, Improvements and Equipment		255	1,271	1,271
Less:									
(27,236)	(74,522)	---	(101,758)	(94,968)	Federal Funds		(33,884)	(36,870)	(36,870)
GRANTS-IN-AID									
Distribution by Fund and Program									
609,012	115,957	3,145	728,114	655,431	Purchased Residential Care	01	618,366	655,602	655,602
399,812	55,424	3,145	458,381	411,352	(From General Fund)		364,669	379,918	379,918
22,934	---	---	22,934	22,168	(From Casino Revenue Fund)		22,934	22,934	22,934
186,266	147	---	186,413	168,873	(From Federal Funds)		192,133	206,771	206,771
---	60,386	---	60,386	53,038	(From All Other Funds)		38,630	45,979	45,979

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Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
GRANTS-IN-AID									
72,661	---	524	73,185	72,402	Social Supervision and Consultation	02	83,907	85,777	85,777
47,758	---	524	48,282	47,982	(From General Fund)		57,487	59,357	59,357
2,208	---	---	2,208	2,208	(From Casino Revenue Fund)		2,208	2,208	2,208
22,695	---	---	22,695	22,212	(From Federal Funds)		24,212	24,212	24,212
137,361	---	1,573	138,934	138,934	Adult Activities	03	148,762	167,392	167,392
88,053	---	1,573	89,626	89,626	(From General Fund)		96,788	109,084	109,084
7,374	---	---	7,374	7,374	(From Casino Revenue Fund)		7,374	7,374	7,374
41,934	---	---	41,934	41,934	(From Federal Funds)		44,600	50,934	50,934
819,034	115,957	5,242	940,233	866,767	Total Grants-in-Aid		851,035	908,771	908,771
(250,895)	(147)	---	(251,042)	(233,019)	Less:				
---	(60,386)	---	(60,386)	(53,038)	Federal Funds		(260,945)	(281,917)	(281,917)
					All Other Funds		(38,630)	(45,979)	(45,979)
568,139	55,424	5,242	628,805	580,710	Total State Appropriation		551,460	580,875	580,875
Distribution by Fund and Object									
Grants:									
814	---	---	814	814	Dental Program for Non-Insti- tutionalized Children	01	814	814	814
43,428	---	---	43,428	43,428	Private Institutional Care	01	68,426	77,426	77,426
1,311	---	---	1,311	1,311	Private Institutional Care (CRF)	01	1,311	1,311	1,311
15,146	3,982 9,401 ^R	---	28,529	22,243	Skill Development Homes	01	29,775	23,775	23,775
1,141	---	---	1,141	482	Skill Development Homes (CRF)	01	1,141	1,141	1,141
405,185	76,209 20,941 ^R	3,145	505,480	447,396	Group Homes (b)	01	496,284	500,402	500,402
20,354	---	---	20,354	20,354	Group Homes (CRF)	01	20,354	20,354	20,354
---	---	---	---	---	Olmstead Residential Services	01	---	30,118	30,118
3,000	---	---	3,000	2,505	Capital Improvements for Olmstead Group Homes	01	---	---	---
5,135	---	---	5,135	5,135	Family Care	01	133	133	133
128	---	---	128	21	Family Care (CRF)	01	128	128	128
1,604	---	---	1,604	1,604	Community Nursing Care Initiative - FY2002 (c)	01	---	---	---
42,297 ^S	685	---	42,982	35,930	ICF/MR Provider Tax	01	---	---	---
28,579	---	---	28,579	28,579	Community Services Waiting List Reduction Initiative - FY2002 (c)	01	---	---	---
20,713	---	---	20,713	20,713	CSWL Initiative Develop- ment (c)	01	---	---	---
10,258	4,739	---	14,997	14,997	Developmental Center Enhancement (c)	01	---	---	---
9,919	---	---	9,919	9,919	Community Transition Initiative - FY2002 (c)	01	---	---	---
---	---	---	---	---	Addressing the Needs of the Autism Community	02	5,000	4,500	4,500
75	---	---	75	75	Essex ARC - Expanded Respite Care Services for Families with Autistic Children	02	75	75	75
1,000	---	---	1,000	1,000	Autism Respite Care	02	1,000	1,000	1,000
1,183	---	---	1,183	700	Developmental Disabilities Council	02	1,183	1,183	1,183
500	---	---	500	500	Cerebral Palsy of Middlesex County	02	---	---	---
300	---	---	300	---	Asperger's Syndrome Pilot Program	02	---	---	---
42,306	---	524	42,830	42,830	Home Assistance	02	43,603	47,003	47,003

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Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
GRANTS-IN-AID									
1,657	---	---	1,657	1,657	Home Assistance (CRF)	02	1,657	1,657	1,657
1,339	---	---	1,339	1,339	Purchase of After School and Camp Services	02	1,339	1,339	1,339
551	---	---	551	551	Purchase of After School and Camp Services (CRF)	02	551	551	551
19,231	---	---	19,231	19,231	Real Life Choices	02	24,280	24,280	24,280
4,048	---	---	4,048	4,048	Social Services	02	4,048	3,718	3,718
471	---	---	471	471	Case Management	02	471	471	471
---	---	---	---	---	New Jersey Institute of Disabilities	02	250	---	---
---	---	---	---	---	NJ Center for Outreach Svcs. for the Autism Comm. - Adult Resources Int. Proj.	02	350	---	---
---	---	---	---	---	Asperger's Syndrome VEST Program, Jewish Family Services, Inc., Teaneck	02	100	---	---
129,987	---	1,573	131,560	131,560	Purchase of Adult Activity Services	03	141,388	160,018	160,018
7,374	---	---	7,374	7,374	Purchase of Adult Activity Services (CRF)	03	7,374	7,374	7,374
<i>Less:</i>									
(250,895)	(147)	---	(251,042)	(233,019)	Federal Funds		(260,945)	(281,917)	(281,917)
---	(60,386)	---	(60,386)	(53,038)	All Other Funds		(38,630)	(45,979)	(45,979)
571,882	55,874	5,242	632,998	584,670	Grand Total State Appropriation		556,248	587,596	587,596
OTHER RELATED APPROPRIATIONS									
278,131	74,669	---	352,800	327,987	Total Federal Funds		294,829	318,787	318,787
---	60,386	---	60,386	53,038	Total All Other Funds		38,630	45,979	45,979
850,013	190,929	5,242	1,046,184	965,695	GRAND TOTAL ALL FUNDS		889,707	952,362	952,362

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Notes -- Grants-In-Aid - General Fund

(b) Additional funding is available for this program from prior year carryforward funds.

(c) Starting in fiscal year 2008, the Community Nursing Care Initiative - FY2002, Community Service Waiting List Reduction Initiative - FY2002, CSWL Initiative Development, Developmental Center Enhancement (GIA), and Community Transition Initiative - FY2002 line items are distributed to various maintenance accounts.

Language Recommendations -- Grants-In-Aid - General Fund

The Division of Developmental Disabilities is authorized to transfer funds from the Dental Program for Non-Institutionalized Children account to the Division of Medical Assistance and Health Services, in proportion to the number of program participants who are Medicaid eligible.

Excess State funds realized by federal involvement through Medicaid in the Dental Program for Non-Institutionalized Children are committed for the program's support during the subsequent fiscal year, rather than for expansion.

Amounts that become available as a result of the return of persons from private institutional care placements, including in-State and out-of-State placements, shall be available for transfer to other Grants-in-Aid accounts within the Division of Developmental Disabilities, subject to the approval of the Director of the Division of Budget and Accounting.

Cost recoveries from skill development homes during the current fiscal year, not to exceed \$12,500,000, are appropriated for the continued operation of the Skill Development Homes program, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of Title 30 of the Revised Statutes or any other law or regulation to the contrary, the Assistant Commissioner of Developmental Disabilities is authorized to waive statutory, regulatory, or licensing requirements in the use of funds appropriated hereinabove for the operation of the self-determination program including participants from the Community Services Waiting List Reduction Initiatives-FY1997 through FY2002, subject to the approval of a plan by the Assistant Commissioner of the Division of Developmental Disabilities, which allowed an individual to be removed from the waiting list. This waiver also applies to those persons identified as part of the Community Transition Initiative-FY2001 and FY2002, and the Community Nursing Care Initiative-FY2002, who chose self-determination.

Cost recoveries from developmentally disabled consumers collected during the current fiscal year, not to exceed \$33,479,000, are appropriated for the continued operation of the Group Homes program, subject to the approval of the Director of the Division of Budget and Accounting.

Such sums as may be necessary are appropriated from the General Fund for the payment of any provider assessments to State Intermediate Care Facilities/Mental Retardation facilities, subject to the approval of the Director of the Division of Budget and Accounting of a plan to be submitted by the Commissioner of Human Services. Notwithstanding the provisions of any law or regulation to the contrary, only the federal share of funds anticipated from these assessments shall be available to the Department of Human Services for the purposes set forth in P.L.1998, c.40 (C.30:6D-43 et seq.).

Notwithstanding the provisions of any law or regulation to the contrary, \$303,766,000 of federal Community Care Waiver funds is appropriated for community-based programs in the Division of Developmental Disabilities. The appropriation of federal Community Care Waiver funds above this amount is conditional upon the approval of a plan submitted by the Department of Human Services that must be approved by the Director of the Division of Budget and Accounting.

In order to permit flexibility in the handling of appropriations and assure timely payment to service providers, funds may be transferred within the Grants-in-Aid accounts within the Division of Developmental Disabilities, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Capital Improvements for Olmstead Group Homes account is appropriated.

The unexpended balance at the end of the preceding fiscal year in the Asperger's Syndrome Pilot Program account is appropriated.

Of the amount hereinabove appropriated for Addressing the Needs of the Autism Community, \$500,000 is appropriated to the Autism Center at the University of Medicine and Dentistry of New Jersey - New Jersey Medical School.

The unexpended balance at the end of the preceding fiscal year in the Addressing the Needs of the Autism Community account is appropriated.

The unexpended balance at the end of the preceding fiscal year, not to exceed \$12,500,000, in the Group Homes account is appropriated to provide community placements for clients on the Community Services Waiting List, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - Casino Revenue Fund

Amounts required to return persons with developmental disabilities presently residing in out-of-State institutions to community residences within the State may be transferred from the Private Institutional Care account to other Casino Revenue Fund Grants-in-Aid accounts within the Division of Developmental Disabilities, subject to the approval of the Director of the Division of Budget and Accounting.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT 33. SUPPLEMENTAL EDUCATION AND TRAINING PROGRAMS 7560. COMMISSION FOR THE BLIND AND VISUALLY IMPAIRED

OBJECTIVES

1. To assist blind and severely visually impaired persons to adjust to their disability, to take advantage of individual skills and experiences, and to help achieve an appropriate vocational goal through provision of diagnostic, evaluative, restorative, counseling, training, and placement services.
2. To provide special instruction and support services to blind and visually impaired children to maximize their ability to compete with their sighted peers in the least restrictive setting.
3. To provide social services and referrals to help blind and visually impaired persons to access needed services, and to provide specific training services to assist persons to function in their usual environment.
4. To supervise and carry out screening activities involving persons from groups identified as being vulnerable to eye problems, and to coordinate screenings carried out by other groups.
5. To provide, or cause to be provided, appropriate medical treatment to prevent, reduce or retard loss of vision for individuals identified to the Commission as having a potential vision problem and to assist in securing appropriate vision aids.
6. To disseminate to the public, especially high-risk persons and the health care community throughout New Jersey, information on (1) the causality and prevention of vision loss,

emphasizing early detection, and (2) the wide array of services available to blind and visually impaired persons.

PROGRAM CLASSIFICATIONS

11. **Services for the Blind and Visually Impaired.** Habilitation and Rehabilitation provides or ensures access to services that will enable individuals who are blind or visually impaired to obtain their fullest measure of adjustment, self-reliance, productivity and integration into their community. Vocational Rehabilitation Services assist in the development, acquisition, or updating of skills that will enable clients to secure and maintain employment. Those services include: evaluation, counseling, guidance, practical and psychological adjustment to vision loss, training, job placement, post-employment consultation, low and high technical aids and appliances and certain medical assistance. Services for eligible clients, including persons with severe multi-handicaps, are individualized to their vocational goals, including working in the labor force, operating their own business, supportive employment or rehabilitation, and managing their own home.

Educational services are available from birth through high school for eligible children and their families. These services are designed to assure that students who are blind or visually impaired may participate equally with other students in regular classroom activities or the appropriate, least-restrictive educational placement. Consultative services and interpretation of individual functional vision assessments are

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provided to local school personnel, with recommendations for placement, instructional materials and program modifications. Services also include institutional and day training center programs, services to deaf-blind children, counseling and training for families of infants and pre-school children, tutoring in special areas, instruction in independent travel and daily living skills, reader services, summer camp for children and teenagers, assistance with adaptive equipment, special books, materials and technical aids, and vision restoration and/or enhancement or the use of remaining vision. Community services provide social casework, rehabilitation teaching, orientation and mobility instruction, in-home nursing services training and community outreach/education.

Prevention includes eye health screening and follow-up services for several high-risk groups, including pre-schoolers, the elderly, minorities, diabetics, and institutionalized persons. Also included are medical treatment and low vision aids for persons without the means to pay.

99. **Administration and Support Services.** Determines policies and procedures, develops and maintains fiscal plans and records and provides statistical information and reports to the agency as well as to the state and federal government. Administers the service delivery systems of the Commission including program review and evaluation, program change, program implementation, and policy formation.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Services for the Blind and Visually Impaired				
Vocational Rehabilitation				
Total clients served	2,512	2,520	2,600	2,700
Clients rehabilitated	277	312	300	320
Wage earners	268	301	290	310
Homemakers	9	11	10	10
Average annual income after rehabilitation	\$22,600	\$21,300	\$23,000	\$23,200
Average cost per client served	\$6,700	\$6,600	\$6,800	\$6,900
Average cost per client rehabilitated	\$16,700	\$16,100	\$16,700	\$16,800
Rehabilitations per counselor	17	18	18	19
Community Service (State Habilitation)				
Total clients receiving independent living services	3,567	3,156	3,200	3,200
Clients receiving orientation and mobility instruction	1,320	1,048	1,100	1,100
Clients receiving basic life skills instruction	1,802	1,848	1,900	1,900
Social casework services	590	561	575	575
Clients over 65 (non-VR)	1,916	1,748	1,800	1,800
Prevention				
Total persons screened	45,862	46,040	48,000	48,000
Adult vision screenings	4,616	4,700	5,000	5,000
Pre-school vision screenings	25,539	25,458	26,000	26,000
Mobile screenings	14,190	14,451	15,000	15,000
Diabetic screenings	1,517	1,431	2,000	2,000
Referred for further evaluations	3,810	3,841	4,000	4,000
Referred to CBVI	870	971	1,000	1,000
Eye Health case services	2,249	2,089	2,200	2,200
Low vision services	2,224	1,930	2,000	2,000
Instruction				
Total clients receiving educational services	2,799	2,787	2,800	2,850
Pre-school children receiving itinerant services	375	384	390	390
Total number of school-aged children receiving itinerant services	2,424	2,655	2,700	2,700
Percent multi-handicapped	95	96	95	95
Average direct service caseload size	40	38	40	40
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	180	213	206	152
Federal	101	105	103	103
Total Positions	281	318	309	255

Notes:
Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
7,660	14	902	8,576	8,564	Services for the Blind and Visually Impaired	11	8,203	7,592	7,592
1,492	771	-2	2,261	2,248	Administration and Support Services	99	2,284	2,284	2,284
9,152	785	900	10,837	10,812	Total Direct State Services		10,487 ^(a)	9,876	9,876
<u>Distribution by Fund and Object</u>									
Personal Services:									
7,725	---	900	8,625	8,625	Salaries and Wages		9,092	7,781	7,781
7,725	---	900	8,625	8,625	Total Personal Services		9,092	7,781	7,781
123	---	---	123	123	Materials and Supplies		123	123	123
439	---	-2	437	436	Services Other Than Personal		407	1,107	1,107
80	---	---	80	80	Maintenance and Fixed Charges		80	80	80
Special Purpose:									
765	14	2	781	769	Technology for the Visually Impaired	11	765	765	765
---	53 718 ^R	---	771	759	Management and Administra- tive Services	99	---	---	---
20	---	---	20	20	Additions, Improvements and Equipment		20	20	20
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
4,242	---	14	4,256	4,256	Services for the Blind and Visually Impaired	11	4,277	4,277	4,277
4,242	---	14	4,256	4,256	Total Grants-in- Aid		4,277	4,277	4,277
<u>Distribution by Fund and Object</u>									
Grants:									
52	---	---	52	52	Camp Marcella	11	52	52	52
156	---	---	156	156	Psychological Counseling	11	156	156	156
---	---	---	---	---	State Match for Federal Grants	11	---	617	617
53	---	---	53	53	Recording for the Blind, Inc.	11	53	53	53
2,170	---	---	2,170	2,170	Educational Services for Children	11	2,170	1,670	1,670
1,811	---	14	1,825	1,825	Services to Rehabilitation Clients	11	1,846	1,729	1,729
<u>CAPITAL CONSTRUCTION</u>									
Distribution by Fund and Program									
---	597	---	597	---	Services for the Blind and Visually Impaired	11	---	---	---
---	597	---	597	---	Total Capital Construction		---	---	---

HUMAN SERVICES

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
CAPITAL CONSTRUCTION								
Distribution by Fund and Object								
Commission for the Blind and Visually Impaired								
---	597	---	597	---				
					Emergency Equipment Upgrades			
					- J. Kohn Rehabilitation Center	11	---	---
13,394	1,382	914	15,690	15,068	Grand Total State Appropriation	14,764	14,153	14,153
OTHER RELATED APPROPRIATIONS								
Federal Funds								
9,909	1,675	50	11,634	9,786	Services for the Blind and Visually Impaired	11	10,206	10,657
2,208	244	---	2,452	2,168	Administration and Support Services	99	2,059	2,177
12,117	1,919	50	14,086	11,954	Total Federal Funds	12,265	12,834	12,834
All Other Funds								
---	114	---	640	640	Services for the Blind and Visually Impaired	11	300	500
---	526 ^R	---	---	---	Administration and Support Services	99	475	725
---	640	---	640	640	Total All Other Funds	775	1,225	1,225
25,511	3,941	964	30,416	27,662	GRAND TOTAL ALL FUNDS	27,804	28,212	28,212

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

There is appropriated from funds recovered from audits or other collection activities, an amount sufficient to pay vendors' fees to compensate the recoveries and the administration of the State's vending machine program, subject to the approval of the Director of the Division of Budget and Accounting. Receipts in excess of \$130,000 are appropriated for the purpose of expanding vision screening services and other prevention services, subject to the approval of the Director of the Division of Budget and Accounting. The unexpended balance at the end of the preceding fiscal year of such receipts is appropriated.

Notwithstanding the provisions of N.J.S.18A:61-1 and N.J.S.18A:46-13, or any law or regulation to the contrary, local boards of education shall reimburse the Commission for the Blind and Visually Impaired for the documented costs of providing services to children who are classified as "educationally handicapped," provided however, each local board of education shall pay that portion of cost which the number of children classified "educationally handicapped" bears to the total number of such children served, provided further, however, that payments shall be made by each local board in accordance with a schedule adopted by the Commissioners of Education and Human Services, and further, the Director of the Division of Budget and Accounting is authorized to deduct such reimbursements from the State Aid payments to the local boards of education.

The unexpended balances at the end of the preceding fiscal year in the Technology for the Visually Impaired account are appropriated for the Commission for the Blind and Visually Impaired, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated, the amount of \$900,000 is transferred from the Governor's Literacy Initiative to the Commission for the Blind and Visually Impaired for increased Braille lessons for blind children, subject to the approval of the Director of the Division of Budget and Accounting.

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

53. ECONOMIC ASSISTANCE AND SECURITY

7550. DIVISION OF FAMILY DEVELOPMENT

OBJECTIVES

1. To establish, maintain and supervise an effective public assistance system, ensuring the uniform administration of income maintenance programs in compliance with federal and State statutes and regulations.
2. To ensure that appropriate income maintenance payments are provided in an equitable, uniform and efficient manner to

individuals who qualify for such assistance.

3. To ensure that all eligible individuals receive health care coverage provided through the Division of Medical Assistance and Health Services.
4. To assist eligible individuals and families in their efforts to gain financial self-sufficiency and decrease dependency on time-limited (60 months) welfare through meaningful employment and training programs.

5. To establish, maintain and supervise the collection of child support through the location of absent parents, establishment of paternity for children born out-of-wedlock and the enforcement of such court orders.
6. To establish, maintain, and supervise an effective child care system that provides child care services to families in Work First New Jersey program activities and subsidizes such services to other low income families.

PROGRAM CLASSIFICATIONS

15. **Income Maintenance Management.** Supervises the operations of local welfare agencies and evaluates their achievements in terms of current policy and procedure, and acts as liaison between the local agencies and the State Division of Family Development; exercises statutory responsibilities relative to the General Assistance Program. Supervises, through county or municipal welfare agencies, the administration of the Temporary Assistance to Needy Families, the Food Stamp, Cuban Haitian Entrant, Refugee Resettlement and General Assistance programs.

Prepares all income maintenance policies and regulations as promulgated through manuals, program instructions and procedural bulletins. Studies, measures and maintains ongoing reviews in order to assess and test adherence to policies and procedures and identifies significant sources of agency errors

and recommends remedial measures. Maintains the integrity of the assistance program by conducting various file matches which assist in reducing erroneous eligibility and payment errors to ensure that clients truly in need of assistance receive the maximum benefits permitted by law.

Determines and implements overall program policy, including the establishment and enforcement of standards, regulations, policies and fiscal and statistical activities for the public welfare programs administered by State, county, or municipal agencies; promotes and facilitates the effective operation of all staff development and training programs in all governmental agencies engaged in public welfare; plans, implements, and monitors data processing programs; processes requests for fair hearings from applicants and recipients of public assistance. Develops and maintains fiscal and statistical programs.

Supervises and directs the activities for all agencies involved in the collection of child support and the provision of employment and training services to public assistance recipients.

Through the administration of contracts with local agencies, supervises and directs the provision of child care, as well as other related services, to eligible families and funds initiatives to enhance the child care providers' ability to provide such services.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Income Maintenance Management				
General Assistance				
Employable				
Average monthly recipients	21,609	21,927	22,920	23,500
Average monthly cash assistance	\$145.31	\$144.94	\$146.51	\$146.26
Burials	\$274,147	\$245,429	\$212,708	\$220,379
State expenditures	\$37,954,192	\$38,382,622	\$40,508,818	\$41,465,699
Unemployable				
Average monthly recipients	15,535	15,921	16,928	17,499
Average monthly cash assistance	\$233.42	\$234.46	\$232.01	\$232.22
Burials	\$380,964	\$319,928	\$228,513	\$291,311
Total assistance expenditures	\$43,895,120	\$45,113,980	\$47,358,096	\$49,054,724
Refunds to assistance	(\$16,691,940)	(\$15,451,602)	(\$16,794,936)	(\$16,860,979)
State expenditures	\$27,203,180	\$29,662,378	\$30,563,160	\$32,193,745
Emergency Assistance Program				
Average monthly recipients	7,094	6,806	6,929	7,163
Average monthly grant	\$817.76	\$835.27	\$822.02	\$807.92
State expenditures	\$69,614,273	\$68,218,171	\$68,349,319	\$69,445,572
Work First New Jersey				
Average monthly recipients	112,192	103,094	100,463	96,748
Average monthly grant	\$130.78	\$132.04	\$130.93	\$131.39
Total assistance expenditures	\$176,069,637	\$163,350,381	\$157,843,447	\$152,540,637
Less: Credits	(\$4,100,459)	(\$4,385,414)	(\$3,961,716)	(\$4,107,317)
Less: Recoveries	(\$6,992,344)	(\$5,413,098)	(\$6,699,669)	(\$5,413,098)
Less: 50% Gross Child Support Collections	(\$27,389,003)	(\$26,715,153)	(\$26,187,370)	(\$26,057,882)
Add: Child Support Disregards	\$4,361,163	\$3,976,914	\$3,604,335	\$3,626,519
Add: Burials	\$355,489	\$366,100	\$310,495	\$340,000
Total Work First New Jersey costs (a)	\$142,304,483	\$131,179,730	\$124,909,522	\$120,928,859
Less: Work First New Jersey county expenditures	(\$7,116,049)	(\$6,558,986)	(\$4,936,108)	(\$4,743,600)
State Work First New Jersey expenditures	\$135,188,434	\$124,620,744	\$119,973,414	\$116,185,259

HUMAN SERVICES

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Emergency Assistance				
Average monthly recipients	16,980	15,475	15,405	14,691
Average monthly grant	\$396.48	\$414.02	\$411.29	\$429.07
Total assistance expenditures	\$80,786,765	\$76,883,514	\$76,031,069	\$75,641,608
Less: Credits	(\$552,503)	(\$655,727)	(\$594,600)	(\$550,000)
Net emergency assistance costs	\$80,234,262	\$76,227,787	\$75,436,469	\$75,091,608
Less: county expenditures	(\$4,062,179)	(\$3,811,288)	(\$3,771,823)	(\$3,754,636)
State Work First New Jersey expenditures	\$76,172,083	\$72,416,499	\$71,664,646	\$71,336,972
Supplemental Security Income (SSI)				
Average monthly recipients	146,863	149,857	151,324	151,819
Average monthly grant	\$29.50	\$29.54	\$30.11	\$30.06
Total assistance expenditures	\$51,989,502	\$53,121,309	\$54,676,388	\$54,764,150
Emergency Assistance recipients	1,454	1,590	1,902	1,995
Emergency Assistance	\$15,047,276	\$17,406,183	\$20,336,184	\$20,592,216
Less: Recoveries	(\$183,299)	(\$179,789)	(\$198,981)	(\$200,000)
Burials	\$10,613,799	\$10,876,514	\$12,645,519	\$12,648,544
Net SSI expenditures	\$77,467,278	\$81,224,217	\$87,459,110	\$87,804,910
SSI Administrative Expenses	\$16,999,562	\$17,884,553	\$18,619,049	\$19,272,746
Food Stamp Program				
Average monthly households participating	199,050	200,425	203,995	207,629
Percent of total authorized households participating	100%	100%	100%	100%
Average monthly recipients participating	411,816	418,288	424,861	431,537
Total value of bonus coupons	\$461,664,535	\$483,727,861	\$506,848,165	\$531,073,530
Average monthly value of bonus coupons per person participating	\$93.42	\$96.37	\$99.41	\$102.55
Child Care Payments for Eligible Families				
Low income families in contracted centers				
Average monthly children	10,196	10,071	10,967	10,967
Total expenditures	35,032,769	34,564,184	41,009,691	43,117,609
Low income families provided child care vouchers				
Average monthly children	15,817	14,831	20,378	20,378
Total expenditures	57,575,551	53,072,398	80,042,501	81,964,945
Children placed through protective services				
Average monthly children	2,270	2,441	2,561	2,561
Total expenditures	15,841,076	15,791,144	18,055,062	19,169,249
Active TANF recipients in work activity				
Average monthly children	6,995	6,394	7,860	7,860
Total expenditures	36,830,349	35,036,367	46,947,297	46,849,080
Transitional child care services				
Average monthly children	8,034	7,951	7,742	7,742
Total expenditures	38,830,882	40,068,526	42,529,046	43,424,203
Abbott Child Care Services				
Average monthly children	31,515	28,711	21,776	20,432
Total expenditures	102,295,151	100,050,924	89,288,461	82,357,765
Post Transitional Child Care				
Average monthly children	572	577	887	887
Total expenditures	2,777,573	2,519,456	3,872,308	3,913,388
Total Child Care Payments for Eligible Families				
Average monthly children	75,399	70,976	72,171	70,827
Total expenditures	\$289,183,351	\$281,102,999	\$321,744,366	\$320,796,239

PERSONNEL DATA

Position Data

Filled positions by Funding Source

State Supported	223	219	210	195
Federal	209	215	198	198
Total Positions	432	434	408	393

HUMAN SERVICES

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Filled Positions by Program Class				
Income Maintenance Management	432	434	408	393
Total Positions	432	434	408	393

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.

The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

(a) Includes funding to offset reduced Child Support collections as a result of federal changes in distribution hierarchy.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
115,922	38,876	-1,453	153,345	98,776	Income Maintenance Management	15	141,004	138,107	138,107
25,774	8,010	395	34,179	23,946	(From General Fund)		29,353	24,171	24,171
90,148	-3,758	-1,848	84,542	61,952	(From Federal Funds)		99,149	93,397	93,397
---	34,624	---	34,624	12,878	(From All Other Funds)		12,502	20,539	20,539
115,922	38,876	-1,453	153,345	98,776	Total Direct State Services		141,004 (a)	138,107	138,107
Less:									
(90,148)	3,758	1,848	(84,542)	(61,952)	Federal Funds		(99,149)	(93,397)	(93,397)
---	(34,624)	---	(34,624)	(12,878)	All Other Funds		(12,502)	(20,539)	(20,539)
25,774	8,010	395	34,179	23,946	Total State Appropriation		29,353	24,171	24,171
Distribution by Fund and Object									
Personal Services:									
29,537	---	---	29,537	27,591	Salaries and Wages		31,389	31,176	31,176
29,537	---	---	29,537	27,591	Total Personal Services		31,389	31,176	31,176
749	---	-182	567	281	Materials and Supplies		749	749	749
25,006	---	235	25,241	23,095	Services Other Than Personal		30,694	30,694	30,694
1,490	---	-42	1,448	1,448	Maintenance and Fixed Charges		1,490	1,490	1,490
Special Purpose:									
2,933	37	109	3,079	2,710	Electronic Benefit Transfer/ Distribution System	15	2,840	2,840	2,840
53,115	6,133				Work First New Jersey - Technology Investment	15	70,914	70,914	70,914
248 S	22,492 R	-1,484	80,256	40,243	Hispanic Directors Association of New Jersey	15	---	---	---
---	---	-138	110	---					
---	6,315								
---	3,632 R	---	9,947	755	Food Stamp Enhanced Funding	15	---	---	---
---	266	---	266	---	Tax Refund Seizure Program	15	---	---	---
2,600	---	49	2,649	2,649	SSI Attorney Fees	15	2,684	---	---
244	1	---	245	4	Additions, Improvements and Equipment		244	244	244
Less:									
(90,148)	3,758	1,848	(84,542)	(61,952)	Federal Funds		(99,149)	(93,397)	(93,397)
---	(34,624)	---	(34,624)	(12,878)	All Other Funds		(12,502)	(20,539)	(20,539)
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
540,349	21,680	-18,049	543,980	492,296	Income Maintenance Management	15	558,925	552,635	552,635
267,997	425	-13,009	255,413	249,174	(From General Fund)		277,025	269,216	269,216
272,352	804	-5,040	268,116	222,729	(From Federal Funds)		261,900	263,419	263,419
---	20,451	---	20,451	20,393	(From All Other Funds)		20,000	20,000	20,000
540,349	21,680	-18,049	543,980	492,296	Total Grants-in-Aid		558,925	552,635	552,635

HUMAN SERVICES

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID									
Less:									
(272,352)	(804)	5,040	(268,116)	(222,729)	Federal Funds		(261,900)	(263,419)	(263,419)
---	(20,451)	---	(20,451)	(20,393)	All Other Funds		(20,000)	(20,000)	(20,000)
267,997	425	- 13,009	255,413	249,174	Total State Appropriation		277,025	269,216	269,216
Distribution by Fund and Object									
Grants:									
2,965	---	1,695	4,660	4,409	DFD Homeless Prevention Initiative	15	3,388	3,388	3,388
5,431									
50 ^S	516	---	5,997	1,709	Restricted Grants	15	5,516	5,516	5,516
14,130	---	-129	14,001	13,374	Work First New Jersey - Training Related Expenses	15	17,587	17,587	17,587
55,664	20,451 ^R	-1,279	74,836	56,755	Work First New Jersey Support Services	15	77,760	77,760	77,760
210	---	31	241	241	Work First New Jersey - Community Housing For Teens	15	244	244	244
7,167	---	-2,517	4,650	4,199	Work First New Jersey - Breaking the Cycle	15	1,055	1,055	1,055
393,730	655	4,860	399,245	371,729	Work First New Jersey - Child Care	15	384,937	378,767	378,767
6,565	---	-95	6,470	6,470	Kinship Care Initiatives	15	7,244	7,244	7,244
43	---	---	43	---	Housing Diversion/Subsidy Program	15	43	43	43
465	---	6	471	471	Domestic Violence Prevention Training and Assessment	15	478	478	478
1,873	---	-1,873	---	---	Pre-Early Childhood Education	15	1,901	1,901	1,901
3,361	---	-3,361	---	---	Mental Health Assessments	15	3,446	3,446	3,446
1,000	---	232	1,232	1,232	Wage Supplement Program	15	1,405	1,405	1,405
17,317	---	-13,657	3,660	3,417	Kinship Care Guardianship and Subsidy	15	3,348	3,348	3,348
---	58	---	58	58	TANF Food Bank	15	---	---	---
202	---	-202	---	---	Minority Male Initiative	15	205	205	205
---	---	13	13	13	Refugee Resettlement Program Cost of Living Adjustment	15	---	---	---
11,524	---	650	12,174	12,136	Social Services for the Homeless	15	11,997	11,997	11,997
---	---	---	---	---	SSI Attorney Fees	15	---	2,684	2,684
18,652	---	-2,423	16,229	16,083	Substance Abuse Initiatives	15	38,371	35,567	35,567
Less:									
(272,352)	(804)	5,040	(268,116)	(222,729)	Federal Funds		(261,900)	(263,419)	(263,419)
---	(20,451)	---	(20,451)	(20,393)	All Other Funds		(20,000)	(20,000)	(20,000)
STATE AID									
Distribution by Fund and Program									
812,035	62,015	-67,058	806,992	723,736	Income Maintenance Management	15	729,507	757,958	757,958
293,680	3,618	251	297,549	292,777	(From General Fund)		287,507	307,301	307,301
518,355	58,397	-67,309	509,443	430,959	(From Federal Funds)		442,000	446,680	446,680
---	---	---	---	---	(From All Other Funds)		---	3,977	3,977
812,035	62,015	- 67,058	806,992	723,736	Total State Aid		729,507	757,958	757,958
Less:									
(518,355)	(58,397)	67,309	(509,443)	(430,959)	Federal Funds		(442,000)	(446,680)	(446,680)
---	---	---	---	---	All Other Funds		---	(3,977)	(3,977)
293,680	3,618	251	297,549	292,777	Total State Appropriation		287,507	307,301	307,301

HUMAN SERVICES

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
STATE AID								
Distribution by Fund and Object								
State Aid:								
254,395	5,024	352	259,771	231,727	County Administration Funding	15	254,097	263,557
130,756	24,803	2,431	157,990	103,419	Work First New Jersey - Client Benefits	15	117,008	116,186
18,393	---	---	18,393	18,393	Earned Income Tax Credit Program (b)	15	18,393	18,393
65,690	646	-65,690	646	646	Federal Energy Assistance Program (c)	15	---	---
70,010	---	-1,912	68,098	68,098	General Assistance Emergency Assistance Program	15	68,548 (d)	69,443
66,133	3,618	-4,614	65,137	64,531	Payments for Cost of General Assistance	15	67,675 (d)	73,658
74,798	27,924	---	102,722	102,722	Work First New Jersey - Emergency Assistance	15	67,836	71,338
80,056	---	1,194	81,250	81,249	Payments for Supplemental Security Income	15	83,134 (d)	87,809
17,149	---	826	17,975	17,975	State Supplemental Security Income Administrative Fee to SSA	15	18,188 (d)	19,273
26,005	---	342	26,347	26,347	General Assistance County Administration	15	26,005	29,678
8,600	---	---	8,600	8,600	Food Stamp Administration - State	15	8,600	8,600
50	---	13	63	29	Fair Labor Standards Act-Minimum Wage Requirements (TANF)	15	23	23
Less:								
(518,355)	(58,397)	67,309	(509,443)	(430,959)	Federal Funds	(442,000)	(446,680)	(446,680)
---	---	---	---	---	All Other Funds	---	(3,977)	(3,977)
587,451	12,053	-12,363	587,141	565,897	Grand Total State Appropriation	593,885	600,688	600,688
OTHER RELATED APPROPRIATIONS								
880,855	55,443	-74,197	862,101	715,640	Total Federal Funds	803,049	803,496	803,496
---	55,075	---	55,075	33,271	Total All Other Funds	32,502	44,516	44,516
1,468,306	122,571	-86,560	1,504,317	1,314,808	GRAND TOTAL ALL FUNDS	1,429,436	1,448,700	1,448,700

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Notes -- State Aid - General Fund

- (b) Additional funding to maintain benefit levels is available from Gross Income Tax revenues.
(c) The Federal Energy Assistance Program is moved to the Department of Community Affairs in fiscal year 2008.
(d) Additional funds are available for this program from other State resources within the Department of Human Services.

Language Recommendations -- Direct State Services - General Fund

Receipts derived from counties and local governments for data processing services and the unexpended balance at the end of the preceding fiscal year of such receipts are appropriated.

In order to permit flexibility, amounts may be transferred between various items of appropriation within the Income Maintenance Management program classification, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

The unexpended balances at the end of the preceding fiscal year in accounts where expenditures are required to comply with Maintenance of Effort requirements as specified in the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996," Pub.L.104-193, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - General Fund

In order to permit flexibility, amounts may be transferred between various items of appropriation within the Income Maintenance Management program classification, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

HUMAN SERVICES

- The unexpended balances at the end of the preceding fiscal year in accounts where expenditures are required to comply with Maintenance of Effort requirements as specified in the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996," Pub.L. 104-193 are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.
- Of the amounts appropriated for Work First New Jersey, amounts may be transferred to the various departments in accordance with the Division of Family Development's agreements, subject to the approval of the Director of the Division of Budget and Accounting. Any unobligated balances remaining from funds transferred to the departments shall be transferred back to the Division of Family Development, subject to the approval of the Director of the Division of Budget and Accounting.
- The amounts hereinabove appropriated for the Income Maintenance Management program classification is subject to the following condition: the Commissioner of Human Services shall provide the Director of the Division of Budget and Accounting, the Senate Budget and Appropriations Committee and the Assembly Appropriations Committee, or the successor committees thereto, with quarterly reports, due within 60 days after the end of each quarter, containing written statistical and financial information on the Work First New Jersey program and any subsequent welfare reform program the State may undertake.
- Notwithstanding any law to the contrary, in addition to the amounts hereinabove for the Work First New Jersey Support Services, an amount not to exceed \$20,000,000 is appropriated from the Workforce Development Partnership Fund established pursuant to section 9 of P.L.1992, c.43 (C.34:5D-9), subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding the provisions of any law or regulation to the contrary, in addition to the amounts hereinabove appropriated for Work First New Jersey Support Services, an amount not to exceed \$20,000,000 may be appropriated from the Workforce Development Partnership Fund established pursuant to section 9 of P.L.1992, c.43 (C.34:15D-9) to the Division of Family Development for Work First New Jersey Support Services in the event federal funding is reduced pursuant to work participation requirements as specified in section 7102 of the federal Deficit Reduction Act of 2005 (Pub.L.109-171), subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding the provisions of any law or regulation to the contrary, no funds hereinabove appropriated for before-school, after-school and summer "wrap around" child care shall be expended except in accordance with the following condition: effective September 1, 2008, families with incomes above 250% of the federal poverty level who reside in districts who received pre-school expansion aid in fiscal 2007 shall not be eligible for free "wrap around" child care.

Language Recommendations -- State Aid - General Fund

- The net State share of reimbursements and the net balances remaining after full payment of sums due the federal government of all funds recovered under P.L.1997, c.38 (C.44:10-55 et seq.), P.L.1950, c.166 (C.30:4B-1 et seq.), during the fiscal year ending June 30, 2008 are appropriated.
- Receipts from State administered municipalities during the preceding fiscal year are appropriated.
- The sum hereinabove appropriated is available for payment of obligations applicable to prior fiscal years.
- Any change by the Department of Human Services in the standards upon which or from which grants of categorical public assistance are determined, shall first be approved by the Director of the Division of Budget and Accounting.
- In order to permit flexibility and ensure the timely payment of benefits to welfare recipients, amounts may be transferred between the various items of appropriation within the Income Maintenance Management program classification, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.
- Notwithstanding the provisions of any law or regulation to the contrary, the Director of the Division of Budget and Accounting is authorized to withhold State Aid payments to municipalities to satisfy any obligations due and owing from audits of that municipality's General Assistance program.
- The unexpended balances at the end of the preceding fiscal year in accounts where expenditures are required to comply with Maintenance of Effort requirements as specified in the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996," Pub.L.104-193, and in the Payments for Cost of General Assistance and General Assistance-Emergency Assistance Program accounts are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.
- Receipts from counties for persons receiving Old Age Assistance, Disability Assistance, and Assistance for the Blind under the Supplemental Security Income (SSI) program are appropriated for the purpose of providing State Aid to the counties, subject to the approval of the Director of the Division of Budget and Accounting.
- In addition to the provisions of section 3 of P.L.1973, c.256 (C.44:7-87), the Department of Human Services shall assess welfare boards at the beginning of each fiscal year in the same proportion that the counties currently participate in the federal categorical assistance programs, in order to obtain the amount of each county's share of the supplementary payments for eligible persons in this state, based upon the number of eligible persons in the county. Welfare boards shall pay the amount assessed.
- There is appropriated an amount equal to the difference between actual revenue loss reflected in the Earned Income Tax Credit program and the amount anticipated as the revenue loss from the Earned Income Tax Credit to meet federal Maintenance of Effort requirements to allow the Department of Human Services to comply with the Maintenance of Effort requirements as specified in the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996," Pub.L.104-193, and as legislatively required by the Work First New Jersey program established pursuant to section 4 of P.L.1997, c.38 (C.44:10-58), subject to the approval of the Director of the Division of Budget and Accounting.

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

55. SOCIAL SERVICES PROGRAMS

7555. DIVISION OF ADDICTION SERVICES

OBJECTIVES

1. To reduce the abuse of and dependence on narcotics, alcohol, tobacco and other drugs.
2. To reduce the incidence of compulsive gambling.

PROGRAM CLASSIFICATIONS

09. **Addiction Services.** Provides, by grants, support to

multi-modality drug clinics and treatment facilities which reduce drug abuse and treat and rehabilitate addicts (C.26:2G). Provides, by grants, counseling and detoxification services in clinics, institutions and schools; assists in development of employee assistance programs; coordinates with Mental Health Programs (C.26:2B-1); and provides counseling programs for compulsive gamblers.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Addiction Services				
Drug treatment admissions - primary alcohol	19,209	17,299	17,235	17,172
Drug treatment admissions - primary other drugs	45,009	39,472	41,325	43,266
Adult hospital detoxification admissions	9,575	8,723	9,392	10,112
Adult residential detoxification admissions	4,352	4,432	5,005	5,652
Adult residential admissions	8,671	9,046	10,455	12,083
Adult out-patient admissions	32,824	31,756	32,364	32,984
Juvenile treatment admissions	4,213	2,905	2,651	2,419
Juvenile hospital detoxification admissions	148	5	5	5
Juvenile residential detoxification admissions	71	16	15	15
Juvenile residential admissions	1,567	887	821	760
Juvenile out-patient admissions	2,619	1,995	1,810	1,642
Intoxicated driver cases processed	25,263	25,263	33,263	28,263
Individuals given information and referral	47,368	47,368	47,368	47,368

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	21	18	16	16
Federal	92	87	89	89
All Other	24	23	25	25
Total Positions	137	128	130	130

Filled Positions by Program Class

Addiction Services	137	128	130	130
------------------------------	-----	-----	-----	-----

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES									
Distribution by Fund and Program									
455	---	19,877	20,332	19,275	Addition Services	09	1,222	672	672
455	---	19,877	20,332	19,275	Total Direct State Services		1,222 (a)	672	672
Distribution by Fund and Object									
Personal Services:									
367	---	430	797	797	Salaries and Wages		1,135	585	585
367	---	430	797	797	Total Personal Services		1,135	585	585
20	---	---	20	20	Materials and Supplies		20	20	20

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Notes -- Grants-In-Aid - General Fund

- (b) This account provides the necessary State Maintenance of Effort requirement to match the federal Substance Abuse Block Grant.
- (c) Merged with Community Based Substance Abuse Treatment and Prevention - State Share line item for fiscal 2008.

Language Recommendations -- Direct State Services - General Fund

The Division of Addiction Services is authorized to bill a patient, a patient's insurance carrier, a patient's estate, the person chargeable for a patient's support or the county of residence for institutional, residential and outpatient support of patients treated for alcoholism or drug abuse, or both. Receipts derived from billings or fees and unexpended balances at the end of the preceding fiscal year from these billings or fees are appropriated to the Department of Human Services for the support of the alcohol and drug abuse programs, subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated from the Alcohol Education, Rehabilitation and Enforcement Fund such sums as may be necessary to carry out the provisions of P.L.1983, c.531 (C.26:2B-32 et al.).

There is transferred from the "Drug Enforcement and Demand Reduction Fund" \$350,000 to carry out the provisions of P.L.1995, c.318 (C.26:2B-36 et seq.) to establish an "Alcohol and Drug Abuse Program for the Deaf, Hard of Hearing and Disabled" in the Department of Human Services, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - General Fund

The unexpended balance at the end of the preceding fiscal year of appropriations made to the Department of Human Services by section 20 of P.L.1989, c.51 for State-licensed or approved drug abuse prevention and treatment programs is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, there is transferred \$1,000,000 to the Department of Human Services from the "Drug Enforcement and Demand Reduction Fund" for drug abuse services.

In addition to the amount hereinabove appropriated for Community Based Substance Abuse Treatment and Prevention - State Share, there is appropriated \$1,100,000 from the "Drug Enforcement and Demand Reduction Fund" for the same purpose.

Notwithstanding the provisions of any law or regulation to the contrary, there is transferred \$500,000 to the Department of Human Services from the "Drug Enforcement and Demand Reduction Fund" for the Sub-Acute Residential Detoxification Program.

An amount, not to exceed \$600,000, collected by the Casino Control Commission is payable to the General Fund pursuant to section 145 of P.L.1977, c.110 (C.5:12-145).

In addition to the amount hereinabove appropriated for Compulsive Gambling, an amount not to exceed \$200,000 is appropriated from the annual assessment against permit holders to the Department of Human Services for prevention, education and treatment programs for compulsive gambling pursuant to the provisions of section 34 of P.L.2001, c.199 (C.5:5-159), subject to the approval of the Director of the Division of Budget and Accounting.

There is appropriated \$420,000 from the Alcohol Education, Rehabilitation and Enforcement Fund to fund the Local Alcoholism Authorities-Expansion account.

Notwithstanding the provisions of P.L.1983, c.531 (C.26:2B-32 et al.) or any law or regulation to the contrary, the unexpended balance at the end of the preceding fiscal year in the Alcohol Education, Rehabilitation and Enforcement Fund is appropriated and shall be distributed to counties for the treatment of alcohol and drug abusers and for education purposes.

There is appropriated \$1,000,000 from the "Drug Enforcement and Demand Reduction Fund" to the Department of Human Services for a grant to Partnership for a Drug-Free New Jersey.

The unexpended balances at the end of the preceding fiscal year in the Capital Improvements for Substance Abuse Treatment and Recovery Centers account are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

55. SOCIAL SERVICES PROGRAMS

7580. DIVISION OF THE DEAF AND HARD OF HEARING

OBJECTIVES

1. To act as an advocate for New Jersey's deaf and hearing impaired population.
2. To promote increased accessibility to programs, services, and information routinely available to the state's general population by involvement in social, legal, medical,

educational, and recreational service areas.

PROGRAM CLASSIFICATIONS

23. **Services for the Deaf.** Advocates for the rights of deaf and hearing-impaired persons. Provides information and referral services, acts as the state's primary sign language interpreter referral agency, and publishes a monthly newsletter.

HUMAN SERVICES

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Services for the Deaf				
Equipment Distribution Program - Devices Distributed				
TTYs, Amplified Telephones	237	447	400	450
Smoke Detectors	72	221	230	240
Baby Cry Signalers	13	17	20	25
Artificial Larynx Devices	6	6	6	7
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	8	8	10	9
Total Positions	8	8	10	9
Filled Positions by Program Class				
Services for the Deaf	8	8	10	9
Total Positions	8	8	10	9

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
747	---	122	869	786	Services for the Deaf	23	807	807
747	---	122	869	786	Total Direct State Services		807^(a)	807
Distribution by Fund and Object								
Personal Services:								
327	---	125	452	452	Salaries and Wages		387	387
327	---	125	452	452	Total Personal Services		387	387
35	---	-3	32	1	Materials and Supplies		35	35
39	---	---	39	34	Services Other Than Personal		39	39
1	---	---	1	---	Maintenance and Fixed Charges		1	1
Special Purpose:								
290	---	---	290	245	Services to Deaf Clients	23	290	290
55	---	---	55	54	Communication Access Services	23	55	55
747	---	122	869	786	Grand Total State Appropriation		807	807

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

76. MANAGEMENT AND ADMINISTRATION

7500. DIVISION OF MANAGEMENT AND BUDGET

OBJECTIVES

1. To develop and update annually an operating plan for the Department and to effect, implement and administer program allocation decisions which carry out this plan.
2. To supervise provision of security, dietary and household services of institutions and to centralize activities related to these services, whenever it is economically feasible, without a detrimental impact on program effectiveness.

HUMAN SERVICES

3. To evaluate and determine priorities for the construction of new institutional facilities and the maintenance and improvement of existing facilities.
4. To supervise and audit expenditure and collection of funds.
5. To provide transportation, clerical and other general support services required.
6. To offer institutional residents academic, vocational, avocational and counseling programs, regardless of classification and tenure.

PROGRAM CLASSIFICATIONS

96. **Institutional Security Services.** Police officers are responsible for security operations throughout the Department.

99. **Administration and Support Services.** The Commissioner and Central Office staff manage and develop Department policies and priorities. Research, policy, and planning staff develop, plan, and demonstrate new initiatives as well as formulate new strategies and implement federal and State policies, acting as a liaison between the Department and special groups on State and federal policies. Personnel, capital and operations support, management information systems, budget and finance, curriculum consultants, contract administrators, and field auditors provide technical advice and assistance, financial management, statistical analysis, employee hiring, and systems development and maintenance.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Administration and Support Services				
Unit Dose Contract Services	\$4,767,108	\$4,622,694	\$4,902,752	\$5,297,000
Consulting Pharmacy Services	\$3,654,405	\$3,649,099	\$3,782,153	\$4,543,000

PERSONNEL DATA (a)

Affirmative Action Data

Male Minority	3,564	2,771	2,771	2,779
Male Minority %	15.9	16.7	16.7	17.3
Female Minority	9,408	6,939	6,939	6,799
Female Minority %	42.0	42.0	42.0	41.9
Total Minority	12,972	9,650	9,650	9,578
Total Minority %	58.0	58.3	58.3	59.2

Position Data (a)

Filled positions by Funding Source

State Supported	356	342	312	286
Federal	123	107	97	97
All Other	12	11	10	10
Total Positions	491	460	419	393

Filled Positions by Program Class

Institutional Security Services	128	135	133	134
Administration and Support Services	363	325	286	259
Total Positions	491	460	419	393

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.

The budget estimate for fiscal year 2009 reflects the number of positions funded.

The Evaluation Data related to Unit Dose Contracting Services and Consulting Pharmacy Services were previously displayed in the Division of Medical Assistance and Health Services.

(a) Beginning with fiscal year 2007, the data reflects positions shifted to the Department of Children and Families.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
7,218	---	---	7,218	7,218	96	7,592	7,592	7,592
23,478	1,796	-1,048	24,226	20,823	99	18,023	14,934	14,934
30,696	1,796	-1,048	31,444	28,041	Total Direct State Services		25,615^(a)	22,526
							22,526	22,526

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Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Object								
15,678	---	---	15,678	15,678	Personal Services:			
						14,151	13,412	13,412
15,678	---	---	15,678	15,678	Total Personal Services			
210	---	---	210	210		210	210	210
8,194	616	---	8,810	6,338	Services Other Than Personal			
						5,597		
						1,143 ^S	4,765	4,765
872	---	---	872	872	Maintenance and Fixed Charges			
						872	872	872
					Special Purpose:			
150	---	---	150	108	Clinical Services Scholarships	99	150	150
470	480	---	950	61	Health Care Billing System	99	470	95
---	679 ^R	---	679	679	Personal Needs Allowance	99	---	---
255	---	---	255	255	Affirmative Action and Equal Employment Opportunity	99	255	255
2,360	---	---	2,360	2,360	Transfer to State Police for Fingerprinting/Background Checks of Job Applicants	99	2,360	2,360
407	---	---	407	407	Institutional Staff Background Checks	99	407	407
2,100	21	-1,048	1,073	1,073	Additions, Improvements and Equipment		---	---
<u>GRANTS-IN-AID</u>								
Distribution by Fund and Program								
31,886	8	-21,033	10,861	9,287	Administration and Support Services	99	9,937	34,366
31,886	8	-21,033	10,861	9,287	Total Grants-in-Aid			
						9,937	34,366	34,366
Distribution by Fund and Object								
					Grants:			
300	---	---	300	300	United Way 2-1-1 System	99	250	250
724	8	7	739	715	Office for Prevention of Mental Retardation and Developmental Disabilities	99	742	742
22,033	---	-20,483	1,550	---	Community Provider Cost of Living Adjustment	99	---	23,534
						(b)		
5,125	---	-502	4,623	4,623	Unit Dose Contracting Services	99	4,815	5,297
3,704	---	-55	3,649	3,649	Consulting Pharmacy Services	99	4,130	4,543
<u>CAPITAL CONSTRUCTION</u>								
Distribution by Fund and Program								
7,700	12,242	-2,881	17,061	7,180	Administration and Support Services	99	2,800	---
7,700	12,242	-2,881	17,061	7,180	Total Capital Construction			
						2,800	---	---
Distribution by Fund and Object								
Division of Management and Budget								
4,500	---	---	4,500	3,955	HVAC Improvements at DHS Institutions	99	---	---
3,200	---	---	3,200	---	Hunterdon Developmental Center - Replace Underground Water Lines	99	2,800	---
---	14	---	14	5	Toxic & Hazardous Substances, Various Institutions	99	---	---
---	56	---	56	14	Infrastructure Improvements, Institutions and Community Facilities	99	---	---
---	371	---	371	92	Life Safety Improvements, Various Institutions and Community Facilities	99	---	---

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Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
CAPITAL CONSTRUCTION								
---	107	---	107	---				
					99	---	---	---
---	499	---	499	67				
					99	---	---	---
---	48	---	48	---				
					99	---	---	---
---	11	---	11	---				
					99	---	---	---
---	2,881	-2,881	---	---				
					99	---	---	---
---	3,000	---	3,000	3,000				
					99	---	---	---
---	5,090	---	5,090	20				
					99	---	---	---
---	28	---	28	---				
					99	---	---	---
---	8	---	8	---				
					99	---	---	---
---	86	---	86	27				
					99	---	---	---
---	43	---	43	---				
					99	---	---	---
70,282	14,046	-24,962	59,366	44,508	Grand Total State Appropriation	38,352	56,892	56,892
OTHER RELATED APPROPRIATIONS								
Federal Funds								
1,766	---	---	1,766	---				
					94	---	---	---
79,660								
10 ^S	4,990	-2,388	82,272	72,554				
					99	51,671	51,896	51,896
81,436	4,990	-2,388	84,038	72,554	Total Federal Funds	51,671	51,896	51,896
All Other Funds								
---	12,975							
	8,485 ^R	-2,586	18,874	8,482				
					99	6,429	6,618	6,618
---	21,460	-2,586	18,874	8,482	Total All Other Funds	6,429	6,618	6,618
151,718	40,496	-29,936	162,278	125,544	GRAND TOTAL ALL FUNDS	96,452	115,406	115,406

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.

Notes -- Grants-In-Aid - General Fund

(b) \$22,016,000 distributed to applicable grant accounts throughout the Department of Human Services.

The fiscal data for Unit Dose Contracting Services and Consulting Pharmacy Services have been adjusted to reflect the transfer from the Division of Medical Assistance and Health Services.

Language Recommendations -- Direct State Services - General Fund

Notwithstanding the provisions of any law or regulation to the contrary, the Department of Human Services is authorized to identify opportunities for increased recoveries to the General Fund and to the Department. Such funds collected are appropriated, subject to the approval of the Director of the Division of Budget and Accounting, in accordance with a plan prepared by the Department, and approved by the Director of the Division of Budget and Accounting.

Revenues representing receipts to the General Fund from charges to residents' trust accounts for maintenance costs are appropriated for use as personal needs allowances for patients/residents who have no other source of funds for these purposes; except that the total amount herein for these allowances shall not exceed \$1,375,000 and any increase in the maximum monthly allowance shall be approved by the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - General Fund

Of the amounts hereinabove appropriated for Community Provider Cost of Living Adjustment, amounts may be transferred to other divisions within the Department of Human Services in order to provide a cost of living adjustment to community care providers contracting with the various divisions, subject to the approval of the Director of the Division of Budget and Accounting.

HUMAN SERVICES

DEPARTMENT OF HUMAN SERVICES

Language Recommendations -- Direct State Services - General Fund

Of the amount hereinabove appropriated for the Department of Human Services, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule included in the Governor's Budget Message and Recommendations first shall be charged to the State Lottery Fund.

Balances on hand at the end of the preceding fiscal year of funds held for the benefit of patients in the several institutions, and such funds as may be received, are appropriated for the use of the patients.

Funds received from the sale of articles made in occupational therapy departments of the several institutions are appropriated for the purchase of additional material and other expenses incidental to such sale or manufacture.

Any change in program eligibility criteria and increases in the types of services or rates paid for services to or on behalf of clients for all programs under the purview of the Department of Human Services, not mandated by federal law, shall first be approved by the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, receipts from payments collected from clients receiving services from the Department of Human Services and collected from their chargeable relatives, are appropriated to offset administrative and contract expenses related to the charging, collecting, and accounting of payments from clients receiving services from the Department and from their chargeable relatives pursuant to R.S.30:1-12, subject to the approval of the Director of the Division of Budget and Accounting.

Payment to vendors for their efforts in maximizing federal revenues is appropriated and shall be paid from the federal revenues received, subject to the approval of the Director of the Division of Budget and Accounting. The unexpended balance at the end of the preceding fiscal year in this account is appropriated.

Unexpended State balances may be transferred among Department of Human Services accounts in order to comply with the State Maintenance of Effort requirements as specified in the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996," Pub.L.104-193, and as legislatively required by the Work First New Jersey program established pursuant to section 4 of P.L.1997, c.38 (C.44:10-58), subject to the approval of the Director of the Division of Budget and Accounting. Notice of such transfers that would result in appropriations or expenditures exceeding the State's Maintenance of Effort requirement obligation shall be subject to the approval of the Joint Budget Oversight Committee. In addition, unobligated balances remaining from funds allocated to the Department of Labor and Workforce Development for Work First New Jersey as of June 1 of each year are to be reverted to the Work First New Jersey-Client Benefits account in order to comply with the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996" and as legislatively required by the Work First New Jersey program.

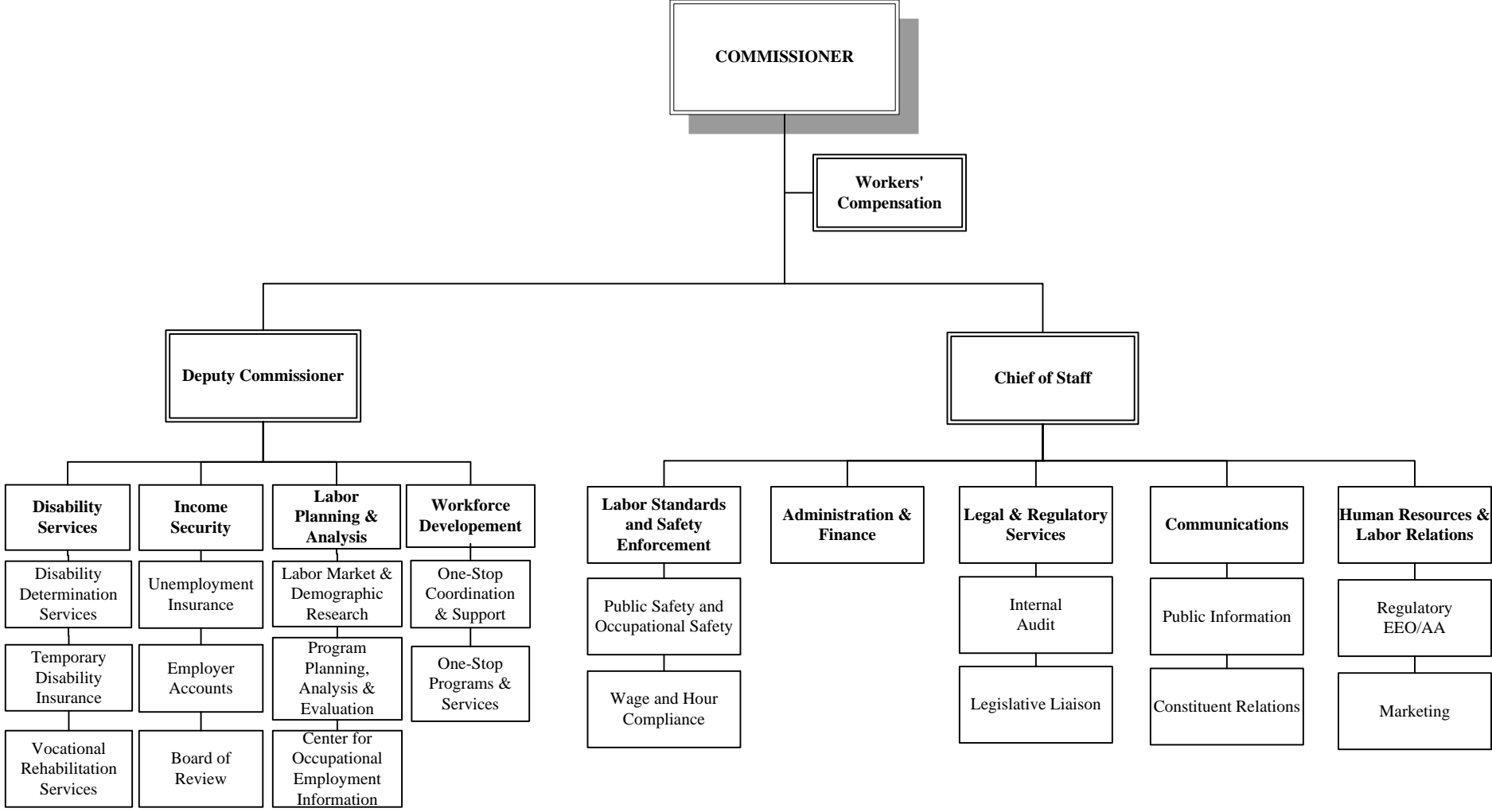
Language Recommendations -- Grants-In-Aid - General Fund

To ensure the proper reallocation of funds in connection with the creation of the new Department of Children and Families, of the amounts hereinabove appropriated, the Department of Human Services may transfer appropriations to the Department of Children and Families, subject to the approval of the Director of the Division of Budget and Accounting.

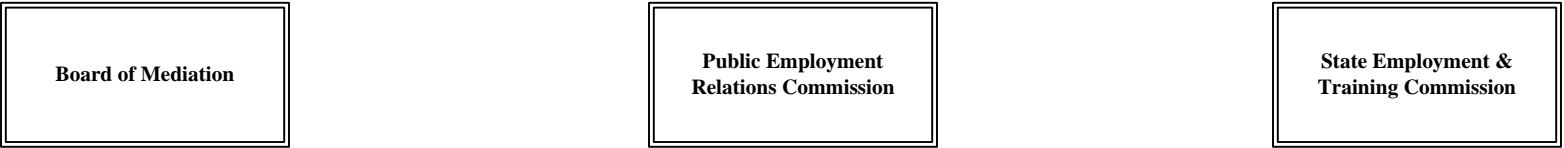
The unexpended balances at the end of the preceding fiscal year due to opportunities for increased recoveries in the Department of Human Services are appropriated, subject to the approval of the Director of the Division of Budget and Accounting. These recoveries may be transferred to the Division of Developmental Disabilities as follows: \$9,116,000 for residential and other support services and infrastructure for individuals transitioning from the developmental centers to the community and from the community services waiting list, and for family support services in accordance with a plan approved by the Director of the Division of Budget and Accounting and an amount for operating costs in the developmental centers, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, of the amounts hereinabove appropriated for the Department of Human Services no such grant monies shall be paid to the grantee for the costs of any efforts by the grantee or on behalf of the grantee for lobbying activities.

LABOR AND WORKFORCE DEVELOPMENT



In-But-Not-Of Agencies



LABOR AND WORKFORCE DEVELOPMENT

DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

OVERVIEW

Mission and Goals

The Department of Labor and Workforce Development works to further the development of the state's world-class workforce through the statewide One-Stop Career Center system; provides almost \$3 billion per year in vital income security to workers who are unemployed or unable to work due to illness, accident, or injury; equitably enforces New Jersey's labor laws and standards; analyzes the state's labor market and demographic information; helps disabled individuals succeed in the workplace; promotes labor management harmony and protects the health and safety of workers on the job. The Department also provides funding for job training to employed, unemployed, and underemployed workers, enabling them to align their skills with the needs of businesses.

The Public Employment Relations Commission (PERC), which is concerned with the scope of public sector negotiations, unfair practices, mediation, fact-finding, and arbitration, is organizationally in-but-not-of the Department. The Board of Mediation and the State Employment and Training Commission also retain similar in-but-not-of status. Specifically, the Board of Mediation monitors labor negotiations, resolves disputes by providing arbitrators, and conducts consent elections to determine matters of union representation in the private sector. The State Employment and Training Commission is the Statewide Workforce Investment Board established under federal and state law to provide strategic guidance and assist in the implementation of a coordinated State employment, training, and education policy.

Budget Highlights

The Fiscal 2009 Budget for the Department of Labor and Workforce Development (NJLWD) totals \$138.4 million, a decrease of \$303,000 or 0.2% under the fiscal 2008 adjusted appropriation of \$138.7 million.

Department Accomplishments

The Department has initiated a few key efficiency-related initiatives as part of its central administrative effort, specifically:

NJLWD eliminated one Division and merged two programs, eliminating several senior-level executive positions through attrition. This reorganization also accomplished programmatic objectives by aligning incumbent worker training with labor market information for a more data-driven grants process. The Department also plans to significantly reduce the annual cost of long term storage of records by eliminating its Records Center and will realize additional savings by utilizing available resources of the Capitol Post Office as part of the Office of Information Technology's initiative to consolidate print and postage facilities.

Beyond centrally-administered efficiencies, program-specific highlights and accomplishments are outlined below.

Unemployment Insurance

The New Jersey Department of Labor and Workforce Development administers the Unemployment Insurance (UI) program through federal administrative funding. The primary function of UI is to provide wage replacement benefits to workers who have become involuntarily unemployed. The program provides a safety net for New Jersey workers and their families during periods of economic downturn. New Jersey's unadjusted unemployment rate averaged 4.3% for calendar year 2007. The seasonally adjusted unemployment rate ranged from a high of 4.6% in July, 2007 to a low of 4.1% in November, 2007. In the past, revenues have been diverted from the UI trust fund to offset costs in Medicaid and Health, specifically the Charity Care program. No diversion was made in fiscal 2007 and 2008 nor is a diversion proposed in fiscal 2009.

Unemployment Insurance benefits are the gateway to the One-Stop Career System for many dislocated workers. In 2004, the Department initiated a project to redesign all unemployment insurance business processes and technical systems. This federally-funded project will improve the way claims are evaluated and benefits are paid, providing a positive first contact for workers claiming UI benefits, enhancing service to employers and increasing the opportunities for self-service for both claimants and employers. New technology will replace the many antiquated and incompatible systems that currently support the UI program with a single, comprehensive UI benefits system, NJ SUCCESS (the New Jersey State Unemployment Compensation Claimant and Employer Service System). The project is now in the functional design phase, with system development and implementation to follow.

Workforce Development

In fiscal 2009, the Workforce Development Partnership Fund will continue to provide funding to strengthen job training efforts. The Workforce Development Partnership (WDP) program, funded through a dedicated assessment on workers and their employers, is a key component in the State's effort to train workers and job seekers, to meet the needs of employers for skill development of their incumbent workforce, and to help individuals move from welfare to work. The customized training segment of the WDP program provides matching grants to employers to upgrade the skills of their workforce and is a vital component of Governor Corzine's economic growth strategic plan. In fiscal 2007, \$27 million in WDP funds were used for customized training grants to train 67,829 workers at 307 employers, and 93 of these firms were in targeted high-growth industry sectors, including life sciences, science and technology, energy, financial services, transportation and logistics, and hospitality/tourism. Employers who received customized training grants invested approximately \$47.6 million in their own matching dollars.

In order to improve transparency and accountability, the customized training grant application process has been modified to improve the quality of the grants awarded and to target a significant portion of the funding to industry sectors identified by the Governor's Office of Economic Growth as representing the state's greatest opportunity for sustainable job growth. Starting in fiscal 2007, the Department replaced the customized training program's "first come - first served" grant process, by publishing notices of competitive grant opportunities that include uniform criteria for rating grant applications.

As part of P.L.2004, c.39, which consolidated all workforce development services within the Department, a new program enables welfare eligible individuals to pursue two- and four-year college degree programs. Funding for Smart STEPS is provided by the State's Workforce Development Partnership program, as opposed to the federal Temporary Assistance for Needy Families (TANF) program, thereby effectively stopping the clock on TANF's five-year limitation and its requirement that individuals work part-time while attending school. While participating in the program, welfare recipients can devote all of their time to pursuing their education, which will aid in their ultimate success in the workforce. The program was initiated in March, 2005. To date, 776 participants have been enrolled. Slot levels were increased for fiscal 2007 and 2008 to allow additional participants in the program. This increase should help satisfy TANF's requirement concerning the work activities participation rate. The program provides an opportunity for low income residents to attain the higher education needed to obtain good paying jobs and self-sufficiency for their families.

The NJ State Parole Board (NJSPB) and NJLWD are working together to integrate NJSPB's employment efforts into the local One-Stop Career Center System and thus maximize employment and training services to adult and juvenile parolees and other ex-offenders. Through a memorandum of understanding with the NJSPB, the Department provides services to parolees who are referred to the One-Stop Career Centers, identifying employers who will hire ex-offenders and assisting ex-offenders with assessments, counseling, career exploration, job coaching and job-readiness, and literacy services. In fiscal 2007, 3,147 individuals were served, of whom 2,213 were referred to jobs.

In October, 2007, the Governor announced a coordinated re-entry strategy for transitioning offenders in which the Department will work closely with the Department of Corrections (DOC) and the NJSPB in connecting releases with One-Stop assistance for jobs, training, and supportive services. NJLWD will ensure that vocational training programs provide a link to labor demand occupations and will support literacy efforts by placing Workforce Learning Links in several DOC facilities. Upon release from state facilities, parolees and ex-offenders will register with local One-Stop Career Centers, be assessed for appropriate services including the Division of Vocational Rehabilitation Services (DVRS), Work First NJ, and other special needs programs, and will be assigned a job coach to assist with job development and placement needs.

New Jersey is the recipient of a federal grant for \$1.5 million from the United States Department of Labor for the Disability Program Navigator (DPN) initiative, a two-year project to help people with disabilities to "navigate" through the challenges of seeking work. Funding for this grant is available through June 30, 2008. This partnership between the Department and the Social Security Administration is designed to encourage people who are currently receiving federal Social Security benefits for a qualifying disability to pursue job training and employment and to remove whatever barriers exist in the workplace in order to provide universal access to services. The DPN initiative develops partnerships to achieve seamless, comprehensive and integrated access to services, thus expanding the workforce development system's capacity to serve employers and customers with disabilities.

New Jersey's One-Stop Career Center system also provides customers with a preliminary assessment of their employment skills and allows them to obtain information on an array of employment-related services, including contacts to local education and training service providers, help in filing claims for unemployment insurance or student financial aid, job search and placement assistance, career counseling; and up-to-date information on job vacancies and employment trends. For employers, the system provides a single point of contact and information about current and future skills needed by their workers and a way to list job openings.

Overall, New Jersey's One-Stop Career System served approximately 319,000 residents in the past year. These workforce development services, which are supported by federal Workforce Investment Act funds, meet or exceed performance requirements related to job placement, retention, skills, and wage gains established by the United States Department of Labor. The Department's success is due in part to the partnerships that have been developed between State and local partners in the State's workforce system.

Supplemental Workforce Fund for Basic Skills (SWFBS)

The New Jersey Supplemental Workforce Fund for Basic Skills (SWFBS, via P.L.2001, c.152) is funded from a portion of employer and employee tax contributions to support a Basic Skills program. The primary goal of the Basic Skills program is to promote adult literacy in the workplace by providing basic skills training for unemployed and employed workers. The funds are to be used as follows: 24% for One-Stop Career Centers; 28% for local Workforce

Investment Boards; 38% for individual employers, employer organizations, labor organizations, community-based organizations, or educational institutions; and 10% to provide for administrative costs for the program.

Also funded out of the SWFBS, the Workforce Learning Link program uses interactive technology to quickly target individual areas in need of improvement and move customers into jobs or towards the fulfillment of other employment-directed goals such as vocational training or achievement of their General Educational Development credential (GED). In fiscal 2008, this model is being expanded beyond the traditional One-Stop Career Center sites to community-based sites such as libraries, adult high schools, and faith-based centers. Customers with internet access will be able to work from home using state-of-the-art learning tools under the guidance of qualified counselors and instructors to improve basic skills needed to get a job, sit for the GED test, or enter post-secondary training. In fiscal 2008, \$12.3 million was made available to support more than 60 Workforce Learning Link sites to provide literacy services to approximately 7,000 residents of New Jersey.

Labor Standards and Safety Enforcement

The Labor Standards and Safety Enforcement program is responsible, in part, for the Prevailing Wage Act, which addresses most publicly funded construction projects, including school construction. The Divisions of Wage and Hour Compliance and Public Safety and Occupational Safety and Health are responsible for administering and enforcing a wide variety of labor laws. These programs provide employees with safe and equitable working conditions; protect good faith employers from unfair competition by employers who willfully violate our labor laws; and protect the public from various hazardous business operations.

As one of its key responsibilities, the Department ensures that New Jersey's workers are properly classified as employees or independent contractors based on specific criteria provided in the Unemployment Compensation Law. The misclassification of employees as subcontractors is a growing national problem, causing workers to be improperly excluded from social insurance, safety standards, and other customary benefits. Employers engaging in this illegal practice also deprive the State of substantial revenues and gain an improper competitive advantage over law-abiding businesses. The Department has led an initiative to improve cross-agency cooperation, data-sharing, and investigation of this problem among the Division of Employer Accounts, the Division of Workers' Compensation and the Division of Wage and Hour Compliance, and the Division of Taxation. On a national level, the Department represented New Jersey as one of five states working with the Internal Revenue Service on a national task force to develop a strategy to address questionable employment tax practices, resulting in a national plan that has been adopted by thirty states.

Vocational Rehabilitation Services

The Division of Vocational Rehabilitation Services' (DVRS) programs enable individuals with disabilities to prepare for, obtain, and maintain employment. A broad range of employment and rehabilitative services are provided by the Division, including counseling and guidance, evaluations, therapy, treatment, training, education, job coaching, assistive technology and job placement. The Division assisted 4,370 individuals with disabilities to achieve employment outcomes consistent with their strengths, priorities, needs, abilities, and capabilities in fiscal 2007. The Division also funds the sheltered workshop program and supported employment programs, which enable more than 5,000 individuals in New Jersey with significant disabilities to maintain their current jobs.

DVRS has initiated a number of programs to improve services for individuals with disabilities. Recognizing the issue of underserved populations of people with disabilities, the Division established two Hispanic/Latino Outreach centers in cooperation with two

LABOR AND WORKFORCE DEVELOPMENT

community rehabilitation programs. Services include a wide array of disability and rehabilitation information and referral with access to the local One-Stop Career Center System and Centers for Independent Living. The Division also partnered with the New Jersey Department of Education to fund a position within each of the State's 12 Centers for Independent Living to provide additional outreach to schools to promote self advocacy for students who are classified in Special Education and those included under Section 504 of the Rehabilitation Act of 1973. To improve the work activities participation rate among Temporary Assistance to Needy Families recipients, the Division entered into funding agreements with community rehabilitation programs in Camden, Essex, Hudson, Passaic, and Union counties. The agreements will enable staff to identify individuals who may have a disability that is preventing them from engaging in activities that will enable them to work.

Disability Determination Services

The Division of Disability Determination Services (DDS) adjudicates Social Security Disability claims filed by residents of New Jersey. The Division receives 100% of its funding from the U.S. Social Security Administration (SSA). During federal fiscal year 2007, the Division received 75,405 claims, which represents an 18% increase over federal fiscal year 2006. It is projected that 76,755 claims will be received during federal fiscal year 2008. The NJDDS budget increased by 1.2% to \$48.1 million during federal fiscal year 2007 and is expected to be similar during federal fiscal year 2008.

In September, 2007, DDS piloted the national roll-out of the Social Security Administration's Quick Disability Determination (QDD) process. Under QDD, a predictive model analyzes specific elements of data within the electronic claims file to identify claims where there is high potential that the claimant is disabled and where evidence of the person's allegations can be quickly and easily obtained. To date, the DDS has received 195 QDD cases and authorized 156 within 7.5 days of receipt. The Social Security Administration has acknowledged New Jersey's seamless roll-out of the process.

Temporary Disability Insurance

New Jersey is one of only five states (and Puerto Rico) to provide workers with compulsory temporary disability insurance coverage. This program was established in 1948 and the first benefit check was issued in January, 1949. The primary purpose of the Division of Temporary Disability Insurance is to provide protection against wage loss to persons who meet certain requirements when an accident or sickness occurs that is not work related. Workers who become disabled may be eligible for cash benefits under the State Plan or an approved Private Plan. A third program, Disability During Unemployment, is designed for those who become disabled during the period they are eligible for unemployment insurance benefits. Each program is independent and all are funded from dedicated taxes paid by employers and employees.

The Division of Temporary Disability Insurance has been successful with an initiative to identify and recover overpaid benefits. The

process identifies claimants who have not reported that they have recovered from a disability or returned to work, but have continued collecting temporary disability benefits beyond their recovery or return to work date. Letters are sent to employers/claimants to determine an end of disability date. If an overpayment exists, the claim is set up in refund. Manual processing of these refunds was successful but somewhat cumbersome. The Division automated this process in March, 2007 and as a result has been able to increase its recovery efforts.

Workers' Compensation

The Division of Workers' Compensation continues to fulfill the mandate of the Workers' Compensation Law (N.J.S.A. 34:15-1 et seq.) by providing services relating to the adjudication of benefits to the injured workers of New Jersey. Most importantly, the Division provides a forum in which a fair and impartial hearing can determine whether compensation is warranted. The Division is supported by dedicated funding from surcharges paid by employers.

Full automation of New Jersey's Workers' Compensation Program continues with the development of the Case Organization Utilization Reporting Tracking System (COURTS). New services provided thus far include a web-based application, internet access for attorneys and insurance carriers, and electronic filing of legal pleadings. The current rate of electronic filing is approaching 50%, thus reducing the volume of data entry for Division staff and improving the quality of that data. Since the program was launched, over 500 law firms and insurance carriers have agreed to participate and more than 121,000 legal pleadings have been electronically filed. COURTS on-line and particularly the e-filing program have enabled attorneys and insurance carriers to conduct business in real time with the Division and with each other, resulting in significant improvements in case processing.

Labor Planning and Analysis

The Office of Labor Planning and Analysis (LPA) is composed of four divisions: the Divisions of Labor Market and Demographic Research (LMDR); Program Planning, Analysis, and Evaluation (PPAE); the Center for Occupational Employment Information (COEI), and the Office of Grants Operations. LPA is the Department of Labor and Workforce Development's primary information gatherer, with a wide constituency both from internal and external customers. LPA conducts statistical surveys, compiles management reports, provides projections of labor market information, monitors and produces reports on employment and population trends, oversees data pertaining to occupational supply and demand, evaluates training programs and vendors, and disseminates Census information. The Office of Grants Operations tailors training programs that improve workers' capabilities, provides financial assistance for basic skills training (English Language proficiency and work readiness skills), and develops, workforce development strategies and programs. Approximately 62% of LPA's budget is supported by the federal government with the balance supported with state and dedicated funds.

LABOR AND WORKFORCE DEVELOPMENT

DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND								
61,849	55,763	67	117,679	111,777	Direct State Services	64,973	64,881	64,881
54,533	16	---	54,549	54,468	Grants-In-Aid	69,735	69,524	69,524
1,522	---	---	1,522	1,448	State Aid	1,522	1,522	1,522
117,904	55,779	67	173,750	167,693	Total General Fund	136,230	135,927	135,927
CASINO REVENUE FUND								
2,440	---	---	2,440	2,440	Grants-In-Aid	2,440	2,440	2,440
2,440	---	---	2,440	2,440	Total Casino Revenue Fund	2,440	2,440	2,440
120,344	55,779	67	176,190	170,133	Total Appropriation, Department of Labor and Workforce Development	138,670	138,367	138,367

SUMMARY OF APPROPRIATIONS BY PROGRAM

(thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES - GENERAL FUND								
Economic Planning and Development								
683	58	-24	717	716	Administration and Support Services	847	827	827
683	58	-24	717	716	Subtotal	847	827	827
Economic Assistance and Security								
21,833	9,915	---	31,748	29,732	State Disability Insurance Plan	22,866	22,866	22,866
4,334	1,566	---	5,900	5,662	Private Disability Insurance Plan	4,747	4,747	4,747
12,285	7,747	---	20,032	19,961	Workers' Compensation	13,009	13,009	13,009
1,708	511	---	2,219	2,087	Special Compensation	1,778	1,778	1,778
40,160	19,739	---	59,899	57,442	Subtotal	42,400	42,400	42,400
Manpower and Employment Services								
2,446	---	---	2,446	2,446	Vocational Rehabilitation Services	2,446	2,446	2,446
9,226	1,915	---	11,141	9,360	Employment Services	9,527	9,527	9,527
---	25,501	---	25,501	25,501	Employment and Training Services	145	73	73
5,540	8,550	91	14,181	12,637	Workplace Standards	5,623	5,623	5,623
3,320	---	---	3,320	3,201	Public Sector Labor Relations	3,501	3,501	3,501
474	---	---	474	474	Private Sector Labor Relations	484	484	484
21,006	35,966	91	57,063	53,619	Subtotal	21,726	21,654	21,654
61,849	55,763	67	117,679	111,777	Total Direct State Services - General Fund	64,973	64,881	64,881
61,849	55,763	67	117,679	111,777	TOTAL DIRECT STATE SERVICES	64,973	64,881	64,881

LABOR AND WORKFORCE DEVELOPMENT

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID - GENERAL FUND								
Manpower and Employment Services								
32,295	16	---	32,311	32,230	Vocational Rehabilitation Services	33,084	32,873	32,873
22,238	---	---	22,238	22,238	Employment and Training Services	36,651	36,651	36,651
54,533	16	---	54,549	54,468	Subtotal	69,735	69,524	69,524
54,533	16	---	54,549	54,468	Total Grants-In-Aid - General Fund	69,735	69,524	69,524
GRANTS-IN-AID - CASINO REVENUE FUND								
Manpower and Employment Services								
2,440	---	---	2,440	2,440	Vocational Rehabilitation Services	2,440	2,440	2,440
2,440	---	---	2,440	2,440	Subtotal	2,440	2,440	2,440
2,440	---	---	2,440	2,440	Total Grants-In-Aid - Casino Revenue Fund	2,440	2,440	2,440
56,973	16	---	56,989	56,908	TOTAL GRANTS-IN-AID	72,175	71,964	71,964
STATE AID - GENERAL FUND								
Manpower and Employment Services								
1,522	---	---	1,522	1,448	Employment and Training Services	1,522	1,522	1,522
1,522	---	---	1,522	1,448	Subtotal	1,522	1,522	1,522
1,522	---	---	1,522	1,448	Total State Aid - General Fund	1,522	1,522	1,522
1,522	---	---	1,522	1,448	TOTAL STATE AID	1,522	1,522	1,522
120,344	55,779	67	176,190	170,133	Total Appropriation, Department of Labor and Workforce Development	138,670	138,367	138,367

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

51. ECONOMIC PLANNING AND DEVELOPMENT

OBJECTIVES

1. To compile, analyze, and disseminate labor market and economic data for distribution; to facilitate decision-making in the private and public sectors; and to provide statistical services to aid departmental managers in planning, operating, and evaluating programs under their jurisdiction.
2. To provide centralized support services for the Department.
3. To develop policy, evaluate performance, and implement and coordinate programs of the Department.

PROGRAM CLASSIFICATIONS

18. **Planning and Analysis.** Charged with coordinating departmental planning, evaluating programs, assisting in the formulation of policy and compiling, analyzing and disseminating operational, labor market, and demographic data.

99. **Administration and Support Services.** The Office of the Commissioner formulates the policies and priorities of the Department, including strategic planning.

The Office of Internal Audit is charged with safeguarding assets, preventing and/or detecting fraud and abuse and assuring that the Department conforms to established laws, rules, regulations, and procedures.

The Division of Administrative Services provides the following services: personnel; affirmative action and equal employment opportunity; training; program analysis and development; and central support, such as word processing, printing, supplies and mail distribution, equipment and building management.

The Division of Accounting provides for all accounting, budgeting, and purchasing functions for the Department, including evaluation of operating programs from a financial management viewpoint.

LABOR AND WORKFORCE DEVELOPMENT

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	376	351	356	350
Male Minority %	10.0	9.5	9.4	9.5
Female Minority	1,259	1,178	1,191	1,175
Female Minority %	33.4	31.7	31.5	32.0
Total Minority	1,635	1,529	1,547	1,525
Total Minority %	43.4	41.2	40.9	41.5

Position Data

Filled Positions by Funding Source

State Supported	33	34	35	36
Federal	426	408	406	406
Total Positions	459	442	441	442

Filled Positions by Program Class

Management and Administrative Services	459	442	441	442
Total Positions	459	442	441	442

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
683	58	-24	717	716	Administration and Support Services	99	847	827	827
683	58	-24	717	716	Total Direct State Services		847 (a)	827	827
Distribution by Fund and Object									
Personal Services:									
350	---	-116	234	233	Salaries and Wages		557	557	557
350	---	-116	234	233	Total Personal Services		557	557	557
11	---	---	11	11	Materials and Supplies		11	11	11
235	---	117	352	352	Services Other Than Personal		192	172	172
25	---	-25	---	---	Maintenance and Fixed Charges		25	25	25
Special Purpose:									
---	58 R	---	58	58	Urban Enterprise Zone - Administrative Costs	99	---	---	---
62	---	---	62	62	Affirmative Action and Equal Employment Opportunity	99	62	62	62
683	58	-24	717	716	Grand Total State Appropriation		847	827	827

OTHER RELATED APPROPRIATIONS

Federal Funds

9,829					Planning and Analysis	18	10,243	10,243	10,243
1 ^S	2,252	172	12,254	7,736	Administration and Support Services	99	---	---	---
---	4,236	---	4,236	1,815					
9,830	6,488	172	16,490	9,551	Total Federal Funds		10,243	10,243	10,243

LABOR AND WORKFORCE DEVELOPMENT

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
OTHER RELATED APPROPRIATIONS								
All Other Funds								
---	1,248	---	2,720	1,452	Administration and Support Services			
---	1,472 ^R	---	2,720	1,452	99	---	---	---
---	2,720	---	2,720	1,452	Total All Other Funds			
10,513	9,266	148	19,927	11,719	GRAND TOTAL ALL FUNDS			
						11,090	11,070	11,070

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.

Language Recommendations -- Direct State Services - General Fund

In addition to the amounts hereinabove appropriated for the Administration and Support Services program, there is appropriated from the New Jersey Redevelopment Investment Fund and the Economic Development Fund an amount of \$142,000 to provide for administrative costs incurred by the Department of Labor and Workforce Development for activities related to the New Jersey Redevelopment Authority and the New Jersey Economic Development Authority programs, as determined by the Director of the Division of Budget and Accounting.

Of the amount hereinabove appropriated for the Administration and Support Services program classification, \$288,000 is appropriated from the Unemployment Compensation Auxiliary Fund.

In addition to the amount hereinabove appropriated for the Administration and Support Services program, an amount not to exceed \$550,000 is appropriated from the Unemployment Compensation Auxiliary Fund, subject to the approval of the Director of the Division of Budget and Accounting.

Of the amounts hereinabove appropriated for the Administration and Support Services program, \$31,000 are payable out of the State Disability Benefits Fund.

In addition to the amounts hereinabove appropriated for the Administration and Support Services program, there are appropriated out of the State Disability Benefits Fund such additional sums as may be required to administer the program, subject to the approval of the Director of the Division of Budget and Accounting.

The amount necessary to provide administrative costs incurred by the Department of Labor and Workforce Development to meet the statutory requirements of the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.) is appropriated from the Enterprise Zone Assistance Fund, subject to the approval of the Director of the Division of Budget and Accounting.

The amount necessary to provide employer rebate awards as a result of the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H - 60 et seq.), is appropriated from the Enterprise Zone Assistance Fund, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H - 60 et seq.), the Department of Labor and Workforce Development, based upon the authorization of the Chief Executive Officer and Secretary of the New Jersey Commerce Commission, or the head of any entity succeeding to the duties and functions of the New Jersey Commerce Commission, pursuant to separate legislation, shall make employer rebate awards.

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

53. ECONOMIC ASSISTANCE AND SECURITY

OBJECTIVES

1. To accumulate adequate reserves for the payment of benefits to temporarily and involuntarily unemployed and disabled individuals.
2. To provide prompt, efficient payment of benefits to eligible individuals.
3. To ensure the integrity of trust funds by utilizing modern fraud control techniques in cooperation with other state and federal agencies.
4. To act as an agent for the federal government in payment of unemployment insurance to federal employees and recently discharged veterans.
5. To provide prompt and efficient economic assistance to workers disabled by non-occupational sickness or accident.

6. To assure prompt, equitable adjudication of claims by employees for job-related illnesses and injuries and to expedite the return of employees to useful employment.
7. To make prompt and efficient determinations of disability claims under Title II and Title XVI of the Social Security Act.

PROGRAM CLASSIFICATIONS

01. **Unemployment Insurance.** C.43:21 et seq. establishes the State-administered, federally-funded programs of unemployment insurance covering virtually all non-agricultural units employing one or more persons. Claims are filed, monetary and eligibility determinations made, and benefits paid through communication terminals in 35 offices located throughout the State.

All unemployment benefit claims are based upon wage information collected by the Department of Labor. In addition, automated cross matches are performed to identify fraudulent collection of unemployment and public assistance benefits.

LABOR AND WORKFORCE DEVELOPMENT

02. **Disability Determination.** The federal government fully funds the Division of Disability Determinations from the Social Security Act for the purpose of adjudicating long term disability claims. Activities include medical, legal, and qualitative review of claims.
03. **State Disability Insurance Plan.** The State's Temporary Disability program was established in 1948, at a time when private insurance of this type was not widely available. It provides direct, temporary cash benefits to nearly all workers covered under the Unemployment Compensation Law to insure against loss of earnings due to non-occupational sickness or accident.
04. **Private Disability Insurance Plan.** Employers may, with the approval of the Director of Temporary Disability Insurance, select coverage under a private plan; otherwise coverage must be under the State Plan. Activities are comparable to those under the State Plan program, including oversight of the initiation and modification of plans. Benefit costs of this activity are charged to the State Disability Benefits Fund. Administrative costs are charged partly to the State Plan administrative fund and assessed proportionately against the private plans.
05. **Workers' Compensation.** Workers' Compensation benefits are provided through three procedures: voluntary direct settlements, informal hearings, and formal hearings. Voluntary payments made by insurance carriers and self-insurers are reviewed as to adequacy of payments, and if deemed potentially inadequate, an informal hearing is scheduled. If an equitable settlement cannot be made at the informal hearing, a formal claim may be filed. Judges hear formal claims at 17 different statewide locations. As the result of legislation enacted during 1990, funding for the Workers' Compensation program is derived from the Second Injury Fund created by the Workers' Compensation Law (C.34:15-1 et seq.) through an assessment against carriers of workers' compensation insurance and self-insurers.
06. **Special Compensation.** This fund, paid for entirely by self-insurers and insurance companies, provides benefits to totally and permanently disabled workers with prior disabilities to encourage employment of individuals with disabilities. Special Compensation also determines special adjustment benefits payable to qualified persons under C.34:15-95.4. The purpose of this legislation is to increase benefits to pre-1980 victims of occupational injuries.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Unemployment Insurance				
Covered workers	3,877,600	3,899,300	3,926,100	3,952,000
Net benefits paid (millions)	\$1,806	\$1,904	\$2,063	\$2,070
Average insured unemployed rate	2.80%	2.90%	2.90%	2.90%
Initial claims	526,425	538,896	555,900	539,200
Average weekly benefit payment	\$327	\$341	\$359	\$374
Disability Determination				
Total claims adjudicated	61,862	73,041	82,900	91,200
Social Security Disability payments (millions)	\$2,714	\$2,730	\$2,870	\$3,157
Average cost per case	\$774	\$659	\$650	\$645
State Disability Insurance Plan				
Covered workers	2,837,000	2,852,800	2,872,500	2,891,500
Claims received	168,188	171,885	172,000	172,500
Benefits paid (millions)	\$432	\$445	\$462	\$478
Cost per claim processed	\$106	\$110	\$114	\$118
Average weekly benefit payment	\$366	\$382	\$393	\$405
Private Disability Insurance Plan				
Covered workers	737,600	600,900	605,100	609,100
Plans in force	5,147	5,191	5,230	5,270
Claims received	10,617	10,747	10,800	10,850
Benefits paid (millions)	\$23	\$24	\$24	\$25
Cost per claim processed	\$217	\$236	\$242	\$246
Workers' Compensation				
First reports of accident received	191,946	167,914	170,000	170,000
Cases pending July 1	100,251	97,676	97,174	96,174
Cases filed, reopened, reassigned	42,338	42,269	43,000	43,000
Cases closed	44,913	42,771	44,000	43,000
Cases pending June 30	97,676	97,174	96,174	96,174
Special Compensation				
Balance July 1	2,238	2,271	1,806	2,002
Verified petitions assigned	1,571	1,333	1,502	1,591
Advisory reports recovered	1,538	1,798	1,306	1,407
Balance June 30	2,271	1,806	2,002	2,186
Beneficiaries	7,060	7,429	7,611	7,704

LABOR AND WORKFORCE DEVELOPMENT

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
Federal	1,617	1,535	1,426	1,426
All Other	402	401	390	390
Total Positions	2,019	1,936	1,816	1,816
Filled Positions by Program Class				
Unemployment Insurance	1,290	1,218	1,101	1,101
Disability Determinations	327	317	325	325
State Disability Insurance Plan	166	173	170	170
Private Disability Insurance Plan	69	68	63	64
Workers' Compensation	148	140	138	138
Special Compensation Fund	19	20	19	18
Total Positions	2,019	1,936	1,816	1,816

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
21,833	9,915	---	31,748	29,732	State Disability Insurance Plan	03	22,866	22,866
4,334	1,566	---	5,900	5,662	Private Disability Insurance Plan	04	4,747	4,747
12,285	7,747	---	20,032	19,961	Workers' Compensation	05	13,009	13,009
1,708	511	---	2,219	2,087	Special Compensation	06	1,778	1,778
40,160	19,739	---	59,899	57,442	Total Direct State Services		42,400^(a)	42,400
Distribution by Fund and Object								
Personal Services:								
25,303	18,194 ^R	-7,955	35,542	26,600	Salaries and Wages		27,543	27,543
---	---	---	---	8,942	Employee Benefits		---	---
25,303	18,194	-7,955	35,542	35,542	Total Personal Services		27,543	27,543
257	---	50	307	298	Materials and Supplies		257	257
5,340	---	390	5,730	5,485	Services Other Than Personal		5,340	5,340
3,007	---	1,280	4,287	4,150	Maintenance and Fixed Charges		3,007	3,007
Special Purpose:								
300	---	---	300	256	State Disability Insurance Plan	03	300	300
5,500	---	5,951	11,451	10,874	Reimbursement to Unemploy- ment Insurance for Joint Tax Functions	03	5,500	5,500
50	---	50	100	100	Private Disability Insurance Plan	04	50	50
363	---	---	363	363	Workers' Compensation	05	363	363
---	---	234	234	234	State Match for Occupational Health & Safety Survey	05	---	---
40	---	---	40	40	Special Compensation	06	40	40
---	1,545	---	1,545	100	Additions, Improvements and Equipment		---	---
40,160	19,739	---	59,899	57,442	Grand Total State Appropriation		42,400	42,400

LABOR AND WORKFORCE DEVELOPMENT

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Prog. Class. Adjusted Approp.	Requested	Recom- mended	
OTHER RELATED APPROPRIATIONS									
Federal Funds									
117,516	32,510	---	150,026	117,905	Unemployment Insurance	01	143,492	146,237	146,237
50,176	11,782	---	61,958	46,293	Disability Determination	02	53,000	55,100	55,100
167,692	44,292	---	211,984	164,198	Total Federal Funds		196,492	201,337	201,337
All Other Funds									
---	---	---	---	---	Unemployment Insurance	01	2,000	4,000	4,000
---	---	---	---	---	State Disability Insurance Plan	03	10,000	10,000	10,000
---	---	---	---	---	Private Disability Insurance Plan	04	1,280	1,280	1,280
---	---	---	---	---	Workers' Compensation	05	8,017	8,017	8,017
---	59,541	---	---	---	Special Compensation	06	147,914	148,146	148,146
---	112,600 ^R	653	172,794	155,624	Total All Other Funds		169,211	171,443	171,443
---	172,141	653	172,794	155,624	GRAND TOTAL ALL FUNDS		408,103	415,180	415,180
207,852	236,172	653	444,677	377,264					

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

The amounts hereinabove appropriated for the State Disability Insurance Plan and Private Disability Insurance Plan are payable out of the State Disability Benefits Fund.

In addition to the amounts hereinabove appropriated for the State Disability Insurance Plan and Private Disability Insurance Plan, there are appropriated out of the State Disability Benefits Fund such additional sums as may be required to pay disability benefits, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated for administrative costs associated with the State Disability Insurance Plan, there is appropriated from the State Disability Benefits Fund an amount not to exceed \$10,000,000, such amount to include \$1,000,000 for a reengineering study of the business process, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amounts hereinabove appropriated for the State Disability Insurance Plan and the Private Disability Insurance Plan, there are appropriated out of the State Disability Benefits Fund such additional sums as may be required to administer the Private Disability Insurance Plan.

In addition to the amounts hereinabove appropriated for the Workers' Compensation program, there are appropriated receipts in excess of the amount anticipated, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amounts hereinabove appropriated for the Second Injury Fund, there are appropriated receipts in excess of the amount anticipated, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the Special Compensation Fund shall be payable out of the Special Compensation Fund.

Notwithstanding the \$12,500 limitation set forth in R.S.34:15-95, in addition to the amounts hereinabove appropriated for the Special Compensation Fund, there are appropriated out of the Special Compensation Fund such additional sums as may be required for costs of administration and beneficiary payments.

There is appropriated out of the balance in the Second Injury Fund an amount not to exceed \$1,000,000 to be deposited to the credit of the Uninsured Employers Fund for the payment of benefits as determined in accordance with section 11 of P.L. 1966, c.126 (C.34:15-120.2). Any amount so transferred shall be included in the next Uninsured Employers Fund surcharge imposed in accordance with section 10 of P.L. 1966, c.126 (C.34:15-120.1) and any amount so transferred shall be returned to the Second Injury Fund without interest and shall be included in net assets of the Second Injury Fund pursuant to paragraph (4) of subsection c. of R.S.34:15-94.

The funds appropriated for Second Injury Fund benefits are available for the payment of obligations applicable to prior fiscal years.

Amounts to administer the Uninsured Employers Fund are appropriated from the Uninsured Employers Fund, subject to the approval of the Director of the Division of Budget and Accounting.

An amount not to exceed \$150,000 for the cost of notifying unemployment compensation recipients of the availability of New Jersey Earned Income Tax Credit information, pursuant to P.L.2005, c.210 (C.43:21-4.2), is appropriated from the Unemployment Compensation Auxiliary Fund, subject to the approval of the Director of the Division of Budget and Accounting.

From the funds made available to the State under section 903(d)(4) of the Social Security Act (42 U.S.C. s.1103 et seq.), as amended, the sum of \$35,000,000, or so much thereof as may be necessary, is appropriated for the improvement of services to unemployment insurance claimants through the improvement and modernization of the benefit payment system and other technology improvements and to employment service clients through the continued development and maintenance of one-stop offices throughout the State and other investments in technology, processes and services that will enhance job opportunities for clients.

In addition to the amounts hereinabove appropriated, there is appropriated out of the Unemployment Compensation Auxiliary Fund, an amount not to exceed \$4,000,000 to support collection activities in the program, subject to the approval of the Director of the Division of Budget and Accounting.

LABOR AND WORKFORCE DEVELOPMENT

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

54. MANPOWER AND EMPLOYMENT SERVICES

OBJECTIVES

1. To develop and maintain employment opportunities.
2. To develop and revitalize manpower for employment opportunities.
3. To minimize public employer-employee disputes, to resolve such disputes when they arise, and to enforce statutory rights of public employees.
4. To promote permanent harmony and stability in labor relations.
5. To prevent employment practices which are injurious to workers or which abrogate workers' rights and to assure equitable wages and working hours.
6. To prevent injuries to persons and damage to property from explosives, hazardous materials, and mining operations; and to prevent injuries and fatalities to the public from high voltage lines.
7. To prevent injuries and illnesses to public employees.
8. To provide on-site consultation service to employers on matters of safety and health of employees.

PROGRAM CLASSIFICATIONS

07. **Vocational Rehabilitation Services.** The Vocational Rehabilitation Program (P.L. 93-112 as amended; P.L. 97-35) provides services to individuals with disabilities who are unable to work. A broad range of medical and training services are provided to assist in preparing for and acquiring employment. Funding is provided primarily on an approximate 77%/23% Federal/State matching basis. The Sheltered Workshop Support program (P.L. 1971, c.272), through 100% State funds, is designed to provide long-term employment and rehabilitation services to severely disabled individuals who cannot be placed in open competitive employment.
09. **Employment Services.** Under the New Jersey Workforce Development Partnership Act, job training services are provided through training grants for displaced and disadvantaged individuals. In addition, customized training grants are awarded to employers to sustain employment in the state and to make the workforce more competitive.

Labor exchange services match unemployed workers with job openings. Placement is facilitated through interviewing, classification, and counseling.

Other federally-funded programs include Alien Labor Certification, Disabled Veterans Outreach Program, and the Trade Act Program. These programs are authorized by the Wagner-Peyser Act, as amended by the Jobs Training Partnership Act (P.L. 97-300).
10. **Employment and Training Services.** Under the auspices of the Federal Workforce Investment Act (WIA), and related federal and state legislation, contracts with federal, state, and local governments and other institutions provide services to train the workforce which include: counseling, recruitment for Job Corps, intake and certification for WIA, job search assistance, referral and placement for General Assistance

recipients, and job search to enhance economic development activities.

The State Employment and Training Commission is an administrative body created by P.L. 1989, c.293, to design and assist in the implementation of a State-based, locally-delivered employment, training, and education system. The Commission is responsible for the implementation and evaluation of an employment and training policy for the State.

12. **Workplace Standards.** Enforces statutes and rules by inspecting work premises and conditions. Covered are places of public employment (C.39: 6A-25 et seq.); certain provisions of the Worker and Community Right to Know Act (C.39: 5A-18 et seq.); boilers (including nuclear components), pressure vessels, and refrigeration plants (C.34:7-14 et seq.); mines, pits, and quarries (C.34: 6-98.1 et seq.); explosives (C.21: 1A-128 et seq.); proximity to high voltage lines (C.34: 6-47.1 et seq.); fireworks (C.21: 2-1 et seq. and C.21: 3-1 et seq.); and service stations (C.34A-1 et seq.).

Develops and interprets rules, issues formal variances, and hears appeals. Issues licenses to long boom crane operators, power plant engineers, and boiler operators and issues approvals for operation of boilers, pressure vessels, and nuclear components.

Also covered are minimum wage and overtime (C.34: 11-56A et seq.); wage payment (C.34: 11-4.1 et seq.); child labor (C.34: 2-21.1 et seq.); industrial homework (C.34: 6-120 et seq.); lie detectors (C.2A: 170.90.1); wage collection (C.34: 11-57 et seq.); prevailing wage (C.34: 11-56.25 et seq.); crew leaders (C.34: 8A-7 et seq.); drinking water and toilet facilities (C.34: 9A-37 et seq.); and contract labor camps subject to the Wagner-Peyser Act.

Provides on-site occupational health and safety consultation services to employers by agreement with the Federal Occupational Safety and Health Administration (OSHA).

16. **Public Sector Labor Relations.** Provides services through the Public Employment Relations Commission (C.34:13A-1 et seq.), which establishes policy, rules, and regulations concerning employer-employee relations in the public sector, and resolves disputes involving unit determinations, representation, unfair practices, and scope of negotiations. Upon request, provides mediators and fact-finders to help resolve collective negotiation disputes and designates arbitrators to resolve disputes over collective bargaining rights.

The Public Employment Relations Commission Appeal Board is an administrative body created by P.L. 1979, c.477, and is authorized to review and decide appeals filed by non-member employees as to the appropriateness of representation fees set by their majority representatives.

17. **Private Sector Labor Relations.** Provides services through the State Board of Mediation (C.34:13A-4 and C.34:1A-23), which monitors labor negotiations throughout the state and conducts separate and joint conferences with labor and management during negotiations of labor contracts; resolves disputes by providing arbitrators at the request of the parties; and conducts consent elections to determine matters of union representation.

LABOR AND WORKFORCE DEVELOPMENT

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Vocational Rehabilitation Services				
Total persons served	29,375	29,675	30,100	30,500
Total persons rehabilitated	4,178	4,370	4,481	4,592
Total continuing to be served	18,422	18,725	18,975	19,150
Average cost per rehabilitation	\$14,200	\$14,507	\$15,150	\$15,350
Earnings (Weekly)				
Before rehabilitation	\$84	\$89	\$94	\$99
After rehabilitation	\$385	\$390	\$395	\$405
Sheltered Workshops				
Client slots	2,699	2,699	2,699	2,699
Appropriation per client slot	\$7,062	\$7,062	\$7,425	\$7,239
Independent Living Rehabilitation				
Persons served	7,240	14,054 ^(a)	14,250	14,500
Cost per person	\$150	\$77	\$77	\$77
Employment Services				
Job openings received	176,410	112,743	120,000	125,000
Individuals entered employment	132,297	118,435	122,000	125,000
Individuals receiving career guidance	57,960	60,365	60,500	62,300
Disabled Veterans Outreach Program				
Veterans entered employment	11,109	9,028	9,500	9,700
Veterans receiving career guidance	4,074	4,321	4,350	4,400
Employment and Training Services				
Workforce Development Partnership Project				
Customized training grants	\$19,506,729	\$27,018,983	\$26,000,000	\$27,300,000
Individuals trained	38,817	67,829	51,114	53,670
Cost per individual	\$502	\$398	\$509	\$509
Companies served	258	307	350	368
Individual training grants-displaced workers	\$14,000,000	\$14,650,000	\$11,000,000	\$11,000,000
Individuals trained	4,375	3,662	3,750	3,750
Cost per individual	\$3,200	\$4,000	\$2,933	\$2,933
Workforce Investment Act				
Total enrollments	22,879	20,432	20,800	20,800
Total job placements	6,600	5,504	6,150	6,150
Work First New Jersey (WFNJ) Activities (b)				
Individuals receiving Temporary Assistance for Needy				
Families (TANF) who took part in:				
Educational programs	3,321	3,525	3,514	3,514
Job search activities	2,356	2,215	2,141	2,141
On-the-job training	15	7	21	21
Vocational training programs	3,660	3,197	2,567	2,567
Community Work Experience Program	1,232	2,188	2,212	2,212
Alternative Work Experience Program	3,039	2,325	2,351	2,351
Individuals receiving General Assistance (GA),				
Food Stamps, or both who took part in:				
Educational programs	--- (c)	2,395	4,142	4,142
Job search activities	--- (c)	2,762	5,018	5,018
On-the-job training	--- (c)	194	354	354
Vocational training programs	--- (c)	2,614	5,092	5,092
Community Work Experience Program	--- (c)	821	1,774	1,774
Alternative Work Experience Program	--- (c)	1,501	2,350	2,350
Cases closed due to employment				
TANF	938	909	636	636
GA	498	548	580	580
Workplace Standards				
Mine, pit, and quarry inspections	2,000	1,693	2,000	2,000
Mechanical Inspection				
Boilers inspected by State	9,319	7,668	8,000	8,000
Boilers inspected by insurance inspectors	39,674	43,970	44,000	44,000

LABOR AND WORKFORCE DEVELOPMENT

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Asbestos Control and Licensing				
Employer licenses issued	50	104	110	110
Employee permits issued	3,264	1,978	2,000	2,000
Crane Operator Inspections	982	680	1,100	1,100
OSHA On-site Consultant Services				
Consultations	595	510	500	500
Hazards identified	2,000	1,750	1,700	1,700
Mine Safety Training				
Persons trained	2,000	2,944	2,950	2,950
Wage and Hour, Child Labor, and Public Contracts				
Complaints received	6,919	7,500	7,400	7,500
Formal complaints filed	2,193	1,927	2,080	2,200
Employees receiving back wages	10,562	8,511	8,500	8,500
Net back wages paid to employees	\$8,170,281	\$5,559,260	\$6,000,000	\$6,000,000
Public Employees Safety				
Inspections	1,000	960	800	800
Hazards identified	5,000	6,720	5,600	6,000
Apparel Registration				
Registrations issued	578	466	450	450
Firms with violations	96	75	75	60
Public Works Contractor Registration Act				
Registrations issued	7,723	8,240	8,400	8,500
Public Sector Labor Relations				
Dispute Disposition				
Balance July 1	1,886	1,946	1,979	2,027
Filed	1,972	2,092	2,118	2,185
Disposed	1,912	2,059	2,070	2,135
Unfair practices and representation	584	572	520	545
Mediation, fact-finding, and arbitration	1,097	1,266	1,307	1,340
Scope of negotiation and issue definition	96	85	88	90
Other formal decisions	135	136	155	160
Balance June 30	1,946	1,979	2,027	2,077
Appeal Board				
Balance July 1	78	1,199	273	243
Petitions filed	1,122 (d)	188	90	70
Petitions disposed	1	1,114	120	175
Balance June 30	1,199	273	243	138
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	226	216	221	223
Federal	1,064	1,003	944	950
All Other	46	42	33	33
Total Positions	1,336	1,261	1,198	1,206
Filled Positions by Program Class				
Vocational Rehabilitation Services	338	324	306	306
Workplace Standards	214	208	209	213
Employment Services	744	693	643	648
Public Sector Labor Relations	36	33	35	35
Private Sector Labor Relations	4	3	5	4
Total Positions	1,336	1,261	1,198	1,206

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

- In fiscal year 2007, the Federal Independent Living Services program revised its definition of "Persons served" to recognize a broader number of individuals receiving services.
- TANF activity data were provided by the Department of Human Services, Division of Family Development (DFD). General Assistance (GA) and Food Stamps activity data were provided by the Department of Labor. Cases closed due to employment for both TANF and GA were provided by DFD.
- Data on individuals receiving GA and Food Stamps for 2006 are not available in a format consistent with that for 2007, 2008, and 2009.
- In fiscal year 2006, 1,112 petitions were filed involving certain alleged violations in a representation fee dispute. The matter was resolved in fiscal year 2007 and is included in "Petitions disposed."

LABOR AND WORKFORCE DEVELOPMENT

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
2,446	---	---	2,446	2,446				
					Vocational Rehabilitation Services	07	2,446	2,446
9,226	1,915	---	11,141	9,360	Employment Services	09	9,527	9,527
---	25,501	---	25,501	25,501	Employment and Training Services	10	145	73
5,540	8,550	91	14,181	12,637	Workplace Standards	12	5,623	5,623
3,320	---	---	3,320	3,201	Public Sector Labor Relations	16	3,501	3,501
474	---	---	474	474	Private Sector Labor Relations	17	484	484
21,006	35,966	91	57,063	53,619	Total Direct State Services		21,726 ^(a)	21,654
<u>Distribution by Fund and Object</u>								
Personal Services:								
15,474	7,913 ^R	-3,054	20,333	18,540	Salaries and Wages		16,082	16,082
15,474	7,913	-3,054	20,333	18,540	Total Personal Services		16,082	16,082
60	---	90	150	145	Materials and Supplies		60	60
335	---	1,957	2,292	2,270	Services Other Than Personal		304	304
94	---	65	159	155	Maintenance and Fixed Charges		92	92
Special Purpose:								
1,909	---	---	1,909	1,908	Workforce Development Partnership Program	09	1,909	1,909
81	---	---	81	44	Workforce Development Partnership - Counselors	09	81	81
2,000	---	---	2,000	1,834	Workforce Literacy and Basic Skills Program	09	2,000	2,000
---	---	---	---	---	Council on Gender Parity	10	95	23
---	---	---	---	---	Disadvantaged Youth Employment Opportunities Council	10	50 ^S	50
---	25,501 ^R	---	25,501	25,501	Work First New Jersey	10	---	---
38	---	---	38	8	Worker and Community Right to Know Act	12	38	38
---	---	1,112	1,112	1,112	Workplace Standards State Match	12	---	---
378	---	-178	200	200	Public Employees Occupational Safety	12	378	378
450	638 ^R	---	3,001	1,661	Public Works Contractor Registration	12	450	450
144	---	---	144	144	Mine Safety Program Expansion	12	144	144
3	---	---	3	3	Safety Commission	12	3	3
40	1	99	140	94	Additions, Improvements and Equipment		40	40
<u>GRANTS-IN-AID</u>								
Distribution by Fund and Program								
34,735	16	---	34,751	34,670	Vocational Rehabilitation Services	07	35,524	35,313
32,295	16	---	32,311	32,230	(From General Fund)		33,084	32,873
2,440	---	---	2,440	2,440	(From Casino Revenue Fund)		2,440	2,440
22,238	---	---	22,238	22,238	Employment and Training Services	10	36,651	36,651

LABOR AND WORKFORCE DEVELOPMENT

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
GRANTS-IN-AID								
56,973	16	---	56,989	56,908	Total Grants-in-Aid	72,175	71,964	71,964
54,533	16	---	54,549	54,468	(From General Fund)	69,735	69,524	69,524
2,440	---	---	2,440	2,440	(From Casino Revenue Fund)	2,440	2,440	2,440
Distribution by Fund and Object								
Grants:								
4,286	---	---	4,286	4,286	Services to Clients (State Share)	07	4,286	4,286
1,960	16	---	1,976	1,895	Sheltered Workshop Transportation	07	1,960	1,960
2,440	---	---	2,440	2,440	Sheltered Workshop Transportation (CRF)	07	2,440	2,440
5,550	---	---	5,550	5,550	Supported Employment Services	07	5,550	5,550
19,059	---	528	19,587	19,587	Sheltered Workshop Support	07	20,039	19,539
450	---	-337	113	113	Sheltered Workshop Employment Placement Incentive Program	07	450	450
191	---	-191	---	---	Community Provider Cost of Living Adjustment-Sheltered Workshops	07	---	289
170	---	---	170	170	Services for Deaf Individuals	07	170	170
625	---	---	625	625	Independent Living Centers	07	625	625
4	---	---	4	4	Training (State Share)	07	4	4
3,048	---	---	3,048	3,048	New Jersey Youth Corps	10	3,048	3,048
19,190	---	---	19,190	19,190	Work First New Jersey Work Activities	10	33,603	33,603
STATE AID								
Distribution by Fund and Program								
1,522	---	---	1,522	1,448	Employment and Training Services	10	1,522	1,522
1,522	---	---	1,522	1,448	Total State Aid		1,522	1,522
Distribution by Fund and Object								
State Aid:								
922	---	---	922	922	Adult Literacy	10	922	922
600	---	---	600	526	Vocational Education - Apprenticeship	10	600	600
79,501	35,982	91	115,574	111,975	Grand Total State Appropriation		95,423	95,140
OTHER RELATED APPROPRIATIONS								
Federal Funds								
51,673	26,498	-1,581	76,590	46,915	Vocational Rehabilitation Services	07	51,998	52,880
37,988	4,571	-397	42,162	24,319	Employment Services	09	38,442	38,442
142,437					Employment and Training Services	10	127,371	127,371
475 ^S	17,343	22	160,277	121,403	Workplace Standards	12	4,371	5,150
4,116	914	-853	4,177	3,023	Total Federal Funds		222,182	223,843
236,689	49,326	-2,809	283,206	195,660	All Other Funds			
---	72	---			Employment Services	09	2,430	2,430
---	2,724 ^R	---	2,796	2,127	Employment and Training Services	10	25,500	25,572
---	57	---	57	---	Workplace Standards ^(c)	12	7,789	8,189

LABOR AND WORKFORCE DEVELOPMENT

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
OTHER RELATED APPROPRIATIONS								
---	44 34 ^R	---	78	---	Public Sector Labor Relations	16	---	---
---	<u>2,931</u>	---	<u>2,931</u>	<u>2,127</u>	Total All Other Funds		<u>35,719</u>	<u>36,191</u>
<u>316,190</u>	<u>88,239</u>	<u>-2,718</u>	<u>401,711</u>	<u>309,762</u>	GRAND TOTAL ALL FUNDS		<u>353,324</u>	<u>355,174</u>

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.
- (b) Appropriation of \$289,000 for cost-of-living allowance adjustments distributed to the applicable grant account.
- (c) Receipts shown hereinabove for the Workplace Standards program classification include fees associated with asbestos notification regulations which will be transferred to the Department of Health and Senior Services in fiscal 2008 and 2009.

Language Recommendations -- Direct State Services - General Fund

Notwithstanding the provisions of the "New Jersey Employer-Employee Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.), the cost of fact-finding shall be borne equally by the public employer and the exclusive employee representative.

The amount hereinabove appropriated for the Vocational Rehabilitation Services program classification is available for the payment of obligations applicable to prior fiscal years.

The amount hereinabove appropriated for the Vocational Rehabilitation Services program classification is appropriated from the Unemployment Compensation Auxiliary Fund.

The amounts hereinabove appropriated for the Workforce Development Partnership Program and Workforce Development Partnership - Counselors shall be appropriated from receipts received pursuant to P.L.1992, c.44 (C.34:15D-12 et seq.), together with such additional sums as may be required to administer the Workforce Development Partnership Program, subject to the approval of the Director of the Division of Budget and Accounting.

The amounts hereinabove appropriated for the Workforce Literacy and Basic Skills Program shall be appropriated from receipts received pursuant to P.L.2001, c.152 (C.34:15D-21 et seq.), together with such additional sums as may be required to administer the Workforce Literacy Program, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of the "Supplemental Workforce Fund for Basic Skills," P.L.2001, c.152 (C.34:15D-21 et seq.), or any law or regulation to the contrary, the unexpended balance at the end of the preceding fiscal year in the Supplemental Workforce Fund for Basic Skills is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of the "Workforce Development Partnership Act," P.L.1992, c.44 (C.34:15D-12 et seq.), or any other law to the contrary, the unexpended balance at the end of the preceding fiscal year in the Workforce Development Partnership Fund is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of P.L.1992, c.44 (C.34:15D-12 et seq.), or any other law to the contrary, there shall be appropriated to the Department of Labor and Workforce Development an amount not to exceed 5.5% of the total revenues collected pursuant to section 2 of P.L. 1992 c.44 (C.34:15D-13) for the purpose of supporting initiatives recommended by the Commissioner in support of the Governor's Economic Growth Strategy, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of the amount anticipated for the Workplace Standards Program are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of the amount anticipated for the Public Works Contractor Registration Program and the unexpended balance at the end of the preceding fiscal year are appropriated for the Public Works Contractor Registration Program, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of the "Worker and Community Right To Know Act," P.L.1983, c.315 (C.34:5A-1 et seq.), the amount hereinabove appropriated for the Worker and Community Right To Know Act account is payable out of the Worker and Community Right To Know Fund. If receipts to that fund are less than anticipated, the appropriation shall be reduced proportionately. In addition to the amounts hereinabove appropriated, there are appropriated out of the Worker and Community Right To Know Fund such additional sums, not to exceed \$8,400, to administer the Right To Know Program, subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated out of the Wage and Hour Trust Fund and the Prevailing Wage Act Trust Fund such sums as may be necessary for payments.

The amount hereinabove appropriated for the Private Sector Labor Relations program classification is appropriated from the Unemployment Compensation Auxiliary Fund.

From the appropriation provided hereinabove in support of office leases, and notwithstanding the provisions of P.L.1992, c.130 (C.52:18A-191.1 et seq.), the State Treasurer, in consultation with the Commissioner of Labor and Workforce Development, is hereby authorized to enter into cost-sharing agreements with any authorized non-State partner that offers programs and activities supported primarily by federal funds from the United States Departments of Labor and Education in the State's one-stop centers for the purpose of co-locating such partner in an office with the Department of Labor and Workforce Development providing rent costs shall be equitably shared in accordance with a cost allocation plan approved by the Commissioner of Labor and Workforce Development.

LABOR AND WORKFORCE DEVELOPMENT

The amount hereinabove appropriated for the Disadvantaged Youth Employment Council is appropriated from the Unemployment Compensation Auxiliary Fund.

Notwithstanding the provisions of any law or regulation to the contrary, in addition to the amount hereinabove appropriated for the Council on Gender Parity, an amount not to exceed \$72,000 is appropriated from the Unemployment Compensation Auxiliary Fund, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - General Fund

The amount hereinabove appropriated for the Vocational Rehabilitation Services program classification is available for the payment of obligations applicable to prior fiscal years.

Of the amount hereinabove appropriated for the Vocational Rehabilitation Services program classification, an amount not to exceed \$22,614,000 is appropriated from the Unemployment Compensation Auxiliary Fund.

Of the amounts hereinabove appropriated for Supported Employment Services, \$1,000,000 shall be expended consistent with the recommendations in the final report of the Governor's Task Force on Mental Health.

Amounts hereinabove appropriated for the Sheltered Workshop Employment Placement Incentive Program shall be available to support expenditures under the Sheltered Workshop Support Program and Supported Employment Program, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, in addition to the amounts hereinabove appropriated for the Work First New Jersey-Work Activities and Work First New Jersey-Training Related Expenses accounts, an amount not to exceed \$25,500,000 is appropriated from the New Jersey Workforce Development Partnership Fund, section 9 of P.L.1992, c.43 (C.34:15D-9), subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, of the amounts hereinabove appropriated for Work First New Jersey-Work Activities and Work First New Jersey-Training Related Expenses, \$8,190,000 is appropriated from the New Jersey Workforce Development Partnership Fund, section 9 of P.L.1992, c.43 (C.34:15D-9), subject to the approval of the Director of the Division of Budget and Accounting.

Of the amounts hereinabove appropriated for Work First New Jersey Work Activities, an amount not to exceed 3% shall be made available for administrative costs incurred by the Department of Labor and Workforce Development.

Notwithstanding the provisions of any law or regulation to the contrary, of the amount hereinabove appropriated for New Jersey Youth Corps, \$1,850,000 is appropriated from the New Jersey Workforce Development Partnership Fund, section 9 of P.L.1992, c.43 (C.34:15D-9) and an amount not to exceed 10% from all funds available to the program shall be made available for administrative costs incurred by the Department of Labor and Workforce Development.

Notwithstanding the provisions of any law or regulation to the contrary, in addition to the amounts hereinabove appropriated for New Jersey Youth Corps, there is appropriated an amount not to exceed \$2,200,000 from the "Supplemental Workforce Fund for Basic Skills," P.L.2001 c.152 (C.34:15D-21 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.

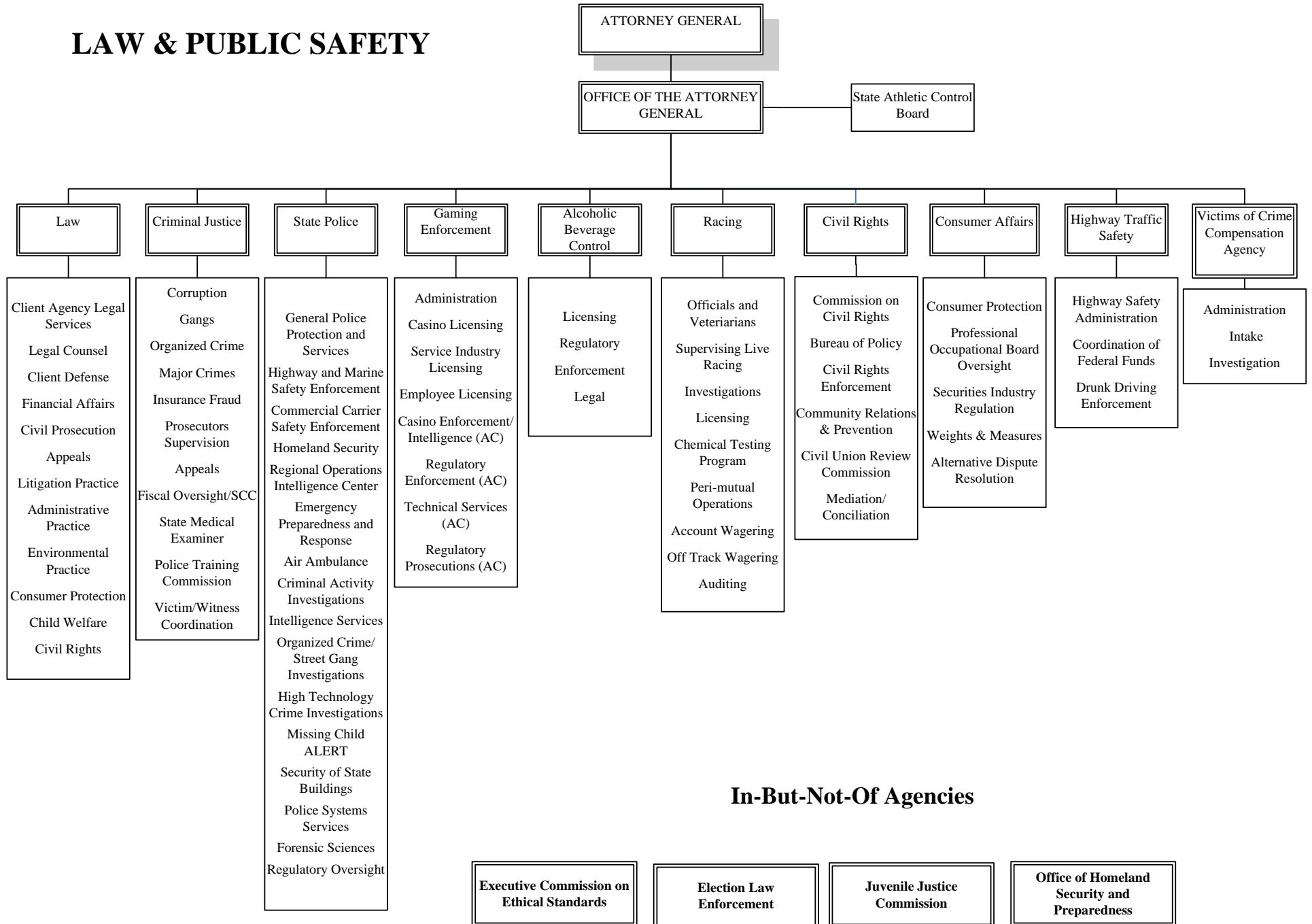
Of the amount hereinabove appropriated for the New Jersey Youth Corps program, \$475,000 is appropriated from the Unemployment Compensation Auxiliary Fund.

Notwithstanding the provisions of any law or regulation to the contrary, up to 15% of the amount available from the Workforce Development Partnership Fund for the Supplemental Workforce Development Benefits Program shall be appropriated as necessary to fund additional administrative costs relating to the processing and payment of benefits, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- State Aid - General Fund

Of the amount hereinabove appropriated in the Adult Literacy account, such sums as are necessary may be transferred to the applicant State department.

LAW & PUBLIC SAFETY



DEPARTMENT OF LAW AND PUBLIC SAFETY OVERVIEW

Mission and Goals

Under the direction of the Attorney General, the Department of Law and Public Safety handles very diverse and complex responsibilities, primarily focused on the safety and protection of the lives and property of New Jersey citizens. Statewide law enforcement and emergency response services have become a critical area of concern in light of the threat of terrorism. Other equally important functions of this Department are protecting civil rights; enforcing consumer protection laws; providing oversight of the alcoholic beverage, gaming, racing and boxing industries; and acting as the legal representative of State interests in all legal matters. In addition to exercising oversight over the Division of Consumer Affairs' licensed professions, the Department encompasses "in-but-not-of" boards and agencies that receive funding through the State Budget including: the Office of Homeland Security and Preparedness, the Election Law Enforcement Commission, the State Ethics Commission, and the Juvenile Justice Commission.

Current Department goals and objectives include providing and maintaining general statewide police, criminal investigations and prosecutions, intelligence, homeland security and emergency services; supporting and coordinating State and local law enforcement agencies; and maintaining and operating criminal records and identification systems. The Department also provides day and residential programs for juvenile offenders throughout the State, enhancing public safety by committing juvenile offenders to juvenile secure care programs; planning, developing, operating, and contracting of sanctions and services for juveniles charged as delinquent; preventing and eliminating practices of discrimination against persons because of race, creed, color, national origin, ancestry, sex, age, marital status, mental or physical handicap, nationality, or gender identity; protecting the rights of consumers and enforcing public protection laws and the Consumer Fraud Act; and working towards the goals of preventing fraud, unfair dealings in advertising or sales techniques.

Other Department activities include regulating the buying and selling of securities, fund raising organizations, employment agencies, bingo games and raffles, and uniform standards of weights and measures; issuing licenses to manufacturers, transporters, warehouses, and wholesalers of alcoholic beverages and supervising State and municipal retail liquor licensing to foster responsibility and moderation in the sale and consumption of alcoholic beverages; maintaining the integrity of gaming, horse racing, and boxing industries through regulations, investigations, and prosecutions; developing innovative State and local programs to reduce and prevent injuries and fatalities through a statewide highway traffic safety program; and compensating victims of violent crimes and the dependents of deceased victims for unreimbursed medical expenses, loss of earnings, and certain other expenses resulting from those crimes.

Budget Highlights

The Fiscal 2009 Budget for the Department of Law and Public Safety totals \$590.1 million, a decrease of \$44.3 million or 7.0% under the fiscal 2008 adjusted appropriation of \$634.3 million. A General Fund reduction of \$20.5 million is offset by revenue generated by municipalities that currently receive free police patrol services from the Division of State Police. In addition, the appropriation is reduced by \$8.0 million for one-time flood damage payments made in fiscal 2008.

Office of the Attorney General

The fiscal 2009 recommendation for the Office of the Attorney General is \$13.9 million, a decrease of \$1.5 million from the fiscal 2008 adjusted appropriation of \$15.4 million. As head of the Department of Law and Public Safety, the Attorney General serves as the State's chief law enforcement officer and legal advisor, and is responsible for the management and administration of the Department.

State Police

The fiscal 2009 recommendation for the Division of State Police is \$276.5 million, a decrease of \$36.0 million from the fiscal 2008 adjusted appropriation of \$312.5 million. The aforementioned Rural Patrol initiative and elimination of one-time costs explain the bulk of this reduction. The State Police provide law enforcement services throughout the State and patrol all major State highways. Other functions include investigation of organized crime, racketeering, narcotics, white-collar crime, and the provision of statewide security services at nuclear power stations and other critical facilities.

In fiscal 2009, assuming normal/routine attrition, the total number of State troopers will be 2,995 by the end of the fiscal year, remaining constant from the fiscal 2007 ending trooper counts.

Division of Law

The fiscal 2009 recommendation for the Division of Law is \$18.0 million, a decrease of \$0.7 million from the fiscal 2008 adjusted appropriation of \$18.7 million. The Division of Law provides legal services to all offices, departments, and entities of State government, as well as county Boards of Election and Taxation. The Division will receive over \$64.3 million in reimbursements for legal services rendered from State agencies and third parties for a total budget of \$82.3 million. Funding will be provided from the Division of Youth and Family Services (DYFS) for staff and related operational costs associated with child welfare reform. The Division renders written legal opinions to governmental agencies, makes appearances at hearings, and represents the State in litigation and appeals in State and federal courts, administrative hearings, and proceedings to protect the rights of children under the care of DYFS.

Department Accomplishments

The Attorney General's Office played an integral role in the development of Governor Corzine's three-pronged strategy to make New Jersey safer. Announced in October, the plan to reduce violence and prevent crime involves three aspects: proactive law enforcement, crime prevention strategies, and efforts aimed at helping those who have been incarcerated, both juveniles and adults, to re-enter their home communities as productive, law-abiding citizens.

The enforcement component focuses on violent crime, street gangs and illegal guns. Cooperation among law enforcement agencies at every level is a hallmark of the plan, as are intelligence-led, data-driven policing strategies aimed at mapping crime trends, identifying violent criminals, and pinpointing crime and violent "hot spots." Outreach to community residents and development of a new and effective witness protection program are also key elements.

The re-entry phase is a comprehensive approach to fighting recidivism and giving former inmates a chance to succeed by providing those who have been incarcerated with help in the areas of education, substance abuse treatment, housing, health care and employment.

In an effort to combat violent street gangs in New Jersey, the Divisions of Criminal Justice and State Police collaborated on gang-related prosecutions in 2007 resulting in the indictment of 80 people on charges ranging from murder, conspiracy to commit murder, first-degree racketeering and money laundering to possession of a handgun and distribution of cocaine and marijuana.

The Attorney General's Office continued to aggressively pursue public corruption in 2007. The Division obtained indictments against a former township police chief and his wife for allegedly stealing more than \$150,000 from Mothers Against Drunk Driving (MADD). The couple was charged with conspiracy and theft by deception for allegedly funneling money raised by MADD to two companies they owned - companies that purportedly supplied MADD with promotional items. In addition, the Division successfully prosecuted a former South Jersey mayor on several charges related to the bribery of a political adversary.

The Attorney General's Office took a series of actions in 2007 aimed at protecting young people from on-line sexual predators. As part of a continuing effort to thwart the exploitation of social networking websites by sexual predators, the Attorney General's Office subpoenaed information from a dozen such sites, including MySpace and Facebook. The subpoenas were used to help investigators learn whether convicted sex offenders had established profiles on networking sites by matching user profiles with official convicted sex offender lists. Records of the popular MySpace site showed that 141 New Jersey sex offenders logged onto MySpace 34,000 times during the time they were registered with the site, which ranged from a few months to two years. Information collected via the subpoenas was used, among other things, to determine if convicted sex offenders found using the networking sites were violating the terms of their probation or parole.

Working in conjunction with the State Department of Education, Attorney General Milgram also launched a series of Internet training programs for school teachers and administrators in 2007. These day-long "train the trainer" sessions were conducted by State Police experts and attended by hundreds of educators who were expected to share what they had learned with colleagues in their home school districts. Attorney General Milgram also introduced an Internet Safety Icon in 2007 (Report Abuse!) designed to allow the users of social networking sites to swiftly report inappropriate, abusive or potentially illegal activities.

The New Jersey State Police achieved a milestone in 2007 through its accreditation by a nationally-respected credentialing authority - The Commission on Accreditation of Law Enforcement Agencies (CALEA). The CALEA accreditation came after a two-year review, and placed New Jersey State Police among an elite group of law enforcement agencies nationwide that have met the high CALEA standard for use of "best practices."

The Division of Consumer Affairs launched an action plan in 2007 designed to improve and expedite the services provided by its 42 professional licensing boards. A major goal of the plan is to speed the amount of time required for applicants to obtain a professional license, and to expedite the handling of complaints filed against professional licensees. The Division's licensing boards regulate and oversee more than 500,000 individuals working in more than 80 professions ranging from plumbers to physicians. The licensing boards are fully funded by fees and fines collected from licensees.

Among the steps initiated in 2007 were installation of a new, consumer-friendly telephone system, redesign of websites to be more informative and user-friendly, and a call for individual licensing boards to develop complaint-screening mechanisms custom-tailored to the volume and type of complaints they typically receive.

Through the efforts of the Office of Insurance Fraud Prosecutor (OIFP), the Attorney General's Office continued in 2007 to obtain criminal convictions, tough jail sentences and stiff financial penalties against those who submitted bogus claims to insurance companies or otherwise took part in insurance fraud. The OIFP obtained approximately 200 criminal fraud convictions in 2007, and obtained \$9.6 million in criminal and civil penalties and restitution. In addition, the OIFP charged a total of more than 200 new defendants with insurance fraud. In fraud-related civil proceedings, the OIFP obtained more than 130 judgments totaling more than \$1 million, and obtained approximately \$2 million in restitution.

Office of Homeland Security and Preparedness

The fiscal 2009 recommendation for the Office of Homeland Security and Preparedness (OHSP) is \$18.4 million, the same level as the fiscal 2008 adjusted appropriation. This Office coordinates homeland security related issues across all levels of government and the private sector. The Domestic Security Preparedness Task Force, as part of OHSP, ensures the development of a comprehensive, statewide emergency plan. The Office of Counter Terrorism transferred to the OHSP and continues to act as the liaison agency to federal law enforcement and other states on counter terrorism issues.

Juvenile Justice Commission

The fiscal 2009 recommendation for the Juvenile Justice Commission totals \$129.2 million, a decrease of \$6.0 million from the fiscal 2008 adjusted appropriation of \$135.2 million. The New Jersey Juvenile Justice Commission is the single State agency mandated by legislation to lead and implement the reform of the juvenile justice system. The Commission promotes public safety and serves youth through a continuum of services, including prevention, intervention, incarceration, education, and aftercare. This is accomplished in collaboration with families, communities, and governmental agencies. The Commission affords opportunities for adjudicated youth to become independent, productive, and law-abiding citizens.

State Ethics Commission

The fiscal 2009 recommendation for the State Ethics Commission totals \$1.3 million, the same level as the fiscal 2008 adjusted appropriation. The State Ethics Commission addresses and monitors compliance with the conflicts-of-interest law and code of ethics.

Election Law Enforcement Commission

The fiscal 2009 recommendation for the Election Law Enforcement Commission totals \$9.2 million, an increase of \$4.3 million from the fiscal 2008 adjusted appropriation of \$4.9 million. The fiscal 2009 recommendation includes \$5.1 million for the Gubernatorial Elections Fund. The Commission assures the reporting of contributions received and expenditures made in furtherance of the nomination, election, or defeat of candidates for State, county, and local public office. Additionally, the Commission assures the quarterly reporting of financial activity of political committees and lobbyists, and provides partial public funding of gubernatorial elections.

LAW AND PUBLIC SAFETY

DEPARTMENT OF LAW AND PUBLIC SAFETY SUMMARY OF APPROPRIATIONS BY FUND (thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND								
526,265	190,318	-12,577	704,006	607,024	Direct State Services	532,349	495,475	495,475
22,469	98	---	22,567	21,949	Grants-In-Aid	28,085	27,423	27,423
16,000	6,858	---	22,858	15,323	State Aid	24,000	16,000	16,000
1,500	13,122	---	14,622	4,195	Capital Construction	3,800	---	---
566,234	210,396	-12,577	764,053	648,491	Total General Fund	588,234	538,898	538,898
CASINO CONTROL FUND								
43,999	223	---	44,222	43,590	Direct State Services	45,999	45,999	45,999
43,999	223	---	44,222	43,590	Total Casino Control Fund	45,999	45,999	45,999
CASINO REVENUE FUND								
92	---	---	92	6	Direct State Services	92	92	92
92	---	---	92	6	Total Casino Revenue Fund	92	92	92
GUBERNATORIAL ELECTIONS FUND								
---	---	---	---	---	Grants-In-Aid	---	5,080	5,080
---	---	---	---	---	Total Gubernatorial Elections Fund	---	5,080	5,080
610,325	210,619	-12,577	808,367	692,087	Total Appropriation, Department of Law and Public Safety	634,325	590,069	590,069

SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES - GENERAL FUND								
Law Enforcement								
254,935	18,544	12,274	285,753	279,549	State Police Operations	258,087	228,663	228,663
35,126	3,525	-2,647	36,004	33,167	Criminal Justice	34,945	32,850	32,850
600	---	-114	486	486	State Medical Examiner	905	525	525
51,609	193	-2,455	49,347	49,196	Administration and Support Services	46,145	47,519	47,519
342,270	22,262	7,058	371,590	362,398	Subtotal	340,082	309,557	309,557
Special Law Enforcement Activities								
600	16	---	616	499	Office of Highway Traffic Safety	600	600	600
5,952	705	-285	6,372	5,024	Election Law Enforcement	4,897	4,147	4,147
1,298	28	-52	1,274	1,075	Review and Enforcement of Ethical Standards	1,270	1,270	1,270
776	5,528	-273	6,031	6,019	Regulation of Alcoholic Beverages	318	---	---
8,626	6,277	-610	14,293	12,617	Subtotal	7,085	6,017	6,017
Juvenile Services								
24,410	---	261	24,671	24,671	Juvenile Community Programs	27,013	27,013	27,013
40,054	---	4,158	44,212	44,210	Institutional Control and Supervision	39,313	38,709	38,709
10,893	---	75	10,968	10,966	Institutional Care and Treatment	15,844	15,666	15,666
7,083	13	13	7,109	7,082	Juvenile Parole and Transitional Services	7,165	7,165	7,165

LAW AND PUBLIC SAFETY

Year Ending June 30, 2007						Year Ending —June 30, 2009—		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
16,067	---	1,118	17,185	17,170	Administration and Support Services	16,944	15,794	15,794
98,507	13	5,625	104,145	104,099	<i>Subtotal</i>	106,279	104,347	104,347
					Central Planning, Direction and Management			
3,250	---	773	4,023	3,744	Homeland Security and Preparedness	3,357	3,357	3,357
653	---	---	653	653	Central Library Services	888	575	575
13,815	1,659	-1,828	13,646	12,715	Administration and Support Services	14,544	13,325	13,325
17,718	1,659	-1,055	18,322	17,112	<i>Subtotal</i>	18,789	17,257	17,257
					General Government Services			
17,052	---	-500	16,552	16,548	Legal Services	18,716	17,985	17,985
17,052	---	-500	16,552	16,548	<i>Subtotal</i>	18,716	17,985	17,985
					Protection of Citizens' Rights			
13,239	66,606	-23,000	56,845	34,030	Consumer Affairs	12,645	12,392	12,392
17,541	84,432	---	101,973	42,701	Operation of State Professional Boards	17,541	17,541	17,541
5,617	78	-6	5,689	5,689	Protection of Civil Rights	5,974	5,721	5,721
5,695	8,991	-89	14,597	11,830	Victims of Crime Compensation Agency	5,238	4,658	4,658
42,092	160,107	-23,095	179,104	94,250	<i>Subtotal</i>	41,398	40,312	40,312
526,265	190,318	-12,577	704,006	607,024	Total Direct State Services - General Fund	532,349	495,475	495,475
					DIRECT STATE SERVICES - CASINO CONTROL FUND			
					Law Enforcement			
43,999	223	---	44,222	43,590	Gaming Enforcement	45,999	45,999	45,999
43,999	223	---	44,222	43,590	<i>Subtotal</i>	45,999	45,999	45,999
43,999	223	---	44,222	43,590	Total Direct State Services - Casino Control Fund	45,999	45,999	45,999
					DIRECT STATE SERVICES - CASINO REVENUE FUND			
					Protection of Citizens' Rights			
92	---	---	92	6	Operation of State Professional Boards	92	92	92
92	---	---	92	6	<i>Subtotal</i>	92	92	92
92	---	---	92	6	Total Direct State Services - Casino Revenue Fund	92	92	92
570,356	190,541	-12,577	748,320	650,620	TOTAL DIRECT STATE SERVICES	578,440	541,566	541,566
					GRANTS-IN-AID - GENERAL FUND			
					Law Enforcement			
265	---	---	265	265	State Police Operations	265	265	265
2,050	98	---	2,148	1,530	Criminal Justice	2,650	2,350	2,350
2,315	98	---	2,413	1,795	<i>Subtotal</i>	2,915	2,615	2,615
					Juvenile Services			
18,854	---	---	18,854	18,854	Juvenile Community Programs	23,820	23,508	23,508
1,300	---	---	1,300	1,300	Juvenile Parole and Transitional Services	1,300	1,300	1,300
20,154	---	---	20,154	20,154	<i>Subtotal</i>	25,120	24,808	24,808

LAW AND PUBLIC SAFETY

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
					Protection of Citizens' Rights			
---	---	---	---	---	Victims of Crime Compensation Agency	50	---	---
---	---	---	---	---	Subtotal	50	---	---
22,469	98	---	22,567	21,949	Total Grants-In-Aid - General Fund	28,085	27,423	27,423
					GRANTS-IN-AID - GUBERNATORIAL ELECTIONS FUND			
					Special Law Enforcement Activities			
---	---	---	---	---	Election Law Enforcement	---	5,080	5,080
---	---	---	---	---	Subtotal	---	5,080	5,080
---	---	---	---	---	Total Grants-In-Aid - Gubernatorial Elections Fund	---	5,080	5,080
22,469	98	---	22,567	21,949	TOTAL GRANTS-IN-AID	28,085	32,503	32,503
					STATE AID - GENERAL FUND			
					Law Enforcement			
---	---	---	---	---	State Police Operations	8,000	---	---
1,000	6,858	---	7,858	7,056	Criminal Justice	1,000	1,000	1,000
1,000	6,858	---	7,858	7,056	Subtotal	9,000	1,000	1,000
					Central Planning, Direction and Management			
15,000	---	---	15,000	8,267	Homeland Security and Preparedness	15,000	15,000	15,000
15,000	---	---	15,000	8,267	Subtotal	15,000	15,000	15,000
16,000	6,858	---	22,858	15,323	Total State Aid - General Fund	24,000	16,000	16,000
16,000	6,858	---	22,858	15,323	TOTAL STATE AID	24,000	16,000	16,000
					CAPITAL CONSTRUCTION			
					Law Enforcement			
---	4,879	---	4,879	1,840	State Police Operations	---	---	---
---	24	---	24	---	State Medical Examiner	---	---	---
---	542	---	542	91	Administration and Support Services	---	---	---
---	5,445	---	5,445	1,931	Subtotal	---	---	---
					Juvenile Services			
1,500	7,677	---	9,177	2,264	Administration and Support Services	3,800	---	---
1,500	7,677	---	9,177	2,264	Subtotal	3,800	---	---
1,500	13,122	---	14,622	4,195	TOTAL CAPITAL CONSTRUCTION	3,800	---	---
610,325	210,619	-12,577	808,367	692,087	Total Appropriation, Department of Law and Public Safety	634,325	590,069	590,069

10. PUBLIC SAFETY AND CRIMINAL JUSTICE
12. LAW ENFORCEMENT**OBJECTIVES**

1. To provide statewide law enforcement services, including traffic control, by assisting other law enforcement agencies, and supplying total protection in areas without police departments.
2. To deter criminal activities that are interjurisdictional in scope.
3. To provide accurate statewide criminal information and efficient statewide law enforcement.
4. To provide an efficient statewide law enforcement communications system.
5. To develop and administer a coordinated statewide system for defense against potential natural and man-made disasters.
6. To administer the criminal justice system and promote uniform enforcement of the criminal laws.
7. To maximize the criminal justice process by an efficient, expedient and economical use of resources for the detection, arrest, indictment and conviction of criminal offenders.
8. To prosecute all criminal appeals emanating from the Division of Criminal Justice and all of the 21 counties.
9. To enforce the criminal and civil provisions of the New Jersey Antitrust Act, preserve the State's rights under the federal antitrust laws, and promote antitrust enforcement through liaison with other law enforcement agencies.
10. To professionalize the police in the State by maintaining high training standards, better educated police personnel and improved operational techniques.
11. To determine the cause and manner of all violent, suspicious and unusual deaths and those which constitute a threat to public health.
12. To provide complete security services in and around all buildings and grounds which are located within the State Capitol Complex.
13. To reduce the risk of death, injury and property damage on inland and coastal waters of the State; to enforce State marine laws and to promote boating safety.
14. To ensure public confidence in the gaming industry by investigating and evaluating all prospective licenses, providing audits of casino operations and prosecuting violators of the Casino Control Act.

PROGRAM CLASSIFICATIONS

06. **State Police Operations.** Patrols are conducted in rural, urban, and highway areas primarily as a deterrent to violations of criminal and traffic laws. Patrol personnel respond to complaints and requests for police services and conduct investigations. Assistance is provided to other law enforcement agencies in matters relating to protection of persons and property and maintenance of public order. Tactical patrol units are utilized in areas of high accident or criminal frequency. Support is given by the Aviation Bureau for aerial coverage of established patrol routes. Patrol teams enforce commercial vehicle self-inspection regulations and commercial weight laws. The patrol personnel serve as initial responders to terrorist and other catastrophic events.

The Homeland Security Branch provides a comprehensive statewide land, air, and sea capability for the detection of and response to possible terrorism events. Specialized entities focus on homeland security initiatives such as infrastructure

security, the transportation of terrorists and terrorist materials, and the integrated response to terrorist or other emergency events within the state.

The Emergency Management Section develops and maintains action plans and the operational capability to coordinate statewide emergency response of personnel and resources for potential natural and man-made disasters. Coordination of the State's emergency response activities in compliance with the Federal Emergency Management Act is also a responsibility of the Division. The State's Emergency Operating Center is maintained in a position of readiness and works as a warning system in the event of an emergency.

Around the clock emergency ambulance service to trauma victims is provided by the Medical Evacuation-Air Ambulance/Helicopter Program.

Marine police operations provide for the enforcement of criminal, marine, port safety, and boating safety laws on coastal and certain inland waters of the State. Personnel and equipment are provided for quick response to marine accidents, crimes, and other emergencies. The Marine Services Bureau also promotes boating safety through public education.

The State Governmental Security Bureau is responsible for the security of all buildings and grounds which fall within the purview of the State Capital Complex. The Bureau provides for the direction of traffic, investigation of crime, and patrolling of grounds within and adjacent to the Complex. Furthermore, the security of the Governor and his or her family is provided by the Bureau.

Investigations are conducted in areas of organized crime, gambling, narcotics, official corruption, racing integrity, arson/bomb, cargo theft/robbery, fugitives from justice, and auto theft. The Major Crime Unit assists all law enforcement agencies within the State with the investigation of homicides, kidnapping for ransom, and any incident resulting in the death of, or by, an enlisted member of the Division. The Child Protection and Cyber-Crime Bureau investigates and provides expertise in the area of high technology computer crimes, child exploitation crimes, and missing persons and unidentified bodies, as well as offering violent criminal assessment services to all law enforcement agencies within the State.

Technical and scientific services are available in the field of chemical and physical analysis, photography, composite drawings, ballistics, latent fingerprints, and DNA analysis and database maintenance.

The Private Detective Unit conducts background character and complaint investigations of persons applying for or holding licenses. The Firearms Investigation Unit of the State Regulatory Investigation Bureau administers and enforces the New Jersey weapons and explosives laws. The Solid/Hazardous Waste Background Investigations Unit conducts investigations of corporations and individuals applying for licenses.

Intelligence is developed, collected, collated, and stored in the Statewide Intelligence Management System. Information is disseminated to law enforcement agencies concerning the involvement of organized criminal or possible terrorist activities, including street gang and counter-terrorism developments. The Electronic Surveillance Unit researches, develops, and implements court authorized surveillances and investigates all reported illegal wiretaps. The Casino Gaming Bureau and Casino Intelligence Unit investigate criminal activities in and around the Atlantic City casinos. Intelligence

related to the gaming industry is maintained and shared with other law enforcement agencies.

The Division provides and maintains a statewide radio communications system for the use of 21 other State agencies and for the Division. Additionally, the Division is responsible for ensuring an efficient and expedient means of interstate and intrastate law enforcement communications, including instantaneous responses to inquiries concerning wanted persons and stolen cars or property. This information is provided on a 24-hour basis by the New Jersey Criminal Justice Information System and the National Crime Information Center.

Collection, classification, and analysis of data pertaining to criminal activity are accomplished through the use of several identification and reporting systems. The Identification and Information Technology Section ensures that the State's criminal justice system and other governmental agencies are furnished with statewide criminal history and statistical information. The State Bureau of Identification serves as the clearinghouse and repository for all fingerprints submitted by the State's law enforcement agencies and is responsible for the subsequent retrieval of criminal history data. The Criminal Justice Records Bureau maintains the Uniform Crime Reporting System, which collects and classifies statistical data on crime trends in order to identify specific problems and recommend possible solutions.

The Training Bureau provides training for State Police recruits, and continuous in-service programs and seminars related to the police, traffic, criminal, and social sciences, homeland security, and leadership development. Many of the course offerings are fully accredited.

The Division maintains and repairs its own fleet of motor vehicles and provides this service to other State agencies.

09. **Criminal Justice.** Exercises functions pertaining to enforcement and prosecution of criminal activities in the state; responsible for the effective administration of criminal justice throughout the state; initiates investigations, actions or proceedings involving certain criminal or quasi-criminal matters; prepares cases for presentation before the State Grand Jury and prosecutes cases resulting from indictments, handles civil antitrust proceedings and criminal and civil antitrust matters at the appellate level. Assistance is provided and general supervision maintained over the 21 county prosecutors and periodic evaluations and audits are conducted of each

office. County prosecutors may be superseded in the prosecution of all or part of the criminal activities in a particular county by intervention in any investigation, criminal action or proceeding instituted in that county. Studies and surveys are conducted of law enforcement agencies within the state concerning their organization, procedures and methods.

The Police Training Commission is responsible for improving the value of the police officer's contribution to the community by supervising the administration of all basic police training programs and conducting management surveys of local police agencies.

11. **State Medical Examiner.** Oversees the investigation of all violent or suspicious deaths and those which constitute a threat to public health within the state. Investigations involve conducting postmortem examinations and providing forensic laboratory analyses of body fluids and organs. This Office also provides general supervision over county medical examiners, and by court order, may supersede the medical examiner of any county.
30. **Gaming Enforcement.** Prepares the investigative and evaluative data for the Casino Control Commission prior to the consideration of licensees, registrations and approvals. Performs audits and on-site compliance examinations of those who have been licensed and litigates all contested civil and criminal matters relating to the enforcement of the Casino Control Act, both before the Commission and in all courts. The subjects of jurisdiction include the entities applying for casino licenses and ancillary service licenses and employees of the casino and hotel. In order to meet these obligations and deliver the services required of this Division, a specialized, highly skilled and diversified staff is provided.
99. **Administration and Support Services.** Provides for State Police executive leadership and general management which includes staff inspections, internal investigations, public information, Affirmative Action/Equal Employment Opportunity and the Professional Standards Unit.

The Administrative Section provides management support services which include operational research and planning; fiscal control, involving budget preparation and accounting services; personnel administration; building maintenance and capital improvement; printing; supplies and food services.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
State Police Operations				
Investigations				
Criminal	17,460	23,452	23,500	25,000
Accident	43,858	44,415	44,500	45,000
General	805,131	833,975	835,000	835,000
Driving While Intoxicated Arrests	3,835	4,106	4,510	4,900
Aid To Motorists	208,377	176,406	210,000	220,000
Commercial Vehicles Inspected	28,354	35,473	35,827	36,185
Commercial vehicle inspection summonses	18,587	16,897	17,065	17,235
Commercial Vehicles Weighed	227,207 (a)	536,790	542,157	547,578
Commercial vehicle weight summonses	1,342 (a)	4,049	4,100	4,144
Commercial vehicles taken out of service	7,047 (a)	7,490	7,565	7,640
Intelligence Section/Organized Crime Control Bureau (b) ...	227	379	200	200
Number of arrests	250	769	400	400
Special Investigations	185	185	185	185
Racetrack Unit Investigations	50	50	25	10
Racetrack unit arrests	10	20	6	4
Polygraph Examinations	250	291	320	320
Arson Investigations	440	450	450	450
Arson arrests	70	75	75	75
Property damage (in millions)	\$26.00	\$28.00	\$28.00	\$28.00
Auto Unit Investigations	145	120	125	125
Auto unit arrests	59	61	65	65
Recovered vehicles	59	117	100	100
Recovered property value (in millions)	\$1.00	\$2.50	\$2.00	\$2.10
Major Crime Investigations	70	57	70	70
Fugitive Investigations	299	345	345	350
Cleared by arrest	461	984	525	525
Missing Persons Complaints	603	522	600	700
Missing persons located	80	98	90	100
Child Exploitation Investigations	421	240	265	290
Cyber Crimes Investigation (c)	---	250	275	300
Unidentified Persons Investigations	267	269	270	280
Solid/Hazardous Waste Investigations	659	687	695	705
Approvals	92	104	110	116
Rejections	---	4	5	7
Firearms Applications Received	7,668 (d)	7,252	7,300	7,400
Laboratory Cases Received	35,219 (d)	41,279	41,600	41,800
Laboratory Cases Completed	35,236 (d)	40,886	41,900	42,100
Crime Scene Investigations	1,887 (d)	2,038	2,120	2,205
Laboratory Cases Received/DNA Analysis	2,290 (d)	3,316	3,500	3,500
Laboratory Cases Completed/DNA Analysis	2,221 (d)	3,400	3,500	3,500
Private Detective Licenses Issued	1,005 (d)	852	625	900
Private Detective Employee Registrations	31,050 (d)	2,600 (e)	2,200	2,500
Security Officer Registration Act (SORA) Registrations	---	19,941 (e)	11,500	21,125
SORA Agency Licenses (SORA)	---	3 (e)	315	75
Criminal History Records Information Unit (d)				
Inquiries	4,120,425	4,710,210	5,300,000	6,000,000
Responses	2,827,170	3,460,199	3,600,000	4,300,000
Updates/modifications	4,081,978	4,400,000	4,600,000	4,800,000
Composite Drawing Cases	425	242	250	275

LAW AND PUBLIC SAFETY

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Marine Police Investigations				
Criminal-Marine	167	222	220	220
Accident-Marine	111	126	125	125
General-Marine	2,055	2,614	2,600	2,600
Boardings	6,725	6,876	6,800	6,800
Assists	741	868	860	860
Pollution Investigations	40	60	50	50
D.W.I. Arrests	21	24	24	24
Aviation Bureau				
Inter-Hospital Flights	362	360	360	360
On-Scene Pick-ups	1,251	1,270	1,290	1,300
Criminal Justice				
Complaints, Inquiries, Other Matters (Opened)	10,980	17,117	14,050	14,050
Complaints, Inquiries, Other Matters (Closed)	11,146	13,784	12,465	12,465
Investigations Opened	1,983	2,217	2,100	2,100
Investigations Closed	2,149	2,121	2,135	2,135
Convictions (Plea and Trial)	695	635	660	660
Briefs Received	1,336	1,317	1,325	1,325
Briefs Filed	691	481	585	585
Forfeitures-State Share (in millions)	\$7.40	\$2.90	\$2.00	\$2.00
Amount of Penalties and Awards Levied (in millions)	\$2.50	\$3.20	\$2.85	\$2.85
State Grand Jury Indictments/Accusations	465	518	492	492
County Indictments/Accusations	257	288	273	273
Defendants Disposed	947	935	940	940
Fines Ordered (in millions)	\$1.97	\$1.00	\$1.45	\$1.45
Restitution Ordered (in millions) (f)	\$126.59	\$21.80	\$35.00	\$35.00
Criminal Justice Training Programs	324	285	304	304
Number trained	13,825	11,970	12,895	12,895
Police Training Commission Training Programs	218	204	210	210
Number of trainees certified	4,300	3,984	4,152	4,152
State Medical Examiner				
Toxicological Cases Received	3,832	3,779	3,365	3,400
Statewide Autopsies Performed	4,173	4,225	4,350	4,400
Number of Deaths Investigated	6,623	6,643	6,750	6,800
Law Enforcement Drug Tests	13,575	15,000	15,500	16,000
Gaming Enforcement				
New Applications to be Processed				
Individual applications (g)	5,178	4,483	4,680	4,985
Hotels/Casino	---	---	2	2
Casino service industries/vendors	3,213	3,547	3,922	3,959
Renewal Applications Processed				
Individual applications (h)	2,953	5,038	4,795	4,850
Hotels/Casino	3	2	6	---
Casino service industries	200	168	196	183
Arrest notifications	3,758	3,724	3,798	3,874
Casino licensing investigations	2,707	2,935	2,724	2,764
Casino enforcement investigations	1,890	3,262 (i)	3,400	3,400
Casino enforcement arrests	1,842	1,992	2,100	2,100
Slot modifications/inspections	155,189	130,744	141,032	155,139
Administration and Support Services				
State Police Training Academy:				
State Police recruits enrolled	123	106	250	---
State Police recruits graduated	214	102	270	---
Special schools training	15,301	15,300	15,300	15,300
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	4,000	3,893 (j)	3,819	3,752
Federal	168	165	129	129
All Other	1,631	1,604	1,519	1,506
Total Positions	5,799	5,662	5,467	5,387

LAW AND PUBLIC SAFETY

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Filled Positions by Program Class				
State Police Operations	4,130	4,131	4,022	3,982
Criminal Justice	924	806 ^(j)	752	737
State Medical Examiner	85	80	79	81
Gaming Enforcement	286	273	254	249
Administration and Support Services	374	372	360	338
Total Positions	5,799	5,662	5,467	5,387

Notes:

Actual payroll counts are reported for fiscal 2006 and 2007 as of December and revised fiscal 2008 as of January. The Budget Estimates for fiscal 2009 reflect the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State supported.

(a) In FY 2006, the Transportation Safety Bureau's Commercial Vehicle Weigh program did not reach projected totals due to extensive mechanical malfunctions at three different weigh stations.

(b) This section was formerly referred to as the "Criminal Enterprise and Racketeering Bureaus" which has been renamed the Organized Crime Control Bureaus within the Intelligence Section.

(c) As a result of the reorganization of the Special Investigations Section, the creation of the Cyber Crimes Unit was necessary to meet the legislative mandates of the newly implemented Identity Theft Protection Act and the expansion of the task force operations with the FBI in the areas of incident reporting, cyber-investigations, and digital forensics.

(d) This number has been revised to reflect the actual data from FY 2006.

(e) Due to the enactment of the Security Officer Registration Act (SORA) in FY 2007, a reporting change is necessary and requires the separation of the Private Detective Employee Registrations and the Security Officer Registrations.

(f) Includes only criminal.

(g) In FY 2008, other casino expansions are expected.

(h) Four year renewal of casino employee licenses decreased in FY 2006 and are expected to increase in FY 2007 and FY 2008. Renewal rates are based on the Casino Control Commission's historical data.

(i) The Casino Enforcement Bureau will begin a new reporting policy with Casino Security. The Bureau will now investigate all criminal activity on the casino floor before involving the Division of State Police.

(j) State supported positions decreased by 85 due to the transfer of positions from the Division of Criminal Justice to the Office of Homeland Security and Preparedness.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
<u>Distribution by Fund and Program</u>									
254,935	18,544	12,274	285,753	279,549	06	258,087	228,663	228,663	
35,126	3,525	-2,647	36,004	33,167	09	34,945	32,850	32,850	
600	---	-114	486	486	11	905	525	525	
43,999	223	---	44,222	43,590	30	45,999	45,999	45,999	
43,999	223	---	44,222	43,590		45,999	45,999	45,999	
51,609	193	-2,455	49,347	49,196					
					99	46,145	47,519	47,519	
386,269	22,485	7,058	415,812	405,988		386,081	355,556	355,556	
342,270	22,262	7,058	371,590	362,398		340,082 ^(a)	309,557	309,557	
43,999	223	---	44,222	43,590		45,999	45,999	45,999	
<u>Distribution by Fund and Object</u>									
Personal Services:									
258,464	234 ^R	6,085	264,783	264,700		258,119	231,181	231,181	
36,290									
1,400 ^S	172	---	37,862	28,053		30,854			
						1,400 ^S	32,071	32,071	
---	---	---	---	---		26,721	26,861	26,861	
---	---	---	---	---		963	963	963	
---	---	---	---	9,726		6,473	6,473	6,473	

LAW AND PUBLIC SAFETY

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
296,154	406	6,085	302,645	302,479		324,530	297,549	297,549
258,464	234	6,085	264,783	264,700		284,840	258,042	258,042
37,690	172	---	37,862	37,779		39,690	39,507	39,507
5,613	---	4,066	9,679	9,562		5,713	5,713	5,713
389	---	90	479	454		389	389	389
11,763								
20 ^S	---	4,301	16,084	15,951		2,014	3,254	3,254
1,864	---	-50	1,814	1,640		1,864	1,864	1,864
4,425	---	-416	4,009	3,958		4,925	4,925	4,925
2,440	---	-40	2,400	2,352		2,440	2,440	2,440
					Special Purpose:			
	164							
---	209 ^R	---	373	209	06	---	---	---
3,768	---	---	3,768	3,768				
1,591	605	---	2,196	1,833				
962	6	---	968	692				
1,014	2,453	---	17,954	12,803	06	1,014	1,014	1,014
1,500	14,487 ^R	---	1,500	1,499	06	1,500	1,500	1,500
1,100	---	-60	1,040	1,040				
450	---	-10	440	440	06	---	---	---
200	---	-13	187	187	06	450	450	450
1,800	---	-661	1,139	1,139	06	200	200	200
1,000	---	-50	950	924	06	1,150	1,150	1,150
1,600	---	---	1,600	1,600	06	1,000	1,000	1,000
600	---	---	600	600	06	1,600	1,600	1,600
3,804	---	---	3,804	3,804	06	600	600	600
1,400	---	---	1,400	1,400	06	3,674	---	---
---	---	45	45	---	06	---	---	---
500	---	-100	400	400	06	---	---	---
1,700	---	---	1,700	1,700	06	400	400	400
1,000	---	-43	957	513	09	1,700	1,700	1,700
250	---	-50	200	191	09	1,000	1,000	1,000
---	---	1	1	1	09	250	---	---
4,000	---	-800	3,200	3,130	09	---	---	---
---	661 ^R	---	661	661	09	3,350	1,850	1,850
356	---	-50	306	290	09	---	---	---
500	---	---	500	500	09	356	356	356
---	1,736	---			09	500	500	500
1,185	1,128 ^R	---	2,864	859	09	---	---	---
---	18	---	18	18	30	1,185	1,368	1,368
8,216	---	-995	7,221	7,221	99	---	---	---
1,950	---	---	1,950	1,950	99	5,200	7,274	7,274
					99	---	---	---

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Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended	
Prog. Class.									
DIRECT STATE SERVICES									
3,278	---	90	3,368	3,368	Hamilton TechPlex Maintenance	99	3,278	3,278	
654	---	-131	523	523	Central Monitoring Station	99	654	654	
2,700	---	-500	2,200	2,200	State Police Recruit Training Class	99	---	---	
---	70	---	70	---	Uniform Crime Report Update	99	---	---	
2,000	---	---	2,000	2,000	State Police Radio Upgrade	99	1,552	1,552	
193	---	---	193	193	Affirmative Action and Equal Employment Opportunity	99	193	193	
2,000	---	-71	1,929	1,929	N.C.I.C. 2000 Project	99	2,000	2,000	
4,000	---	-1,306	2,694	2,694	State Police Information Technology Maintenance	99	4,000	4,000	
650	---	-102	548	548	State Police Technology Enhancements (b)	99	---	---	
2,800	---	-1,144	1,656	1,656	State Police Enhanced Systems and Procedures	99	1,900	1,900	
4,449	491	-1,028	3,912	3,744	Additions, Improvements and Equipment		2,516	1,511	
431	51	---	482	180	Additions, Improvements and Equipment (CCF)		431	431	
GRANTS-IN-AID									
Distribution by Fund and Program									
265	---	---	265	265	State Police Operations	06	265	265	
265	---	---	265	265	(From General Fund)		265	265	
2,050	98	---	2,148	1,530	Criminal Justice	09	2,650	2,350	
2,315	98	---	2,413	1,795	Total Grants-in-Aid		2,915	2,615	
Distribution by Fund and Object									
Grants:									
265	---	---	265	265	Nuclear Emergency Response Program	06	265	265	
300	---	---	300	300	Sex Offender Internet Registry Grants	09	300	---	
750	---	---	750	162	Operation CeaseFire	09	850	850	
1,000	---	---	1,000	970	Addressing Violence Against Women	09	1,500	1,500	
---	98	---	98	98	Community Justice Grant	09	---	---	
STATE AID									
Distribution by Fund and Program									
---	---	---	---	---	State Police Operations	06	8,000	---	
1,000	6,858	---	7,858	7,056	Criminal Justice	09	1,000	1,000	
1,000	6,858	---	7,858	7,056	Total State Aid		9,000	1,000	
Distribution by Fund and Object									
State Aid:									
---	---	---	---	---	Spring 2007 Flood Relief	06	8,000	---	
---	6,858	---	6,858	6,056	Statewide Local Domestic Preparedness Equipment Grant Program	09	---	---	
1,000	---	---	1,000	1,000	Safe and Secure Neighborhoods Program	09	1,000	1,000	
CAPITAL CONSTRUCTION									
Distribution by Fund and Program									
---	4,879	---	4,879	1,840	State Police Operations	06	---	---	
---	24	---	24	---	State Medical Examiner	11	---	---	

LAW AND PUBLIC SAFETY

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
CAPITAL CONSTRUCTION								
---	542	---	542	91	Administration and Support Services	99	---	---
---	5,445	---	5,445	1,931	Total Capital Construction		---	---
Distribution by Fund and Object								
Office of State Medical Examiner								
---	4	---	4	---	Critical Repairs and Instrumentation	11	---	---
---	20	---	20	---	HVAC Renovation	11	---	---
Division of State Police								
---	119	---	119	24	Critical Repairs/Rehabilitation, Divisionwide	06	---	---
---	25	---	25	---	ADA Development - Statewide	06	---	---
---	143	---	143	41	Hazardous Materials Removal and Fire Safety Projects	06	---	---
---	1,899	---	1,899	847	Computer Aided Dispatch and Records Management System	06	---	---
---	6	---	6	---	Forensic Laboratory Equipment	06	---	---
---	844	---	844	268	Hamilton Complex Troop "C" - Building Equipment and Furnishings	06	---	---
---	92	---	92	25	Roof Replacement, Various Facilities	06	---	---
---	1,163	---	1,163	412	State Police Emergency Operations Center	06	---	---
---	438	---	438	218	HVAC Systems Upgrade for Radio Tower Sites	06	---	---
---	150	---	150	5	Emergency Generator Replacements	06	---	---
---	239	---	239	42	State Police Technology Enhancements	99	---	---
---	240	---	240	35	Facility Renovations, Gender Accommodations	99	---	---
---	4	---	4	---	HVAC Replacements, Statewide	99	---	---
---	59	---	59	14	Building 15, HVAC Duct Replacements	99	---	---
389,584	34,886	7,058	431,528	416,770	Grand Total State Appropriation		397,996	359,171
OTHER RELATED APPROPRIATIONS								
Federal Funds								
76,384 1,862 ^S 35,039 170 ^S	43,758 4,250 ^R	-41,210	85,044	55,443	State Police Operations (c)	06	22,771	22,771
					Criminal Justice	09	34,417	34,108
113,455	62,084	-40,653	134,886	71,993	Total Federal Funds		57,188	56,879
All Other Funds								
---	4,288 75,684 ^R 3,695 37,698 ^R	34,574	114,546	111,681	State Police Operations (d)(e)	06	124,144	151,062
---	1,138 8,747 ^R 1,188 3,779 ^R	1,556	42,949	40,602	Criminal Justice	09	39,384	40,506
---		45	9,930	8,912	State Medical Examiner	11	9,508	10,246
---					Administration and Support Services	99	2,660	4,700
503,039	136,217	37,680	173,897	162,713	Total All Other Funds		175,696	206,514
	233,187	4,085	740,311	651,476	GRAND TOTAL ALL FUNDS		630,880	622,564

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.
- (b) The appropriations have been spread to applicable operating accounts.
- (c) In fiscal year 2007, federal funds related to homeland security were transferred to the Office of Homeland Security and Preparedness.
- (d) In addition to the resources reflected in All Other Funds above, a total of \$11.155 million will be transferred from the Department of Treasury to support operations and services related to State Police Operations in fiscal 2008. The recent history of such receipts is reflected in the Department of Treasury's budget.
- (e) In addition to the resources reflected in All Other Funds above, a total of \$26.840 million will be transferred from the Motor Vehicle Commission to support operations and services related to State Police Operations, the New Jersey Emergency Medical Service Helicopter Response Program, and State Police Recruit Training Classes in fiscal 2008. The recent history of such receipts is reflected in the Motor Vehicle Commission's budget.

Language Recommendations -- Direct State Services - General Fund

Notwithstanding the provisions of any law or regulation to the contrary, funds in excess of \$250,000 obtained through seizure, forfeiture, or abandonment pursuant to any federal or State statutory or common law and proceeds of the sale of any such confiscated property or goods, except for such funds as are dedicated pursuant to N.J.S.2C:64-6, are appropriated for law enforcement purposes designated by the Attorney General.

Notwithstanding the provisions of any law or regulation to the contrary, receipts derived from the recovery of costs associated with the implementation of the "Criminal Justice Act of 1970," P.L. 1970, c.74 (C.52:17B-97 et seq.), are appropriated for the purpose of offsetting the costs of the Division of Criminal Justice, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Victim Witness Advocacy Fund account, together with receipts derived pursuant to section 2 of P.L. 1979, c.396 (C.2C:43-3.1) is appropriated.

The unexpended balance at the end of the preceding fiscal year in the revolving fund established under the "New Jersey Antitrust Act," P.L. 1970, c.73 (C. 56:9-1 et seq.) is appropriated for the administration of the Act and any expenditures therefrom shall be subject to the approval of the Director of the Division of Budget and Accounting.

Such additional amounts as may be required to carry out the provisions of the "New Jersey Antitrust Act" P.L. 1970, c.73 (C.56:9-1 et seq.) are appropriated from the General Fund, provided however, that any expenditures therefrom shall be subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived pursuant to the requirements to act as Joint Negotiation Representatives under P.L. 2001, c.371 (C.52:17B-196 et seq.) are appropriated to the Division of Criminal Justice to offset operating costs of the program, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of the amount anticipated from license fees and/or audits conducted to insure compliance with the "Private Detective Act of 1939," P.L. 1939, c.369 (C. 45:19-8 et seq.), are appropriated to defray the cost of this activity.

All registration fees, tuition fees, training fees, and all other fees received for reimbursement for attendance at courses conducted by Division of State Police and Division of Criminal Justice personnel are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

All fees and receipts collected, pursuant to paragraph (7) of subsection 1 of N.J.S.2C:39-6, "The Retired Officer Handgun Permit Program," and the unexpended balance at the end of the preceding fiscal year, are appropriated to offset the costs of administering the application process, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the Nuclear Emergency Response Program account is payable from receipts received pursuant to the assessment of electrical utility companies under P.L. 1981, c.302 (C. 26:2D-37 et seq.). The unexpended balance at the end of the preceding fiscal year in the Nuclear Emergency Response Program account is appropriated.

The unexpended balance at the end of the preceding fiscal year in the Drunk Driver Fund program account, together with any receipts in excess of the amount anticipated, is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the Drunk Driver Fund program is payable out of the Drunk Driver Enforcement Fund established pursuant to section 1 of P.L. 1984, c.4 (C. 39:4-50.8) designated for this purpose and any amount remaining therein. If receipts to the fund are less than anticipated, the appropriation shall be reduced proportionately.

The amount hereinabove appropriated for the Noncriminal Record Checks is payable out of the dedicated fund designated for this purpose. If receipts to the fund are less than anticipated, the appropriation shall be reduced proportionately.

Notwithstanding the provisions of section 3 of P.L. 1985, c.69 (C.53:1-20.7), the unexpended balance at the end of the preceding fiscal year, in the Noncriminal Record Checks account, together with any receipts in excess of the amount anticipated are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated for State Police Operations, such amounts as may be required for the purpose of offsetting costs of the provision of State Police services are appropriated from indirect cost recoveries received from the New Jersey Highway Authorities and other agencies, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, receipts derived pursuant to the New Jersey Medical Service Helicopter Act, under subsection A of Section 1 of P.L. 1992, c.87 (C.39:8-2) are appropriated to the Division of State Police and the Department of Health and Senior Services to defray the operating costs of the Medical Service Helicopter Response Program as authorized under P.L. 1986, c.106 (C.26:2K-35 et seq.) and the general Aviation Program. The unexpended balance at the end of the preceding fiscal year, is appropriated to the special capital maintenance reserve account for capital replacement and major maintenance of medevac and general aviation helicopter equipment and any expenditures therefrom shall be subject to the approval of

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the Director of the Division of Budget and Accounting. Receipts derived pursuant to the New Jersey Medical Service Helicopter Response Act under section c. of section 1 of P.L. 1992, c.87 (C.39:3-8.2) are appropriated to the Division of State Police to fund the costs of new State Police recruit training classes. The unexpended balance at the end of the preceding fiscal year is appropriated for this purpose subject to the Director of the Division of Budget and Accounting.

Receipts and available balances derived from the surcharge on motor vehicle registrations pursuant to subsection a. of section 1 of P.L. 1992, c.87 (C.39:3-8.2), not to exceed \$9,500,000 for State Police salaries, are appropriated for those purposes and shall be deposited into a dedicated account, the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.

Receipts and available balances derived pursuant to the New Jersey Emergency Medical Service Helicopter Response Act under subsection a. of section 1 of P.L. 1992, c.87 (C.39:3-8.2), not to exceed \$5,600,000 for State Police vehicles, are appropriated for those purposes and shall be deposited into a dedicated account, the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in the "Commercial Vehicle Enforcement Fund" established pursuant to section 17 of P.L. 1995, c.157 (C.39:8-75) are appropriated to offset all reasonable and necessary expenses of the Division of State Police and Division of Motor Vehicles in the performance of commercial truck safety and emission inspections, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts and available balances derived from the agency surcharge on vehicle rentals pursuant to section 54 of P.L. 2002, c.34 (C.App.A:9-78), not to exceed \$11,155,000 for State Police salaries related to statewide security services, are appropriated for those purposes and shall be deposited into a dedicated account, the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.

All fees and receipts collected, pursuant to the "Security Officers Registration Act of 2004," supplementing Title 45 of the Revised Statutes and amending P.L.1939, c.369 and P.L.1971, c.342 and the unexpended balance at the end of the preceding fiscal year, are appropriated to offset the costs of administering this process, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amounts hereinabove appropriated to the Divisions of State Police and Criminal Justice and the Office of the State Medical Examiner, there are appropriated to the respective State departments and agencies such sums as may be received or receivable from any instrumentality, municipality, or public authority for direct and indirect costs of all services furnished thereto, except as to such costs for which funds have been included in appropriations otherwise made to the respective State departments and agencies as the Director of the Division of Budget and Accounting shall determine; provided however, that payments from such instrumentalities, municipalities, or authorities for employer contributions to the State Police and Public Employees' Retirement Systems shall not be appropriated and shall be paid into the General Fund.

There is appropriated, an amount up to \$25,000, from the General Fund, to pay for each award or each tip for information that prevents, frustrates, or favorably resolves acts of international or domestic terrorism against New Jersey persons or property, as well as tips related to the identification of illegal guns, drugs and gangs. Rewards may also be paid for information leading to the arrest or conviction of terrorists and/or gang members attempting, committing, conspiring to commit or aiding and abetting in the commission of such acts or to the identification or location of an individual who holds a key leadership position in a terrorist and/or gang organization, subject to the approval of the Attorney General and the Director of the Division of Budget and Accounting.

Of the amounts hereinabove appropriated for the Unit of Fiscal Integrity in School Construction/Office of Government Integrity, there shall be credited against such amounts such monies as are received by the Unit of Fiscal Integrity/Office of Government Integrity pursuant to a Memorandum of Understanding between the Unit of Fiscal Integrity and the New Jersey Schools Development Authority for oversight services including employee benefit costs in connection with the school construction program.

Notwithstanding the provisions of any law or regulation to the contrary, none of the monies appropriated to the Division of State Police or the Department of Law and Public Safety shall be used for providing police protection to the inhabitants of rural sections pursuant to N.J.S.A. 53:2-1 in any municipality that received such police protection in FY2007-08 provided, however, that such monies may be expended for providing such police protection in any municipality described above that received rural policing services pursuant to N.J.S.A. 53:2-1 in FY2007-08 if the municipality enters into a cost sharing agreement by December 15, 2008 with the State Treasurer in which the municipality agrees to provide a local share for full time police protection and such lesser amount for part time police protection, as determined by the State Treasurer. If such a municipality has not entered an agreement for shared police services with another municipality, notified the State Treasurer in writing of such agreement, and provided an executed copy of such agreement to the Treasurer by December 15, 2008, such municipality shall be deemed to have entered into a cost sharing agreement effective July 1, 2008 with the State Treasurer as provided in this paragraph.

Notwithstanding the provisions of any law or regulation to the contrary, none of the monies appropriated to the Division of State Police or the Department of Law and Public Safety shall be used for providing police protection to the inhabitants of rural sections pursuant to N.J.S.A. 53:2-1 in a municipality in which such services were not provided in FY2007-08 unless that municipality enters into a cost sharing agreement with the State Treasurer to provide the full cost of the Division of State Police for providing such services. Any amount received in accordance with the conditions hereto shall be collected by the State Treasurer and shall be deposited into a dedicated fund within the Division of State Police and appropriated for State Police operations.

Notwithstanding the provisions of any law or regulation to the contrary, a municipality that enters into a cost sharing agreement with the State Treasurer may use monies from any grant-in-aid or State Aid appropriated pursuant to this Act to meet the local share of providing such services; provided, that this paragraph shall not be construed to authorize use of constitutionally dedicated monies, bond monies, or federal funds in a manner or for a purpose inconsistent with the Constitution or federal law.

Notwithstanding the provisions of any law or regulation to the contrary, municipal appropriations made pursuant to a cost sharing agreement with the State Treasurer shall be included in the municipality's final appropriations upon which its permissible expenditures are calculated pursuant to N.J.S.A. 40A:4-45.2.

Notwithstanding the foregoing provisions regarding cost sharing agreements or any law to the contrary, if the Superintendent of the Division of State Police, in consultation with the Attorney General, determines that public safety requires that police protection be provided to the inhabitants of rural sections pursuant to N.J.S.A. 53:2-1 despite the fact that a municipality as described above has not entered into a cost sharing agreement with the State Treasurer, monies appropriated to the Division of State Police and the Department of Law and Public Safety may be used for providing such police protection and the Director of the Division of Budget and Accounting is authorized to withhold State Aid payments to such municipalities and transfer such amounts to the Division of State Police.

Notwithstanding the provisions of any law or regulation to the contrary, municipalities shall not be allowed to apply for Extraordinary Aid for any expenses related to a cost-sharing agreement for rural policing.

In addition to the amount hereinabove appropriated for the Drunk Driver Fund Program, there is appropriated \$612,000 from the Motor Vehicle Commission for the Drunk Driver Fund Program.

Language Recommendations -- Direct State Services - Casino Control Fund

In addition to the amount hereinabove appropriated for Gaming Enforcement, there are appropriated from the Casino Control Fund such additional sums as may be required for gaming enforcement, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - General Fund

The unexpended balances at the end of the preceding fiscal year in the Operation CeaseFire account are appropriated subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Addressing Violence Against Women account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

10. PUBLIC SAFETY AND CRIMINAL JUSTICE 13. SPECIAL LAW ENFORCEMENT ACTIVITIES

OBJECTIVES

1. To develop programs which will reduce and prevent the incidence of traffic accidents and the resultant deaths, injuries, and property damage.
2. To ensure propriety and preserve public confidence in the Executive Branch.
3. To regulate and control the alcoholic beverage industry in order to foster moderation and responsibility in the use and consumption of alcoholic beverages, protect the citizens of the State by assuring lawful, proper and fair trade practices, and maintain the stability of the industry.
4. To supervise the conduct of thoroughbred and harness racing in New Jersey and to assure maximum revenue to the State.
5. To regulate and control boxing, extreme wrestling, and martial arts events in order to protect the safety and well-being of participants, and to ensure public confidence in the regulatory process and conduct of such events.
6. To provide for the effective provision of services and collections of information about the election process of the State.

PROGRAM CLASSIFICATIONS

03. **Office of Highway Traffic Safety.** The Office of Highway Traffic Safety, for which the Director is the Governor's representative, develops innovative State and local programs, in accordance with the planned objectives of the National Highway Safety Program, and channels the federal funds needed for their implementation.
17. **Election Law Enforcement.** Assures the reporting of contributions received and expenditures made in furtherance of the nomination, election, or defeat of candidates for State, county, and local public office or to aid or promote the passage or defeat of a public question in an election; assures the quarterly reporting of receipts and expenditures by continuing political committees; provides partial public funding of gubernatorial elections; assures annual reporting of

lobbyists' financial activity; assures proper reporting of personal financial disclosure information by gubernatorial and legislative candidates; and promotes public dissemination of information concerning financing of elections. The Election Law Enforcement Commission is an agency "in-but-not-of" the Department of Law and Public Safety.

20. **Review and Enforcement of Ethical Standards.** Initiates, receives and reviews complaints concerning the conflicts-of-interest law and code of ethics violations against any State officer or employee in the Executive Branch. Conducts investigations, subpoenas witnesses and documents, and after thorough deliberation, issues findings that have the force of law. Coordinates a network of departmental ethics liaison officers for review and education functions within the departments of the Executive Branch. Administers and reviews financial disclosure statements to be filed pursuant to Executive Order No. 10 and the Casino Control Act. The State Ethics Commission is an agency "in-but-not-of" the Department of Law and Public Safety.
21. **Regulation of Alcoholic Beverages.** Regulates and controls the manufacture, possession, storage, sale, transportation, use, and disposition of alcoholic beverages to prevent injury to the public and to deter conditions or activities which are violative of the public interest; issues licenses to manufacturers, transporters, warehousemen, and wholesalers of alcoholic beverages; issues various types of special permits and supervises State and municipal retail liquor licensing. Applicants, licensees, and permit holders are investigated to determine their fitness to obtain and hold a license or permit. Jurisdiction in disciplinary proceedings is vested concurrently in the Division and in the local issuing authority with respect to retail licensees and exclusively in the Division with respect to State licensees or permittees, and in forfeiture proceedings. The Division adjudicates all appeals from the actions of local issuing authorities in all alcoholic beverage control matters.
22. **Regulation of Racing Activities.** Collects pari-mutuel taxes for the State, supervises mutual operations at all the tracks, and grants permits for the conduct of running the

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thoroughbred and harness race meetings in the state where pari-mutuel wagering is allowed. The Commission allots annual race dates to existing permit holders. It licenses, fingerprints, photographs, and screens all personnel working for or connected with track operations, including management, horsemen, owners, and prospective stockholders, to ensure that no one connected with racing has ever been convicted of a crime involving moral turpitude. It oversees the actual conduct of races, supervises the extraction of fluid and blood specimens from horses for chemical analysis, and conducts initial hearings on appeals resulting from disciplinary actions, that may lead to judicial proceedings at the appellate level.

27. **State Athletic Control.** Regulates all persons, practices, and associations related to the operation of boxing, extreme wrestling, and martial arts events. Licenses and regulates promoters, officials and participants in boxing and martial arts events, and supervises the conduct of these activities. Regulates the physical and mental examination of all participants. Provides a "State Athletic Control Board Medical Advisory Council" to assist the Board in approving regulations, rules, and standards for the physical examination of participants and a "New Jersey Commission to Study Benefits to be provided to Professional Boxers." Reviews the professional boxing history of each participant. Evaluates qualifications and issues permits for all boxing and martial arts events. Assures the timely collection of fees and taxes.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Office of Highway Traffic Safety				
Highway Safety Grants Received	580	825	825	850
Highway Safety Grants Funded	553	799	800	825
Election Law Enforcement				
Disclosure Reports Total	28,884	31,808	33,810	34,900
Campaign and quarterly	24,073	24,868	25,000	25,500
Lobbyists	4,794	6,638	7,000	7,200
Pay-to-Play	---	---	1,800 (a)	2,000
Personal finance	17	302	10	200
Investigations	42	45	45	45
Civil Prosecutions	87	68	75	75
Public Assistance Requests	12,117	13,117	13,500	14,000
Photocopies	29,831	37,593	29,000	30,000
Review and Enforcement of Ethical Standards				
Hearings	1	3	4	7
Investigations	1,400	1,500	1,600	1,650
Financial Disclosure Reports	2,200	2,400	2,400	2,600
Regulation of Alcoholic Beverages				
Alcoholic Beverage Control Items Processed	137,385	141,355	141,455	141,555
Licenses (State Issued Only)	766	807	825	850
Permits	61,292	61,726	61,750	61,755
Penalties	597	618	630	650
Fees	74,730	78,204	78,250	78,300
Total Inspections	1,561	2,161	1,900	2,000
Total Civil Investigations	222	503	480	500
Total Criminal Investigations	903	1,152	900	950
Total Arrests	274	132	200	225
Regulation of Racing Activities				
Racing Days Allotted	492	476	460	450
Licenses Issued	14,381	14,384	14,300	14,200
Fingerprints Taken	3,754	3,763	3,750	3,725
Samples Taken	32,829	38,444	38,676	38,676
Number of Tests Performed on Samples	800,815	938,033	943,693	943,693
Breathalyzer Tests	825	850	800	750
Simulcasting Programs Allotted	28,400	29,117	31,200	33,400
Rulings Issued	858	875	850	850
State Athletic Control				
Total Number of Professional Shows	30	29	30	30
Professional Boxing Shows	20	10	10	10
Professional Mixed Martial Arts Shows	10	19	20	20
Total Number of Licenses	1,050	1,022	1,050	1,050
Professional Boxers Licensed	175	147	150	150
Licenses (Other)	875	875	900	900
USA Boxing Shows	40	37	40	40
USKBA Amateur MMA Shows (b)	---	26	35	35

LAW AND PUBLIC SAFETY

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported (c)	145	139	135	142
Federal (c)	26	25	24	24
All Other	92	87	82	82
Total Positions	263	251	241	248
Filled Positions by Program Class				
Office of Highway Traffic Safety	26	25	24	24
Election Law Enforcement	74	71	69	70
State Ethics Commission	13	15	13	18
Regulation of Alcoholic Beverages	58	53	53	54
Regulation of Racing Activities	86	81	77	75
Election Management and Coordination (c)	---	---	---	---
State Athletic Control	6	6	5	7
Total Positions	263	251	241	248

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State supported.

- (a) New category: P.L. 2005, c.271 requires businesses that receive more than \$50,000 through public contracts to file reports.
- (b) United States Kickboxing Association Amateur and Mixed Martial Arts Shows - new sport that began sanctioning in February 2006.
- (c) Election Management and Coordination was relocated to the Department of State from the Department of Law and Public Safety pursuant to P.L. 2007, c.254.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
600	16	---	616	499	Office of Highway Traffic Safety	03	600	600	600
5,952	705	-285	6,372	5,024	Election Law Enforcement	17	4,897	4,147	4,147
1,298	28	-52	1,274	1,075	Review and Enforcement of Ethical Standards	20	1,270	1,270	1,270
776	5,528	-273	6,031	6,019	Regulation of Alcoholic Beverages	21	318 ^(a)	---	---
8,626	6,277	-610	14,293	12,617	Total Direct State Services		7,085 ^(b)	6,017	6,017
Distribution by Fund and Object									
Personal Services:									
5,836	6,133 ^R	-1,399	10,570	9,790	Salaries and Wages		5,787	5,111	5,111
5,836	6,133	-1,399	10,570	9,790	Total Personal Services		5,787	5,111	5,111
221	---	114	335	253	Materials and Supplies		120	40	40
887	---	351	1,238	1,020	Services Other Than Personal		519	239	239
142	---	82	224	214	Maintenance and Fixed Charges		44	12	12
Special Purpose:									
600	16	---	616	499	Federal Highway Safety Program-State Match	03	600	600	600
925 ^S	---	---	925	600	Fair and Clean Elections	17	---	---	---
15	---	---	15	11	Per Diem Payment to Members of Election Law Enforcement Commission	17	15	15	15
---	128	242	370	230	Additions, Improvements and Equipment		---	---	---

Notes -- Direct State Services - General Fund

(b) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.

Notwithstanding the provisions of section 14 of P.L. 1992, c.188 (C. 33:1-4.1), in addition to the amounts hereinabove, all fees and penalties collected by the Director of Alcoholic Beverage Control in excess of \$3,960,000 are appropriated for the purpose of offsetting operational costs of the Alcoholic Beverage Control Investigative Bureau and the Division of Alcoholic Beverage Control, subject to the approval of the Director of the Division of Budget and Accounting.

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From the receipts derived from uncashed pari-mutuel winning tickets and the regulation, supervision, licensing, and enforcement of all New Jersey Racing Commission activities and functions, such sums as may be required are appropriated for the purpose of offsetting the costs of the administration and operation of the New Jersey Racing Commission, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived from breakage monies and uncashed pari-mutuel winning tickets resulting from off-track and account wagering and any reimbursement assessment against permit holders or successors in interest to permit holders shall be distributed to the New Jersey Racing Commission in accordance with the provisions of the "Off Track and Account Wagering Act" P.L. 2001, c.199 (C.5:5-127 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.

All fees, fines, and penalties collected pursuant to P.L. 1973, c.83 (C. 19:44A-1 et al.) and section 11 of P.L. 1991, c.244 (C. 52:13C-23.1) are appropriated for the purpose of offsetting additional operational costs of the Election Law Enforcement Commission, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, amounts received pursuant to P.L. 1971, c.183 (C. 52:13C-18 et seq.) are appropriated for the purpose of offsetting additional operational costs of the Election Law Enforcement Commission, subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated from the Gubernatorial Elections Fund such sums as may be required for payments to persons qualifying for additional public funds pursuant to N.J.S.A. 19:44A-30; provided however, that should the amount available in the Gubernatorial Elections Fund be insufficient to support such an appropriation, there are appropriated from the General Fund to the Gubernatorial Elections Fund such sums as may be required.

Of the amount hereinabove appropriated for the Elections Law Enforcement Gubernatorial Elections Fund, an amount not to exceed \$480,000 may be used for administrative purposes, subject to the approval of the Director of the Division of Budget and Accounting.

Of the receipts derived from the regulation, supervision, and licensing of all State Athletic Control Board activities and functions, an amount is appropriated for the purpose of offsetting the costs of the administration and operation of the State Athletic Control Board, subject to the approval of the Director of the Division of Budget and Accounting.

10. PUBLIC SAFETY AND CRIMINAL JUSTICE

18. JUVENILE SERVICES

The Juvenile Justice Commission was created as an "in-but-not-of" agency in the Department of Law and Public Safety pursuant to P.L.1995, c.284 to unify programs for juvenile offenders formerly in the Department of Corrections and the Department of Human Services. The Commission is mandated to provide custody, care and treatment to juvenile offenders under the age of 18 years in State institutions and community programs. The Commission is further authorized to coordinate and distribute State/Community Partnership funding established pursuant to P.L.1995, c. 283 as a result of the plans developed by the County Youth Services Commissions.

Juvenile Community Programs provide both day and residential programs to over 550 juveniles throughout the state. It fulfills its statutory obligations and mandates regarding juvenile offenders by protecting the public from juvenile criminal offenders; by developing a community network of services to reduce commitments to State institutions and programs; and by providing services which encourage rehabilitation and reintegration into the community.

Local Programs and Services provide alternate programs by counties and/or municipalities for juveniles throughout the state. Delinquency prevention is intended to provide strategies and services to increase the likelihood that youth will remain free from initial involvement in the juvenile justice system. Diversionary programs offer alleged juvenile offenders an opportunity to avoid arrest and/or prosecution by providing alternatives to the juvenile justice process. Detention Alternative programs provide supervision and services to juveniles who would otherwise be placed in a secure facility while awaiting their adjudicatory hearing. Dispositional Options are options given to the court when an adjudicated delinquent is ordered to comply with a specific sanction as a consequence for their behavior. Community Re-Entry programs follow a juvenile's release from a secure facility, residential program, or other structured dispositional placement. Client Specific funds are used for very limited goals of providing unavailable services that are necessary to allow a juvenile to be released from detention and assist in transitioning the

juvenile back into the community. The State Incentive Program diverts juveniles from the secure facility and/or residential placements and places them within the community. Juvenile Parole and Transitional services are designed to ensure public safety through intensive community supervision.

The Training School, located at Jamesburg in Middlesex County, provides programs for youths, 19 years of age and under, committed by the juvenile courts, stressing a decentralized approach to the treatment of the residents. Most of the youths are classified as emotionally disturbed and socially maladjusted thus necessitating special education programs, group and individual treatment modalities and security. Group living, community work training, preliminary vocational training, individual and group counseling and formal schooling constitute the program core. Community and family liaison is promoted.

The Juvenile Medium Security Center, located at Bordentown in Burlington County, opened in October, 1983 at the Division of Developmental Disabilities' Yepsin Unit, and provides training, control and rehabilitation for those committed youths who are unable to participate in a less secure setting. These individuals possess serious emotional and behavioral disorders which can most effectively be dealt with in a structured and secure environment.

The Center provides the only secure setting for juvenile offenders who have failed to adjust and respond to various programs throughout Juvenile Services and must be received as disciplinary transfers. Additionally, offenders are assigned for committed crimes such as homicide, atrocious assault and battery, sexual offenses and extensive escape histories. The focus of the Center is total remediation. Each juvenile receives daily academic and vocational training, health and physical education, structured activities, and either individual or group counseling. The Female Secure Care Program, the Hayes Unit, provides a secure setting for teenage girls committed to Juvenile Services. This program is located at the Johnstone facility.

Administration and Support Services is comprised of policy development and central support services formerly provided to juvenile facilities within the Departments of Corrections, Law and

LAW AND PUBLIC SAFETY

Public Safety and Human Services. It includes management of all Commission programs including the central support services, human resources for the two juvenile institutions and community programs, policy formulation, as well as grants management for the expanded grant programs. The Juvenile Monitoring Unit is housed within this program and has statewide monitoring and reporting responsibility for all State, county and local juvenile correctional facilities. In addition, the central data processing support and budget and fiscal administration is managed through this program for the entire Commission.

OBJECTIVES

1. To provide the courts with a program alternative to institutionalization designed for the reorientation of the offenders' attitudes and styles of life in order that they may be either maintained safely within their community or returned to the community as responsible citizens.
2. To develop and conduct a program of rehabilitative services; to provide work and contacts with the family and the community; and to provide the residents with acceptable behaviors and attitudes for community living.
3. To receive, diagnose and classify offenders legally committed to juvenile institutions with emphasis on satisfying the individual rehabilitation program needs of the offender.
4. To effect a reorientation of attitudes and habits, upgrade educational attainment and develop work skills through vocational programs which will assist offenders to conform to acceptable community living standards upon release from institutions.
5. To develop and enhance public interest and encourage community participation in the correctional process.

PROGRAM CLASSIFICATIONS

34. **Juvenile Community Programs.** Provides regional coordination and on-site supervision for all community-based operations for juvenile offenders. A total of 30 community residential and day programs provide services for male and female juveniles between the ages of 13 and 18 who have been committed, are on probation, or who are at risk of incarceration throughout the state.
35. **Institutional Control and Supervision.** Designed to provide the level of control necessary to protect the juvenile offender and the community from harm by providing custodial control and supervision in all institutional areas and during offender transportation outside of the institution.

36. **Institutional Care and Treatment.** Includes the activities of housekeeping, safety and medical care which provide a safe, sanitary and healthful environment for offenders and employees; and food service, which meets the nutritional needs of offenders and staff. Provides suitable and adequate clothing to inmates to meet their needs during the period of incarceration. Provides medical, dental, surgical and nursing services to maintain and promote the physical health of offenders.

Treatment and classification services are designed to assist the offender with emotional and/or maturational problems; makes program assignments, reassignments, and release decisions for offenders and maintains accurate, up-to-date cumulative records of relevant information concerning all inmates from admission to final discharge from parole. Recreational programs are provided to enhance social development and promote the constructive use of leisure time. Professional staff activities in the disciplines of psychology, psychiatry and social work provide guidance counseling and other diagnostics and treatments designed to enable offenders to adopt norms of acceptable behavior, improve their adaptive behavior and increase their positive interaction with the staff, other offenders and the community upon release.

Educational programs are also provided and include basic and secondary education, library activities, high school equivalency and vocational training. State aid and federal funds support this program.

40. **Juvenile Parole and Transitional Services.** Designed to ensure public safety through intensive community supervision. Provides effective transitional services in the community to juveniles who have completed their stays at residential programs, day programs, or State facilities with the objective of reducing recidivism.
 99. **Administration and Support Services.** Provides administrative services required for the effective operation of the Commission and all of its activities including general management of the juvenile services facilities. The Director and staff are responsible for conducting all Commission programs in such a way as to enhance the efficiency and effectiveness of programming through the provision of leadership and overall supervision of the programs and operations of institutional services and community programs.
- Support Services is comprised of the planning, management and operation of the physical assets of the institution including utilities, buildings and structures, grounds and equipment of all kinds. Activities include operation, maintenance, repair, rehabilitation and improvement and custodial and housekeeping services.

LAW AND PUBLIC SAFETY

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Juvenile Community Programs				
Design Capacity	701	701	736	736
Residential Programs	455	455	431 (a)	431
Transitional Living Programs	---	---	74 (b)	74
Day Reporting Centers	133	133	138 (c)	138
Day Programs	113	113	93 (d)	93
Average Daily Population	600	545	544	544
Residential Programs	399	346	313 (a)	313
Transitional Living Programs	---	---	56 (b)	56
Day Reporting Centers	133	136	130	130
Day Programs	68	63	45	45
Ratio: Population/Positions (e)9/1	.8/1	.8/1	.8/1
Annual Per Capita Cost	\$100,057	\$95,237	\$109,004	\$108,430
Daily Per Capita Cost	\$274.13	\$260.92	\$298.64	\$297.07
Juvenile Parole and Transitional Services				
Active Parole Caseload	635	584	479	479
Local Programs and Services				
Total Programs	188	221	261	261
Delinquency Prevention Programs	36	32	55	55
Diversionary Programs	29	28	38	38
Detention Alternative Programs	25	40	39	39
Dispositional Option Programs	73	101	96	96
Community Re-Entry Programs	13	15	20	20
Client Specific Fund Contracts	12	5	13	13
Total Slots	8,011	17,408 (f)	19,762	19,762
Delinquency Prevention Programs	2,624	4,243	6,008	6,008
Diversionary Programs	2,167	3,456	3,535	3,535
Detention Alternative Programs	846	4,299	3,341	3,341
Dispositional Option Programs	1,881	3,428	3,303	3,303
Community Re-Entry Programs	394	926	1,516	1,516
Client Specific Fund Contracts	99	1,056	2,059	2,059
Average Slots Per Program	43	79	79	79
State Incentive Program (SIP) - Youth Diversion	105	107	107	107
Institutional Operating Data				
Design Capacity	710	670	620	620
New Jersey Training School for Boys	300	300	300	300
Johnstone Campus	320	320	320	320
Life Skills and Leadership Academy	90	50	--- (a)	---
Average Daily Population	641	563	538	538
New Jersey Training School for Boys	296	279	282	282
Johnstone Campus	294	252 (g)	256	256
Life Skills and Leadership Academy	51	32	--- (a)	---
Ratio: Population/Positions (e)9/1	.7/1	.7/1	.7/1
Annual Per Capita Cost	\$ 92,752	\$ 97,872	\$ 102,522	\$ 101,069
Daily Per Capita Cost	\$ 254.11	\$ 268.14	\$ 280.88	\$ 276.90
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	1,305	1,325	1,243	1,238
Federal	49	44	42	42
All Other	409	416	395	396
Total Positions	1,763	1,785	1,680	1,676

LAW AND PUBLIC SAFETY

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Filled Positions by Program Class				
Juvenile Community Programs	694	674	654	670
Juvenile Parole and Transitional Services	91	89	86	89
Institutional Control and Supervision	488	529	495	469
Institutional Care and Treatment	262	278	250	280
Administration and Support Services	228	215	195	168
Total Positions	1,763	1,785	1,680	1,676

Notes:

- Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimates for fiscal year 2009 reflect the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.
- (a) The capacity and population decreased in the community residential programs due to the net effect of two events: 1.) the conversion of the secure care Life Skills and Leadership Academy to a residential program which resulted in an increase of 50 residential program beds and 2.) the conversion of 74 residential program beds to transitional living programs.
- (b) Transitional Living program data is reported, beginning in fiscal year 2008.
- (c) In fiscal year 2008, the capacity increased in day reporting centers due to the conversion of 5 of the 15 day program slots at Monmouth Day program to day reporting center slots.
- (d) In fiscal year 2008, the capacity decreased in day programs due to a reallocation of human resources.
- (e) Population position ratios do not include administrative functions.
- (f) Slots increased due to private grant funding from the Annie E. Casey Foundation.
- (g) In fiscal year 2007, the Juvenile Justice Commission will begin closing wings for repairs and updates to the fire suppression system at the Juvenile Medium Security Facility.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Prog. Class. Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES									
Distribution by Fund and Program									
24,410	---	261	24,671	24,671	Juvenile Community Programs	34	27,013	27,013	27,013
40,054	---	4,158	44,212	44,210	Institutional Control and Supervision	35	39,313	38,709	38,709
10,893	---	75	10,968	10,966	Institutional Care and Treatment	36	15,844	15,666	15,666
7,083	13	13	7,109	7,082	Juvenile Parole and Transitional Services	40	7,165	7,165	7,165
16,067	---	1,118	17,185	17,170	Administration and Support Services	99	16,944	15,794	15,794
98,507	13	5,625	104,145	104,099	Total Direct State Services		106,279 (a)	104,347	104,347
Distribution by Fund and Object									
Personal Services:									
73,540	---	3,672	77,212	77,052	Salaries and Wages		86,075	84,321	84,321
---	---	---	---	160	Food In Lieu of Cash		148	148	148
73,540	---	3,672	77,212	77,212	Total Personal Services		86,223	84,469	84,469
4,293	---	150	4,443	4,443	Materials and Supplies		7,586	7,586	7,586
5,292	---	75	5,367	5,367	Services Other Than Personal		7,442	7,264	7,264
1,744	---	-200	1,544	1,544	Maintenance and Fixed Charges		1,793	1,793	1,793
Special Purpose:									
250	---	---	250	250	Project Phoenix	34	150	150	150
770	---	-25	745	745	Juvenile Justice Initiatives	34	745	745	745
42	---	---	42	42	Social Services Block Grant - State Match	34	42	42	42
302	---	---	302	302	Female Substance Abuse Program	34	305	305	305
3,768	---	762	4,530	4,529	Life Skills and Leadership Academy	35	---	---	---
6,513	---	1,191	7,704	7,704	Juvenile Reception and Assessment Center	35	--- (b)	---	---

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Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
66	---	---	66	66				
503	---	---	503	503	35	---	---	---
2	---	---	2	1	36	503	503	503
687	---	---	687	686	99	2	2	2
406	---	---	406	405	99	687	687	687
185	---	---	185	185	99	472	472	472
144	13	---	157	115	99	185	185	185
						144	144	144
<u>GRANTS-IN-AID</u>								
Distribution by Fund and Program								
18,854	---	---	18,854	18,854	34	23,820	23,508	23,508
1,300	---	---	1,300	1,300	40	1,300	1,300	1,300
20,154	---	---	20,154	20,154		25,120	24,808	24,808
Distribution by Fund and Object								
Grants:								
---	---	---	---	---				
2,640	---	---	2,640	2,640	34	4,000	4,000	4,000
4,207	---	---	4,207	4,207	34	3,475	3,475	3,475
8,314	---	---	8,314	8,314	34	4,292	4,292	4,292
3,204	---	---	3,204	3,204	34	8,470	8,470	8,470
299	---	---	299	299	34	3,270	2,670	2,670
190	---	---	190	190	34	313	313	313
400	---	---	400	400	34	---	288	288
900	---	---	900	900	40	400	400	400
					40	900	900	900
<u>CAPITAL CONSTRUCTION</u>								
Distribution by Fund and Program								
1,500	7,677	---	9,177	2,264	99	3,800	---	---
1,500	7,677	---	9,177	2,264		3,800	---	---
Distribution by Fund and Object								
Division of Juvenile Services								
1,000	4,175	---	5,175	972	99	500	---	---
---	7	---	7	7	99	---	---	---
500	825	---	1,325	1,144	99	500	---	---
---	5	---	5	2	99	---	---	---
---	5	---	5	---	99	---	---	---
---	69	---	69	5	99	---	---	---
---	1,572	---	1,572	---	99	---	---	---

LAW AND PUBLIC SAFETY

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
CAPITAL CONSTRUCTION								
---	482	---	482	---	Electrical Service Upgrade - New Jersey Training School for Boys	99	---	---
---	55	---	55	8	Infrastructure Improvement for 144 Bed Facility, Bordentown	99	---	---
---	11	---	11	6	Upgrade Telecommunication System, Statewide	99	---	---
---	40	---	40	---	Develop Master Plan, Site, Buildings and Utility Systems	99	---	---
---	67	---	67	---	Install Video Monitoring System, Statewide	99	---	---
---	50	---	50	---	Repair Chapel at Jamesburg	99	---	---
---	43	---	43	---	Electrical Upgrades and Generator Replacements at Jamesburg	99	---	---
---	81	---	81	4	Sewer Plant Improvements, Jamesburg	99	2,800	---
---	50	---	50	---	Security Enhancements, Various Facilities	99	---	---
---	140	---	140	116	Construct New Septic System at Green Residential Center	99	---	---
120,161	7,690	5,625	133,476	126,517	Grand Total State Appropriation	135,199	129,155	129,155
OTHER RELATED APPROPRIATIONS								
Federal Funds								
3,338	2,799	139	6,276	3,931	Juvenile Community Programs	34	3,255	3,274
3,836	2,188	14	6,038	2,188	Administration and Support Services	99	3,838	3,833
7,174	4,987	153	12,314	6,119	Total Federal Funds	7,093	7,107	7,107
All Other Funds								
---	1,003	---	---	---	Juvenile Community Programs	34	26,385	25,875
---	2,261 R	20,579	23,843	23,725	Institutional Care and Treatment	36	12,825	11,908
---	88 R	10,175	10,344	9,945	Administration and Support Services	99	---	---
---	30,754 R	-30,754	---	---	Total All Other Funds	39,210	37,783	37,783
127,335	46,864	5,778	179,977	166,306	GRAND TOTAL ALL FUNDS	181,502	174,045	174,045

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.
- (b) The appropriation for the Juvenile Reception and Assessment Center has been spread to applicable operating accounts.

Notes -- Grants-In-Aid - General Fund

- (c) Appropriation of \$288,000 has been distributed to applicable grant accounts.

Language Recommendations -- Direct State Services - General Fund

Receipts derived from the Eyeglass Program at the New Jersey Training School for Boys and any unexpended balance at the end of the preceding fiscal year are appropriated for the operation of the program.

Language Recommendations -- Grants-In-Aid - General Fund

The amounts hereinabove appropriated for Re-Entry Case Management Services shall be expended consistent with the recommendations in the final report of the Governor's Task Force on Mental Health.

Of the amounts hereinabove appropriated for the Juvenile Detention Alternatives Initiative, such sums as may be required may be transferred to various Direct State Service operating accounts, subject to the approval of the Director of the Division of Budget and Accounting. The portion to be used for Grants-in-Aid shall be allocated based on the State Juvenile Detention Alternatives Initiative Steering Committee recommendations subject to Juvenile Justice Commission endorsement.

10. PUBLIC SAFETY AND CRIMINAL JUSTICE

19. CENTRAL PLANNING, DIRECTION AND MANAGEMENT

OBJECTIVES

1. To coordinate all Homeland Security issues across all levels of government, law enforcement, emergency management and the private sector.
2. To develop and maintain library resources and to provide information resource/retrieval services to selected agencies within the Department of Law and Public Safety.
3. To maximize management and legal services necessary to marshal efficiently, effectively and economically State and federal resources.

PROGRAM CLASSIFICATIONS

13. **Homeland Security and Preparedness.** Coordinates all homeland security issues statewide and acts as liaison to federal law enforcement and other states on counter-terrorism issues. Ensures development of a comprehensive, statewide emergency plan. Gathers and disseminates intelligence and counter-terrorism information for local, county, state and federal law enforcement, in coordination with the State Police.

Oversees and distributes State and federal funding for homeland security and preparedness.

88. **Central Library Services.** Provides for the purchase, preparation and organization of books, periodicals and other library materials into an integrated collection for selected agencies of the Department of Law and Public Safety. Provides reference, research and document retrieval services including on-line searches of commercial computerized data bases as well as organization and retrieval of in-house memoranda of law. Coordinates requests for research materials within the Department and coordinates the development of Department library collections and research services with those of the State Library and those maintained by other State agencies.

99. **Administration and Support Services.** Formulates and implements Departmental policies; promulgates rules and regulations; directs the centralized financial, employee, special personnel, and other management services necessary to marshal State and federal resources in order to implement policies and maximize the delivery of services.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Affirmative Action Data (a)				
Male Minority	1,369	1,346	1,346	1,346
Male Minority %	14.0%	14.3%	14.3%	14.3%
Female Minority	1,338	1,280	1,280	1,280
Female Minority %	13.6%	13.6%	13.6%	13.6%
Total Minority	2,707	2,626	2,626	2,626
Total Minority %	27.6%	27.9%	27.9%	27.9%
Position Data				
Filled Positions by Funding Source				
State Supported	154	231 (b)	245	255
Federal	9	12	10	10
Total Positions	163	243	255	265
Filled Positions by Program Class				
Homeland Security and Preparedness	---	83 (b)	113	132
Central Library Services	9	9	9	5
Administration and Support Services	154	151	133	128
Total Positions	163	243	255	265

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimates for fiscal year 2009 reflect the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

(a) The Department of Law and Public Safety has administrative oversight of the Juvenile Justice Commission and therefore includes the agency's data in their Affirmative Action personnel data. Beginning with fiscal year 2007, Affirmative Action personnel data excludes the Office of Homeland Security and Preparedness.

(b) State supported positions increased due to the transfer of positions from the Division of Criminal Justice to the Office of the Attorney General related to the Office of Homeland Security and Preparedness.

LAW AND PUBLIC SAFETY

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
3,250	---	773	4,023	3,744	Homeland Security and Preparedness	13	3,357	3,357
653	---	---	653	653	Central Library Services	88	888	575
13,815	1,659	-1,828	13,646	12,715	Administration and Support Services	99	14,544	13,325
17,718	1,659	-1,055	18,322	17,112	Total Direct State Services		18,789^(a)	17,257
Distribution by Fund and Object								
Personal Services:								
9,717	---	190	9,907	9,908	Salaries and Wages		10,749	9,647
9,717	---	190	9,907	9,908	Total Personal Services		10,749	9,647
162	95	89	346	345	Materials and Supplies		354	354
166	---	2	168	168	Services Other Than Personal		155	125
88	---	-1	87	87	Maintenance and Fixed Charges		89	89
Special Purpose:								
2,650	---	755	3,405	3,126	Office of Homeland Security and Preparedness	13	2,757	2,757
600	---	18	618	618	Domestic Security Preparedness Task Force	13	600	600
3,466	---	-1,300	2,166	2,141	Emergency Operations Center-Operating	99	3,466	3,466
250	---	---	250	250	Smart Growth Enforcement	99	---	---
198	---	---	198	198	Affirmative Action and Equal Employment Opportunity	99	198	198
---	1,525	-773	752	---	Office of Counter-Terrorism	99	---	---
300	---	---	300	163	Criminal Disposition Commission	99	300	---
100	36	-35	101	101	Criminal Sentencing Commission	99	100	---
21	3	---	24	7	Additions, Improvements and Equipment		21	21
<u>STATE AID</u>								
Distribution by Fund and Program								
15,000	---	---	15,000	8,267	Homeland Security and Preparedness	13	15,000	15,000
15,000	---	---	15,000	8,267	Total State Aid		15,000	15,000
Distribution by Fund and Object								
State Aid:								
15,000	---	---	15,000	8,267	Capital for Homeland Security Critical Infrastructure	13	15,000	15,000
32,718	1,659	-1,055	33,322	25,379	Grand Total State Appropriation		33,789	32,257
OTHER RELATED APPROPRIATIONS								
Federal Funds								
13,717 ^S	---	29,245	42,962	3,423	Homeland Security and Preparedness	13	101,140	103,720
7,000	1,575	12,883	21,458	3,155	Administration and Support Services	99	1,000	500
20,717	1,575	42,128	64,420	6,578	Total Federal Funds		102,140	104,220

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Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
OTHER RELATED APPROPRIATIONS								
All Other Funds								
---	---	10,327	10,327	5,230	Homeland Security and Preparedness	13	---	---
---	4,765				Administration and Support Services	99	---	---
---	5,435 R	-7,469	2,731	1,288				
---	10,200	2,858	13,058	6,518	Total All Other Funds		2,980	2,980
53,435	13,434	43,931	110,800	38,475	GRAND TOTAL ALL FUNDS		139,457	139,457

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.
- (b) In addition to the resources reflected in All Other Funds above, a total of \$7.2 million will be transferred from the Department of Treasury to support operations and services related to the Office of Homeland Security and Preparedness in fiscal 2009. The recent history of such receipts is reflected in the Department of Treasury's budget.

Language Recommendations -- Direct State Services - General Fund

Notwithstanding the provisions of any law or regulation to the contrary, funds obtained through seizure, forfeiture, or abandonment pursuant to any federal or State statutory or common law and the proceeds of the sale of any such confiscated property or goods, except for such funds as are dedicated pursuant to N.J.S.2C:64-6, are appropriated for law enforcement purposes designated by the Attorney General; provided, however, that receipts in excess of \$2,255,000 may only be used for non-recurring expenditures.

The Attorney General shall provide the Director of the Division of Budget and Accounting, the Senate Budget and Appropriations Committee and the Assembly Appropriations Committee, or the successor committees thereto, with written reports on August 1, 2008 and February 1, 2009, of the use and disposition by State law enforcement agencies, including the offices of the county prosecutors, of any interest in property or money seized, or proceeds resulting from seized or forfeited property, and any interest or income earned thereon, arising from any State law enforcement agency involvement in a surveillance, investigation, arrest or prosecution involving offenses under N.J.S. 2C:35-1 et seq. and N.J.S. 2C:36-1 et seq. leading to such seizure or forfeiture. The reports shall specify for the preceding period of the fiscal year the type, approximate value, and disposition of the property seized and the amount of any proceeds received or expended, whether obtained directly or as contributive share, including but not limited to the use thereof for asset maintenance, forfeiture prosecution costs, costs of extinguishing any perfected security interest in seized property and the contributive share of property and proceeds of other participating local law enforcement agencies. The reports shall provide an itemized accounting of all proceeds expended and shall specify with particularity the nature and purpose of each such expenditure.

Penalties, fines, and other fees collected pursuant to N.J.S. 2C:35-20 and deposited in the State Forensic Laboratory Fund, together with the unexpended balance at the end of the preceding fiscal year, are appropriated to defray additional laboratory related administration and operational expenses of the "Comprehensive Drug Reform Act of 1987," P.L. 1987, c.106 (C.2C:35-1 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Office of Homeland Security and Preparedness is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived from the agency surcharge on vehicle rentals pursuant to section 54 of P.L. 2002, c. 34 (C.App.A:9-78), not to exceed \$7,200,000, are appropriated for the Office of Homeland Security and Preparedness and shall be deposited into a dedicated account, the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- State Aid - General Fund

Of the amounts hereinabove appropriated for Capital for Homeland Security Critical Infrastructure, amounts may be transferred to other departments and State agencies for any State and local homeland security purposes, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Capital for Homeland Security Critical Infrastructure account is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law, regulation or Executive Order to the contrary, any purchase by the State or by a State agency or local government unit of equipment, goods or services related to homeland security and domestic preparedness, that is paid for or reimbursed by State funds appropriated in this fiscal year, to the Department of Law and Public Safety, for Homeland Security and Preparedness under program classification, may be made through the receipt of public bids or as an alternative to public bidding and subject to the provisions of this paragraph, through direct purchase without advertising for bids or rejecting bids already received but not awarded. Purchases made without public bidding shall be from vendors that shall either (1) be holders of a current State contract for the equipment, goods or services sought, or (2) be participating in a federal procurement program established by a federal department or agency, or (3) have been approved by the State Treasurer in consultation with the Director of the Office of Homeland Security and Preparedness. The equipment, goods or services purchased by a local government unit receiving such State funds by subgrant, shall be referred to in the grant agreement issued by the Office of Homeland Security and Preparedness and shall be authorized by resolution of the governing body of the local government unit entering into the grant agreement. Such resolution may, without subsequent action of the local governing body, simultaneously accept the grant from the State administrative agency,

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authorize the insertion of the revenue and offsetting appropriation in the budget of the local government unit, and authorize the contracting agent of the local government unit to procure the equipment, goods or services. A copy of such resolution shall be filed with the chief financial officer of the local government unit and the Division of Local Government Services in the Department of Community Affairs.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL 74. GENERAL GOVERNMENT SERVICES

OBJECTIVES

To provide legal services and counsel to all officers, departments, agencies and instrumentalities of State government, as well as County Boards of Election and Taxation.

PROGRAM CLASSIFICATIONS

12. **Legal Services.** Provides day-to-day counseling and advice, renders written legal opinions on questions concerning

constitutional and statutory authority and operations, makes appearances at State hearings, and represents the State in litigation and appeals in both State and federal courts. Services include representing the State in all claims brought against the State and its employees for personal injury, property damage and contract claims, as well as prosecuting all claims for property damage on behalf of the State.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Legal Services				
Appeals pending	1,600	1,488	1,696	1,933
Appeals disposed	1,951	1,858	1,858	1,858
Formal administrative agency advice pending	35	24	21	21
Administrative agency advice completed	115	112	112	112
Litigation pending	12,712	13,721	14,476	15,345
Litigation concluded	9,712	8,824	8,824	8,824
Other matters pending	5,417	5,316	5,972	6,330
Other matters concluded	4,738	5,259	5,259	5,259
Administrative hearings pending	4,240	3,245	3,449	3,656
Administrative hearings concluded	2,832	1,980	1,980	1,980
Workers Compensation pending	6,129	6,554	6,783	6,986
Workers Compensation completed	1,701	1,824	1,879	1,935
Second Injury pending	7,909	7,978	8,108	8,270
Second Injury completed	1,432	1,173	1,173	1,173
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	754	662	624	615
All Other	364	342	315	306
Total Positions	1,118	1,004	939	921
Filled Positions by Program Class				
Legal Services	1,118	1,004	939	921 (a)
Total Positions	1,118	1,004	939	921

Notes:

Actual payroll counts are reported for fiscal 2006 and 2007 as of December and revised fiscal 2008 as of January. The Budget Estimates for fiscal 2009 reflect the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

- (a) The funded position counts for fiscal 2009 are based on estimated legal service reimbursements from client agencies. These counts are subject to negotiated client agency agreements and the actual funded position counts could change.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	(E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES									
Distribution by Fund and Program									
17,052	63,055	-500	79,607	79,208	Legal Services	12	81,786	82,288	82,288
17,052	63,055	-500	79,607	79,208	Total Direct State Services		81,786 (a)	82,288	82,288
Less:									
---	(63,055)	---	(63,055)	(62,660)	Legal Services		(63,070)	(64,303)	(64,303)
---	(63,055)	---	(63,055)	(62,660)	Total Income Deductions		(63,070)	(64,303)	(64,303)
17,052	---	-500	16,552	16,548	Total State Appropriation		18,716	17,985	17,985
Distribution by Fund and Object									
Personal Services:									
14,658	---	-500	14,158	14,158	Salaries and Wages		16,364	15,633	15,633
14,658	---	-500	14,158	14,158	Total Personal Services		16,364	15,633	15,633
89	---	---	89	89	Materials and Supplies		89	89	89
601	---	---	601	597	Services Other Than Personal		559	559	559
262	---	---	262	262	Maintenance and Fixed Charges		262	262	262
Special Purpose:									
---	63,055 R	---	63,055	62,660	Legal Services	12	63,070	64,303	64,303
1,442	---	---	1,442	1,442	Child Welfare Unit	12	1,442	1,442	1,442
Less:									
---	(63,055) R	---	(63,055)	(62,660)	Income Deductions		(63,070)	(64,303)	(64,303)
17,052	---	-500	16,552	16,548	Grand Total State Appropriation		18,716	17,985	17,985

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

In addition to the \$64,302,925 attributable to Reimbursements from Other Sources and the corresponding additional amount associated with employee fringe benefit costs, there are appropriated such sums as may be received or receivable from any State agency, instrumentality or public authority for direct or indirect costs of legal services furnished thereto and attributable to a change in or the addition of a client agency agreement, subject to the approval of the Director of the Division of Budget and Accounting.

The Director of the Division of Budget and Accounting is empowered to credit or transfer to the General Fund from any other department, branch, or non-State fund source, out of funds appropriated thereto, such funds as may be required to cover the costs of legal services attributable to that other department, branch, or non-State fund source as the Director of the Division of Budget and Accounting shall determine. Receipts in any non-State fund are appropriated for the purpose of such transfer.

Notwithstanding the provisions of any law or regulation to the contrary, revenues derived from penalties, cost recoveries, restitution or other recoveries to the State are appropriated to offset unbudgeted, extraordinary costs of legal, investigative, administrative, expert witnesses and other services incurred by the Division of Law related to litigation and acting on behalf of the State and State agencies. Such sums shall first be charged to any revenues derived from recoveries collected by the State but may also be provided from the General Fund, subject to the approval of the Director of the Division of Budget and Accounting.

80. SPECIAL GOVERNMENT SERVICES
82. PROTECTION OF CITIZENS' RIGHTS

OBJECTIVES

1. To assure fair, equitable, and competent treatment of the consumer in practices relating to the acquisition of goods and services, and the use of professional and occupational services.
2. To assure equal opportunity in employment, housing, public accommodations, and the extension of credit or making of loans.
3. To compensate innocent victims of violent crimes.

PROGRAM CLASSIFICATIONS

14. **Consumer Affairs.** Protects the rights of the consumer and provides uniform enforcement of public protection laws. Provides executive leadership and centralized administrative and support services for all the bureaus, offices, commissions, sections and professional boards, and advisory committees. Directs efforts toward the prevention of fraud and unfair dealings in advertising and/or sales techniques; regulates the buying and selling of securities and analyzes corporate takeover proposals; establishes uniform standards and checks for compliance with those standards; regulates fund raising

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organizations; licenses and regulates employment agencies and counselors; regulates the conduct of bingo games and raffles; and performs field inspections and investigations for the professional and occupational boards. Institutes hearings to determine if violations have occurred and/or to assess penalties for violations of the public protection laws.

15. **Operation of State Professional Boards.** Completely financed from receipts, the boards regulate the practices of the respective professions, occupations, and trades for the protection of the consumer; prescribe standards of conduct and performance; pass on qualifications of applicants for licensure by examination, evaluation of experience, and/or endorsement of credentials; certify the training programs of certain schools and agencies; and hear complaints on violations of statutory provisions and determine penalties for violators. The New Jersey Cemetery Board ensures that those companies certified in this State continue to comply with all applicable laws and regulations; and that all persons directly or indirectly associated with this industry are properly licensed; and investigates and resolves all written complaints in a timely manner.

16. **Protection of Civil Rights.** Protects all persons in their civil rights; prevents and eliminates practices of discrimination against persons because of race, creed, color, national origin, ancestry, age, sex, marital status, mental or physical handicap, nationality or their liability for service in the armed forces of the United States; investigates complaints originated by individuals and initiates complaints of its own to eliminate discriminatory patterns and practices. Conciliation conferences and public hearings are used to remedy acts of discrimination. Enforces the Multiple Dwelling Reporting Rule and conducts "A95" civil rights reviews.

19. **Victims of Crime Compensation Agency.** Conducts hearings on applications for compensation for personal injury or death resulting from violent crimes. Awards not to exceed \$25,000 are granted to the innocent victim, the dependents of the deceased innocent victim, or to any person responsible for the maintenance of the innocent victim. The Victims of Crime Compensation Board was renamed Victims of Crime Compensation Agency and is now within the Department of Law and Public Safety.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Consumer Affairs				
Weights and Measures				
Licenses and permits issued	1,855	2,932	2,250	2,250
Devices tested	104,698	130,507	116,430	116,430
Penalties collected	\$2,260,585	\$2,399,860	\$2,482,000	\$2,482,000
Commodity checks	466,402	409,015	471,000	471,000
Securities Bureau				
Special investigations	55	58	50	50
Inquiries	21,066	18,053	15,000	15,000
Hearings and conferences	100	98	100	100
Applications	234,027	247,315	250,000	250,000
Administrative orders	93	110	100	100
Registrations	190,484	200,565	200,000	200,000
Consumer Protection Programs				
Mail received	128,822 (a)	99,973	110,000	110,000
Consumer complaints opened	9,874	6,892	7,500	7,500
Consumer complaints closed	3,217	2,895	3,000	3,000
Value of restitutions made	\$5,849,412	\$3,914,407	\$3,300,000	\$3,300,000
Penalties collected	\$4,528,555	\$2,878,086	\$3,739,000	\$2,900,000
Number of controlled dangerous substance manufacturers registered	41,333	41,964	41,500	41,500
Licenses issued - Public Movers and Warehouseman	373	362	360	360

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	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Operation of State Professional Boards				
Licenses in Force (end of year)				
Certified Public Accountants	25,388	26,391	26,000	26,000
Architects	7,945	8,705	8,700	8,700
Dentists and Dental Hygienists	18,398	21,183	21,200	21,200
Mortuary Science	2,625	2,583	2,600	2,600
Professional Engineers and Land Surveyors	19,430	20,424	20,500	20,500
Medical Examiners	38,744	39,573	39,500	39,500
Nursing	177,461	175,514	176,000	176,000
Optometrists	2,920	2,916	3,000	3,000
Pharmacy	15,608	15,346	15,500	15,500
Veterinary Medical Examiners	2,189	2,291	2,300	2,300
Court Reporting	1,135	1,087	1,100	1,100
Ophthalmic Dispensers and Ophthalmic Technician	1,607	1,658	1,700	1,700
Cosmetology and Hairstyling	81,442	78,904	79,000	79,000
Professional Planners	3,143	3,052	3,100	3,100
Electrical Contractors	18,092	19,367	19,500	19,500
Psychological Examiners	2,918	2,990	3,000	3,000
Master Plumbers	6,214	6,246	6,250	6,250
Marriage Counselor Examiners	4,645	5,047	5,100	5,100
Chiropractic Examiners	3,317	3,430	3,450	3,450
Physical Therapists	8,754	9,269	9,300	9,300
Audiology and Speech Pathology	4,139	4,464	4,500	4,500
Real Estate Appraisal	2,864	3,138	3,150	3,150
Respiratory Care	3,164	3,360	3,400	3,400
Social Work Examiners	16,754	16,087	16,500	16,500
Orthotics and Prosthetics	234	232	235	235
Occupational Therapists	4,155	4,454	4,500	4,500
Cemetery Companies	399	399	399	399
Protection of Civil Rights				
Caseload				
Cases received (docketed)	1,280	1,606	3,600	1,200
Cases closed (resolved)	1,286	1,260	3,560	1,550
Ending balance (cumulative)	1,316	1,662	1,702	1,352
Complaints received (not docketed)	11,440	14,611	13,000	13,000
Monetary awards	\$2,386,465	\$2,330,046	\$3,100,000	\$2,700,000
Victims of Crime Compensation Agency				
Claims pending, July 1 (b)	1,962	2,085	1,231	988
Cases re-opened	335	308	310	313
Claims received	4,194	3,990	4,200	4,200
Claims concluded	4,406	4,523	4,753	4,753
Approved for payments	2,495	2,720	2,950	2,950
Denied	1,911	1,803	1,803	1,803
Ending balance, June 30	2,085	1,860	988	748
Average award	\$5,770	\$6,060	\$6,060	\$6,060
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	239	225	196	184
All Other	634	597	549	440
Total Positions	873	822	745	624
Filled Positions by Program Class				
Consumer Affairs	479	445	406	340
Operation of State Professional Boards	259	245	223	170
Protection of Civil Rights	90	86	78	76
Victims of Crime Compensation Agency	45	46	38	38
Total Positions	873	822	745	624

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Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

(a) The fiscal year 2006 mail received volume increase is due to the receipt of new Home Improvement Contractor Registrations and the Do Not Call Legislation.

(b) Revised fiscal year 2008 Claims pending, July 1 adjusted by 629 cases from Actual 2007 Ending balance, June 30 due to December 31, 2007 IT Monthly Statistical Report revision. Previous open cumulative cases had not been adjusted due to programming limitations.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
13,239	66,606	-23,000	56,845	34,030	14	12,645	12,392	12,392
17,633	84,432	---	102,065	42,707				
17,541	84,432	---	101,973	42,701	15	17,633	17,633	17,633
92	---	---	92	6		17,541	17,541	17,541
5,617	78	-6	5,689	5,689		92	92	92
5,695	8,991	-89	14,597	11,830	16	5,974	5,721	5,721
					19	5,238	4,658	4,658
42,184	160,107	-23,095	179,196	94,256		41,490	40,404	40,404
42,092	160,107	-23,095	179,104	94,250		41,398 (a)	40,312	40,312
92	---	---	92	6		92	92	92
Distribution by Fund and Object								
Personal Services:								
11,119	44,963 43,136 R	-15,122	84,096	24,433		9,909	8,150	8,150
86	---	---	86	---		66	66	66
---	---	---	---	5,172		---	---	---
---	---	---	---	---		20	20	20
11,205	88,099	-15,122	84,182	29,605		9,995	8,236	8,236
11,119	88,099	-15,122	84,096	29,605		9,909	8,150	8,150
86	---	---	86	---		86	86	86
465	629	12	1,106	425		312	230	230
14,258	3,023	14,411	31,692	28,331		14,877	15,422	15,422
6	---	---	6	6				
1,744	113	640	2,497	2,394		6	6	6
						2,054	2,545	2,545
Special Purpose:								
1,390	5 680 R	---	2,075	1,918	14	1,390	1,390	1,390
5,493	45,679 8,494 R	-22,000	37,666	16,008	14	5,493	5,493	5,493
2,612	401 1,399 R	---	4,412	4,244	14	2,612	2,612	2,612
556	799 1,048 R	---	2,403	1,584	14	556	556	556
---	43 123 R	100	266	169	15	---	---	---
500	87	---	587	561	15	500	500	500
100	---	-100	---	---	16	---	---	---
3,630	3,203 4,129 R	-914	10,048	8,889	19	3,570	3,372	3,372
---	1,235 424 R	-174	1,485	---	19	---	---	---

LAW AND PUBLIC SAFETY

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES									
150	---	---	150	30	Victims of Crime Outreach Program	19	122	35	35
75	494	52	621	92	Additions, Improvements and Equipment		3	7	7
GRANTS-IN-AID									
Distribution by Fund and Program									
---	---	---	---	---	Victims of Crime Compensation Agency	19	50	---	---
---	---	---	---	---	(From General Fund)		50	---	---
---	---	---	---	---	Total Grants-in-Aid		50	---	---
Distribution by Fund and Object									
Grants:									
---	---	---	---	---	New Jersey Crime Victims Law Center	19	50	---	---
42,184	160,107	-23,095	179,196	94,256	Grand Total State Appropriation		41,540	40,404	40,404
OTHER RELATED APPROPRIATIONS									
Federal Funds									
715	559	---	1,274	559	Protection of Civil Rights	16	744	744	744
7,000	5,715	---	12,715	11,835	Victims of Crime Compensation Agency	19	7,000	6,000	6,000
7,715	6,274	---	13,989	12,394	Total Federal Funds		7,744	6,744	6,744
All Other Funds									
---	13 394 R	---	407	347	Consumer Affairs	14	15,174	14,320	14,320
---	65 174 R	---	239	21	Protection of Civil Rights	16	370	170	170
---	4 R	---	4	---	Victims of Crime Compensation Agency	19	5,060	5,060	5,060
---	650	---	650	368	Total All Other Funds		20,604	19,550	19,550
49,899	167,031	-23,095	193,835	107,018	GRAND TOTAL ALL FUNDS		69,888	66,698	66,698

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.

Language Recommendations -- Direct State Services - General Fund

All fees, penalties, and costs collected pursuant to P.L. 1988, c.123 (C. 56:12-29 et seq.) are appropriated for the purpose of offsetting costs associated with the handling and resolution of consumer automotive complaints.

In addition to the amount hereinabove appropriated for Consumer Affairs, receipts in excess of the amount anticipated, attributable to changes in fee structure or fee increases, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Fees and cost recoveries collected pursuant to P.L. 1989, c.331 (C. 34:8-43 et al.) are appropriated in an amount not to exceed additional expenses associated with mandated duties of the Division of Consumer Affairs, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived from penalties and the unexpended balance at the end of the preceding fiscal year in the Consumer Fraud Education Fund program account pursuant to P.L. 1999, c.129 (C.56:8-14.2 et seq.) are appropriated for the purpose of offsetting the cost of operating the program, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of the amount anticipated are appropriated to the Controlled Dangerous Substance Registration program for the purpose of offsetting the costs of the administration and operation of the program, subject to the approval of the Director of the Division of Budget and Accounting. If receipts are less than anticipated, the appropriation shall be reduced proportionately.

Receipts in excess of the amount anticipated derived pursuant to P.L. 1954, c.7 (C.5:8-1 et seq.) from the operations of the Division of Consumer Affairs Legalized Games of Chance program and the unexpended balances at the end of the preceding fiscal year, are appropriated for the purpose of offsetting the operational costs of the program, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the Securities Enforcement Fund account is payable from receipts from fees and penalties deposited in the Securities Enforcement Fund pursuant to section 15 of P.L. 1985, c.405 (C. 49:3-66.1). If receipts are less than anticipated, the appropriation shall be reduced proportionately.

LAW AND PUBLIC SAFETY

Notwithstanding the provisions of section 15 of P.L. 1985, c.405 (C.49:3-66.1) to the contrary, receipts in excess of the amount anticipated and the unexpended balances at the end of the preceding fiscal year, are appropriated to the Securities Enforcement Fund program account to offset the cost of operating this program and for use by the Department of Law and Public Safety, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived from the assessment and recovery of costs, fines, and penalties as well as other receipts received pursuant to the Consumer Fraud Act, P.L. 1960, c.39 (C. 56:8-1 et seq.), are appropriated for additional operational costs of the Division of Consumer Affairs, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of the amount anticipated derived pursuant to R.S. 51:1-1 et seq. from the operations of the Division of Consumer Affairs, Office of Weights and Measures program and the unexpended balances at the end of the preceding fiscal year, are appropriated for the purposes of offsetting the operational costs of the program, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of the amount anticipated derived pursuant to P.L. 1994, c.16 (C.45:17A-18 et seq.) from the operations of the Division of Consumer Affairs Charitable Registration and Investigation program and the unexpended balances at the end of the preceding fiscal year, are appropriated for the purpose of offsetting the operational costs of the program, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for each of the several State professional boards, advisory boards, and committees shall be payable from receipts of those entities, and any receipts in excess of the amounts specifically provided to each of the entities are appropriated, and the unexpended balances at the end of the preceding fiscal year are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived from the sale of films, pamphlets, and other educational materials developed or produced by the Division on Civil Rights are appropriated to defray production costs.

Receipts derived from the provision of copies of transcripts and other materials related to officially docketed cases are appropriated.

Notwithstanding the provisions of section 2 of P.L. 1983, c.412 (C. 10:5-14.1a) any receipts derived from the assessment of fines, fees, and penalties pursuant to P.L. 1945, c.169 (C. 10:5-1 et seq.) are appropriated to the Division on Civil Rights for additional operational costs, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balances at the end of the preceding fiscal year in the Office of Victim-Witness Assistance and in the Victim and Witness Advocacy Fund pursuant to section 2 of P.L. 1979, c.396 (C. 2C: 43-3.1) are appropriated.

The amount hereinabove appropriated for "Claims - Victims of Crime" is available for payment of awards applicable to claims filed in prior fiscal years.

Receipts derived from assessments pursuant to section 2 of P.L. 1979, c.396 (C. 2C:43-3.1) and the unexpended balance at the end of the preceding fiscal year in the Criminal Disposition and Revenue Collection Fund program account, are appropriated for the purpose of offsetting the costs of the design, development, implementation and operation of the Criminal Disposition and Revenue Collection program and payments of claims of victims of crime, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived from assessments under section 2 of P.L. 1979, c.396 (C. 2C:43-3.1) in excess of the amount anticipated and the unexpended balance at the end of the preceding fiscal year are appropriated for payment of claims of victims of crime pursuant to P.L. 1971, c. 317 (C. 52:4B-1 et seq.) and additional Victims of Crime Compensation Agency operational costs up to \$1,175,000, and \$98,000 for the Agency's Strategic IT Automation Initiative, subject to the approval of the Director of the Division of Budget and Accounting.

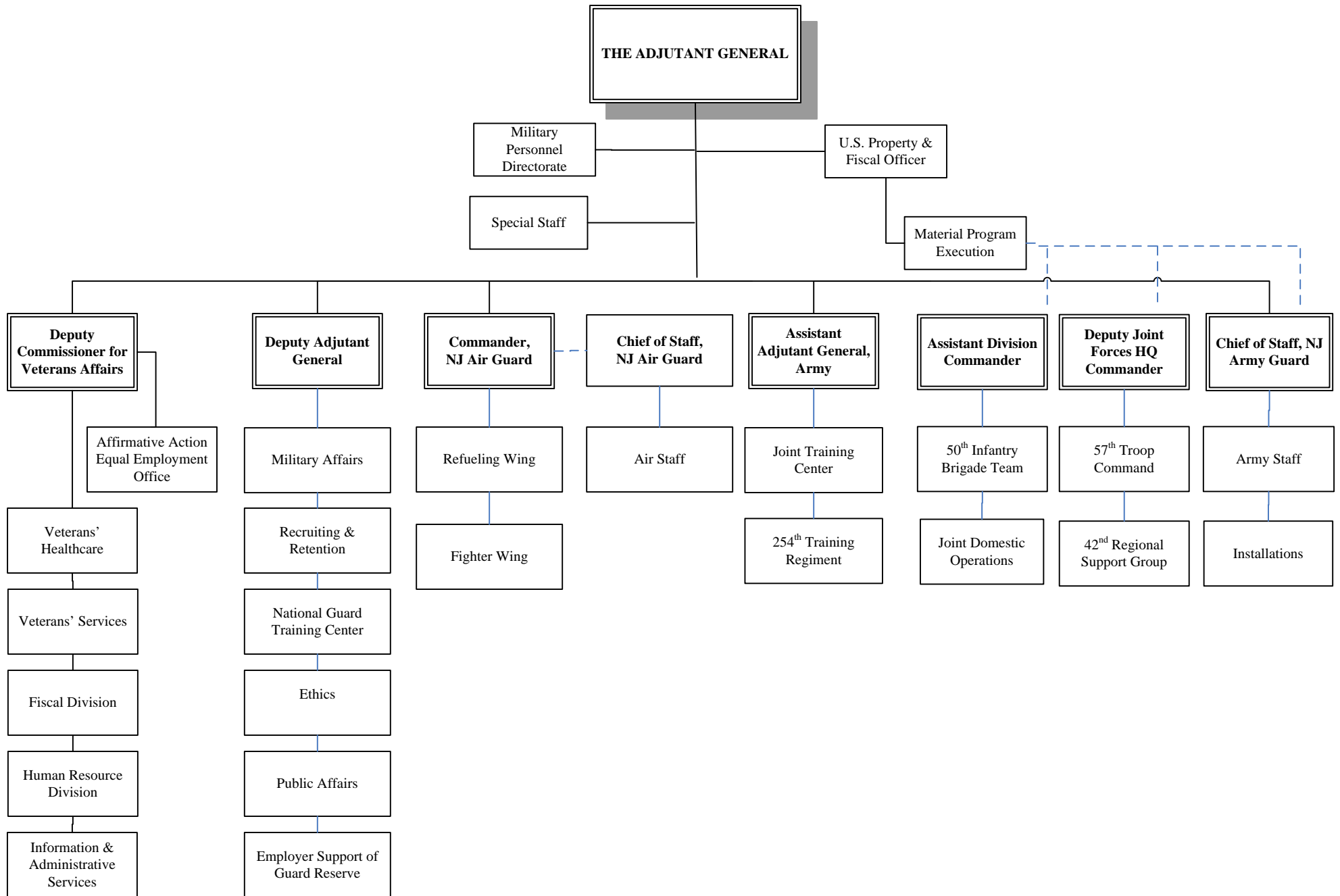
Language Recommendations -- Direct State Services - Casino Revenue Fund

The amount hereinabove is appropriated from the Casino Revenue Fund for the costs associated with the operation of the Board of Nursing.

Language Recommendations -- Direct State Services - General Fund

Receipts derived from the provision of copies, the processing of credit cards and other materials related to compliance with section 6 of P.L. 2001, c.404 (C.47:1A-5), are appropriated for the purpose of offsetting costs related to the public access of government records.

MILITARY AND VETERANS' AFFAIRS



MILITARY AND VETERANS' AFFAIRS

DEPARTMENT OF MILITARY AND VETERANS' AFFAIRS OVERVIEW

Mission and Goals

The Department of Military and Veterans' Affairs' (DMAVA) mission is to provide trained and ready forces prepared for rapid response to a wide range of civil and military operations while providing exemplary services to the citizens and veterans of New Jersey. Some of the Department's major responsibilities include the following: supporting New Jersey Homeland Security by providing specialized teams; providing assistance in securing and protecting critical New Jersey facilities and infrastructure; providing modernized combat - ready military units to mobilize and deploy in support of the state and national strategy; providing quality units that are properly organized, equipped, and trained to preserve peace, order and public safety in support of civil authorities; and providing assistance to New Jersey's veterans, National Guard, and their families.

Budget Highlights

The fiscal 2009 Budget for the Department of Military and Veterans' Affairs (DMAVA) totals \$93.4 million, a decrease of \$3.2 million or 3.3% under the fiscal 2008 adjusted appropriation of \$96.7 million.

The fiscal 2009 Budget for DMAVA provides the resources to operate three veterans' memorial homes, the Brigadier General Doyle Veterans Cemetery, the Veterans Haven Transitional Housing Program, the Korean and Vietnam War Memorials, and various other veterans entitlement and Grant-In-Aid programs, including tuition assistance, Post Traumatic Stress Disorder treatment and veterans' transportation.

Support to Our Veterans

The BG William C. Doyle Veterans Memorial Cemetery continues to be the Nation's busiest state veterans' cemetery and the eleventh busiest veteran cemetery of all types, state or federal. State fiscal year 2009 appropriations of \$1.9 million for operations and \$423,000 for our Honor Guard, coupled with the U.S. Department of Veterans Affairs Plot Interment allowance, provide the resources to maintain the cemetery grounds and keep pace with the 12-15 funerals held each day. In addition, the New Jersey National Guard performs over 200 off-site honors each month. In March 2007, the Department took possession of the newly constructed, federally funded, \$6.2 million administrative-maintenance complex at the Doyle Cemetery which provides sufficient office space, maintenance bays, and storage buildings for the projected life of the cemetery. In August 2007, the Department completed the new federally funded \$3.7 million Section R crypt field, providing the cemetery over 5,300 new gravesites. Within a two year period, expanded operations at the Doyle Cemetery will bring in over \$11 million of federal funding. The Department is currently in the design phase for three new projects: a Public Information Center and Entrance Boulevard, a Public Assembly Area and Columbarium, and a Committal Shelter that are awaiting federal funding of approximately \$10 million.

Veterans Haven, the Department's transitional housing program for homeless veterans, is funded with a combination of State funds and additional financial assistance provided by the U.S. Department of Veterans Affairs and the US Department of Housing and Urban Development. The fiscal year 2007 State Appropriations Act

provided \$2 million to expand this critical and successful program. Funding for the 20,000 square foot, 44 bed expansion is now in place with additional funding provided by the Department of Community Affairs' New Jersey Housing Mortgage Finance Agency and \$500,000 from the U.S. Department of Veterans Affairs. The design phase has been initiated with an anticipated groundbreaking scheduled for the summer of 2008.

Homeland Security

In accordance with the New Jersey Domestic Security Preparedness Act, DMAVA is responsible for training and equipping emergency response teams in support of New Jersey's Homeland Security mission. These teams serve as first military responders for disaster recovery related to acts of terrorism, weapons of mass destruction incidents, and other public safety emergencies.

Department Accomplishments

Since September 11, 2001 both the New Jersey Army and Air National Guard (ANG) have been mobilized numerous times for domestic operations as well as for lengthy deployments to support the following: Global War on Terror operations, Operation Iraqi Freedom, Operation Enduring Freedom in Afghanistan, and Operation Noble Eagle in the continental U.S. More than 70% of the New Jersey Army National Guard (NJARNG) has been mobilized for overseas deployments. The ANG has flown more than 21,000 hours and 5,000 sorties in support of these operations and in total has filled three times their number of personnel in mobility billets. Currently, the NJARNG is mobilizing for their largest overseas deployment of personnel since World War II. Of the 3,600 deployed, almost 3,400 are NJARNG soldiers. The remaining 200 are Air National Guard personnel who will be fulfilling required Air Expeditionary Force (AEF) rotations during the same time period.

As a result of military transformation and the 2005 BRAC Commission recommendations, the New Jersey National Guard has received a number of new missions. These missions include: military police, water purification, chemical response, and engineering. The NJ Air National Guard's new missions include: a Contingency Response Group (capable of opening an airfield or airport in the wake of a military action or domestic catastrophic event), an Air Support Operations Squadron, conversion of both flying wings to more modern aircraft (F-16 Block 25 to Block 30 aircraft and KC-135E to KC-135R models), and a Mobility Intelligence Squadron.

The Department has been aggressively pursuing funds and initiating a number of energy conservation methods and renewable energy projects.

The Board of Public Utilities has awarded a grant to the Department through the Army Energy Conservation Investment Program (ECIP) for a 400 kilowatt Solar Photovoltaic Electrical System. The National Guard Joint Force Headquarters (JFHQ) at Fort Dix anticipates receiving additional funding for a similar Solar Photovoltaic Electrical System in the JFHQ headquarters parking lot. Energy credits from completed photovoltaic projects yielded \$100,030 in 2007 and \$31,200 to date in 2008.

MILITARY AND VETERANS' AFFAIRS

DEPARTMENT OF MILITARY AND VETERANS' AFFAIRS

SUMMARY OF APPROPRIATIONS BY FUND (thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND								
86,826	6,481	2,485	95,792	92,416	Direct State Services	92,315	90,273	90,273
1,544	69	184	1,797	1,786	Grants-In-Aid	3,044	3,174	3,174
2,590	2,465	925	5,980	1,565	Capital Construction	1,318	---	---
90,960	9,015	3,594	103,569	95,767	Total General Fund	96,677	93,447	93,447
90,960	9,015	3,594	103,569	95,767	Total Appropriation, Department of Military and Veterans' Affairs	96,677	93,447	93,447

SUMMARY OF APPROPRIATIONS BY ORGANIZATION (thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES - GENERAL FUND								
Military Services								
4,971	9	-1	4,979	4,978	Central Operations	5,390	4,330	4,330
11,476	4,989	-239	16,226	13,057	National Guard Programs Support	11,121	10,103	10,103
16,447	4,998	-240	21,205	18,035	Subtotal	16,511	14,433	14,433
Services to Veterans								
6,228	1,423	110	7,761	7,702	Veterans' Program Support	6,809	6,370	6,370
22,119	44	-871	21,292	21,189	Menlo Park Veterans' Memorial Home	22,964	22,848	22,848
19,925	1	2,028	21,954	21,911	Paramus Veterans' Memorial Home	22,041	22,499	22,499
22,107	15	1,458	23,580	23,579	Vineland Veterans' Memorial Home	23,990	24,123	24,123
70,379	1,483	2,725	74,587	74,381	Subtotal	75,804	75,840	75,840
86,826	6,481	2,485	95,792	92,416	Total Direct State Services - General Fund	92,315	90,273	90,273
86,826	6,481	2,485	95,792	92,416	TOTAL DIRECT STATE SERVICES	92,315	90,273	90,273
GRANTS-IN-AID - GENERAL FUND								
Military Services								
35	---	---	35	35	National Guard Programs Support	35	---	---
35	---	---	35	35	Subtotal	35	---	---
Services to Veterans								
1,509	69	19	1,597	1,591	Veterans' Program Support	3,009	3,009	3,009
---	---	55	55	51	Menlo Park Veterans' Memorial Home	---	55	55
---	---	55	55	55	Paramus Veterans' Memorial Home	---	55	55
---	---	55	55	54	Vineland Veterans' Memorial Home	---	55	55
1,509	69	184	1,762	1,751	Subtotal	3,009	3,174	3,174
1,544	69	184	1,797	1,786	Total Grants-In-Aid - General Fund	3,044	3,174	3,174
1,544	69	184	1,797	1,786	TOTAL GRANTS-IN-AID	3,044	3,174	3,174

MILITARY AND VETERANS' AFFAIRS

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
CAPITAL CONSTRUCTION								
Military Services								
590	2,279	925	3,794	1,240	Central Operations	1,000	---	---
590	2,279	925	3,794	1,240	Subtotal	1,000	---	---
Services to Veterans								
2,000	183	---	2,183	323	Veterans' Program Support	---	---	---
---	---	---	---	---	Paramus Veterans' Memorial Home	318	---	---
---	3	---	3	2	Vineland Veterans' Memorial Home	---	---	---
2,000	186	---	2,186	325	Subtotal	318	---	---
2,590	2,465	925	5,980	1,565	TOTAL CAPITAL CONSTRUCTION	1,318	---	---
90,960	9,015	3,594	103,569	95,767	Total Appropriation, Department of Military and Veterans' Affairs	96,677	93,447	93,447

10. PUBLIC SAFETY AND CRIMINAL JUSTICE

14. MILITARY SERVICES

OBJECTIVES

1. To provide command and operational control to all units of the New Jersey National Guard.
2. To plan for and establish the force structure required to accomplish both federal and State missions while supporting the future goals established by the Governor for the development of the State.
3. To recruit, train and support the personnel required by the force structure to be able to respond to calls to duty by federal and State authorities in the event of an emergency.
4. To operate, maintain, preserve and extend the useful life of all physical facilities in support of New Jersey National Guard and Veterans' programs.
5. To evaluate and determine priorities for the location and construction of new facilities and the expansion and improvement of existing facilities in order to support the force structure of the National Guard.
6. To operate and maintain a High Technology Training Center at Fort Dix, New Jersey in order to provide the enhanced state of the art individual and unit training required by the members of the New Jersey National Guard and other reserve and active component military personnel, in order to ensure their ability to survive on the modern battlefield.
7. To provide centralized and integrated managerial and support services to all departmental programs.

PROGRAM CLASSIFICATIONS

40. **New Jersey National Guard Support Services.** Provides operational command and control as well as support to the State National Guard, whose mission is to protect life and property, and preserve peace, order and public safety during times of emergency or disaster. In addition, provides for a trained and organized military force and individuals available at the call of the President in the event of a war or other national emergency to augment the active military forces. It also comprises the planning, management, and operation of the physical assets of the department and its subordinate activities, including three veterans' memorial homes, 38 armories (33 housing National Guard units), buildings, and equipment of all kinds, as well as alteration, expansion, construction, rehabilitation and improvement, and custodial services.
60. **Joint Training Center Management and Operations.** Provides accommodations, support and operations for the year round training of National Guard personnel at the Training Center in Sea Girt.
99. **Administration and Support Services.** Provides administrative services required for the effective operation of the department and all of its subordinate activities and operations including general management, management information systems, purchasing, accounting, budgeting, personnel, payroll, training and clerical services.

MILITARY AND VETERANS' AFFAIRS

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
New Jersey National Guard Support Services				
Armory use data (days)	24,609	31,843	28,000	25,900
Military	13,589	14,185	13,500	13,500
Other State agencies	1,835	4,160	2,500	1,900
Private/Public	9,185	13,498	12,000	10,500
Land management (acres)	11,354	11,495	11,577	11,577
Authorized strength of Army National Guard	8,660	7,040	6,042	6,148
Strength of Army National Guard, June 30	80%	86%	97%	96%
Authorized strength of Air National Guard	2,367	2,367	2,367	2,367
Strength of Air National Guard, June 30	97%	100%	100%	100%
Joint Training Center Management and Operations				
Individuals Trained (Person Days)				
New Jersey National Guard Troops	20,488	35,762	39,000	35,000
State Police officers in-service training	7,686	9,210	8,180	10,600
State Police recruit training	23,946	21,969	36,830	21,350
Criminal Justice	8,173	6,344	5,744	5,744
Juvenile Justice Commission	6,500	5,793	8,041	6,848
Department of Corrections	29,298	29,566	28,090	28,640
Division of Highway Safety	1,963	1,757	2,224	2,754
Challenge Youth Program	36,267	41,795	44,000	46,200
All others	122,000 (a)	130,000	150,000	160,000

PERSONNEL DATA

Affirmative Action Data

Male minority	191	226	225	218
Male minority %	12.7%	13.9%	14.1%	13.4%
Female minority	643	695	738	714
Female minority %	42.9%	42.7%	46.4%	44.0%
Total	834	921	963	932
Total %	55.6%	56.5%	60.5%	57.4%

Position Data

Filled Positions by Funding Source

State Supported	129	117	93	65
Federal	150	151	168	172
Total Positions	279	268	261	237

Filled Positions by Program Class

New Jersey National Guard Support Services	215	203	203	182
Joint Training Center Management and Operations	7	8	7	4
Administration and Support Services	57	57	51	51
Total Positions	279	268	261	237

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December, and revised fiscal year 2008 as of January.

The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

(a) Changes of measurement to include all uses of the facility.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
11,476	4,989	-239	16,226	13,057	New Jersey National Guard Support Services	40	11,121	10,103
494	9	-147	356	356	Joint Training Center Management and Operations	60	442	328

MILITARY AND VETERANS' AFFAIRS

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended	
4,477	---	146	4,623	4,622	<u>DIRECT STATE SERVICES</u>				
					Administration and Support Services	99	4,948	4,002	4,002
16,447	4,998	- 240	21,205	18,035	Total Direct State Services		16,511 ^(a)	14,433	14,433
Distribution by Fund and Object									
Personal Services:									
7,248	---	-493	6,755	6,755	Salaries and Wages		7,408	5,434	5,434
7,248	---	-493	6,755	6,755	Total Personal Services		7,408	5,434	5,434
1,257	---	847	2,104	2,104	Materials and Supplies		1,107	1,085	1,085
602	---	1,097	1,699	1,699	Services Other Than Personal		499	717	717
1,053	---	-441	612	612	Maintenance and Fixed Charges		1,053	1,053	1,053
Special Purpose:									
---	264				New Jersey National Guard Support Services	40	---	---	---
2,930	---	-174	2,756	2,756	Nuclear Facilities Security Detail	40	2,930	2,930	2,930
371	---	-19	352	352	Weapons of Mass Destruction Program	40	378	378	378
---	1,082	---	1,082	32	Jersey City Armory	40	---	---	---
500	458	53	1,011	476	National Guard-State Active Duty	40	200	150	150
920	---	---	920	149	New Jersey National Guard Challenge Youth Program	40	1,270	1,270	1,270
1,302	812	---	2,114	1,974	Joint Federal-State Operations and Maintenance Contracts (State Share)	40	1,152	1,152	1,152
5	---	---	5	5	Affirmative Action and Equal Employment Opportunity	99	5	5	5
250	---	---	250	249	Nursing Initiative	99	250	250	250
---	---	---	---	---	Vietnam Veterans Memorial	99	250	---	---
9	286	998	1,293	872	Additions, Improvements and Equipment		9	9	9
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
35	---	---	35	35	New Jersey National Guard Support Services	40	35	---	---
35	---	---	35	35	Total Grants-in-Aid		35	---	---
Distribution by Fund and Object									
Grants:									
35	---	---	35	35	Civil Air Patrol	40	35	---	---
<u>CAPITAL CONSTRUCTION</u>									
Distribution by Fund and Program									
---	1	-1	---	---	Joint Training Center Management and Operations	60	---	---	---
590	2,278	926	3,794	1,240	Administration and Support Services	99	1,000	---	---
590	2,279	925	3,794	1,240	Total Capital Construction		1,000	---	---
Distribution by Fund and Object									
Central Operations									
---	1	-1	---	---	Sea Girt Training Center - Multiple Agency Projects	60	---	---	---
590	---	---	590	---	Fire and Life Safety, Statewide	99	---	---	---
---	627	---	627	---	Renovations and Improvements, Statewide	99	---	---	---

MILITARY AND VETERANS' AFFAIRS

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
CAPITAL CONSTRUCTION								
---	13	---	13	---				
---	19	-19	---	---	99	---	---	---
---	175	925	1,100	850	99	---	---	---
---	44	20	64	---	99	---	---	---
---	1,400	---	1,400	390	99	1,000	---	---
17,072	7,277	685	25,034	19,310		17,546	14,433	14,433
OTHER RELATED APPROPRIATIONS								
Federal Funds								
21,919	7,263	404	29,586	21,651				
---	---	---	---	---	40	26,137	27,458	27,458
22,200	319	---	22,519	319				
---	---	---	---	---	99	10,000	---	---
44,119	7,582	404	52,105	21,970		36,137	27,458	27,458
All Other Funds								
---	47	---	---	---				
---	109 R	---	156	83	40	2,614	2,590	2,590
---	100 R	-10	90	8				
---	---	---	---	---	99	75	75	75
---	256	-10	246	91		2,689	2,665	2,665
61,191	15,115	1,079	77,385	41,371		56,372	44,556	44,556
GRAND TOTAL ALL FUNDS								

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.

Language Recommendations -- Direct State Services - General Fund

The unexpended balance at the end of the preceding fiscal year in the Retention of U.S. Military Infrastructure in New Jersey account is appropriated for the same purpose.

The unexpended balance at the end of the preceding fiscal year in the National Guard-State Active Duty account is appropriated for the same purpose.

The unexpended balance at the end of the preceding fiscal year in the Joint Federal-State Operations and Maintenance Contracts (State Share) account is appropriated for the same purpose.

The unexpended balance at the end of the proceeding fiscal year in the Jersey City Armory account is appropriated for the same purpose.

Receipts derived from the rental and use of armories and the unexpended balance at the end of the preceding fiscal year in the receipt account are appropriated for the operation and maintenance thereof, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated for New Jersey National Guard Support Services, funds received for Distance Learning Program usage are appropriated for the same purposes, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived from the sale of energy credits and the unexpended balance at the end of the preceding fiscal year in the receipt account are appropriated for the operation and maintenance of other energy program projects.

80. SPECIAL GOVERNMENT SERVICES

83. SERVICES TO VETERANS

3610. VETERANS' PROGRAM SUPPORT

OBJECTIVES

- To identify and provide the services necessary to meet the needs of the veteran population in New Jersey.
- To provide outreach programs to advise the New Jersey veteran population of the total spectrum of services available to them.
- To provide medical and nursing care consistent with the acceptable professional standards for residents as established by the United States Veterans Administration and the New Jersey Department of Health and Senior Services.
- To administer grant payments to orphans of veterans (RS 38:20-1), blind veterans and certain disabled veterans (RS 38:18-2, RS 38:18A-2).

MILITARY AND VETERANS' AFFAIRS

PROGRAM CLASSIFICATIONS

50. **Veterans' Outreach and Assistance.** Assists veterans and their dependents in securing State and federal benefits, including pensions, insurance, Civil Service veterans preference, tax exemptions and financial aid. Provides for the operation of 16 field offices as well as the identification and operation of programs to meet the specialized needs of the State veteran population.
51. **Veterans Haven.** Provides temporary housing, counseling, and occupational training for homeless veterans to assist them in their transition back to society.
70. **Burial Services.** Provides for the burial of eligible New Jersey veterans, their spouses and dependents at the Brigadier

General Doyle Memorial Cemetery. Also maintains the grounds of the Fairmont Veterans Cemetery in Newark, the Arlington Cemetery in Kearny, and the memorial cemetery on the grounds of the Vineland Veterans' Memorial Home.

99. **Administration and Support Services.** Provides administrative services required for effective operation of the State's veterans' memorial homes, including general management, purchasing, accounting, budgeting, personnel, payroll and clerical services. It also comprises the planning, management, and operation of the physical assets of the department and its subordinate activities including veterans' memorial homes, armories, buildings and equipment of all kinds as well as alteration, expansion, construction, rehabilitation and improvement, and custodial services.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Veterans' Outreach and Assistance				
Number of veterans served	83,191	85,000	90,000	95,000
Number of claims processed	7,966	16,811	18,000	20,000
VA special monetary benefits provided (in millions)	\$50	\$69	\$75	\$80
Veterans' Tuition Credit program participants	37	32	29	25
POW/MIA Tuition participants	---	1	2	1
Blind veterans receiving allowances	53	52	52	51
Paraplegic and hemiplegic veterans receiving allowances ..	267	276	265	260
Veterans' orphans receiving educational grants	1	1	1	1
Veterans transportation (trips)	25,439	26,034	27,000	27,200
Post traumatic stress disorder counseling sessions	9,591	12,701	14,607	16,798
Veterans Haven residents	54	54	55	91
State approving agency				
Approved program sites	785	801	808	812
Program approving actions	4,192	3,332	3,500	3,500
Approving agency visits to program sites	382	350	360	375
Other activities	183	172	180	190
Burial Services				
Brigadier General Doyle Memorial Cemetery				
Rated capacity	156,000	156,000	164,748 ^(a)	215,000 ^(a)
Number of new interments	2,674	2,752	2,775	2,800
Total interments	36,230	38,982	41,757	44,557
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	118	118	103	108
Federal	4	4	4	4
Total Positions	122	122	107	112
Filled Positions by Program Class				
Veterans' Outreach and Assistance	61	59	54	56
Veterans Haven	18	21	15	18
Burial Services	43	42	38	38
Total Positions	122	122	107	112

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

(a) Assumes full federal funding of the expansion and improvements outlined in the Cemetery Master Plan.

MILITARY AND VETERANS' AFFAIRS

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
3,478	595	-580	3,493	3,475	Veterans' Outreach and Assistance	50	3,711	3,398
590	---	678	1,268	1,268	Veterans Haven	51	668	668
2,160	828	12	3,000	2,959	Burial Services	70	2,430	2,304
6,228	1,423	110	7,761	7,702	Total Direct State Services		6,809 ^(a)	6,370
Distribution by Fund and Object								
Personal Services:								
4,369	192	133	4,694	4,694	Salaries and Wages		5,046	4,545
4,369	192	133	4,694	4,694	Total Personal Services		5,046	4,545
12	501 ^R	-313	616	614	Materials and Supplies		416	416
416	17	648	858	847	Services Other Than Personal		147	287
193	100	211	404	389	Maintenance and Fixed Charges		93	93
Special Purpose:								
---	15	---	11	---	Veterans' Outreach and Assistance	50	---	---
350	574 ^R	-578	333	331	Vietnam Memorial and Education Center	50	300	300
156	---	-31	125	125	Veterans' State Benefits Bureau	50	156	117
90	---	-3	87	87	Korean War Memorial Maintenance Program	50	90	90
5	---	-1	4	4	Governor's Veterans' Services Council	50	5	5
94	---	---	94	94	Veterans Haven	51	94	94
462	---	26	488	488	Honor Guard Support Services	70	462	423
---	12	35	47	29	Additions, Improvements and Equipment		---	---
<u>GRANTS-IN-AID</u>								
Distribution by Fund and Program								
1,509	69	19	1,597	1,591	Veterans' Outreach and Assistance	50	3,009	3,009
1,509	69	19	1,597	1,591	Total Grants-in-Aid		3,009	3,009
Distribution by Fund and Object								
Grants:								
---	---	---	---	---	Support Services for Returning Veterans	50	1,000	1,000
38	34	-65	7	5	Veterans' Tuition Credit Program	50	38	38
11	24	-35	---	---	POW/MIA Tuition Assistance	50	11	11
7	11	-18	---	---	Vietnam Veterans' Tuition Aid	50	7	7
35	---	-35	---	---	Veterans Homeless Shelter, Burlington County	50	---	---
300	---	---	300	299	Veterans' Transportation	50	335	335
5	---	-4	1	1	Veterans' Orphan Fund - Education Grants	50	5	5
46	---	-3	43	43	Blind Veterans' Allowances	50	46	46
267	---	-53	214	214	Paraplegic and Hemiplegic Veterans' Allowance	50	267	267
800	---	232	1,032	1,029	Post Traumatic Stress Disorder	50	1,300	1,300

MILITARY AND VETERANS' AFFAIRS

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
CAPITAL CONSTRUCTION								
Distribution by Fund and Program								
2,000	---	---	2,000	148	Veterans' Outreach and Assistance	50	---	---
---	183	---	183	175	Burial Services	70	---	---
<u>2,000</u>	<u>183</u>	<u>---</u>	<u>2,183</u>	<u>323</u>	Total Capital Construction		<u>---</u>	<u>---</u>
Distribution by Fund and Object								
Veterans' Program Support								
2,000	---	---	2,000	148	Capital Improvements for Sheltering Homeless Veterans	50	---	---
---	183	---	183	175	General Doyle Veterans' Memorial Cemetery Improvements	70	---	---
<u>9,737</u>	<u>1,675</u>	<u>129</u>	<u>11,541</u>	<u>9,616</u>	Grand Total State Appropriation		<u>9,818</u>	<u>9,379</u>
OTHER RELATED APPROPRIATIONS								
Federal Funds								
943 ^S	85	---	1,033	619	Veterans' Outreach and Assistance	50	948	1,050
12,000					Burial Services	70	8,000	2,000
<u>943^S</u>	<u>313</u>	<u>---</u>	<u>13,256</u>	<u>3,923</u>	Total Federal Funds		<u>8,948</u>	<u>3,050</u>
<u>13,891</u>	<u>398</u>	<u>---</u>	<u>14,289</u>	<u>4,542</u>	All Other Funds			
---	133 ^R	7	273	45	Veterans' Outreach and Assistance	50	712	712
---	---	---	---	---	Burial Services	70	550	550
<u>---</u>	<u>266</u>	<u>7</u>	<u>273</u>	<u>45</u>	Total All Other Funds		<u>1,262</u>	<u>1,262</u>
<u>23,628</u>	<u>2,339</u>	<u>136</u>	<u>26,103</u>	<u>14,203</u>	GRAND TOTAL ALL FUNDS		<u>20,028</u>	<u>13,691</u>

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

Funds collected by and on behalf of the Korean Veterans Memorial Fund are hereby appropriated for the purposes of the fund.

Funds received for Veterans' Transitional Housing from the U.S. Department of Veterans Affairs and the individual residents, and the unexpended balance at the end of the preceding fiscal year, in the receipt account are appropriated for the same purpose.

Funds received for plot interment allowances from the U.S. Department of Veterans Affairs, burial fees collected, and the unexpended program balances at the end of the preceding fiscal year are appropriated for perpetual care and maintenance of burial plots and grounds at the Brigadier General William C. Doyle Veterans Memorial Cemetery in North Hanover Township, Burlington County, New Jersey.

Notwithstanding the provisions of any law or regulation to the contrary, no State funds are appropriated to the Department of Military and Veterans' Affairs for the purpose of reforestation or "in lieu of" payments under the P.L.1993, c.106 (C.13:1L-14.1 et seq.) in conjunction with the current or future operation, maintenance and construction of the Brigadier General William C. Doyle Veterans Memorial Cemetery in North Hanover Township, Burlington County, New Jersey.

Language Recommendations -- Grants-In-Aid - General Fund

The sums provided hereinabove and the unexpended balances at the end of the preceding fiscal year in the Veterans' Tuition Credit Program, POW/MIA Tuition Assistance, and the Vietnam Veterans' Tuition Aid accounts are appropriated and available for payment of liabilities applicable to prior fiscal years.

From the amount hereinabove appropriated for the Support Services for Returning Veterans, such sums as may be required may be transferred to Veterans Outreach and Assistance - Direct State Services and Veterans' Transportation - Grants-in-Aid, subject to the approval of the Director of the Division of Budget and Accounting.

MILITARY AND VETERANS' AFFAIRS

80. SPECIAL GOVERNMENT SERVICES

83. SERVICES TO VETERANS

3630. MENLO PARK VETERANS' MEMORIAL HOME

This Home provides nursing home care for New Jersey veterans with chronic disabilities and for those for whom rehabilitation is prescribed in order to prepare them to return to the community (C30:6AA-1 et seq.). Eligibility requirements are honorable

discharge from last enlistment, and residence in the State for at least two years preceding date of application. There are 312 available hospital-infirmiry beds for nursing care patients, which includes 40 beds for the Old Glory Dementia/Alzheimers wing.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
OPERATING DATA				
Domiciliary and Treatment Services				
Rated capacity	312	312	312	312
Average daily population	290	289	286	286
Ratio: Daily population/Total positions	0.8 / 1	0.8 / 1	0.8 / 1	0.7 / 1
Annual per capita	\$79,710	\$80,014	\$86,937	\$86,724
Daily per capita	\$218.38	\$219.22	\$238.18	\$237.60

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	378	373	374	387
Total Positions	378	373	374	387

Filled Positions by Program Class

Domiciliary and Treatment Services	303	296	298	312
Administration and Support Services	75	77	76	75
Total Positions	378	373	374	387

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December, and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
					<u>DIRECT STATE SERVICES</u>				
					Distribution by Fund and Program				
16,432	---	-501	15,931	15,929	Domiciliary and Treatment Services	20	17,434	17,434	17,434
5,687	44	-370	5,361	5,260	Administration and Support Services	99	5,530	5,414	5,414
22,119	44	-871	21,292	21,189	Total Direct State Services		22,964 ^(a)	22,848	22,848
					Distribution by Fund and Object				
					Personal Services:				
17,483	---	-502	16,981	16,981	Salaries and Wages		18,529	18,636	18,636
<i>17,483</i>	---	<i>-502</i>	<i>16,981</i>	<i>16,981</i>	<i>Total Personal Services</i>		<i>18,529</i>	<i>18,636</i>	<i>18,636</i>
2,253	---	-26	2,227	2,227	Materials and Supplies		2,253	2,253	2,253
1,589	---	8	1,597	1,595	Services Other Than Personal		1,580	1,580	1,580
265	---	-1	264	264	Maintenance and Fixed Charges		265	265	265
114					Additions, Improvements and Equipment		114		
415 ^S	44	-350	223	122			223 ^S	114	114

MILITARY AND VETERANS' AFFAIRS

Year Ending June 30, 2007							Year Ending June 30, 2009	
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID								
Distribution by Fund and Program								
---	---	55	55	51	Domiciliary and Treatment Services	20	---	55
---	---	55	55	51	Total Grants-in-Aid		---	55
Distribution by Fund and Object								
---	---	55	55	51	Grants:			
22,119	44	-816	21,347	21,240	Prescription Drug Program (b)	20	---	55
					Grand Total State Appropriation		22,964	22,903
OTHER RELATED APPROPRIATIONS								
Federal Funds								
1,900	---	---	1,900	1,884	Domiciliary and Treatment Services	20	1,900	1,900
1,900	---	---	1,900	1,884	Total Federal Funds		1,900	1,900
24,019	44	-816	23,247	23,124	GRAND TOTAL ALL FUNDS		24,864	24,803

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Notes -- Grants-In-Aid - General Fund

(b) Funding is shifted from the Division of Medical Assistance and Health Services in the Department of Human Services for Medicare Part D costs.

Language Recommendations -- Direct State Services - General Fund

In addition to the amount hereinabove appropriated for the Menlo Park Veterans' Memorial Home, such sums received from the U.S. Department of Veterans Affairs, New Jersey Department of Health and Senior Services, and New Jersey Assistance for Community Care Giving are appropriated for the Menlo Park Adult Day Care program, subject to the approval of the Director of the Division of Budget and Accounting.

80. SPECIAL GOVERNMENT SERVICES 83. SERVICES TO VETERANS 3640. PARAMUS VETERANS' MEMORIAL HOME

This facility opened in 1986 and provides nursing care for New Jersey Veterans (C30:6AA-1 et seq.). There are 336 available hospital-infirmiry beds for nursing care patients. The institution cares for those with chronic disabilities and for those for whom

rehabilitation is prescribed in order to prepare them to return to the community. Eligibility requirements are honorable discharge from last enlistment and residence in the State for at least two years preceding date of application.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
OPERATING DATA				
Domiciliary and Treatment Services				
Rated capacity	336	336	336	336
Average daily population	303	313	318	318
Ratio: Daily population/Total positions	0.9 / 1	0.9 / 1	0.9 / 1	0.9 / 1
Annual per capita	\$73,898	\$76,760	\$75,286	\$76,899
Daily per capita	\$202.46	\$210.30	\$206.26	\$210.68
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	353	360	369	365
Total Positions	353	360	369	365

MILITARY AND VETERANS' AFFAIRS

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Filled Positions by Program Class				
Domiciliary and Treatment Services	290	299	304	299
Administration and Support Services	63	61	65	66
Total Positions	353	360	369	365

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December, and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
15,698	---	1,597	17,295	17,291				
					Domiciliary and Treatment Services	20	17,787	17,787
4,227	1	431	4,659	4,620				
					Administration and Support Services	99	4,254	4,712
19,925	1	2,028	21,954	21,911	Total Direct State Services		22,041 ^(a)	22,499
Distribution by Fund and Object								
					Personal Services:			
16,700	---	1,563	18,263	18,263	Salaries and Wages		18,837	19,295
16,700	---	1,563	18,263	18,263	Total Personal Services		18,837	19,295
1,625	---	105	1,730	1,730	Materials and Supplies		1,625	1,625
1,375	---	150	1,525	1,521	Services Other Than Personal		1,354	1,354
184	---	10	194	194	Maintenance and Fixed Charges		184	184
41	1	200	242	203	Additions, Improvements and Equipment		41	41
<u>GRANTS-IN-AID</u>								
Distribution by Fund and Program								
---	---	55	55	55	Domiciliary and Treatment Services	20	---	55
---	---	55	55	55	Total Grants-in-Aid		---	55
Distribution by Fund and Object								
					Grants:			
---	---	55	55	55	Prescription Drug Program ^(b)	20	---	55
<u>CAPITAL CONSTRUCTION</u>								
Distribution by Fund and Program								
---	---	---	---	---	Administration and Support Services	99	318	---
---	---	---	---	---	Total Capital Construction		318	---
Distribution by Fund and Object								
					Paramus Veterans' Memorial Home			
---	---	---	---	---	Upgrade Fire Alarm System - Paramus Veterans Home	99	318	---
19,925	1	2,083	22,009	21,966	Grand Total State Appropriation		22,359	22,554

OTHER RELATED APPROPRIATIONS

Federal Funds								
2,658	---	---	2,658	2,060	Domiciliary and Treatment Services	20	1,900	1,900
2,658	---	---	2,658	2,060	Total Federal Funds		1,900	1,900

MILITARY AND VETERANS' AFFAIRS

Year Ending June 30, 2007							Year Ending June 30, 2009	
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
OTHER RELATED APPROPRIATIONS								
All Other Funds								
---	90	---	90	---				
---	90	---	90	---				
22,583	91	2,083	24,757	24,026				
					OTHER RELATED APPROPRIATIONS			
					All Other Funds			
					Administration and Support Services			
					99	---	---	---
					Total All Other Funds			

					GRAND TOTAL ALL FUNDS			
					24,259			
					24,454			
					24,454			

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Notes -- Grants-In-Aid - General Fund

(b) Funding is shifted from the Division of Medical Assistance and Health Services in the Department of Human Services for Medicare Part D costs.

80. SPECIAL GOVERNMENT SERVICES

83. SERVICES TO VETERANS

3650. VINELAND VETERANS' MEMORIAL HOME

Since 1900, this institution has provided nursing and domiciliary care for New Jersey veterans of every war and armed conflict, including the War of 1812 (C30:6AA-1 et seq.). In fiscal 1982, all domiciliary care beds were converted to nursing care beds. The institution cares for those with chronic disabilities and for whom

rehabilitation is prescribed in order to prepare them to return to the community. Eligibility requirements are honorable discharge from last enlistment and residence in the State for at least two years preceding date of application. In fiscal 2006, the new 300 bed home was opened on the grounds of the previous facility.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
OPERATING DATA				
Domiciliary and Treatment Services				
Rated capacity	300	300	300	300
Average daily population	225	251	286	292
Ratio: Daily population/Total positions	0.6 / 1	0.6 / 1	0.7 / 1	0.7 / 1
Annual per capita	\$102,507	\$99,622	\$90,524	\$89,308
Daily per capita	\$280.84	\$272.94	\$248.01	\$244.68
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	368	390	394	401
Total Positions	368	390	394	401
Filled Positions by Program Class				
Domiciliary and Treatment Services	276	303	308	314
Administration and Support Services	92	87	86	87
Total Positions	368	390	394	401

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December, and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

MILITARY AND VETERANS' AFFAIRS

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
16,656	3	954	17,613	17,613	Domiciliary and Treatment Services	20	18,264	18,580
5,451	12	504	5,967	5,966	Administration and Support Services	99	5,726	5,543
22,107	15	1,458	23,580	23,579	Total Direct State Services		23,990 ^(a)	24,123
Distribution by Fund and Object								
17,323	---	950	18,273	18,273	Personal Services: Salaries and Wages		19,210	19,343
17,323	---	950	18,273	18,273	Total Personal Services		19,210	19,343
1,846	---	412	2,258	2,258	Materials and Supplies		1,846	1,846
2,500	---	---	2,500	2,500	Services Other Than Personal		2,496	2,496
314	---	-14	300	300	Maintenance and Fixed Charges		314	314
124	15	110	249	248	Additions, Improvements and Equipment		124	124
<u>GRANTS-IN-AID</u>								
Distribution by Fund and Program								
---	---	55	55	54	Domiciliary and Treatment Services	20	---	55
---	---	55	55	54	Total Grants-in-Aid		---	55
Distribution by Fund and Object								
---	---	55	55	54	Grants: Prescription Drug Program ^(b)	20	---	55
<u>CAPITAL CONSTRUCTION</u>								
Distribution by Fund and Program								
---	3	---	3	2	Administration and Support Services	99	---	---
---	3	---	3	2	Total Capital Construction		---	---
Distribution by Fund and Object								
---	3	---	3	2	Vineland Veterans' Memorial Home Construction of Replacement Facility	99	---	---
22,107	18	1,513	23,638	23,635	Grand Total State Appropriation		23,990	24,178
OTHER RELATED APPROPRIATIONS								
Federal Funds								
1,550	---	---	1,550	1,312	Domiciliary and Treatment Services	20	1,900	1,900
---	60	---	60	60	Administration and Support Services	99	---	---
1,550	60	---	1,610	1,372	Total Federal Funds		1,900	1,900
23,657	78	1,513	25,248	25,007	GRAND TOTAL ALL FUNDS		25,890	26,078

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Notes -- Grants-In-Aid - General Fund

(b) Funding is shifted from the Division of Medical Assistance and Health Services in the Department of Human Services for Medicare Part D costs.

MILITARY AND VETERANS' AFFAIRS

Language Recommendations -- Direct State Services - General Fund

Balances on hand at the end of the preceding fiscal year for the benefit of residents in the several veterans' homes, and such funds as may be received, are appropriated for the use of such residents.

Revenues representing receipts to the General Fund from charges to residents' trust accounts for maintenance costs are appropriated for use as personal needs allowances for patients/residents who have no other source of funds for such purposes; provided however, that the allowance shall not exceed \$50 per month for any eligible resident of an institution and provided further, that the total amount herein for such allowances shall not exceed \$100,000, and that any increase in the maximum monthly allowance shall be approved by the Director of the Division of Budget and Accounting.

Funds received from the sale of articles made in occupational therapy departments of the several veterans' homes are appropriated for the purchase of additional material and other expenses incidental to such sale or manufacture.

Forty percent of the receipts in excess of the amount anticipated derived from resident contributions and federal reimbursements at the end of the preceding fiscal year are appropriated for veterans' program initiatives, subject to the approval of the Director of the Division of Budget and Accounting of an itemized plan for the expenditure of these amounts, as shall be submitted by the Adjutant General.

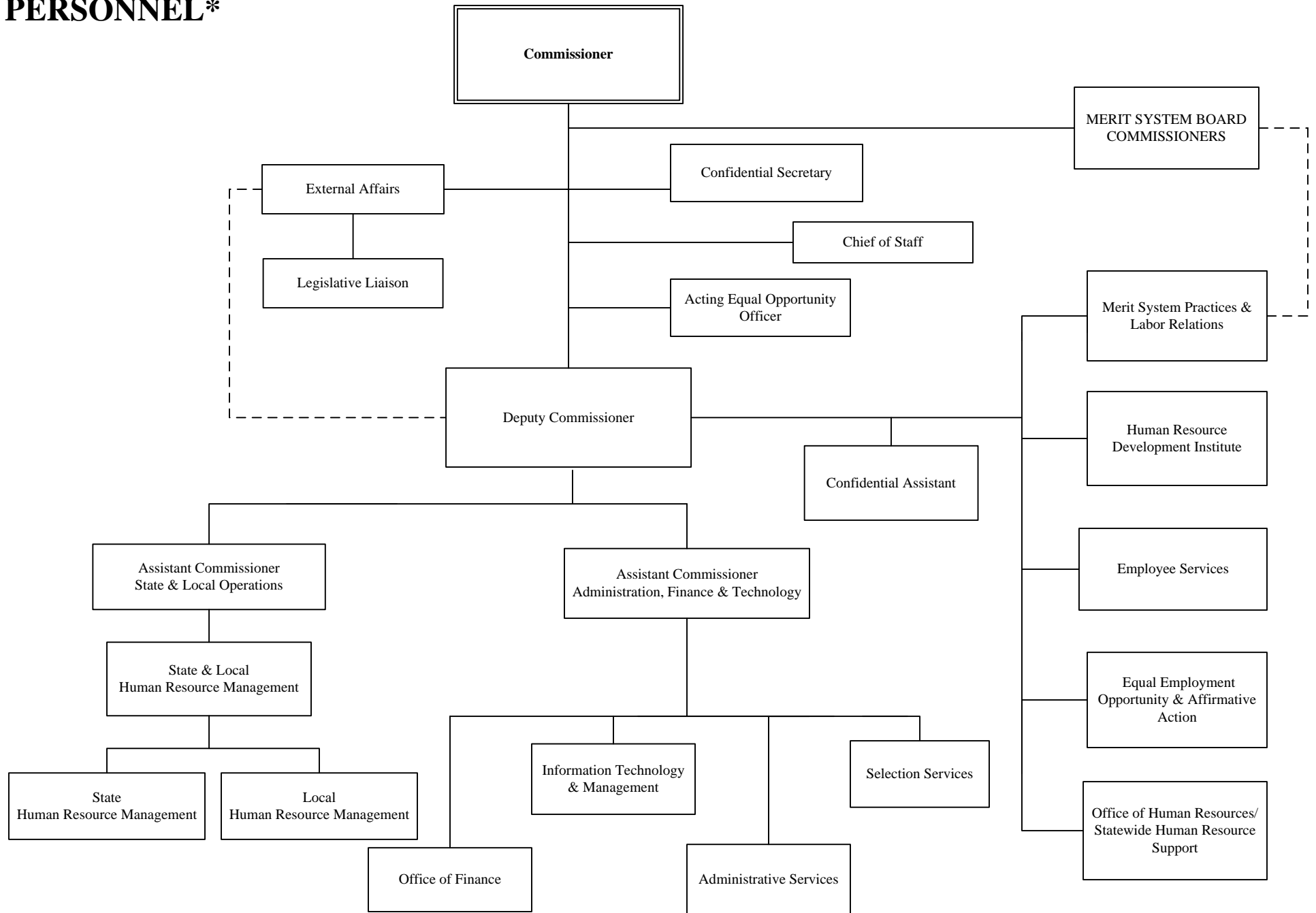
Fees charged to residents for personal laundry services provided by the veterans' homes are appropriated to supplement the operational and maintenance costs of these laundry services.

DEPARTMENT OF MILITARY AND VETERANS' AFFAIRS

Language Recommendations -- Direct State Services - General Fund

Of the amount hereinabove appropriated for the Department of Military and Veterans' Affairs, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule included in the Governor's Budget Message and Recommendations shall first be charged to the State Lottery Fund.

PERSONNEL*



* In fiscal 2009, the functions of the Department of Personnel are recommended for consolidation into other agencies.

DEPARTMENT OF PERSONNEL OVERVIEW

Mission and Goals

The mission of the Department of Personnel is to attract, develop, and retain a high quality workforce for State, county and municipal governments. The Department has a constitutional role in the administration of a Merit System ensuring that "...appointments and promotions...shall be made according to merit and fitness to be ascertained...by examination, which...shall be competitive..."

The Department also has a statutory role as the agency responsible for job classification, leave management, salary administration, and most workforce-related matters. In meeting this mandate, DOP centrally administers the Civil Service process.

Budget Highlights

The Fiscal 2009 Budget for the Department of Personnel totals \$20.6 million, a decrease of \$2.2 million or 9.8% under the fiscal 2008 adjusted appropriation of \$22.8 million. The recommendation includes estimated net salary savings from the consolidation of the Department's functions into other agencies where similar functions are performed and other employee related actions.

Department Accomplishments

From developing testing products and capabilities, to strengthening technology for State and municipal professionals across the State, to improving programs that focus on employee productivity and performance, the Department of Personnel has increased its value in fiscal 2008 to the various constituencies it serves. Departmental efforts focused on three primary areas: Streamlining operations and redeploying limited resources to more effectively fulfill its core functions; Local Issues; and State Issues.

Streamlining Operations

Following an agency-wide reorganization, staff have begun developing skills specific to either the local and county or State customer populations. The new State and local divisions became operational in the third quarter of fiscal 2007, allowing for improved focus on customer needs with a particular emphasis on assisting appointing authorities at the municipal and county levels in local government reductions in force. The reorganization further enabled the Department to maximize the effectiveness of very limited human and fiscal resources by streamlining the operations of front-line staff and fostering their professional development.

Furthermore, by the end of fiscal 2008, DOP will have successfully installed the County and Municipal Personnel System (CAMPS) in a total of over 341 county and municipal jurisdictions. CAMPS provides county and municipal governments with an automated system to expeditiously process their personnel transactions. County and local governments can also use CAMPS as their primary human resource information system at no cost. In its third year, CAMPS has proven to be a powerful tool for organizing municipal personnel records, providing a reliable base of information that will be critical as jurisdictions explore potential opportunities for consolidation and the sharing of services. The training, installation, and follow-up process will continue in fiscal 2009.

Other DOP accomplishments include investing in a new e-learning system, NJ ELMS. Additionally, fiscal 2008 marks the seventh year of the Department's oversight of the COP 2 COP Law Enforcement Crisis Intervention Hotline. The program has successfully prevented more than 65 suicides within the law enforcement community since its inception. After careful review of existing practices, DOP instituted significant new measures to bolster administrative oversight and fiscal accountability. Finally, the Department

convened a working group to focus on eliminating barriers to employment for disabled populations. In addition to information gathering, this group developed and aired a special web-based seminar (webinar) on the topic.

Local Issues

One of DOP's most important functions is its statutory and constitutional responsibility to administer a competitive testing process for State, municipal, and county jobs. In the first half of fiscal 2008, the Department administered over 600 separate examinations to more than 12,000 test candidates. During this same period, over 2,100 State and local eligible lists were issued for open competitive and promotional announcements across many occupational categories in both State and local government.

With heightened focus on public safety and correction/custody functions in recent years, DOP has addressed an ever-growing law enforcement personnel population with increasingly complex job responsibilities. Despite budget limitations, DOP has been vigilant in ensuring a relevant, comprehensive, and secure selection process for these and many other critical positions.

Entry level testing of candidates for public safety positions in State and local government continues to be a major responsibility of the Division of Selection Services. During the first half of fiscal 2008, more than 100 firefighter eligible lists were released containing the names of over 5,500 candidates. These candidates had successfully passed three separate examination components: a cognitive test; newly-introduced video-based test designed to measure teamwork skills; and a rigorous physical performance examination administered during the second half of fiscal 2007. Moreover, a new announcement for entry level law enforcement (LEE) was issued in December, 2007. The LEE announcement will remain open through March 31, 2008. It is anticipated that DOP will receive more than 30,000 applications and will administer the examination in June 2008.

The testing of candidates for promotion into higher-level public safety positions remains a significant task. During the first half of fiscal 2008, over 2,300 candidates were tested in association with over 140 promotional announcements for positions as Police Sergeant, Lieutenant or Captain. By the end of fiscal 2008, another 900 candidates will have taken promotional examinations for Corrections Sergeant, Lieutenant or Captain positions at the local level, with an additional 300 candidates tested for promotional positions in the Sheriffs Officer series. However, promotional testing for fire safety positions constitutes the most resource-intensive endeavor performed by the Division. In the second half of fiscal 2008, the Division will have tested more than 2,000 candidates from more than 50 municipalities for positions as Fire Lieutenant, Captain, Deputy Fire Chief and Fire Chief.

State Issues

In fiscal 2008, DOP provided technical expertise and functional assistance to numerous entities across State government. In the current fiscal environment, the ongoing hiring and promotional freeze has proven to be a critical tool for reducing costs within the Executive Branch. The Department has played a central role in the management of this process, implementing the extension of many thousands of different lists of eligible candidates. Additionally, a large part of DOP's resources supported the implementation of a new performance based management salary program and new employee-negotiated four year contracts.

Finally, the State of New Jersey depends on its public workforce to be productive and healthy. In sustaining and expanding "Working Well New Jersey," DOP is helping build a foundation for awareness regarding the importance of wellness with respect to employee productivity while reducing the costs of absenteeism across State

government. The Department's Commissioner initiated this program in partnership with the Department of Health and Senior Services, by utilizing internal resources and creating partnerships with all State agencies, providing information and opportunities for employees and their families to improve their overall wellness.

DEPARTMENT OF PERSONNEL

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND								
23,990	6,478	-327	30,141	27,214	Direct State Services	22,824	20,597	20,597
23,990	6,478	-327	30,141	27,214	Total General Fund	22,824	20,597	20,597
23,990	6,478	-327	30,141	27,214	Total Appropriation, Department of Personnel	22,824	20,597	20,597

SUMMARY OF APPROPRIATIONS BY PROGRAM

(thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES - GENERAL FUND								
General Government Services								
3,440	---	---	3,440	3,440	Personnel Policy Development and General Administration	3,128	2,733	2,733
14,368	2,356	-327	16,397	15,197	State and Local Government Operations	14,115	13,666	13,666
2,371	---	---	2,371	2,371	Merit Services	2,383	2,318	2,318
528	---	---	528	525	Equal Employment Opportunity and Affirmative Action	528	528	528
3,283	4,122	---	7,405	5,681	Human Resource Development Institute	2,670	2,360	2,360
23,990	6,478	-327	30,141	27,214	Subtotal	22,824	21,605	21,605
---	---	---	---	---	Less: Department Consolidation Savings	---	(1,008)	(1,008)
23,990	6,478	-327	30,141	27,214	Total Direct State Services - General Fund	22,824	20,597	20,597
23,990	6,478	-327	30,141	27,214	TOTAL DIRECT STATE SERVICES	22,824	20,597	20,597
23,990	6,478	-327	30,141	27,214	Total Appropriation, Department of Personnel	22,824	20,597	20,597

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

74. GENERAL GOVERNMENT SERVICES

OBJECTIVES

1. To continue to support the Merit System and human resource needs of its primary stakeholders including the 190,000+ State and local Merit System employees, all State, county, and local employers in the Merit System and those NJ residents seeking public sector employment.
2. To administer a fair, equitable, and secure recruitment and selection process, providing qualified eligibles to address the staffing needs of State, county, and local employers.

3. To maintain and coordinate the Classification Plan (titles, job descriptions, job requirements, layoff rights, and related compensation factors) for approximately 190,000 State, county, and local employees.
4. To establish, interpret, and enforce workforce policies and provide technical assistance to agencies in their administration of these policies.
5. To administer multiple State employee compensation plans for approximately 80,000 career, senior executive, and unclassified employees.

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6. To provide a fair and impartial administrative forum for appellate and dispute resolution activities.
7. To ensure that employee rights are protected during any workforce reduction affecting State or local jurisdictions while minimizing the impact of budget reductions by identifying potential alternate employment opportunities and providing outplacement counseling.
8. To ensure equal opportunity for all applicants or employees seeking employment or promotion by developing and monitoring statewide equal employment opportunity and affirmative action (EEO/AA) statutes and policies, providing training and technical assistance to promote and build a diverse and representative government workforce.
9. To provide workforce information systems to government jurisdictions, thereby improving their management of personnel operations through availability of quality workforce information and timely transactions.
10. To ensure the availability of quality, cost effective training, and development opportunities to meet current and emerging government business objectives and workplace changes.

PROGRAM CLASSIFICATIONS

In fiscal 2009, the functions of the Department of Personnel described below will be consolidated into other agencies where similar functions are performed.

01. **Personnel Policy Development and General Administration.** Exercises overall direction and control of the Department's operations; develops proposals for revised legislation governing the public career system; issues official rules and regulations which implement the Merit System statutes; develops, evaluates, and adjusts personnel programs; and provides general administrative support.
02. **State and Local Government Operations.** Provides government agencies with guidance and support in organizational design, classification of job titles, and equitable compensation of staff. Responsible for recruitment of applicants; the planning, scheduling, and conducting of examinations; and the preparation of lists of eligible candidates for State and local government positions. The program administers all reductions in force in State and local government as well as the Senior Executive Service and performance appraisal

systems. Responsible for monitoring and processing all new hires and promotions to ensure compliance with Merit System rules. Develops and publishes job specifications for all classified titles in all levels of government while maintaining employment records and monitoring all personnel transactions to ensure compliance with Merit System law and Department rules. Provides information processing support to the Department and its appointing authorities.

04. **Merit Services.** Provides professional, technical, and clerical support services for the Merit System Board and the Commissioner of Personnel; investigates and responds to appeals; maintains agendas and schedules Board meetings; resolves disputes by providing alternate avenues of resolution; prepares and reviews Merit System rules for inclusion in the New Jersey Administrative Code; and ensures compliance with laws and rules governing appointments and determinations.
05. **Equal Employment Opportunity and Affirmative Action.** Monitors affirmative action programs in State agencies for compliance with Executive Order No. 61, P.L. 1981, c.124 (N.J.S.A. 11A:7), and the Americans with Disabilities Act (ADA); develops and implements programs which ensure appropriate representation of protected classes at all levels of responsibility in State government; identifies barriers to equal employment opportunity in the existing structure of the Merit System, and proposes means of eliminating them; distributes information on equal employment opportunity and affirmative action programs.
07. **Human Resource Development Institute.** Under the provisions of Executive Order No. 12, dated August 21, 1990, compiles information on the human resources development and training needs of State government and shares this information with key executives and planners; advises the Governor on human resources development and training plans, policies, and programs; works with State government agencies to prepare human resources development and training plans and programs; presents formal training courses in both common tasks and agency-specific subjects to employees of State government agencies; determines the necessity for the use of training providers from outside State government, and obtains these services as required.

EVALUATION DATA

PROGRAM DATA	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
State and Local Government Operations				
Open Competitive Examinations Announced	2,176	2,233	1,700	1,700
Applications received	76,653	54,968	60,000	45,000
Candidates scheduled	47,156	47,581	48,000	36,000
Eligibles produced	31,330	48,525	34,500	36,000
Appointments from Certifications				
State	6,194	6,544	3,950	3,600
Local	6,929	6,880	6,700	6,700
State Service Provisional Appointees Pending Open Competitive Examination	808	787	900	900
Promotional Examinations Announced	4,717	3,197	2,500	2,500
Applications received	26,316	16,440	13,500	13,500
Candidates scheduled	16,548	14,999	10,000	10,000
Eligibles produced	20,410	16,092	9,000	9,000
Promotions made (State)	4,613	5,345	4,500	4,500
Titles Abolished	31	36	50	100

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	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Calendar Days from Request to Test Announcement				
Open competitive	21	21	21	21
Promotional	21	21	21	21
Calendar Days to Date of List Issuance - Public Safety				
Law enforcement open competitive	---	165	---	165
Law enforcement promotional	265	235	235	230
Fire service open competitive	---	---	245	---
Fire service promotional	360	335	335	335
Examinations Developed and Processed				
Assembled Open Competitive	223	360	200	200
Assembled Promotional	1,552	1,590	1,200	1,200
Unassembled Open Competitive	1,531	1,676	1,200	1,200
Unassembled Promotional	2,399	2,004	1,700	1,700
Lists Issued				
Open Competitive Examinations	1,836	2,072	1,600	1,600
Promotional Examinations	4,065	3,581	3,100	3,100
Announcements Processed Under Promotional				
Examination Waivers				
State Symbols	80	28	35	35
Local Symbols	45	27	35	35
Separate Test Dates	135	160	120	120
Applicants Administered Make-up Examinations	634	847	700	700
Applicants Administered Exam Review	1,057	570	600	600
Merit Services				
Written Record Appeals				
Total received	4,250	4,024	4,300	4,300
Total disposed	4,018	3,818	4,000	4,000
Pending	2,628	2,834	3,134	3,434
Hearings and Major Disciplinary Matters	1,144	846	850	850
EEO/AA Appeals				
On hand July 1	58	67	98	113
Received	110	116	115	115
Processed	101	85	100	100
Backlog	67	98	113	128
Human Resource Development Institute				
Employee Advisory Service				
Number of clients	1,536	1,453	1,538	1,538
Number of counseling sessions	5,004	4,349	5,014	5,014
Training				
Trainees, Direct Delivery	15,615	13,671	15,000	10,000
Trainees, Alternative Technologies	332	99	13,984	32,600
Contact Hours, Direct Delivery	153,924	141,756	150,000	125,000
Contact Hours, Alternative Technologies	541	198	13,184	31,800
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	39	40	41	37
Male Minority %	10.2	11.7	12.6	12.2
Female Minority	110	96	98	90
Female Minority %	28.9	28.1	30.1	29.7
Total Minority	149	136	139	127
Total Minority %	39.1	39.8	42.6	41.9
Position Data				
Filled Positions by Funding Source				
State Supported	381	342	326	303
Total Positions	381	342	326	303

PERSONNEL

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Filled Positions by Program Class				
Personnel Policy Development and General				
Administration	45	40	39	27
State and Local Government Operations	234	208	207	198
Merit Services	36	32	28	30
Equal Employment Opportunity and Affirmative				
Action	5	4	5	5
Human Resource Development Institute	61	58	47	43
Total Positions	381	342	326	303

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded, including a reduction for the savings and efficiencies from the consolidation of the Department.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES									
Distribution by Fund and Program									
3,440	---	---	3,440	3,440	Personnel Policy Development and General Administration	01	3,128	2,733	2,733
14,368	2,356	-327	16,397	15,197	State and Local Government Operations	02	14,115	13,666	13,666
2,371	---	---	2,371	2,371	Merit Services	04	2,383	2,318	2,318
528	---	---	528	525	Equal Employment Opportunity and Affirmative Action	05	528	528	528
3,283	4,122	---	7,405	5,681	Human Resource Development Institute	07	2,670	2,360	2,360
23,990	6,478	-327	30,141	27,214	Total Direct State Services		22,824 ^(a)	21,605	21,605
Less:									
---	---	---	---	---	Department Consolidation Savings (b)		---	(1,008)	(1,008)
---	---	---	---	---	Total Deductions		---	(1,008)	(1,008)
23,990	6,478	-327	30,141	27,214	Total State Appropriation		22,824	20,597	20,597
Distribution by Fund and Object									
Personal Services:									
---	---	---	---	---	Merit System Board		56	56	56
18,798	1,431 2,869 ^R	-779	22,319	20,967	Salaries and Wages		18,802	17,583	17,583
18,798	4,300	-779	22,319	20,967	Total Personal Services		18,858	17,639	17,639
497	---	-192	305	305	Materials and Supplies		497	497	497
3,842	---	771	4,613	4,613	Services Other Than Personal		2,616	2,616	2,616
237	---	-127	110	110	Maintenance and Fixed Charges		237	237	237
Special Purpose:									
93	---	---	93	93	Affirmative Action and Equal Employment Opportunity	01	93	93	93
29	---	---	29	29	Microfilm Service Charges	02	29	29	29
---	1,200 457 ^R	---	1,657	457	Firefighter Examination Receipts	02	---	---	---
434	---	---	434	434	Test Validation/Police Testing	02	434	434	434
60	---	---	60	57	Americans with Disabilities Act	05	60	60	60
---	142 379 ^R	---	521	149	HRDI Computer Training Services	07	---	---	---
Less:									
---	---	---	---	---	Deductions		---	(1,008)	(1,008)
23,990	6,478	-327	30,141	27,214	Grand Total State Appropriation		22,824	20,597	20,597

PERSONNEL

Year Ending June 30, 2007							Year Ending June 30, 2009	
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
OTHER RELATED APPROPRIATIONS								
Federal Funds								
---	---	325	325	325				
					Human Resource Development Institute	07	---	---
---	---	325	325	325	Total Federal Funds			
							---	---
All Other Funds								
---	---	---	---	---	State and Local Government Operations	02	1,300	1,300
---	---	---	---	---	Human Resource Development Institute	07	1,900	1,900
---	---	---	---	---	Total All Other Funds			
23,990	6,478	-2	30,466	27,539		3,200	3,200	3,200
					GRAND TOTAL ALL FUNDS			
						26,024	23,797	23,797

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.
- (b) The fiscal 2009 deduction reflects savings from the consolidation of functions of the Department of Personnel into other agencies where similar functions are performed.

Language Recommendations -- Direct State Services - General Fund

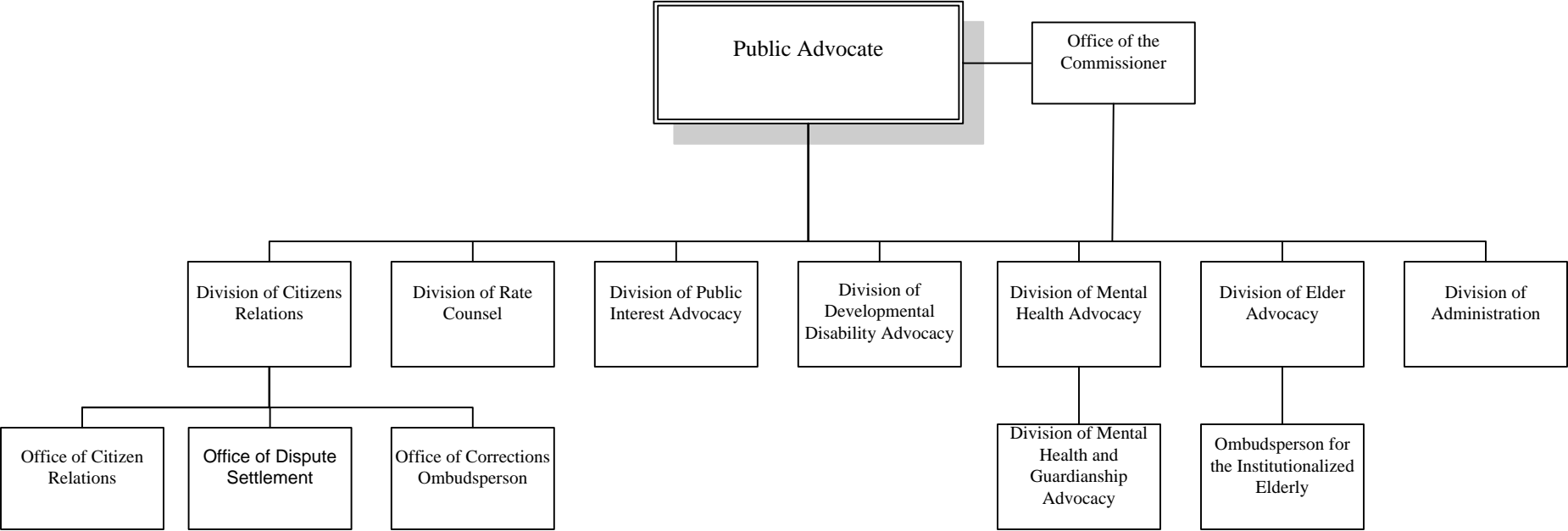
Receipts derived from fees charged to applicants for open competitive or promotional examinations, and the unexpended fee balance at the end of the preceding fiscal year, not to exceed \$1,200,000 collected from firefighter and law enforcement examination receipts, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived from training services and any unexpended balance at the end of the preceding fiscal year are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

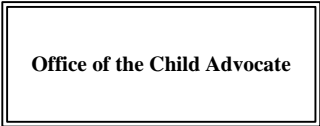
Receipts derived from Employee Advisory Services are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of N.J.S.A. 11A:6-32, cash awards for suggestions shall be paid from the operating budget of the agency from savings generated by the suggestion, subject to the approval of the Director of the Division of Budget and Accounting.

PUBLIC ADVOCATE



In-But-Not-Of Agencies



DEPARTMENT OF THE PUBLIC ADVOCATE

OVERVIEW

Mission and Goals

The Department of the Public Advocate is a cabinet-level department dedicated to making government more accountable and more responsive to the needs of New Jersey residents with particular attention to the elderly, children, consumers, and individuals with disabilities and mental health illnesses. The Department consists of the Division of Elder Advocacy (including the Ombudsman for Institutionalized Elderly), Division of Citizen Relations (including the Office of Dispute Resolution, Office of Citizen Relations, and the Corrections Ombudsman), the Division of Public Interest Advocacy, the Division of Rate Counsel, and the Divisions of Mental Health and Developmental Disability Advocacy.

Budget Highlights

The Fiscal 2009 Budget for the Department of Public Advocate totals \$17.5 million, a decrease of \$2.9 million, or 14.2% under the fiscal 2008 adjusted appropriation of \$20.4 million.

Department Accomplishments

In its second year since being reestablished, the Department of the Public Advocate prioritized a wide range of issues that impact New Jersey citizens, including: reforming State laws governing the use of eminent domain for private redevelopment; reducing children's exposure to lead paint; advocating on behalf of individuals with developmental disabilities and mental health illnesses; protecting consumers and the elderly; ensuring the integrity of the State's election process; and educating the public on beach fees and access issues.

One of the Department's top priorities was reforming State laws governing the use of eminent domain for private redevelopment. In May, the Department published a second policy report documenting concerns with New Jersey's redevelopment law and practices. The Department also participated as amicus curiae, or "friend-of-the-court," in eminent domain litigation involving property owners in four different communities -- Paulsboro, Lodi, Long Branch and Harrison. In a fifth community, Mount Holly, the Department is investigating the redevelopment process in the Mount Holly Gardens neighborhood.

In the lead case involving Paulsboro, in a unanimous decision, the Supreme Court made clear that the State's constitution limits the reach of the statute, and for municipalities to declare an area blighted, that area must be deteriorated or stagnant and harmful to the surrounding community. The Public Advocate also has been working closely with lawmakers to enact key legislative reforms governing the use of eminent domain for private redevelopment so tenants, homeowners, and businesses are protected from potential abuses.

The Department also won a unanimous New Jersey Supreme Court decision that overturned a Division of Developmental Disabilities regulation that barred people with developmental disabilities from getting State services if they were unable to prove that at least three specific conditions, such as speech problems or an inability to care for themselves, had existed before they turned 22. In the case, T.H. v. Division of Developmental Disabilities, the Department of the Public Advocate filed a "friend-of-the-court" brief in the case and argued before the Supreme Court that the Division's regulations violated State law.

The Department also released two reports which resulted in significant victories for New Jersey residents. In February, the Department released a report that documented the need and urgency for New Jersey to return to its previous practice of requiring school districts to prove a student's individual education plan is meeting the child's needs when parents challenge that plan. Senator Sweeney and Assemblyman Cryan introduced legislation shortly after the report that passed the Legislature and was signed by Governor Corzine in January.

In October, the Department released a report, "Affordable Housing in New Jersey: Reviving the Promise." This report outlines several specific policy approaches that the Council on Affordable Housing (COAH), should take to facilitate the effective implementation of the New Jersey Supreme Court decision which held that the State constitution requires every municipality to take affirmative measures to provide housing opportunities for low- and moderate-income households. In December, COAH, under the leadership of Department of Community Affairs Commissioner Joseph Doria, released a proposed rule which adopted many of the report's recommendations.

Office of the Child Advocate

The Office of the Child Advocate, in-but-not-of the Department of the Public Advocate, is the only independent State child protective services agency. In 2007, the Office of the Child Advocate strengthened its oversight of child welfare reforms and prioritized numerous issues to improve the health and well-being of children in State systems and throughout New Jersey. The Office released a report on Division of Youth and Families Services' programs that evaluate the physical and mental health of all children entering out-of-home placement. The report found that the programs served less than one-third of eligible children and a symposium on the study hosted by the Child Advocate led to joint improvement efforts between the Child Advocate and the Department of Children and Families. The Office also operates a "Helpline" that assisted more than 1,000 people from January 2006 through June 2007 who were having trouble finding the help they needed for a child in their lives.

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND								
19,420	3,261	197	22,878	15,493	Direct State Services	20,357	17,466	17,466
19,420	3,261	197	22,878	15,493	Total General Fund	20,357	17,466	17,466
19,420	3,261	197	22,878	15,493	Total Appropriation, Department of the Public Advocate	20,357	17,466	17,466

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES - GENERAL FUND								
Protection of Citizens' Rights								
1,872	1	10	1,883	1,386	Citizen Relations	2,055	1,705	1,705
3,608	---	23	3,631	3,308	Mental Health Advocacy	4,028	3,393	3,393
971	---	164	1,135	1,083	Elder Advocacy	1,442	1,357	1,357
1,446	---	---	1,446	722	Public Interest Advocacy	1,574	1,274	1,274
294	---	---	294	146	Advocacy for the Developmentally Disabled	299	149	149
6,024	1,432	164	7,620	5,466	Rate Counsel	6,374	5,674	5,674
2,500	322	---	2,822	913	Child Advocate	2,587	2,268	2,268
2,705	1,506	-164	4,047	2,469	Management and Administrative Services	1,998	1,646	1,646
19,420	3,261	197	22,878	15,493	Subtotal	20,357	17,466	17,466
19,420	3,261	197	22,878	15,493	Total Direct State Services - General Fund	20,357	17,466	17,466
19,420	3,261	197	22,878	15,493	TOTAL DIRECT STATE SERVICES	20,357	17,466	17,466
19,420	3,261	197	22,878	15,493	Total Appropriation, Department of the Public Advocate	20,357	17,466	17,466

80. SPECIAL GOVERNMENT SERVICES
82. PROTECTION OF CITIZENS' RIGHTS

OBJECTIVES

1. To provide clear policy guidance and execution for the programs of the Public Advocate.
2. To provide advocacy functions for the citizens of New Jersey in their dealings with departments and agencies of State government, other governmental agencies, and regulated industries.
3. To promote, advocate, and ensure the welfare of elderly citizens and to administer services in order to provide a better quality of life.
4. To promote, advocate, and ensure the welfare of New Jersey children.
5. To continue to serve as an effective and visible advocate for institutionalized persons with mental illness.
6. To represent and ensure New Jersey ratepayers fair rate increases and services for regulated utilities, auto and health insurance.
7. To provide legal representation to protect the rights of any public group or interest.
8. To provide assistance and resolve complaints about correctional institutions from inmates and their families.

PROGRAM CLASSIFICATIONS

01. **Division of Citizen Relations.** The Division of Citizen Relations receives and forwards for investigation to appropriate agencies of the State and the Public Advocate, any complaints from any person or group relating to the administrative action or inaction of agencies. The Division investigates citizen complaints to determine if any governmental activities are unreasonable, unfair, oppressive,

potentially discriminatory, or inefficient. The Division also maintains records indicating the final disposition of any complaint forwarded by the Division to an agency.

The Division of Citizen Relations includes the Office of Dispute Settlement. This Office may provide, in the discretion of the Public Advocate, mediation and other third party neutral services in the resolution of disputes which involve the public interest. The Office may also assist public or private parties in resolving disputes. The Public Advocate may establish fees to be charged to public or private parties for educational, consultation, dispute resolution, or other services, and may apply for federal, local, or private grants, bequests, gifts, or contributions to aid in financing programs or activities of the office.

The Corrections Ombudsperson establishes and implements procedures for handling complaints from inmates, their families, other interested citizens, public officials, and government agencies concerning conditions in correctional facilities.

03. **Division of Mental Health Advocacy.** The Division of Mental Health Advocacy shall promote, advocate, and ensure the adequacy of the care received, and the quality of life experienced, by persons with mental illness, including patients, residents, and clients within the mental health facilities and programs operated, funded, or licensed by the State.
04. **Division of Elder Advocacy.** The primary purpose of the Division of Elder Advocacy is to protect the interests of the elderly. The Division accomplishes this goal by intervening in or instituting proceedings involving the interests of the elderly before any department, commission, agency, or board of the State leading to an administrative adjudication or

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administrative rule as defined in section 2 of P.L. 1968, c.410 (C.52:14B-2), and instituting litigation on behalf of the elderly. The Division may commence negotiation, mediation, or alternative dispute resolution in the interest of the elderly. The Division of Elder Advocacy contributes to the shaping of policy regarding the welfare of New Jersey's elderly by reporting on recommendations to the Governor and the Legislature.

Also established in the Division of Elder Advocacy in the Department of the Public Advocate is the Ombudsperson for the Institutionalized Elderly. The Ombudsperson for the Institutionalized Elderly (C.52:27G-1 et seq.) receives, investigates, and resolves complaints concerning health care facilities serving the elderly, and initiates actions to secure, preserve and promote the health, safety, welfare, and the civil and human rights of the institutionalized elderly.

05. **Division of Public Interest Advocacy.** The Division of Public Interest Advocacy reviews complaints forwarded to the Public Advocate and provides legal representation and other advocacy services when the Public Advocate deems it in the public interest to protect and advocate the rights of any group or interest. The Division can commence negotiation, mediation, or alternative dispute resolution prior to, or in lieu of, the initiation of any litigation.
07. **Division of Advocacy for the Developmentally Disabled.** The Division of Advocacy for the Developmentally Disabled will promote, advocate, and ensure the adequacy of the care received, and the quality of life experienced, by persons with developmental disabilities, including patients, residents, and clients in developmental disabilities facilities and programs operated, funded, or licensed by the State. Procedures will be established to handle complaints from patients, their families, other interested citizens, public officials, and government agencies concerning conditions in the State's developmental disabilities facilities.
08. **Division of Rate Counsel.** The Division of Rate Counsel is responsible for the representation of New Jersey ratepayers before regulatory and legal tribunals and decision making bodies, and to establish rates and State policies for the delivery of essential regulated services including natural gas,

electric, telecommunications, water, wastewater and cable television. The Division is also responsible for the oversight and accounting of revenues received as statutory assessments from regulated utilities and the oversight of its expenditures.

The Division of Rate Counsel may also represent the public interest with regard to utilities in proceedings before and appeals from any State department, commission, authority, council, agency, or board charged with the regulation or control of any business, industry, or utility regarding a requirement that the business, industry, or utility provide a service or regarding the fixing of a rate, toll, fare, or charge for a product or service. The Division may initiate any proceeding when it is determined that a discontinuance or change in a required service or a rate, toll, fare, or charge for a product or service is in the public interest.

The Division of Rate Counsel may also represent the public interest in significant proceedings that pertain solely to prior approval rate increases greater than seven percent for personal lines property casualty coverage or Medicare supplemental coverages.

09. **Office of the Child Advocate.** The Office of the Child Advocate, allocated within the Department of the Public Advocate, is independent of any supervision or control by the Department, its officers, and divisions. The Office investigates, reviews, monitors, or evaluates all State agencies and service providers, ensuring the safety of children, as well as responding to allegations of child abuse and neglect.
99. **Management and Administrative Services** The Division of Administration, which includes the Office of the Public Advocate, provides the Public Advocate the staff and resources needed to supervise and execute the mission of the Public Advocate and its component offices and Divisions, in representation of the public interest on behalf of the indigent, the elderly, children, and other persons unable to protect themselves as individuals or a class. The primary responsibilities of the Division of Administration are to prepare budgets, fulfill personnel requirements, provide public information concerning departmental activities, and conduct necessary research as the Public Advocate determines to be relevant and necessary to the Department's functions.

EVALUATION DATA

PROGRAM DATA	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Division of Citizens Relations				
Office of Dispute Settlement				
Cases July 1	89	132	177	177
Added	658	570	525	525
Closed	615	525	525	525
Cases June 30	132	177	177	177
Dispositions per Representatives	103	116	116	116
Office of the Corrections Ombudsman				
Cases Processed	11,401	9,672	11,000	11,000
Dispositions per Representatives	1,629	1,612	1,571	1,571
Number of Representatives	7	6	7	7
Telephone Contacts	8,262	6,420	8,000	8,000
Correspondence	2,547	2,443	2,500	2,500
Other	592	809	500	500

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Division of Mental Health Advocacy				
Mental Health Screening Services				
Regional Representation (Civil Commitment)				
Cases Added	16,191	18,619	18,500	18,500
Cases Closed	15,490	16,484	16,000	16,000
Dispositions per staff attorney	1,068	1,241	1,088	1,100
Sexual Offender Representation (Civil Commitment)				
Cases Added	351	372	370	380
Cases Closed	270	357	350	360
Division of Elder Advocacy				
Office of the Ombudsman				
Institutionalized elderly	125,000	125,000	125,000	125,000
On-site investigations:				
Involving patient funds	501	584	600	600
Involving care/abuse/neglect	5,818	6,271	6,271	6,571
Nursing homes visited	2,538	4,411	4,411	4,700
Boarding homes visited	430	1,067	1,067	1,067
Other facilities visited	47	109	109	110
Residential health care/psychiatric and development centers visits	47	100	100	100
Cases referred to enforcement agencies	514	550	550	550
Rate Counsel				
Utility Cases				
Electric	114	163	177	177
Gas	63	92	104	104
Telephone	567	877	909	909
Water/Sewer	93	108	119	119
Other Utility Matters				
Electric	1	8	8	8
Gas	6	6	6	6
Telephone	2	6	6	6
Water/Sewer	3	2	2	2
FERC	15	20	22	22
Generic	41	50	55	55
Cable Television				
Cable Television (w/Generic Cable)	136	252	282	282
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	110	113	149	149
Federal	---	2	2	2
All Other	43	40	37	37
Total Positions	153	155	188	188
Filled Positions by Program Class				
Division of Citizen Relations	22	21	22	22
Division of Mental Health Advocacy	45	43	55	51
Division of Elder Advocacy	22	23	24	25
Division of Public Interest Advocacy	---	7	16	16
Division of Advocacy for the Developmentally Disabled	---	2	3	3
Division of Rate Counsel	41	38	35	35
Office of the Child Advocate	23	9	22	24
Division of Administration	---	12	11	12
Total Positions	153	155	188	188

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

PUBLIC ADVOCATE

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
1,872	1	10	1,883	1,386	Citizen Relations	01	2,055	1,705	1,705
3,608	---	23	3,631	3,308	Mental Health Advocacy	03	4,028	3,393	3,393
971	---	164	1,135	1,083	Elder Advocacy	04	1,442	1,357	1,357
1,446	---	---	1,446	722	Public Interest Advocacy	05	1,574	1,274	1,274
294	---	---	294	146	Advocacy for the Developmental- ly Disabled	07	299	149	149
6,024	1,432	164	7,620	5,466	Rate Counsel	08	6,374	5,674	5,674
2,500	322	---	2,822	913	Child Advocate	09	2,587	2,268	2,268
2,705	1,506	-164	4,047	2,469	Management and Administrative Services	99	1,998	1,646	1,646
19,420	3,261	197	22,878	15,493	Total Direct State Services		20,357 ^(a)	17,466	17,466
Distribution by Fund and Object									
Personal Services:									
11,380	1,797 901 ^R	-1,246	12,832	9,501	Salaries and Wages		11,966	10,631	10,631
11,380	2,698	-1,246	12,832	9,501	Total Personal Services		11,966	10,631	10,631
219	20	57	296	243	Materials and Supplies		219	219	219
3,810	190	306	4,306	3,014	Services Other Than Personal		3,771	2,684	2,684
571	27	257	855	619	Maintenance and Fixed Charges		571	571	571
Special Purpose:									
697	---	230	927	882	Representation of Civilly Committed Sexual Offenders	03	1,000	850	850
2,500	322	---	2,822	913	Child Advocate	09	2,587	2,268	2,268
---	---	93	93	93	Award Settlement	99	---	---	---
243	4	500	747	228	Additions, Improvements and Equipment		243	243	243
19,420	3,261	197	22,878	15,493	Grand Total State Appropriation		20,357	17,466	17,466
OTHER RELATED APPROPRIATIONS									
Federal Funds									
223	---	---	223	223	Mental Health Advocacy	03	223	223	223
800	---	426	1,226	771	Elder Advocacy	04	1,427	1,427	1,427
1,023	---	426	1,449	994	Total Federal Funds		1,650	1,650	1,650
All Other Funds									
---	370 ^R	26	396	285	Citizen Relations	01	409	409	409
---	32 ^R	---	32	32	Rate Counsel	08	1,124	149	149
---	402	26	428	317	Total All Other Funds		1,533	558	558
20,443	3,663	649	24,755	16,804	GRAND TOTAL ALL FUNDS		23,540	19,674	19,674

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.

Language Recommendations -- Direct State Services - General Fund

The unexpended balances at the end of the preceding fiscal year in the Office of the Child Advocate accounts are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Sums provided for legal and investigative services are available for payment of obligations applicable to prior fiscal years.

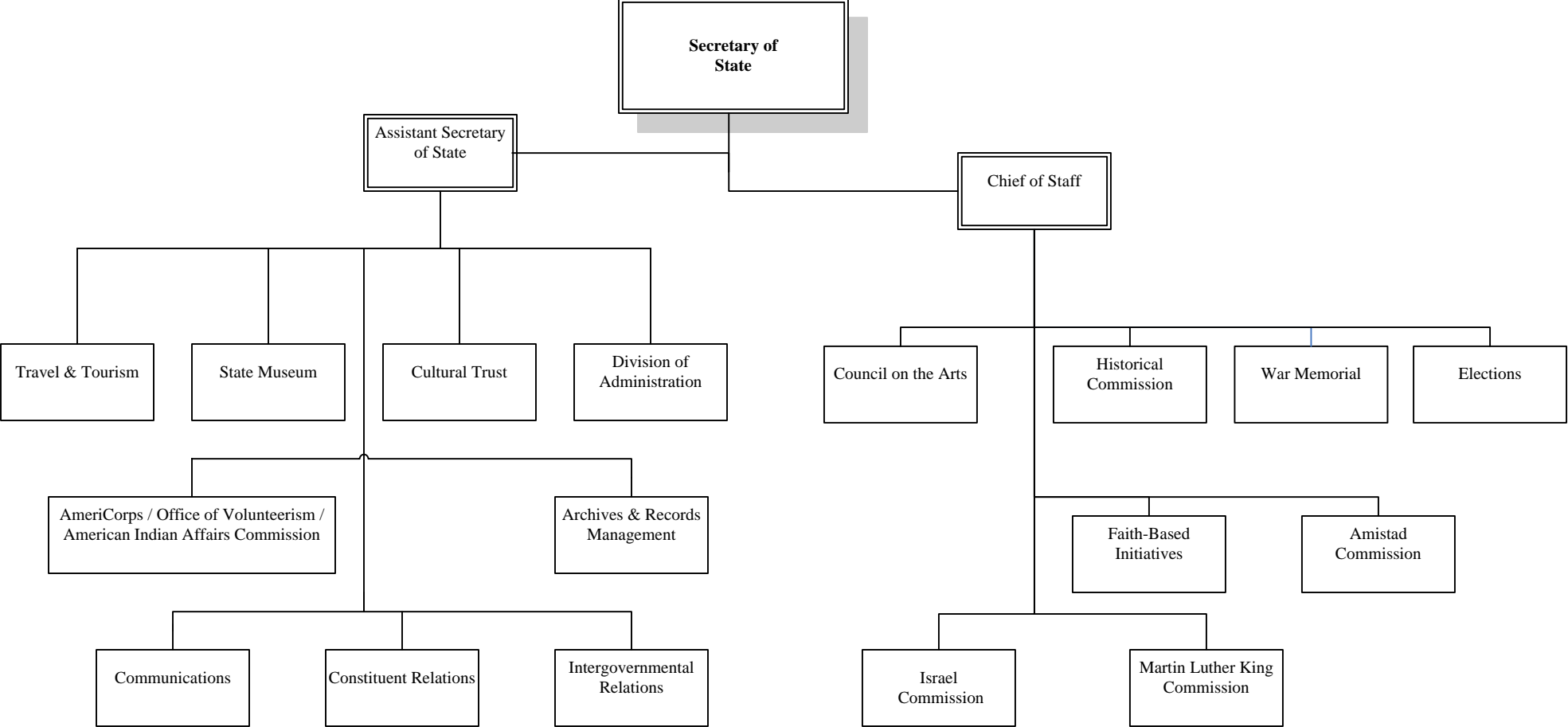
Receipts of the Division of Rate Counsel in excess of those anticipated are appropriated for the Division of Rate Counsel to defray the costs of this activity under sections 47 and 55 of P.L. 2005, c.155 (C.52:27EE-47 and 52:27EE-55).

To permit flexibility in the handling of appropriations to effectuate the provisions of P.L. 2005, c.155, the amounts hereinabove may be transferred to and from the various items of appropriation subject to the approval of the Director of the Division of Budget and Accounting.

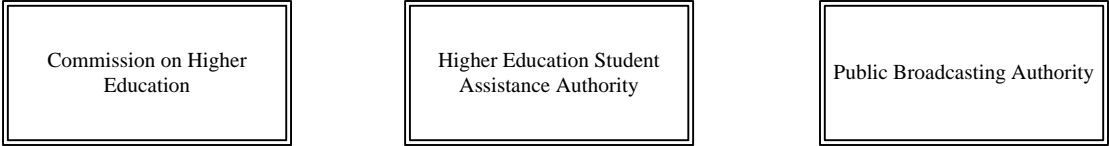
The unexpended balances at the end of the preceding fiscal year in the Rate Counsel accounts are appropriated.

Receipts in excess of the amount anticipated for the Office of Dispute Settlement are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

STATE



In-But-Not-Of Agencies



DEPARTMENT OF STATE

OVERVIEW

Mission and Goals

The mission of the Department of State is to advance and support the arts, heritage, and historic record of New Jersey through public participation in cultural programs, quality of life initiatives, community service and mentoring activities, and a robust travel and tourism marketing program that highlights our distinct and varied cultural, historic, and natural attractions. The Department is committed to educating and empowering the State's citizens in the areas of faith- and community-based service, history, the arts, and the collection of fine and decorative art objects, ethnological and archaeological material, and scientific specimens. With the addition of the Division of Travel and Tourism in fiscal 2008, the Department has developed a coordinated strategy to enhance public awareness and utilization of these attractions and resources.

The Department also provides significant leadership and resources to New Jersey's State and local governments for building and improving the infrastructure of public records administration. The Public Broadcasting Authority, the Commission on Higher Education, and the Higher Education Student Assistance Authority are also housed within the Department. Additionally, the appropriations for the senior public institutions of higher education and the State Library, which are autonomous, are displayed in the Department of State. Appropriations for other higher educational services are included in the Department of the Treasury budget.

Budget Highlights

The Fiscal 2009 Budget for the Department of State, excluding Higher Education, the State Library, and New Jersey Network, totals \$65 million, a decrease of \$28.4 million or 30.4% under the fiscal 2008 adjusted appropriation of \$93.4 million. Of this reduction, \$10.5 million represents the elimination of a one-time appropriation for the 2008 Presidential Primary election.

Culture and the Arts

The mission of the New Jersey State Council on the Arts (NJSCA), which consists of 20 members, is to improve the quality of life of this state, its people, and communities by helping the arts to flourish. The NJSCA has established a competitive program for the granting of funds appropriated by State and federal governments to art organizations and artists in New Jersey. These programs enable thousands of arts events annually, including touring exhibitions, summer festivals, and artists-in-the-schools, all designed to involve more segments of New Jersey society directly with the arts. The Council monitors the operations of grantees and promotes performing and creative arts throughout New Jersey through important initiatives such as Discover Jersey Arts, the Council's ambitious promotional campaign that includes media promotions; a web site at www.jerseyarts.com; and a telephone hotline, 1-800-THE-ARTS. The total fiscal 2009 appropriation of \$18.9 million includes \$450,000 for Direct State Services and \$18.4 million in Grants-In-Aid. The Grants-In-Aid appropriation includes \$16 million for Cultural Projects, which is funded directly from revenue derived from the State hotel and motel occupancy fee, and a separate \$2.4 million grant to the Newark Museum.

The goal of the New Jersey Cultural Trust is the establishment of a stable source of funding for the arts, history, and humanities by leveraging private contributions with State funding. The Trust was created to match private dollars to State dollars on a 1:1 basis. Since its establishment in fiscal 2000, the Cultural Trust has certified \$38.5 million in private donations to the endowments of various cultural organizations throughout the State. The Trust Fund principal has grown to almost \$22.7 million and has earned over \$3 million in

interest to support four grant rounds by the end of January 2008. The fiscal 2009 recommendation for the Cultural Trust is \$500,000. Funding for the Cultural Trust comes from revenue derived from the State hotel and motel occupancy fee.

History

The mission of the New Jersey Historical Commission is to enrich the lives of the public by preserving the historical records and advancing interest in, and awareness of, New Jersey's past. The Historical Commission, which consists of 17 members, supports research by historical organizations, museums, libraries, and other similar organizations with collections or programming related to the history of New Jersey. The total fiscal 2009 appropriation of \$3.6 million includes \$346,000 for Direct State Services and \$3.3 million in Grants-In-Aid. Of the \$3.3 million in Grants-In-Aid, \$2.7 million will fund the New Jersey Historical Commission's agency grants with revenue derived from the State hotel and motel occupancy fee. In addition to grants, the Commission fulfills its mission by presenting and making possible public programs, producing publications and media projects, and providing curriculum material for students and teachers, with an important focus on the integration of African-American history into the curriculum in public schools throughout New Jersey through its support of the Amistad Commission.

Museum Services

The New Jersey State Museum serves the lifelong educational needs of residents and visitors through its collections, exhibitions, programs, publications, and scholarship in science, history, and the arts. Within a broad context, the Museum explores the natural and cultural diversity of New Jersey, past and present. The Museum serves school students, families, researchers, and visitors. With its newly renovated facilities, the Museum is poised to provide all visitors with an enhanced opportunity to explore and learn about New Jersey. The fiscal 2009 Direct State Services appropriation for Museum Services totals \$3.3 million. A Grants-In-Aid appropriation of \$2.4 million in fiscal 2009 is composed of \$500,000 to maintain the War Memorial, as well as \$1.9 million to support the Battleship New Jersey Museum. As a presenting theater, the War Memorial will continue its efforts to increase revenues and attendance levels at this historic site.

Travel and Tourism

Transferred to the Department of State in fiscal 2008, the New Jersey Division of Travel and Tourism, in partnership with the travel industry, develops and promotes New Jersey as a single yet diverse travel destination to increase revenues, investments, and employment, contributing to the economic prosperity and quality of life throughout the state. The fiscal 2009 appropriation for Travel and Tourism is \$10.8 million, of which \$9 million is for Advertising and Promotion and \$1.8 million will support the Cooperative Marketing Program.

Office of the Secretary of State

Of the \$6.9 million fiscal 2009 Direct State Services appropriation for the Office of the Secretary of State, \$2.8 million is recommended for the Division of Archives and Records Management and \$824,000 is recommended for Elections Management and Coordination, which has been relocated to the Department of State from the Department of Law and Public Safety. The remaining \$3.3 million includes several special purpose programs, such as the Personal Responsibility Program that promotes youth-centered activities including programs offered by the Martin Luther King, Jr. Commemorative Commission.

The fiscal 2009 Grants-In-Aid appropriation for the Office of the Secretary of State is \$2 million, which includes \$500,000 for the Cultural Trust and \$1.5 million for the Office of Faith-Based Initiatives. The Faith-Based Initiatives funding is provided for grants that enable faith- and community-based organizations to undertake a variety of social service activities.

The federal AmeriCorps program was transferred from the Department of Education to the Department of State in fiscal 2004. AmeriCorps works to strengthen New Jersey communities and the civic character of New Jersey citizens through service. AmeriCorps is the National Service Program that provides Americans of all ages and backgrounds with an opportunity to earn education awards in exchange for community service. The AmeriCorps commitment is a one- or two-year obligation in which members help meet New Jersey's critical needs in areas of public safety, education, human needs, homeland security, and the environment. Currently more than 500 AmeriCorps members serve in New Jersey communities.

Archives and Records Management

The Fiscal 2009 Budget for the Division of Archives and Records Management (DARM) is recommended at \$2.8 million. In addition, DARM will distribute Public Archives and Records Infrastructure Support (PARIS) grants from revenue derived from the New Jersey Public Records Preservation account, a dedicated source of funds established in the Department of the Treasury via P.L. 2003, c. 117.

Department Accomplishments

The Department of State has made significant accomplishments that contribute to the economy, improve New Jersey's schools, and revitalize cities, towns, and neighborhoods.

The State Museum, the first in the nation to be conceived with primarily an educational purpose, has raised over \$1.2 million for new exhibits for the pending reopening. Corporate and foundation support continues to be very robust in this public/private partnership.

Travel and tourism adds \$37.6 billion to the state's economic activity and supports 472,000 jobs. To enhance this economic impact, the Division of Travel and Tourism has innovatively restructured its competitive grant program for qualified Destination Marketing Organizations (DMO). Through this streamlined program, the State will fund DMO collaborations with area chambers of commerce and businesses, local and county governments, and arts, history, and cultural organizations to markedly enhance regional tourism through more effective utilization of marketing dollars. Replicating successful techniques used elsewhere in the country, this public/private collaboration will allow cities and regions in New Jersey to leverage shared marketing costs resulting in the best return on our investment.

The Public Archives and Records Infrastructure Support (PARIS) grant program has provided more than \$73 million since 2005 in cooperative intergovernmental shared services among the 21 counties and local municipalities. This nationally-recognized model has resulted in property tax savings as a result of streamlined and innovative record keeping and storage techniques. Additionally, DARM's new Storage Ways Assessment Team (SWAT) program, working in partnership with the Department of the Treasury, has saved taxpayers \$3 million in records storage costs, by reducing the cost of contracted document storage, and by eliminating and consolidating scattered, inefficient departmental document storage sites.

New Jersey Network

The Fiscal 2009 Budget recommendation for the Public Broadcasting Authority (New Jersey Network-NJN) is \$4.3 million, a reduction of \$1.6 million from the fiscal 2008 adjusted appropriation.

Higher Education

The New Jersey system of higher education is committed to enabling all people to achieve their maximum potential, fostering democratic principles, improving the quality of life, and supporting the state's success in a global economy. By placing teaching and learning at the core of its mission, the higher education system in New Jersey prepares individuals for rewarding careers, fulfilling lives, and lifelong learning. Through research, colleges and universities enhance teaching and learning, increase knowledge, improve the human condition, and enhance the economy. Many institutions also provide community service, such as work with local schools and organizations, recreational and cultural events, and support and technical assistance for small businesses.

New Jersey's 31 public and 29 private institutions of higher education have clearly differentiated missions and offer diverse opportunities to meet the needs of students, the state and society, including undergraduate, graduate, and professional degree programs; research; academic support; and noncredit offerings such as job training and continuing education.

The Higher Education Restructuring Act of 1994 established a tripartite governance structure consisting of college and university governing boards, the Commission on Higher Education, and the New Jersey Presidents' Council. The governing boards of the public higher education institutions are accountable to the public for the fulfillment of each institution's unique mission, furthering statewide goals, and the effective management of the institutions. The Commission on Higher Education has statewide responsibility for planning, policy development, advocacy, licensure, and the administration of several grant programs, including the Educational Opportunity Fund, which provides financial support and services to educationally and economically disadvantaged students. The New Jersey Presidents' Council advises the Commission in these areas and also reviews new academic programs and makes recommendations on regional alliances, the higher education budget, and student aid levels. The Commission and the Council were created to work together to coordinate higher education and advance State goals.

Beginning in fiscal 2006, the Commission on Higher Education assumed responsibility for administering the Governor's School Program, a summer residential program at six college campuses throughout the state, offering intensive experiences for artistically and academically talented high school students. The program is supported by individual, corporate, and foundation gifts and grants. In summer 2007, it served over 500 high achieving high school students.

The Commission also initiated a study of the transfer of credits across the county colleges and senior public colleges and universities to ensure consistency and fairness for all New Jersey students. Recent legislation has led to a statewide transfer of credits agreement, to be implemented by fall 2008.

The Higher Education Student Assistance Authority (HESAA) administers most of the State and federal student financial aid programs in New Jersey. Progress in meeting long-range plan goals in the area of State student financial aid has also been made, with steady increases in both Tuition Aid Grants and the Educational Opportunity Fund.

HESAA has taken numerous steps to create and maintain efficiencies in its procurement processes and operational practices. Examples of operational efficiencies that have been realized in the last several years include, but are not limited to, the following:

- Implementing a technology that converts reports to electronic files that can be e-mailed. In addition to eliminating production of hundreds of thousands of pages of paper reports each year, this process saves the cost and time previously required to mail these reports;

- Establishing numerous web-based processes, including web-based loan applications, that benefit students, parents, and client institutions and save additional paper, printing, and mailing costs; and
- Performing reviews that identify and correct inefficiencies and non-compliant practices by institutions that use HESAA-based programs, resulting in significant refunds of grant funds to the State's General Fund. In one recent case, HESAA's review resulted in a return of \$1.2 million in State grant funds that were disbursed improperly by an educational institution.

The following describes recommended changes to the higher education appropriation as well as continued funding for major programs.

The total fiscal 2009 recommended direct operating aid for the 12 four-year public colleges and universities is \$804.6 million. This represents a decrease of \$96.8 million under the fiscal 2008 level. This decrease is partially offset by a recommended appropriation of \$38.5 million to support salary increases at the colleges and universities.

The fiscal 2009 total recommended funding for the Commission on Higher Education is \$7.5 million, which is a decrease of \$78,000 under the fiscal 2008 funding level.

The Educational Opportunity Fund (EOF) is New Jersey's oldest and one of the nation's most comprehensive state-supported efforts to provide access to higher education for students who are educationally and economically disadvantaged. To ensure that those students most in need have an opportunity to attend college, the Fund provides supplemental financial aid to help cover college costs (e.g., books, fees, room and board) that are not covered by the Tuition Aid Grants program. The Fund also supports a wide array of campus-based outreach and support services at 28 of the public and 13 of the independent institutions to ensure viable opportunities for students to succeed and graduate. During academic year 2006–2007, nearly 13,700 educationally and economically disadvantaged students received EOF grant assistance. The State will continue the fiscal 2008 level of funding for EOF grants in fiscal 2009 with a recommendation of \$40.6 million.

Funding of \$1.5 million to support the operating costs of HESAA is recommended for fiscal 2009.

New Jersey's Tuition Aid Grants (TAG) program is one of the nation's largest financial aid programs, and New Jersey ranks among the top states in providing need-based aid. Depending on need, a TAG award can cover a significant portion of the tuition cost. Awards may be used at New Jersey postsecondary institutions, including community colleges, State colleges and universities, independent colleges and universities, and degree-granting proprietary institutions. Total recommended funding for the TAG program in fiscal 2009 is \$247.5 million, providing a projected 51,929 grants. This is a \$14.9 million increase over the fiscal 2008 level.

Funding for the Part-Time TAG initiative is increased by \$476,000 in fiscal 2009 to \$6 million and will provide financial assistance to over 11,700 part-time students.

The Outstanding Scholars Recruitment Program provides State-matching funds to participating public and private institutions for campus-based scholarships based on a combination of class rank and SAT scores. The fiscal 2009 funding will continue to support those individuals already in the program.

State scholarship awards under the Coordinated Garden State Scholarship Initiative, which includes the Edward J. Bloustein Distinguished Scholars and Urban Scholars programs, provides renewable scholarships of up to \$1,000 for 7,760 students for four years, including 2,180 students from the lowest socio-economic school districts.

The New Jersey Better Educational Savings Trust (NJBEST) program continues to offer an attractive option for parents to save for their children's college education. Earnings are federal income tax-free if used for qualified higher education expenses. NJBEST also provides three other State-based incentives, including interest earnings free from New Jersey's Gross Income Tax, \$25,000 in savings excluded from consideration of eligibility for State need-based aid, and up to a \$1,500 scholarship to individuals who save through the program for at least four years and then enroll in a New Jersey college or university. The number of participants now exceeds 223,000, with over \$2.43 billion invested through this program.

The New Jersey Student Tuition Assistance Reward Scholarship (NJSTARS I), which was established in fiscal 2005, provides tuition and fees to eligible New Jersey high school students who graduate in the top 20% of their high school class and attend a New Jersey community college. Almost 2,600 students received more than \$6.7 million in NJSTARS I funds during fiscal 2007. The NJSTARS II initiative, which was established in fiscal 2007, provides NJSTARS I students, who have earned an associate degree while maintaining at least a 3.0 grade point average, with an annual scholarship that covers the cost of both tuition and fees at any four-year New Jersey public college or university. In fiscal 2007, 272 students received \$850,000 in NJSTARS II funds. Fiscal 2009 funding for both NJSTARS initiatives totals \$14.7 million and will provide an estimated 4,106 students with scholarships.

The Social Services Student Loan Redemption Program, which is funded at \$3.5 million, provides student loan forgiveness for eligible program participants who are hired as full-time direct care professionals at public or non-profit social service agencies. Redemption of loans under this program may not exceed \$5,000 annually (or \$20,000 in total), of the principal and interest of eligible student loans in return for satisfactory completion of a full year of approved employment.

The State Library of New Jersey

The State Library, associated with Thomas A. Edison State College, collects and maintains library resources, providing information to State government and the general public. Additionally, the Library provides consulting and technical assistance to institutional, public, school, and special libraries. This Budget recommends Direct State Services funding of \$6.7 million, including \$2 million in support for the Library's Knowledge Initiative to provide statewide access to electronic research databases, and State Aid funding of \$17.7 million to assist county and municipal libraries.

DEPARTMENT OF STATE
SUMMARY OF APPROPRIATIONS BY FUND
(thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009	
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested Recom- mended
GENERAL FUND							
24,448	3,519	193	28,160	24,686	Direct State Services	41,759	37,492 35,564
1,183,738	10,938	-189	1,194,487	1,182,894	Grants-In-Aid	1,256,428	1,505,725 1,159,575
25,550	---	---	25,550	25,408	State Aid	46,065	36,548 34,681
---	1,624	---	1,624	1,157	Capital Construction	---	--- ---
1,233,736	16,081	4	1,249,821	1,234,145	Total General Fund	1,344,252	1,579,765 1,229,820
1,233,736	16,081	4	1,249,821	1,234,145	Total Appropriation, Department of State	1,344,252	1,579,765 1,229,820

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009	
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested Recom- mended
DIRECT STATE SERVICES - GENERAL FUND							
Higher Educational Services							
1,437	---	4	1,441	1,319	Commission on Higher Education	1,366	1,299 1,299
1,975	1	-82	1,894	1,893	Higher Education Student Assistance Authority	1,901	1,473 1,473
3,412	1	-78	3,335	3,212	Subtotal	3,267	2,772 2,772
Cultural and Intellectual Development Services							
500	---	---	500	500	Support of the Arts	503	450 450
2,455	120	133	2,708	2,577	Museum Services	4,571	3,291 3,291
510	---	---	510	510	Development of Historical Resources	512	346 346
5,604	---	155	5,759	5,759	Public Broadcasting Services	5,930	4,280 4,280
4,570	---	-51	4,519	4,519	Library Services	6,672	8,600 6,672
---	---	---	---	---	Travel and Tourism	12,705	10,850 10,850
13,639	120	237	13,996	13,865	Subtotal	30,893	27,817 25,889
General Government Services							
3,373	975	204	4,552	3,833	Office of the Secretary of State	3,566	3,278 3,278
3,058	109	---	3,167	3,014	Records Management	3,037	2,801 2,801
966	2,314	-170	3,110	762	Election Management and Coordination	996	824 824
7,397	3,398	34	10,829	7,609	Subtotal	7,599	6,903 6,903
24,448	3,519	193	28,160	24,686	Total Direct State Services - General Fund	41,759	37,492 35,564
24,448	3,519	193	28,160	24,686	TOTAL DIRECT STATE SERVICES	41,759	37,492 35,564
GRANTS-IN-AID - GENERAL FUND							
Higher Educational Services							
45,887	105	-54	45,938	45,809	Commission on Higher Education	46,840	46,829 46,829
250,171	10,833	---	261,004	249,542	Higher Education Student Assistance Authority	268,264	282,107 282,107
283,395	---	-90	283,305	283,305	Rutgers, The State University	300,732	313,517 265,774
25,975	---	---	25,975	25,975	Agricultural Experiment Station	27,863	28,603 24,807
220,231	---	---	220,231	220,231	University of Medicine and Dentistry of New Jersey	231,112	272,336 208,671

STATE

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
47,182	---	---	47,182	47,182	New Jersey Institute of Technology	49,098	122,690	42,685
6,209	---	---	6,209	6,209	Thomas A. Edison State College	5,952	6,752	5,357
36,488	---	---	36,488	36,488	Rowan University	38,679	41,184	34,703
30,983	---	---	30,983	30,983	New Jersey City University	32,888	41,481	29,519
39,643	---	---	39,643	39,643	Kean University	42,535	45,435	38,053
38,968	---	---	38,968	38,968	William Paterson University of New Jersey	41,317	77,251	37,185
46,128	---	---	46,128	46,128	Montclair State University	48,573	81,456	43,674
35,016	---	---	35,016	35,016	The College of New Jersey	37,040	45,750	33,313
19,579	---	---	19,579	19,579	Ramapo College of New Jersey	20,468	29,129	18,247
23,703	---	---	23,703	23,703	The Richard Stockton College of New Jersey	25,120	45,122	22,568
1,149,558	10,938	-144	1,160,352	1,148,761	Subtotal	1,216,481	1,479,642	1,133,492
Cultural and Intellectual Development Services								
23,812	---	---	23,812	23,810	Support of the Arts	27,998	18,430	18,430
3,890	---	-45	3,845	3,845	Museum Services	3,940	2,390	2,390
4,258	---	---	4,258	4,258	Development of Historical Resources	4,789	3,263	3,263
31,960	---	-45	31,915	31,913	Subtotal	36,727	24,083	24,083
General Government Services								
2,220	---	---	2,220	2,220	Office of the Secretary of State	3,220	2,000	2,000
2,220	---	---	2,220	2,220	Subtotal	3,220	2,000	2,000
1,183,738	10,938	-189	1,194,487	1,182,894	Total Grants -In- Aid - General Fund	1,256,428	1,505,725	1,159,575
1,183,738	10,938	-189	1,194,487	1,182,894	TOTAL GRANTS- IN-AID	1,256,428	1,505,725	1,159,575
STATE AID - GENERAL FUND								
Cultural and Intellectual Development Services								
18,520	---	---	18,520	18,378	Library Services	18,520	19,518	17,651
18,520	---	---	18,520	18,378	Subtotal	18,520	19,518	17,651
General Government Services								
7,030	---	---	7,030	7,030	Election Management and Coordination	27,545	17,030	17,030
7,030	---	---	7,030	7,030	Subtotal	27,545	17,030	17,030
25,550	---	---	25,550	25,408	Total State Aid - General Fund	46,065	36,548	34,681
25,550	---	---	25,550	25,408	TOTAL STATE AID	46,065	36,548	34,681
CAPITAL CONSTRUCTION								
Cultural and Intellectual Development Services								
---	1,544	---	1,544	1,140	Public Broadcasting Services	---	---	---
---	17	---	17	17	Library Services	---	---	---
---	1,561	---	1,561	1,157	Subtotal	---	---	---

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
---	63	---	63	---	General Government Services		
					---	---	---
---	63	---	63	---	<i>Subtotal</i>		
					---	---	---
---	1,624	---	1,624	1,157	TOTAL CAPITAL CONSTRUCTION		
					---	---	---
1,233,736	16,081	4	1,249,821	1,234,145	Total Appropriation, Department of State		
					1,344,252	1,579,765	1,229,820

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

36. HIGHER EDUCATIONAL SERVICES

OBJECTIVES

1. To coordinate the implementation of New Jersey's long-range plan for higher education, A Blueprint for Excellence, which focuses on improving access and outcomes for students from preschool to graduate school, and on enhancing the economy through research and workforce development.
2. To serve as a catalyst for higher education discussions and policy development.
3. To build coalitions and promote collaboration to achieve state goals.
4. To raise the visibility of New Jersey higher education and its value to the State and its people.

PROGRAM CLASSIFICATIONS

80. **Statewide Planning and Coordination for Higher Education.** The Higher Education Restructuring Act of 1994 established the New Jersey Commission on Higher Education to provide coordination, planning, policy development, and advocacy for the State's higher education system with advice from the New Jersey Presidents' Council. The Commission consists of six public members appointed by the Governor, one member appointed by the Governor upon recommendation of the Senate President, one member appointed by the Governor upon recommendation of the Speaker of the Assembly, two student members appointed by the Governor, one faculty member from an institution of higher education appointed by the Governor, the Chair of the Presidents' Council, the Chair of the Higher Education Student Assistance Authority, and its executive director (non-voting). It is established in, but not of, the Department of State and authorizes degree-granting institutions of higher education to operate in New Jersey. The Commission conducts research and coordinates statewide accountability efforts to provide data and information on higher education performance. It implements programs and initiatives to enhance the capacity and competitiveness of New Jersey institutions, increases access to higher education for historically underserved groups, fosters diversity among college and university faculty, and improves linkages between elementary, secondary, and higher education as well as among two-year and four-year colleges and universities.

Beginning in fiscal 2006, the Commission assumed responsibility for administering the Governor's School

Program, a summer residential program at college campuses throughout the state, offering intensive experiences for artistically and academically talented high school students.

The Commission also administers the federal GEAR UP (Gaining Early Awareness and Readiness for Undergraduate Programs) grant that augments the State's College Bound Program.

81. **New Jersey Educational Opportunity Fund.** Created by law in 1968 (N.J.S.A.18A:71-28 et seq.), the Educational Opportunity Fund (EOF) supports educationally and economically disadvantaged students for undergraduate, graduate, and professional study at public and independent institutions of higher education in New Jersey. The Fund is governed by a Board of Directors consisting of eight public members appointed by the Governor, the Chair of the Commission on Higher Education, the Chair of the Higher Education Student Assistance Authority, and its executive director (non-voting). "Opportunity Grants" are awarded to students during the academic year to assist students in meeting college expenses such as fees, books, room, board, and transportation that are not covered by the State's Tuition Aid Grants program. Summer program grants assist primarily incoming students who are making the transition to college. Through "Supplementary Education Program Grants," EOF enables colleges and universities to provide a wide array of campus outreach and support services beyond those customarily offered. These critical support services, which promote a smooth transition to college-level work and help ensure that students persist and complete their degrees, include tutoring, counseling, supplemental instruction, and leadership development. The Martin Luther King Physician-Dentist Scholarship Program (N.J.S.A.18A:72J-1 et seq.) provides grants up to the cost of tuition to New Jersey resident medical and dental students from disadvantaged or minority backgrounds. Grants are limited to students attending the University of Medicine and Dentistry of New Jersey. The C. Clyde Ferguson Law Scholarship Program (N.J.S.A.18A:71-40.1 et seq.) provides grants up to the cost of tuition to New Jersey resident law students from disadvantaged or minority backgrounds. Grants are limited to students attending Rutgers School of Law-Camden, Rutgers School of Law-Newark, and Seton Hall University School of Law.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Statewide Planning and Coordination for Higher Education				
Rutgers, The State University				
Undergraduate enrollment (FTE)	31,215	31,491	31,938	31,938
Graduate enrollment (FTE)	8,596	8,710	9,053	9,053
Total enrollment (FTE)	39,811	40,201	40,991	40,991
New Jersey Institute of Technology				
Undergraduate enrollment (FTE)	4,145	4,167	4,199	4,331
Graduate enrollment (FTE)	1,418	1,470	1,532	1,555
Total enrollment (FTE)	5,563	5,637	5,731	5,886
State Colleges and Universities (a)				
Undergraduate enrollment (FTE)	52,180	53,061	54,154	54,508
Graduate enrollment (FTE)	6,524	6,287	6,265	6,243
Total enrollment (FTE)	58,704	59,348	60,419	60,751
Average Tuition and Fees (b)	\$8,349	\$9,059	\$9,629	---
Average Total Cost of Attendance (b)	\$20,061	\$21,719	\$23,033	---
Average Third-Semester Retention Rate (c)	82.3%	82.2%	---	---
Average Six-Year Graduation Rate (c)	59.0%	58.4%	---	---
Aid to County Colleges				
County colleges aided	19	19	19	19
Student enrollment (FTE) (d)	115,105	118,017	121,557	125,017
Average Tuition and Fees (b)	\$2,787	\$2,969	\$3,060	---
Average Total Cost of Attendance (b)	\$10,605	\$11,188	\$11,217	---
Average Third-Semester Retention Rate (c)	60.7%	61.1%	---	---
Average Three-Year Combined Graduation & Transfer Rates (c)	26.1%	21.7%	---	---
Support to Independent Institutions				
Independent colleges and universities aided	14	13	14	14
Student enrollment (FTE) (d)	24,878	25,399	25,625	27,032
Educational Opportunity Fund Programs				
Colleges and universities participating	42	42	42	42
Public	29	29	29	29
Private	13	13	13	13
Total opportunity grants	19,039	19,215	19,130	19,130
Academic year - undergraduate	13,789	13,687	13,690	13,690
Graduate program	201	201	190	190
Summer program	5,049	5,327	5,250	5,250
Martin Luther King Physician /Dentist Scholarship	47	43	45	45
C. Clyde Ferguson Law Scholarship	39	35	45	45
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	2	2	2	2
Male Minority %	12%	11%	11%	10%
Female Minority	5	6	6	6
Female Minority %	29%	32%	33%	30%
Total Minority	7	8	8	8
Total Minority %	41%	42%	44%	40%
Position Data				
Filled Positions by Funding Source				
State Supported	15	15	15	15
Federal	2	4	4	4
Total Positions	17	19	19	19
Filled Positions by Program Class				
Statewide Planning and Coordination for Higher Education ..	13	15	15	15
Educational Opportunity Fund Programs	4	4	4	4
Total Positions	17	19	19	19

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

(a) Excludes Thomas A. Edison State College and the University of Medicine and Dentistry of New Jersey, since data for these institutions are not calculated on the basis of comparable FTEs.

(b) As reported to the Higher Education Student Assistance Authority.

(c) As calculated by the Student Unit Record Enrollment (SURE) system.

(d) Fiscal year 2007 data revised to reflect audited enrollment totals.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
1,032	---	6	1,038	938	Statewide Planning and Coordination for Higher Education	80	972	905	
405	---	-2	403	381	Educational Opportunity Fund Programs	81	394	394	
1,437	---	4	1,441	1,319	Total Direct State Services		1,366 ^(a)	1,299	
Distribution by Fund and Object									
Personal Services:									
1,283	---	-42	1,241	1,159	Salaries and Wages		1,247	1,180	
1,283	---	-42	1,241	1,159	Total Personal Services		1,247	1,180	
16	---	9	25	20	Materials and Supplies		11	11	
118	---	41	159	132	Services Other Than Personal		96	96	
20	---	-4	16	8	Maintenance and Fixed Charges		12	12	
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
5,290	105	-54	5,341	5,212	Statewide Planning and Coordination for Higher Education	80	6,243	6,232	
40,597	---	---	40,597	40,597	Educational Opportunity Fund Programs	81	40,597	40,597	
45,887	105	-54	45,938	45,809	Total Grants-in-Aid		46,840	46,829	
Distribution by Fund and Object									
Grants:									
2,900	---	-27	2,873	2,840	College Bound	80	3,550	3,550	
390	---	---	390	390	New Jersey Transfer Initiative	80	93	82	
---	---	---	---	---	Governor's School	80	100	100	
1,100	---	-16	1,084	1,042	Higher Education for Special Needs Students	80	1,600	1,600	
450	---	-11	439	432	Program for the Education of Language Minority Students	80	450	450	
450	105	---	555	508	Minority Faculty Advancement Program	80	450	450	
26,910	---	---	26,910	26,910	Opportunity Program Grants	81	26,910	26,910	
12,885	---	---	12,885	12,885	Supplementary Education Program Grants	81	12,885	12,885	
602	---	---	602	602	Martin Luther King Physician-Dentist Scholarship Act of 1986	81	602	602	
200	---	---	200	200	Ferguson Law Scholarships	81	200	200	
47,324	105	-50	47,379	47,128	Grand Total State Appropriation		48,206	48,128	

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
OTHER RELATED APPROPRIATIONS								
Federal Funds								
3,500	151	450	4,101	3,790	Statewide Planning and Coordination for Higher Education			
					80	3,500	3,500	3,500
<u>3,500</u>	<u>151</u>	<u>450</u>	<u>4,101</u>	<u>3,790</u>	Total Federal Funds			
						<u>3,500</u>	<u>3,500</u>	<u>3,500</u>
All Other Funds								
---	840 1,270 ^R	---	2,110	1,497	Statewide Planning and Coordination for Higher Education			
					80	---	---	---
<u>---</u>	<u>2,110</u>	<u>---</u>	<u>2,110</u>	<u>1,497</u>	Total All Other Funds			
<u>50,824</u>	<u>2,366</u>	<u>400</u>	<u>53,590</u>	<u>52,415</u>	GRAND TOTAL ALL FUNDS			
						<u>51,706</u>	<u>51,628</u>	<u>51,628</u>

Notes -- Direct State Services - General Fund

(a) The fiscal 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.

Language Recommendations -- Grants-In-Aid - General Fund

An amount not to exceed \$60,000 of the total hereinabove appropriated for College Bound is available for transfer to Direct State Services for the administrative expenses of this program, subject to the approval of the Director of the Division of Budget and Accounting.

An amount not to exceed 5% of the total hereinabove appropriated for Higher Education for Special Needs Students and Program for the Education of Language Minority Students is available for transfer to Direct State Services for the administrative expenses of these programs, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balances at the end of the preceding fiscal year for the Minority Faculty Advancement Program are appropriated.

Refunds from prior years to the Educational Opportunity Fund Programs accounts are appropriated to those accounts.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT**36. HIGHER EDUCATIONAL SERVICES****2405. HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY****OBJECTIVES**

1. Assist in ensuring that access to an affordable college education is maintained for all eligible New Jersey students.
2. Provide efficient delivery of Tuition Aid Grants, scholarships and other student financial aid to qualifying New Jersey students.
3. Guarantee federal student loans for New Jersey students attending both in-state and out-of-state institutions as well as for non-resident students attending school in New Jersey.
4. Provide supplementary student loan assistance to New Jersey resident students and their families as well as to non-resident students attending New Jersey institutions through the New Jersey College Loans to Assist State Students (NJCLASS) program.
5. Provide policy leadership in the area of student financial aid.
6. Act as an information clearinghouse for state and federal program and regulatory issues.
7. Maintain federal and state program fiscal records.

PROGRAM CLASSIFICATIONS

45. **Student Assistance Programs.** The Higher Education Student Assistance Authority (HESAA) was created in, but not of, the Department of State by P.L.1999, c.46, effective April 26, 1999. HESAA is charged with the development of student assistance policy as well as administering the delivery of the State's Tuition Aid Grants (TAG) and scholarship programs, the award and payment systems for the Educational Opportunity Fund (EOF) academic year student grants (the

largest component of the EOF program), issuance and servicing of New Jersey College Loans to Assist State Students (NJCLASS), administration of the State's college savings plan (NJBEST), and guaranteeing federal student loans under the Federal Family Education Loan Program (FFELP).

Student Assistance Programs include all student financial assistance programs for eligible residents of the State that are administered under the Executive Director, Higher Education Student Assistance Authority, and associated administrative costs. Administrative funds cover all program operations, including computing, printing, mailing, research, and personnel costs.

Tuition Aid Grants (TAG) are awarded under the New Jersey Higher Education Tuition Aid Act, N.J.S.18A:71-41 et seq., to all eligible New Jersey residents attending New Jersey postsecondary institutions, including community colleges, State colleges and universities, independent colleges and universities, and degree-granting proprietary institutions. Award amounts vary depending on the institution attended, and award sizes decrease as a family's ability to pay increases. Ability to pay is determined by a national need analysis system adjusted to meet New Jersey needs, and is maintained and administered based on responses to the Free Application for Federal Student Aid (FAFSA). The TAG program is the broad-based State student assistance program, which coordinates with federal need-based student aid programs. As such, a TAG grant may be awarded in conjunction with a federal award, an EOF grant, and/or a State scholarship award.

A pilot Part-Time TAG program for county college students was established in fiscal 2004 for eligible, qualified part-time students enrolled at county colleges. Part-time grant awards are pro-rated against the full-time grant awards as follows: an eligible student enrolled with six to eight credits receives one-half of the value of a full-time award and an eligible student with nine to eleven credits receives three-quarters of a full-time award, subject to available appropriations.

The Survivor Tuition Benefits Program, N.J.S.18A:71-77 et seq., pays college tuition for the surviving spouse or child of a fire fighter, police officer, first aid rescue squad member, or other law enforcement, civil defense or disaster control worker killed in the line of duty. Benefits received under this program are equal to the cost of tuition at public institutions, or equal to the highest level of tuition charged at public institutions for recipients attending eligible independent institutions.

State scholarships are awarded under the Garden State Scholarship Act of 1977, N.J.S.18A:71-26.1 et seq., to academically meritorious students at participating New Jersey institutions of higher education. Awards under the Coordinated Garden State Scholarship Programs, which include the Edward J. Bloustein Distinguished Scholars and Urban Scholars programs, range up to \$1,000 per year. No awards are available for use outside of New Jersey. Awards are renewable annually up to four years based on continued good academic standing.

Part-Time TAG awards are available to students with special needs through the Part-Time TAG for EOF Students program. In fiscal 1999, this program was expanded to include all county colleges that currently participate in the EOF program and one additional four-year institution.

Established in fiscal 2004, the Teaching Fellows Program provides direct loans to finance the undergraduate study of academically talented students who have leadership potential and who are interested in teaching in public schools in the state. The program also provides for the redemption of a portion of each eligible student's loan expenses for each year of full-time employment as a teacher in a subject area of critical need or in a high-needs district.

The OB/GYN Loan Redemption Program provides funds to redeem student loans of OB/GYN providers for medical service in medically underserved areas.

The Outstanding Scholars Recruitment Program (OSRP) provides State matching funds to participating public and private institutions for campus-based scholarships to recruit high achieving New Jersey students. This merit-based award provides an annual scholarship between \$2,500 and \$7,500 based on a combination of class rank and SAT scores.

The New Jersey World Trade Center Scholarship Program was signed into law on January 11, 2002. Scholarships for the costs of undergraduate education may be awarded to dependent children or spouses of New Jersey residents who were killed or are presumed dead as a result of the September 11 terrorist attacks. Scholarship assistance is available for full-time study in degree-granting programs in or out of state.

The Dana Christmas Scholarship for Heroism program awards up to 5 scholarships a year to New Jersey residents who have performed acts of heroism prior to age 22. Awardees must be nominated by a member of the public. Nominations are reviewed by a selection committee and forwarded to the HESAA Board each fall for approval.

Initiated in fiscal 2005, the New Jersey Student Tuition Assistance Reward Scholarship I (NJSTARS I) program guarantees that eligible New Jersey high school students, who graduate in the top 20% of their high school class and want to attend a New Jersey community college, will have tuition and fees covered for two years. Building on the success of the NJSTARS I program, NJSTARS II (P.L.2005, c.359) was initiated during fiscal 2007 to provide NJSTARS I students, who have earned an associate degree while maintaining at least a 3.0 grade point average, with an annual scholarship that covers the cost of both tuition and fees at any four-year New Jersey public college or university.

Established during fiscal 2006 with initial funding of \$3.5 million, the Social Services Student Loan Redemption Program is level funded for fiscal 2009. This program provides forgiveness of up to \$20,000 in student loans, over four years, to graduates who take qualifying jobs with New Jersey mental health agencies.

The Fallen Law Enforcement Officer Memorial Scholarship Program, which was signed into law on March 27, 2001, awards scholarships to the children of New Jersey law officers who were killed in the line of duty. These scholarships are for undergraduate study leading to a baccalaureate degree or associate degree at any public or private institution of higher education in New Jersey and supplement Survivor Tuition Benefits for funding awards up to the cost of education. Funding of the program is from the sale of special law enforcement officer memorial license plates for motor vehicles owned or leased in the State of New Jersey. The Motor Vehicle Commission is responsible for the sale of the license plates. HESAA is responsible for the administrative duties of the program.

In fiscal 1998, New Jersey developed a college savings program, the New Jersey Better Educational Savings Trust (NJBEST), to help families finance the cost of higher education. Interest earned on NJBEST college savings is New Jersey and federally tax exempt. In addition, a student who saves the minimum required amounts through NJBEST and attends college in New Jersey is awarded up to a \$1,500 scholarship.

The Leveraging Educational Assistance Partnership (LEAP) program (formerly the State Student Incentives Grants, or SSIG, program) provides federal matching funds to supplement the Tuition Aid Grant program. This program is funded nationally at \$65 million in the fiscal 2008 federal appropriations statute, which should result in an allocation to New Jersey of \$1.8 million for State fiscal year 2009.

Under the Federal Family Education Loan Program, HESAA is also responsible for an array of loan-related services on behalf of the federal government, including providing public information regarding the loan programs, loan default prevention, primary insurance on student loan defaults for the lending community, location and pursuit of defaulters, and collection and remission of defaulted loan repayment amounts from borrowers to the federal government. HESAA administers State loan programs and federally regulated programs providing for the guarantee or insuring of loans made by banks, savings and loan associations, credit unions, or other qualified lenders to qualified persons to assist them in meeting the cost of postsecondary education. Loan amounts available for eligible students vary depending upon financial need, grade level, program length, and aggregate borrowing limits. Federal interest subsidies are available to certain eligible students. Parent borrowers with no adverse credit history may borrow up to the cost of education minus aid,

with no limit to the aggregate amount borrowed. In addition, HESAA also offers consolidated loans, which combine the outstanding loan payments from certain previously disbursed federal guaranteed loans. A legislatively-mandated reserve requirement, N.J.S.18A:72-17, necessitates that the reserve fund shall not be less than either the amount required to acquire defaulted loans during the current fiscal year or the encumbered reserves required on all outstanding loans that were approved prior to the effective date of the act, whichever is greater. Federal mandates also require that guarantee agencies maintain minimum reserve levels as part of the agency's guaranty agreement. Additionally, federal regulations restrict the use of any reserve funds to purposes directly associated with the administration of the federal student loan programs as defined within those regulations.

The New Jersey College Loans to Assist State Students (NJCLASS) loan program, N.J.S.18A:72-34 et seq., supplements aid available for New Jersey undergraduate and graduate students and out-of-state students attending a New

Jersey institution. Under the NJCLASS loan program, HESAA makes student loans to eligible borrowers from the proceeds of tax-exempt bonds issued by HESAA. HESAA reviews all applications to determine the applicants' ability to repay loans and services loans after disbursement. The interest rate paid by borrowers is set with each bond issue in relation to bond market conditions. There is no restriction on family income. The amount borrowed may not exceed a student's estimated cost of attendance minus all other financial assistance received by the student for the academic period for which the loan is intended.

The National Health Primary Care Physician/Dentist Loan Redemption Program provides federal funding to match State funding for redemption of student loans of physicians and dentists providing supervised care in underserved areas of the state. However, New Jersey's grant funding from this program has been eliminated for the current award cycle from fiscal years 2008 through 2010, due to a reallocation of funding to states with higher needs.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Student Assistance Programs				
Veterinary Medical Education Program				
Veterinary Medical Education Program (Value) (a)	\$1,442,886	\$700,105	\$687,000	\$687,000
Student enrollment	96	92	77	66
Schools with contracts	7	7	7	7
Teaching Fellows Program - Cumulative Loans in Redemption	17	20	30	30
Teaching Fellows Program (Value)	\$155,000	\$132,000	\$132,000	\$132,000
Coordinated Garden State Scholarship Programs (b)	7,331	7,481	7,673	7,760
Coordinated Garden State Scholarship Programs (Value)	\$7,327,555	\$7,478,189	\$7,135,000	\$7,135,000
Edward J. Bloustein Distinguished Scholars (b)	5,236	5,383	5,524	5,580
Edward J. Bloustein Distinguished Scholars (Value)	\$5,233,736	\$5,381,438	\$5,137,000	\$5,130,580
Urban Scholars (b)	2,095	2,098	2,149	2,180
Urban Scholars (Value)	\$2,093,819	\$2,096,751	\$1,998,000	\$2,004,420
World Trade Center Scholarship Program (a) (c)	57	67	67	157
World Trade Center Scholarship Program (Value)	\$303,279	\$368,779	\$435,500	\$250,000
Dana Christmas Scholarship for Heroism	5	5	5	5
Dana Christmas Scholarship for Heroism (Value)	\$50,000	\$50,000	\$50,000	\$50,000
Outstanding Scholars Recruitment Program Freshman Awards	1,687	---	---	---
Outstanding Scholars Recruitment Program Renewal Awards	3,721	3,906	2,432	1,144
Outstanding Scholars Recruitment Program (Value)	\$13,958,862	\$9,650,000	\$6,384,000	\$3,003,000
Survivor Tuition Benefits (b)	7	8	6	8
Survivor Tuition Benefits (Value)	\$35,800	\$54,420	\$26,000	\$50,000
Part-Time Tuition Aid Grants for Educational Opportunity Fund Students (b)	648	654	700	700
Part-Time Tuition Aid Grants for Educational Opportunity Fund Students (Value)	\$500,081	\$579,372	\$558,000	\$558,000
Part-Time Tuition Aid Grants for County Colleges (b)	8,294	8,439	10,627	11,746
Part-Time Tuition Aid Grants for County Colleges (Value)	\$4,205,844	\$4,598,926	\$5,494,000	\$5,970,000
Tuition Aid Grants (b) (d)	49,392	50,248	51,036	51,929
Tuition Aid Grants (Value)	\$194,089,632	\$217,906,716	\$230,845,000	\$247,476,000
County Colleges	15,760	16,182	16,608	17,066
County Colleges (Value)	\$26,652,976	\$29,344,298	\$30,981,000	\$33,871,000
State Colleges	12,635	12,795	12,957	13,188
State Colleges (Value)	\$47,232,684	\$53,915,826	\$57,839,000	\$63,224,000
Rutgers/NJIT/UMDNJ	10,433	10,427	10,675	10,837
Rutgers/NJIT/UMDNJ (Value)	\$51,960,121	\$58,069,591	\$63,189,000	\$69,994,000
Independent colleges	10,564	10,844	10,796	10,388
Independent colleges (Value)	\$68,243,851	\$76,577,001	\$79,286,000	\$80,387,000

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
New Jersey Student Tuition Assistance Reward Scholarship (NJSTARS I & II)	1,683	2,865	3,850	4,106
New Jersey Student Tuition Assistance Reward Scholarship (NJSTARS I & II) (Value)	\$4,047,589	\$7,573,620	\$12,621,200	\$14,682,000
NJSTARS I	1,683	2,593	3,200	2,916
NJSTARS I (Value)	\$4,047,589	\$6,723,620	\$9,932,800	\$9,565,000
NJSTARS II	---	272	650	1,190
NJSTARS II (Value)	---	\$850,000	\$2,688,400	\$5,117,000
Social Services Student Loan Redemption Program	---	204	405	600
Social Services Student Loan Redemption Program (Value) ..	---	\$3,500,000	\$3,500,000	\$3,500,000
OB/GYN Loan Redemption Program (e)	---	8	19	15
OB/GYN Loan Redemption Program (Value)	---	\$678,319	\$1,691,745	\$1,000,000
Total awards - All programs (f)	72,177	73,223	76,101	77,470
Total awards - All programs (Value)	\$224,018,561	\$251,180,650	\$266,490,700	\$283,116,000
Law Enforcement Officer Memorial Scholarship	7	8	8	8
Law Enforcement Officer Memorial Scholarship (Value)	\$65,835	\$120,111	\$150,000	\$130,000
NJBEST Program - Participants	146,787	186,321	223,205	260,050
NJBEST Program - Funds Invested as of June 30	\$1,234,844,866	\$1,885,579,281	\$2,427,873,366	\$2,970,167,451
NJBEST Scholarships Awarded	65	204	260	1,300
NJBEST Scholarships Awarded (Value)	\$32,250	\$111,000	\$153,000	\$845,000
Guaranteed Student Loan Program				
Loans outstanding--June 30	678,153	636,152	583,345	539,157
Loans outstanding--June 30 (Value)	\$2,082,869,762	\$1,973,399,224	\$1,833,949,499	\$1,706,130,900
Parent Loans for Undergraduate Students				
Loans Outstanding--June 30	57,363	53,851	45,141	37,205
Loans Outstanding--June 30 (Value)	\$301,601,924	\$284,535,734	\$242,111,630	\$201,544,771
Consolidated Loans				
Loans Outstanding--June 30	109,056	113,833	115,590	117,115
Loans Outstanding--June 30 (Value)	\$1,593,658,437	\$1,671,781,170	\$1,714,554,815	\$1,754,550,154
New Jersey College Loans to Assist State Students (NJCLASS)				
Loans Outstanding--June 30	65,646	78,442	86,273	96,072
Loans Outstanding--June 30 (Value)	\$588,808,224	\$776,118,273	\$862,137,342	\$969,661,179

PERSONNEL DATA

Affirmative Action Data

Male Minority	19	17	17	17
Male Minority %	9.7%	8.6%	8.9%	8.9%
Female Minority	44	42	42	42
Female Minority %	22.3%	21.3%	22.0%	22.0%
Total Minority	63	59	59	59
Total Minority %	32.0%	29.9%	30.9%	30.9%

Position Data

Filled Positions by Funding Source

State Supported	25	25	24	24
Federal	164	159	154	154
All Other	12	13	13	13
Total Positions	201	197	191	191

Filled Positions by Program Class

Student Assistance Programs	201	197	191	191
Total Positions	201	197	191	191

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and Revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

- (a) Prior-period carryforward used to pay expenditures exceeding State appropriation during fiscal years 2006, 2007, and 2008.
- (b) Student Assistance Programs expenditure and award recipients data for fiscal years 2006 and 2007 represent actual counts as of September 2007. Further payments and adjustments are anticipated as institutional payments and reconciliation reports are received.
- (c) Private donations as well as State appropriations contribute to the scholarship fund.

STATE

- (d) Includes funds received under the federal Leveraging Educational Assistance Partnership (LEAP) program, formerly known as State Student Incentives Grants (SSIG).
- (e) Funding for fiscal years 2007 and 2008 derived from revenues accrued in the Medical Malpractice Liability Insurance Premium Assistance Fund in accordance with P.L.2004, c.17.
- (f) Totals include all programs, with the exception of Veterinary Medical Education Program, Teaching Fellows Program, Law Enforcement Officer Memorial Scholarship, NJBEST Program, Guaranteed Student Loan Program, Parent Loans for Undergraduate Students, Consolidated Loans, and New Jersey College Loans to Assist State Students (NJCLASS); students may be counted more than once if they are receiving aid from more than one program. Part-Time Tuition Aid Grants for Educational Opportunity Fund Students program data is included in Full-Time Tuition Aid Grants program data.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
1,975	1	-82	1,894	1,893	Student Assistance Programs	45	1,901	1,473	1,473
1,975	1	-82	1,894	1,893	Total Direct State Services		1,901 ^(a)	1,473	1,473
Distribution by Fund and Object									
Personal Services:									
1,406	---	-149	1,257	1,257	Salaries and Wages		1,452	1,452	1,452
1,406	---	-149	1,257	1,257	Total Personal Services		1,452	1,452	1,452
43	---	11	54	53	Materials and Supplies		43	7	7
504	1	65	570	570	Services Other Than Personal		384	11	11
22	---	-9	13	13	Maintenance and Fixed Charges		22	3	3
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
250,171	10,833	---	261,004	249,542	Student Assistance Programs	45	268,264	282,107	282,107
250,171	10,833	---	261,004	249,542	Total Grants-in-Aid		268,264	282,107	282,107
Distribution by Fund and Object									
Grants:									
687	13	---	700	700	Veterinary Medicine Education Program	45	687	687	687
214,729	8,153	---	222,882	215,735	Tuition Aid Grants	45	230,230	245,090	245,090
4,941	101	---	5,042	4,667	Part-Time Tuition Aid Grants for County Colleges	45	5,494	5,970	5,970
50	15	---	65	54	Survivor Tuition Benefits	45	50	50	50
7,562	58	---	7,620	7,523	Coordinated Garden State Scholarship Programs ^(b)	45	7,135	7,135	7,135
620	---	---	620	591	Part-Time Tuition Aid Grants -- EOF Students	45	558	558	558
132	---	---	132	78	Teaching Fellows Program	45	132	132	132
---	---	---	---	---	OB/GYN Loan Redemption Program	45	---	1,000	1,000
9,650	2	---	9,652	9,021	Outstanding Scholars Recruitment Program	45	6,389	3,003	3,003
250	517 ^{10 R}	---	777	369	New Jersey World Trade Center Scholarship Program	45	250	250	250
50	10	---	60	50	Dana Christmas Scholarship for Heroism	45	50	50	50
8,000	1,954	---	9,954	7,582	New Jersey Student Tuition Assistance Reward Scholarship (NJSTARS I & II)	45	13,789	14,682	14,682
3,500	---	---	3,500	3,172	Social Services Student Loan Redemption Program	45	3,500	3,500	3,500
252,146	10,834	-82	262,898	251,435	Grand Total State Appropriation		270,165	283,580	283,580

Year Ending June 30, 2007							Year Ending June 30, 2009	
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
OTHER RELATED APPROPRIATIONS								
Federal Funds								
25,512								
20 ^S	-106	---	25,426	19,760	Student Assistance Programs	45	23,928	
							125 ^S	
							24,746	24,746
<u>25,532</u>	<u>-106</u>	<u>---</u>	<u>25,426</u>	<u>19,760</u>	Total Federal Funds		<u>24,053</u>	<u>24,746</u>
All Other Funds								
	1,655							
---	6,878 ^R	35	8,568	6,434	Student Assistance Programs	45	8,911	10,729
---	<u>8,533</u>	<u>35</u>	<u>8,568</u>	<u>6,434</u>	Total All Other Funds		<u>8,911</u>	<u>10,729</u>
<u>277,678</u>	<u>19,261</u>	<u>-47</u>	<u>296,892</u>	<u>277,629</u>	GRAND TOTAL ALL FUNDS		<u>303,129</u>	<u>319,055</u>

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.

Notes -- Grants-In-Aid - General Fund

(b) Includes Garden State Scholarship, Edward J. Bloustein Distinguished Scholars, and Urban Scholars programs.

Language Recommendations -- Direct State Services - General Fund

At any time prior to the issuance and sale of bonds or other obligations by the Higher Education Student Assistance Authority, the State Treasurer is authorized to transfer from any available monies in any fund of the Treasury of the State to the credit of any fund of the authority such sums as the State Treasurer deems necessary. Any sums so transferred shall be returned to the same fund of the Treasury of the State by the State Treasurer from the proceeds of the sale of the first issue of authority bonds or other authority obligations.

Language Recommendations -- Grants-In-Aid - General Fund

The sums provided hereinabove and the unexpended balances at the end of the preceding fiscal year in Student Assistance Programs shall be appropriated and available for payment of liabilities applicable to prior fiscal years.

Notwithstanding the provisions of N.J.S.18A:71B-47 through N.J.S.18A:71B-49, or any other law or regulation to the contrary, the amounts hereinabove appropriated to the Higher Education Student Assistance Authority are subject to the following condition: commencing on or after July 1, 2007, any newly-admitted student attending a school of veterinary medicine in a reserved space for New Jersey residents through contractual agreements between the Higher Education Student Assistance Authority and participating out-of-state schools of veterinary medicine shall be required, through a contract with the Higher Education Student Assistance Authority, upon graduation to practice veterinary medicine in New Jersey for a period of one year for each year of contract funding provided on their behalf. Such service requirement must commence within one year of completion of the recipient's veterinary education, including American Veterinary Medical Association-approved internships or residencies. If such service requirement is not met, in part or in full, after documented best efforts to find a position, said recipient must refund to the Higher Education Student Assistance Authority that portion of the amounts expended for the recipient's contract seat that is not offset by practicing in New Jersey.

Amounts from the unexpended balance at the end of the preceding fiscal year, including refunds recognized after July 31, 2008, in the Tuition Aid Grants account are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, the appropriation hereinabove for Tuition Aid Grants is subject to the following condition: the Higher Education Student Assistance Authority shall provide to students enrolled in public institutions of higher education who are eligible for maximum awards under the Tuition Aid Grants program an increase above the fiscal year 2008 award amount equal to the difference between the in-State undergraduate 2007-2008 tuition rate for the institution and the institution's in-State undergraduate 2006-2007 tuition rate with comparable increases provided to those individuals eligible for maximum awards at independent institutions who were enrolled during academic year 2007-2008. All other award amounts provided under the Tuition Aid Grants program shall be based on in-State undergraduate tuitions in effect at institutions in academic year 2005-2006 with comparable increases provided to those individuals attending independent institutions who were enrolled during academic year 2007-2008. Effective with the 2008-2009 academic year, any newly-admitted individual attending an independent institution of higher education in New Jersey who is eligible for a Tuition Aid Grant shall receive an award not to exceed the corresponding amount available for an individual attending Rutgers, The State University. Reappropriated balances in the Tuition Aid Grants account shall be held as a contingency for unanticipated increases in the number of applicants qualifying for full-time Tuition Aid Grants awards, to fund shifts in the distribution of awards that result in an increase in total program costs, or to offset any shortfalls in the federal Leveraging Educational Assistance Partnership (LEAP) program.

In addition to the amount hereinabove appropriated for Tuition Aid Grants, there are appropriated such sums as are required to cover the costs of increases in the number of applicants qualifying for full-time Tuition Aid Grants awards, to fund shifts in the distribution of awards that result in an increase in total program costs, or to offset any shortfalls in the federal Leveraging Educational Assistance Partnership (LEAP) program, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for Part-Time Tuition Aid Grants for County Colleges shall be used to provide funds for a pilot program of tuition aid grants for eligible, qualified part-time students enrolled at the county colleges established pursuant to

N.J.S.18A:64A-1 et seq. The tuition aid grants shall be used to pay the tuition at a county college established pursuant to N.J.S.18A:64A-1 et seq. Within the limits of available appropriations as determined by the Higher Education Student Assistance Authority, part-time grant awards shall be pro-rated against the full-time grant award for the applicable institutional sector established pursuant to N.J.S.18A:71B-21 as follows: an eligible student enrolled with six to eight credits shall receive one-half of the value of a full-time award and an eligible student enrolled with nine to eleven credits shall receive three-quarters of a full-time award. Students shall apply first for all other forms of federal student assistance grants and scholarships; student eligibility for the Tuition Aid Grant awards program for part-time enrollment at a community college shall in other respects be determined by the authority in accordance with the criteria established pursuant to N.J.S.18A:71B-20, other than the criterion for full-time enrollment.

Amounts from the unexpended balance at the end of the preceding fiscal year, including refunds recognized after July 31, 2008, in the Part-Time Tuition Aid Grants for County Colleges account are appropriated, subject to the approval of the Director of the Division of Budget and Accounting. Reappropriated balances shall be held as a contingency for unanticipated increases in the number of applicants qualifying for Part-Time Tuition Aid Grants for County Colleges awards or to fund shifts in the distribution of awards that result in an increase in total program costs.

From the amount hereinabove appropriated for the Teaching Fellows Program the authority shall establish a Teaching Fellows Program that shall provide direct loans to finance the undergraduate study of academically talented students who have leadership potential and who are interested in teaching in a public school in the state. The program shall also provide for the redemption of a portion of each eligible student's loan expenses for each year of full-time employment as a teacher in a subject area of critical need or in a high-needs district.

Notwithstanding the provisions of any law or regulation to the contrary, any institution of higher education which participates in the Student Unit Record Enrollment data system may participate in the Outstanding Scholars Recruitment Program.

Receipts derived from voluntary contributions by taxpayers on New Jersey State gross income tax returns for the New Jersey World Trade Center Scholarship Fund are appropriated for the purpose of providing scholarships for eligible dependent children and surviving spouses of New Jersey residents who were killed in the terrorist attacks against the United States on September 11, 2001, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the Dana Christmas Scholarship for Heroism shall be awarded in accordance with policies and procedures established by the Higher Education Student Assistance Authority. In general, recipients must have performed the act of heroism for which they are being recognized prior to reaching their twenty-second birthday, awards are for a one-time only scholarship of up to \$10,000, and awards must be used for educational expenses related to attendance at a post-secondary institution that participates in the federal student assistance programs authorized under Title IV of the "Higher Education Act of 1965," as amended (20 U.S.C. s.1070 et seq.).

Notwithstanding the provisions of any law or regulation to the contrary, the appropriation hereinabove for New Jersey Student Tuition Assistance Reward Scholarship (NJSTARS I & II) is subject to the following condition: effective for the 2008-2009 academic year, any first-time NJSTARS I student attending a New Jersey county college whose annual family income, both taxable and non-taxable, as derived from the Free Application for Federal Student Aid (FAFSA) for academic year 2008-2009 and verified by the county college attended, is \$100,000 or above, shall be ineligible to receive a financial award under the program.

In addition to the amount hereinabove appropriated for the Social Services Student Loan Redemption Program, there are appropriated such sums as are required to cover the costs of increases in the number of applicants qualifying for this program, subject to the approval of the Director of the Division of Budget and Accounting.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

36. HIGHER EDUCATIONAL SERVICES

2409. STATE COLLEGES AND UNIVERSITIES

The State provides higher education through 12 senior public institutions of higher education: three research universities; seven comprehensive colleges and universities; and two baccalaureate colleges. Each of these institutions maintains its own operational autonomy under a separate governing board, but under the statutory oversight and policy framework established by the State. The senior public institutions retain all tuition, fees, grants, and any other revenues earned by the institution.

The operational totals reflect the institutions' overall budgets, including auxiliary operations as well as tuition, fees, federal funds, and other revenues, while the Total State Appropriation reflects the net State support provided to the institutions, excluding State-funded fringe benefits, auxiliary operations, and all revenues.

OBJECTIVES

1. To provide quality, affordable baccalaureate programs in the humanities, arts, sciences, and career fields to full-time and part-time undergraduates, enabling graduates to enter productive careers and advanced study in graduate and professional schools.
2. To provide quality post-baccalaureate education in the humanities, arts, sciences, and professions.
3. To stimulate the continuous development of knowledge in the humanities, arts, sciences, and professional fields by

- professional teacher-scholars as a complement to rigorous classroom inquiry by students and faculty.
4. To make available to the community the professional competence and expertise of faculty and students, and other institutional resources, such as concerts, performances, lectures, and facilities.
5. To meet the needs of faculty and students for current, accessible information.
6. To ensure the personal, social, and intellectual growth of each individual student.

7. To ensure that each campus and its facilities are safe, secure, and well-maintained.

PROGRAM CLASSIFICATIONS

82. **General Institutional Operations.** Encompasses all operations of the senior public colleges and universities, including instruction, research, extension and public service, auxiliary services, academic support, student services, institutional support, and operations and maintenance of physical plant.

Instruction includes all support for academic departments and the operation of related facilities, such as laboratories, so that knowledge can be developed and disseminated through independent research and classroom interaction.

Faculty and students engage in basic and applied research at the behest of various sponsors, including the federal, State, and local governments, foundations, corporations, and trade associations. Much of this research is aimed, directly or indirectly, at increasing the sponsor's effectiveness or stimulating economic growth.

Extension and public service includes not-for-credit programs offered both on- and off-campus for working professionals and non-matriculating students to develop, maintain, and improve professional competence in a wide variety of fields. Other outreach programs make the institutions' resources available to their communities, the region, and the state.

Students, faculty, and staff are provided with auxiliary services, such as housing, dining facilities, book stores, and recreational centers for fees that are directly related to, although not necessarily equal to, the cost of the service. Any surplus revenues are held in reserve for major renovations and replacements, or to balance funds in an emergency.

Academic support provides the books, periodicals, documents, audio-visual materials, and other information that may be required by students and faculty in connection with their

learning, teaching, and research. Staff provide bibliographic and other technical assistance to students and faculty to meet their needs in planning and developing academic programs and in carrying out independent research.

Student services include financial assistance, health services, placement, and counseling. This category also encompasses admissions, registration, and student records.

Institutional support comprises all administrative activities of the institution. Under the direction of an institution's governing board and president, executive leadership and management are provided to meet the institution's educational, research, public service, and administrative objectives. General support services include computer services, personnel management, and financial management for all educational, service, and administrative units within the institution.

Physical plant and support services staff are responsible for the overall security of the institution and for the planning, management, and operation of its physical assets, including utilities, buildings, grounds, and equipment.

General Services Income is derived from tuition and fees collected from both undergraduate and graduate students.

Auxiliary Funds Income is derived from fees charged for services such as housing, dining, and recreational facilities.

Special Funds Income is composed of ancillary activities of an institution. These may include, but are not limited to, continuing education, research grants, fellowships, and scholarships.

Employee Fringe Benefits are provided to the institutions by the State for all employees. The institutions are then responsible for reimbursing the State for those employees beyond the number of State-funded employees as shown in the Evaluation Data. The amount displayed in the Appropriations Data represents the total fringe benefits allocation for the institutions' State-funded employees.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

36. HIGHER EDUCATIONAL SERVICES

2410. RUTGERS, THE STATE UNIVERSITY

Founded in 1766 as one of the colonial colleges, Rutgers became The State University in 1956 (N.J.S. 18A:65-1 et seq. as amended) with a reorganized Board of Trustees and a newly created Board of Governors. The membership of the Board of Governors consists of the President of the Corporation, serving as an ex-officio non-voting member, and 11 voting members, six of whom are appointed by the Governor of the State with the advice and consent of the Senate and five of whom are appointed by the Board of Trustees from among its members. All voting members serve for terms of six years. The Board of Governors has general supervision over the University's operations. The Board of Trustees acts in an overall advisory capacity and controls certain properties, funds and trusts. The State is responsible for the establishment of general policy and for the coordination and general oversight of Rutgers as a part of the State's system of higher education.

The University provides instruction in over 100 major fields of study to approximately 110,000 full- and part-time students enrolled annually in instructional programs in its graduate and undergraduate colleges, schools, summer session, and continuing education programs, which offer courses on- and off-campus, short courses, conferences, and institutes dealing with a wide range of subjects.

Research, the second major area of University responsibility, has earned the support of commerce, industry, the State and federal governments, and philanthropic organizations, as well as financing from the University's funds.

Extension work, designed to take the University's teaching function directly to the people of the state, is the institution's third major responsibility. Such services range from the work of the county agricultural, home economics and 4-H Club agents to non-credit courses, including post-graduate work in technical and professional fields.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Institutional Support				
Enrollment total (a)	48,908	49,000	49,722	49,722
Enrollment total (Weighted) (b)	39,811	40,201	40,991	40,991
Undergraduate total	36,233	36,347	36,636	36,636
Undergraduate total (Weighted) (b)	31,215	31,491	31,938	31,938
Full-time	31,297	31,658	32,262	32,262
Full-time (Weighted) (b)	29,341	29,698	30,265	30,265
Part-time	4,936	4,689	4,374	4,374
Part-time (Weighted) (b)	1,874	1,793	1,673	1,673
Graduate total	12,675	12,653	13,086	13,086
Graduate total (Weighted) (b)	8,596	8,710	9,053	9,053
Full-time	5,898	5,931	6,208	6,208
Full-time (Weighted) (b)	5,914	5,999	6,279	6,279
Part-time	6,777	6,722	6,878	6,878
Part-time (Weighted) (b)	2,682	2,711	2,774	2,774
Summer session total (c)	20,309	20,065	20,379	20,400
Degree programs offered	432	439	445	450
Courses offered	6,993	7,002	7,000	7,000
Degrees Granted				
Bachelors	7,931	7,774	7,700	7,700
Masters	2,489	2,488	2,450	2,450
Doctors	1,035	1,171	1,150	1,150
Ratio: Student/faculty (d)	15.65/1	15.95/1	16.16/1	16.16/1
Full-Time, First-Time, Degree-Seeking Freshmen who are Regular Admission Students	5,256	5,434	5,749	---
Average SAT Score - Math	619	616	610	---
Average SAT Score - Verbal	588	578	576	---
Average SAT Score - Total	1207	1194	1186	---
Outcomes Data (e)				
Third-Semester Retention Rates	88.3%	88.7%	---	---
Six-Year Graduation Rates	69.0%	68.4%	---	---
Student Tuition and Fees				
Total Cost of Attendance (f)	\$21,100	\$22,700	\$24,318	---
Full-Time Undergraduate Tuition - State Residents	\$7,336	\$7,923	\$8,541	---
Full-Time Undergraduate Tuition - Non-State Residents ...	\$14,934	\$16,428	\$17,710	---
Full-Time Undergraduate Fees	\$1,885	\$2,035	\$2,073	---
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Instruction	\$332,366,000	\$324,499,000	\$352,566,000	---
Separately Budgeted Research	\$30,661,000	\$32,596,000	\$33,897,000	---
Extension and Public Service	\$5,191,000	\$4,204,000	\$4,365,000	---
Academic Support	\$29,711,000	\$28,735,000	\$30,376,000	---
Student Services	\$97,409,000	\$103,338,000	\$109,910,000	---
Institutional Support	\$149,397,000	\$155,804,000	\$159,637,000	---
Physical Plant and Support Services	\$142,417,000	\$137,482,000	\$143,763,000	---
Special Purpose Appropriations				
Tomato Technology Transfer Program	\$105,000	\$105,000	\$105,000	\$105,000
Haskin Shellfish Research Laboratory	\$95,000	\$95,000	\$95,000	\$95,000
Camden Law School Clinical Legal Programs for the Poor ..	\$200,000	\$200,000	\$200,000	\$200,000
Newark Law School Clinical Legal Programs for the Poor ...	\$200,000	\$200,000	\$200,000	\$200,000
In Lieu of Tax Payments to New Brunswick	\$700,000	\$700,000	\$700,000	\$700,000
Civic Square Project - Debt Service	\$740,000	\$740,000	\$740,000	\$740,000
Masters in Government Accounting	\$180,000	\$180,000	\$180,000	\$180,000
E3CO	\$135,000	\$135,000	\$135,000	\$135,000
Walter Rand Institute for Public Affairs	\$75,000	\$75,000	\$75,000	\$75,000
Teacher Preparation	\$174,000	\$174,000	\$174,000	\$174,000
Gubernatorial Papers Project	\$500,000	---	---	---
Rutgers-Newark School of Business	\$18,000,000	---	---	---
Athletic Facilities	\$500,000	\$500,000	\$500,000	\$500,000

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
State-funded Positions	6,678	6,678	6,678	6,678

Notes:

- (a) Enrollments do not include Division of Continuing Education, Institute of Management and Labor Relations and Agriculture short courses.
- (b) Equated on the basis of 32 credit hours per undergraduate student and 24 credit hours per graduate student.
- (c) Summer session enrollments not included in total enrollments.
- (d) Calculated on the basis of authorized teaching positions (including adjunct faculty) and equated full-time (weighted) students.
- (e) As calculated by the Student Unit Record Enrollment (SURE) system.
- (f) As reported to the Higher Education Student Assistance Authority. Includes tuition, fees, room and board, transportation, and supplies based on the School of Arts and Sciences rates.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID								
Distribution by Fund and Program								
1,554,793	78,697	-90	1,633,400	1,633,400	82	1,722,910	1,765,102	1,717,359
1,554,793	78,697	-90	1,633,400	1,633,400		1,722,910 ^(a)	1,765,102	1,717,359
Less:								
(860)	(31,438)	---	(32,298)	(32,298)		(27,223)	(997)	(997)
(455,798)	(14,868)	---	(470,666)	(470,666)		(506,261)	(534,807)	(534,807)
(211,630)	(3,431)	---	(215,061)	(215,061)		(228,345)	(237,479)	(237,479)
(437,081)	(28,960)	---	(466,041)	(466,041)		(489,941)	(511,789)	(511,789)
(166,029)	---	---	(166,029)	(166,029)		(170,408)	(166,513)	(166,513)
(1,271,398)	(78,697)	---	(1,350,095)	(1,350,095)		(1,422,178)	(1,451,585)	(1,451,585)
283,395	---	-90	283,305	283,305		300,732	313,517	265,774
Distribution by Fund and Object								
Special Purpose:								
1,554,793	78,697 ^R	-90	1,633,400	1,633,400				
---	---	---	---	---	82	1,722,810	1,752,317	1,717,359
---	---	---	---	---	82	100	---	---
					82	---	12,785	---
Less:								
(1,271,398)	(78,697) ^R	---	(1,350,095)	(1,350,095)		(1,422,178)	(1,451,585)	(1,451,585)
283,395	---	-90	283,305	283,305		300,732	313,517	265,774

Notes -- Grants-In-Aid - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.
- (b) The appropriation for General Institutional Operations reflects a \$300,000 technical adjustment that moved the New Jersey EcoComplex funding from Rutgers, The State University to the Agricultural Experiment Station.
- (c) The appropriation for General Institutional Operations has been adjusted to include Teacher Preparation and the High Enrollment Growth Adjustment.

Language Recommendations -- Grants-In-Aid - General Fund

Of the sums hereinabove appropriated for Rutgers, The State University, \$180,000 is appropriated for the Masters in Government Accounting Program, \$105,000 is appropriated for the Tomato Technology Transfer Program, \$95,000 is appropriated for the Haskin Shellfish Research Laboratory, \$200,000 is appropriated for the Camden Law School Clinical Legal Programs for the Poor, \$200,000 is appropriated for the Newark Law School Clinical Legal Programs for the Poor, \$740,000 is appropriated for the Civic Square Project-Debt Service, \$75,000 is appropriated for the Walter Rand Institute for Public Affairs, \$700,000 is appropriated for In Lieu of Taxes to New Brunswick, \$500,000 is appropriated for capital projects or maintenance for Division of Intercollegiate Athletic facilities at Rutgers, New Brunswick, and \$135,000 is appropriated for E3CO, Inc. These accounts shall be considered special purpose appropriations for accounting and reporting purposes.

STATE

Receipts in excess of the amount hereinabove for the Clinical Legal Programs for the Poor, P.L.1996, c.52, are appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at Rutgers, The State University shall be 6,678.

From the amount hereinabove appropriated for Rutgers, The State University, \$90,000 is transferred to the Department of Agriculture, or any entity succeeding to the duties and functions of the Department of Agriculture, pursuant to separate legislation, and is appropriated for a grant to the New Jersey Museum of Agriculture.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

36. HIGHER EDUCATIONAL SERVICES

2415. AGRICULTURAL EXPERIMENT STATION

The New Jersey State Agricultural Experiment Station (RS 4:16-1) located at Rutgers, The State University, is the research and extension arm of the State of New Jersey for the study of the food, agricultural, marine, and environmental sciences and their application to the improvement of the human condition. The research mission is the discovery, application and dissemination of knowledge to promote the orderly development and management of human and natural resources. The mission of Rutgers Cooperative Extension is to plan, implement and evaluate learning experiences consistent with locally identified needs and within the expertise and goals of the organization, that will help individuals and families acquire the understanding, capabilities, attitudes, and

skills for solving problems. The research program is supported by federal formula funds, by State appropriations, and by grants and gifts from private and public sponsors. Rutgers Cooperative Extension program support is derived from federal formula and grant funds, and State and county appropriations.

The Agricultural Experiment Station utilizes facilities at the New Brunswick campus, at outlying centers at Adelphia, Bivalve, Branchville, Bridgeton, Chatsworth, Cream Ridge, Florence Township, Pittstown, and Upper Deerfield, and at extension offices in all of New Jersey's counties.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Separately Budgeted Research	\$16,711,000	\$16,711,000	\$18,107,000	---
Extension and Public Service	\$8,964,000	\$8,964,000	\$9,456,000	---
Special Purpose Appropriations				
Strategic Initiatives	\$900,000	\$900,000	\$900,000	\$900,000
Snyder Farm Planning and Operation	\$691,000	\$691,000	\$691,000	\$691,000
Fruit Research and Extension	\$500,000	\$500,000	\$500,000	\$500,000
Blueberry and Cranberry Research	\$250,000	\$250,000	\$250,000	\$250,000
New Jersey EcoComplex (a)	\$515,000	\$300,000	\$300,000	\$300,000
Food Innovation & Research & Extension Center	---	---	\$300,000	---

PERSONNEL DATA

Position Data

State-funded Positions	424	424	424	424
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Notes:

- (a) Formerly funded via Special Purpose language in Rutgers, The State University; funding transferred to Agricultural Experiment Station as of fiscal 2009.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID								
Distribution by Fund and Program								
80,274	3,912	---	84,186	84,186	Institutional Support	82	87,691	89,189
80,274	3,912	---	84,186	84,186	Total Grants-in-Aid		87,691^(a)	89,189
Less:								
(38,487)	(4,363)	---	(42,850)	(42,850)	Special Funds Income		(43,791)	(44,767)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID								
(6,520)	451	---	(6,069)	(6,069)				
(9,292)	---	---	(9,292)	(9,292)		(6,500)	(6,500)	(6,500)
(54,299)	(3,912)	---	(58,211)	(58,211)		(9,537)	(9,319)	(9,319)
						(59,828)	(60,586)	(60,586)
<u>25,975</u>	<u>---</u>	<u>---</u>	<u>25,975</u>	<u>25,975</u>		<u>27,863</u>	<u>28,603</u>	<u>24,807</u>
Distribution by Fund and Object								
Special Purpose:								
80,274	3,912 ^R	---	84,186	84,186				
---	---	---	---	---	82	87,391	88,149	85,393
---	---	---	---	---				
---	---	---	---	---	82	300	500	---
---	---	---	---	---	82	---	200	---
---	---	---	---	---	82	---	300	---
---	---	---	---	---				
					82	---	40	---
Less:								
(54,299)	(3,912) ^R	---	(58,211)	(58,211)		(59,828)	(60,586)	(60,586)
<u>25,975</u>	<u>---</u>	<u>---</u>	<u>25,975</u>	<u>25,975</u>		<u>27,863</u>	<u>28,603</u>	<u>24,807</u>
Grand Total State Appropriation								

Notes -- Grants-In-Aid - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.
- (b) The appropriation for General Institutional Operations reflects a \$300,000 technical adjustment that moved the New Jersey EcoComplex funding to the Agricultural Experiment Station from Rutgers, The State University.

Language Recommendations -- Grants-In-Aid - General Fund

Of the sums hereinabove appropriated for the New Jersey Agricultural Experiment Station, \$900,000 is appropriated for Strategic Initiatives Programs, \$250,000 is appropriated for Blueberry and Cranberry Research, \$691,000 is appropriated for the Snyder Farm Planning and Operation, \$300,000 is appropriated for the New Jersey EcoComplex, and \$500,000 is appropriated for Fruit Research. These accounts shall be considered special purpose appropriations for accounting and reporting purposes.

For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at the Agricultural Experiment Station shall be 424.

For the purpose of implementing the appropriations act for the current fiscal year, the fringe benefits for 126 positions, funded by the federal Hatch and Smith/Lever programs, are funded by the State.

Rutgers, The State University of New Jersey is authorized to reallocate appropriations from the General University to the Agricultural Experiment Station, as needed, to assure that there are sufficient funds in the Agricultural Experiment Station to meet federal requirements for the Hatch and Smith/Lever programs.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

36. HIGHER EDUCATIONAL SERVICES

2420. UNIVERSITY OF MEDICINE AND DENTISTRY OF NEW JERSEY

The University of Medicine and Dentistry of New Jersey (N.J.S. 18A:64C-1 et seq.) is governed by a Board of Trustees appointed by the Governor with Senate confirmation and administered by a President as Chief Executive Officer.

The University of Medicine and Dentistry of New Jersey is the State's university of the health sciences, with programs at five academic health center campuses and more than 200 educational and health care affiliates throughout the state. The University operates the State's three medical schools (two allopathic and one osteopathic), a dental school, and schools of biomedical sciences, health-related professions, nursing and public health. Its programs are centered in campuses in Camden, New Brunswick/Piscataway, Newark, Scotch Plains, and Stratford, and in communities

throughout the state. The University also operates University Hospital in Newark and two community mental health (behavioral) health care centers in Newark and Piscataway, which serve as both health care and teaching facilities.

The University is dedicated to the pursuit of excellence in: the undergraduate, graduate, postgraduate, and continuing education of health professionals and scientists; the conduct of biomedical, psychosocial, clinical, and public health research; health promotion, disease prevention and the delivery of health care; and service to its communities and the entire state. Through its programs and affiliations, the University seeks to meet the needs of its diverse communities and improve the health and quality of life of the citizens of New Jersey and society at large.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Institutional Support				
Student enrollment, Total (a)	4,861	4,712	4,821	4,891
New Jersey Medical School	700	674	708	701
Robert Wood Johnson Medical School, Camden	103	103	97	100
Robert Wood Johnson Medical School, Piscataway	506	512	531	538
School of Osteopathic Medicine	382	384	413	430
Graduate School of Biomedical Science (a)	597	629	678	678
New Jersey Dental School	373	398	407	443
School of Health Related Professions (b)	854	808	814	837
School of Public Health (c)	370	379	362	413
School of Nursing	976	825	811	751
Degree programs offered	81	83	88	90
Courses offered	2,380	2,429	2,446	2,468
Ratio: Student/Teaching Faculty	1.96/1	1.94/1	1.94/1	1.94/1
Students graduated (a)				
Physicians	397	400	400	400
Dentists	80	80	80	80
Health-related students	704	798	798	798
Other graduate degrees	184	211	211	211
Full-Time Tuition - Medical and Dental Students (Resident) . . .	\$21,390	\$22,246	\$23,136	---
Full-Time Tuition - Medical and Dental Students (Non-resident)	\$33,472	\$34,811	\$36,203	---
University Hospital				
Rated capacity (beds)	479	482	459	459
Hospital admissions, total	23,475	22,192	22,362	23,033
Hospital admissions, daily average	64	61	61	63
Average daily population	375	373	355	366
Patient days of service, total	136,889	136,070	129,700	133,591
Percent of occupancy	78.0%	77.0%	77.0%	80.0%
Average length of stay (days)	6.1	6.1	5.8	5.8
Outpatient and emergency visits, total	323,505	313,540	300,120	309,123
Outpatient and emergency visits, daily average	886	859	822	847
University Behavioral HealthCare at Piscataway				
Bed capacity	48	48	48	48
Hospital admissions, total	1,366	1,166	1,228	1,275
Hospital admissions, daily average	3.7	3.2	3.4	3.5
Average daily population	38.6	39.1	36.9	39.1
Patient days of service, total	14,079	14,276	13,474	14,280
Percent of occupancy	80%	85%	77%	82%
Average length of stay (days)	10.3	12.2	11.0	11.2
Outpatient and emergency visits, total	152,035	121,669	100,020	99,520
Outpatient and emergency visits, daily average (d)	585.0	468.0	385.0	383.0
University Behavioral HealthCare at Newark				
Outpatient and emergency visits, total	74,288	66,067	55,379	55,379
Outpatient and emergency visits, daily average (d)	286.0	254.0	213.0	213.0
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Instruction	\$181,867,591	\$180,085,968	\$198,307,247	---
Extension and Public Service	\$628,744,199	\$615,491,087	\$629,237,401	---
Academic Support	\$9,061,925	\$8,455,152	\$9,257,859	---
Student Services	\$14,748,303	\$16,724,457	\$15,404,742	---
Institutional Support	\$134,536,918	\$125,399,950	\$129,151,104	---
Physical Plant and Support Services	\$57,291,594	\$60,534,533	\$58,244,359	---
Special Purpose Appropriations				
Regional Health Education Center - Physical Plant	\$975,000	\$975,000	\$975,000	\$975,000
Dental Residency Program	\$750,000	\$750,000	\$750,000	\$750,000
Core Affiliate: Robert Wood Johnson Medical School, Piscataway	\$3,681,000	\$3,681,000	\$3,681,000	\$3,681,000

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Core Affiliate: New Jersey School of Osteopathic				
Medicine	\$2,002,000	\$2,002,000	\$2,002,000	\$2,002,000
Area Health Education Center	\$290,000	\$290,000	\$290,000	\$290,000
Debt Service - High Technology Initiative	\$2,089,000	\$2,089,000	\$2,089,000	\$2,089,000
Emergency Medical Service - Camden	\$800,000	\$800,000	\$800,000	\$800,000
Inflammatory Bowel Disease Center	\$100,000	\$100,000	\$100,000	\$100,000
Sexual Abuse Diagnostic Center	\$300,000	\$300,000	\$300,000	\$300,000
Graduate Medical Education	\$126,000	\$126,000	\$126,000	\$126,000
Violence Institute of New Jersey at UMDNJ	\$750,000	\$750,000	\$750,000	\$750,000
The Autism Center of New Jersey Medical School	\$160,000	\$160,000	\$160,000	\$160,000
Debt Service - School of Osteopathic Medicine Academic Center, Stratford	\$2,700,000	\$2,700,000	\$2,700,000	\$2,700,000
Debt Service - Robert Wood Johnson Medical School, Camden	\$4,000,000	\$7,800,000	\$7,800,000	\$7,800,000
Regional Health Education Center - Educational Units	\$525,000	\$525,000	\$525,000	\$525,000
University Hospital Debt Service - Equipment and Renovations	\$2,495,000	\$2,495,000	\$2,495,000	\$2,495,000
University Student Aid	\$4,919,000	\$4,919,000	\$4,919,000	\$4,919,000
Cancer Institute of New Jersey and Ancillary Facilities	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
Child Health Institute	\$1,700,000	\$1,700,000	\$1,700,000	\$1,700,000
Neuroscience Institute, Newark	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000

PERSONNEL DATA**Position Data**

State-funded Positions	5,545	5,545	5,545	5,545
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Notes:

- (a) Excludes graduate students of the Graduate School of Biomedical Sciences' joint program with Rutgers University.
 (b) School of Health Related Professions is based on FTE calculation and is net of joint programs.
 (c) School of Public Health does not include summer session.
 (d) University Behavioral HealthCare at Piscataway and Newark are open five days per week; therefore, daily average outpatient and emergency visits are based on 260 days per year.

APPROPRIATIONS DATA
 (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
					GRANTS-IN-AID			
					Distribution by Fund and Program			
1,453,648	-28,153	---	1,425,495	1,425,495	82	1,475,877	1,519,630	1,455,965
1,453,648	-28,153	---	1,425,495	1,425,495		1,475,877 (a)	1,519,630	1,455,965
					Less:			
---	(3,220)	---	(3,220)	(3,220)		(3,034)	---	---
(493,666)	43,018	---	(450,648)	(450,648)		(478,650)	(485,829)	(485,829)
(7,325)	858	---	(6,467)	(6,467)		(6,612)	(6,612)	(6,612)
(167,302)	(17,910)	---	(185,212)	(185,212)		(195,652)	(198,684)	(198,684)
(8,702)	(9,038)	---	(17,740)	(17,740)		(14,403)	(14,404)	(14,404)
(350,325)	14,445	---	(335,880)	(335,880)		(337,710)	(339,550)	(339,550)
(206,097)	---	---	(206,097)	(206,097)		(208,704)	(202,215)	(202,215)
(1,233,417)	28,153	---	(1,205,264)	(1,205,264)		(1,244,765)	(1,247,294)	(1,247,294)
220,231	---	---	220,231	220,231		231,112	272,336	208,671
					Distribution by Fund and Object			
					Special Purpose:			
1,446,948	-28,153 ^R	---	1,418,795	1,418,795	82	1,469,177	1,471,706	1,449,265
---	---	---	---	---	82	---	24,724	---

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID								
---	---	---	---	---	Research Faculty Development	82	---	---
5,000	---	---	5,000	5,000	Cancer Institute of New Jersey and Ancillary Facilities	82	5,000	5,000
1,700	---	---	1,700	1,700	Child Health Institute	82	1,700	1,700
<i>Less:</i>								
<u>(1,233,417)</u>	<u>28,153^R</u>	<u>---</u>	<u>(1,205,264)</u>	<u>(1,205,264)</u>	Income Deductions	<u>(1,244,765)</u>	<u>(1,247,294)</u>	<u>(1,247,294)</u>
<u>220,231</u>	<u>---</u>	<u>---</u>	<u>220,231</u>	<u>220,231</u>	Grand Total State Appropriation (b)	<u>231,112</u>	<u>272,336</u>	<u>208,671</u>

Notes -- Grants-In-Aid - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.
- (b) Per P.L.2007, c.168, the Governor's Council for Medical Research & Treatment of Infantile Autism was renamed as Governor's Council for Medical Research & Treatment of Autism and transferred to the Department of Health and Senior Services.

Language Recommendations -- Grants-In-Aid - General Fund

In addition to the sums hereinabove appropriated to the University of Medicine and Dentistry of New Jersey, all revenues from lease agreements between the university and contracted organizations are appropriated.

From the amount hereinabove appropriated for the University of Medicine and Dentistry of New Jersey, the Director of the Division of Budget and Accounting may transfer such amounts as deemed necessary to the Division of Medical Assistance and Health Services to maximize federal Medicaid funds.

The University of Medicine and Dentistry of New Jersey is authorized to operate its continuing medical-dental education program as a revolving fund and the revenue collected therefrom, and any unexpended balance therein, is retained for such fund.

Of the amounts hereinabove appropriated for the University of Medicine and Dentistry of New Jersey, there is allocated for Robert Wood Johnson Medical School-Camden for the purpose of faculty and affiliate hospital support only (a) the unexpended balances of the amounts appropriated for those purposes in the fiscal year 2007-2008 budget, and (b) an amount equal to that amount budgeted by the University of Medicine and Dentistry of New Jersey in its fiscal year 2007-2008 budget for the purpose of faculty and affiliate hospital support.

Of the sums hereinabove appropriated for the University of Medicine and Dentistry of New Jersey, \$100,000 is appropriated for the Inflammatory Bowel Disease Center, \$800,000 is appropriated for Emergency Medical Service-Camden, \$975,000 is appropriated for the Regional Health Education Center-Physical Plant, \$750,000 is appropriated for the Violence Institute of New Jersey at UMDNJ, \$525,000 is appropriated for the Regional Health Education Center-Educational Units, \$160,000 is appropriated for The Autism Center of New Jersey Medical School, \$290,000 is appropriated for the New Jersey Area Health Education Program, \$7,800,000 is appropriated for Debt Service-Robert Wood Johnson Medical School, Camden, \$5,000,000 is appropriated for Debt Service-Neuroscience Institute, Newark, and \$2,700,000 is appropriated for Debt Service-School of Osteopathic Medicine Academic Center, Stratford. These accounts shall be considered special purpose appropriations for accounting and reporting purposes.

For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at the University of Medicine and Dentistry of New Jersey shall be 5,545.

The unexpended balances at the end of the preceding fiscal year in the accounts hereinabove are appropriated for the purposes of the University of Medicine and Dentistry of New Jersey.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT**36. HIGHER EDUCATIONAL SERVICES****2430. NEW JERSEY INSTITUTE OF TECHNOLOGY**

Founded in 1881, New Jersey Institute of Technology (NJIT) has had a long history of offering professional education. Its engineering school was founded in 1919, and until 1975 the institution was known as Newark College of Engineering. The "New Jersey Institute of Technology Act of 1995" (N.J.S.A. 18A:64E) provides the statutory basis for NJIT as a public research university deemed essential and necessary to the welfare of the state and people of New Jersey.

NJIT is the State's Science and Technology University as demonstrated by the breadth of its programs and degrees. Fields of specialization include engineering, engineering technology, the sciences, architecture, mathematics, policy studies, management, statistics, actuarial science, computer and information science, and

a number of programs in liberal arts. Bachelors, masters and doctoral degrees, continuing professional education, and a substantial research effort all relate to fields of critical importance to the state's economy. Programs are offered at the main campus in Newark, at other sites throughout the state, and through distance education. Several degrees are offered jointly with Rutgers University and/or the University of Medicine and Dentistry of New Jersey.

The main campus comprises 45 acres containing 29 buildings with some 2.7 million square feet. The campus includes classroom and laboratory buildings, a library, five residence halls, a gymnasium, a synthetic turf soccer field, specialized research facilities, a 1,700-space parking deck, and administrative buildings.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Institutional Support				
Enrollment total	10,908	11,162	11,154	11,577
Enrollment total (Weighted) (a)	6,059	6,116	6,184	6,365
Undergraduate total	5,263	5,380	5,416	5,615
Undergraduate total (Weighted) (a)	4,145	4,167	4,199	4,331
Full-time	4,080	4,136	4,177	4,267
Full-time (Weighted) (a)	3,723	3,543	3,578	3,655
Part-time	1,183	1,244	1,239	1,348
Part-time (Weighted) (a)	422	624	621	676
Graduate total	2,795	2,829	2,860	3,002
Graduate total (Weighted) (a)	1,418	1,470	1,532	1,555
Full-time	1,431	1,569	1,641	1,651
Full-time (Weighted) (a)	966	1,053	1,101	1,108
Part-time	1,364	1,260	1,219	1,351
Part-time (Weighted) (a)	452	417	431	447
Extension and Public Service				
Enrollment	2,850	2,953	2,878	2,960
Enrollment (Weighted) (a)	496	479	453	479
Undergraduate	2,145	2,281	2,189	2,290
Undergraduate (Weighted) (a)	372	358	329	358
Graduate	705	672	689	670
Graduate (Weighted) (a)	124	121	124	121
Degree programs offered	93	93	93	117
Courses offered	3,315	3,380	3,365	3,447
Student credit hours produced	180,396	185,817	186,153	189,533
Degrees and Certificates Granted - Total	1,899	1,852	1,910	1,910
Ratio: Student/faculty (b)	12.7/1	13.0/1	13.0/1	13.0/1
Full-Time, First-Time, Degree-Seeking Freshmen who are				
Regular Admission Students	647	665	602	---
Average SAT Score - Math	603	600	612	---
Average SAT Score - Verbal	539	530	544	---
Average SAT Score - Total	1142	1130	1156	---
Outcomes Data (c)				
Third-Semester Retention Rates	80.3%	79.3%	---	---
Seven-Year Graduation Rates	65.3%	55.5%	---	---
Student Tuition and Fees				
Total Cost of Attendance (d)	\$22,622	\$24,788	\$25,450	---
Full-Time Undergraduate Tuition - State Residents	\$8,472	\$9,066	\$9,700	---
Full-Time Undergraduate Tuition - Non-State Residents ...	\$14,676	\$15,850	\$18,432	---
Full-Time Undergraduate Fees	\$1,350	\$1,440	\$1,650	---
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Instruction	\$53,918,000	\$57,200,000	\$60,700,000	---
Sponsored Programs and Research	\$3,639,000	\$3,900,000	\$4,100,000	---
Extension and Public Service	\$2,695,000	\$800,000	\$400,000	---
Academic Support	\$21,570,000	\$22,900,000	\$24,300,000	---
Student Services	\$14,418,000	\$15,300,000	\$16,200,000	---
Institutional Support	\$18,894,000	\$20,000,000	\$21,300,000	---
Physical Plant and Support Services	\$17,760,000	\$18,800,000	\$20,000,000	---
PERSONNEL DATA				
Position Data				
State-funded Positions	805	805	805	805

Notes:

- (a) Equated on the basis of 32 credit hours per undergraduate student and 24 credit hours per graduate student.
- (b) Calculated on the basis of authorized teaching positions (including adjunct faculty) and equated full-time (weighted) students.
- (c) As calculated by the Student Unit Record Enrollment (SURE) system.
- (d) As reported to the Higher Education Student Assistance Authority. Includes tuition, fees, room and board, transportation, and supplies.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
GRANTS-IN-AID									
Distribution by Fund and Program									
225,244	37,272	---	262,516	262,516	Institutional Support	82	272,392	346,859	266,854
<u>225,244</u>	<u>37,272</u>	<u>---</u>	<u>262,516</u>	<u>262,516</u>	Total Grants-in-Aid		272,392 (a)	346,859	266,854
Less:									
---	(5,081)	---	(5,081)	(5,081)	Receipts from Tuition Increase		(5,865)	---	---
(82,877)	(3,827)	---	(86,704)	(86,704)	General Services Income		(91,993)	(97,858)	(97,858)
(11,012)	(1,001)	---	(12,013)	(12,013)	Auxiliary Funds Income		(11,372)	(11,372)	(11,372)
(58,850)	(27,363)	---	(86,213)	(86,213)	Special Funds Income		(88,816)	(88,816)	(88,816)
(25,323)	---	---	(25,323)	(25,323)	Employee Fringe Benefits		(25,248)	(26,123)	(26,123)
<u>(178,062)</u>	<u>(37,272)</u>	<u>---</u>	<u>(215,334)</u>	<u>(215,334)</u>	Total Income Deductions		(223,294)	(224,169)	(224,169)
<u>47,182</u>	<u>---</u>	<u>---</u>	<u>47,182</u>	<u>47,182</u>	Total State Appropriation		49,098	122,690	42,685
Distribution by Fund and Object									
Special Purpose:									
225,244	37,272 ^R	---	262,516	262,516	General Institutional Operations	82	272,392	273,267	266,854
---	---	---	---	---	Graduate Assistant Health Insurance Plan	82	---	3,592	---
---	---	---	---	---	New Jersey Center for Science and Technology Education	82	---	70,000	---
Less:									
<u>(178,062)</u>	<u>(37,272) ^R</u>	<u>---</u>	<u>(215,334)</u>	<u>(215,334)</u>	Income Deductions		(223,294)	(224,169)	(224,169)
<u>47,182</u>	<u>---</u>	<u>---</u>	<u>47,182</u>	<u>47,182</u>	Grand Total State Appropriation		49,098	122,690	42,685

Notes -- Grants-In-Aid - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Grants-In-Aid - General Fund

For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at the New Jersey Institute of Technology shall be 805.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT**36. HIGHER EDUCATIONAL SERVICES****2440. THOMAS A. EDISON STATE COLLEGE**

The College was founded on July 1, 1972 and was officially established as the ninth State College under the terms of the State College Law (N.J.S.A. 18A:62-1 et seq.) on May 18, 1973. The management of the College is vested in its Board of Trustees, appointed by the Governor, subject to the approval of the Senate.

The mission of Edison State College is to evaluate college-level learning, regardless of its source. To achieve this mission, the College has been authorized:

To award college credit through college proficiency examinations, the assessment of prior learning and/or the evaluation of transfer credits and special credentials, and to award associate, baccalaureate and masters degrees to individuals who have met the degree requirements as established by the Academic Council of the College.

To develop and administer the Thomas A. Edison State College examination and Portfolio Assessment Programs as basic means through which Edison students may satisfy degree requirements.

To encourage the availability of college-level learning opportunities through cooperation with all types of institutions that are now

providing, or have the potential to provide, college-level learning experiences outside the traditional modes of higher education. In developing these cooperative arrangements, Edison State College will not provide instruction directly but will award credit for such educational experiences either through the evaluation of noncollegiate programs or the direct testing of student learning outcomes.

To develop linkages with or create educational delivery systems built around contemporary telecommunications technology, which will provide the distant learner with (1) information and guidance on educational opportunities, (2) modes of support for independent study and assessment, and (3) access to media-based instruction and testing.

The College maintains four facilities in Trenton, which are open to all residents who wish information and advice concerning educational opportunities available to them within the State system of higher education.

An affiliation between the State Library and Thomas A. Edison State College was created by P.L.2001, c.137, effective July 2, 2001. The New Jersey State Library has over 1.9 million holdings

and the most extensive Jerseyana collection in the state. The State Library is charged by legislation with providing leadership and management of State and federal grants to over 300 public libraries throughout the state and ensures access to information for all residents of the state. The State Library has two sites: the main

library next to the State House and the specially equipped Library for the Blind and Handicapped on Stuyvesant Avenue, which provides library services to over 15,000 visually or physically impaired citizens.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Institutional Support				
Degree students	13,173	16,424	16,588	16,754
Non-degree students	2,369	2,369	2,393	2,417
Degree Programs Offered	15	16	17	18
Associate degree specialization options	68	68	68	68
Baccalaureate degree specialization options	97	97	98	98
Masters degree specialization options	4	4	5	6
Degrees Granted	1,942	2,217	2,239	2,262
Associate	271	398	403	407
Baccalaureate	1,602	1,734	1,747	1,764
Masters	69	85	89	91
Examinations and assessments of experiential learning	4,911	3,952	3,912	3,873
Individuals receiving educational and career counseling	73,430	76,567	77,333	78,106
PERSONNEL DATA				
Position Data				
State Supported	239	239	239	239

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended	
					<u>GRANTS-IN-AID</u>				
					Distribution by Fund and Program				
36,758	545	---	37,303	37,303	Institutional Support	82	44,465	45,585	44,190
<u>36,758</u>	<u>545</u>	<u>---</u>	<u>37,303</u>	<u>37,303</u>	<i>Total Grants-in-Aid</i>		<u>44,465</u> ^(a)	<u>45,585</u>	<u>44,190</u>
					<i>Less:</i>				
(527)	244	---	(283)	(283)	Fee Increase		(1,172)	---	---
(11,203)	(1,234)	---	(12,437)	(12,437)	Self Sustaining Income		(21,265)	(22,437)	(22,437)
(13,164)	445	---	(12,719)	(12,719)	General Services Income		(10,518)	(10,518)	(10,518)
(5,655)	---	---	(5,655)	(5,655)	Employee Fringe Benefits		(5,558)	(5,878)	(5,878)
<u>(30,549)</u>	<u>(545)</u>	<u>---</u>	<u>(31,094)</u>	<u>(31,094)</u>	<i>Total Income Deductions</i>		<u>(38,513)</u>	<u>(38,833)</u>	<u>(38,833)</u>
<u>6,209</u>	<u>---</u>	<u>---</u>	<u>6,209</u>	<u>6,209</u>	<i>Total State Appropriation</i>		<u>5,952</u>	<u>6,752</u>	<u>5,357</u>
					Distribution by Fund and Object				
					Special Purpose:				
36,444	545 ^R	---	36,989	36,989	General Institutional Operations	82	44,465	44,785	44,190
---	---	---	---	---	Base Budget Increase for Enrollment Growth	82	---	300	---
314	---	---	314	314	The John S. Watson Institute for Public Policy	82	---	500	---
					<i>Less:</i>				
<u>(30,549)</u>	<u>(545) ^R</u>	<u>---</u>	<u>(31,094)</u>	<u>(31,094)</u>	<i>Income Deductions</i>		<u>(38,513)</u>	<u>(38,833)</u>	<u>(38,833)</u>
<u>6,209</u>	<u>---</u>	<u>---</u>	<u>6,209</u>	<u>6,209</u>	<i>Grand Total State Appropriation</i>		<u>5,952</u>	<u>6,752</u>	<u>5,357</u>

Notes -- Grants-In-Aid - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Grants-In-Aid - General Fund

For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at Thomas A. Edison State College shall be 239.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT
36. HIGHER EDUCATIONAL SERVICES
2445. ROWAN UNIVERSITY

Rowan University was founded in 1923, and on September 1, 1992, was renamed from Glassboro State College to Rowan College of New Jersey. The renaming was an expression of appreciation to Henry and Betty Rowan for an exceptional gift of \$100 million dollars. In 1997, the institution gained university status. The University offers 77 degree programs in six colleges: Business, Communication, Education, Engineering, Fine and Performing Arts, and Liberal Arts and Science. A doctoral program in Educational Leadership was approved in the spring of 1997 and admitted students later that year. The operation and management of the University is vested in the Board of Trustees (N.J.S. 18A:64-1 et seq.).

The University's main campus is located in Glassboro on 200 acres. A branch campus is located in Camden. In 2002, Rowan

University was selected by the State of New Jersey as the location of the South Jersey Technology Park; a facility for the Park is currently under construction. In 2001, the University embarked on a 10-year campus improvement and expansion plan that included the acquisition of more than 500 acres of land, the construction of new buildings for the sciences and education, and the renovation of many of the existing buildings.

The University's history includes the use of its then-president's home, Hollybush, as the site of the Johnson-Kosygin summit conference in 1967, an event that is often cited as essential to the easing of the tensions between the U.S. and the U.S.S.R. that had brought the two nuclear powers to the brink of war just a few years earlier.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Institutional Support				
Enrollment total	9,522	9,585	9,694	9,694
Enrollment total (Weighted) (a)	7,684	7,728	7,798	7,798
Undergraduate total	8,312	8,366	8,471	8,471
Undergraduate total (Weighted) (a)	7,111	7,157	7,219	7,219
Full-time	7,033	7,087	7,151	7,151
Full-time (Weighted) (a)	6,593	6,644	6,704	6,704
Part-time	1,279	1,279	1,320	1,320
Part-time (Weighted) (a)	518	513	515	515
Graduate Total	1,172	1,148	1,160	1,160
Graduate total (Weighted) (a)	535	510	516	516
Full-Time	187	211	220	220
Full-time (Weighted) (a)	187	211	220	220
Part-time	985	937	940	940
Part-time (Weighted) (a)	348	299	296	296
Doctoral Total	38	71	63	63
Doctoral (Weighted) (a)	38	61	63	63
Degree programs offered	76	77	77	77
Courses offered	1,600	1,625	1,625	1,625
Degrees granted				
Bachelors	1,919	1,923	1,900	1,900
Masters	370	330	350	350
Doctoral	3	3	3	3
Ratio: Student/faculty (b)	15.3/1	15.3/1	15.3/1	15.3/1

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Extension and Public Service				
Enrollment	3,474	3,128	3,165	3,165
Enrollment (Weighted) (a)	592	511	508	508
Summer undergraduate	2,223	2,004	1,975	1,975
Summer undergraduate (Weighted) (a)	366	322	315	315
Summer graduate	792	785	750	750
Summer graduate (Weighted) (a)	159	135	128	128
Summer doctoral	31	43	40	40
Summer doctoral (Weighted) (a)	12	16	15	15
Part-time and extension (off-campus)	428	296	400	400
Part-time and extension (off-campus) (Weighted) (a)	55	38	50	50
Program Revenue	\$4,958,388	\$5,144,316	\$4,978,789	\$4,978,789
Full-Time, First-Time, Degree-Seeking Freshmen who are				
Regular Admission Students	979	1,066	1,047	---
Average SAT Score - Math	588	575	590	---
Average SAT Score - Verbal	570	543	566	---
Average SAT Score - Total	1158	1118	1156	---
Outcomes Data (c)				
Third-Semester Retention Rates	85.1%	85.7%	---	---
Six-Year Graduation Rates	65.8%	63.6%	---	---
Student Tuition and Fees				
Total Cost of Attendance (d)	\$19,449	\$20,972	\$22,003	---
Full-Time Undergraduate Tuition - State Residents	\$6,294	\$6,798	\$7,308	---
Full-Time Undergraduate Tuition - Non-State Residents ...	\$12,588	\$13,596	\$14,616	---
Full-Time Undergraduate Fees	\$2,313	\$2,532	\$2,760	---
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Instruction	\$62,463,661	\$67,509,737	\$72,170,670	---
Sponsored Programs	\$2,086,789	\$2,182,968	\$2,200,000	---
Academic Support	\$14,980,599	\$15,732,849	\$16,858,143	---
Student Services	\$13,350,295	\$13,879,752	\$14,969,772	---
Institutional Support	\$24,465,564	\$25,404,522	\$28,675,567	---
Physical Plant and Support Services	\$18,523,125	\$19,251,648	\$19,169,138	---
Special Purpose Appropriations				
Camden Urban Center	\$215,000	\$215,000	\$215,000	\$215,000
Debt Service	\$13,908,000	\$14,065,000	\$15,063,000	\$15,063,000
School of Engineering	\$500,000	\$500,000	\$500,000	\$500,000
PERSONNEL DATA				
Position Data				
State-funded Positions	877	877	877	877

Notes:

- (a) Equated on the basis of 32 credit hours per undergraduate student, 24 credit hours per graduate student, and 16 credit hours per doctoral student.
- (b) Calculated on the basis of budgeted teaching positions (including adjunct faculty) and equated full-time (weighted) students.
- (c) As calculated by the Student Unit Record Enrollment (SURE) system.
- (d) As reported to the Higher Education Student Assistance Authority. Includes tuition, fees, room and board, transportation, and supplies.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
GRANTS-IN-AID									
Distribution by Fund and Program									
197,328	4,364	---	201,692	201,692	Institutional Support	82	210,195	213,126	206,645
197,328	4,364	---	201,692	201,692	Total Grants-in-Aid		210,195 (a)	213,126	206,645
Less:									
---	(4,458)	---	(4,458)	(4,458)	Receipts from Tuition Increase		(4,547)	---	---
(81,701)	2,418	---	(79,283)	(79,283)	General Services Income		(81,190)	(85,737)	(85,737)
(28,090)	(1,400)	---	(29,490)	(29,490)	Auxiliary Funds Income		(32,560)	(32,560)	(32,560)
(26,000)	(924)	---	(26,924)	(26,924)	Special Funds Income		(27,500)	(27,500)	(27,500)
(25,049)	---	---	(25,049)	(25,049)	Employee Fringe Benefits		(25,719)	(26,145)	(26,145)
(160,840)	(4,364)	---	(165,204)	(165,204)	Total Income Deductions		(171,516)	(171,942)	(171,942)
36,488	---	---	36,488	36,488	Total State Appropriation		38,679	41,184	34,703
Distribution by Fund and Object									
Special Purpose:									
197,328	4,364 ^R	---	201,692	201,692	General Institutional Operations (b)	82	210,195	210,621	206,645
---	---	---	---	---	Campus Safety and Security	82	---	505	---
---	---	---	---	---	New Faculty	82	---	850	---
---	---	---	---	---	Physical Plant Improvement	82	---	1,150	---
Less:									
(160,840)	(4,364) ^R	---	(165,204)	(165,204)	Income Deductions		(171,516)	(171,942)	(171,942)
36,488	---	---	36,488	36,488	Grand Total State Appropriation		38,679	41,184	34,703

Notes -- Grants-In-Aid - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

(b) The appropriation for General Institutional Operations has been adjusted to include Teacher Preparation and the High Enrollment Growth Adjustment.

Language Recommendations -- Grants-In-Aid - General Fund

Of the sums hereinabove appropriated for Rowan University, \$500,000 is appropriated for the School of Engineering and \$215,000 is appropriated for the Camden Urban Center. These accounts shall be considered special purpose appropriations for accounting and reporting purposes.

For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at Rowan University shall be 877.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT**36. HIGHER EDUCATIONAL SERVICES****2450. NEW JERSEY CITY UNIVERSITY**

New Jersey City University, formerly Jersey City State College, is located in Hudson County. Dedicated to programs designed to meet the complex economic, social, and educational problems of the urban metropolitan area, the University's campus includes 15 acres of athletic fields, three gymnasiums, a swimming pool, modern dance studios, three auditoriums, and 119 classrooms and laboratories.

Special features of the campus include Fries Hall, which houses a full color, broadcast-quality television studio, a radio and audio production studio, a computer graphics production studio, and an animation laboratory; the Thomas M. Gerrity Athletic Complex; the Congressman Frank J. Guarini Library; the A. Harry Moore Laboratory School for Special Education, which provides children with severe disabilities a comprehensive public education, supplemented by physical, occupational, recreational, and speech therapies; the John J. Moore Athletics and Fitness Center; the Peter

D. Rodino Institute of Criminal Justice; the University Academy Charter High School; and the Margaret Williams Theater for the Performing Arts, which is located in Hepburn Hall.

The West Side Theatre, a 130-seat "black box" type performance space modeled after a typical Off-Broadway venue, opened in 2004; this theatre is the home of the Actors Shakespeare Company, a professional ensemble of actors dedicated to the study and production of Shakespeare and other classic works.

During the fall of 2006, the University opened the 77,000 square foot Arts and Science Tower. In addition to housing the School of Arts and Science's ten academic departments and the Office of the Dean of Arts and Science, this six-story facility features 14 general use classrooms, 10 computer labs, and undergraduate housing.

In the spring of 2008, the University expects to complete the renovation of the Michael B. Gilligan Student Union Building.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Institutional Support				
Enrollment total	8,583	8,197	8,111	8,111
Enrollment total (Weighted) (a)	5,420	5,454	5,414	5,414
Undergraduate total	6,000	5,999	6,025	6,025
Undergraduate total (Weighted) (a)	4,300	4,472	4,488	4,488
Full-time	4,080	4,177	4,216	4,216
Full-time (Weighted) (a)	3,526	3,728	3,722	3,722
Part-time	1,920	1,822	1,809	1,809
Part-time (Weighted) (a)	774	744	766	766
Graduate Total	2,583	2,198	2,086	2,086
Graduate total (Weighted) (a)	1,120	982	926	926
Full-time	102	390	362	362
Full-time (Weighted) (a)	109	342	316	316
Part-time	2,481	1,808	1,724	1,724
Part-time (Weighted) (a)	1,011	640	610	610
Degree programs offered	55	60	60	60
Courses offered	1,741	1,736	1,764	1,764
Degrees granted				
Bachelors	879	922	985	985
Masters	636	636	636	636
Ratio: Student/faculty (b)	14/1	14/1	13/1	13/1
A. Harry Moore Laboratory School				
Students enrolled	190	190	142	142
Orthopedic (includes cerebral palsied)	2	2	5	5
Multiple Disabilities	135	135	120	120
Cognitive -- Moderate	23	23	8	8
Preschool Disabilities	30	30	9	9
Extension and Public Service				
Enrollment	5,448	5,070	3,986	3,986
Enrollment (Weighted) (a)	747	854	898	898
Summer undergraduate	3,750	3,490	3,456	3,456
Summer undergraduate (Weighted) (a)	501	479	623	623
Summer graduate	1,698	1,580	530	530
Summer graduate (Weighted) (a)	246	375	275	275
Program Revenue	\$5,929,252	\$5,929,252	\$4,588,575	\$4,588,575
Full-Time, First-Time, Degree-Seeking Freshmen who are				
Regular Admission Students	463	478	464	---
Average SAT Score - Math	473	456	470	---
Average SAT Score - Verbal	471	453	463	---
Average SAT Score - Total	944	909	933	---
Outcomes Data (c)				
Third-Semester Retention Rates	79.2%	72.8%	---	---
Six-Year Graduation Rates	31.2%	29.2%	---	---
Student Tuition and Fees				
Total Cost of Attendance (d)	\$20,426	\$21,674	\$22,744	---
Full-Time Undergraduate Tuition - State Residents	\$5,190	\$5,600	\$5,936	---
Full-Time Undergraduate Tuition - Non-State Residents	\$10,230	\$11,400	\$12,540	---
Full-Time Undergraduate Fees	\$1,856	\$1,937	\$2,219	---
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Instruction	\$44,833,416	\$47,014,586	\$49,301,871	---
Academic Support	\$10,621,980	\$11,616,836	\$12,704,870	---
Student Services	\$12,280,259	\$11,746,441	\$11,235,828	---
Institutional Support	\$18,960,420	\$18,939,390	\$18,918,383	---
Public Service	\$4,646	\$500	\$54	---
Student Aid	\$17,992,038	\$19,423,899	\$20,969,713	---
Physical Plant and Support Services	\$11,638,790	\$13,033,950	\$14,956,349	---

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Special Purpose Appropriations				
Separately Budgeted Research	\$85,000	\$85,000	\$85,000	\$85,000
College Work Study Program (State Share)	\$120,000	\$120,000	\$120,000	\$120,000
A. Harry Moore Laboratory School	\$1,078,000	\$1,078,000	\$1,078,000	\$1,078,000
Tidelands Athletic Fields	\$145,000	\$145,000	\$145,000	\$145,000
National Direct Student Loan (State Share)	\$20,000	\$20,000	\$20,000	\$20,000
Affirmative Action and Equal Employment Opportunity	\$110,000	\$110,000	\$110,000	\$110,000

PERSONNEL DATA**Position Data**

State-funded Positions	784	784	784	784
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Notes:

- (a) Equated on the basis of 32 credit hours per undergraduate student and 24 credit hours per graduate student.
 (b) Calculated on the basis of budgeted teaching positions (including adjunct faculty) and equated full-time (weighted) students.
 (c) As calculated by the Student Unit Record Enrollment (SURE) system.
 (d) As reported to the Higher Education Student Assistance Authority. Includes tuition, fees, room and board, transportation, and supplies.

APPROPRIATIONS DATA
 (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID									
Distribution by Fund and Program									
121,166	-164	---	121,002	121,002	Institutional Support	82	126,934	136,498	124,536
121,166	-164	---	121,002	121,002	Total Grants-in-Aid		126,934 (a)	136,498	124,536
Less:									
---	(3,176)	---	(3,176)	(3,176)	Receipts from Tuition Increase		(4,187)	---	---
(36,157)	3,992	---	(32,165)	(32,165)	General Services Income		(36,040)	(40,227)	(40,227)
(5,305)	(263)	---	(5,568)	(5,568)	A.H. Moore Program Receipts		(5,825)	(5,825)	(5,825)
(5,684)	(496)	---	(6,180)	(6,180)	Auxiliary Funds Income		(6,598)	(6,598)	(6,598)
(21,978)	107	---	(21,871)	(21,871)	Special Funds Income		(20,073)	(20,073)	(20,073)
(21,059)	---	---	(21,059)	(21,059)	Employee Fringe Benefits		(21,323)	(22,294)	(22,294)
(90,183)	164	---	(90,019)	(90,019)	Total Income Deductions		(94,046)	(95,017)	(95,017)
30,983	---	---	30,983	30,983	Total State Appropriation		32,888	41,481	29,519
Distribution by Fund and Object									
Special Purpose:									
121,166	-164 R	---	121,002	121,002	General Institutional Operations (b)	82	126,934	127,905	124,536
---	---	---	---	---	Academic and Workforce Initiatives	82	---	1,655	---
---	---	---	---	---	Expanding Retention/Gradua- tion Initiatives	82	---	1,000	---
---	---	---	---	---	Engagement With K-12	82	---	140	---
---	---	---	---	---	Economic and Cultural Development	82	---	115	---
---	---	---	---	---	Restoration of Base Funding	82	---	2,534	---
---	---	---	---	---	Increased Involvement of Alumni	82	---	310	---
---	---	---	---	---	Maintenance and Renewal	82	---	2,839	---
Less:									
(90,183)	164 R	---	(90,019)	(90,019)	Income Deductions		(94,046)	(95,017)	(95,017)
30,983	---	---	30,983	30,983	Grand Total State Appropriation		32,888	41,481	29,519

Notes -- Grants-In-Aid - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.
 (b) The appropriation for General Institutional Operations has been adjusted to include Teacher Preparation and the High Enrollment Growth Adjustment.

Language Recommendations -- Grants-In-Aid - General Fund

Of the sums hereinabove appropriated for New Jersey City University, \$1,078,000 is appropriated for the A. Harry Moore Laboratory School and \$145,000 is appropriated for Tidelands Athletic Fields. These accounts shall be considered special purpose appropriations for accounting and reporting purposes.

For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at New Jersey City University shall be 784.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT**36. HIGHER EDUCATIONAL SERVICES****2455. KEAN UNIVERSITY**

Kean University is a public, State-supported, four-year coeducational institution of higher education, located in Union Township, in the north central part of the state, minutes from the Garden State Parkway and close to public transportation. The University is situated on a 122-acre main campus and includes a six-acre woodlands preserve. In 1855, the University was founded by and built in the city of Newark. For more than a century, its accomplishments and reputation were primarily associated with contributions made in the area of teacher education. In 1913, it became a State institution. In 1958, the institution relocated to property that was part of the Kean estate, its current location. In 1997, the institution gained university status and changed its name from Kean College of New Jersey to Kean University.

The main campus currently contains 36 structures, including modern classroom buildings, a science complex, a theater for the performing arts seating 1,000, a library, a child study institute, athletic and recreational facilities, student apartments, and a student center. The 29-acre east campus, which is a short distance from the main campus, includes athletic fields, recreation facilities, and certain student and academic support programs, while the Liberty Hall Museum complex, located directly across Morris Avenue, consists of six structures on 26 acres, and houses invaluable and irreplaceable historical documents and artifacts.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Institutional Support				
Enrollment total	12,679	12,847	12,847	12,847
Enrollment total (Weighted) (a)	9,122	9,235	9,235	9,235
Undergraduate total	9,727	9,804	9,804	9,804
Undergraduate total (Weighted) (a)	7,716	7,786	7,786	7,786
Full-time	7,305	7,358	7,358	7,358
Full-time (Weighted) (a)	6,749	6,804	6,804	6,804
Part-time	2,422	2,446	2,446	2,446
Part-time (Weighted) (a)	967	982	982	982
Graduate total	2,952	3,043	3,043	3,043
Graduate total (Weighted) (a)	1,406	1,449	1,449	1,449
Full-time	604	628	628	628
Full-time (Weighted) (a)	583	609	609	609
Part-time	2,348	2,415	2,415	2,415
Part-time (Weighted) (a)	823	840	840	840
Degree programs offered	81	84	84	84
Courses offered	2,673	2,686	2,686	2,686
Degrees Granted				
Bachelors	1,860	1,912	1,912	1,912
Masters	680	643	643	643
Ratio: Student/faculty (b)	15/1	15/1	15/1	15/1
Extension and Public Service				
Enrollment	3,309	3,368	3,368	3,368
Enrollment (Weighted) (a)	990	988	988	988
Summer undergraduate	2,509	2,548	2,548	2,548
Summer undergraduate (Weighted) (a)	750	745	745	745
Summer graduate	800	820	820	820
Summer graduate (Weighted) (a)	240	243	243	243
Program Revenue	\$5,591,880	\$6,112,466	\$6,596,832	\$6,596,832
Full-Time, First-Time, Degree-Seeking Freshmen who are Regular Admission Students	882	897	967	---
Average SAT Score - Math	507	508	494	---
Average SAT Score - Verbal	493	482	475	---
Average SAT Score - Total	1000	990	969	---

STATE

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Outcomes Data (c)				
Third-Semester Retention Rates	74.8%	76.9%	---	---
Six-Year Graduation Rates	43.2%	41.2%	---	---
Student Tuition and Fees				
Total Cost of Attendance (d)	\$19,163	\$20,458	\$21,280	---
Full-Time Undergraduate Tuition - State Residents	\$4,898	\$5,243	\$5,550	---
Full-Time Undergraduate Tuition - Non-State Residents ...	\$7,530	\$8,070	\$9,690	---
Full-Time Undergraduate Fees	\$2,609	\$2,793	\$2,955	---

OPERATING DATA

Institutional Support

Institutional Expenditures

Instruction	\$72,588,000	\$74,691,000	\$78,309,000	---
Sponsored Programs and Research	\$998,000	\$700,000	\$737,000	---
Extension and Public Service	\$2,450,000	\$2,605,000	\$2,757,000	---
Academic Support	\$4,087,000	\$4,389,000	\$4,923,000	---
Student Services	\$14,492,000	\$15,072,000	\$16,409,000	---
Institutional Support	\$32,469,000	\$30,244,000	\$32,817,000	---
Physical Plant and Support Services	\$21,546,000	\$23,962,000	\$24,613,000	---
Special Purpose Appropriations	\$3,131,000	\$3,332,000	\$3,528,000	---
Emerging Needs/Academic Initiatives	\$180,000	\$180,000	\$180,000	\$180,000

PERSONNEL DATA

Position Data

State Supported	888	888	888	888
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Notes:

- (a) Equated on the basis of 32 credit hours per undergraduate student and 24 credit hours per graduate student.
- (b) Calculated on the basis of budgeted teaching positions (including adjunct faculty) and equated full-time (weighted) students.
- (c) As calculated by the Student Unit Record Enrollment (SURE) system.
- (d) As reported to the Higher Education Student Assistance Authority. Includes tuition, fees, room and board, transportation, and supplies.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended	
					Prog. Class.				
GRANTS-IN-AID									
Distribution by Fund and Program									
160,231	15,968	---	176,199	176,199	Institutional Support	82	183,551	186,396	179,014
160,231	15,968	---	176,199	176,199	Total Grants-in-Aid		183,551 (a)	186,396	179,014
Less:									
---	(8,601)	---	(8,601)	(8,601)	Receipts from Tuition Increase		(9,513)	---	---
(59,069)	(6,709)	---	(65,778)	(65,778)	General Services Income		(66,808)	(76,321)	(76,321)
(12,974)	690	---	(12,284)	(12,284)	Auxiliary Funds Income		(13,650)	(13,650)	(13,650)
(26,700)	(1,348)	---	(28,048)	(28,048)	Special Funds Income		(28,888)	(28,888)	(28,888)
(21,845)	---	---	(21,845)	(21,845)	Employee Fringe Benefits		(22,157)	(22,102)	(22,102)
(120,588)	(15,968)	---	(136,556)	(136,556)	Total Income Deductions		(141,016)	(140,961)	(140,961)
39,643	---	---	39,643	39,643	Total State Appropriation		42,535	45,435	38,053
Distribution by Fund and Object									
Special Purpose:									
160,231	15,968 R	---	176,199	176,199	General Institutional Operations (b)	82	182,801	182,746	178,264
---	---	---	---	---	Faculty in Science and Mathematics Education	82	---	1,550	---

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
---	---	---	---	---				
---	---	---	---	---				
(120,588)	(15,968) ^R	---	(136,556)	(136,556)				
<u>39,643</u>	<u>---</u>	<u>---</u>	<u>39,643</u>	<u>39,643</u>				
					GRANTS-IN-AID			
					Liberty Hall Preservation and Restoration	82	750	1,350
					Deferred Maintenance	82	---	750
					Less:			
					Income Deductions		(141,016)	(140,961)
					Grand Total State Appropriation		<u>42,535</u>	<u>45,435</u>
								<u>38,053</u>

Notes -- Grants-In-Aid - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.
- (b) The appropriation for General Institutional Operations has been adjusted to include Teacher Preparation and the High Enrollment Growth Adjustment.

Language Recommendations -- Grants-In-Aid - General Fund

Of the sums hereinabove appropriated for Kean University, \$180,000 is appropriated for Emerging Needs/Academic Initiatives. This account shall be considered a special purpose appropriation for accounting and reporting purposes.

For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at Kean University shall be 888.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

36. HIGHER EDUCATIONAL SERVICES

2460. WILLIAM PATERSON UNIVERSITY OF NEW JERSEY

The William Paterson University of New Jersey, founded in Paterson in 1855, was relocated in 1951 to the Boroughs of Wayne, Haledon, and North Haledon, Passaic County. The management of the University is vested in its Board of Trustees appointed by the Governor, subject to the approval of the Senate. The college offers 35 baccalaureate and 19 master's degree programs through five colleges: Arts and Communication, Christos M. Cotsakos College of Business, Education, Humanities and Social Sciences, and Science and Health.

Located on three sites totalling 370 acres, the University has 39 major buildings that house television studios; modern science facilities and laboratories; computer graphics laboratories and art galleries; fine arts studios; a 900-seat theater; classrooms; an academic/administrative computer center; a gymnasium and athletic fields; a competition-size swimming pool; a library; an alumni house; an electronic financial trading room for academic instruction; and the Russ Berrie Institute for Professional Sales. Other facilities include a student center, multipurpose recreation center, newly renovated athletic fields with artificial turf surfaces, and campus residences for approximately 2,663 students.

EVALUATION DATA

PROGRAM DATA	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Institutional Support				
Enrollment total	10,546	10,219	10,124	10,124
Enrollment total (Weighted) (a)	8,103	7,768	7,699	7,699
Undergraduate total	8,739	8,594	8,490	8,490
Undergraduate total (Weighted) (a)	7,352	7,060	6,981	6,981
Full-time	7,161	6,879	6,804	6,804
Full-time (Weighted) (a)	6,692	6,365	6,294	6,294
Part-time	1,578	1,715	1,686	1,686
Part-time (Weighted) (a)	660	695	687	687
Graduate total	1,807	1,625	1,634	1,634
Graduate total (Weighted) (a)	751	708	718	718
Full-time	362	301	303	303
Full-time (Weighted) (a)	281	255	259	259
Part-time	1,445	1,324	1,331	1,331
Part-time (Weighted) (a)	470	453	459	459
Degree programs offered	51	51	54	54
Courses offered	2,367	2,344	2,354	2,356

STATE

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Degrees Granted				
Bachelors	1,662	1,682	1,682	1,682
Masters	275	305	305	305
Ratio: Student/faculty (b)	14.7/1	15.7/1	15.7/1	15.7/1
Extension and Public Service				
Enrollment	5,160	4,969	4,969	4,969
Enrollment (Weighted) (a)	708	678	678	678
Summer undergraduate	3,966	3,871	3,871	3,871
Summer undergraduate (Weighted) (a)	553	525	525	525
Summer graduate	1,194	1,098	1,098	1,098
Summer graduate (Weighted) (a)	155	153	153	153
Program Revenue	\$4,066,000	\$4,265,000	\$4,478,000	\$4,478,000
Full-Time, First-Time, Degree-Seeking Freshmen who are Regular Admission Students	944	846	934	---
Average SAT Score - Math	528	519	523	---
Average SAT Score - Verbal	520	505	511	---
Average SAT Score - Total	1048	1024	1034	---
Outcomes Data (c)				
Third-Semester Retention Rates	76.5%	75.0%	---	---
Six-Year Graduation Rates	50.6%	46.6%	---	---
Student Tuition and Fees				
Total Cost of Attendance (d)	\$19,519	\$22,289	\$23,751	---
Full-Time Undergraduate Tuition - State Residents	\$5,358	\$5,782	\$6,072	---
Full-Time Undergraduate Tuition - Non-State Residents ...	\$10,474	\$11,730	\$12,318	---
Full-Time Undergraduate Fees	\$3,382	\$3,740	\$3,924	---

OPERATING DATA

Institutional Support

Institutional Expenditures

Instruction	\$44,270,000	\$45,195,000	\$47,372,000	---
Sponsored Programs and Research	\$539,000	\$420,000	\$440,000	---
Academic Support	\$9,466,000	\$9,894,000	\$10,370,000	---
Student Services	\$8,365,000	\$8,705,000	\$9,125,000	---
Institutional Support	\$22,020,000	\$19,309,000	\$20,240,000	---
Physical Plant and Support Services	\$12,229,000	\$11,206,000	\$11,746,000	---

Special Purpose Appropriations

Separately Budgeted Research	\$120,000	\$150,000	\$150,000	\$150,000
College Work Study Program (State Share)	\$82,000	\$82,000	\$82,000	\$82,000
Affirmative Action and Equal Employment Opportunity	\$80,000	\$80,000	\$80,000	\$80,000
Academic Development	\$170,000	\$170,000	\$170,000	\$170,000
New Jersey Project	\$100,000	\$100,000	\$100,000	\$100,000
Outcomes Assessment	\$65,000	\$65,000	\$65,000	\$65,000
Teacher Preparation	\$147,000	\$147,000	\$147,000	\$147,000

PERSONNEL DATA

Position Data

State-funded Positions	947	947	947	947
------------------------------	-----	-----	-----	-----

Notes:

- (a) Equated on the basis of 32 credit hours per undergraduate student and 24 credit hours per graduate student.
- (b) Calculated on the basis of budgeted teaching positions (including adjunct faculty) and equated full-time (weighted) students.
- (c) As calculated by the Student Unit Record Enrollment (SURE) system.
- (d) As reported to the Higher Education Student Assistance Authority. Includes tuition, fees, room and board, transportation, and supplies.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID									
Distribution by Fund and Program									
167,092	-3,951	---	163,141	163,141	Institutional Support	82	169,867	206,818	166,752
167,092	-3,951	---	163,141	163,141	Total Grants-in-Aid		169,867 (a)	206,818	166,752
Less:									
---	(3,424)	---	(3,424)	(3,424)	Receipts from Tuition Increase		(2,223)	---	---
(55,584)	3,247	---	(52,337)	(52,337)	General Services Income		(55,753)	(57,976)	(57,976)
(31,250)	4,686	---	(26,564)	(26,564)	Auxiliary Funds Income		(28,280)	(28,300)	(28,300)
(16,900)	(558)	---	(17,458)	(17,458)	Special Funds Income		(17,700)	(17,900)	(17,900)
(24,390)	---	---	(24,390)	(24,390)	Employee Fringe Benefits		(24,594)	(25,391)	(25,391)
(128,124)	3,951	---	(124,173)	(124,173)	Total Income Deductions		(128,550)	(129,567)	(129,567)
38,968	---	---	38,968	38,968	Total State Appropriation		41,317	77,251	37,185
Distribution by Fund and Object									
Special Purpose:									
167,092	-3,951 R	---	163,141	163,141	General Institutional Operations (b)	82	169,867	170,884	166,752
---	---	---	---	---	Restoration of Salary Program Funding	82	---	24,263	---
---	---	---	---	---	Increase Number of State Funded Positions	82	---	7,421	---
---	---	---	---	---	Recruitment in Teacher Education: New Jersey Teaching Scholars	82	---	500	---
---	---	---	---	---	William Paterson Professional Development Center	82	---	1,000	---
---	---	---	---	---	Enhancing Library Collections and Support	82	---	500	---
---	---	---	---	---	Teacher Quality and Capacity	82	---	750	---
---	---	---	---	---	Additional Support for High Enrollment Growth	82	---	1,500	---
Less:									
(128,124)	3,951 R	---	(124,173)	(124,173)	Income Deductions		(128,550)	(129,567)	(129,567)
38,968	---	---	38,968	38,968	Grand Total State Appropriation		41,317	77,251	37,185

Notes -- Grants-In-Aid - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.
- (b) The appropriation for General Institutional Operations has been adjusted to include Teacher Preparation and the High Enrollment Growth Adjustment.

Language Recommendations -- Grants-In-Aid - General Fund

Of the sums hereinabove appropriated for William Paterson University of New Jersey, \$100,000 is appropriated for the New Jersey Project and \$65,000 is appropriated for Outcomes Assessment. These accounts shall be considered special purpose appropriations for accounting and reporting purposes.

For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at William Paterson University of New Jersey shall be 947.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

36. HIGHER EDUCATIONAL SERVICES

2465. MONTCLAIR STATE UNIVERSITY

Montclair State University began in 1908 as a two-year Normal School. The management of the University is vested in its nine-member Board of Trustees appointed by the Governor, subject to the approval of the Senate. The University offers a broad

spectrum of general liberal arts education and professional studies for more than 16,700 students for both full-time and part-time undergraduate, graduate, and doctorate programs.

STATE

The main campus of Montclair State University has 246 acres divided between the town of Montclair in Essex County and the municipalities of Little Falls and Clifton in Passaic County. Presently over 60 buildings comprise the physical plant, including campus housing for more than 3,200 students, a student center, a new 500-seat theater for the performing arts, and a new Children's Center that opened in the fall of 2005. The Children's Center serves as a first-class site for the University's early childhood education program. The University opened a new 275,000 square-foot academic facility in 2006 that provides the latest

multi-media classroom technologies in sixty fully mediated and interconnected meeting and learning spaces. In 2008, the University will open a new 77,000 square-foot student recreation center.

The University also operates a 30-acre nature preserve at Lake Valhalla (Morris County) and, as part of the University's School of Conservation, a 240-acre environmental education center in Stokes State Forest (Sussex County).

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Institutional Support				
Enrollment total	16,063	16,076	16,736	17,164
Enrollment total (Weighted) (a)	11,892	12,197	12,875	13,237
Undergraduate total	12,174	12,365	13,017	13,407
Undergraduate total (Weighted) (a)	10,043	10,426	11,121	11,475
Full-time	9,909	10,221	10,880	11,416
Full-time (Weighted) (a)	9,100	9,525	10,207	10,630
Part-time	2,265	2,144	2,137	1,991
Part-time (Weighted) (a)	943	901	914	845
Graduate total	3,889	3,711	3,719	3,757
Graduate total (Weighted) (a)	1,849	1,771	1,754	1,762
Full-time	828	814	758	756
Full-time (Weighted) (a)	721	713	667	661
Part-time	3,061	2,897	2,961	3,001
Part-time (Weighted) (a)	1,128	1,058	1,087	1,101
Degree programs offered	87	93	95	98
Courses offered	2,176	2,177	2,180	2,200
Degrees Granted				
Bachelors	2,492	2,482	2,580	2,657
Masters	721	804	810	825
Doctorate	8	9	10	15
Ratio: Student/faculty (b)	17/1	17/1	17/1	17/1
Extension and Public Service				
Enrollment	6,570	6,549	6,377	6,377
Enrollment (Weighted) (a)	2,287	2,267	2,205	2,205
Summer undergraduate	4,789	4,811	4,709	4,709
Summer undergraduate (Weighted) (a)	1,621	1,624	1,600	1,600
Summer graduate	1,781	1,738	1,668	1,668
Summer graduate (Weighted) (a)	666	643	605	605
Program revenue	\$7,943,435	\$8,448,775	\$8,516,075	\$8,516,075
Full-Time, First-Time, Degree-Seeking Freshmen who are				
Regular Admission Students	1,592	1,697	1,702	---
Average SAT Score - Math	548	530	518	---
Average SAT Score - Verbal	537	515	507	---
Average SAT Score - Total	1085	1045	1025	---
Outcomes Data (c)				
Third-Semester Retention Rates	81.0%	81.0%	---	---
Six-Year Graduation Rates	58.8%	60.2%	---	---
Student Tuition and Fees				
Total Cost of Attendance (d)	\$21,311	\$23,013	\$23,706	---
Full-Time Undergraduate Tuition - State Residents	\$5,581	\$6,028	\$6,390	---
Full-Time Undergraduate Tuition - Non-State Residents ...	\$10,029	\$11,382	\$13,659	---
Full-Time Undergraduate Fees	\$2,268	\$2,376	\$2,505	---

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Instruction	\$74,669,101	\$82,624,763	\$92,775,420	---
Academic Support	\$18,486,337	\$16,855,405	\$17,185,907	---
Student Services	\$18,051,614	\$16,665,982	\$18,196,956	---
Institutional Support	\$38,392,105	\$39,210,567	\$46,327,508	---
Physical Plant and Support Services	\$25,885,800	\$24,019,136	\$28,715,925	---
Special Purpose Appropriations				
Separately Budgeted Research	\$130,330	\$124,613	\$123,983	\$130,182
College Work Study Program (State Share)	\$111,215	\$119,821	\$100,000	\$105,000
Affirmative Action and Equal Employment Opportunity	\$130,854	\$139,962	\$147,417	\$154,788
New Jersey State School of Conservation	\$1,050,000	\$1,050,000	\$1,050,000	\$1,050,000

PERSONNEL DATA**Position Data**

State-funded Positions	1,102	1,102	1,102	1,102
------------------------------	-------	-------	-------	-------

Notes:

- (a) Equated on the basis of 32 credit hours per undergraduate student and 24 credit hours per graduate student.
 (b) Calculated on the basis of teaching positions (including adjunct faculty) and equated full-time (weighted) students.
 (c) As calculated by the Student Unit Record Enrollment (SURE) system.
 (d) As reported to the Higher Education Student Assistance Authority. Includes tuition, fees, room and board, transportation, and supplies.

APPROPRIATIONS DATA
 (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
GRANTS-IN-AID									
Distribution by Fund and Program									
231,245	23,062	---	254,307	254,307	Institutional Support	82	269,847	310,469	272,687
231,245	23,062	---	254,307	254,307	Total Grants-in-Aid		269,847 (a)	310,469	272,687
Less:									
---	(7,006)	---	(7,006)	(7,006)	Receipts from Tuition Increase		(5,616)	---	---
(115,767)	1,000	---	(114,767)	(114,767)	General Services Income		(126,970)	(138,001)	(138,001)
(977)	(9)	---	(986)	(986)	Conservation School Receipts		(873)	(890)	(890)
(30,128)	(11,539)	---	(41,667)	(41,667)	Auxiliary Funds Income		(44,142)	(44,924)	(44,924)
(8,300)	(5,508)	---	(13,808)	(13,808)	Special Funds Income		(12,777)	(13,416)	(13,416)
(29,945)	---	---	(29,945)	(29,945)	Employee Fringe Benefits		(30,896)	(31,782)	(31,782)
(185,117)	(23,062)	---	(208,179)	(208,179)	Total Income Deductions		(221,274)	(229,013)	(229,013)
46,128	---	---	46,128	46,128	Total State Appropriation		48,573	81,456	43,674
Distribution by Fund and Object									
Special Purpose:									
231,245	23,062 R	---	254,307	254,307	General Institutional Operations (b)	82	269,847	277,586	272,687
---	---	---	---	---	Non-Personnel Inflation Increases	82	---	1,951	---
---	---	---	---	---	Maintenance and Renewal	82	---	6,240	---
---	---	---	---	---	Base Budget Increase for Enrollment Growth	82	---	24,692	---
Less:									
(185,117)	(23,062) R	---	(208,179)	(208,179)	Income Deductions		(221,274)	(229,013)	(229,013)
46,128	---	---	46,128	46,128	Grand Total State Appropriation		48,573	81,456	43,674

Notes -- Grants-In-Aid - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.
- (b) The appropriation for General Institutional Operations has been adjusted to include Teacher Preparation and the High Enrollment Growth Adjustment.

Language Recommendations -- Grants-In-Aid - General Fund

In addition to the sums hereinabove appropriated for Montclair State University, all revenues from lease agreements between Montclair State University and corporations operating satellite relay stations are appropriated for use by the University.

Of the sums hereinabove appropriated for Montclair State University, \$1,050,000 is appropriated for the New Jersey State School of Conservation. This account shall be considered a special purpose appropriation for accounting and reporting purposes.

For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at Montclair State University shall be 1,102.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT**36. HIGHER EDUCATIONAL SERVICES****2470. THE COLLEGE OF NEW JERSEY**

The College of New Jersey (TCNJ) is a highly selective institution that has earned national recognition for its commitment to excellence. Founded in 1855, TCNJ has become an exemplar of the best in public higher education and is consistently acknowledged as one of the top comprehensive colleges in the nation. TCNJ currently is ranked as one of the 75 "Most Competitive" schools in the nation by Barron's Profiles of American Colleges and is rated the No. 1 public institution in the northern region of the country by U.S. News & World Report. TCNJ was also awarded, in 2006, a Phi Beta Kappa chapter -- an honor shared by less than 10% of colleges and universities nationally.

A strong liberal arts core forms the foundation for a wealth of degree programs offered through TCNJ's seven schools - Art, Media and Music; Business; Culture and Society; Education; Engineering; Nursing, Health and Exercise Science; and Science. The College is enriched by an honors program and extensive opportunities to study abroad, and its award-winning First-Year

Experience and freshman orientation programs have helped make its retention and graduation rates among the highest in the country.

Known for its natural beauty, the College's campus is set on 289 tree-lined acres in suburban Ewing Township. The College has 39 major buildings, including a state-of-the-art library; 14 residence halls that accommodate 3,600 students; an award-winning student center; more than 20 academic computer laboratories; a full range of laboratories for nursing, microscopy, science, and technology; a music building with a 300-seat concert hall; and a collegiate recreation and athletic facilities complex.

The College of New Jersey encourages students to expand their talents and skills through more than 150 organizations that are open to students. These groups include performing ensembles, professional and honor societies, student publications, Greek organizations, intramural and club sports, as well as numerous leadership opportunities including Student Finance Board, Student Government Association, and Residence Hall Government.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Institutional Support				
Enrollment total	6,667	6,863	6,848	6,848
Enrollment total (Weighted) (a)	6,044	6,224	6,356	6,356
Undergraduate total	5,795	6,014	6,081	6,081
Undergraduate total (Weighted) (a)	5,590	5,795	5,971	5,971
Full-time	5,603	5,803	5,904	5,904
Full-time (Weighted) (a)	5,514	5,712	5,902	5,902
Part-time	192	211	177	177
Part-time (Weighted) (a)	76	83	69	69
Graduate total	872	849	767	767
Graduate total (Weighted) (a)	454	429	385	385
Full-time	116	95	105	105
Full-time (Weighted) (a)	122	98	106	106
Part-time	756	754	662	662
Part-time (Weighted) (a)	332	331	279	279
Degree programs offered	61	61	62	62
Courses offered	2,049	2,160	2,306	2,306
Degrees Granted				
Bachelors	1,339	1,349	1,344	1,344
Masters	401	424	413	413
Ratio: Student/faculty (b)	12/1	13/1	13/1	13/1

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Extension and Public Service				
Enrollment	3,556	3,572	3,539	3,539
Enrollment (Weighted) (a)	1,545	1,541	1,480	1,480
Summer undergraduate	974	973	1,235	1,235
Summer undergraduate (Weighted) (a)	348	348	440	440
Summer graduate	822	822	715	715
Summer graduate (Weighted) (a)	370	371	284	284
Part-time and extension (off-campus)	1,760	1,777	1,589	1,589
Part-time and extension (off-campus) (Weighted) (a)	827	822	756	756
Program revenue	\$4,970,000	\$5,568,000	\$5,500,000	\$5,500,000
Full-Time, First-Time, Degree-Seeking Freshmen who are				
Regular Admission Students	982	1,013	1,041	---
Average SAT Score - Math	668	662	647	---
Average SAT Score - Verbal	643	638	626	---
Average SAT Score - Total	1311	1300	1273	---
Outcomes Data (c)				
Third-Semester Retention Rates	95.3%	94.9%	---	---
Six-Year Graduation Rates	85.4%	82.8%	---	---
Student Tuition and Fees				
Total Cost of Attendance (d)	\$20,889	\$22,595	\$23,768	---
Full-Time Undergraduate Tuition - State Residents	\$7,051	\$7,615	\$8,072	---
Full-Time Undergraduate Tuition - Non-State Residents	\$12,314	\$14,162	\$15,295	---
Full-Time Undergraduate Fees	\$2,656	\$2,938	\$3,255	---

OPERATING DATA**Institutional Support****Institutional Expenditures**

Instruction	\$36,695,000	\$35,505,000	\$36,746,000	---
Academic Support	\$10,281,000	\$9,595,000	\$9,930,000	---
Student Services	\$10,491,000	\$8,823,000	\$9,098,000	---
Institutional Support	\$11,406,000	\$11,243,000	\$11,632,000	---
Physical Plant and Support Services	\$15,678,000	\$14,265,000	\$14,764,000	---

Special Purpose Appropriations

Separately Budgeted Research	\$655,629	\$681,854	\$688,400	\$688,400
College Work Study Program (State Share)	\$51,679	\$56,714	\$65,000	\$65,000
Affirmative Action and Equal Employment Opportunity	\$130,216	\$54,330	\$81,047	\$81,047
Scholarships (Includes Minority)	\$9,480,000	\$10,002,000	\$9,571,000	\$9,571,000

PERSONNEL DATA**Position Data**

State-funded Positions	823	823	823	823
------------------------	-----	-----	-----	-----

Notes:

- (a) Equated on a basis of 32 credit hours per undergraduate student and 24 credit hours per graduate student.
- (b) Calculated on the basis of budgeted teaching positions (including adjunct faculty) and equated full-time (weighted) students.
- (c) As calculated by the Student Unit Record Enrollment (SURE) system.
- (d) As reported to the Higher Education Student Assistance Authority. Includes tuition, fees, room and board, transportation, and supplies.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Prog. Class. Adjusted Approp.	Requested	Recom- mended	
GRANTS-IN-AID								
Distribution by Fund and Program								
166,896	12,530	---	179,426	179,426	Institutional Support 82	187,052	194,781	182,344
166,896	12,530	---	179,426	179,426	Total Grants-in-Aid	187,052 (a)	194,781	182,344

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID								
<i>Less:</i>								
---	(3,832)	---	(3,832)	(3,832)		(3,121)	---	---
(54,073)	(1,179)	---	(55,252)	(55,252)		(59,766)	(62,887)	(62,887)
(34,241)	(3,470)	---	(37,711)	(37,711)		(38,210)	(38,210)	(38,210)
(19,739)	(4,049)	---	(23,788)	(23,788)		(25,090)	(23,277)	(23,277)
(23,827)	---	---	(23,827)	(23,827)		(23,825)	(24,657)	(24,657)
<u>(131,880)</u>	<u>(12,530)</u>	<u>---</u>	<u>(144,410)</u>	<u>(144,410)</u>		<u>(150,012)</u>	<u>(149,031)</u>	<u>(149,031)</u>
35,016	---	---	35,016	35,016		37,040	45,750	33,313
Distribution by Fund and Object								
Special Purpose:								
166,896	12,530 ^R	---	179,426	179,426				
---	---	---	---	---	82	187,052	186,071	182,344
---	---	---	---	---	82	---	3,314	---
---	---	---	---	---	82	---	3,396	---
---	---	---	---	---	82	---	2,000	---
<i>Less:</i>								
<u>(131,880)</u>	<u>(12,530)^R</u>	<u>---</u>	<u>(144,410)</u>	<u>(144,410)</u>		<u>(150,012)</u>	<u>(149,031)</u>	<u>(149,031)</u>
35,016	---	---	35,016	35,016		37,040	45,750	33,313

Notes -- Grants-In-Aid - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

(b) The appropriation for General Institutional Operations has been adjusted to include Teacher Preparation and the High Enrollment Growth Adjustment.

Language Recommendations -- Grants-In-Aid - General Fund

For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at The College of New Jersey shall be 823.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT**36. HIGHER EDUCATIONAL SERVICES****2475. RAMAPO COLLEGE OF NEW JERSEY**

Ramapo College of New Jersey was chartered in 1969. Responsibility for the management of the College is vested in its nine-member Board of Trustees appointed by the Governor, subject to the approval of the New Jersey Senate.

Ramapo College is located in the foothills of the Ramapo Mountains in northwest Bergen County, close to the New York State border. The wooded, almost rural, setting is enhanced by the award-winning, barrier-free modern buildings, residence halls and

student apartments. Facilities include modern academic buildings, a library, a science building, a student center, the Bill Bradley Sports and Recreation Center, the Angelica and Russ Berrie Center for Performing and Visual Arts, outdoor tennis courts, and a variety of playing fields. In addition, construction was recently completed on a new academic facility to house the Anisfield School of Business, and a groundbreaking ceremony for a Sustainable Education Center took place in fall 2007.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Institutional Support				
Enrollment total	5,433	5,374	5,424	5,424
Enrollment total (Weighted) (a)	4,636	4,717	4,736	4,736
Undergraduate total	5,131	5,087	5,112	5,112
Undergraduate total (Weighted) (a)	4,515	4,609	4,616	4,616
Full-time	4,129	4,409	4,409	4,409
Full-time (Weighted) (a)	4,129	4,356	4,356	4,356
Part-time	1,002	678	703	703
Part-time (Weighted) (a)	386	253	260	260
Graduate total	302	287	312	312
Graduate total (Weighted) (a)	121	108	120	120
Full-time	14	5	5	5
Full-time (Weighted) (a)	14	4	4	4
Part-time	288	282	307	307
Part-time (Weighted) (a)	107	104	116	116
Courses offered	1,743	1,533	1,560	1,560
Degrees Granted				
Bachelors	1,103	1,207	1,207	1,207
Masters	136	96	96	96
Ratio: Student/faculty (b)	17/1	17/1	17/1	17/1
Extension and Public Service				
Enrollment	1,699	1,563	1,618	1,618
Enrollment (Weighted) (a)	289	322	333	333
Summer undergraduate	1,427	1,336	1,336	1,336
Summer undergraduate (Weighted) (a)	224	257	257	257
Summer graduate	207	170	170	170
Summer graduate (Weighted) (a)	47	54	54	54
Part-time and extension (off-campus)	65	57	112	112
Part-time and extension (off-campus) (Weighted) (a)	18	11	22	22
Program revenue	\$1,813,941	\$2,367,906	\$2,300,000	\$2,300,000
Full-Time, First-Time, Degree-Seeking Freshmen who are				
Regular Admission Students	597	637	689	---
Average SAT Score - Math	597	595	588	---
Average SAT Score - Verbal	581	581	572	---
Average SAT Score - Total	1178	1176	1160	---
Outcomes Data (c)				
Third-Semester Retention Rates	86.3%	88.2%	---	---
Six-Year Graduation Rates	65.6%	63.7%	---	---
Student Tuition and Fees				
Total Cost of Attendance (d)	\$20,426	\$23,071	\$23,970	---
Full-Time Undergraduate Tuition - State Residents	\$6,091	\$6,580	\$6,904	---
Full-Time Undergraduate Tuition - Non-State Residents	\$11,008	\$11,890	\$12,475	---
Full-Time Undergraduate Fees	\$2,701	\$2,916	\$3,061	---
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Instruction	\$28,286,940	\$30,599,096	\$34,563,000	---
Academic Support	\$5,444,290	\$5,563,887	\$5,790,000	---
Student Services	\$9,255,562	\$9,359,372	\$10,081,000	---
Institutional Support	\$15,590,018	\$15,739,091	\$17,699,000	---
Physical Plant and Support Services	\$11,381,141	\$12,030,572	\$13,624,000	---
Special Purpose Appropriations				
Separately Budgeted Research	\$85,907	\$77,628	\$100,000	\$100,000
College Work Study Program (State Share)	\$44,401	\$59,473	\$70,000	\$70,000
Affirmative Action and Equal Employment Opportunity	\$218,970	\$271,942	\$300,000	\$300,000
Student Financial Assistance	\$902,312	\$821,144	\$818,385	\$837,000
William T. Cahill Recognition Programs	\$200,000	\$200,000	\$200,000	\$200,000
Equipment Leasing Fund - Debt Service	\$91,000	\$90,748	\$89,571	\$91,000

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
State-funded Positions	481	481	481	481

Notes:

- (a) Equated on the basis of 32 credit hours per undergraduate student and 24 credit hours per graduate student.
 (b) Calculated on the basis of budgeted teaching positions (including adjunct faculty) and equated full-time (weighted) students.
 (c) As calculated by the Student Unit Record Enrollment (SURE) system.
 (d) As reported to the Higher Education Student Assistance Authority. Includes tuition, fees, room and board, transportation, and supplies.

APPROPRIATIONS DATA
 (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID								
Distribution by Fund and Program								
108,145	5,828	---	113,973	113,973	82	121,703	132,266	121,384
<u>108,145</u>	<u>5,828</u>	<u>---</u>	<u>113,973</u>	<u>113,973</u>		<u>121,703</u> ^(a)	<u>132,266</u>	<u>121,384</u>
Less:								
---	(2,555)	---	(2,555)	(2,555)		(1,727)	---	---
(40,457)	(193)	---	(40,650)	(40,650)		(45,683)	(47,410)	(47,410)
(24,839)	(2,911)	---	(27,750)	(27,750)		(29,894)	(32,019)	(32,019)
(9,496)	(169)	---	(9,665)	(9,665)		(9,727)	(9,283)	(9,283)
(13,774)	---	---	(13,774)	(13,774)		(14,204)	(14,425)	(14,425)
<u>(88,566)</u>	<u>(5,828)</u>	<u>---</u>	<u>(94,394)</u>	<u>(94,394)</u>		<u>(101,235)</u>	<u>(103,137)</u>	<u>(103,137)</u>
<u>19,579</u>	<u>---</u>	<u>---</u>	<u>19,579</u>	<u>19,579</u>		<u>20,468</u>	<u>29,129</u>	<u>18,247</u>
Distribution by Fund and Object								
Special Purpose:								
108,145	5,828 ^R	---	113,973	113,973	82	121,703	123,605	121,384
---	---	---	---	---	82	---	4,307	---
---	---	---	---	---	82	---	4,354	---
<u>(88,566)</u>	<u>(5,828) ^R</u>	<u>---</u>	<u>(94,394)</u>	<u>(94,394)</u>		<u>(101,235)</u>	<u>(103,137)</u>	<u>(103,137)</u>
<u>19,579</u>	<u>---</u>	<u>---</u>	<u>19,579</u>	<u>19,579</u>		<u>20,468</u>	<u>29,129</u>	<u>18,247</u>

Notes -- Grants-In-Aid - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.
 (b) The appropriation for General Institutional Operations has been adjusted to include the High Enrollment Growth Adjustment.

Language Recommendations -- Grants-In-Aid - General Fund

Of the sums hereinabove appropriated for Ramapo College of New Jersey, \$200,000 is appropriated for the Governor William T. Cahill Recognition Programs. This account shall be considered a special purpose appropriation for accounting and reporting purposes.

For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at Ramapo College of New Jersey shall be 481.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT**36. HIGHER EDUCATIONAL SERVICES****2480. THE RICHARD STOCKTON COLLEGE OF NEW JERSEY**

The Richard Stockton College of New Jersey is a nationally ranked public liberal arts and professional studies institution in the New Jersey system of higher education. It was established in 1969 and

admitted its first students in September 1971. Currently, over 7,350 students are enrolled at the College, which provides distinctive traditional and alternative approaches to education.

The operation and management of the College is vested in a Board of Trustees whose members, except for two students elected by the student body and the College President who serves ex officio, are appointed by the Governor with the consent of the New Jersey Senate. The President of the College, appointed by the Board of Trustees as chief executive officer, is entrusted with providing academic, fiscal and administrative leadership for the College. The College's faculty includes nationally known scholars.

Stockton is located on a 1,600-acre campus in Galloway Township in the pine barrens of southern New Jersey, only 12 miles west of Atlantic City. The College's unique and award-winning academic complex comprises eighteen buildings or wings, including a multipurpose recreation center, an arts and sciences building and a health sciences facility. The College is environmentally concerned and has installed America's largest closed-loop geothermal heating/cooling system as well as an advanced fuel cell energy system.

The Carnegie Library Center serves the needs of hospitality and tourism, provides access to undergraduate and graduate education,

and provides professional development for area professionals. The Carnegie Center also hosts the Small Business Development Center for Atlantic, Cape May, and Cumberland counties. In addition to its educational mission, the Carnegie Center has become a cultural center and meeting place for non-profit agencies.

The Mays Landing campus has undergraduate and graduate courses, and hosts the Southern Regional Institute and an Educational Technology Training Center that provides professional development training to one-fourth of all school districts in New Jersey.

Two regional hospitals are located on the campus, and the College also operates a Marine Science Laboratory along Nacote Creek, Port Republic City. Modern campus housing is available to accommodate approximately 2,100 students in both apartment- and dormitory-style living arrangements.

The College is the only four-year academic institution in the rapidly developing region of southeastern New Jersey.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Institutional Support				
Enrollment total	6,846	7,072	7,355	7,355
Enrollment total (Weighted) (a)	5,803	6,025	6,276	6,276
Undergraduate total	6,426	6,580	6,766	6,766
Undergraduate total (Weighted) (a)	5,553	5,756	5,972	5,972
Full-time	5,392	5,602	5,873	5,873
Full-time (Weighted) (a)	5,134	5,349	5,596	5,596
Part-time	1,034	978	893	893
Part-time (Weighted) (a)	419	407	376	376
Graduate total	420	492	589	589
Graduate total (Weighted) (a)	250	269	304	304
Full-time	114	121	156	156
Full-time (Weighted) (a)	153	150	159	159
Part-time	306	371	433	433
Part-time (Weighted) (a)	97	119	145	145
Degree programs offered	35	38	38	38
Courses offered	2,449	2,449	2,449	2,449
Degrees Granted				
Bachelors	1,639	1,634	1,629	1,629
Masters	92	141	100	100
Ratio: Student/faculty (b)	18/1	17/1	17/1	17/1
Extension and Public Service				
Enrollment	2,488	2,591	2,810	2,810
Enrollment (Weighted) (a)	2,147	2,210	2,455	2,455
Summer undergraduate	2,257	2,340	2,476	2,476
Summer undergraduate (Weighted) (a)	1,997	2,052	2,259	2,259
Summer graduate	231	251	334	334
Summer graduate (Weighted) (a)	150	158	196	196
Program revenue	\$3,062,448	\$3,574,806	\$4,357,660	\$4,357,660
Full-Time, First-Time, Degree-Seeking Freshmen who are Regular Admission Students	613	559	522	---
Average SAT Score - Math	568	568	558	---
Average SAT Score - Verbal	552	550	547	---
Average SAT Score - Total	1120	1118	1105	---
Outcomes Data (c)				
Third-Semester Retention Rates	81.5%	81.6%	---	---
Six-Year Graduation Rates	63.2%	67.4%	---	---

STATE

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Student Tuition and Fees				
Total Cost of Attendance (d)	\$ 19,292	\$ 19,684	\$ 22,617	---
Full-Time Undergraduate Tuition - State Residents	\$ 5,498	\$ 5,938	\$ 6,353	---
Full-Time Undergraduate Tuition - Non-State Residents	\$ 8,896	\$ 10,230	\$ 11,253	---
Full-Time Undergraduate Fees	\$ 2,896	\$ 3,120	\$ 3,344	---

OPERATING DATA

Institutional Support

Institutional Expenditures

Instruction	\$37,610,255	\$41,314,402	\$43,380,122	---
Sponsored Programs and Research	\$543,066	\$930,664	\$977,197	---
Extension and Public Service	\$2,767,063	\$3,774,943	\$3,963,690	---
Academic Support	\$6,301,372	\$6,702,183	\$7,037,292	---
Student Services	\$8,112,075	\$10,609,588	\$11,140,067	---
Institutional Support	\$15,281,127	\$17,543,682	\$18,420,866	---
Physical Plant and Support Services	\$10,002,439	\$11,186,308	\$11,745,623	---

Special Purpose Appropriations

Faculty Development & Research	\$288,600	\$310,000	\$330,000	\$350,000
College Work Study Program (College Share)	\$86,098	\$63,258	\$75,000	\$80,000
Affirmative Action and Equal Employment Opportunity	\$237,745	\$270,430	\$280,000	\$295,000
Debt Service (College)	\$549,828	\$930,612	\$2,140,000	\$2,800,000

PERSONNEL DATA

Position Data

State-funded Positions	623	623	623	623
----------------------------------	-----	-----	-----	-----

Notes:

- (a) Equated on the basis of 32 credit hours per undergraduate student and 24 credit hours per graduate student.
- (b) Calculated on the basis of authorized teaching positions (including adjunct faculty) and equated full-time (weighted) students.
- (c) As calculated by the Student Unit Record Enrollment (SURE) system.
- (d) As reported to the Higher Education Student Assistance Authority. Includes tuition, fees, room and board, transportation, and supplies.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID								
Distribution by Fund and Program								
118,690	19,225	---	137,915	137,915	82	144,642	167,815	145,261
118,690	19,225	---	137,915	137,915		144,642 ^(a)	167,815	145,261
Less:								
---	(2,800)	---	(2,800)	(2,800)		(2,661)	---	---
(34,917)	(17,292)	---	(52,209)	(52,209)		(53,978)	(55,900)	(55,900)
(24,282)	(1,163)	---	(25,445)	(25,445)		(28,705)	(31,800)	(31,800)
(19,515)	2,030	---	(17,485)	(17,485)		(17,835)	(18,192)	(18,192)
(16,273)	---	---	(16,273)	(16,273)		(16,343)	(16,801)	(16,801)
(94,987)	(19,225)	---	(114,212)	(114,212)		(119,522)	(122,693)	(122,693)
23,703	---	---	23,703	23,703		25,120	45,122	22,568
Distribution by Fund and Object								
Special Purpose:								
118,540	19,225 ^R	---	137,765	137,765				
150	---	---	150	150	82	144,492	147,663	145,111
---	---	---	---	---	82	150	300	150
---	---	---	---	---	82	---	8,150	---
---	---	---	---	---	82	---	4,595	---

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30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT
37. CULTURAL AND INTELLECTUAL DEVELOPMENT SERVICES

OBJECTIVES

1. To increase public participation in the arts, develop audience education in the arts, increase total artistic resources, and increase the availability of professional training in the arts.
2. To collect fine art objects (paintings, sculptures, prints, drawings), decorative art objects (furniture, ceramics, metals, glass, etc.), ethnological and archaeological materials, scientific specimens with a New Jersey focus, and specimens from other cultures and regions for comparative purposes.
3. To inspire public pride in New Jersey's rich historical heritage among citizens of all ages, occupations and social backgrounds.
4. To provide non-commercial educational television, radio services, and public broadcasting services to the State's citizens.
5. To coordinate and advise on matters pertaining to public broadcasting among State agencies.
6. To support heritage tourism and cultural programs through advertising and promotion of the State's historic and cultural sites.
7. To highlight the importance of the tourism industry in New Jersey, improve qualitative and quantitative services to the industry and the public, improve efficiency, and meet the challenges of a competitive economy.

PROGRAM CLASSIFICATIONS

05. **Support of the Arts.** The State Council on the Arts (N.J.S.A. 52:16A-25) provides State and federal grants to art organizations and artists in New Jersey whose projects show professional merit and promise.

Through the services volunteered by the 17-member council appointed by the Governor and the employment of a professional arts manager to serve as Executive Director, the Council cultivates the arts by providing counseling to local artists and art organizations.

Such programs as touring exhibitions, summer festivals, and the artists-in-the-schools are designed to involve more segments of society directly in the arts. Programming also includes those efforts made by the council to research and implement better ways in which to involve the public in the arts in New Jersey.
06. **Museum Services.** Materials are collected, exhibited, and interpreted (N.J.S.A. 18A:73-1 et seq. and N.J.S.A. 18A:4-26). Collections are in the areas of fine and decorative arts, cultural history, and science. Exhibitions are long-term

(those with a permanent orientation, like the Planetarium, the Halls of Natural Science and Cultural History), and short-term (changing exhibits with a focus on fine and decorative arts). Through school and public programs and publications, interpretation of the museum environment is accomplished. The Department also supports services provided by the Newark Museum Association, as well as maintenance of the Old Barracks and the War Memorial Fund.

07. **Development of Historical Resources.** The Historical Commission implements programs to advance public knowledge of the history of New Jersey and the United States. The Commission (N.J.S.A. 18A:73-21 et seq.) sponsors programs for the production of educational materials, and conducts conferences, lectures, and seminars, including the New Jersey History Symposium, and public activities concerned with significant historical events. It also provides financial Grants-In-Aid programs for research in New Jersey history, local history projects, teaching projects, and the Governor Alfred E. Driscoll Fellowship.
10. **Public Broadcasting Services.** The New Jersey Public Broadcasting Authority was created (N.J.S.A. 48:23-1 et seq.) to establish and operate non-commercial educational television and radio broadcasting stations and to operate one or more public broadcasting telecommunications networks. The Authority is empowered to apply for, receive, and hold authorizations and licenses from the Federal Communications Commission. It also has the responsibility to provide advisory assistance to other State agencies and local and regional groups regarding public broadcasting networks and communications techniques, planning, budgeting, and related issues. Programs are produced at the Authority's Trenton and Newark studios and on location. Through membership affiliations, the Authority has access to programs from the Public Broadcasting International, the American Program Service, National Public Radio, and Public Radio Industry, as well as from various audio and video tape libraries. New Jersey Nightly News, a production of the New Jersey Public Broadcasting Authority, provides complete news coverage for the State of New Jersey.
52. **Travel and Tourism.** The Division of Travel and Tourism (N.J.S.A. 52:27H-15 et seq.) provides promotional, informational, educational, and developmental programs, services, and facilities that are designed to optimize awareness of New Jersey's standing as a pre-eminent national and international travel destination. The Division also endeavors to partner with other entities within the tourism industry to sustain travel and tourism as a major catalyst for, and contributor to, the state's economic growth and development.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Support of the Arts				
Grants awarded	851	848	848	870
Performances	33,000	29,784	28,000	28,500
Attendance	13,733,389	14,253,470	14,250,000	14,300,000
Artists benefiting	94,165	84,419	80,000	85,000

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Museum Services				
Total attendance (a)	22,813	41,514	24,000	60,000
School program attendance	9,426	4,073	11,723	23,000
Public planetarium attendance	1,110	1,615	---	12,000
Other public program attendance	12,277	35,826	12,277	25,000
War Memorial				
Total events	545	625	700	735
Theatre performance events	75	95	110	115
Theatre rehearsal events	55	65	75	79
Theatre attendance	100,000	120,000	135,000	141,000
Concerts on the Landing	10	10	16	16
School matinees	25	25	35	37
School matinee attendance	30,000	30,000	50,000	51,000
Free tours	30	30	35	35
Tour attendance	1,000	1,000	1,225	1,250
Meetings/Conferences	350	400	450	480
Travel and Tourism (b)				
Revenue generated by tourism (billions)	\$36.3	\$36.3	\$38.0	\$40.0
Tax revenue generated by tourism (billions)	\$3.9	\$4.0	\$4.0	\$5.0
Overnight visitors (millions)	72.2	74.0	78.0	80.0

PERSONNEL DATA**Position Data****Filled Positions by Funding Source**

State Supported	194	182	175	154
Federal	1	2	5	5
All Other	55	62	51	71
Total Positions	250	246	231	230

Filled Positions by Program Class

Support of the Arts	17	21	19	19
Museum Services	34	32	34	36
Development of Historical Resources	6	6	5	5
Public Broadcasting Services	158	156	150	147
Travel and Tourism (b)	35	31	23	23
Total Positions	250	246	231	230

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal 2008 as of January. The Budget Estimate for fiscal 2009 reflects the number of positions funded.

(a) The State Museum and Planetarium were closed for renovations during fiscal 2005. The attendance figures for fiscal years 2006 through 2009 are based on the gradual re-opening of parts of the Museum as renovations are completed.

(b) The Division of Travel and Tourism was relocated to the Department of State from the Commerce and Economic Growth Commission in the Department of the Treasury in fiscal 2008.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Total Expended	2008 Prog. Class.	Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
500	---	---	500	500	05	503	450	450
2,455	120	133	2,708	2,577	06	4,571	3,291	3,291
510	---	---	510	510				
					07	512	346	346
5,604	---	155	5,759	5,759	10	5,930	4,280	4,280
---	---	---	---	---	52	12,705	10,850	10,850
9,069	120	288	9,477	9,346		24,221^(b)	19,217	19,217
Total Direct State Services								

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Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Prog. Class. Adjusted Approp.	Requested	Recom- mended	
GRANTS-IN-AID									
189	---	---	189	189	Grants In New Jersey History	07	189	---	---
13	---	---	13	13	Grants in Afro-American History	07	13	13	13
600	---	---	600	600	Ellis Island New Jersey Foundation	07	550	450	450
3,456	---	---	3,456	3,456	New Jersey Historical Commission-Agency Grants	07	3,802	2,700	2,700
---	---	---	---	---	New Jersey Council for the Humanities	07	235	100	100
CAPITAL CONSTRUCTION									
Distribution by Fund and Program									
---	1,544	---	1,544	1,140	Public Broadcasting Services	10	---	---	---
---	1,544	---	1,544	1,140	Total Capital Construction		---	---	---
Distribution by Fund and Object									
New Jersey Public Broadcasting Authority									
---	1,197	---	1,197	1,096	Digital Transmission	10	---	---	---
---	3	---	3	---	Repair Access Road to Channel 52 Transmitter	10	---	---	---
---	44	---	44	44	New Jersey Network: Microwave Technology	10	---	---	---
---	300	---	300	---	Purchase and Replacement of Equipment	10	---	---	---
41,029	1,664	243	42,936	42,399	Grand Total State Appropriation		60,948	43,300	43,300
OTHER RELATED APPROPRIATIONS									
Federal Funds									
750 9 S	-1	---	758	750	Support of the Arts	05	760	800	800
715	1	---	716	1	Museum Services	06	715	---	---
625	743	---	1,368	743	Public Broadcasting Services	10	625	600	600
2,099	743	---	2,842	1,494	Total Federal Funds		2,100	1,400	1,400
All Other Funds									
---	220 159 R	---	379	248	Support of the Arts	05	225	---	---
---	263 400 R	45	708	608	Museum Services	06	606	527	527
---	39 5 R	---	44	12	Development of Historical Resources	07	26	---	---
---	3,223 13,605 R	---	16,828	14,207	Public Broadcasting Services	10	14,057	12,081	12,081
---	17,914	45	17,959	15,075	Total All Other Funds		14,914	12,608	12,608
43,128	20,321	288	63,737	58,968	GRAND TOTAL ALL FUNDS		77,962	57,308	57,308

Notes -- Direct State Services - General Fund

- (a) The Division of Travel and Tourism was relocated to the Department of State from the Commerce and Economic Growth Commission in the Department of the Treasury on July 8, 2007, pursuant to Executive Reorganization Plan 001-2007. Appropriations data for fiscal 2007 are presented in the Department of the Treasury; appropriations data for fiscal 2008 and 2009 are presented in the Department of State.
- (b) The fiscal 2008 appropriation has been adjusted for the allocation of salary program and management efficiencies.
- (c) Funding for Historic Morven, previously provided within the appropriation for Services Other Than Personal, is displayed as a separate Special Purpose budget line to increase clarity.

Notes -- Grants-In-Aid - General Fund

- (d) The appropriation for Battleship New Jersey Utilities has been relocated to the Department of State from the Interdepartmental Accounts.

Language Recommendations -- Direct State Services - General Fund

In addition to the amount hereinabove appropriated for the Division of State Museum, there are appropriated such sums as are required to cover additional costs related to re-opening the State Museum, not to exceed \$890,000, subject to the approval of the Director of the Division of Budget and Accounting.

The sum hereinabove appropriated for the Travel and Tourism, Advertising and Promotion - Cooperative Marketing Program is subject to the condition that any such amounts expended from such appropriation by the Division of Travel and Tourism are for programs which are funded by a 75% match by private tourism, industry concerns, and non-State public entities pursuant to subsection j. of section 9 of P.L. 1977, c.225 (N.J.S.A. 34:1A-53), subject to the approval of the Director of the Division of Budget and Accounting.

The Secretary of State shall report semi-annually on the expenditure during the preceding six months of State funds hereinabove appropriated for Travel and Tourism Advertising and Promotion and the Travel and Tourism, Advertising and Promotion - Cooperative Marketing Program, and private contributions to these programs. The first semi-annual report covering the first six months of fiscal 2009 shall be completed not later than January 31, 2009, the second semi-annual report covering the second six months of fiscal 2009 shall be completed not later than July 31, 2009, and both reports shall be submitted to the Treasurer, the Director of the Division of Budget and Accounting, and the Joint Budget Oversight Committee.

Of the amounts hereinabove appropriated for Public Broadcasting Services, \$526,000 shall be transferred to the Interdepartmental Household and Security account.

Language Recommendations -- Grants-In-Aid - General Fund

Of the amount hereinabove appropriated for Cultural Projects, an amount not to exceed \$75,000 may be used for administrative purposes, and an amount not to exceed \$125,000 may be used for the assessment and oversight of cultural projects, including administrative costs attendant to this function, in compliance with all pertinent State and federal laws and regulations including the Single Audit Act, subject to the approval of the Director of the Division of Budget and Accounting.

Of the amount hereinabove appropriated for Cultural Projects, the value of project grants awarded within each county shall total not less than \$50,000.

Of the amount hereinabove appropriated for Cultural Projects, funds may be used for the purpose of matching federal grants.

Notwithstanding the provisions of any law or regulation to the contrary, of the amount appropriated for Cultural Projects, 25% shall be awarded to cultural groups or artists based in the eight southernmost counties (Cape May, Salem, Cumberland, Gloucester, Camden, Ocean, Atlantic, and Burlington). In the calculation of the allocation percentage, the first \$1,000,000 of any grants that may be awarded to the New Jersey Performing Arts Center or the Rutgers Camden Performing Arts Center shall be disregarded.

The amount hereinabove appropriated for the Battleship New Jersey Utilities shall be used for the utility expenses of the Battleship New Jersey as shall be substantiated by the Home Port Alliance in a submission to the Director of the Division of Budget and Accounting, and shall not be expended without the approval of the Director and the State Treasurer.

Notwithstanding the provisions of section 4 of P.L. 1999, c.131 (C.18A:73-22.4), from the amount appropriated for New Jersey Historical Commission - Agency Grants, an amount not to exceed \$200,000 is appropriated for administrative costs, subject to the approval of the Director of the Division of Budget and Accounting.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

37. CULTURAL AND INTELLECTUAL DEVELOPMENT SERVICES

2541. DIVISION OF STATE LIBRARY

OBJECTIVES

1. To collect and maintain library resources and to provide information and other library services to State government, employees, and the general public; and through the statewide library network, to provide or locate needed supplementary information or materials not available to patrons at their local libraries.
2. To provide a broad program of public library services for residents of New Jersey who are print handicapped.
3. To develop and coordinate a statewide system of academic, institutional, public, school, and special libraries; provide consulting and technical assistance to those libraries; administer State and federal programs for the improvement of library services; and promote and develop library services throughout the State.
4. To develop an infrastructure which provides for cost effective electronic transfer of information; create informational databases and ensure that all citizens have access to this information at home, school, place of business, and at their local library (public, school, academic, corporate); and train library staff in the use of these new information systems.

PROGRAM CLASSIFICATIONS

51. **Library Services.** The State Library provides for purchasing, preparing, housing, and circulating books, periodicals, and other library materials, and supplies information and consultative services to the three branches of State government and to public, school, academic, and special libraries (N.J.S.A. 18A:73-26 et seq.).

Technical and financial assistance is provided under several programs. State Library Aid (N.J.S.A. 18A:74-1 et seq.) is paid to public libraries on a per capita basis; emergency and incentive aid may also be provided to restore service lost because of emergencies and to encourage larger units of service. The New Jersey Library Network Law provides funding for statewide and regionally supplied cooperative library services to individual residents of New Jersey and academic, institutional, public, school, and special libraries. Library Development Aid (P.L. 1985, c.297) provides funding for increased access to audio visual services; development and improvement of library services to the institutionalized; assistance to municipal libraries to maintain branches, evaluate, and develop public library collections; and to conserve and preserve collections of historical or special interest.

An affiliation between the State Library and Thomas A. Edison State College was created by P.L. 2001, c.137, effective July 2, 2001. The College assumed management and administrative oversight responsibility for the Library. The

purpose of this affiliation was to provide the State Library and the library community with greater flexibility in managing the resources allocated for library services throughout the State.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Library Services				
Books and Documents Managed -- State Library	2,000,307	2,011,096	2,016,000	2,021,000
Materials Loaned to Individuals and Libraries	35,361	37,690	37,000	38,000
Books and Documents Managed -- Library for the Blind & Handicapped (LBH)	76,109	76,470	79,000	82,000
Materials Loaned to Blind and Handicapped	463,411	447,893	452,372	456,890
Customers Served	13,537	11,407	11,021	11,857
LBH Volunteers	170	157	165	170
LBH Outreach Programs	471	331	331	331
Photocopies provided	144,509	90,800	145,000	80,000
Library Documents Distributed	15,850	23,610	15,000	24,000
Reference Questions Answered	19,971	17,767	20,000	17,000
Computer Searches Performed	913,920	920,000	925,000	925,000
Electronic Interlibrary Loans	285,701	316,617	325,000	335,000
CyberDesk / Internet Contacts	9,952,000	11,000,000	11,500,000	12,000,000
Web Portal Document Use	19,207,057	16,384,644	17,500,000	20,000,000
Knowledge Initiative Items Used	2,807,135	7,607,102	8,000,000	9,000,000

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	75	74	74	74
Federal	37	37	38	38
Total Positions	112	111	112	112

Filled Positions by Program Class

Library Services	112	111	112	112
------------------------	-----	-----	-----	-----

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
4,570	---	-51	4,519	4,519	Library Services	51	6,672	8,600	6,672
4,570	---	-51	4,519	4,519	Total Direct State Services		6,672 ^(a)	8,600	6,672
Distribution by Fund and Object									
Personal Services:									
3,432	---	-146	3,286	3,286	Salaries and Wages		3,534	4,269	3,534
3,432	---	-146	3,286	3,286	Total Personal Services		3,534	4,269	3,534
418	---	67	485	485	Materials and Supplies		418	506	418
193	---	-12	181	181	Services Other Than Personal		193	221	193
27	---	34	61	61	Maintenance and Fixed Charges		27	99	27
Special Purpose:									
500	---	---	500	500	Supplies and Extended Services	51	500	500	500
---	---	---	---	---	Virtual Library (Knowledge Initiative)	51	2,000	3,000	2,000
---	---	6	6	6	Additions, Improvements and Equipment		---	5	---

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>STATE AID</u>									
Distribution by Fund and Program									
18,520	---	---	18,520	18,378	Library Services	51	18,520	19,518	17,651
18,520	---	---	18,520	18,378	Total State Aid		18,520	19,518	17,651
Distribution by Fund and Object									
State Aid:									
8,665	---	---	8,665	8,665	Per Capita Library Aid	51	8,665	8,665	7,798
4,777	---	---	4,777	4,777	Library Network	51	4,777	5,777	4,777
1,300	---	---	1,300	1,300	Virtual Library Aid	51	1,300	1,300	1,300
3,778	---	---	3,778	3,636	Public Library Project Fund	51	3,778	3,776	3,776
<u>CAPITAL CONSTRUCTION</u>									
Distribution by Fund and Program									
---	17	---	17	17	Library Services	51	---	---	---
---	17	---	17	17	Total Capital Construction		---	---	---
Distribution by Fund and Object									
Division of State Library									
---	17	---	17	17	Install Fire Suppression System	51	---	---	---
23,090	17	-51	23,056	22,914	Grand Total State Appropriation		25,192	28,118	24,323

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

Notwithstanding the provisions of any law or regulation to the contrary, the amounts hereinabove appropriated for Direct State Services for the New Jersey State Library, excluding amounts appropriated to Special Purpose accounts, shall be paid in twelve equal installments, on the last business day of each month, beginning in July 2008.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL**74. GENERAL GOVERNMENT SERVICES****OBJECTIVES**

1. To formulate services and regulations for the effective operation of the Department of State.
2. To provide modern records administration and records management services, including microfilming, imaging, and storage facilities, to State agencies.
3. To promote an interest in, and an appreciation of, New Jersey history; maintain its official archives and a records management service for State and local government; and to provide access to these and other historical materials.
4. To provide effective responses to public requests for information which have been filed in the Office of the Secretary of State.
5. To assure proper reporting of election campaign contributions and expenditures; to assure proper quarterly reporting by continuing political committees; to provide partial public funding and to enforce expenditure and contribution limits for gubernatorial election campaigns; to assure proper annual reporting of lobbyists' financial activity; to assure proper reporting of personal financial disclosure information by gubernatorial and legislative candidates; and to promote public dissemination of information concerning financing of elections and financial activity of lobbyists.

PROGRAM CLASSIFICATIONS

01. **Office of the Secretary of State.** The Office of the Secretary of State (N.J.S.A. 52:16-1 et seq.) develops and coordinates several programs having statewide community and business impact. The Martin Luther King, Jr. Commemorative Commission (N.J.S.A. 52:9Z-1 et seq.) coordinates programs and events with community groups and organizations throughout the State for the purpose of educating the citizens of New Jersey about the slain civil rights leader and his message of diversity. The Office of Faith-Based Initiatives was transferred from the Department of Community Affairs to the Department of State in fiscal 2003. This program provides grants that enable faith-based organizations to undertake a range of social service activities. The AmeriCorps program was transferred from the Department of Education to the Department of State in fiscal 2004. This federally supported program promotes volunteerism and community service efforts.
08. **Records Management.** The Division of Archives and Records Management holds in trust the public records of New Jersey - one of the oldest and most vital functions of government. The Division operates the State Archives (the state's largest repository and public research center for the study of New Jersey history and genealogy) and the State Records Storage Center. The State Archives operates New Jersey's research center for public records of enduring

historical value, providing reference and consultative services to thousands of researchers, historians, and public record-keepers annually. The Records Storage Center is a secure, centralized, low-cost facility for storing up to 250,000 cubic feet of semi-current State agency records. Temperature- and humidity-controlled vaults are available to accommodate an agency's computer tapes, optical disks, and microfilm master negatives. The Division's Micrographics Bureau operates the State of New Jersey's centralized microfilm unit, producing source-document microfilm for State, county, and local government agencies on a charge-back basis. The bureau also advises agencies who wish to contract with outside microfilm vendors and monitors compliance with statewide microfilm standards for the public sector.

25. **Election Management and Coordination.** Coordinates voter registration and elections and is responsible for the canvassing of votes cast for federal offices, constitutional amendments, and other public questions. The implementation of the National Voter Registration Act of 1993, P.L. 103-31, which broadened the State's Motor Voter law to allow for registration when applying for unemployment or welfare benefits at State and federal offices, in addition to motor vehicle offices, has increased the number of registered voters in the State to 5 million.

EVALUATION DATA

PROGRAM DATA	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Office of the Secretary of State				
Grant Applications Received-- Martin Luther King, Jr. Commemorative Commission	89	170	180	180
Grants Awarded-- Martin Luther King, Jr. Commemorative Commission	29	33	30	30
Records Management				
Micro-images produced	16,191,414	13,177,533	19,000,000	20,000,000
Records received (cubic storage feet)	24,657	23,297	25,000	26,000
Records disposed	23,512	20,916	24,058	38,058
Reference requests (storage)	20,496	25,712	26,500	29,100
Visitors to Archives Facilities	6,095	4,576	6,000	7,000
Visitors to Archives Web Site	289,990	499,096	900,000	1,000,000
Election Management and Coordination				
Registered Voters	4,837,943 ^(a)	4,810,437	4,840,437	5,000,000
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	23	19	22	22
Male Minority %	13.9%	12.4%	15.1%	15.1%
Female Minority	57	69	66	66
Female Minority %	34.3%	45.1%	45.2%	45.2%
Total Minority	80	88	88	88
Total Minority %	48.2%	57.5%	60.3%	60.3%
Position Data (b)				
Filled Positions by Funding Source				
State Supported	105	93	89	89
Federal	17	16	14	14
All Other	44	44	43	43
Total Positions	166	153	146	146
Filled Positions by Program Class				
Office of the Secretary of State	58	50	48	48
Records Management	89	87	86	86
Election Management and Coordination	19	16	12	12
Total Positions	166	153	146	146

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

(a) Represents actual data reported to federal government annually.

(b) Position data has been adjusted to reflect the relocation of the New Jersey - Israel Commission and Election Management and Coordination to the Secretary of State's Office.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
3,373	975	204	4,552	3,833	Office of the Secretary of State	01	3,566	3,278	3,278
3,058	109	---	3,167	3,014	Records Management	08	3,037	2,801	2,801
966	2,314	-170	3,110	762	Election Management and Coordination ^(a)	25	996	824	824
7,397	3,398	34	10,829	7,609	Total Direct State Services		7,599 ^(b)	6,903	6,903
Distribution by Fund and Object									
Personal Services:									
4,664	---	190	4,854	4,853	Salaries and Wages		5,604	5,264	5,264
4,664	---	190	4,854	4,853	Total Personal Services		5,604	5,264	5,264
237	---	-160	77	76	Materials and Supplies		288	282	282
409									
95 ^S	35	249	788	664	Services Other Than Personal		563		
							10 ^S	563	563
56	---	-23	33	33	Maintenance and Fixed Charges		56	56	56
Special Purpose:									
34	---	---	34	34	Affirmative Action and Equal Employment Opportunity	01	34	34	34
50	---	---	50	50	9-11 Memorial Commission	01	50	---	---
500	---	-100	400	399	Personal Responsibility Programs	01	151	151	151
150	975	---	1,125	417	Amistad Commission	01	150	---	---
129	---	---	129	129	Office of Volunteerism	01	129	129	129
---	---	---	---	---	New Jersey - Israel Commission ^(c)	01	130	130	130
168	---	---	168	168	Martin Luther King, Jr. Commemorative Commis- sion	01	174	174	174
---	2,314	---	2,314	---	Help America Vote Act	25	---	---	---
380	---	---	380	362	County Monitoring and Oversight ^(d)	25	---	---	---
525	74	-122	477	424	Additions, Improvements and Equipment		260	120	120
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
2,220	---	---	2,220	2,220	Office of the Secretary of State	01	3,220	2,000	2,000
2,220	---	---	2,220	2,220	Total Grants-in-Aid		3,220	2,000	2,000
Distribution by Fund and Object									
Grants:									
1,500	---	---	1,500	1,500	Office of Faith-Based Initiatives	01	2,500	1,500	1,500
720	---	---	720	720	Cultural Trust	01	720	500	500
<u>STATE AID</u>									
Distribution by Fund and Program									
7,030	---	---	7,030	7,030	Election Management and Coordination	25	27,545	17,030	17,030
7,030	---	---	7,030	7,030	Total State Aid		27,545	17,030	17,030
Distribution by Fund and Object									
Special Purpose:									
---	---	---	---	---	Voter Verified Paper Audit Trail	25	10,000	10,000	10,000
7,030	---	---	7,030	7,030	Extended Polling Place Hours	25	7,030	7,030	7,030

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Prog. Class. Adjusted Approp.	Requested	Recom- mended	
---	---	---	---	---	<u>STATE AID</u>				
					Presidential Primary	25	10,515	---	---
					<u>CAPITAL CONSTRUCTION</u>				
					Distribution by Fund and Program				
---	63	---	63	---	Records Management	08	---	---	---
---	63	---	63	---	Total Capital Construction		---	---	---
					Distribution by Fund and Object				
					Office of the Secretary of State				
---	63	---	63	---	State Archives - Equipment	08	---	---	---
16,647	3,461	34	20,142	16,859	Grand Total State Appropriation		38,364	25,933	25,933
OTHER RELATED APPROPRIATIONS									
Federal Funds									
5,676	-183	590	6,083	4,030	Office of the Secretary of State	01	5,634	4,870	4,870
2,210	3,021	2,931	8,162	3,022	Election Management and Coordination	25	300	300	300
7,886	2,838	3,521	14,245	7,052	Total Federal Funds		5,934	5,170	5,170
All Other Funds									
---	318 14 R	18	350	94	Office of the Secretary of State	01	---	---	---
---	92 1,100 R	21,627	22,819	22,819	Records Management (e)	08	---	---	---
---	113 R	---	113	113	Election Management and Coordination	25	---	---	---
---	1,637	21,645	23,282	23,026	Total All Other Funds		---	---	---
24,533	7,936	25,200	57,669	46,937	GRAND TOTAL ALL FUNDS		44,298	31,103	31,103

Notes -- Direct State Services - General Fund

- (a) Election Management and Coordination was relocated to the Department of State from the Department of Law and Public Safety, effective April 1, 2008, pursuant to P.L. 2007, c.254.
- (b) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.
- (c) The New Jersey - Israel Commission was relocated to the Department of State from the Commerce and Economic Growth Commission in the Department of the Treasury on July 8, 2007, pursuant to Executive Reorganization Plan 001-2007. Appropriations data for fiscal year 2007 are presented in the Department of the Treasury; appropriations data for fiscal years 2008 and 2009 are presented in the Department of State.
- (d) The County Monitoring and Oversight account has been reallocated to various operating accounts within Election Management and Coordination.
- (e) In addition to the resources reflected in All Other Funds above, funding will be transferred from the Department of the Treasury to support operations and services related to the Records Management program in fiscal 2009. The recent history of such receipts is reflected in the Department of the Treasury's budget.

Language Recommendations -- Direct State Services - General Fund

The unexpended balance at the end of the preceding fiscal year in the 9-11 Memorial Commission account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Amistad Commission account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the Records Management program is payable from receipts deposited in the New Jersey Public Records Preservation account.

Notwithstanding the provisions of any law or regulation to the contrary, up to 40% of the receipts deposited in the New Jersey Public Records Preservation account in the Department of the Treasury are appropriated, subject to the approval of the Director of the Division of Budget and Accounting, and allocated as grants to counties and municipalities for the management, storage, and preservation of public records based on regulations promulgated by the Division of Archives and Records Management and approved by the State Treasurer. Of the amount so appropriated, an amount not to exceed \$100,000 may be used for the administrative expenses of this grant program, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts received from New Jersey Public Records Preservation fees, not to exceed \$1,300,000, are appropriated for the operations of the microfilm unit in the Division of Archives and Records Management within the Department of State, subject to the approval of the Director of the Division of Budget and Accounting.

STATE

Receipts derived from the examination of voting machines by Election Management and Coordination and the unexpended balance at the end of the preceding fiscal year of those receipts are appropriated for the costs of making such examinations.

The unexpended balance at the end of the preceding fiscal year in the Help America Vote Act - State Match account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - General Fund

Of the amount hereinabove appropriated for Office of Faith-Based Initiatives, an amount not to exceed \$50,000 may be used for administrative purposes, including the oversight of cultural projects, to ensure their compliance with all applicable State and federal laws and regulations including the Single Audit Act, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- State Aid - General Fund

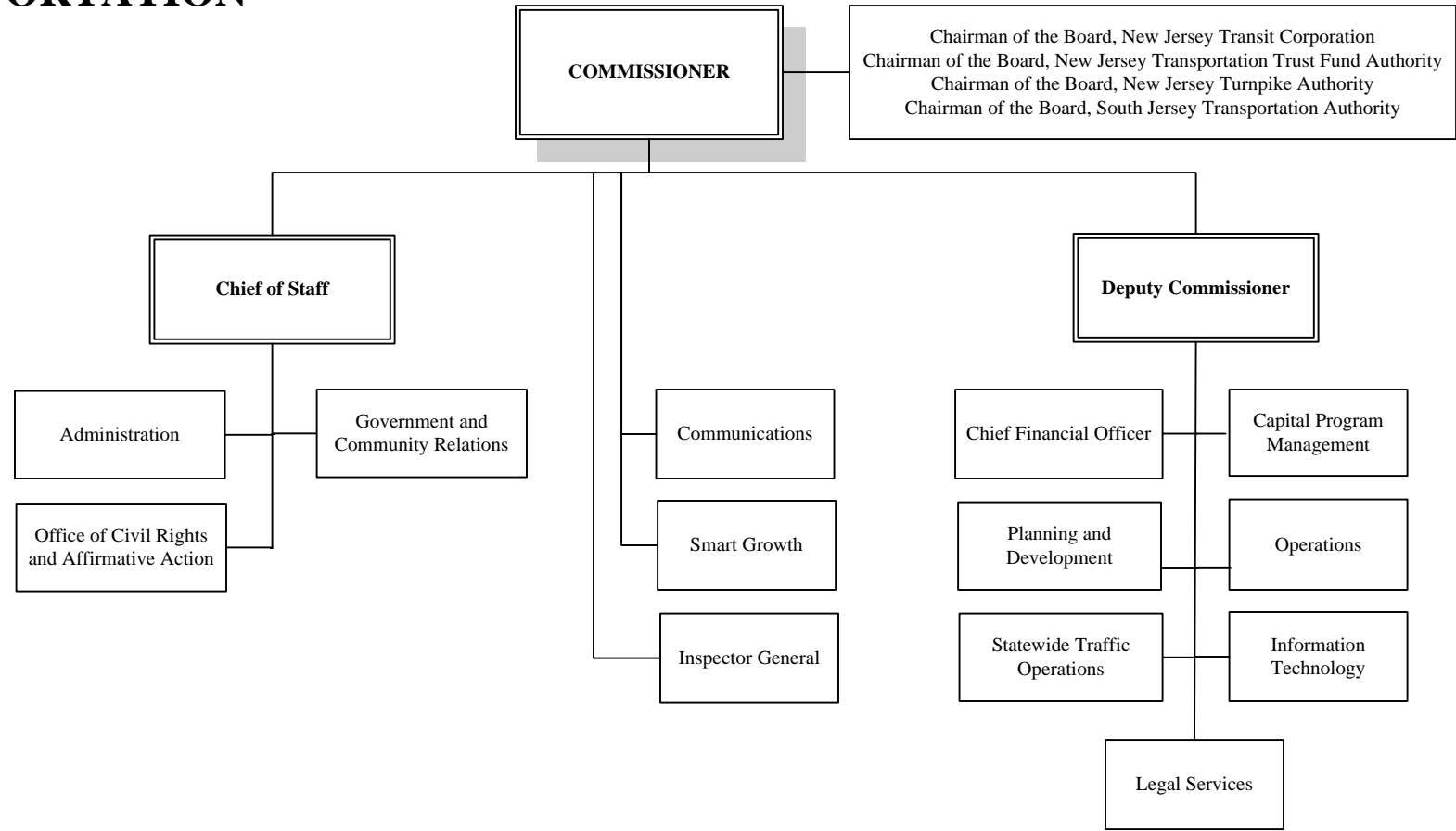
The unexpended balance at the end of the preceding fiscal year in the Presidential Primary account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting. In addition there are appropriated from the General Fund such additional sums as may be required for county and municipal costs of the Presidential Primary, as certified by the Commissioner of Registration of each county, and certified by the Office of the Secretary of State, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Direct State Services - General Fund

DEPARTMENT OF STATE

Pursuant to the provisions of P.L. 2003, c.114, the amounts hereinabove appropriated for the purpose of promoting cultural and tourism activities in this State shall first be charged to revenues derived from the hotel and motel occupancy fee.

TRANSPORTATION



In-But-Not-Of Agencies



DEPARTMENT OF TRANSPORTATION OVERVIEW

Mission and Goals

The New Jersey Department of Transportation (NJDOT) builds, operates and maintains the State's transportation system. New Jersey's highway system has the highest volume of roadway and bridge use in the nation, while its size and scope make it one of the nation's more complex systems to maintain. In fiscal year 2009, it is estimated that NJDOT will maintain nearly 13,510 miles of lanes, shoulders and ramps, 2,579 bridges, over 3,100 traffic signals and 35,000 highway light fixtures. New Jersey is also home to nearly 470 public and private use aeronautical facilities, the nation's largest statewide public transit system, and a system of ports that handles over 112 million tons of goods each year. The movement of goods to and from New Jersey's ports is among the most important economic engines for the State, region and nation.

Managing New Jersey's complex transportation system requires a comprehensive strategy that combines sound capital investment with close operational oversight. Balanced investments in roads, bridges, public transit, airports, and pedestrian facilities yield a significant stimulus to the State's economy. To better assess, delineate and prioritize transportation projects and to provide a more accurate assessment of the State's transportation funding requirements, the Department will expand its five-year State Transportation Improvement Program to a ten-year program beginning with fiscal 2009.

As an economic and transportation partner with New Jersey's counties and municipalities, NJDOT administers State and federal grants used to improve the condition of the local roadway networks. These grants fund street improvements, rehabilitation, and safety projects in various New Jersey towns.

To improve operational effectiveness, the Commissioner of Transportation directed an internal review of business practices which considered the organization of various work functions and business practices. As a result, several internal initiatives are underway to better position NJDOT to continue to meet its core mission. One such initiative, the closeout of transportation projects, realized \$79 million in federal funds that were redirected to new projects.

Improved safety, traffic congestion relief, and customer service are of paramount importance to NJDOT. After recognizing the need for additional crash prevention on the State's highways, NJDOT added a total of 80 miles of median barriers, including I-78 which is now fully protected. As a result, there has been a decline in the number of cross median accidents, helping to lower the number of fatalities and injuries. Preliminary data shows that deaths on New Jersey roads declined to their lowest level in 20 years in calendar year 2007, to 718 traffic deaths, a decline of 30% from 1988. To mitigate traffic congestion, the "state-of-the-art" Statewide Traffic Management Center - cooperatively operated by NJDOT, the New Jersey Turnpike Authority and the New Jersey State Police - will become operational in 2008. Co-locating the three agencies will afford simple and effective statewide traffic monitoring, traffic incident response coordination, and responses to emergencies. Traffic incidents are primary factors causing traffic congestion. To improve customer service, NJDOT's new 511 travel information phone system was launched in August 2007. Designated by the Federal Communications Commission (FCC) as the single travel information telephone number to be made available to all states and local jurisdictions across the country, the 511 system delivers real-time information collected by Intelligent Transportation Systems (ITS) to travelers and commuters.

The Transportation Trust Fund (TTF) provides \$1.6 billion in financing each year through fiscal 2011 for Transportation Capital

Program projects submitted by NJDOT and NJ Transit. Of this amount, \$175 million is set aside for local government projects. Including federal dollars, the Capital Program totaled \$3.2 billion in fiscal 2008 and supports the movement of over \$860 billion worth of goods and services and directly creates over 100,000 jobs. The Department has developed specific initiatives to make the best use of its limited capital resources. One example is "Smart Solutions," a program that right-sizes projects to make the best use of capital resources. This effort reduced project costs by \$350 million on 12 projects in fiscal 2007. The Capital Program continues significant investment in bridge and roadway preservation, promotes Smart Growth through investments targeted to relieve congestion, accelerates the project delivery process through the Hyper-Build initiative, and increases spending for projects and programs that promote and improve the safety of motorists and pedestrians.

The Department also issued its Final Bridge Report and Capital Investment Analysis which provides a blueprint to improve infrastructure investment planning in order to ensure the continued safety of our bridges. In addition, NJDOT implemented paperless Internet bidding in fiscal 2007 and also began to post contract award information for professional services on its website to further improve business processes and to better serve the business community.

Budget Highlights

The Fiscal 2009 Budget for the Department of Transportation totals \$1.369 billion, an increase of \$34.6 million or 2.6% over the fiscal 2008 adjusted appropriation of \$1.334 billion.

This Budget increases NJ Transit's operating subsidy by \$60 million, to a total of \$358.2 million, and will allow the agency to handle inflationary increases to its operating budget. Funding for the Elderly and Handicapped Transportation Program will decline by \$3.9 million due to a decrease in Casino Revenue Fund tax collections in fiscal 2007.

The total recommendation for the Department also reflects \$11.4 million in savings initiatives, including \$4.7 million from charging the Federal Highway Administration's Incident Management Program for emergency response services by maintenance crews.

The Governor's recommendation of \$895 million for the Transportation Trust Fund will allow the Department to finance a total State-funded Capital Program of \$1.6 billion. This total includes \$800 million for NJDOT projects, \$625 million for NJ Transit, and \$175 million in Local Aid. Combined with federal highway and public transportation funding, the Capital Program for fiscal 2009 is expected to be nearly \$3.2 billion.

New Jersey Motor Vehicle Commission

Since the enactment of the "Motor Vehicle Security and Customer Service Act" in January 2003, the Motor Vehicle Commission (MVC) has remained committed to its mission of being the model of excellence in motor vehicle services. In September 2007, the "MVC Forward - Strategies for Excellence" report was presented as MVC's roadmap for the future. These strategies include increased security measures, continued customer service improvements, safety initiatives, and long-term sustainability for the Commission.

The MVC has undergone a major transformation in the past four years, especially in the area of technology. Upgraded infrastructure and the implementation of key programs such as the Digital Driver License (DDL) Program have been the cornerstone of the Commission's reform efforts. Other major MVC initiatives and projects, such as the rewrite of the comprehensive computer system, will be critical components of the organization's drive to fully modernize and economize while ensuring safety. The Commission's

new point of service program will streamline various over-the-counter transactions while providing enhanced audit capabilities.

Constant enhancements to the MVC website have provided customers and business partners with a quick, convenient self-service option for obtaining MVC information and completing various transactions. With more than 10,000 unique visitors using the MVC website each month, the upgraded site is providing both services and education, including the "6 Point ID Verification" brochure. Web improvements translate to lower costs, fewer visitors at agencies, and decreased call volume.

Safe, clean, and comfortable facilities also are essential to the MVC reform efforts. The MVC has developed a Six Year Capital Master Plan to utilize existing bond proceeds for facility construction and renovation. The plan will improve the workspace environment for MVC employees and the motoring public.

Easy, time-efficient transactions are the Commission's promise to the state's drivers as part of better customer service. The MVC has

completed the rollout of the credit card program at all of its facilities with excellent customer response. The driver testing program has also been revamped, allowing for a more secure and convenient process.

Federal legislation signed in 2005, known as the Real ID Act, requires a comprehensive overhaul of State driver license and identification card provisions and is scheduled to become effective in May 2008. The Act details extensive changes to the security and issuance of State driver licenses and identification cards. Compliance with the law will necessitate a considerable investment by states and the federal government to meet the requirements of the Act. The MVC has formulated a project team to address the next generation of licenses while maintaining constant communications with the American Association of Motor Vehicle Administrators and the Department of Homeland Security.

The Commission's Budget will continue to be 100% revenue supported as provided by law. MVC collections total more than \$1 billion annually, primarily on behalf of other State programs.

DEPARTMENT OF TRANSPORTATION SUMMARY OF APPROPRIATIONS BY FUND (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND							
96,451	4,617	2,965	104,033	102,054	103,851	82,404	82,404
300,700	3,167	140	304,007	300,808	298,200	358,200	358,200
895,000	191	---	895,191	895,000	895,000	895,000	895,000
1,292,151	7,975	3,105	1,303,231	1,297,862	1,297,051	1,335,604	1,335,604
CASINO REVENUE FUND							
34,930	---	---	34,930	34,930	36,928	33,018	33,018
34,930	---	---	34,930	34,930	36,928	33,018	33,018
1,327,081	7,975	3,105	1,338,161	1,332,792	1,333,979	1,368,622	1,368,622
Total Appropriation, Department of Transportation							

SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES - GENERAL FUND							
Vehicular Safety							
---	---	---	---	---	---	---	---
---	---	---	---	---	---	---	---
State and Local Highway Facilities							
85,295	3,345	2,912	91,552	90,073	93,387	72,229	72,229
6,846	567	43	7,456	7,090	7,199	7,046	7,046
---	480	---	480	360	---	---	---
92,141	4,392	2,955	99,488	97,523	100,586	79,275	79,275

TRANSPORTATION

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
1,490	224	---	1,714	1,709	Regulation and General Management		
2,820	1	10	2,831	2,822	Intermodal Services	1,575	1,519
					Administration and Support Services	1,690	1,610
4,310	225	10	4,545	4,531	Subtotal	3,265	3,129
96,451	4,617	2,965	104,033	102,054	Total Direct State Services - General Fund	103,851	82,404
96,451	4,617	2,965	104,033	102,054	TOTAL DIRECT STATE SERVICES	103,851	82,404
GRANTS-IN-AID - GENERAL FUND							
Public Transportation							
300,700	---	---	300,700	300,700	Railroad and Bus Operations	298,200	358,200
300,700	---	---	300,700	300,700	Subtotal	298,200	358,200
Regulation and General Management							
---	3,167	140	3,307	108	Intermodal Services	---	---
---	3,167	140	3,307	108	Subtotal	---	---
300,700	3,167	140	304,007	300,808	Total Grants-In-Aid - General Fund	298,200	358,200
300,700	3,167	140	304,007	300,808	TOTAL GRANTS-IN-AID	298,200	358,200
STATE AID - CASINO REVENUE FUND							
Public Transportation							
34,930	---	---	34,930	34,930	Railroad and Bus Operations	36,928	33,018
34,930	---	---	34,930	34,930	Subtotal	36,928	33,018
34,930	---	---	34,930	34,930	Total State Aid - Casino Revenue Fund	36,928	33,018
34,930	---	---	34,930	34,930	TOTAL STATE AID	36,928	33,018
CAPITAL CONSTRUCTION							
Vehicular Safety							
---	191	---	191	---	Motor Vehicle Services	---	---
---	191	---	191	---	Subtotal	---	---
State and Local Highway Facilities							
895,000	---	---	895,000	895,000	Trust Fund Authority - Revenues and other funds available for new projects	895,000	895,000
895,000	---	---	895,000	895,000	Subtotal	895,000	895,000
895,000	191	---	895,191	895,000	TOTAL CAPITAL CONSTRUCTION	895,000	895,000
1,327,081	7,975	3,105	1,338,161	1,332,792	Total Appropriation, Department of Transportation	1,333,979	1,368,622

10. PUBLIC SAFETY AND CRIMINAL JUSTICE
11. VEHICULAR SAFETY

OBJECTIVES

1. To promote motor vehicle safety for New Jersey citizens while delivering secure, effective, and professional motor vehicle services and to achieve public trust and confidence in the quality and integrity of those services.
2. To identify and regulate drivers and motor vehicles in a manner that deters the commission of unlawful and unsafe acts; assures adequate service to the public; and, where provided by law and regulation, collects revenue for the State.
3. To reduce the risk of death, injury, personal, and property loss by identifying remedial action required for unsafe, incompetent, and unqualified drivers; by taking corrective or remedial action according to statutes, rules, regulations, and policies; by reviewing violation and accident data received from New Jersey jurisdictions and other states; and, by reviewing medical fitness data received from individuals, physicians, police departments, and the Motor Vehicle Commission (MVC) driver testing area.
4. To increase safety in the use of motor vehicles by identifying and correcting vehicle defects and limiting the amount of vehicle-produced air pollution in accordance with State and federal regulations through MVC's Enhanced Inspection and Maintenance Program.
5. To assure equitable and safe transportation practices by motor carriers and maximum revenue to the State.
6. To reduce the risk of personal and property loss caused by irresponsible or uninsured drivers, vehicle theft, and fraud.
7. To develop programs that will reduce and prevent the incidence of death, injury, and property damage resulting from traffic accidents.

PROGRAM CLASSIFICATIONS

01. **Motor Vehicle Services.** To address security deficiencies identified in the FIX DMV Report issued in 2003, MVC restructured the organization, creating a new position, the Director of Security, Investigations and Internal Audit, as well as a separate unit to improve fraud detection and physical security through advanced technology, effective investigative processes, and internal controls.

The units under the Director include: a Security and Investigations Unit, an Internal Audit Unit, an Internal Monitoring Unit, a Document Fraud Unit, a Title Record Unit, and a Business License Investigations Unit. These units are interrelated, which promotes an adequate level of professional oversight in security matters throughout MVC.

Information Technology manages the operation and support functions of all information processing systems used in MVC's administration of statutorily mandated programs. MVC's Comprehensive Management Information System (the COMP System) is continuously updated and accessed by more than 300 business partners, 140 insurance companies, and law enforcement organizations. MVC, through the COMP System, issues digitized driver licenses and jury notices, and provides online services to the public.

Database Corrections conducts error analysis and processes all database corrections to license, title, and registration records. This analysis and processing includes updates to MVC's COMP System. The Imaging Systems Center operates and maintains a computerized indexing system to store and

retrieve essential information and documents stored on microfilm.

The Contact Center receives and responds by telephone to customer inquiries and problems, resolves issues or refers more complex matters when appropriate, as well as operating the telephone mail system.

The Enhanced Inspection and Maintenance Program, with 31 locations and 125 lanes, enforces vehicle inspection standards, regulates motor vehicles to reduce the risk of accidents caused by vehicular safety defects, and conducts emissions testing. These functions are performed at State-owned or leased inspection stations, or at State-regulated private inspection centers. All State registered vehicles are examined for compliance with established equipment standards after verification of valid licensing, registration, and compulsory insurance documentation. Program personnel perform on-the-road and in-terminal inspections of both New Jersey registered and out-of-state trucks, tractors and trailers; perform roadside inspection of passenger vehicles, conduct semi-annual safety and emissions inspections of all State-registered school buses; and, monitor the performance of private inspection centers.

Driver Testing establishes standards for driver licensing through knowledge, vision and behind-the-wheel testing. This area certifies commercial driving schools and their instructors, as well as driver education or classroom instruction.

The State of New Jersey licenses, tests, and ensures fitness of motorists who operate commercial motor vehicles in accordance with federal standards established by the "Commercial Motor Vehicle Safety Act of 1986," P.L. 99-570 (49 U.S.C. 2710 et seq.).

Forty-five motor vehicle agencies serve motorists, process applications, collect fees and sales taxes, and issue documentation for titles, driver licenses, and vehicle registrations at sites throughout the state. Agencies issue license plates and handicap placards, process name and address changes, conduct eye examinations, boating-related transactions, and more.

Driver Education and Improvement schedules and facilitates driver conferences for drivers with proposed suspensions resulting from persistent point system violations and other administrative suspension actions. Within this area, the Probationary Driver and Experienced Driver Programs conduct classes and determine remedial actions.

Driver Management and Regulatory Affairs tracks compliance with the statutory and regulatory responsibilities of the Business License Compliance and Motor Carriers Programs. Additionally, this area provides investigative support to the law enforcement community and internal operational units, processes requests for driver medical qualification, schedules license re-examinations, and updates records to reflect driver compliance.

Business License Compliance licenses private inspection centers, driving schools, driver instructors, auto body repair facilities, new and used auto dealers, vehicle leasing companies, salvage yards, third party testers of commercial driver licenses, and any other businesses over which MVC has statutory oversight.

The Surcharge Unit analyzes violation and suspension events to determine surcharge validity and to resolve certain driver

TRANSPORTATION

disputes, and is the liaison between MVC and the private vendors and law firms that collect driver payments.

The Motor Carriers Unit administers: the International Registration Program (IRP), which registers interstate commercial vehicles; the International Fuel Tax Agreement (IFTA), which standardizes fuel tax reporting for interstate commercial vehicles; and the Overweight/Overdimensional Permit Program, which provides permits, routes of travel, and insurance verification for vehicles transporting loads that exceed a given legal weight, length, height or width.

The Uninsured Motorist Program expedites insurance termination processing, which directly affects the enforcement

of New Jersey's compulsory motor vehicle insurance law.

18. **Security Responsibility.** MVC oversees the administration of the Motor Vehicle Security Responsibility Law and aids in the administration of the New Jersey Compulsory Motor Vehicle Liability Insurance Law. These laws provide financial protection against motor vehicle accidents by requiring motorists to carry liability insurance, by facilitating compensation for injury or damage caused by uninsured or financially irresponsible motorists, and by removing irresponsible motorists from the road. The cost of administering the Security Responsibility Law is assessed against insurance companies writing automobile insurance in this state.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Motor Vehicle Services				
Registrations and Title Documents Issued	9,774,684	9,528,128	9,650,000	9,725,000
Registration Documents Issued	7,329,233	7,142,570	7,250,000	7,300,000
Certificates of Ownership Issued	2,445,451	2,385,558	2,400,000	2,425,000
License Documents Issued (Non-Commercial)	3,868,395	4,614,336	3,290,000	3,948,000
Driver Exam Permit Documents Issued (Non-Commercial) ..	337,428	330,340	330,000	330,000
Salvage Titles Issued	28,925	22,427	22,427	22,427
Salvage Vehicle Inspections	2,754	1,431	1,431	1,431
Regional Service Centers (4) - Number of Customers	1,457,488	1,465,016	1,480,280	1,505,469
Telephone Center - Inquiries Answered	2,784,296	1,556,008	1,350,000	1,417,500
Mailings Processed	15,327,495	14,479,984	15,100,000	15,100,000
Licensed Drivers	5,629,451	5,519,976	5,519,976	5,519,976
Registered Vehicles	6,537,486	6,362,199	6,385,000	6,420,000
Total NJ Inspections/Reinspections	3,006,193	2,898,582	2,905,057	2,856,812
Centralized - Inspections/Reinspections	2,289,601	2,218,542	2,199,245	2,177,000
Initial Inspections - Centralized	1,804,356	1,794,272	1,810,000	1,800,000
Reinspections - Centralized	485,245	424,270	389,245	377,000
Private Inspection Facility - Inspections/Reinspections ...	619,762	587,530	612,000	586,000
Initial Inspections - Private Inspection Facilities	442,983	434,572	452,000	434,000
Reinspections - Private Inspection Facilities	176,779	152,958	160,000	152,000
Specialty Inspections	9,595	9,138	9,594	9,594
School Bus - Inspections/Reinspections	70,028	65,752	66,518	66,518
Initial Inspections - School Bus	39,738	38,853	42,573	42,573
Reinspections - School Bus	30,290	25,206	23,945	23,945
Specification Inspections	1,559	1,693	1,700	1,700
Roadside Inspections	15,648	15,927	16,000	16,000
Roadside Rejections	10,107	9,707	9,700	9,700
Driver Testing:				
Vision Tests	343,958	271,040	281,881	293,156
Written Tests	464,310	452,597	452,597	452,597
Oral Tests	11,821	14,484	15,932	16,728
Road Tests	249,458	211,592	211,592	220,055
Commercial Driver License Program:				
License Documents Issued	261,265	397,133	210,000	252,000
Permit Documents Issued	53,369	59,013	60,000	61,000
Knowledge Tests	131,261	136,743	142,212	147,900
Road Tests	20,897	22,847	25,131	26,638
Court Suspensions	317,449	329,370	318,614	320,348
Administrative Suspensions	369,071	388,284	376,461	375,508
Point System Suspensions	7,927	9,467	9,169	9,200
Surcharge Suspensions	221,554	228,559	224,547	223,547
Total Restorations	235,034	223,085	248,220	248,220

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	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Businesses Licensed:				
Junkyards	54	54	53	53
Dealers	4,430	4,129	4,207	4,249
Commercial Driving Schools	221	236	250	275
Commercial Driving Instructors	1,204	1,259	1,300	1,350
Leasing Companies	65	58	52	47
Auto Body Repair Facilities	1,589	1,446	1,550	1,690
Private Inspection Centers	1,013	1,244	1,290	1,320

PERSONNEL DATA

Position Data

Filled Positions by Funding Source				
All Other	2,707	2,609	2,570	2,674
Total Positions	2,707	2,609	2,570	2,674
Filled Positions by Program Class				
Motor Vehicle Services	2,595	2,514	2,468	2,564
Security Responsibility	112	95	102	110
Total Positions	2,707	2,609	2,570	2,674

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended	
CAPITAL CONSTRUCTION									
Distribution by Fund and Object									
Motor Vehicle Services									
---	191	---	191	---	Enhanced Inspection and Maintenance - Leased Facilities Costs	01	---	---	
---	191	---	191	---	Grand Total State Appropriation		---	---	
OTHER RELATED APPROPRIATIONS									
Federal Funds									
---	221	5,863	6,084	1,505	Motor Vehicle Services	01	3,091	3,091	
---	221	5,863	6,084	1,505	Total Federal Funds		3,091	3,091	
All Other Funds									
---	94,538								
---	317,464 R	-21,648	390,354	281,144	Motor Vehicle Services	01	282,576	279,183	
---	2,271								
---	15,581 R	45	17,897	15,481	Security Responsibility	18	15,500	15,500	
---	429,854	-21,603	408,251	296,625	Total All Other Funds		298,076	294,683	
---	430,266	-15,740	414,526	298,130	GRAND TOTAL ALL FUNDS		301,167	297,774	

Language Recommendations -- Direct State Services - General Fund

Notwithstanding the provisions of the "Motor Vehicle Inspection Fund" established pursuant to subsection j. of R.S. 39:8-2, balances in the fund are available for Other-Clean Air purposes, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, monies received in the "Commercial Vehicle Enforcement Fund" established pursuant to section 17 of P.L. 1995, c.157 (C.39:8-75), are appropriated to offset all reasonable and necessary expenses of the Division of State Police, the Motor Vehicle Commission, the Department of Transportation, and the Department of Environmental Protection in the performance of commercial truck safety and emission inspections and Other-Clean Air purposes, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived pursuant to the New Jersey emergency medical service helicopter response act under subsection a. of section 1 of P.L. 1992, c.87 (C.39:3-8.2), are appropriated to the Division of State Police and the Department of Health and Senior Services to defray the operating costs of the program as authorized under P.L. 1986, c.106 (C.26:2K-35 et seq.). The unexpended balance at the end of

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the preceding fiscal year is appropriated to the special capital maintenance reserve account for capital replacement and major maintenance of helicopter equipment and any expenditures therefrom shall be subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of section 105 of P.L. 2003, c.13 (C.39:2A-36) or any law to the contrary, pursuant to P.L. 2006, c.39, receipts that are derived from the surcharge on luxury and fuel-inefficient vehicles shall be deposited in the General Fund as State revenue.

The amount hereinabove appropriated to the New Jersey Motor Vehicle Commission is based on proportional revenue collections for that fiscal year pursuant to the statutes listed in subsection a. of section 105 of P.L. 2003, c.13 (C.39:2A-36). Of that amount, \$8,138,000 shall be appropriated for transfer to the Interdepartmental property rental and household and security accounts, \$4,800,000 shall be appropriated for transfer to the Division of Revenue within the Department of the Treasury, \$612,000 shall be appropriated for transfer to the Division of State Police, and \$800,000 shall be appropriated for transfer to the Bureau of Forestry within the Department of Environmental Protection for its Forest Fire Fighting Program. In addition, the Motor Vehicle Commission shall pay the non-State hourly rate charged by the Office of Administrative Law for hearing services, or an amount no less than \$500,000, subject to the approval of the Director of the Division of Budget and Accounting.

60. TRANSPORTATION PROGRAMS

61. STATE AND LOCAL HIGHWAY FACILITIES

OBJECTIVES

1. To maintain State roads, bridges, and railroad properties, and to ensure safe and efficient movement of traffic.
2. To provide financial aid for local highway construction and maintenance.
3. To improve and upgrade local roads and streets.
4. To maintain and install all electrical devices required for traffic control, direction, or illumination.
5. To maintain and operate the physical plant required to carry out departmental responsibilities and objectives.
6. To provide, maintain and improve the vehicular fleet of the Department.
7. To develop, revise, and maintain a comprehensive master plan for transportation development.
8. To oversee the development, revision, and maintenance of urban transportation plans for the metropolitan areas of the state, consistent with federal requirements and directives.
9. To undertake corridor, area-wide, and site specific studies of traffic and transportation problems to define needs and conceptual solutions for subsequent engineering and environmental investigation.
10. To perform scientific research and evaluation pertaining, but not limited to: materials; multi-modal transportation structures and components; traffic safety; transport of people and commodities; systems and techniques pertaining to design, construction, maintenance, and operation of multi-modal transportation networks; and the cultural and economic impact on the public of planning, acquiring, and operating transport systems.
11. To connect the principal metropolitan areas, cities, industrial centers, and recreation areas with a major highway network.
12. To connect, at the state's borders, with routes of the interstate system and continue these roads through New Jersey.
13. To provide a system of rural and suburban highways that facilitate travel from farm to market, travel on rural mail routes, safe school bus routes, and travel from home to job for all citizens.
14. To do the above in a manner consistent with protecting the environment and minimizing residential and commercial relocation, while utilizing a high standard of design.

PROGRAM CLASSIFICATIONS

02. **Transportation Systems Improvements - Planning.** Develops department sponsored projects as well as joint ventures between State, local, federal, and public agencies, NJ Transit and the private sector; provides funding for the State's three metropolitan planning regions.
06. **Maintenance and Operations.** Rehabilitates existing roads, bridges and appurtenances on the State highway system for greater safety and to decrease maintenance costs. Administers an efficient snow and ice control program for improved public safety and convenience in inclement weather. Protects the roadside through landscape maintenance, control of roadside advertising and junkyards, and control of access on State highway and public transportation properties. Maintains non-operating State-owned railroad properties to preserve capital investment and public safety. Constructs, maintains and operates traffic signals, highway lighting facilities, and miscellaneous electrical devices on the State highway system. Maintains and operates movable bridges. Maintains the equipment fleet of the Department and other State agencies. Operates a statewide network of service facilities, including fuel dispensing for other agencies of the State. Fabricates specialized equipment as needed.
08. **Physical Plant and Support Services.** Maintains and repairs the Department's physical plant to preclude unnecessary deterioration. Provides the necessary office, garage and shop facilities, major maintenance facilities, salt and chemical storage facilities, equipment storage buildings, warehouses, and laboratories. The program also controls and supervises the records, reproduction, relocation and mail services of the Department.
65. **Rail Freight Lines.** This program is designed to prevent the deterioration and abandonment of rail freight service essential to New Jersey's economy.
71. **Transportation Systems Improvements.** Includes Capital Program Management and Operations, External and Governmental Affairs, and Data Research and Legal Services.
Capital Program Management and Operations-- Designs construction projects, inspects construction in progress and administers the acquisition of right-of-way and relocation of occupants on the State, county and municipal road system. Initiates the project development process considering environmental factors, community development, economic and social activities, and the availability of funding. Administers bridge inspection programs, highway lighting

facilities, sign illumination, and electrical devices. Administers highway safety programs by analyzing accident and roadway inventory data.

External and Governmental Affairs-- Represents the NJDOT and NJ Transit on issues involving transportation authorities and the federal government. Coordinates the Department's public participation activities for all ongoing planning and development projects to ensure that public comments are integrated into the decision-making process. Develops new technologies to improve motor vehicle services, communications, transportation modes, and motor fuel efficiencies. Also is responsible for developing and implementing policies to meet the provisions of the federal Clean Air Act as it relates to motor vehicles.

Transportation Trust Fund - Local Highway Funds. Provides funds from the New Jersey Transportation Trust Fund for transportation improvements on municipal and county roads.

Transportation Trust Fund - Federal. Funding provided by the federal government via categories outlined within the Transportation Equity Act for the 21st Century (TEA-21) for the following purposes:

Limited access highways connecting the nation's principal metropolitan areas and industrial centers, and to serve national defense; specific projects outlined within the Federal Transportation Act; to support projects which improve air quality and/or relieve congestion without adding new highway capacity; the interstate highway system and other key highway links; improvements on municipal or county roads which are included on a Federal Aid Route System; and the rehabilitation or replacement of bridges defined as structurally deficient and/or functionally obsolete on State or federally eligible municipal and county roads.

Transportation Trust Fund - State Highway Funds. Provides funds from the New Jersey Transportation Trust Fund for transportation improvements on the State highway system.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Maintenance and Operations				
Maintenance Operations				
Lane Miles, State Highway System	13,469	13,478	13,493	13,508
Snow and Ice Control Costs (\$ Millions)	\$21.30	\$21.24	\$21.80	\$21.80
Force Account Acres Mowed	44,294	41,794	40,000	39,000
Litter Pick Up and Removal:				
Litter Pick Up Costs (\$ Millions)	\$3.87	\$3.60	\$3.60	\$4.00
Trash Removal by Contract (\$ Millions)	\$0.56	\$0.69	\$0.90	\$1.20
Total Resurfacing:				
Lane Miles Resurfaced by Contract Maintenance	270	277	456	450
Lane Miles Resurfaced by Contract Construction	81	232	205	200
Electrical Operations				
Traffic Signals Maintained	3,034	3,053	3,076	3,102
Traffic Signals Modernized by State Forces	178	192	200	205
Signals Relamped	89	159	300	300
Traffic Signal Inspections	10,757	10,926	11,000	11,000
Emergency Call Responses	6,106	6,159	6,100	6,100
After Hour Call Responses	2,720	2,876	2,900	2,900
Fleet Size				
Autos	236	233	233	233
Trucks	1,841	1,849	1,853	1,853
Road Equipment	5,998	5,911	5,911	5,911
Transportation Systems Improvements				
Design				
In-House Design Projects Completed	36	59	43	50
Railroad Grade Crossing Inspections	568	736	800	800
State Owned Bridge Safety Inspections In-House	439	421	630	675
State Owned Bridge Safety Inspections by Consultants	708	888	490	655
Administer County Bridge Safety Inspections	1,313	1,151	1,300	1,200
Right-of-Way				
Acquisition Cost (\$ Millions)	\$44	\$46	\$55	\$48

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	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Construction				
Cost to Construct Projects (\$ Millions)	\$638	\$720	\$700	\$700
Construction Contracts Awarded	92	134	115	120
Roadway Projects Under Construction	186	186	170	170
Bridges Under Construction	94	159	130	130
Lane Miles Under Construction	698	1,064	900	900
Interstate	395	705	250	250
Primary	170	125	300	300
State	133	234	350	350
Additional Lane Miles Open To Public	16	9	15	15
Interstate	1	1	5	5
Primary	6	4	5	5
State	9	4	5	5
Planning				
Roadway Accident Analyses	150	151	150	150

PERSONNEL DATA

Position Data

Filled Positions by Funding Source				
State Supported	2,476	2,440	2,346	2,380
Federal	996	968	894	911
Total Positions	3,472	3,408	3,240	3,291
Filled Positions by Program Class				
Maintenance and Operations	1,758	1,769	1,743	1,759
Physical Plant and Support Services	100	90	83	81
Transportation Systems Improvements	1,614	1,549	1,414	1,451
Total Positions	3,472	3,408	3,240	3,291

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
85,295	3,345	2,912	91,552	90,073	Maintenance and Operations	06	93,387	72,229	72,229
6,846	567	43	7,456	7,090	Physical Plant and Support Services	08	7,199	7,046	7,046
---	480	---	480	360	Transportation Systems Improvements	71	---	---	---
92,141	4,392	2,955	99,488	97,523	Total Direct State Services		100,586 ^(a)	79,275	79,275
Distribution by Fund and Object									
Personal Services:									
51,992	113 1,930 ^R	3,300	57,335	57,104	Salaries and Wages		61,365	55,507	55,507
51,992	2,043	3,300	57,335	57,104	Total Personal Services		61,365	55,507	55,507
12,414	853	1,358	14,625	14,157	Materials and Supplies		12,414	12,414	12,414
3,032	52	711	3,795	3,687	Services Other Than Personal		2,486	2,486	2,486
14,189									
10,000 ^S	287	-2,395	22,081	21,604	Maintenance and Fixed Charges		14,149 10,000 ^S	8,699	8,699
Special Purpose:									
---	---	2	2	2	Maintenance and Operations	06	---	---	---
---	103 ^R	---	103	103	Logo Sign Program	06	---	---	---

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies. The categorical funding distribution of State, Federal, and All Other Funds included in the Transportation Trust Fund may be found in the Appendix of the Budget.

The remainder of the Department's capital program supported by the Transportation Trust Fund is reflected on the lines entitled "Trust Fund Authority" in the Public Transportation (62) statewide program.

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Language Recommendations -- Capital Construction

The amount hereinabove appropriated for the Transportation Trust Fund account shall first be provided from revenues received from motor fuel taxes, the petroleum products gross receipts tax, and the sales and use tax pursuant to Article VIII, Section II, paragraph 4 of the State Constitution, and from funds received or receivable from the various transportation-oriented authorities pursuant to contracts between the authorities and the State, together with such additional sums pursuant to P.L. 1984, c.73 (C.27:1B-1 et al.) and R.S.54:39-27 as amended, as may be necessary to satisfy all fiscal year 2009 debt service, bond reserve requirements, and other fiscal obligations of the New Jersey Transportation Trust Fund Authority.

Notwithstanding the provisions of any law or regulation to the contrary, the department may expend necessary sums for improvements to streets and roads providing access to State facilities within the capital city without local participation.

Receipts representing the State share from the rental or lease of property, and the unexpended balances at the end of the preceding fiscal year of such receipts are appropriated for maintenance or improvement of transportation property, equipment and facilities.

Notwithstanding any other provision of law or regulation to the contrary, the Department of Transportation may transfer Transportation Trust Fund monies to federal projects contracted in federal fiscal years beginning in 2004 and including all subsequent federal fiscal years, culminating with the federal projects appropriated in this act, until such time as federal funds become available for the projects. These transfers shall be subject to the approval of the Director of the Division of Budget and Accounting and the Legislative Budget and Finance Officer. Subject to the receipt of federal funds, the Transportation Trust Fund shall be reimbursed for all the monies that were transferred to advance federally funded projects.

Notwithstanding the provisions of P.L. 1984, c.73 (C.27:1B-1 et al.), there is appropriated the sum of \$1,600,000,000 from the revenues and other funds of the New Jersey Transportation Fund Authority, for capital purposes as follows:

- Highway Design Projects
- Highway Construction Projects
- Highway Right-of-Way Acquisition Projects
- Project Development
- Highway Planning
- Local Aid Projects
- Public Transportation Projects

The unexpended balances at the end of the preceding fiscal year of appropriations from the New Jersey Transportation Trust Fund Authority are appropriated.

Notwithstanding the provisions of subsection d. of section 21 of P.L. 1984, c.73 (C.27:1B-21), approval by the Joint Budget Oversight Committee of transfers among appropriations by project shall not be required. Notice of a transfer approved by the Director of the Division of Budget and Accounting pursuant to that section shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

Federal funds received in conjunction with the Route 52 Causeway Replacement Contract A Construction Fund are hereby appropriated to the Transportation Trust Fund Authority to pay debt service and other costs related to the Grant Anticipation Revenue Vehicles (GARVEE).

Notwithstanding the provisions of any law or regulation to the contrary, there is appropriated to the Department of Transportation the sum of \$270,000,000, subject to the approval of the Director of the Division of Budget and Accounting, from the revenues and other funds of the New Jersey Transportation Trust Fund Authority received in connection with the issuance of the Authority's Grant Anticipation Revenue Vehicles (GARVEE) Bonds for the Route 52 Causeway Replacement Contract B.

Federal funds received in conjunction with the Route 52 Causeway Replacement Contract B Construction Fund are appropriated to the Transportation Trust Fund Authority to pay debt service and other costs related to the Grant Anticipation Revenue Vehicles (GARVEE).

Notwithstanding the provisions of any law or regulation to the contrary, funds derived from the sale or conveyance of any lands held by the Department of Transportation are appropriated for the acquisition of land for highway projects or to refund the Federal Highway Administration (FHWA) where required by federal law. Funds derived from the sale of all fill material held by the Department of Transportation are appropriated for demolition, acquisition of land, rehabilitation or improvement of existing facilities and construction of new facilities subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Direct State Services - General Fund

The unexpended balances at the end of the preceding fiscal year in excess of \$1,000,000 in the accounts hereinabove are appropriated for Maintenance and Operations.

In addition to the amount hereinabove appropriated for Maintenance and Operations, such additional sums as may be required are appropriated for winter operations, including snow removal costs, not to exceed \$10,000,000, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, of the amounts hereinabove appropriated for the Department of Transportation from the General Fund, \$12,500,000 thereof shall be paid from funds received or receivable from the various transportation-oriented authorities pursuant to contracts between the authorities and the State as are determined to be eligible for such funding pursuant to such contracts, as shall be determined by the Director of the Division of Budget and Accounting.

Receipts in excess of the amount anticipated from the Logo Sign Program fees, which include the Trailblazer Sign Program, the Variable Message Advertising Program, the Excess Parcel Advertising Program, and the Land Service Road Advertising Program, are appropriated for the purpose of administering the program, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of the amount anticipated derived from highway application and permit fees pursuant to subsection (h) of section 5 of P.L. 1966, c.301 (C.27:1A-5) are appropriated for the purpose of administering the Access Permit Review program, subject to the approval of the Director of the Division of Budget and Accounting.

The department is permitted to transfer an amount approved by the Director of the Division of Budget and Accounting from funds previously appropriated for State highway projects from the "Transportation Rehabilitation and Improvement Fund of 1979," established pursuant to section 15 of P.L. 1979, c.165, for planning, engineering, design, right-of-way acquisition, or other costs related to the construction of projects financed from that fund.

Of the amount hereinabove appropriated for Maintenance and Operations, \$10,000,000 for winter operations, including snow removal costs, is payable from the receipts of the New Tire Surcharge pursuant to P.L. 2004, c.46.

Notwithstanding the provisions of any law or regulation to the contrary, in addition to the amount hereinabove appropriated for Maintenance and Operations, there is appropriated \$5,150,000 from balances in the "Commercial Vehicle Enforcement Fund" for Maintenance and Fixed Charges, subject to the approval of the Director of the Division of Budget and Accounting.

60. TRANSPORTATION PROGRAMS

62. PUBLIC TRANSPORTATION

OBJECTIVES

1. To assure the availability to the public of a viable public transportation system which serves the needs of commuters, the elderly, the handicapped, and the disadvantaged, and to provide alternatives to the continuing increase in automobile reliance.
2. To continue and improve essential public transportation services through capital improvements.

PROGRAM CLASSIFICATIONS

04. **Railroad and Bus Operations.** Maintains essential public transportation services in the State by contracting for services, marketing efforts to increase use of these services, and capital improvements, including the purchase and rehabilitation of equipment and facilities. Elderly and handicapped programs permit eligible citizens to utilize passenger services for reduced fares during off-peak hours and provide special equipment to non-profit organizations to assist those who cannot use scheduled services.

EVALUATION DATA

PROGRAM DATA	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Railroad and Bus Operations				
Bus Operations (including subsidized carriers)				
Average Daily Ridership	265,175	267,525	270,200	278,300
Total Cost per Trip per rider	\$4.09	\$4.24	\$4.31	\$4.33
Total Revenue per Trip per rider	\$1.91	\$1.99	\$2.11	\$2.06
Total Cost per Mile	\$8.43	\$8.80	\$8.94	\$9.19
Total Revenue per Mile	\$3.93	\$4.13	\$4.38	\$4.36
Revenue/Cost Ratio	46.7%	47.0%	49.0%	47.5%
Equipment				
Buses Operated by NJ Transit	2,090	2,120	2,127	2,127
Buses Leased to Private Carriers	969	959	959	959
Rail Operations				
Average Daily Ridership	126,200	133,850	139,500	143,700
Total Cost per Trip per rider	\$9.14	\$9.40	\$9.39	\$9.54
Total Revenue per Trip per rider	\$6.00	\$6.19	\$6.57	\$6.40
Total Cost per Mile	\$10.66	\$11.49	\$11.81	\$12.30
Total Revenue per Mile	\$7.00	\$7.57	\$8.27	\$8.25
Revenue/Cost Ratio	65.7%	65.9%	70.0%	67.1%
Equipment				
Rail Passenger Cars	908	927	985	1,084
Locomotives	175	164	167	167
Light Rail Operations				
Average Daily Ridership	25,600	31,075	33,900	34,900
Total Cost per Trip per rider	\$4.82	\$4.73	\$4.32	\$4.18
Total Revenue per Trip per rider	\$1.06	\$1.15	\$1.22	\$1.20
Total Cost per Mile	\$21.82	\$21.18	\$21.06	\$20.50
Total Revenue per Mile	\$4.79	\$5.13	\$5.97	\$5.86
Revenue/Cost Ratio	22.0%	24.2%	28.3%	28.6%

TRANSPORTATION

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
NJ Transit System				
Average Daily Ridership	416,975	432,450	443,600	456,900
Total Cost per Trip per rider	\$5.67	\$5.88	\$5.94	\$6.00
Total Revenue per Trip per rider	\$3.02	\$3.14	\$3.36	\$3.27
Total Cost per Mile	\$9.25	\$9.78	\$9.96	\$10.21
Total Revenue per Mile	\$4.92	\$5.23	\$5.62	\$5.56
Revenue/Cost Ratio (includes Corporate overhead)	53.2%	53.4%	56.5%	54.5%

PERSONNEL DATA

Affirmative Action Data

Male Minority	4,688	4,778	N/A	N/A
Male Minority %	44	44	N/A	N/A
Female Minority	1,841	1,897	N/A	N/A
Female Minority %	17	17	N/A	N/A
Total Minority	6,529	6,675	N/A	N/A
Total Minority %	61	61	N/A	N/A

Position Data

Operating Positions

Bus Operations	4,924	4,950	4,975	4,984
Rail Operations	3,544	3,661	3,826	3,819
Corporate Operations	1,513	1,502	1,417	1,278
Capital Operations	760	747	747	747
Total Positions	10,741	10,860	10,965	10,828

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID								
Distribution by Fund and Program								
1,588,645	---	---	1,588,645	1,588,645	04	1,640,000	1,704,500	1,704,500
1,588,645	---	---	1,588,645	1,588,645		1,640,000	1,704,500	1,704,500
Less:								
(675,732)	---	---	(675,732)	(675,732)		(757,500)	(780,200)	(780,200)
(612,213)	---	---	(612,213)	(612,213)		(584,300)	(566,100)	(566,100)
(1,287,945)	---	---	(1,287,945)	(1,287,945)		(1,341,800)	(1,346,300)	(1,346,300)
300,700	---	---	300,700	300,700		298,200	358,200	358,200
Distribution by Fund and Object								
Personal Services:								
929,066	---	---	929,066	929,066		954,933	977,971	977,971
929,066	---	---	929,066	929,066		954,933	977,971	977,971
302,731	---	---	302,731	302,731		319,359	338,796	338,796
88,974	---	---	88,974	88,974		95,310	102,790	102,790
Special Purpose:								
3,242	---	---	3,242	3,242	04	2,909	3,000	3,000
162,281	---	---	162,281	162,281	04	169,397	179,225	179,225
23,078	---	---	23,078	23,078	04	27,151	28,000	28,000
79,273	---	---	79,273	79,273	04	70,941	74,718	74,718
Less:								
(1,287,945)	---	---	(1,287,945)	(1,287,945)		(1,341,800)	(1,346,300)	(1,346,300)

TRANSPORTATION

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
STATE AID								
Distribution by Fund and Program								
34,930	---	---	34,930	34,930	Railroad and Bus Operations	04	36,928	33,018
34,930	---	---	34,930	34,930	(From Casino Revenue Fund)		36,928	33,018
34,930	---	---	34,930	34,930	Total State Aid		36,928	33,018
34,930	---	---	34,930	34,930	(From Casino Revenue Fund)		36,928	33,018
Distribution by Fund and Object								
State Aid:								
34,930	---	---	34,930	34,930	Transportation Assistance for Senior Citizens and Disabled Residents (CRF)	04	36,928	33,018
335,630	---	---	335,630	335,630	Grand Total State Appropriation		335,128	391,218
OTHER RELATED APPROPRIATIONS								
Special Transportation Trust Fund								
675,000	1	---	675,001	675,001	Trust Fund Authority - Revenues and other funds available for new projects	60	625,000	625,000
675,000	1	---	675,001	675,001	Total Special Transportation Trust Fund		625,000	625,000
1,010,630	1	---	1,010,631	1,010,631	GRAND TOTAL ALL FUNDS		960,128	1,016,218

Notes -- Direct State Services - General Fund

The remainder of the Department's capital program is reflected on the lines entitled "Trust Fund Authority" in the State and Local Highway Facilities (61) statewide program, as well as the "Total Capital Construction" line in State Highway Facilities (61).

Language Recommendations -- State Aid - Casino Revenue Fund

The unexpended balance at the end of the preceding fiscal year in the Transportation Assistance for Senior Citizens and Disabled Residents account is appropriated.

Counties which provide para-transit services for sheltered workshop clients may seek reimbursement for such services pursuant to P.L.1987, c.455 (C.34:16-51 et seq.).

Language Recommendations -- Capital Construction

Notwithstanding the provisions of any law or regulation to the contrary, the Commissioner of Transportation, upon approval of the Director of the Division of Budget and Accounting, may transfer funds made available from the New Jersey Transportation Trust Fund Authority for public transportation projects under the program headings "New Jersey Transit Corporation" to the line-item under that same program heading entitled "Federal Transit Administration Projects" for any federally funded public transportation project shown in this act or any previous appropriation acts until such time as federal funds become available for the projects. Subject to the receipt of federal funds, the Transportation Trust Fund shall be reimbursed for all the monies that were transferred to advance Federal Transit Administration projects. Any transfer of funds which returns funds from the line-item "Federal Transit Administration Projects" to the account of origin shall be deemed approved.

From the amounts appropriated from the revenues and other funds of the New Jersey Transportation Trust Fund Authority for the current fiscal year transportation capital program, the Commissioner of Transportation shall allocate \$2,000,000 of the amount listed for the Private Carrier Equipment Program to NJ Transit's Private Carrier Capital Improvement Program (PCCIP). The amount provided herein shall be allocated to the private motorbus carriers consistent with the formula used to administer the PCCIP and shall be restricted to those carriers that currently qualify for participation in the PCCIP. These funds may be used for the procurement of any goods or services currently approved under NJ Transit's PCCIP, as well as: facility improvements, vehicle procurement, and capital maintenance that comports with subsection r. of section 3 of P.L.1984, c.73 (C.27:1B-3). Such maintenance and equipment procurements shall apply to vehicles owned by the private motorbus carriers and used in public transportation service, as well as to NJ Transit owned vehicles. Private motorbus carriers receiving an allocation of such funds shall be required to submit to NJ Transit a full accounting for all expenditures, demonstrating that the funds were used to increase or maintain the current level of public transportation service provided by the carrier or to improve revenue vehicle maintenance. Under no circumstances shall these funds be used to provide compensation of any officer or owner of a private motorbus carrier.

60. TRANSPORTATION PROGRAMS

64. REGULATION AND GENERAL MANAGEMENT

OBJECTIVES

1. To assure the continuation of freight service on certain light density rail lines that serve business and industry.
2. To review access permits for the purpose of analyzing transportation impacts both locally and regionally.
3. To promote an orderly and progressive development of the airport system to meet growing air traffic needs; improve the quality of aeronautical facilities; promote flight safety; conduct noise abatement programs; and promote air transportation.

PROGRAM CLASSIFICATIONS

05. **Intermodal Services.** Responsible for coordinating the non-highway, non-transit capital program with the various modal constituencies, and administering the Department's regulatory programs. Through the Division of Aeronautics and Freight Services, administers the airport development and aviation safety programs under the New Jersey Airport Safety Act of 1983; manages the Airport Safety and Zoning program under the Airport Safety and Zoning Act of 1983; licenses and inspects all aeronautical facilities in the State; conducts aviation education and safety awareness programs; and maintains regional liaison programs for municipalities, residents, and the aviation community. The Bureau of Ports, Terminals, and Freight Services administers the rail-freight capital assistance program and the rail systems plan; develops expertise in intermodal and marine transportation as they relate to ports and harbors; and maintains liaison with motor carrier and rail freight communities.
99. **Administration and Support Services.** Manages the activities of the Department; coordinates communication with other agencies, the public, various levels of government, and their elected officials; provides leadership, controls operations, and executes plans for the construction, rehabilitation, and

maintenance of the State's highways, roads, and bridges; plans for and authorizes safety grants to meet public aeronautical needs. The Office of the Inspector General investigates and analyzes all departmental units to ensure compliance with all management controls including accounting, fiscal, and administrative policies and procedures.

The Office of Appeals and Hearings conducts Department level grievance and disciplinary action and appeal hearings and ensures that employee health and safety rights are protected in accordance with existing legislation, rules and regulations. The Division of Civil Rights and Affirmative Action, which plans, directs, organizes and coordinates the civil rights effort as mandated by the Civil Rights Act of 1964, ensures that the employment practices of all contractors and sub-contractors of the NJDOT comply with federal and State equal employment opportunity laws and establishes affirmative action goals for the Department. The Office of Transportation Policy coordinates transportation policy across all modes and agencies.

The Assistant Commissioner for Finance and Administration administers financial records and fiscal controls in accordance with Department, State and federal regulations and sound financial management principles and provides management with financial guidance and support services for the efficient operation of the Department. Fiscal management objectives are met through the more specific operating objectives of the Division of Budget and Management Support and the Division of Accounting and Auditing. The Bureau of Management Information Systems coordinates all management information systems. The Division of Human Resources ensures that all personnel services are properly rendered in accordance with Department needs, Civil Service rules and regulations, and union agreements. The Division of Procurement administers the procurement of all commodities, services, and contracts required by the Department.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Intermodal Services				
Responses to aircraft incidents	68	52	55	55
Aviation facilities development projects	32	39	42	42
Administration and Support Services				
EEO & Affirmative Action investigations	44	66	53	50
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	762	720	731	734
Male Minority %	19.6	18.6	19.3	19.4
Female Minority	226	196	206	208
Female Minority %	5.8	5.1	5.4	5.5
Total Minority	988	916	937	942
Total Minority %	25.4	23.7	24.7	24.9
Position Data				
Filled Positions by Funding Source				
State Supported	371	342	303	303
Federal	48	48	38	38
All Other	6	7	8	8
Total Positions	425	397	349	349

TRANSPORTATION

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Filled Positions by Program Class				
Intermodal Services	58	58	38	50
Management and Administrative Services	367	339	311	299
Total Positions	425	397	349	349

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
1,490	224	---	1,714	1,709	05	1,575	1,519	1,519	
2,820	1	10	2,831	2,822	99	1,690	1,610	1,610	
4,310	225	10	4,545	4,531		3,265^(a)	3,129	3,129	
Distribution by Fund and Object									
Personal Services:									
202	---	9	211	207		377	241	241	
202	---	9	211	207		377	241	241	
288	---	-97	191	187		288	288	288	
1,974	---	157	2,131	2,128		745	745	745	
70	---	-65	5	4		70	70	70	
Special Purpose:									
---	224 ^R	---	224	224	05	---	---	---	
350	---	---	350	350	05	359	359	359	
965	---	---	965	965	05	965	965	965	
461	---	---	461	461	99	461	461	461	
---	1	6	7	5		---	---	---	
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
---	3,167	140	3,307	108	05	---	---	---	
---	3,167	140	3,307	108		---	---	---	
Distribution by Fund and Object									
Grants:									
---	2,211	140	3,307	108	05	---	---	---	
4,310	3,392	150	7,852	4,639		3,265	3,129	3,129	
OTHER RELATED APPROPRIATIONS									
Federal Funds									
32,965	-4,273	-6,355	22,337	262	05	21,965	17,400	17,400	

TRANSPORTATION

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
OTHER RELATED APPROPRIATIONS								
<u>32,965</u>	<u>-4,273</u>	<u>-6,355</u>	<u>22,337</u>	<u>262</u>	<i>Total Federal Funds</i>	<u>21,965</u>	<u>17,400</u>	<u>17,400</u>
					<i>All Other Funds</i>			
---	5,078	---	7,911	4,003	Intermodal Services	05	3,200	3,200
---	2,833 ^R	---	74	74	Project Cost-Other Parties	61	---	---
---	74	---	---	---	Administration and Support Services	99	---	---
---	<u>1</u>	<u>112</u>	<u>113</u>	<u>---</u>				
---	<u>7,986</u>	<u>112</u>	<u>8,098</u>	<u>4,077</u>	<i>Total All Other Funds</i>	<u>3,200</u>	<u>3,200</u>	<u>3,200</u>
<u>37,275</u>	<u>7,105</u>	<u>-6,093</u>	<u>38,287</u>	<u>8,978</u>	<i>GRAND TOTAL ALL FUNDS</i>	<u>28,430</u>	<u>23,729</u>	<u>23,729</u>

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

The unexpended balance at the end of the preceding fiscal year and the reimbursements in the Department's Stock Purchase Revolving Fund for the purchase of materials and supplies required for the operation of the Department are appropriated for the same purpose.

Receipts in excess of the amount anticipated derived from outdoor advertising application and permit fees are appropriated for the purpose of administering the Outdoor Advertising Permit and Regulation Program, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Airport Safety Fund account together with any receipts in excess of the amount anticipated are appropriated for the same purpose.

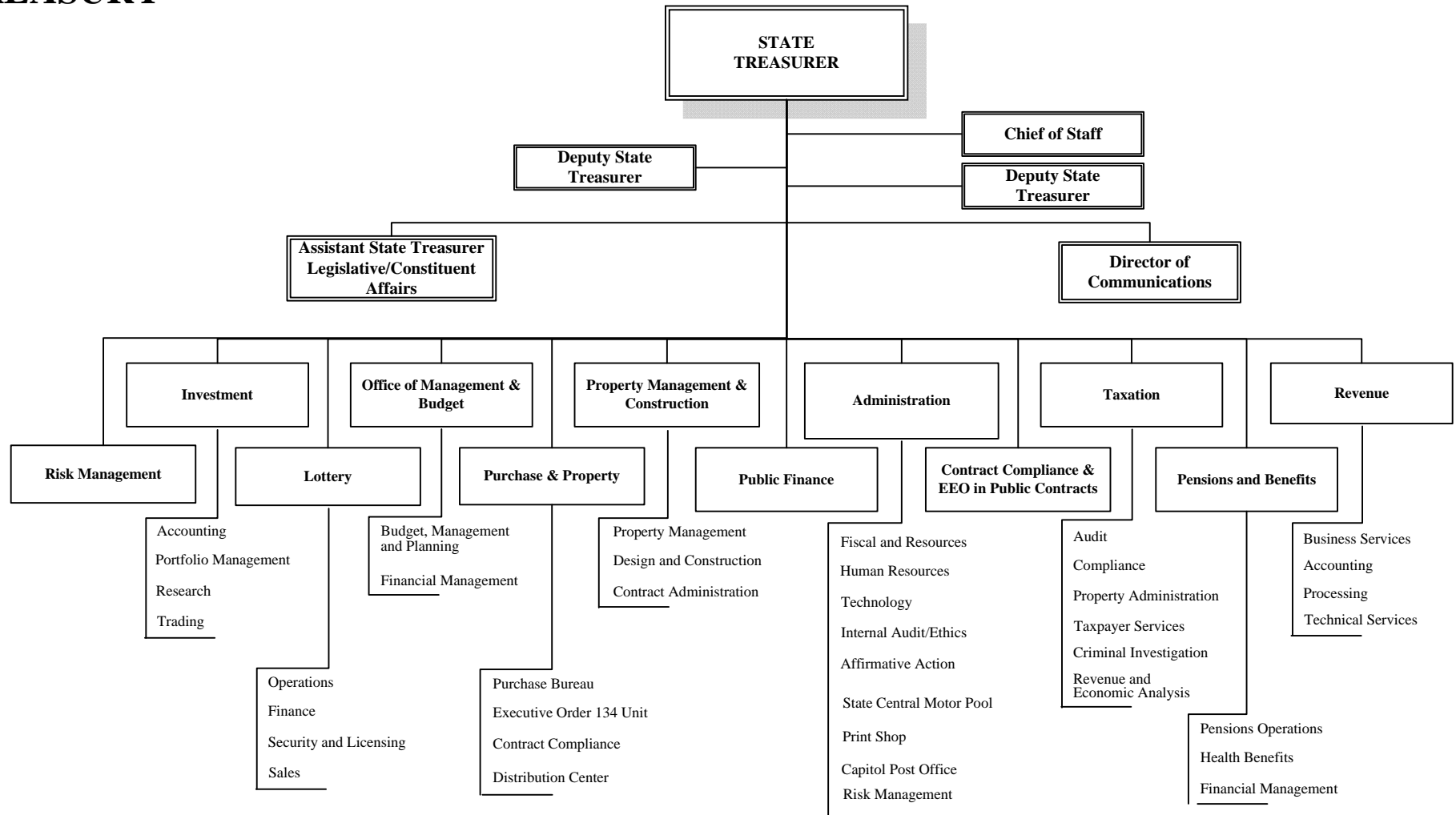
Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for the Airport Safety Fund is payable out of the "Airport Safety Fund" established pursuant to section 4 of P.L. 1983, c.264 (C.6:1-92) and is available for salary and operational costs incurred by the Bureau of Aeronautics in the administration of loans or grants; the acquisition of airports lands or rights in lands; the operation or provision of any program or activity which promotes aviation safety, promotes aviation education, or provides for the promotion of aeronautics; and for those aviation purposes which the department is empowered to undertake pursuant to the "New Jersey Airport Safety Act of 1983," P.L.1983, c.264 (C.6:1-89 et. seq.) or under Title 6 and Title 27 of the Revised Statutes. If receipts to that fund are less than anticipated, the appropriation shall be reduced proportionately.

Receipts derived from fees on placarded rail freight cars transporting hazardous materials in this state are appropriated to defray the expenses of the Placarded Rail Freight Car Transporting Hazardous Materials program, subject to the approval of the Director of the Division of Budget and Accounting.

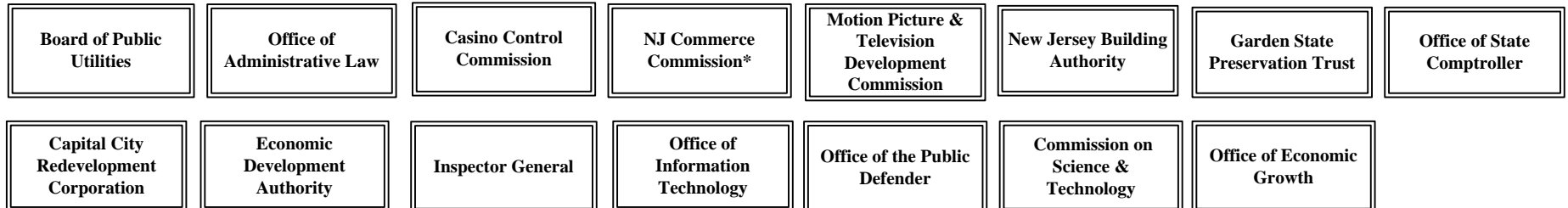
Language Recommendations -- Grants-In-Aid - General Fund

The unexpended balance at the end of the preceding fiscal year in the Airport Safety Fund account together with any receipts in excess of the amount anticipated are appropriated for the same purpose.

TREASURY



In-But-Not-Of Agencies



* In fiscal 2009, the functions of the NJ Commerce Commission are recommended for consolidation into other agencies.

DEPARTMENT OF THE TREASURY OVERVIEW

Mission and Goals

The Department of the Treasury includes not only the State's traditional financial oversight and purchasing functions, but also higher education services and a number of in-but-not-of boards and agencies that receive funding through the State Budget, including: the Economic Development Authority; the Office of Economic Growth; the Commission on Science and Technology; the Board of Public Utilities; the Office of Information Technology; the Office of Administrative Law; the Casino Control Commission; the Office of the Public Defender; the State Legal Services Office; the Office of the Inspector General; and the Office of the State Comptroller. A complete description of the goals and objectives of these programs and agencies can be found on their respective budget pages.

The mission of the Department of the Treasury itself is to formulate and manage the State's Budget, generate and collect revenues, disburse the appropriations used to operate New Jersey State government, manage the State's physical and financial assets, and provide statewide support services to State and local government agencies as well as the citizens of New Jersey.

The Department's overriding goal is to ensure the most beneficial use of fiscal resources and revenues to meet critical needs, all within a policy framework set by the Governor. Its objectives include providing current, relevant financial information for management and the public to consider; administering the tax laws of the State to maximize the collection of tax revenue; enhancing revenue collection through integrated processing of receipts and aggressive management of public accounts receivable; providing contracts that leverage the State's purchasing power for required goods and services; providing for a centralized purchasing system for goods and services; planning, programming, designing, and supervising the construction of buildings and facilities for the various State agencies; increasing energy efficiency and reducing energy consumption for all State facilities and vehicles; investing and reinvesting funds of the various State agencies and pension funds as effectively as possible; administering all employee benefit programs at minimum cost; providing risk management, loss prevention, and claims services and management of the fire and casualty insurance program to all State agencies; and operating a central motor pool fleet at the lowest possible cost and in the safest manner.

Budget Highlights

The Fiscal 2009 Budget for the Department of the Treasury totals \$3.558 billion, a decrease of \$608 million or 14.6% under the fiscal 2008 adjusted appropriation of \$4.166 billion.

The major components of this decrease include a \$534.0 million reduction for Homestead Rebates to homeowners and tenants and a \$35.8 million reduction in debt service costs. Additional information about these and other Fiscal 2009 Budget initiatives in the Department of the Treasury are provided below.

Property Tax Relief

The cornerstone of the direct property tax relief programs is the Homestead Property Tax Credit/Rebate program, funded at \$1.7 billion in fiscal 2009. The fiscal 2009 Homestead Credits/Rebates for Homeowners program, recommended at \$1.6 billion, will continue to provide property tax relief to New Jersey homeowners with gross income of \$150,000 and less. Homestead Rebates will be calculated as 10-20% of the first \$10,000 of a homeowner's 2006 property tax bill. Nearly 1.6 million homeowners will receive rebates at an overall average of \$1,020 per homeowner.

Funding for the Homestead Rebates for Tenants program is \$124 million in fiscal 2009, a decrease of \$127 million from the fiscal 2008 level. The rebate for approximately 715,000 non-seniors will be \$80 in fiscal 2009. Approximately 100,000 senior tenants will receive rebate checks averaging \$690. As in fiscal 2008, this group will receive a rebate between the minimum \$160 and the maximum \$860 in fiscal 2009.

Funding for the Senior and Disabled Citizens' Property Tax Reimbursement (Senior Tax Freeze) program increases 10% (\$16 million) to \$169 million in fiscal 2009. This program is expected to provide rebates to approximately 158,000 seniors in fiscal 2009, with rebates averaging \$1,069.

Department Accomplishments

Consistent with the Division of Taxation's effort to maximize collection of all taxes, compliance collections continue to represent the fourth largest single revenue source in the State Budget. Compliance collections are defined as revenue resulting from the Division's compliance or enforcement action, program or intervention, or revenue otherwise not remitted voluntarily by a taxpayer. In fiscal 2007, compliance collections exceeded \$1.57 billion, which represents approximately 6.1% of all tax collections. In fiscal 2008, Taxation estimates its efforts will bring in more than \$1.69 billion.

The Division of Revenue continues to institute and expand programs that enhance the State's business registry, tax filing and revenue collection processes, focusing on technology to improve and enhance services. Today, more than 50% of individual income tax returns and over two-thirds of all income tax withholding forms are filed electronically. Over \$20 billion of State revenue flows through electronic systems administered by the Division. This year, in conjunction with the Office of Economic Growth, the Division will offer an online one-stop service that will enable businesses to access all of New Jersey's electronic tax and business registry services through a single, secure log-in.

The Division of Lottery surpassed the \$2 billion level in total revenue for the sixth consecutive year in fiscal 2007. Total revenue from lottery ticket sales, unclaimed prize awards, and miscellaneous income exceeded \$2.39 billion in fiscal 2007. This resulted in a State contribution to education and State institutions of \$828.3 million. Product leaders included instant scratch tickets which exceeded \$1.19 billion in ticket sales followed by daily terminal games, Pick 3, Pick 4, and Jersey Cash 5, which totaled \$824.1 million in ticket sales. The Lottery also awarded \$1.36 billion in prizes in fiscal 2007.

During fiscal 2007, the Division of State Lottery continued to operate as one of the more efficiently run lotteries throughout the industry by spending only 7.7% of gross revenues on retailer sales agent commissions and contracted vendor fees, which include: ticket production, communications network, and broadcast drawings. In addition, the Division spent 1.2% of gross revenue on administration.

The Division of Property Management and Construction, in collaboration with the State Leasing and Space Utilization Committee, the Office of Management and Budget, and other State agencies, has conducted space audits of State-owned and leased facilities to identify opportunities to close leases and utilize existing office space for consolidation of programs or to accommodate new program growth. As a result of the space audits, gross annual lease savings of \$2.0 million are expected to be realized in fiscal 2009 through the elimination of leases or reduction of leased space. Also, the Division renegotiated the terms of three leases in fiscal 2008 that will result in annual gross lease savings of \$1.3 million.

During fiscal 2007, the Division expanded its furniture refurbishment and reuse program to include IT equipment. This enabled the State to avoid purchases of new equipment valued at approximately \$1.5 million. In fiscal 2008, the Division is collaborating with the Office of Information Technology to expand this operation with assistance from the Department of Labor's IT staff to generate additional savings, as well as job training opportunities.

The Division of Pensions and Benefits continues to use technology to expand client service offerings for individual clients, State agencies, and local employers in support of Treasury's paper-free initiative.

The Division of Purchase and Property continued to generate contract savings and cost avoidances in fiscal 2007 through aggressive negotiations with contractors, best and final offers during bidding, and price concessions for contract extensions. The Division maintains its strategic sourcing and contract restructuring efforts while implementing innovative technology initiatives such as the eCatalog system. Additional highlights include membership in the Western State Contracting Alliance (WSCA) for computer procurements. New Jersey's active participation in this multi-state purchasing cooperative will produce substantial savings for State and local governments. Also, the Division has incorporated both environmentally-friendly "green" standards and energy savings initiatives in the State procurement system to align with Federal and State initiatives on sustainability.

The Director of Energy Savings continues to work with various State agencies and facilities to increase energy efficiency, reduce energy consumption, and improve the procurement of energy. With assistance from the Purchase Bureau, the Director of Energy Savings conducted the State's first online reverse auction for purchasing electricity, resulting in an average price that is 1.2% lower than the expiring deal, as well as increasing the State's purchase of renewable energy. This will result in expected cost avoidance of \$2 million over the next three years. The Director of Energy Savings restructured the State's existing long-term natural gas contract to respond to current market pricing, resulting in expected cost avoidance of \$4.1 million over the next three years. Immediate energy conservation measures were implemented in State buildings, which are expected to reduce energy consumption by more than 22 billion BTUs, reduce energy costs by more than \$800,000, and reduce greenhouse gas emissions by 3,000 metric tons. The Director of Energy Savings also commenced funding for \$10 million in energy savings projects at 11 State facilities. These projects will upgrade building controls, lighting, and HVAC systems to achieve cost savings and environmental benefits with a payback period of less than six years. In fiscal 2009, \$11 million is recommended for State energy projects to address critical infrastructure issues, increase energy efficiency, reduce energy cost, and reduce air emissions.

The Division of Minority and Women Business Development, which is charged with enhancing opportunities for minority and women-owned businesses in New Jersey's purchasing and procurement processes, is newly constituted in the Department of the Treasury beginning in 2008. This shift will expand the Division's mission by placing it within the department that oversees nearly all procurement by State agencies. Furthermore, the establishment in the Department of the Treasury will combine certain functions to build capacity and engage outside stakeholders to ensure that the State is using best practices to support minority and women-owned businesses.

In-but-not-of agencies that have significant changes in the Fiscal 2009 Budget recommendation are as follows:

Office of Information Technology

The Office of Information Technology (OIT) centrally manages the information technology (IT) infrastructure of the State and provides critical IT services to State agencies. Additionally, the OIT oversees large-scale IT initiatives, coordinates IT planning across State agencies, and identifies savings opportunities to reduce IT costs statewide. Recommended State funding for the OIT is reduced \$16.7 million in fiscal 2009, primarily due to the elimination of \$9 million in funds for nonrecurring costs, a \$2.5 million reduction in Enhanced 911 Grants to reflect continuing efforts to consolidate local call centers, and \$2.2 million in savings from the State's renegotiated contract for telecommunication services.

Economic Development Programs

The Fiscal 2009 Budget proposes the elimination of the New Jersey Commerce Commission and the consolidation of its duties and functions to other State agencies. An increase of \$27 million is recommended for the Business Employment Incentive Program (BEIP) which provides grants to businesses that create jobs in New Jersey. Requests for reimbursement through BEIP are expected to grow from \$152 million in fiscal 2008 to \$179 million in fiscal 2009 as more companies satisfy their employment commitments.

Higher Education System

The Department of the Treasury budget also contains appropriations supporting certain higher educational services, including support to independent institutions, aid to county colleges, and miscellaneous higher education grant and capital programs.

There are 14 independent institutions in New Jersey that receive funding through the Independent College and University Assistance Act and participate in other State-funded programs, including facilities bond funds, programs for special student populations, and student grant, scholarship, and loan programs. The Fiscal 2009 Budget recommends funding to the independent colleges and universities in the amount of \$18.4 million for direct operating aid, a decrease of \$2.0 million or 10% under fiscal 2008.

The county college system is composed of 19 institutions that provide access to higher education for a broad range of New Jersey residents, many of whom might otherwise be denied the benefit of a college education. Total services and recommended funding for the county colleges, including operating aid, fringe benefits, and debt service funding, is \$221.6 million for fiscal 2009, a decrease of \$11.5 million from fiscal 2008. Of this amount, \$14 million will be funded from the Department of Labor and Workforce Development's Supplemental Workforce Fund for Basic Skills. Direct aid to the county colleges of \$147.1 million is a decrease of \$16.3 million, or 10% under the fiscal 2008 funding level.

County colleges are eligible to participate in the Chapter 12 bond program, a \$530 million self-renewing capital funding mechanism specifically for these institutions. Counties or eligible authorities issue bonds for new construction, acquisition, expansion, or capital renewal or replacement, and the State shares the debt service equally with the counties. In fiscal 2009, debt service payments by the State are anticipated to be \$40 million. This is an increase of \$4.9 million over the fiscal 2008 projected debt service.

In fiscal 2009, support is continued for debt service costs of a variety of valuable higher education capital programs, including the \$550 million Higher Education Capital Improvement Program; the \$100 million Equipment Leasing Fund; the \$55 million Higher Education Technology Infrastructure Bond Fund; the \$220 million Higher Education Facilities Trust Fund; and the \$90 million Dormitory Safety Trust Fund. Debt service for these programs in fiscal 2009 is recommended at \$87.2 million, a decrease of \$5 million from fiscal 2008.

TREASURY

DEPARTMENT OF THE TREASURY SUMMARY OF APPROPRIATIONS BY FUND (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND							
427,469	134,167	-43,263	518,373	478,464	476,269	436,744	436,744
404,110	35,156	3,171	442,437	320,290	403,533	422,921	408,865
302,734	29,899	---	332,633	291,576	298,279	317,391	283,547
---	20,419	8,879	29,298	11,760	6,500	---	---
363,121	---	1	363,122	363,120	382,007	346,162	346,162
1,497,434	219,641	-31,212	1,685,863	1,465,210	1,566,588	1,523,218	1,475,318
PROPERTY TAX RELIEF FUND							
1,183,788	1,469	---	1,185,257	1,145,807	2,404,000	1,886,000	1,886,000
158,274	---	---	158,274	153,281	165,866	167,406	167,406
1,342,062	1,469	---	1,343,531	1,299,088	2,569,866	2,053,406	2,053,406
CASINO CONTROL FUND							
29,440	664	---	30,104	29,473	29,440	29,440	29,440
29,440	664	---	30,104	29,473	29,440	29,440	29,440
2,868,936	221,774	-31,212	3,059,498	2,793,771	4,165,894	3,606,064	3,558,164
Total Appropriation, Department of the Treasury							

SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES - GENERAL FUND							
Economic Planning and Development							
517	---	10	527	526	540	---	---
581	---	97	678	677			
					548	448	448
1,098	---	107	1,205	1,203	1,088	448	448
Economic Regulation							
---	---	---	---	---	---	---	---
7,893	1,701	-1,021	8,573	7,595	8,421	8,042	8,042
2,024	299	90	2,413	2,028	2,221	2,144	2,144
1,669	---	61	1,730	1,730	1,776	1,776	1,776
3,337	198	878	4,413	4,245	4,232	4,088	4,088
10,951	1,131	1,083	13,165	12,413	11,639	11,369	11,369
25,874	3,329	1,091	30,294	28,011	28,289	27,419	27,419
Governmental Review and Oversight							
678	---	577	1,255	1,186	689	645	645
18,932	65,687	-56,450	28,169	23,633	16,498	15,881	15,881
---	---	---	---	---	9,000	9,000	9,000
5,302	90	---	5,392	1,571	2,461	2,001	2,001
24,912	65,777	-55,873	34,816	26,390	28,648	27,527	27,527

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
					Financial Administration			
123,555	8,291	-1,400	130,446	126,435	Taxation Services and Administration	123,936	116,526	116,526
21,900	7,123	13	29,036	28,737	Administration of State Lottery	22,118	22,118	22,118
34,854	6	365	35,225	31,033	Administration of State Revenues	25,923	20,244	20,244
13,419	10	---	13,429	11,143	Management of State Investments	---	---	---
4,703	---	---	4,703	4,703	Business Services Bureau	4,685	4,685	4,685
198,431	15,430	-1,022	212,839	202,051	Subtotal	176,662	163,573	163,573
					General Government Services			
478	---	---	478	202	Garden State Preservation Trust	476	476	476
9,789	13	240	10,042	9,834	Purchasing and Inventory Management	9,971	9,189	9,189
---	4,700	---	4,700	1,336	Pensions and Benefits	---	---	---
14,285	1,343	1,364	16,992	16,573	Property Management and Construction - Property Management Services	16,075	15,316	15,316
2,657	700	---	3,357	3,093	Risk Management	3,031	2,610	2,610
9,000	40,869	2,551	52,420	46,230	Office of Information Technology	63,121	49,726	49,726
4,734	---	1	4,735	4,735	Adjudication of Administrative Appeals	4,928	4,100	4,100
19,067	291	-3,084	16,274	12,396	Emergency Telecommunication Services	13,817	13,017	13,017
60,010	47,916	1,072	108,998	94,399	Subtotal	111,419	94,434	94,434
					Management and Administration			
1,702	2	10	1,714	1,682	Contract Compliance and Equal Employment Opportunity in Public Contracts	1,865	1,631	1,631
11,913	738	8,102	20,753	17,654	Administration and Support Services	16,281	11,202	11,202
13,615	740	8,112	22,467	19,336	Subtotal	18,146	12,833	12,833
					Protection of Citizens' Rights			
9,724	25	-717	9,032	9,023	Appellate Services to Indigents	10,312	9,604	9,604
91,364	923	3,935	96,222	95,557	Trial Services to Indigents and Special Programs	99,048	98,292	98,292
2,441	27	32	2,500	2,494	Administration and Support Services	2,657	2,614	2,614
103,529	975	3,250	107,754	107,074	Subtotal	112,017	110,510	110,510
427,469	134,167	-43,263	518,373	478,464	Total Direct State Services - General Fund	476,269	436,744	436,744
					DIRECT STATE SERVICES - CASINO CONTROL FUND			
					Financial Administration			
29,440	664	---	30,104	29,473	Administration of Casino Gambling	29,440	29,440	29,440
29,440	664	---	30,104	29,473	Subtotal	29,440	29,440	29,440
29,440	664	---	30,104	29,473	Total Direct State Services - Casino Control Fund	29,440	29,440	29,440
456,909	134,831	-43,263	548,477	507,937	TOTAL DIRECT STATE SERVICES	505,709	466,184	466,184
					GRANTS-IN-AID - GENERAL FUND			
					Higher Educational Services			
21,878	---	100	21,978	21,978	Support to Independent Institutions	21,672	32,115	19,628
93,868	10,816	-250	104,434	65,980	Miscellaneous Higher Education Programs	99,578	89,173	87,604
115,746	10,816	-150	126,412	87,958	Subtotal	121,250	121,288	107,232

TREASURY

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
169,249	---	3,450	172,699	128,924	Economic Planning and Development		
16,950	6,002	-129	22,823	9,089	Economic Development	157,538	182,088
					New Jersey Commission on Science and Technology	22,580	19,880
<i>186,199</i>	<i>6,002</i>	<i>3,321</i>	<i>195,522</i>	<i>138,013</i>	<i>Subtotal</i>	<i>180,118</i>	<i>201,968</i>
					Economic Regulation		
70,840	2,000	---	72,840	63,940	Energy Assistance Programs	70,840	70,840
<i>70,840</i>	<i>2,000</i>	<i>---</i>	<i>72,840</i>	<i>63,940</i>	<i>Subtotal</i>	<i>70,840</i>	<i>70,840</i>
					General Government Services		
14,925	16,113	---	31,038	13,754	Emergency Telecommunication Services	14,925	12,425
<i>14,925</i>	<i>16,113</i>	<i>---</i>	<i>31,038</i>	<i>13,754</i>	<i>Subtotal</i>	<i>14,925</i>	<i>12,425</i>
					Management and Administration		
---	225	---	225	225	Administration and Support Services	---	---
---	225	---	225	225	<i>Subtotal</i>	---	---
					Protection of Citizens' Rights		
16,400	---	---	16,400	16,400	Trial Services to Indigents and Special Programs	16,400	16,400
---	---	---	---	---	Victims of Crime Compensation Agency	---	---
<i>16,400</i>	<i>---</i>	<i>---</i>	<i>16,400</i>	<i>16,400</i>	<i>Subtotal</i>	<i>16,400</i>	<i>16,400</i>
404,110	35,156	3,171	442,437	320,290	Total Grants-In-Aid - General Fund	403,533	422,921
						408,865	
					GRANTS-IN-AID - PROPERTY TAX RELIEF FUND		
					State Subsidies and Financial Aid		
1,183,788	1,469	---	1,185,257	1,145,807	Homestead Exemptions	2,404,000	1,886,000
<i>1,183,788</i>	<i>1,469</i>	<i>---</i>	<i>1,185,257</i>	<i>1,145,807</i>	<i>Subtotal</i>	<i>2,404,000</i>	<i>1,886,000</i>
1,183,788	1,469	---	1,185,257	1,145,807	Total Grants-In-Aid - Property Tax Relief Fund	2,404,000	1,886,000
1,587,898	36,625	3,171	1,627,694	1,466,097	TOTAL GRANTS-IN-AID	2,807,533	2,308,921
							2,294,865
					STATE AID - GENERAL FUND		
					Higher Educational Services		
175,993	---	---	175,993	173,537	Aid to County Colleges	177,959	201,448
<i>175,993</i>	<i>---</i>	<i>---</i>	<i>175,993</i>	<i>173,537</i>	<i>Subtotal</i>	<i>177,959</i>	<i>201,448</i>
					State Subsidies and Financial Aid		
2,289	---	---	2,289	1,927	County Boards of Taxation	2,289	2,289
62,656	29,899	---	92,555	54,316	Locally Provided Assistance	57,496	52,386
61,796	---	---	61,796	61,796	Consolidated Police and Firemen's Pension Fund	60,535	61,268
<i>126,741</i>	<i>29,899</i>	<i>---</i>	<i>156,640</i>	<i>118,039</i>	<i>Subtotal</i>	<i>120,320</i>	<i>115,943</i>
302,734	29,899	---	332,633	291,576	Total State Aid - General Fund	298,279	317,391
							283,547

TREASURY

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended	
STATE AID - PROPERTY TAX RELIEF FUND								
Higher Educational Services								
27,640	---	---	27,640	27,640	Aid to County Colleges	35,139	40,026	40,026
27,640	---	---	27,640	27,640	Subtotal	35,139	40,026	40,026
State Subsidies and Financial Aid								
99,100	---	---	99,100	95,413	Reimbursement of Senior/ Disabled Citizens' and Veterans' Tax Deductions	97,000	92,000	92,000
31,534	---	---	31,534	30,228	Consolidated Police and Firemen's Pension Fund	33,727	35,380	35,380
130,634	---	---	130,634	125,641	Subtotal	130,727	127,380	127,380
158,274	---	---	158,274	153,281	Total State Aid - Property Tax Relief Fund	165,866	167,406	167,406
461,008	29,899	---	490,907	444,857	TOTAL STATE AID	464,145	484,797	450,953
CAPITAL CONSTRUCTION								
Economic Regulation								
---	1	---	1	---	Administration and Support Services	---	---	---
---	1	---	1	---	Subtotal	---	---	---
General Government Services								
---	14,572	---	14,572	223	Property Management and Construction - Property Management Services	---	---	---
---	5,846	8,879	14,725	11,537	Office of Information Technology	6,500	---	---
---	20,418	8,879	29,297	11,760	Subtotal	6,500	---	---
---	20,419	8,879	29,298	11,760	TOTAL CAPITAL CONSTRUCTION	6,500	---	---
DEBT SERVICE								
Management and Administration								
363,121	---	1	363,122	363,120	Administration and Support Services	382,007	346,162	346,162
363,121	---	1	363,122	363,120	Subtotal	382,007	346,162	346,162
363,121	---	1	363,122	363,120	TOTAL DEBT SERVICE	382,007	346,162	346,162
2,868,936	221,774	-31,212	3,059,498	2,793,771	Total Appropriation, Department of the Treasury	4,165,894	3,606,064	3,558,164

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT
36. HIGHER EDUCATIONAL SERVICES

PROGRAM CLASSIFICATIONS

47. Support to Independent Institutions. The Independent College and University Assistance Act (N.J.S.A.18A:72B-15 et seq.) provides for financial assistance to 14 eligible New Jersey independent colleges and universities. This assistance, which is based on the number of New Jersey students enrolled at these institutions, helps to ensure that this valuable sector of the State's system of higher education will continue to provide educational opportunities for New Jersey citizens. Direct aid also is provided in support of specific programs at selected independent institutions.

48. Aid to County Colleges. The New Jersey system of community colleges was established by statute in 1962 (N.J.S.A.18A:64A-1 et seq.). The first county colleges were opened four years later in Atlantic, Cumberland, Middlesex, and Ocean counties. Today there are 19 institutions: one community college in each of 17 counties, a bi-county college serving Somerset and Hunterdon counties, and a bi-county college serving Atlantic and Cape May counties. These institutions enroll more than 200,000 full-time and part-time credit students, 100,000 non-credit students, and 50,000 employees through customized training annually, and provide access to higher education for a broad range of New Jersey residents who would otherwise be denied the advantages associated with a college education.

State aid is appropriated for county college operational costs and is distributed among the institutions by the State in consultation with the Council of County Colleges. The distribution is based on a formula that includes foundation aid, enrollment funding, and access funding. Aid in amounts not to exceed one-half of project costs may also be provided for capital projects under P.L. 1971, Chapter 12. In addition, some fringe benefit costs of certain county college employees are paid by the State.

49. Miscellaneous Higher Education Programs. Includes four key programs that assist New Jersey's institutions of higher education, both public and private, in keeping pace with technological changes and responding to industry and work force needs. The Higher Education Equipment Leasing Fund

(ELF) Act (P.L.1993, c.136) established a \$100 million fund to finance the purchase of scientific, engineering, technical, computer, communications, and instructional equipment. The original ELF bonds were retired in 2000, and issuance of a second \$100 million in bonds was authorized in 2001. The State pays three-quarters of the debt service on Equipment Leasing Fund bonds, and the colleges pay the remaining share. The Higher Education Facilities Trust Fund Act (P.L.1993, c.375) established a \$220 million fund to finance the construction, renovation or improvement of instructional, laboratory, communication, and research facilities. The State pays the entire cost of debt service on Higher Education Facilities Trust Fund bonds.

The Higher Education Technology Infrastructure Fund Act (P.L.1997, c.238) provided \$55 million in support for critical technology needs and complements the State's other facility and equipment bond funds. The State pays the entire cost of debt service on Higher Education Technology Infrastructure Fund bonds. The \$550 million Higher Education Capital Improvement Fund (P.L.1999, c.217) is designed to address the issues of renewal, renovation, improvement, expansion, construction, and reconstruction of facilities and technology infrastructure. The State pays two-thirds of the debt service for public institutions and one-half of the debt service for independent institutions.

The Educational Facilities Authority (EFA) issues bonds to finance projects under these four programs, with the debt service supported by annual State appropriations.

The Dormitory Safety Trust Fund (P.L. 2000, c.56) provided loans to eligible public or private secondary schools, military schools or boarding schools, and public or private institutions of higher education to install automatic fire suppression systems. Funds for the trust were provided from the issuance of \$90 million in State bonds.

In addition, funding is provided for the New Jersey Marine Sciences Consortium, which was established "in, but not of" the Department of the Treasury under P.L. 2007, c. 206. The Consortium, whose members include a majority of New Jersey's institutions of higher education, supports educational, promotional, and research activities in the marine sciences.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007								Year Ending June 30, 2009	
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Prog. Class. Adjusted Approp.		Requested	Recom- mended
GRANTS-IN-AID									
Distribution by Fund and Program									
21,878	---	100	21,978	21,978	Support to Independent Institutions	47	21,672	32,115	19,628
93,868	10,816	-250	104,434	65,980	Miscellaneous Higher Education Programs	49	99,578	89,173	87,604
115,746	10,816	-150	126,412	87,958	Total Grants-in-Aid		121,250	121,288	107,232
Distribution by Fund and Object									
Grants:									
19,481	---	---	19,481	19,481	Aid to Independent Colleges and Universities	47	20,435	30,878	18,391

TREASURY

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID									
200	---	---	200	200	Clinical Legal Programs for the Poor--Seton Hall University (P.L.1996, c.52)	47	200	200	200
80	---	50	130	130	Institute for Advanced Study -- Discrete Mathematics and Computer Science Center	47	---	---	---
80	---	50	130	130	Institute for Advanced Study -- Park City Mathematics Institute	47	---	---	---
1,000	---	---	1,000	1,000	Bloomfield College -- Academic Center	47	---	---	---
1,037	---	---	1,037	1,037	Research Under Contract with the Institute of Medical Research, Camden	47	1,037	1,037	1,037
100	---	-50	50	5	Garden State Savings Bonds Incentive	49	100	15	15
32,146	---	-200	31,946	15,839	Higher Education Capital Improvement Program -- Debt Service	49	42,695	42,940	42,940
18,503	---	---	18,503	18,327	Equipment Leasing Fund -- Debt Service	49	13,922	9,009	9,009
20,911	---	---	20,911	20,909	Higher Education Facilities Trust Fund -- Debt Service	49	20,972	20,974	20,974
6,457	---	---	6,457	6,457	Higher Education Technology Bond -- Debt Service	49	6,426	6,347	6,347
576	---	---	576	576	Marine Sciences Consortium	49	576	795	426
8,475	---	---	8,475	2,667	Dormitory Safety Trust Fund -- Debt Service	49	8,187	7,893	7,893
1,200	---	---	1,200	1,200	Statewide Systemic Initiative to Reform Mathematics and Science Education	49	1,200	1,200	---
5,500	10,816	---	16,316	---	New Jersey Stem Cell Research Institute	49	5,500	---	---
STATE AID									
Distribution by Fund and Program									
217,633	---	---	217,633	215,177	Aid to County Colleges	48	233,098	255,474	221,630
189,993	---	---	189,993	187,537	(From General Fund)		197,959	215,448	181,604
27,640	---	---	27,640	27,640	(From Property Tax Relief Fund)		35,139	40,026	40,026
217,633	---	---	217,633	215,177	Total State Aid		233,098	255,474	221,630
189,993	---	---	189,993	187,537	(From General Fund)		197,959	215,448	181,604
27,640	---	---	27,640	27,640	(From Property Tax Relief Fund)		35,139	40,026	40,026
Less:									
(14,000)	---	---	(14,000)	(14,000)	Supplemental Workforce Fund-Basic Skills		(20,000)	(14,000)	(14,000)
(14,000)	---	---	(14,000)	(14,000)	Total Income Deductions		(20,000)	(14,000)	(14,000)
203,633	---	---	203,633	201,177	Total State Appropriation		213,098	241,474	207,630
Distribution by Fund and Object									
State Aid:									
155,806	---	---	155,806	155,806	Operational Costs	48	163,437	180,937	147,093
27,500	---	---	27,640	27,640	Debt Service for Chapter 12 N.J.S.18A:64A-22.1 (PTRF)	48	33,464	40,026	40,026
140 S							1,675 S		
15,626	---	---	15,626	15,020	Alternate Benefit Program -- Employer Contributions	48	15,918	15,784	15,784
3,086	---	---	3,086	2,225	Alternate Benefit Program -- Non-contributory Insurance	48	2,572	2,549	2,549

TREASURY

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
STATE AID								
18	---	---	18	11	Teachers' Pension and Annuity Fund -- Non-contributory Insurance	48	16	15
343	---	---	343	343	Employer Contributions -- Teachers' Pension and Annuity Fund	48	343	343
1,155	---	---	1,155	1,088	Teachers' Pension and Annuity Fund -- Post Retirement Medical	48	1,144	1,104
13,516	---	---	13,516	12,707	Post Retirement Medical Other Than TPAF	48	14,078	14,331
350	---	---	350	244	Employer Contributions -- FICA for County College Members of TPAF	48	350	275
93	---	---	93	93	Debt Service on Pension Obligation Bonds	48	101	110
<i>Less:</i>								
<u>(14,000)</u>	<u>---</u>	<u>---</u>	<u>(14,000)</u>	<u>(14,000)</u>	<i>Income Deductions</i>	<u>(20,000)</u>	<u>(14,000)</u>	<u>(14,000)</u>
319,379	10,816	-150	330,045	289,135	Grand Total State Appropriation	334,348	362,762	314,862

Language Recommendations -- Grants-In-Aid - General Fund

For the purpose of implementing the "Independent College and University Assistance Act," P.L.1979, c.132 (C.18A:72B-15 et seq.), the number of full-time equivalent students (FTE) at the eight State Colleges is 58,751 for fiscal year 2008.

Receipts in excess of the amount hereinabove appropriated for Clinical Legal Programs for the Poor-Seton Hall University, P.L.1996, c.52, are appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

The sums hereinabove appropriated for Research Under Contract with the Institute of Medical Research, Camden (Coriell Institute) shall be expended on support for research activities, and the Institute shall submit an annual audited financial statement to the Department of the Treasury which shall include a schedule showing the use of these funds.

In addition to the amounts hereinabove appropriated for the Higher Education Capital Improvement Program-Debt Service account, the unexpended balances at the end of the preceding fiscal year are appropriated for the same purpose.

The unexpended balance at the end of the preceding fiscal year in the New Jersey Stem Cell Research Institute account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting, and shall be expended subject to the approval of the State Treasurer in consultation with the New Jersey Commission on Science and Technology.

Language Recommendations -- State Aid - General Fund

In addition to the amount hereinabove appropriated for operational costs, there is appropriated \$14,000,000 from the Supplemental Workforce Fund for Basic Skills for the same purpose.

Notwithstanding the provisions of any law or regulation to the contrary, from the sums hereinabove appropriated for county college Operational Costs, there are allocated such sums as are required to provide the reimbursement to cover tuition costs of the National Guard members pursuant to subsection b. of section 1 of P.L.2001, c.427 (C.18A:62-24).

Such additional sums as may be required for Alternate Benefit Program - Employer Contributions, Alternate Benefit Program - Non-contributory Insurance, Teachers' Pension and Annuity Fund - Non-contributory Insurance, Teachers' Pension and Annuity Fund - Post Retirement Medical, Post Retirement Medical Other Than TPAF, and Employer Contributions - FICA for County College Members of Teachers' Pension and Annuity Fund are appropriated, as the Director of the Division of Budget and Accounting shall determine.

In addition to the sum hereinabove appropriated for Debt Service on Pension Obligation Bonds to make payments under the State Treasurer's contracts authorized pursuant to section 6 of P.L.1997, c.114 (C.34:1B-7.50), there are appropriated such other sums as the Director of the Division of Budget and Accounting shall determine are required to pay all amounts due from the State pursuant to such contracts.

Language Recommendations -- State Aid - Property Tax Relief Fund

Such sums as may be necessary for the payment of interest or principal or both, due from the issuance of any bonds authorized under the provisions of section 1 of P.L.1971, c.12 (C.18A:64A-22.1) are appropriated.

HIGHER EDUCATIONAL SERVICES

Of the amount hereinabove appropriated for Higher Educational Services, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule included in the Governor's Budget Recommendation Document dated February 26, 2008 shall first be charged to the State Lottery Fund.

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

51. ECONOMIC PLANNING AND DEVELOPMENT

OBJECTIVES

1. To promote the expansion and growth of commerce and industry in order to create employment and economic growth in New Jersey.
2. To collect, analyze, and disseminate economic data for the purpose of generating a coordinated projection of economic conditions for State government.
3. To promote sustainable economic growth and create quality jobs by retaining and expanding existing jobs and attracting new jobs to New Jersey.
4. To build a foundation of New Jersey's economic leadership in the 21st century.
5. To implement a market-driven economic development service delivery system, including the introduction of innovative programs and flexible services.

PROGRAM CLASSIFICATIONS

38. **Economic Development.** Executive Branch economic development entities that receive State appropriations include the New Jersey Commerce Commission, the Motion Picture and Television Development Commission, the Fort Monmouth Economic Revitalization Planning Authority (FMERPA), and the Economic Development Authority (EDA).

The New Jersey Commerce Commission, which is in-but-not-of the Department of the Treasury, promotes business advocacy, international trade, economic development, sustain-

able businesses, the Urban Enterprise Zone program, and the development of small, women and minority-owned businesses. The Commission also coordinates the State's economic development activities with the Office of Economic Growth, the Commission on Science and Technology, the Urban Enterprise Zone Authority, and the New Jersey Development Authority for Small Businesses, Minorities' and Women's Enterprises.

The Motion Picture and Television Development Commission facilitates the cooperation of all governmental agencies and private sector groups for applications, locations, production, and auxiliary facilities in the production of motion picture and television projects.

The FMERPA, established pursuant to P.L. 2006, c.16, is responsible for developing a revitalization plan for Fort Monmouth that will provide economic growth and prosperity to the central New Jersey region.

The EDA arranges long-term, low-interest financing for businesses, not-for-profit organizations, and government agencies for buildings, equipment, working capital, and other investments that could create and retain jobs in New Jersey. Additionally, the EDA administers the Business Employment Incentive Program (BEIP) which provides grants to businesses that create jobs in New Jersey. BEIP grants may be granted for up to ten years and can equal 10% to 80% of the total amount of state income taxes generated by the newly-created jobs.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Economic Development				
Motion Picture and Television Development				
Total film/television productions	939	965	980	995
Direct spending by companies (millions)	\$89.0	\$95.0	\$100.0	\$110.0
International Trade				
Total value of New Jersey exports (billions)	\$23.6	\$24.8	\$26.1	\$27.4
Jobs generated through exporting	283,716	298,146	313,774	328,800
Development for Small Businesses and Women and Minority Businesses				
Set-aside contracts awarded (millions)	\$200.0	\$220.0	\$250.0	\$230.0
Jobs created and retained	2,940	3,234	3,675	3,381
Tax revenue generated by Set-aside Program (millions)	\$14.0	\$15.4	\$17.5	\$16.1
Economic Development				
Urban Enterprise Zone Program				
Participating businesses	25,549	25,000	26,500	27,100
Total number of jobs created (annually)	20,512	17,000	15,000	14,000
Private investment generated (annual value in billions) ...	\$2.6	\$2.0	\$1.8	\$1.8
Zone Assistance Fund projects (annual value in millions) .	\$69.3	\$50.0	\$45.0	\$50.0
Business Retention, Expansion, and Attraction				
Number of new jobs in new businesses	2,948	2,625	7,000	7,000
Number of new jobs in existing businesses	4,862	3,528	7,000	7,000
Number of jobs retained	9,455	13,897	7,000	7,000
Business Employment Incentive Program				
Number of grants distributed	195	209	312	381
Grants awarded (millions)	\$112.2	\$150.7	\$211.1	\$234.0

TREASURY

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
OPERATING DATA				
Economic Development				
Program Expenditures - Commerce Commission (thousands)				
Business Retention, Expansion, and Attraction	\$2,387	\$1,604	\$1,977	\$1,181
Export Promotion	\$808	\$645	\$655	\$394
Small Businesses and Women and Minority Businesses	\$1,475	\$1,291	\$1,393	---
Other Key Industries and Initiatives	\$990	\$2,181	\$1,363	\$1,363
Special Purpose Appropriations (thousands) (a)				
Advertising and Promotion	\$12,079	\$10,260	---	---
Travel & Tourism Cooperative Marketing	\$1,850	\$1,850	---	---
NJ Israel Commission	\$130	\$130	---	---
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	5	5	16	16
All Other	---	1	6	6
Total Positions (a)	5	6	22	22
Filled Positions by Program Class				
Economic Development	5	6	22	22

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded. Position data do not reflect employees of the EDA or the New Jersey Commerce Commission.

(a) Special purpose appropriations for Advertising and Promotion, Travel and Tourism Cooperative Marketing and the New Jersey Israel Commission have been moved to the Department of State, per Reorganization Plan No. 001-2007, effective in fiscal 2008. Related program and position data are reported in the Department of State Budget presentation.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
517	---	10	527	526	Economic Development	38	540	---	---
<u>517</u>	<u>---</u>	<u>10</u>	<u>527</u>	<u>526</u>	Total Direct State Services		540 (a)	---	---
Distribution by Fund and Object									
Special Purpose:									
517	---	10	527	526	New Jersey Motion Picture and TV Development Commission	38	540	---	---
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
169,249	---	3,450	172,699	128,924	Economic Development	38	157,538	182,088	182,088
<u>169,249</u>	<u>---</u>	<u>3,450</u>	<u>172,699</u>	<u>128,924</u>	Total Grants-in-Aid		157,538	182,088	182,088
Distribution by Fund and Object									
Grants:									
---	---	150	150	150	Fort Monmouth Economic Revitalization Planning Authority	38	150	150	150
17,249	---	---	17,249	17,249	New Jersey Commerce Commission (b)	38	5,388 (c)	2,938	2,938
---	---	3,300	3,300	3,259	Brownfields Site Reimburse- ment Fund	38	---	---	---
<u>152,000</u>	<u>---</u>	<u>---</u>	<u>152,000</u>	<u>108,266</u>	Business Employment Incentive Program, EDA (d)	38	<u>152,000</u>	<u>179,000</u>	<u>179,000</u>
169,766	---	3,460	173,226	129,450	Grand Total State Appropriation		158,078	182,088	182,088

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
OTHER RELATED APPROPRIATIONS								
All Other Funds								
---	1,693 ^R	---	1,693	1,693	Economic Development	38 5,994	5,614	5,614
---	<u>1,693</u>	---	<u>1,693</u>	<u>1,693</u>	Total All Other Funds	<u>5,994</u>	<u>5,614</u>	<u>5,614</u>
169,766	1,693	3,460	174,919	131,143	GRAND TOTAL ALL FUNDS	164,072	187,702	187,702

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.

Notes -- Grants-In-Aid - General Fund

- (b) The fiscal year 2009 appropriation may be made available to any entity succeeding to the duties and functions of the New Jersey Commerce Commission.
- (c) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program, as well as the reallocation of State appropriations supporting the Division of Travel and Tourism and the New Jersey Israel Commission to the Department of State.
- (d) Funding is provided for direct Business Employment Incentive Program (BEIP) grant payments. Funding for debt service on BEIP bonds is included in the Aid to Independent Authorities program classification in the Interdepartmental budget.

Language Recommendations -- Grants-In-Aid - General Fund

Of the amount hereinabove appropriated for the New Jersey Commerce Commission, or any entity succeeding to the duties and functions of the New Jersey Commerce Commission, pursuant to separate legislation, such sums as are necessary shall be made available to the Office of Economic Growth, established pursuant to Executive Order #50, and for the Division of Minority and Women Business Development in the Department of the Treasury, subject to the approval of the Director of the Division of Budget and Accounting.

There is appropriated from the Enterprise Zone Assistance Fund such sums as are necessary for administrative services provided by the New Jersey Commerce Commission or any entity succeeding to the duties and functions of the New Jersey Commerce Commission, pursuant to separate legislation and the Office of Economic Growth in accordance with the provisions of section 11 of P.L.1993, c.367 (C.52:27H-65.1), subject to the approval of the Director of the Division of Budget and Accounting.

Funds made available for the remediation of the discharges of hazardous substances pursuant to the amendments effective December 4, 2003, to Article VIII, Section II, paragraph 6 of the State Constitution, shall be appropriated to the Brownfields Site Reimbursement Fund, established pursuant to section 38 of P.L.1997, c.278 (C.58:10B-30), in an amount to be determined by the Director of the Division of Taxation, and subject to the approval of the Director of the Division of Budget and Accounting. If such sums for the remediation of discharges of hazardous substances are insufficient, there are appropriated such sums as necessary to the Brownfields Site Reimbursement Fund, subject to the approval of the Director of the Division of Budget and Accounting. The unexpended balance at the end of the preceding fiscal year in the Brownfields Site Reimbursement Fund account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated for the Business Employment Incentive Program, EDA, there is appropriated from the General Fund to the Department of the Treasury for transfer to the New Jersey Economic Development Authority such sums as may be necessary to fund the Business Employment Incentive Program, the amount of which, when combined with the amount hereinabove appropriated and with prior year disbursements, shall not exceed the total amount of revenues received as withholdings, as defined in section 2 of P.L.1996, c.26 (C.34:1B-125), during the prior calendar years from all businesses receiving grants pursuant to the "Business Employment Incentive Program Act," P.L.1996, c.26 (C.34:1B-124 et seq.), as certified by the Director of the Division of Taxation, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated for the Fort Monmouth Economic Revitalization Planning Authority, there is appropriated such additional sums as are necessary to secure federal matching funds for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Business Employment Incentive Program, EDA, account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

51. ECONOMIC PLANNING AND DEVELOPMENT

2042. NEW JERSEY COMMISSION ON SCIENCE AND TECHNOLOGY

OBJECTIVES

- OBJECTIVES**

 1. To promote further development of New Jersey's academic research capabilities in priority fields, and to identify and evaluate new fields of opportunity.
 2. To enhance the transfer of technology from the academic research environment to implementation in business settings.
 3. To encourage business development through Commission programs designed to provide assistance for science- and technology-oriented businesses, and to facilitate the establishment of new enterprises in science and technology fields.
 4. To support the preparation of a workforce which is technology-literate, consistent with the mandate of the Commission.

TREASURY

PROGRAM CLASSIFICATIONS

39. The New Jersey Commission on Science and Technology.

Enacted under P.L.1985, c.102, the Commission was established to encourage the development of scientific and technological programs, stimulate academic-industrial collaboration, and coordinate activities of technological centers and

business facilities. The primary mission of the Commission is to accelerate economic development by applying science and technology applications to industry. The principal goals of the Commission are the creation of new jobs and the revitalization of industry by encouraging new enterprises, particularly those that are oriented toward the adoption of the most advanced scientific and technological techniques.

EVALUATION DATA

PROGRAM DATA

New Jersey Commission on Science and Technology (CST)

New Jersey Manufacturing Extension Program

Companies Supported	120	259	190	250
Jobs Created or Retained	1,300	1,500	1,500	1,600
CST Funding (in thousands)	\$1,200	\$1,200	\$1,200	\$1,200
Non-State Matching Funding (in thousands)	\$4,100	\$4,200	\$4,700	\$4,800

Business Incubators (Technology Incubators)

Companies Supported (Tenant)	230	218	250	250
Companies Supported (Virtual)	150	366	350	350
Employment at Incubator Companies	980	1,449	1,500	1,600
CST Funding (in thousands)	\$1,554	\$2,120	\$2,215	\$2,920
Non-State Matching Funding (in thousands)	\$4,300	\$8,200	\$13,000	\$13,000

Small Business Innovative Research Bridge Grant Program

Companies Assisted	14	10	8	13
CST Funding (in thousands)	\$445	\$500	\$400	\$650
Non-State Matching Funding (in thousands)	\$10,500	\$9,248	\$6,000	\$9,750

NJ Technology Fellowships

Companies Assisted	22	21	25	30
CST Funding (in thousands)	\$1,025	\$1,675	\$1,975	\$2,370
Non-State Matching Funding (in thousands)	\$600	\$300	\$650	\$800

Edison Innovation R&D Fund

Companies Assisted	4	8	10	10
CST Funding (in thousands)	\$1,313	\$3,401	\$4,000	\$4,000
Non-State Matching Funding (in thousands)	\$1,200	\$2,676	\$3,200	\$3,200

Industry-University Collaboration

University Intellectual Property Program

Institutions Assisted	4	5	5	5
CST Funding (in thousands)	\$1,850	\$1,578	\$2,000	\$1,000
Non-State Matching Funding (in thousands)	\$850	\$1,700	\$1,000	\$1,000

Centers of Excellence Program

Companies Assisted	1	2	4	4
CST Funding (in thousands)	\$500	\$1,000	\$2,000	\$2,000
Non-State Matching Funding (in thousands)	\$2,400	\$3,000	\$8,000	\$8,000

Stem Cell Research

Institutions Assisted	17	17	25	30
CST Funding (in thousands)	\$5,188	\$5,200	\$10,000	\$10,000
Non-State Matching Funding (in thousands)	\$1,000	\$1,000	\$2,000	\$5,000

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	6	5	5	5
Total Positions	6	5	5	5

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Prog. Class. Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
581	---	97	678	677	New Jersey Commission on Science and Technology	39	548	448	448
581	---	97	678	677	Total Direct State Services		548 (a)	448	448
Distribution by Fund and Object									
Personal Services:									
476	---	-174	302	302	Salaries and Wages		475	380	380
476	---	-174	302	302	Total Personal Services		475	380	380
51	---	-38	13	12	Materials and Supplies		30	30	30
48	---	314	362	362	Services Other Than Personal		37	32	32
6	---	-5	1	1	Maintenance and Fixed Charges		6	6	6
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
16,950	6,002	-129	22,823	9,089	New Jersey Commission on Science and Technology	39	22,580	19,880	19,880
16,950	6,002	-129	22,823	9,089	Total Grants-in-Aid		22,580	19,880	19,880
Distribution by Fund and Object									
Grants:									
16,350	5,402	-129	21,623	7,889	Science and Technology Grants	39	21,350	19,250	19,250
600	600	---	1,200	1,200	Manufacturing Extension Program	39	600	---	---
---	---	---	---	---	Business Incubator Network	39	630	630	630
17,531	6,002	-32	23,501	9,766	Grand Total State Appropriation		23,128	20,328	20,328

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.

Language Recommendations -- Grants-In-Aid - General Fund

The unexpended balance at the end of the preceding fiscal year in the New Jersey Commission on Science and Technology Grants-In-Aid account is appropriated for the same purpose.

An amount not to exceed 5% of the Science and Technology Grants account is available for transfer to Direct State Services for the administrative expenses of this program, as determined by the Director of the Division of Budget and Accounting.

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY**52. ECONOMIC REGULATION****OBJECTIVES**

1. To ensure that safe, adequate, and proper utility services are provided at reasonable, non-discriminatory rates to all members of the public who desire such services.
2. To provide a comprehensive energy supply and demand strategy that allows for responsible and necessary economic growth and development without compromising the environment and quality of life in New Jersey.
3. To ensure that New Jersey has adequate and economical natural gas supplies to meet its home heating requirements, industrial load, and an ever growing alternative power production industry.
4. To assist in the development of a state-of-the-art telecommunications network that permits the timely introduction and marketing of new and advanced technology. In

addition, to seek to ensure the full utilization of such network by all segments of our society, regardless of income status or physical disabilities.

5. To ensure that New Jersey residents have economical and environmentally safe water supplies that are provided through strict compliance with the State's Safe Drinking Water Act by all private and public water purveyors under the Board's jurisdiction.
6. To provide adequate, economical, and efficient cable television service, with a degree of uniform operation, and the protection of the municipality in the franchise process. In addition, the Board will seek to ensure the responsiveness of cable operators to subscribers' complaints and needs, and the availability of competitively priced alternative television program packaging.
7. To administer statewide energy assistance programs.

TREASURY

8. To increase energy conservation and reduce the utility costs of low-income households through the weatherization of single and multi-family dwellings.

PROGRAM CLASSIFICATIONS

54. **Utility Regulation.** The Board of Public Utilities controls, through its rate approval process, the charges paid by the public for gas, electric, water, sewer, and telephone services. A uniform system of accounts and quarterly and annual financial statements and reports are required for disclosure and to permit intelligent public participation in the process. Filings for both rate and fuel adjustment charge changes are approved only to generate sufficient revenues to cover allowable expenses and an equitable return on investment.

The Board assures the safety, adequacy, and availability of utility services by conducting hearings that result in the promulgation of rules, regulations, and orders, and their enforcement through inspections and investigations. Regular tests are conducted by engineering personnel to minimize the possibility of disruptions or discontinuance of essential services. The Division of Reliability and Security was created to ensure the safety and reliability of services as a result of the increase in concerns about terrorism.

55. **Regulation of Cable Television.** Assists local jurisdictions in preparing legislation, franchise, and consent agreements; regulates operating and competitive practices to assure reasonable uniformity, reliability, economy, and quality of cable television services; cooperates with other states and the federal government in promoting and coordinating beneficial uses of cable television through balanced programming, including local and educational services.

56. **Energy Resource Management.** Develops and implements the State's energy policies and associated programs, including funding mechanisms to support efficiency and renewable energy projects, energy education and outreach, energy data collection and analysis, and evaluation of energy use and supply.

88. **Energy Assistance Programs.** The Lifeline Credit Program provides combined gas and electric utility credits of up to \$225 a year to New Jersey residents who are eligible for Pharmaceutical Assistance to the Aged and Disabled, Supplemental Security Income, Medicaid only, or Lifeline only. The Tenants' Assistance Rebate Program provides a cash payment of up to \$225 a year to tenants who would be eligible for the Lifeline Credit Program except for the fact that they do not pay their own utility bills. Persons receiving Supplemental Security Income (SSI) who are eligible for this program receive monthly utility supplements totaling \$225 a year included in their SSI checks.

97. **Regulatory Support Services.** Provides economic analysis of conditions affecting regulated utilities to the Board of Public Utilities and its technical divisions, and conducts audits of regulated utilities.

99. **Administration and Support Services.** The Division of Administration and Support Services exercises general policy and administrative control over program operations. The primary responsibilities of the Division are to provide human resource management, including personnel requirements, employee relations support, broad based facility support, administration of the Equal Opportunity and Affirmative Action program, training, dissemination of public information concerning Board activities, and nursing services.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Utility Regulation				
Utilities Regulated				
Electric	5	5	5	5
Gas	4	4	4	4
Telephone and telegraph	138	160	160	160
Water and sewer	68	59	59	55
Municipal water companies	9	9	9	9
Cable TV (Basic Service)	36	37	37	37
Cases Pending June 30				
Cable TV	146	140	86	287
Electric	237	250	59	60
Gas	192	200	75	75
Telephone	238	200	351	300
Water and sewer	104	100	40	24
Audits, rates, tariff revisions, generic rulemaking, other ...	8	18	18	20
Customer Relations				
Consumer complaints (verbals)	17,567	18,080	18,442	18,803
Consumer complaints (walk-ins)	259	298	304	310
Consumer information requests	11,755	10,999	11,219	11,439
Consumer complaints (letters)	2,418	2,279	2,325	2,370
Consumer e-mails received	5,250	5,851	5,968	6,085
Total calls received as of 11/22/07	120,573	116,712	119,046	121,380
Service Evaluation				
One-call cases for review	4,500	4,000	4,000	4,000
One-call cases handled	450	500	600	500
Meter tests conducted	300	350	350	350
Gas pipeline inspections	400	410	385	400

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Regulation of Cable Television				
Cable television systems	40	41	41	41
Number of municipalities w/certification for operation ...	562	562	562	562
Cable television subscribers (thousands)	2,542	2,530	2,530	2,530
Electric Power Suppliers and Gas Suppliers				
Electric suppliers - applications	14	21	21	21
Electric suppliers - renewal applications	12	19	19	19
Electric suppliers - final licenses	10	19	19	19
Electric suppliers - renewal licenses	12	19	19	19
Gas suppliers - applications	9	14	14	14
Gas suppliers - renewal licenses	15	14	14	14
Gas suppliers - final licenses	5	16	16	16
Gas suppliers - renewal applications	12	14	14	14
Green Power Marketers - renewal licenses	---	4	4	4
Energy Agent and Private Aggregator Registration				
Energy agents - applications	---	7	7	7
Energy agents - renewal applications	8	6	6	6
Energy agents - final registration	---	8	8	8
Private aggregators - applications	8	7	7	7
Private aggregators - renewal registrations	---	7	7	7
Private aggregators - final registration	8	9	9	9
Energy Consultants - renewal registrations	---	2	2	2
Energy Consultants - final registrations	---	3	3	3
Energy Assistance Programs				
Lifeline Credit Program - Population Data				
Pharmaceutical Assistance to the Aged and Disabled ...	110,528	100,151	103,000	103,200
Supplemental Security Income	31,783	32,347	32,960	33,570
Medicaid only	11,488	12,130	13,650	13,725
Lifeline only	2,310	2,292	2,450	2,650
Total recipients	156,109	146,920	152,060	153,145
Tenants' Assistance Rebate Program - Population Data				
Pharmaceutical Assistance to the Aged and Disabled ...	28,886	26,142	26,550	26,650
Supplemental Security Income	119,566	121,684	123,725	124,890
Medicaid only	6,931	7,135	7,200	7,325
Lifeline only	409	429	500	525
Total recipients	155,792	155,390	157,975	159,390
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
Federal	10	8	8	8
All Other	294	292	273	278
Total Positions	304	300	281	286
Filled Positions by Program Class				
Utility Regulation	104	102	92	93
Regulation of Cable Television	25	25	24	24
Energy Resource Management	17	15	16	20
Regulatory Support Services	59	58	53	54
Administration and Support Services	99	100	96	95
Total Positions	304	300	281	286

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

The Energy Assistance Programs are administered by the Department of Health and Senior Services. Funding for these programs is provided through the Board of Public Utilities' Universal Services Fund.

TREASURY

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
7,893	1,701	-1,021	8,573	7,595	Utility Regulation	54	8,421	8,042	8,042
2,024	299	90	2,413	2,028	Regulation of Cable Television	55	2,221	2,144	2,144
1,669	---	61	1,730	1,730	Energy Assistance Programs	88	1,776	1,776	1,776
3,337	198	878	4,413	4,245	Regulatory Support Services	97	4,232	4,088	4,088
10,951	1,131	1,083	13,165	12,413	Administration and Support Services	99	11,639	11,369	11,369
25,874	3,329	1,091	30,294	28,011	Total Direct State Services		28,289 (a)	27,419	27,419
Distribution by Fund and Object									
Personal Services:									
22,577	1,477	1,791	25,845	25,006	Salaries and Wages		25,930	25,100	25,100
22,577	1,477	1,791	25,845	25,006	Total Personal Services		25,930	25,100	25,100
515	345	-110	750	348	Materials and Supplies		515	515	515
914	211	418	1,543	1,441	Services Other Than Personal		914	874	874
403	74	28	505	449	Maintenance and Fixed Charges		403	403	403
Special Purpose:									
---	73 45 ^R	---	118	---	Administration and Support Services	99	---	---	---
436	436	-250	622	430	Energy Master Plan Development	99	---	---	---
502	326	-450	378	176	Database Projects	99	---	---	---
527	342	-336	533	161	Additions, Improvements and Equipment		527	527	527
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
70,840	2,000	---	72,840	63,940	Energy Assistance Programs	88	70,840	70,840	70,840
70,840	2,000	---	72,840	63,940	Total Grants-in-Aid		70,840	70,840	70,840
Distribution by Fund and Object									
Grants:									
34,669	---	---	34,669	31,342	Payments for Lifeline Credits	88	34,669	34,669	34,669
36,171	---	---	36,171	32,598	Tenants' Assistance Rebate Program	88	36,171	36,171	36,171
---	2,000	---	2,000	---	New Jersey Comfort Partners	88	---	---	---
<u>CAPITAL CONSTRUCTION</u>									
Distribution by Fund and Program									
---	1	---	1	---	Administration and Support Services	99	---	---	---
---	1	---	1	---	Total Capital Construction		---	---	---
Distribution by Fund and Object									
Management and Administration									
---	1	---	1	---	Administration and Support Services	99	---	---	---
96,714	5,330	1,091	103,135	91,951	Grand Total State Appropriation		99,129	98,259	98,259
OTHER RELATED APPROPRIATIONS									
Federal Funds									
600	274	50	924	274	Utility Regulation	54	600	600	600
4,019	141	---	4,160	1,253	Energy Resource Management	56	3,588	3,592	3,592
4,619	415	50	5,084	1,527	Total Federal Funds		4,188	4,192	4,192

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
OTHER RELATED APPROPRIATIONS								
All Other Funds								
---	149	---	794	664	Energy Resource Management	56	1,300	1,300
---	645 ^R	---	15	15	Energy Assistance Programs	88	---	---
---	15 ^R	---	---	---	Administration and Support Services	99	451	451
---	707	---	2,545	2,545				
---	1,838 ^R	---	3,354	3,224	Total All Other Funds		1,751	1,751
---	3,354	---	101,333	96,702	GRAND TOTAL ALL FUNDS		105,068	104,202
101,333	9,099	1,141	111,573	96,702			104,202	104,202

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.
- (b) The appropriations for Energy Master Plan Development of \$436,000 and Database Projects of \$502,000 have been spread to applicable operating accounts.

Language Recommendations -- Direct State Services - General Fund

In addition to the sum hereinabove appropriated for the Board of Public Utilities, such other sums as the Director of the Division of Budget and Accounting shall determine are appropriated on behalf of the Board of Public Utilities under P.L.1968, c.173 (C. 48:2-59 et seq.) and P.L.1972, c. 186 (C. 48:5A-32 et seq.), or other applicable statutes with respect to assessment of public utilities or the cable television industry.

In addition to the amount hereinabove appropriated for administration of the Board of Public Utilities, there are appropriated such sums as may be required for operation of the board and assessed to the public utilities or the cable television industry, subject to the approval of the Director of Budget and Accounting.

Receipts derived from fees are appropriated for the administrative costs of the Board of Public Utilities.

Fees received from the "Electric Facility Need Assessment Act," P.L.1983, c.115 (C. 48:7-16 et seq.), are appropriated.

The unexpended balances at the end of the preceding fiscal year in the programs administered by the Board of Public Utilities are appropriated for use by those respective programs.

There are appropriated from interest earned by the Petroleum Overcharge Reimbursement Fund such sums as may be required for costs attributable to the administration of the fund, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, the balances from the Petroleum Overcharge Reimbursement Fund and the Secondary Stage Refunds and the monies required to be deposited in that fund from projects which have been completed or are no longer viable are reappropriated for new projects consistent with the court rulings which served as the basis for the original awards, subject to the approval of the Director of the Division of Budget and Accounting.

The amounts hereinabove appropriated, not to exceed \$1,776,000, for the Energy Assistance Program account may be transferred to the Department of Health and Senior Services, Lifeline account to fund the costs associated with administering the Lifeline Credits and Tenants' Assistance Rebates Program and shall be applied in accordance with a Memorandum of Understanding between the President of the Board of Public Utilities and the Commissioner of the Department of Health and Senior Services, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, the investment earnings derived from the funds deposited in the Clean Energy Fund, Universal Services Trust Fund, and Retail Margin Fund shall accrue to the funds and are available to pay the costs of the various programs of the New Jersey Board of Public Utilities Clean Energy Program, Universal Services Trust Fund, and Retail Margin Program.

Notwithstanding the provisions of paragraph (3) of subsection a. of section 12 of the "Electric Discount and Energy Competition Act," P.L.1999, c.23 (C.48:3-60) and any other laws to the contrary, receipts from the New Jersey Clean Energy Trust Fund are appropriated for the actual administrative salary and operating costs, not to exceed \$1,300,000, for the Office of Clean Energy as requested by the President of the Board of Public Utilities and approved by the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - General Fund

Notwithstanding the provisions of P.L.1979, c.197 (C.48:2-29.15 et seq.), the provisions of P.L.1981, c.210 (C.48:2-29.30 et seq.), or any law or regulation to the contrary, the benefits of the Lifeline Credits Program and the Tenants' Assistance Rebates Program may be distributed throughout the entire year from July through June, and are not limited to an October to March heating season; therefore, applications for Lifeline benefits and benefits from the Pharmaceutical Assistance to the Aged and Disabled program may be combined.

The amounts hereinabove appropriated for Payments for the Lifeline Credits Program and Tenants' Assistance Rebates Program are available for the payment of obligations applicable to prior fiscal years.

In order to permit flexibility in the handling of appropriations and ensure the timely payment of Lifeline claims, amounts may be transferred from the various items of appropriation within the Energy Assistance Programs classification, subject to the approval of the Director of the Division of Budget and Accounting.

TREASURY

In addition to the amount hereinabove appropriated, such sums as may be required for the payment of claims, credits, and rebates, are appropriated subject to the approval of the Director of the Division of Budget and Accounting.

Any supplemental appropriation for the Payments for Lifeline Credits and the Tenants' Assistance Rebates Program may be recovered from the Universal Service Fund through transfer to the General Fund as State revenue, subject to the approval of the Director of the Division of Budget and Accounting.

All funds recovered under P.L. 1968, c.413 (C.30:4D-1 et seq.) and P.L. 1975, c.194 (C.30:4D-20 et seq.), during the preceding fiscal year, are appropriated for payments to providers in the same program class from which the recovery originated.

The amounts hereinabove appropriated, not to exceed \$70,840,000, for Payments for the Lifeline Credits and the Tenants' Assistance Rebates Program are available to the Department of Health and Senior Services to fund the payments associated with the Lifeline Credits and Tenants' Assistance programs and shall be applied in accordance with a Memorandum of Understanding between the President of the Board of Public Utilities and the Commissioner of the Department of Health and Senior Services, subject to the approval of the Director of the Division of Budget and Accounting.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

72. GOVERNMENTAL REVIEW AND OVERSIGHT

OBJECTIVES

1. To assist the Governor's Employee Relations Policy Council in all matters regarding relations between the State and its employees.
2. To plan for, formulate, and monitor the annual State budget.
3. To assure financial responsibility and accountability and provide current, relevant financial information for management and the public.

PROGRAM CLASSIFICATIONS

03. **Employee Relations and Collective Negotiations.** Pursuant to Executive Orders No. 4, 1970 and No. 33, 1995, staff assistance is provided to the Governor and decisions are implemented concerning employee relations. Through the Governor's Employee Relations Policy Council, assistance in the development of overall policy and execution of policies is provided. Negotiations with unions and other representatives of State employees are conducted. Agencies are assisted and advised concerning employee relations activities.
07. **Office of Management and Budget.** Pursuant to NISA 52:27B-12,33, the Office of Management and Budget coordinates the annual agency-based planning process, identifies and projects trends affecting the demand for services, analyzes the allocation of available financial and human resources, and evaluates strategic and long-term issues.

In addition, the Office of Management and Budget plans for the most beneficial use of fiscal resources to meet the needs of the citizens of New Jersey within the policy framework set by the Governor, including analysis of State fiscal requirements. Based on these studies, the Office of Management and Budget evaluates budget requests from State departments and formulates the annual budget submitted by the Governor to the Legislature.

On an ongoing basis, the Office of Management and Budget reviews State agency responses to proposed legislation to ensure that fiscal policy concerns are taken into account.

To ensure that programs and resources are properly coordinated among agencies serving the same clients, the Office of Management and Budget analyzes programs that cross departmental boundaries, thus avoiding unnecessary duplication of effort.

As a resource to the Capital Planning Commission, the Office of Management and Budget evaluates and prioritizes capital construction projects and the financing of capital facilities.

The Financial Reporting and Accounting section of the Office of Management and Budget provides for the receipt, processing, recording, reconciling, and reporting of all financial data of the State's various funds in accordance with existing statutes and generally accepted accounting principles. That office also reviews all financial transactions for propriety before entry into the computerized accounting system, from which official State monthly and annual fiscal reports are prepared, and assures that State employees are paid accurately and on a timely basis.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Office of Management and Budget				
Number of checks avoided by electronic funds transfer	1,913,421	1,954,647	1,979,000	2,014,000
Percent of "Unqualified" audit opinion ratings on the consolidated financial report (for the last five years) (a)	100%	100%	100%	100%
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	183	178	168	171
Total Positions	183	178	168	171

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Filled Positions by Program Class				
Employee Relations and Collective Negotiations	8	7	8	7
Office of Management and Budget	175	171	160	164
Total Positions	183	178	168	171

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.

The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

(a) "Unqualified" is the highest opinion rating in conformity with generally accepted accounting principles.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
678	---	577	1,255	1,186				
18,932	65,687	-56,450	28,169	23,633	03	689	645	645
					07	16,498	15,881	15,881
19,610	65,687	-55,873	29,424	24,819	Total Direct State Services	17,187^(a)	16,526	16,526
Distribution by Fund and Object								
					Personal Services:			
12,595	406 ^R	-11	12,990	12,870		14,341	13,617	13,617
12,595	406	-11	12,990	12,870	Total Personal Services	14,341	13,617	13,617
280	---	-41	239	204	Materials and Supplies	245	245	245
5,282	---	788	6,070	5,807	Services Other Than Personal	1,308	1,371	1,371
9	---	---	9	6	Maintenance and Fixed Charges	24	24	24
					Special Purpose:			
---	65,281 ^R	-61,118	4,163	---	Investment Earnings	07	---	---
---	---	4,483	4,483	4,482	Cash Management Banking Services	07	---	---
1,099	---	---	1,444	1,444	Independent Audits	07	1,269	1,269
345 ^S	---	---	26	26	Additions, Improvements and Equipment	---	---	---
19,610	65,687	-55,873	29,424	24,819	Grand Total State Appropriation	17,187	16,526	16,526
OTHER RELATED APPROPRIATIONS								
All Other Funds								
---	48,700	---	37,984	---	Office of Management and Budget	07	9,042	9,119
---	21,823 ^R	-32,539	37,984	---			9,119	9,119
---	70,523	-32,539	37,984	---	Total All Other Funds	9,042	9,119	9,119
19,610	136,210	-88,412	67,408	24,819	GRAND TOTAL ALL FUNDS	26,229	25,645	25,645

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.

Language Recommendations -- Direct State Services - General Fund

Such sums as may be necessary for administrative expenses incurred in processing federal benefit payments are appropriated from such sums as may be received or receivable for this purpose.

In addition to the amounts hereinabove appropriated for the Office of Management and Budget, there are appropriated such additional sums as may be necessary for an independent audit of the State's general fixed asset account group, management, performance, and operational audits, and the single audit.

There are appropriated, out of receipts derived from the investment of State funds, such sums as may be necessary for interest costs, bank service charges, custodial costs, mortgage servicing fees, and advertising bank balances under section 1 of P.L.1956, c.174 (C.52:18-16.1).

TREASURY

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL 72. GOVERNMENTAL REVIEW AND OVERSIGHT 2066. OFFICE OF THE STATE COMPTROLLER

OBJECTIVES

1. To establish a full-time program of audit and performance review designed to provide increased accountability, integrity, and oversight of the Executive Branch of State government, including all entities exercising Executive Branch authority, public institutions of higher education, independent State authorities, units of local government and boards of education.
2. To audit and monitor the process employed by these governmental entities to solicit contract proposals and issue contract awards that involve a significant expenditure of funds or are comprised of complex or unique components.

PROGRAM CLASSIFICATIONS

08. **Office of the State Comptroller.** The Office of the State Comptroller was created to provide enhanced financial oversight of State agencies, public institutions of higher education, independent State authorities, units of local government, and boards of education. The State Comptroller is appointed by the Governor, with the advice and consent of the Senate, for a six year term. Specifically, the State Comptroller is authorized to conduct financial audits of those aforementioned entities; to undertake performance audits and other reviews of these entities; and to monitor the procurement process for large-scale procurements by such entities. This Office coordinates its work with the Office of the Inspector General, the Office of the State Auditor, the Departments of Transportation, Education, Law and Public Safety, Community Affairs and Treasury, and other related entities.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	---	---	4	59
Total Positions	---	---	4	59
Filled Positions by Program Class				
Office of the State Comptroller	---	---	4	59
Total Positions	---	---	4	59

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Prog. Class.	Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
---	---	---	---	---	08	9,000	9,000	9,000
---	---	---	---	---	Total Direct State Services			
						9,000	9,000	9,000
Distribution by Fund and Object								
Personal Services:								
---	---	---	---	---		4,814	4,814	4,814
---	---	---	---	---		1,765	1,765	1,765
---	---	---	---	---	Total Personal Services			
						6,579	6,579	6,579
---	---	---	---	---		360	360	360
---	---	---	---	---		1,100	1,100	1,100
---	---	---	---	---		866	866	866
---	---	---	---	---		95	95	95
---	---	---	---	---	Grand Total State Appropriation			
						9,000	9,000	9,000

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

72. GOVERNMENTAL REVIEW AND OVERSIGHT

2068. OFFICE OF THE INSPECTOR GENERAL

OBJECTIVES

1. To receive and investigate complaints concerning alleged fraud, waste, abuse, or mismanagement of State funds in order to provide increased accountability, integrity, and oversight of all recipients of State funds, including, but not limited to, all State departments and agencies, independent authorities, county and municipal governments, and boards of education.

PROGRAM CLASSIFICATIONS

14. **Office of the Inspector General.** The Inspector General is authorized to investigate the performance of governmental officers, employees, appointees, functions, and programs in order to promote efficiency, to identify cost savings, and to detect and prevent misconduct within the programs and operations of any governmental agency funded by or

disbursing State funds. The Inspector General conducts these investigations in accordance with prevailing professional standards relating to such investigations in government environments. The Inspector General reports its findings and issues recommendations to the Governor, the Legislature, and to the entity under investigation. The Inspector General is authorized to further monitor the implementation of those recommendations and may also refer matters for further civil, criminal, and administrative action to the appropriate authorities.

The Office of the Medicaid Inspector General, within the Office of the Inspector General, coordinates all anti-fraud efforts in the Medicaid program, including, but not limited to, the detection and prevention of fraudulent, wasteful, or abusive practices within the program.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	17	16	19	20
Total Positions	17	16	19	20
Filled Positions by Program Class				
Office of the Inspector General	17	16	19	20
Total Positions	17	16	19	20

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
5,302	90	---	5,392	1,571	Office of the Inspector General	14	2,461	2,001
<u>5,302</u>	<u>90</u>	<u>---</u>	<u>5,392</u>	<u>1,571</u>	<i>Total Direct State Services</i>		<u>2,461</u> ^(a)	<u>2,001</u>
Distribution by Fund and Object								
Personal Services:								
1,561	---	---	1,561	1,403	Salaries and Wages		1,660	1,660
<u>1,561</u>	<u>---</u>	<u>---</u>	<u>1,561</u>	<u>1,403</u>	<i>Total Personal Services</i>		<u>1,660</u>	<u>1,660</u>
100	---	---	100	14	Materials and Supplies		100	40
482	---	---	482	140	Services Other Than Personal		542	242
134	---	---	134	13	Maintenance and Fixed Charges		134	34
Special Purpose:								
3,000 ^S	---	---	3,000	---	Office of the Medicaid Inspector General	14	---	---
<u>25</u>	<u>90</u>	<u>---</u>	<u>115</u>	<u>1</u>	Additions, Improvements and Equipment		<u>25</u>	<u>25</u>
<u>5,302</u>	<u>90</u>	<u>---</u>	<u>5,392</u>	<u>1,571</u>	<i>Grand Total State Appropriation</i>		<u>2,461</u>	<u>2,001</u>

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.

Language Recommendations -- Direct State Services - General Fund

In addition to the amounts hereinabove appropriated, such sums as may be necessary are appropriated to fund the operations of the Office of the Inspector General, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, all financial recoveries obtained through the efforts of any entity authorized to undertake the prevention and detection of Medicaid fraud, waste and abuse, are appropriated to General Medical Services in the Division of Medical Assistance and Health Services in the Department of Human Services.

The unexpended balance at the end of the preceding fiscal year in the Office of the Medicaid Inspector General account is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL 73. FINANCIAL ADMINISTRATION

OBJECTIVES

1. To administer the tax laws of the State so that all properly due taxes are collected.
2. To manage unclaimed property in the State as effectively as possible.
3. To enhance revenue collection through integrated receipts processing and aggressive management of public accounts receivable.
4. To maximize revenues from the State lottery and minimize illegal organized gambling.
5. To invest and reinvest funds of the various State agencies and pension funds as effectively as possible.
6. To ensure that legalized gambling in New Jersey maintains the highest standard of integrity and serves as an effective method for rebuilding and developing existing facilities in Atlantic City, in order to provide a meaningful and permanent contribution to the resort, convention, and tourism industry of New Jersey.
7. To provide for the recording, filing, processing, and control of documents required or permitted to be filed under various statutes.

PROGRAM CLASSIFICATIONS

15. **Taxation Services and Administration.** Pursuant to NJSA 54:1-2, services include general administration, payment and accounting records, issuance of licenses, and administration of local property and public utility functions. Specific functions performed include auditing tax returns and taxpaying entities; performing office and field audits; preparing tax refunds, certificates of tax lien search and certificates of tax lien release; holding taxpayer hearings and conferences; providing revenue analysis, research, and statistics for tax administration. Provides services involving bankruptcies, judgments, bulk sales, liens, levies, seizures, proclamations, and reinstatements; investigates tax-related matters having criminal and/or civil potential; renders taxpayer service to the public.
16. **Administration of State Lottery.** Pursuant to NJSA 5:9-1, the Division conducts daily and weekly lotteries, the entire net proceeds of which are used for State institutions and State aid to education. Revenue is generated through a number of on-line games as well as instant ticket games. Lottery programs and games are continually reviewed so that State revenues are maximized. The Division is responsible for the licensing and support of the agents that sell the lottery tickets. The Division also manages the financial and advertising functions related to the Lottery.

17. **Administration of State Revenues.** Pursuant to Executive Reorganization Plan 001-97, the Division oversees and coordinates collection and processing of revenues arising from State taxation, motor vehicle licensing and regulation, and environmental protection laws and regulations. Centrally manages the collection and processing of revenues related to Unemployment Insurance, Temporary Disability, Worker's Compensation, and Special Compensation and other employer filings. Centrally manages the collection and processing of delinquencies owed to the State by motorists, taxpayers, professional license holders, and violators of State statute and regulation. Streamlines business reporting requirements by creating a central collection point for all tax collections, including corporate business taxes.

19. **Management of State Investments.** Pursuant to NJSA 52:18A-79, activities involve investment and reinvestment of State funds, including the various State pension funds, the State Disability Benefits Fund, the General Investment Fund, and the State of New Jersey Cash Management Fund, together with the control of principal proceeds and interest receipts. Detailed reports of operations are published monthly and an annual report is presented to the Governor and Legislature. Investment functions are provided to other State agencies involving investment accounts. Beginning in fiscal year 2008, this program is funded directly from investment funds.

25. **Administration of Casino Gambling.** Pursuant to NJSA 5:12-1, the Casino Control Commission is responsible for the regulation of legalized casino gambling in New Jersey including the licensure of facilities, employees, and ancillary industries. In addition, the Commission is responsible for the collection of all license fees and taxes imposed by the Casino Control Act. It promulgates regulations and carries on a continuous study of existing and developing methods to control the casino gaming and casino service industries, prevents the material involvement of undesirable persons in casino gaming, conducts hearings pertaining to civil violations of the Act or its regulations, and levies and collects all penalties appropriate thereto.

50. **Business Services Bureau.** Pursuant to NJSA 52:16A-36, the Bureau (formerly known as Commercial Recording) provides essential services to the public and legal communities. Services include filing and processing information permitted and/or required by Title 14A, Corporations General; Title 15A, Associations Not for Profit; and Title 16, Corporations and Associations Not for Profit; and the issuing of regulations, in addition to a number of similar functions. Through its Expedited Services, information is provided via telephone or the Internet.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Taxation Services and Administration				
Customer Services				
Telephone Inquiries	3,026,415	2,507,080	3,000,000	3,000,000
Gross Income Tax Filings through NJ TeleFile / WebFile	142,404	119,416	121,000	132,100
Total Tax Returns Filed through NJ TeleFile / WebFile	3.5%	3.1%	3.2%	3.4%
Homestead Rebate Filings By Telephone/Computer	1,644,762	1,724,495	1,750,000	1,800,000
E-mail Inquiries	68,505	70,628	78,000	89,700
Information and Publications				
Correspondence	61,495	83,634	92,600	89,425
Regulatory Services				
Telephone Inquiries	13,869	18,355	16,464	16,500
Correspondence	8,364	8,734	7,889	7,900
Taxpayer Accounting				
Telephone Inquiries-Individual	15,366	61,526	65,000	70,000
Telephone Inquiries-Business	8,274	20,508	17,500	20,000
Correspondence-Individual	77,943	62,472	72,000	75,000
Correspondence-Business	27,496	16,467	16,000	17,500
Enforcement				
Audits				
Average Number of Auditors	451	485	495	480
Assessment Amount	\$446,919,159	\$777,200,000	\$800,000,000	\$650,000,000
Audits Completed	106,020	108,038	109,000	108,500
Average Assessment/Auditor	\$990,952	\$1,602,474	\$1,616,162	\$1,354,167
Compliance				
Number of Collectors	287	290	310	300
Collections	\$299,516,380	\$343,273,448	\$350,000,000	\$350,000,000
Number of Closed Cases	924,062	782,571	800,000	800,000
Average Collection Per Collector	\$1,043,611	\$1,183,702	\$1,290,032	\$1,166,667
Bankruptcy Claims	3,550	2,099	2,200	2,300
Judgments	23,676	20,233	23,000	25,000
Deferred Payment Plans	3,875	3,440	3,500	3,500
Third Party Collection of Deficient Taxes	\$76,300,502	\$61,355,852	\$63,000,000	\$67,000,000
Third Party Collection of Delinquent Taxes	\$40,585,976	\$46,258,584	\$18,000,000	\$27,000,000
Criminal Investigations				
Prosecution Recommendations	100	127	150	150
Assessment Amount	\$3,199,000	\$4,065,058	\$4,600,000	\$4,600,000
Billings Mailed				
Individual	241,454	284,327	270,000	280,000
Business	154,961	171,172	150,000	160,000
Refunds Reviewed				
Individual	35,924	34,561	54,000	45,000
Business	7,080	6,879	7,200	8,000
Property Administration				
Real Estate Appraisals-Inheritance Tax	323	364	410	410
Informal Assessors' Appeals	963	854	1,049	1,049
Sales Ratio Study				
Sales Evaluated	296,261	233,950	257,345	283,080
Sales Investigated, Office	142,000	109,957	120,952	133,047
Sales Investigated, Field	40,500	32,753	37,000	39,631
Unclaimed Property				
Reports Filed	8,800	9,541	9,500	9,500
Intestates/Escheated Estates	85	92	85	85
Administration of State Lottery				
Agents	6,100	6,200	6,200	6,200
Drawings	2,028	2,029	2,030	2,028
Net Sales (millions)	\$2,406	\$2,351	\$2,386	\$2,397
Cents Spent to Generate One Sales Dollar	9.2	9.1	8.8	8.8
Cents Spent to Generate One Government Dollar	26.3	25.7	24.7	24.8
Government Revenue as a Percent of Sales	35.1%	35.2%	35.5%	35.4%

TREASURY

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Administration of State Revenues				
Documents Processed				
Gross Income Tax-Imaged	2,314,278	2,107,841	1,999,000	2,000,000
Gross Income Tax-Manual	129,424	119,737	123,000	119,000
Gross Income Tax-Archival Imaged	141,500	146,800	145,000	146,000
Corporation Business Tax-Imaged	244,700	249,400	260,000	249,000
Corporation Business Tax-Manual	72,175	41,568	42,000	40,000
Employer Wage Reports (Form WR-30)-Imaged	352,550	324,500	250,000	275,000
Employer Wage Reports (Form WR-30)-Manual	65,150	8,631	5,000	8,000
Property Tax Reimbursement Forms-Imaged	173,600	170,161	190,000	185,000
Property Tax Reimbursement Forms-Manual	1,387	3,798	4,000	3,000
Homestead Rebates-Manual	104,550	74,430	80,000	75,000
All Taxes-Remittance Processed	2,291,307	2,815,832	2,900,000	2,800,000
Gross Income Tax Payments and Extensions-Manual	18,984	19,486	20,000	20,000
Taxes Other Than Gross Income Tax-Manual	538,421	580,796	600,000	600,000
Motor Vehicle Commission Licenses and Registrations ...	2,834,357	2,305,002	3,300,000	3,300,000
Total Documents Processed	9,282,383	8,967,982	9,918,000	8,920,000
Alternate Filing				
Individual Electronic Filing	1,929,711	2,233,354	2,350,000	2,500,000
Combined Employer Return (Form 927)	577,394	664,969	694,000	711,000
Employer Reports of Wages Paid (Form WR-30)	632,666	701,173	725,000	740,000
Number of Payments via Electronic Fund Transfer	4,234,905	4,949,594	5,193,858	5,350,000
Client Registrations				
Registration File Updates	320,251	293,583	295,000	295,000
Telephone Inquiries	102,530	96,679	96,000	96,000
Licenses Issued (Cigarette and Motor Fuels)	14,554	14,801	14,500	14,500
Collection Activity				
Motor Vehicle Commission Surcharge Contract	\$125,963,972	\$129,360,428	\$125,000,000	\$125,000,000
Number of SOIL Setoffs	207,842	210,500	216,000	216,000
Revenue Accounting				
Checks Processed	6,348,925	5,985,672	5,778,696	6,000,000
Electronic Invoices	149,795	154,732	150,000	150,000
Bills Generated (Department of Environmental Protection)	170,980	178,578	180,000	190,000
Dishonored Checks	25,432	25,737	29,000	29,000
Cigarette Stamps Sold	328,604,750	298,506,000	300,000,000	300,000,000
Business Support Services				
Corporations and Related Filings	137,473	132,341	133,000	133,000
Corporations Information Request	273,376	305,651	275,000	275,000
Annual Reports	520,463	315,260	320,000	320,000
Uniform Commercial Code Filings	94,755	90,947	90,000	90,000
Uniform Commercial Code Searches	86,854	69,546	70,000	70,000
Notary and Related Transactions	85,471	96,280	71,000	71,000
Trade Name/Trademark and Related Transactions	36,791	22,247	22,000	22,000
Telephone Inquiries	174,654	175,469	170,000	170,000
Management of State Investments				
Market Value of Investments as of June 30 (billions)	\$87.90	\$96.60	\$98.00	\$99.00
Cash Management Returns	4.31%	5.47%	4.25%	4.25%
Net Investment Earnings, Cash Basis (billions)	\$1.40	\$1.33	\$1.40	\$1.40
Funds Managed	186	186	186	186
Administration of Casino Gambling				
Number of Casinos in Operation	12	11	11	11
Number of Persons Employed by the Casino Industry	47,238	42,678	45,000	45,000
Casino Industry Gross Revenue (in billions)	\$5.16	\$5.21	\$5.26	\$5.00
New Casino Key Licenses Issued	232	206	196	211
New Casino Employee Licenses Issued	2,655	2,639	2,598	2,700
Renewals of Casino Key and Employee Licenses	3,112	4,275	5,045	4,305
Casino Service Employee Registrations Issued	1,820	1,483	1,740	1,750

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Casino Service Industry Licenses Issued:				
New Licenses	207	166	173	169
Renewal Licenses	137	156	141	137
Slot Machine Licenses Issued	42,770	39,829	36,392	36,005
Casino Table Games in Operation	1,616	1,575	1,700	1,750
Junket Enterprise Licenses:				
Junket Licenses Issued	3	5	4	6
Junket Licenses Renewed	2	16	9	10
Contract Review:				
Vendor and Junket Enterprise Registration Forms Processed	2,586	2,847	2,717	2,782
Notice of Intent to Conduct Business with Enterprises	268	270	269	270
Contested Case Hearings:				
Employee Applications and Renewals	387	287	350	337
Casino Service Industry Applications and Renewals	27	11	22	20
Revocations and Violation Complaints	224	204	225	220
Miscellaneous	131	100	120	115
Exclusions	11	8	5	8
Litigation	3	3	3	3
Motion for Relief from Casino Control Commission Orders and Other Reasons	26	15	23	24
Reapplication for Permission to Work With or Without Credentials	18	19	22	20

PERSONNEL DATA**Position Data**

Filled Positions by Funding Source

State Supported	2,067	2,065	2,035	2,087
All Other	501	485	450	460
Total Positions	2,568	2,550	2,485	2,547

Filled Positions by Program Class

Taxation Services and Administration	1,544	1,558	1,550	1,584
Administration of State Lottery	148	146	145	143
Administration of State Revenues	459	442	414	436
Management of State Investments	69	66	64	64
Administration of Casino Gambling	348	338	312	320
Total Positions	2,568	2,550	2,485	2,547

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
123,555	8,291	-1,400	130,446	126,435	Taxation Services and Administration	15	123,936	116,526
								116,526
21,900	7,123	13	29,036	28,737	Administration of State Lottery	16	22,118	22,118
34,854	6	365	35,225	31,033	Administration of State Revenues	17	25,923	20,244
13,419	10	---	13,429	11,143	Management of State Investments (a)	19	---	---

29,440	664	---	30,104	29,473	Administration of Casino Gambling	25	29,440	29,440
								29,440
29,440	664	---	30,104	29,473	(From Casino Control Fund)		29,440	29,440

TREASURY

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES									
4,703	---	---	4,703	4,703	Business Services Bureau	50	4,685	4,685	4,685
227,871	16,094	-1,022	242,943	231,524	Total Direct State Services		206,102	193,013	193,013
198,431	15,430	-1,022	212,839	202,051	(From General Fund)		176,662 (b)	163,573	163,573
29,440	664	---	30,104	29,473	(From Casino Control Fund)		29,440	29,440	29,440
Distribution by Fund and Object									
Personal Services:									
---	---	---	---	631	Chairman and Commission- ers (CCF)		641	641	641
111,115	5,341 R	34	116,490	114,214	Salaries and Wages		112,626	107,069	107,069
26,829	---	-939	25,890	18,538	Salaries and Wages (CCF)		19,140	18,107	18,107
---	---	---	---	6,642	Employee Benefits (CCF)		6,701	5,884	5,884
137,944	5,341	-905	142,380	140,025	Total Personal Services		139,108	131,701	131,701
111,115	5,341	34	116,490	114,214	(From General Fund)		112,626	107,069	107,069
26,829	---	-939	25,890	25,811	(From Casino Control Fund)		26,482	24,632	24,632
4,988	---	-577	4,411	3,932	Materials and Supplies		4,369	4,369	4,369
142	---	26	168	161	Materials and Supplies (CCF)		187	210	210
64,186									
8,200 S	7,123 R	-1,856	77,653	75,148	Services Other Than Personal		48,018		
							7,365 S	47,851	47,851
1,043	---	645	1,688	1,412	Services Other Than Person- al (CCF)		1,139	2,227	2,227
1,533	---	720	2,253	2,117	Maintenance and Fixed Charges		1,725	1,725	1,725
1,213	---	241	1,454	1,448	Maintenance and Fixed Charges (CCF)		1,445	2,170	2,170
Special Purpose:									
---	2,745	---	2,745	1,313	Property Assessment Management System (PAMS)	15	900	900	900
6,750 S	---	82	6,832	2,968	New Jersey Fair and Clean Elections Fund	17	---	---	---
1,599	---	---	1,599	1,599	Wage Reporting/Temporary Disability Insurance	17	1,599	1,599	1,599
60	---	---	60	35	Administration of Casino Gambling (CCF)	25	40	40	40
60	221	575	856	760	Additions, Improvements and Equipment		60	60	60
153	664	27	844	606	Additions, Improvements and Equipment (CCF)		147	161	161
227,871	16,094	-1,022	242,943	231,524	Grand Total State Appropriation		206,102	193,013	193,013
OTHER RELATED APPROPRIATIONS									
All Other Funds									
---	7,403				Taxation Services and Administration (c)	15	231,506	231,506	231,506
---	222,945 R	-24,105	206,243	160,972	Administration of State Lottery	16	70	70	70
---	22,006				Administration of State Revenues (d)	17	61,125	72,525	72,525
---	51,179 R	-21,623	51,562	12,485	Management of State Investments	19	9,043	9,043	9,043
---	303,533	-45,728	257,805	173,457	Total All Other Funds		301,744	313,144	313,144
227,871	319,627	-46,750	500,748	404,981	GRAND TOTAL ALL FUNDS		507,846	506,157	506,157

Notes -- Direct State Services - General Fund

(a) Effective in fiscal 2008, the appropriation for the administrative costs of the Division of Investment is authorized as dedicated revenue in lieu of State appropriations from the General Fund. This change affects the Direct State Services budget for the Division, as well as anticipated revenue in Schedule 1.

(b) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.

- (c) Receipts shown hereinabove for the Taxation Services and Administration program classification include fees associated with the surcharge on rental vehicles, which will be transferred to the Departments of Agriculture, Health and Senior Services, and Law and Public Safety in fiscal 2009 to support domestic security programs.
- (d) Receipts shown hereinabove for the Administration of State Revenues include fees for services of county clerks and registers, which will be transferred to the Department of State in fiscal 2009 to support the New Jersey Public Records Preservation program.

Language Recommendations -- Direct State Services - General Fund

- Receipts derived from the sale of confiscated equipment, materials, and supplies under the "Cigarette Tax Act," P.L. 1948, c.65 (C.54:40A-1 et seq.) are appropriated as may be necessary for confiscation, storage, disposal, and other related expenses thereof.
- Upon certification of the Director of the Division of Taxation, the State Treasurer shall pay, upon warrants of the Director of the Division of Budget and Accounting, such claims for refund as may be necessary under the provisions of Title 54 of the Revised Statutes, as amended and supplemented.
- Notwithstanding the provisions of any law or regulation to the contrary, there are appropriated out of the receipts in the Solid Waste Services Tax Fund such sums as may be necessary for the cost of administration and collection of taxes pursuant to P.L. 1985, c. 38 (C.13:1E-136 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.
- Such sums as are required for the acquisition of equipment essential to the modernization of processing tax returns, are appropriated from tax collections, subject to the approval of the Joint Budget Oversight Committee and the Director of the Division of Budget and Accounting.
- The amount necessary to provide administrative costs incurred by the Division of Taxation and the Division of Revenue to meet the statutory requirements of the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.) is appropriated from the Enterprise Zone Assistance Fund, subject to the approval of the Director of the Division of Budget and Accounting.
- Pursuant to the provisions of section 12 of P.L.1992, c.165 (C.40:54D-12) there are appropriated such sums as may be required to compensate the Department of the Treasury for costs incurred in administering the "Tourism Improvement and Development District Act," P.L.1992, c.165 (C.40:54D-1 et seq.).
- Notwithstanding the provisions of any law or regulation to the contrary, there are available out of fees derived from the cost of collection imposed pursuant to section 8 of P.L.1987, c.76 (C.54:49-12.1) such sums as may be required for compliance and enforcement activities associated with the collection process as promulgated by the Taxpayers' Bill of Rights under P.L.1992, c.175.
- In addition to the amounts hereinabove appropriated for Taxation Services and Administration, such additional sums as may be necessary are appropriated to fund costs of the collecting and processing of debts, taxes, and other fees and charges owed to the State, including but not limited to the services of auditors and attorneys and enhanced compliance programs, subject to the approval of the Director of the Division of Budget and Accounting. The Director of the Division of Budget and Accounting shall provide the Joint Budget Oversight Committee with written reports on the detailed appropriation and expenditure of sums appropriated pursuant to this provision.
- Notwithstanding the provisions of section 4 of the "Lead Hazard Control Assistance Act," P.L.2003, c.311 (C.52:27D-437.4), such sums as are necessary are appropriated from the Lead Hazard Control Assistance Fund for the Department of the Treasury's administrative costs, subject to the approval of the Director of the Division of Budget and Accounting.
- The unexpended balance at the end of the preceding fiscal year in the Property Assessment Management System (PAMS) account is appropriated for the same purpose.
- There are appropriated, out of revenues derived from escheated property under the various escheat acts, such sums as may be necessary to administer such acts and such sums as may be required for refunds.
- There are hereby appropriated from the Dedicated Cigarette Tax Revenue Fund established pursuant to P.L.2004, c.68 (C.34:1B-21.16 et seq.) such sums as are required under the contract between the Treasurer and the New Jersey Economic Development Authority entered into pursuant to C.34:1B-21.21.
- Pursuant to the provisions of section 54 of P.L.2002, c.34 (C.App.A:9-78) deposits made to the "New Jersey Domestic Security Account" are appropriated for transfer to the Department of Health and Senior Services to support medical emergency disaster preparedness for bioterrorism, to the Department of Law and Public Safety for State Police salaries related to statewide security services and counter-terrorism programs, and to the Department of Agriculture or any entity succeeding to the duties and functions of the Department of Agriculture, pursuant to separate legislation for the Agro-Terrorism program, subject to the approval of the Director of the Division of Budget and Accounting.
- There are appropriated out of the State Lottery Fund such sums as may be necessary for costs required to implement the "State Lottery Law," P.L.1970, c.13 (C.5:9-1 et seq.) and for payment for commissions, prizes, and expenses of developing and implementing games pursuant to section 7 of P.L.1970, c.13 (C. 5:9-7).
- State Lottery Fund receipts in excess of anticipated contributions to education and State institutions, and reimbursement of administrative expenditures, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee.
- In addition to the amounts hereinabove appropriated for the administration of the State Lottery, there are appropriated such additional sums as may be necessary for the cost of a State Lottery business plan study, subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding the provisions of any law or regulation to the contrary, there are appropriated out of receipts derived from communications fees such sums as may be necessary for telecommunications costs required in the administration of the State Lottery.
- Notwithstanding the provisions of any law or regulation to the contrary, there are appropriated out of receipts derived from the sale of advertising and/or promotional products by the State Lottery, such sums as may be necessary for advertising costs required in the administration of the State Lottery pursuant to P.L.1970, c.13 (C.5:9-1 et seq.).

TREASURY

There are appropriated such sums as are necessary to fund the hospitals' share of monies collected pursuant to the hospital care payment act, P.L.2003, c.112 (C.17B:30-41 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated for the Division of Revenue, there is appropriated to the Division of Revenue \$4,800,000 from the Motor Vehicle Commission for document processing charges.

The unexpended balance at the end of the preceding fiscal year in the New Jersey Fair and Clean Elections Fund account is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The Director of the Division of Budget and Accounting is hereby authorized to transfer or credit such sums as are necessary between the Department of Labor and the Department of the Treasury for the administration of revenue collection and processing functions related to Unemployment Insurance, Temporary Disability Insurance, Workers' Compensation, Special Compensation Programs, the Health Care Subsidy Fund, and the Workforce Development Partnership program.

The amount hereinabove appropriated for the Wage Reporting/Temporary Disability Insurance program are payable out of the State Disability Benefits Fund, and in addition to the amounts hereinabove, there are appropriated out of the State Disability Benefits Fund such additional sums as may be required to administer revenue collection associated with the Temporary Disability Insurance program, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of those anticipated from the over-the-counter surcharges are appropriated to meet the costs of the Division of Revenue's commercial recording function, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law, regulation or Executive Order to the contrary, any receipts received from Nextel Corporation in accordance with a Plan Funding Agreement approved by Nextel and the 800 MHz Transition Administrator for costs of rebanding incurred by State agencies, and any local units of government that have entered into a memorandum of understanding with the Attorney General authorizing the State to receive Nextel funds on behalf of such local unit, pursuant to Federal Communications Commission-ordered reconfiguration of the 800 MHz band, are appropriated to the Department of the Treasury. Such sums shall be expended or transferred to the various departments and agencies to reimburse administrative and procurement costs in accordance with the Plan Funding Agreement and in consultation with the Attorney General, subject to the approval of the Director of the Division of Budget and Accounting.

Pursuant to the provisions of P.L.2003, c.117 (C.22A:4-4.2) deposits made to the "New Jersey Public Records Preservation Account" are appropriated for transfer to the Department of State for grants to counties and municipalities for the management, storage, and preservation of public records, subject to the approval of the Director of the Division of Budget and Accounting.

Funds necessary to defray the cost of collection to implement the provisions of P.L.1994, c.64 (C.17:29A-35 et seq.), as well as the cost of billing and collection of surcharges levied on drivers in accordance with the New Jersey Automobile Insurance Reform Act of 1982 - Merit Rating System Surcharge Program, P.L. 1983, c.65 (C.17:29A-33 et al.) as amended, are appropriated from fees in lieu of actual cost of collection receipts and from surcharges derived, subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated, out of receipts derived from service fees billed to authorities for the handling of investment transactions, such sums as may be necessary to administer the Management of State Investments program.

There are appropriated, out of receipts derived from the investments of State funds, such sums as may be necessary for bank service charges, custodial costs, mortgage servicing fees, and advertising bank balances under section 1 of P.L. 1956, c.174 (C.52:18-16.1).

Notwithstanding the provisions of any law or regulation to the contrary, the expenses of administration for the various retirement systems and employee benefit programs administered by the Division of Pensions and Benefits and the Division of Investments shall be charged to the pension and health benefits funds established by law to receive employer contributions or payments or to make benefit payments under the programs, as the case may be. In addition to the amounts hereinabove, there are appropriated such sums as may be necessary for administrative costs, which shall include bank service charges, investment services, and other such costs as are related to the management of the pension and health benefit programs, as the Director of the Division of Budget and Accounting shall determine.

Language Recommendations -- Direct State Services - Casino Control Fund

In addition to the amount hereinabove for Administration of Casino Gambling, there are appropriated from the Casino Control Fund such additional sums as may be required for operation of the Casino Control Commission, subject to the approval of the Director of the Division of Budget and Accounting.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

74. GENERAL GOVERNMENT SERVICES

OBJECTIVES

1. To centralize all press and public relations services.
2. To provide a centralized purchasing system for goods and services needed to operate all State government departments, and to provide savings opportunities for school districts, county, and local governments through cooperative purchasing.
3. To provide maintenance and operation services for the preservation and protection of the buildings in the Capitol Complex.
4. Provides for purchase and disposal of real property, as well as the centralized management of rents and leases, including the management of employee housing.
5. To plan, program, design and supervise the construction of buildings and facilities for the various State agencies.
6. To administer all employee benefit programs at minimum cost.
7. To operate a central motor pool fleet at the lowest possible cost and provide State agencies with safe operating vehicles.
8. To provide printing services to State agencies.

9. To provide food service in the State House Complex cafeterias and other State-owned facilities in the Trenton area.
10. To provide risk management, loss prevention and claims services, and management of the fire and casualty insurance program to all State agencies.
11. To warehouse commodities by purchasing in large volume shipments, making goods available on request at the lowest possible prices, and to coordinate on a statewide basis the assembling, distribution, and sale of surplus personal property.
12. To provide a mail processing/delivery system at minimum cost.
13. To coordinate New Jersey's land and historic preservation goals and programs.

PROGRAM CLASSIFICATIONS

02. **Garden State Preservation Trust.** The Garden State Preservation Trust fulfills a statutory responsibility to oversee New Jersey's progress in achieving its land preservation goals, conducts related education and outreach, and reviews and recommends open space, farmland, and historic preservation projects submitted respectively by the Department of Environmental Protection's Green Acres Program, the State Agriculture Development Committee and the New Jersey Historic Trust.
04. **Public Information Services.** Executive Order No. 30, dated January 14, 1976, centralized all press and public relations services of the various departments of State government.
09. **Purchasing and Inventory Management.** Pursuant to NJSA 52:18A-3, the Division of Purchase and Property administers a centralized statewide purchasing system, including the setting of purchasing standards and specifications; makes available contracts for products and services to school districts, municipalities, and other political subdivisions through the cooperative purchasing program; contracts major lease/purchase arrangements through the Master Lease Program; maintains a centralized distribution center to permit bulk purchases for all State departments; performs testing and inspection functions; supervises the disposition of State surplus property.
12. **Property Management and Construction - Construction Management Services.** Pursuant to NJSA 52:18A, the Division supervises all architectural, engineering design and construction of new facilities, as well as the renovation and rehabilitation of existing facilities; provides technical advice and assistance to all State agencies in preliminary planning, programming, design, layout, and cost estimating; administers construction and professional service contracts associated with building programs; provides for field supervision on State construction projects; ensures that all building programs are completed in accordance with predetermined goals and objectives.
21. **Pensions and Benefits.** Pursuant to NJSA 52:18A-95 et seq., eligibility determinations are made for those who are required or optionally permitted to participate in the benefit programs. Certifications of membership, rates involving employer and employee contributions, and proper designation of beneficiaries for the several benefit schedules are provided.
- Monies are accounted for in members' individual accounts and to the credit of the several systems in the general and subsidiary ledgers. A complete and proper accounting of all disbursements to eligible employers and employees and their beneficiaries is provided.
22. **Capital City Redevelopment Corporation.** Pursuant to NJSA 52:9Q-9 et seq., the Capital City Redevelopment Corporation (CCRC) was created to guide a revitalization effort in the capitol district of downtown Trenton, and to act as a central facilitator of the implementation of the Renaissance Plan.
26. **Property Management and Construction - Property Management Services.** Disposal of surplus real property and purchase of all real property (exclusive of Department of Transportation's highway and public transportation requirements and the Department of Environmental Protection's Green Acres and water supply acquisitions) is a responsibility of the Office of Property Management. In addition, Property Management Services is charged with securing all leased office, warehouse and other space requirements. Also, Property Management Services provides full maintenance services for 40 State-owned buildings in the Trenton area, including the State Records Storage Center, the Richard J. Hughes Justice Complex, Mary G. Roebling, William Ashby, War Memorial, and the Environmental Protection buildings; also provides renovation and alteration services valued at less than \$48,000. Carries out all related contract administration services, including the processing of change orders, pre-qualification of contractors, public advertising, and awarding of bids; prepares and maintains central contract files and all other records, including plans and specifications.
37. **Risk Management.** Operates to reduce the adverse impact of catastrophic pure loss on State operations and budgets through a combination of risk management and loss prevention techniques. Administers claims against the State and its employees under Title 59, Tort Claims Act, R.S. 34 Workers Compensation statute and various federal statutes and laws. Risk Management also administers claims on behalf of the State against others responsible for damage to the State, its employees and property.
41. **Automotive Services.** Pursuant to Executive Order No. 33, dated June 7, 1991, the State Central Motor Pool administers central fleet management and maintains and operates central facilities for the repair and storage of State-owned motor vehicles. The pool has legal ownership of the vehicles and prescribes rules for the efficient and economical operation of the fleet. Since the pool is self-supporting, rental fees based on usage are billed to the State using agencies. The revenues collected are used to purchase replacement vehicles and to cover all costs of the pool operation.
43. **Printing Services.** The Treasury Print Shop operates as a revolving fund. The costs of labor and materials are reimbursed by various agencies including, but not limited to, the Department of the Treasury, the Office of the Chief Executive, the Legislature, and the Department of State.
44. **Capitol Post Office.** The Capitol Post Office operates as a revolving fund, providing postal services to all State departments.
62. **State Cafeterias.** Provides food services on a receipt basis and operates as a dedicated fund.

TREASURY

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Purchasing and Inventory Management				
Vendor purchases (millions)	\$1,889	\$1,478	\$1,548	\$1,558
Contracts	800	752	800	800
Pensions and Benefits				
Financial Data				
Assets, all funds (thousands)	\$78,772,559	\$88,412,088	\$93,239,250	\$97,940,054
Benefit payments (thousands)	\$9,668,196	\$10,338,072	\$11,078,953	\$11,879,514
Lump sum death benefit payments (thousands)	\$181,207	\$200,937	\$214,105	\$226,876
Member loans outstanding (thousands)	\$1,140,602	\$1,155,031	\$1,157,902	\$1,161,790
Membership, all retirement systems	554,424	552,466	556,611	560,903
Retired members and beneficiaries	225,407	234,599	242,473	250,666
Membership, other systems				
Supplemental annuity	3,933	3,823	3,736	3,650
Health benefits program members	364,447	356,410	353,936	350,012
Health benefits program covered lives	804,217	780,177	777,356	764,724
Prescription drug program members	151,066	144,401	141,354	138,372
Prescription drug program covered lives	372,042	356,024	347,871	339,905
Dental program members	141,716	145,667	151,603	157,781
Dental program covered lives	305,543	311,884	322,161	332,776
Benefit Processing Data				
New enrollments or transfers	63,579	59,267	62,000	62,000
Withdrawals	11,060	11,847	12,000	12,000
Death claims	8,172	8,466	8,700	8,700
New retirements (a)	13,663	15,235	16,000	16,500
Pensions adjustments	12,800	14,016	14,500	15,000
Service purchase requests	16,526	17,067	17,500	17,500
Member loans	109,500	125,394	100,500	90,500
Client Services				
Telephone inquiries	1,747,043	1,972,279	2,169,506	2,386,456
Interviews	14,894	15,925	17,000	17,500
Correspondence	41,502	39,368	17,517	19,268
Internet inquiries	790,757	963,552	1,043,848	1,252,617
Seminars	971	979	998	1,018
Property Management and Construction - Property Management Services				
Leased facilities	342	349	357	355
Area in square feet (leased facilities)	6,100,000	6,450,000	6,600,000	6,375,000
State-owned space maintained (square feet)	5,919,953	5,915,953	5,915,953	5,915,953

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	406	359	342	329
All Other	390	370	370	371
Total Positions	796	729	712	700

Filled Positions by Program Class

Garden State Preservation Trust	2	1	1	1
Purchasing and Inventory Management	147	119	116	111
Pensions and Benefits	356	339	335	335
Capital City Redevelopment Corporation	1	1	2	3
Property Management and Construction	189	178	167	161
Risk Management	70	62	59	57
Capitol Post Office	31	29	32	32
Total Positions	796	729	712	700

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

(a) Fiscal year 2009 data could be impacted by an Early Retirement Incentive program.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
478	---	---	478	202	Garden State Preservation Trust	02	476	476
9,789	13	240	10,042	9,834	Purchasing and Inventory Management	09	9,971	9,189
---	4,700	---	4,700	1,336	Pensions and Benefits	21	---	---
14,285	1,343	1,364	16,992	16,573	Property Management and Construction - Property Management Services	26	16,075	15,316
2,657	700	---	3,357	3,093	Risk Management	37	3,031	2,610
27,209	6,756	1,604	35,569	31,038	Total Direct State Services		29,553 ^(a)	27,591
Distribution by Fund and Object								
Personal Services:								
20,959	703 ^R	366	22,028	21,667	Salaries and Wages		23,323	20,565
20,959	703	366	22,028	21,667	Total Personal Services		23,323	20,565
406	---	-133	273	258	Materials and Supplies		412	412
3,306	177	1,466	4,949	4,925	Services Other Than Personal		2,841	3,637
1,925	138							
1,925	667 ^R	5	2,735	2,598	Maintenance and Fixed Charges		2,161	2,161
Special Purpose:								
478	---	---	478	202	Garden State Preservation Trust	02	476	476
---	4,688	---	4,688	1,336	Re-Engineering of Pension and Health Benefits Computer Systems	21	---	---
---	325 ^R	-100	225	---	Real Property Leasing Out Program	26	---	---
135	58	---	193	52	Additions, Improvements and Equipment		340	340
<u>CAPITAL CONSTRUCTION</u>								
Distribution by Fund and Program								
---	14,572	---	14,572	223	Property Management and Construction - Property Management Services	26	---	---
---	14,572	---	14,572	223	Total Capital Construction		---	---
Distribution by Fund and Object								
Property Management and Construction								
---	6,682	---	14,572	223	Property Management and Construction - Property Management Services	26	---	---
27,209	21,328	1,604	50,141	31,261	Grand Total State Appropriation		29,553	27,591
<u>OTHER RELATED APPROPRIATIONS</u>								
All Other Funds								
---	41,261 ^R	150	41,411	41,408	Pensions and Benefits	21	40,964	40,964
---	10	---	78	78	Capital City Redevelopment Corporation	22	191	301
---	68 ^R							
---	1,148	38	3,845	2,837	Property Management and Construction - Property Management Services	26	3,750	3,750
---	2,659 ^R	---	---	---	Risk Management	37	600	600
---	45	---	59	39	State Cafeterias	62	40	40
---	14 ^R	---	---	---				
---	45,205	188	45,393	44,362	Total All Other Funds		45,545	45,655
27,209	66,533	1,792	95,534	75,623	GRAND TOTAL ALL FUNDS		75,098	73,246

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.

Language Recommendations -- Direct State Services - General Fund

There are appropriated, out of receipts derived from service fees billed to political subdivisions for the operating costs of the cooperative purchasing program, such sums as may be necessary to administer and operate the Purchase Bureau program.

Notwithstanding the provisions of any law or regulation to the contrary, there are appropriated, out of the receipts derived from third party subrogation and service fees billed to authorities for the handling of insurance procurement and risk management services, such sums as may be necessary for the administrative expenses of the Risk Management program.

Notwithstanding the provisions of section 15 of article 6 of P.L. 1944, c.112 (C.52:27B-67), revenues in excess of those anticipated from the sale of surplus state vehicles are available for the replacement of Central Motor Pool temporary assignment vehicles, subject to the approval of the Director of the Division of Budget and Accounting.

The Director of the Division of Budget and Accounting is empowered to transfer or credit to the Capitol Post Office revolving fund any appropriation made to any department for postage costs appropriated or allocated to such departments for their share of costs of the Capitol Post Office.

The Director of the Division of Budget and Accounting is empowered to transfer or credit to the Print Shop revolving fund any appropriation made to any department for printing costs appropriated or allocated to such departments for their share of costs of the Print Shop and the Office of Printing Control.

The unexpended balances at the end of the preceding fiscal year in the State cafeteria accounts and receipts obtained from cafeteria operations are appropriated for the improvement and extension of cafeteria services and facilities pursuant to section 2 of P.L.1951, c.312 (C.52:18A-19.6).

The Director of the Division of Budget and Accounting is empowered to transfer or credit to the Property Management and Construction program classification, from appropriations for construction and improvements an amount sufficient to pay for the cost of architectural work, superintendence and other expert services in connection with such work.

In addition to the amount hereinabove appropriated for Property Management and Construction, there are appropriated such additional sums as may be required for the costs incurred in order to preserve and maintain the value and condition of State real property that has been declared surplus and for costs incurred in the selling of the real property, including appraisal, survey, advertising, maintenance, security and other costs related to the preservation and disposal, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, there are appropriated out of receipts derived from the pre-qualification service fees billed to contractors, architects, engineers, and professionals sufficient sums for expenses related to the administration of pre-qualification activities undertaken by the Division of Property Management and Construction.

The unexpended balances at the end of the preceding fiscal year in excess of \$300,000 in the Management of the Department of Environmental Protection Properties account are appropriated for the same purpose.

Receipts derived from the leasing of State surplus real property are appropriated for the maintenance of leased property subject to the approval of the Director of the Division of Budget and Accounting, provided that a sum not to exceed \$100,000 shall be available for the administrative expenses of the program.

There are appropriated such additional sums as may be necessary for the purchase of expert witness services related to the State's defense against inverse condemnation claims related to the Department of Environmental Protection's Land Use Regulation program.

Receipts from employee maintenance charges in excess of \$300,000 are appropriated for maintenance of employee housing and associated relocation costs; provided, however, that a sum not to exceed \$25,000 shall be available for management of the program, the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated out of receipts derived from lease proceeds billed to the occupants of the James J. Howard Marine Science Laboratory, such sums as may be required to operate and maintain the facility and for the payment of interest or principal due from the issuance of bonds for this facility.

Notwithstanding the provisions of any law or regulation to the contrary, an amount not to exceed \$476,000 is transferred from the Garden State Farmland Preservation Trust Fund, the Garden State Green Acres Preservation Trust Fund and the Garden State Historic Preservation Trust Fund to the General Fund in an allocation to be determined by the Garden State Preservation Trust and approved by the Director of the Division of Budget and Accounting and such amount is appropriated to the Garden State Preservation Trust.

Notwithstanding the provisions of any law or regulation to the contrary, the Departments of the Treasury, Community Affairs, Environmental Protection, and Agriculture or any entity succeeding to the duties and functions of the Department of Agriculture, pursuant to separate legislation, will provide such administrative services as are necessary to operate the Garden State Preservation Trust.

Notwithstanding the provisions of any law or regulation to the contrary, administrative expenses for the various retirement systems and employee benefit programs administered by the Division of Pensions and Benefits are appropriated from the pension and health benefits funds established by law to receive employer contributions or payments or to make benefit payments under the programs, as the case may be, subject to the approval of the Director of the Division of Budget and Accounting. Administrative costs shall include bank service charges, investment services, and any other such costs as are related to the management of the pension and health benefit programs, as the Director of the Division of Budget and Accounting shall determine.

There is appropriated from the pension and health benefits funds established by law an amount, not to exceed \$12,000,000, for the re-engineering of the pension and health benefits computer systems as referenced in the Division of Pensions and Benefits organizational study.

The unexpended balance at the end of the preceding fiscal year in the Re-engineering of the Pension and Health Benefits Computer Systems account is appropriated for the same purpose.

Notwithstanding the provisions of any law or regulation to the contrary, there are appropriated from the Capital City Redevelopment Loan and Grant Fund such sums as may be required to provide for expenses, programs, and strategies which will enhance the vitality of the capitol district as a place to live, visit, work and conduct business, subject to the approval of the Director of the Division of Budget and Accounting.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

74. GENERAL GOVERNMENT SERVICES

2026. OFFICE OF ADMINISTRATIVE LAW

OBJECTIVES

1. To develop and apply a fair, comprehensive, and uniform system of administrative practice and procedures in the Executive Branch governing the adjudication of contested matters and the promulgation of rules and regulations.

PROGRAM CLASSIFICATIONS

45. **Adjudication of Administrative Appeals.** Pursuant to C.52:14F-1 et seq. and C.52:14B-10, full-time administrative law judges hold hearings and render decisions to the various agency heads for their acceptance, rejection, or modification within 45 days, or a lesser period where prescribed by law.

Judicial Administration creates standards and maintains filing, docketing, record keeping, and decision making systems for

more than 12,000 administrative cases annually; develops and administers a program for the continuing training and education of judicial corps.

Development of Administrative Procedures (C.52:14B-1 et seq.), regulates and assists State agencies with regard to the preparation and filing of rules and regulations, and establishes standards for the New Jersey Register and the New Jersey Administrative Code.

General and Administrative Services provides support to judicial administration and administrative procedures by maintaining the case management data base and office automation systems. Budgeting and accounting, purchasing, property maintenance, and personnel and payroll are other services provided by this division.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Adjudication of Administrative Appeals				
Cases pending as of July 1	4,829	3,270	3,357	3,667
Cases filed	12,869	12,258	12,400	12,400
Cases disposed of	14,428	12,171	12,090	12,090
Cases pending as of June 30	3,270	3,357	3,667	3,977
Cases disposed of per judge	380	304	310	310
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	6	5	6	6
Male Minority %	5.3	4.4	5.6	5.6
Female Minority	33	27	27	27
Female Minority %	29.2	23.9	25.2	25.2
Total Minority	39	32	33	33
Total Minority %	34.5	28.3	30.8	30.8
Position Data				
Filled Positions by Funding Source				
State Supported	103	102	98	89
All Other	10	8	7	10
Total Positions	113	110	105	99
Filled Positions by Program Class				
Adjudication of Administrative Appeals	113	110	105	99
Total Positions	113	110	105	99

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The budget estimate for fiscal year 2009 reflects the number of positions funded.

TREASURY

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
4,734	5,380	-8	10,106	8,726	Adjudication of Administrative Appeals	45	9,173	8,954
4,734	---	1	4,735	4,735	(From General Fund)		4,928	4,100
---	5,380	-9	5,371	3,991	(From All Other Funds)		4,245	4,854
4,734	5,380	-8	10,106	8,726	Total Direct State Services		9,173 (a)	8,954
---	(5,380)	9	(5,371)	(3,991)	Less:			
					All Other Funds		(4,245)	(4,854)
4,734	---	1	4,735	4,735	Total State Appropriation		4,928	4,100
Distribution by Fund and Object								
4,499	---	3,337	7,836	7,645	Personal Services:			
					Salaries and Wages		8,054	
---	---	---	---	191	Employee Benefits		141 S	8,176
							221	221
4,499	---	3,337	7,836	7,836	Total Personal Services		8,416	8,397
35	---	50	85	85	Materials and Supplies		95	95
159	---	518	677	677	Services Other Than Personal		581	381
35	---	33	68	68	Maintenance and Fixed Charges		75	75
6	---	-5	1	1	Special Purpose:			
					Affirmative Action and Equal Employment Opportunity	45	6	6
---	325							
---	3,521 R	-3,250	596	---	Judicial Hearings Receipts	45	---	---
---	78				Annual Licensing Fee - Office of Administrative Law Publications	45	---	---
---	832 R	-750	160	---	Royalties - Office of Administrative Law Publications	45	---	---
---	259				Additions, Improvements and Equipment		---	---
---	365 R	---	624	---			---	---
---	---	59	59	59	Less:			
---	(5,380)	9	(5,371)	(3,991)	All Other Funds		(4,245)	(4,854)
4,734	---	1	4,735	4,735	Grand Total State Appropriation		4,928	4,100
OTHER RELATED APPROPRIATIONS								
---	5,380	-9	5,371	3,991	Total All Other Funds		4,245	4,854
4,734	5,380	-8	10,106	8,726	GRAND TOTAL ALL FUNDS		9,173	8,954

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of management efficiencies.

Language Recommendations -- Direct State Services - General Fund

In addition to the amount hereinabove appropriated for the Office of Administrative Law, such sums as may be received or receivable from any department or non-State fund source for administrative hearing costs or rule-making costs by the Office of Administrative Law and the unexpended balance at the end of the preceding fiscal year of such sums are appropriated for the Office's administrative costs, subject to the approval of the Director of the Division of Budget and Accounting.

The Director of the Division of Budget and Accounting is empowered to transfer or credit to the Office of Administrative Law any appropriation made to any department for administrative hearing costs which had been appropriated or allocated to such department for its share of such costs.

Receipts derived from annual license fees, payable to the Office of Administrative Law, and the unexpended balance at the end of the preceding fiscal year of such receipts, are appropriated for the Office's administrative costs.

Receipts derived from royalties, payable to the Office of Administrative Law, and the unexpended balance at the end of the preceding fiscal year of such receipts, are appropriated for the Office's administrative costs.

Of the amounts appropriated to the Motor Vehicle Commission, such appropriation is conditioned upon paying the non-State hourly rate charged by the Office of Administrative Law for hearing services, or an amount not less than \$500,000.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

74. GENERAL GOVERNMENT SERVICES

2034. OFFICE OF INFORMATION TECHNOLOGY

OBJECTIVES

1. Provide and maintain the information technology infrastructure of the executive branch of State government and all ancillary components, including those of State departments and agencies.
2. Under the direction of the Office of the State Chief Technology Officer, engage in information technology planning, coordination, budgeting, technical architecture, and management and oversight of large information technology initiatives.

PROGRAM CLASSIFICATIONS

40. **Office of Information Technology.** The Office of Information Technology (OIT) operates under the direction of the State Chief Technology Officer and the New Jersey Information Technology Governing Board, as authorized in

P.L. 2007, c.56. The OIT processes information for a wide variety of department and agency programs including, but not limited to, centralized payroll, budget, revenue, general accounting, pensions, nursing home claims, food stamps, public assistance, institutional patient billings, caseload activities, unemployment compensation, disability insurance, employment and personnel services, engineering services, air monitoring, and criminal justice. The OIT also has operational responsibility for the State's major data centers and the Garden State Network, a statewide integrated communications network capable of carrying data and voice transmissions. The OIT currently maintains three major data centers.

65. **Emergency Telecommunication Services.** The Office of Emergency Telecommunication Services supports Enhanced 911 Public Safety Answering Points throughout the State of New Jersey.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Office of Information Technology				
Computer Resources				
Mainframe Environment				
Relative Processing Speed (Mbs/Second)	1,800	2,300	2,300	2,300
Server Environment				
UNIX Environment	316	373	400	425
Other Environments	336	365	400	425
OIT Hosted/Client Supported (Combined)	101	162	200	225
Storage Area Network (Terabytes)	49	126	186	286
Telecommunications Infrastructure				
Data Network (Garden State Network)				
Router Infrastructure (Central Location)	60	50	40	40
Router Infrastructure (Distributed Locations)	1,850	1,765	1,500	1,500
Client Locations Supported	1,332	1,264	1,264	1,275
Data Lines	2,353	2,385	2,400	2,425
Drops Supported (SNA Circuits)	1,860	1,320	1,300	1,100
Drops Supported (IP Circuits)	23,880	22,332	22,500	22,750
State Access to the Internet				
(Bandwidth in Mbs/Second)	311	1,244	1,244	1,244
Voice Network				
Voice Lines Supported	78,251	77,828	78,000	78,300
Voice Devices Supported	93,901	93,387	93,500	94,000
Other Devices	12,571	16,012	20,000	24,000
Production Services and User Support				
Transactions				
Online Transactions (millions)	2,215	2,005	2,100	2,100
Checks Produced (millions)	23	24	24	24
User Support				
User Logon IDs (Mainframe only)	95,000	78,782	80,000	82,500
User Calls to the Help Desk (Network Call Center)	120,000	178,815	185,000	188,000
Applications Development and Maintenance				
Client Applications				
Under Development	51	60	61	59
Maintenance Mode	370	370	359	355
Total Client Applications Supported	421	430	420	414

TREASURY

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Geographic Information System				
Under Development	10	4	4	5
Maintenance Mode	15	19	19	23
Web Site				
Under Development	60	46	45	45
Maintenance Mode	80	68	75	80
Page View (millions of hits)	425	531	625	700
Online State Portal Usage				
Number of Users (thousands)	143	211	282	378
Number of Logins (thousands)	1,749	2,583	3,423	4,536
Data Management Service Applications				
Databases Administered				
Mainframe	170	172	172	175
Distributed	395	466	491	525
Total Databases Administered	565	638	663	700
Data Integration Applications				
Under Development	30	24	35	30
Maintenance Mode	20	55	55	75
Total Integration Applications	50	79	90	105
Data Warehouse Growth (Gigabytes)	2,250	3,200	3,500	4,000

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

All Other	942	905	891	932
Total Positions	942	905	891	932

Filled Positions by Program Class

Office of Information Technology	942	905	891	932
Total Positions	942	905	891	932

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
9,000	95,920	2,551	107,471	101,281	40	124,595	112,080	112,080
19,067	291	-3,084	16,274	12,396	65	13,817	13,017	13,017
28,067	96,211	-533	123,745	113,677		138,412^(b)	125,097	125,097
Total Direct State Services^(a)								
Less:								
---	(55,051)	---	(55,051)	(55,051)		(61,474)	(62,354)	(62,354)
---	(55,051)	---	(55,051)	(55,051)		(61,474)	(62,354)	(62,354)
28,067	41,160	-533	68,694	58,626		76,938	62,743	62,743
Distribution by Fund and Object								
Personal Services:								
---	2,902 24,959 ^R	1,344	29,205	26,481		31,362	29,797	29,797
---	27,861	1,344	29,205	26,481		31,362	29,797	29,797
---	379 ^R	65	444	402		393	393	393
---	12,214 ^R	2,078	14,292	12,959		17,242	15,612	15,612
---	76 ^R	13	89	81		115	115	115

TREASURY

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Special Purpose:									
---	55,051 ^R	---	55,051	55,051	Office of Information Technology	40	61,474	62,354	62,354
---	---	---	---	---	Quality Assurance Oversight	40	2,000	2,000	2,000
---	---	---	---	---	Email Systems Consolidation	40	1,100	---	---
---	---	---	---	---	Data Center Consolidation	40	900	800	800
---	---	---	---	---	ECATS Timekeeping System	40	5,800	---	---
8,000	---	-1,000	7,000	5,516	Network Infrastructure	40	3,200	---	---
1,000	35	---	1,035	469	Information Technology Online State Portal	40	1,000	1,000	1,000
17,567	1	-3,084	14,484	11,694	Statewide 911 Emergency Telecommunication System	65	12,567	11,967	11,967
1,500	290	---	1,790	702	Office of Emergency Telecommunication Services	65	1,250	1,050	1,050
---	304 ^R	51	355	322	Additions, Improvements and Equipment		9	9	9
Less:									
---	(55,051) ^R	---	(55,051)	(55,051)	Income Deductions		(61,474)	(62,354)	(62,354)
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
14,925	16,113	---	31,038	13,754	Emergency Telecommunication Services	65	14,925	12,425	12,425
<u>14,925</u>	<u>16,113</u>	<u>---</u>	<u>31,038</u>	<u>13,754</u>	Total Grants-in-Aid ^(a)		<u>14,925</u>	<u>12,425</u>	<u>12,425</u>
Distribution by Fund and Object									
Grants:									
14,925	16,113	---	31,038	13,754	Enhanced 911 Grants	65	14,925	12,425	12,425
<u>CAPITAL CONSTRUCTION</u>									
Distribution by Fund and Program									
---	5,846	8,879	14,725	11,537	Office of Information Technology	40	6,500	---	---
<u>---</u>	<u>5,846</u>	<u>8,879</u>	<u>14,725</u>	<u>11,537</u>	Total Capital Construction		<u>6,500</u>	<u>---</u>	<u>---</u>
Distribution by Fund and Object									
Office of Information Technology									
---	---	---	---	---	Data Storage and Infrastructure	40	3,000	---	---
---	---	---	---	---	Critical Facility Preservation	40	2,000	---	---
---	---	---	---	---	Enterprise Upgrade-Garden State Network	40	1,500	---	---
---	4,358	6,500	10,858	7,753	Office of Information Technology-Availabilty and Recovery Site (OARS)	40	---	---	---
---	5	-5	---	---	E-Government Infrastructure	40	---	---	---
---	1,483	1,084	2,567	2,484	Network Infrastructure	40	---	---	---
---	---	1,300	1,300	1,300	Preservation Projects	40	---	---	---
<u>42,992</u>	<u>63,119</u>	<u>8,346</u>	<u>114,457</u>	<u>83,917</u>	Grand Total State Appropriation		<u>98,363</u>	<u>75,168</u>	<u>75,168</u>
OTHER RELATED APPROPRIATIONS									
Federal Funds									
<u>900</u>	<u>200</u>	<u>433</u>	<u>1,533</u>	<u>872</u>	Office of Information Technology	40	---	---	---
<u>900</u>	<u>200</u>	<u>433</u>	<u>1,533</u>	<u>872</u>	Total Federal Funds		<u>---</u>	<u>---</u>	<u>---</u>
All Other Funds									
---	7,866	---	---	---	Office of Information Technology	40	4,500	4,500	4,500
---	4,472 ^R	-1,700	10,638	1,859					
---	<u>12,338</u>	<u>-1,700</u>	<u>10,638</u>	<u>1,859</u>	Total All Other Funds ^(a)		<u>4,500</u>	<u>4,500</u>	<u>4,500</u>
<u>43,892</u>	<u>75,657</u>	<u>7,079</u>	<u>126,628</u>	<u>86,648</u>	GRAND TOTAL ALL FUNDS		<u>102,863</u>	<u>79,668</u>	<u>79,668</u>

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2007 appropriations data has been adjusted for the reallocation of interdepartmental appropriations and the elimination of revolving funds supporting information technology services.
- (b) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program and reallocation of State appropriations supporting the Office of Information Technology.

Language Recommendations -- Direct State Services - General Fund

As a condition to the appropriations made in this act, specifically with regard to the allocation of employees performing information technology infrastructure functions and the establishment of deputy chief technology officers and related staff as authorized in P.L. 2007, c.56, the Office of Information Technology shall identify the specific Direct State Services appropriations and positions that should be transferred between various departments and the Office of Information Technology, subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated such sums for Geographic Information System (GIS) Integration as may be received from federal, county, municipal governments or agencies and nonprofit organizations for orthoimagery and parcel data mapping.

In addition to the \$62,354,000 attributable to OIT Other Resources, there are appropriated such sums as may be received or receivable from any State agency, instrumentality or public authority for Office of Information Technology services furnished thereto and attributable to a change in or the addition of an OIT service level agreement, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated to the Office of Information Technology for Quality Assurance Oversight shall be used to enhance supervision over the implementation of current and future information technology contracts, including but not limited to oversight of existing quality assurance contracts for information technology.

Language Recommendations -- Grants-In-Aid - General Fund

Grant awards and expenditures supported by the appropriation for Enhanced 911 Grants, including 911 operating assistance or equipment grants, shall be determined in accordance with the recommendations of an efficiency study prepared by the Rutgers University-Heldrich School as well as grant criteria to be jointly developed by the 911 Commission and the Department of the Treasury, the purpose of which will be to create incentives for the regional consolidation of 911 call services and public safety answering points. Those grant criteria, the specific requirements of which will be defined by the Office of Emergency Telecommunication Services, shall include a requirement that applicants provide information to the Office of Emergency Telecommunication Services on existing budget and staffing resources, including salary and non-salary line items and position titles, as well as equipment and operating performance data related to the existing public safety answering point operations, public safety dispatch and radio communications systems and services.

The unexpended balance at the end of the preceding fiscal year in the Enhanced 911 Grants account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

75. STATE SUBSIDIES AND FINANCIAL AID

PROGRAM CLASSIFICATIONS

- 27. **Other Distributed Taxes.** The State is responsible for the collection of certain insurance taxes, and for distribution of a portion of these taxes to the county in which a domestic insurance company's principal office was situated on January 1. Amounts are determined by increasing the total amount of the franchise tax on domestic insurance companies received by the county in the prior calendar year by the percentage rate of change of all taxes paid by all insurance companies pursuant to C.54:18A-1 et seq. for the current and the immediately preceding tax year.
- 28. **County Boards of Taxation.** A County Board of Taxation (R.S.54:3-1) is established in each county. Each board consists of five members, except in the first-class counties of Bergen, Essex, Hudson, and Union, the second-class county of Middlesex, and the fifth-class counties of Monmouth and Ocean, where there are seven members. The board hears appeals of taxpayers from local tax assessments, certifies tax duplicates to the collectors, determines local tax rates, prepares county abstracts of ratables, promulgates equalization tables, supervises the activities of assessors, and does related work in the enforcement of local property tax laws.
- 29. **Locally Provided Assistance.** Locally Provided Assistance includes State funds provided for the South Jersey Port Corporation Property Tax and Debt Service Reserve Funds

(P.L.1968, c.60), for county-based solid waste debt assistance, and for the Highlands Protection Fund. The South Jersey Port Corporation Property Tax Reserve Fund was established to make payments-in-lieu-of-taxes (PILOT) to compensate counties and municipalities for any loss of tax revenue due to the Corporation's acquisition of property. The South Jersey Port Corporation Debt Service Reserve Fund was established to ensure the maintenance of the maximum debt service reserve requirement for any debt obligations issued by the Corporation. The Solid Waste Management program subsidizes debt service payments made by counties and county authorities for environmental investments incurred pursuant to the Solid Waste Management Act and the Solid Waste Utility Control Act.

Per the provisions of the Highlands Water Protection and Planning Act (P.L.2004, c.120), the Highlands Protection Fund was created with \$12 million in annual funding. The Highlands Water Protection and Planning Act requires the introduction of various new aid and planning grant programs as well as the reinstitution of prior year programs including property tax stabilization aid and watershed moratorium offset aid. This funding compensates municipalities in the Highlands region for the loss of the developable value of their land due to new Highlands environmental protections, and also provides compensation for Pinelands municipalities.

33. **Homestead Exemptions.** The Homestead Rebate program was initiated in fiscal 1977. To qualify for the program, residents must meet certain requirements: residents must have occupied their principal residence on October 1 of the tax year; property taxes must have been paid on the residence, either directly or through rent; and eligible homeowners' gross income cannot exceed \$150,000, and eligible tenants' gross income cannot exceed \$100,000. For fiscal 2009, homeowners who earn no more than \$100,000 will receive a rebate on property tax bills equivalent to 20% of their 2006 property taxes, up to \$10,000. Those with incomes between \$100,000 and \$150,000 will receive a rebate equivalent to 10% of their 2006 property taxes, up to \$10,000. Non-senior tenants will receive a maximum rebate of \$80. Senior tenants are eligible for rebates between \$160 and \$860, dependent on income and rent.

Pursuant to P.L.1997, c.348, certain senior and disabled residents are eligible for a homestead property tax reimbursement, which provides compensation for increases in property taxes. Qualified residents must have paid property taxes directly, or indirectly through rent, on any homestead used as their principal residence for at least 10 consecutive years. For at least three of these years, the resident must have been the owner of the principal residence for which a property tax reimbursement is being sought.

34. **Reimbursement of Senior/Disabled Citizens' and Veterans' Tax Deductions.** The State provides each municipality a direct payment in reimbursement of amounts deducted from the local property tax bills of senior citizens, disabled citizens and veterans. Based on certifications made annually by county boards of taxation, and confirmed by the Director of the Division of Taxation, payments for the total amount due are made to municipalities on November 1 of each year. Eligible veterans and disabled and senior citizens will receive a \$250 tax deduction; both of these deductions are paid from the Property Tax Relief Fund.

35. **Consolidated Police and Firemen's Pension Fund.** The Consolidated Police and Firemen's Pension Fund was established in 1952 (R.S.43:16-1 et seq.) to place 212 local police and firemen pension funds on an actuarial basis. The liabilities of these local funds were shared, with two-thirds absorbed by the participating municipalities and one-third by the State. The municipalities' share of the liabilities was satisfied in January 1983. The Fund's Board of Commissioners, which is not currently active, consists of two police representatives, two fire representatives, the State Treasurer, and four persons appointed by the Governor. This is a closed pension fund with no active members and 719 retirees and beneficiaries.

42. **Energy Tax Receipts.** Prior to January 1998, the State was responsible for collecting the Public Utilities Franchise Tax and the Public Utilities Gross Receipts Tax. Of the funds collected, municipalities annually received a minimum distribution of \$685 million by law based on utility personal property valuations. As of January 1998, the Energy Tax Receipts Property Tax Relief Act (P.L.1997, c.167) replaced the previous method of distributing these funds to municipalities. This legislation eliminated the gross receipts and franchise taxes levy for certain taxpayers and replaced it with a system centered on the corporation business tax, a sales and use tax, and a temporary transitional energy facility assessment tax. Energy utilities are subject to all three of the replacement taxes. Telecommunications utilities are subject only to the corporation business tax, because they have been collecting and remitting sales and use taxes since 1990. Water and sewer utilities remain subject to the franchise and gross receipts taxes. Pursuant to the new law, receipts generated from the replacement revenues are deposited in the Energy Tax Receipts Property Tax Relief Fund, a special dedicated fund established in the State Treasury. During fiscal 2009, municipalities will receive a State Aid distribution totaling approximately \$966 million from this fund.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Homestead Exemptions				
Homestead Property Tax Credits/Rebates for Homeowners				
Number of Senior Participants	499,774	498,683	520,000	500,000
Average Senior Rebate Check	\$1,151	\$1,147	\$1,273	\$1,266
Number of Non-Senior Participants	1,123,460	1,117,029	1,217,000	1,050,000
Average Non-Senior Check	\$342	\$286	\$966	\$904
Homestead Property Tax Rebates for Tenants				
Number of Senior Participants	99,607	97,821	100,000	100,000
Average Senior Rebate Check	\$693	\$688	\$715	\$691
Number of Non-Senior Participants	691,623	687,320	715,000	715,000
Average Non-Senior Check	\$73	\$73	\$246	\$80
Senior and Disabled Citizens' Property Tax Freeze				
Number of New Participants	36,913	30,872	25,500	28,000
Average New Participant Check	\$236	\$263	\$293	\$308
Number of Repeat Participants	120,303	131,942	132,500	130,000
Average Repeat Participant Check	\$739	\$899	\$1,068	\$1,234
Reimbursement of Senior/Disabled Citizens' and Veterans' Tax Deductions				
Number of Senior and Disabled Participants	88,831	84,790	80,039	80,039
Number of Veteran Participants	299,437	289,316	281,047	281,047

TREASURY

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
GRANTS-IN-AID									
Distribution by Fund and Program									
1,183,788	1,469	---	1,185,257	1,145,807	Homestead Exemptions	33	2,404,000	1,886,000	1,886,000
1,183,788	1,469	---	1,185,257	1,145,807	(From Property Tax Relief Fund)		2,404,000	1,886,000	1,886,000
1,183,788	1,469	---	1,185,257	1,145,807	Total Grants-in-Aid		2,404,000	1,886,000	1,886,000
1,183,788	1,469	---	1,185,257	1,145,807	(From Property Tax Relief Fund)		2,404,000	1,886,000	1,886,000
Distribution by Fund and Object									
Grants:									
931,288	463	---	931,751	898,154	Homestead Property Tax Credits/Rebates for Homeowners (PTRF)	33	2,000,000	1,593,000	1,593,000
126,000	---	-64	125,936	120,090	Homestead Property Tax Rebates for Tenants (PTRF)	33	251,000	124,000	124,000
118,900 7,600 ^S	1,006	64	127,570	127,563	Senior and Disabled Citizens' Property Tax Freeze (PTRF)	33	153,000	169,000	169,000
STATE AID									
Distribution by Fund and Program									
2,289	---	---	2,289	1,927	County Boards of Taxation	28	2,289	2,289	2,289
62,656	29,899	---	92,555	54,316	Locally Provided Assistance	29	57,496	52,386	52,386
99,100	---	---	99,100	95,413	Reimbursement of Senior/Disabled Citizens' and Veterans' Tax Deductions	34	97,000	92,000	92,000
99,100	---	---	99,100	95,413	(From Property Tax Relief Fund)		97,000	92,000	92,000
93,330	---	---	93,330	92,024	Consolidated Police and Firemen's Pension Fund	35	94,262	96,648	96,648
61,796	---	---	61,796	61,796	(From General Fund)		60,535	61,268	61,268
31,534	---	---	31,534	30,228	(From Property Tax Relief Fund)		33,727	35,380	35,380
257,375	29,899	---	287,274	243,680	Total State Aid		251,047	243,323	243,323
126,741	29,899	---	156,640	118,039	(From General Fund)		120,320	115,943	115,943
130,634	---	---	130,634	125,641	(From Property Tax Relief Fund)		130,727	127,380	127,380
Distribution by Fund and Object									
State Aid:									
2,289	---	---	2,289	1,927	County Boards of Taxation	28	2,289	2,289	2,289
7,256	---	---	7,256	6,878	South Jersey Port Corporation Debt Service Reserve Fund	29	7,256	7,256	7,256
2,540	---	---	2,540	2,442	South Jersey Port Corporation Property Tax Reserve Fund	29	3,240	3,130	3,130
2,650	5,265	-18	7,897	---	Highlands Protection Fund - Incentive Planning Aid	29	2,650	2,650	2,650
1,750	3,358	---	5,108	341	Highlands Protection Fund - Regional Master Plan Compliance Aid	29	1,750	1,750	1,750
2,200	---	18	2,218	2,218	Highlands Protection Fund - Watershed Moratorium Offset Aid	29	2,200	2,200	2,200
3,600	7,200	---	10,800	89	Highlands Protection Fund - Highlands Property Tax Stabilization Aid	29	3,600	3,600	3,600
1,800	---	---	1,800	1,800	Highlands Protection Fund - Pinelands Property Tax Stabilization Aid	29	1,800	1,800	1,800

TREASURY

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
STATE AID									
40,000	14,076	---	54,076	39,688	Solid Waste Management - County Environmental Investment Debt Service Aid	29	35,000	30,000	30,000
500	---	---	500	500	Cherry Hill Township - Library Debt Service	29	---	---	---
200	---	---	200	200	West Deptford Township - Diesel Fired Electric Generator	29	---	---	---
110	---	---	110	110	Logan Township - Sidewalk Improvements	29	---	---	---
50	---	---	50	50	Paulsboro Borough - Property Acquisition and Demolition Costs	29	---	---	---
22,700	---	---	22,700	21,621	Reimbursement to Municipalities - Senior and Disabled Citizens' Tax Deductions (PTRF)	34	22,000	20,500	20,500
76,400	---	---	76,400	73,792	State Reimbursement for Veterans' Property Tax Deductions (PTRF)	34	75,000	71,500	71,500
1,784	---	---	1,784	1,784	State Contribution to Consolidated Police and Firemen's Pension Fund	35	523	1,256	1,256
9,379	---	---	9,379	9,352	Debt Service on Pension Obligation Bonds (PTRF)	35	10,206	11,097	11,097
22,155	---	---	22,155	20,876	Police and Firemen's Retirement System - Post Retirement Medical (PTRF)	35	23,521	24,283	24,283
39,001	---	---	39,001	39,001	Police and Firemen's Retirement System	35	39,001	39,001	39,001
21,011	---	---	21,011	21,011	Police and Firemen's Retirement System (P.L. 1979, c.109)	35	21,011	21,011	21,011
1,441,163	31,368	---	1,472,531	1,389,487	Grand Total State Appropriation		2,655,047	2,129,323	2,129,323
OTHER RELATED APPROPRIATIONS									
All Other Funds									
---	8,327 ^R	---	8,327	8,327	Other Distributed Taxes	27	6,882	6,882	6,882
---	788,492 ^R	83,753	872,245	872,245	Energy Tax Receipts	42	788,492	788,492	788,492
---	796,819	83,753	880,572	880,572	Total All Other Funds		795,374	795,374	795,374
1,441,163	828,187	83,753	2,353,103	2,270,059	GRAND TOTAL ALL FUNDS		3,450,421	2,924,697	2,924,697

Language Recommendations -- Grants-In-Aid - Property Tax Relief Fund

From the amount hereinabove appropriated for the Homestead Property Tax Credits/Rebates for Homeowners and the Homestead Property Tax Rebates for Tenants programs, there are appropriated such sums as may be necessary for the administration of those programs, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the Homestead Property Tax Credits/Rebates for Homeowners program shall be available to pay homestead rebates pursuant to the provisions of section 3 of P.L. 1990, c.61 (C.54:4-8.59) as amended by P.L. 2004, c. 40, and by P.L. 2007, c. 62, except that, notwithstanding the provisions of that law to the contrary, residents with gross income in excess of \$150,000 for tax year 2007 are excluded from the program; residents with gross income in excess of \$100,000 but not in excess of \$150,000 for tax year 2007 are eligible for rebates in the amount of 10% of the first \$10,000 of property taxes paid; and rebates for all residents are based on property taxes paid in tax year 2006. If the amount hereinabove appropriated for the Homestead Property Tax Credits/Rebates for Homeowners program is not sufficient, there is appropriated from the Property Tax Relief Fund such additional sums as may be required for payment of such credits/rebates, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the Homestead Property Tax Rebates for Tenants program shall be available to pay homestead rebates pursuant to the provisions of section 4 of P.L. 1990, c.61 (C.54:4-8.60), except that, notwithstanding the provisions of that law to the contrary, residents who are not 65 years of age or older at the close of the tax year, or residents who are not allowed to claim a personal deduction as a blind or disabled taxpayer pursuant to subsection b. of N.J.S.54A:3-1, are eligible for rebates not to exceed \$80, and residents who are 65 years of age or older at the close of the tax year, or residents who are allowed to claim a personal deduction as a blind or disabled taxpayer pursuant to subsection b. of N.J.S.54A:3-1, with gross income of \$70,000 or less are

eligible for minimum rebates of \$160 and maximum rebates of \$860 for tax year 2007, and residents with gross income in excess of \$70,000 but not in excess of \$100,000 are eligible for rebates of \$160 for tax year 2007. If the amount hereinabove appropriated for the Homestead Property Tax Rebates for Tenants program is not sufficient, there is appropriated from the Property Tax Relief Fund such additional sums as may be required for payment of such rebates, subject to the approval of the Director of the Division of Budget and Accounting.

The Department of the Treasury may transfer funds as necessary between the Homestead Property Tax Credits/Rebates for Homeowners account and the Homestead Property Tax Rebates for Tenants account, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of P.L. 1997, c.348 (C.54:4-8.67 et seq.), the amount hereinabove appropriated for Senior and Disabled Citizens' Property Tax Freeze (PTRF), and any additional sum which may be required for this purpose, is appropriated from the Property Tax Relief Fund.

In addition to the amount hereinabove appropriated for the Homestead Property Tax Credits/Rebates for Homeowners and the Homestead Property Tax Rebates for Tenants programs, there are appropriated from the Property Tax Relief Fund such additional sums as may be required for payments of property tax credits to homeowners and tenants pursuant to the "Property Tax Deduction Act," P.L. 1996, c.60 (C.54A:3A-15 et seq.).

Language Recommendations -- State Aid - General Fund

There are appropriated such additional sums as may be certified to the Governor by the South Jersey Port Corporation as necessary to meet the requirements of the "South Jersey Port Corporation Debt Service Reserve Fund" under section 14 of P.L. 1968, c.60 (C.12:11A-14), and the "South Jersey Port Corporation Property Tax Reserve Fund" under section 20 of P.L.1968, c.60 (C.12:11A-20), the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.

The amounts hereinabove appropriated for the Highlands Protection Fund are payable from the receipts of the portion of the realty transfer fee directed to be credited to the Highlands Protection Fund and the unexpended balances at the end of the preceding fiscal year in the Highlands Protection Fund accounts are appropriated, subject to the approval of the Director of the Division of Budget and Accounting. Further, the Department of the Treasury may transfer funds as necessary between the Highlands Protection Fund - Incentive Planning Aid account, the Highlands Protection Fund - Regional Master Plan Compliance Aid account, and the Highlands Protection Fund - Watershed Moratorium Offset Aid account, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for Solid Waste Management - County Environmental Investment Debt Service Aid is appropriated to subsidize county and county authority debt service payments for environmental investments incurred pursuant to the "Solid Waste Management Act," P.L. 1970, c.39 (C.13:1E-1 et seq.) and the "Solid Waste Utility Control Act," P.L. 1970, c.40 (C.48:13A-1 et seq.) as determined by the State Treasurer based upon the need for such financial assistance after taking into account all financial resources available or attainable to pay such debt service. Such additional sums as may be necessary shall be appropriated subject to the approval of the Director of the Division of Budget and Accounting and shall be provided upon such terms and conditions as the State Treasurer may determine. The unexpended balance at the end of the preceding fiscal year is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of the "Corporation Business Tax Act (1945)," P.L. 1945, c.162 (C.54:10A-1 et seq.), the sum apportioned to the several counties of the State shall not be distributed and shall be anticipated as revenue for general State purposes.

Notwithstanding the provisions of the "Corporation Business Tax Act (1945)," P.L. 1945, c.162 (C.54:10A-1 et seq.), the amounts collected from banking corporations pursuant to the "Corporation Business Tax Act (1945)" shall not be distributed to the counties and municipalities and shall be anticipated as revenue for general State purposes.

There is appropriated from the Energy Tax Receipts Property Tax Relief Fund the sum of \$788,492,000 and an amount not to exceed \$177,757,000 which is transferred from the Consolidated Municipal Property Tax Relief Aid (PTRF) account to the fund and shall be allocated to municipalities in accordance with the provisions of subsection b. of section 2 of P.L. 1997, c.167 (C.52:27D-439). Each municipality that receives an allocation from the amount so transferred from the Consolidated Municipal Property Tax Relief Aid program shall have its allocation from the Consolidated Municipal Property Tax Relief Aid program reduced by the same amount. Of the amount hereinabove appropriated from the Energy Tax Receipts Property Tax Relief Fund, an amount equal to \$25,000,000 shall be allocated to municipalities proportionately based on population, except that Newark and Jersey City shall each receive \$390,000 of the \$25,000,000 and Paterson shall receive \$375,000 of the \$25,000,000.

Notwithstanding the provisions of paragraph (1) of subsection c. of section 2 of P.L. 1997, c.167 (C.52:27D-439) to the contrary, the amount hereinabove appropriated for Energy Tax Receipts Property Tax Relief Fund payments shall be distributed on the following schedule: on or before August 1, 45% of the total amount due; September 1, 30% of the total amount due; October 1, 15% of the total amount due; November 1, 5% of the total amount due; and December 1, 5% of the total amount due.

The unexpended balance at the end of the preceding fiscal year from the taxes collected pursuant to P.L. 1940, c.4 (C.54:30A-16 et seq.) and P.L. 1940, c.5 (C.54:30A-49 et seq.) shall lapse.

There is appropriated from taxes collected from certain insurance companies, pursuant to the insurance tax act, so much as may be required for payments to counties pursuant to P.L. 1945, c.132 (C.54:18A-1 et seq.).

The Director of the Division of Budget and Accounting shall reduce amounts provided to any municipality from the amount hereinabove appropriated by the difference, if any, between pension contribution savings, and the amount of Consolidated Municipal Property Tax Relief Aid payable to such municipality.

Language Recommendations -- State Aid - Property Tax Relief Fund

In addition to the amount hereinabove appropriated for Reimbursement of Senior Citizens and Veterans' Tax Deductions, there are appropriated from the Property Tax Relief Fund such additional sums as may be required for State reimbursement to municipalities for senior and disabled citizens' and veterans' property tax deductions.

In addition to the sum hereinabove appropriated for Debt Service on Pension Obligation Bonds to make payments under the State Treasurer's contracts authorized pursuant to section 6 of P.L. 1997, c.114 (C.34:1B-7.50), there are appropriated such other sums as the Director of the Division of Budget and Accounting shall determine are required to pay all amounts due from the State pursuant to such contracts.

Such additional sums as may be required for Police and Firemen's Retirement System - Post Retirement Medical are appropriated, as the Director of the Division of Budget and Accounting shall determine.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

76. MANAGEMENT AND ADMINISTRATION

OBJECTIVES

1. To develop and exercise policy control over agency program planning and management, fiscal administration, and personnel management in the Department of the Treasury.
2. To provide fiscal, personnel, and other administrative and facilitating services to all agencies of the Department.
3. To assist all agencies of State government in securing grants and entitlements under various federal grant programs.
4. To enforce public contract affirmative action regulations.
5. To manage the public finance activities in the State as effectively as possible.

PROGRAM CLASSIFICATIONS

98. **Contract Compliance and Equal Employment Opportunity in Public Contracts.** Pursuant to P.L.1975, c.127, the Division oversees all State, county and local units of government in the State to ensure contractors, subcontractors, and businesses afford equal opportunity in employment in performance of their contracts.
99. **Administration and Support Services.** Pursuant to N.J.S.A. 52:27B-8, the Office of the State Treasurer develops and exercises general policy and administrative control over the

operations of the divisions and offices of the Department. The Administrative Division, the Fiscal Section, the Human Resources Section, and the Office of Treasury Technology provide fiscal, personnel, and other facilitating services for the Department of the Treasury. Beginning in fiscal year 2008, the Division of Minority and Women Business Development is transferred from the Office of Economic Growth to the Department of the Treasury. The Division is charged with enhancing opportunities for minority and women-owned businesses in New Jersey's purchasing and procurement processes. Also beginning in fiscal 2008, administration for the Municipal Rehabilitation and Economic Recovery Act, P.L.2002, c.43, is transferred from the Department of Community Affairs to the Department of the Treasury Division of Administration. The Federal Liaison Office represents the Governor and assists State agencies in negotiating with federal agencies for approval of grants and entitlements, in order to maximize New Jersey's share of total federal grant funds. It also maintains liaison with Congress, on behalf of the Governor and New Jersey government, in connection with proposed and pending federal legislation affecting the State and provides updated information on such matters to State agencies.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Administration and Support Services				
Office of Treasury Technology Data				
Desktop Services				
Personal Computers Supported	2,199	2,065	2,100	2,200
Printers Supported	428	531	540	540
Help Desk Service Requests	8,150	6,849	6,000	6,000
Applications Support				
Applications Maintained	355	384	400	410
Help Desk Service Requests	719	863	850	850
Client Application Service Requests Received	201	178	180	180
Local Area Network Administration				
LAN Servers Supported	115	91	100	110
Users Supported	1,588	2,257	2,300	2,300
Help Desk Service Requests	1,941	2,434	2,200	2,200
LAN Printers Supported	285	319	300	580
Network Switches Supported	230	252	260	270
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	282	315	301	305
Male Minority %	8.0	8.0	8.0	8.0
Female Minority	694	787	796	802
Female Minority %	18.0	20.0	21.0	20.0
Total Minority	976	1,102	1,097	1,107
Total Minority %	26.0	28.0	29.0	28.0

TREASURY

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Position Data				
Filled Positions by Funding Source				
State Supported	282	268	259	246
All Other	13	13	12	13
Total Positions	295	281	271	259
Filled Positions by Program Class				
Contract Compliance and Equal Employment Opportunity in Public Contracts	26	23	24	19
Administration and Support Services	269	258	247	240
Total Positions	295	281	271	259

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
1,702	2	10	1,714	1,682	Contract Compliance and Equal Employment Opportunity in Public Contracts			
					98	1,865	1,631	1,631
11,913	738	8,102	20,753	17,654	Administration and Support Services			
					99	16,281	11,202	11,202
13,615	740	8,112	22,467	19,336	Total Direct State Services			
						18,146 ^(a)	12,833	12,833
Distribution by Fund and Object								
Personal Services:								
11,586	---	157	11,743	11,736	Salaries and Wages			
						13,095	11,589	11,589
11,586	---	157	11,743	11,736	Total Personal Services			
						13,095	11,589	11,589
65	---	76	141	132	Materials and Supplies			
						65	65	65
1,876	120	1,501	3,497	3,279	Services Other Than Personal			
						909	753	753
65	---	102	167	163	Maintenance and Fixed Charges			
						65	65	65
Special Purpose:								
23	---	---	23	---	Federal Liaison Office, Washington, D.C. ^(b)			
					99	23	23	23
---	---	---	---	---	Municipal Rehabilitation and Economic Recovery Act ^(c)			
					99	338	338	338
---	11 603 ^R	4,700	5,314	2,601	Public Finance Activities			
					99	3,651 ^S	---	---
---	6	1,576	1,582	1,425	Additions, Improvements and Equipment			
						---	---	---
<u>GRANTS-IN-AID</u>								
Distribution by Fund and Program								
---	225	---	225	225	Administration and Support Services			
					99	---	---	---
---	225	---	225	225	Total Grants-in-Aid			
						---	---	---
Distribution by Fund and Object								
Grants:								
---	15	---	15	15	Young Audiences			
					99	---	---	---
---	200	---	200	200	Seton Hall Athletics Association			
					99	---	---	---
---	10	---	10	10	Pet Rescue of Mercer, Inc			
					99	---	---	---
13,615	965	8,112	22,692	19,561	Grand Total State Appropriation			
						18,146	12,833	12,833

**80. SPECIAL GOVERNMENT SERVICES
82. PROTECTION OF CITIZENS' RIGHTS**

OBJECTIVES

1. To provide for the realization of the constitutional guarantees of counsel in criminal cases for indigent defendants (C2A:158A-1 et seq.).
2. To provide for the realization of the constitutional guarantees of counsel in Child Abuse and Neglect (N.J.S.A. 9:6-8.21 et seq.) and Termination of Parental Right cases (N.J.S.A. 30:4C-15 et seq.).

PROGRAM CLASSIFICATIONS

06. **Appellate Services to Indigents.** Provides that every adult and juvenile found guilty after trial is permitted a direct appeal from that conviction or adjudication. Most of the referrals to the Appellate section come from trial regions. In addition, direct applications are received for services at the appellate level. The Appellate section files notices of appeal within a court-mandated time period, orders transcripts, and assigns an attorney who then reviews the transcript, interviews defendants, files motions, and does the research necessary to identify the problems raised in the transcript. Representation is provided in both State and federal courts.
57. **Trial Services to Indigents and Special Programs.** Represents those indigent defendants who have been charged with indictable offenses and those indigent juveniles whose cases have been assigned to the formal calendar. The activity of the attorneys, investigative, and clerical staff begins with

this assignment. The court assignment is received and, after indigency review, the case is opened, interviews are scheduled, and an investigation is initiated. The assigned attorney prepares the case and enters into the necessary negotiations, trial, and sentencing proceedings. The enactment of Megan's Law requires the Public Defender to represent indigent offenders in notification hearings. The Intensive Supervision program, operated by the Administrative Office of the Courts, is supported by Public Defender staff at probation violation hearings. The Office of Law Guardian provides representation to children who are the subject of civil child abuse and neglect complaint filed pursuant to N.J.S.A. 9:6-8.21 et seq. and in termination of parental rights proceedings filed pursuant to N.J.S.A. 30:4C-15 et seq. Also, the Office of Parental Representation provides representation to indigent parents charged with a civil child abuse and neglect complaint filed pursuant to N.J.S.A. 9:6-8.21 et seq., and in termination of parental rights proceedings filed pursuant to N.J.S.A. 30:4c-15 et seq.

99. **Administration and Support Services.** Provides centralized supervision and policy planning for the Office of the Public Defender. Budgetary policy is provided to allocate resources among the priorities. Administrative support is provided in the areas of personnel, accounting, budgeting, purchasing, statistical evaluation, a central research unit, a library, and motor pool.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Appellate Services to Indigents				
Cases open (July 1)	2,098	2,150	2,332	2,294
Added	1,918	2,098	2,098	2,098
Closed	1,866	1,916	2,136	2,136
Open (June 30)	2,150	2,332	2,294	2,256
Backlog (months)	13.5	13.3	13.1	12.9
Excessive Sentence Program Dispositions	585	737	737	737
Briefs filed	878	831	1,051	1,051
Dismissals	403	348	348	348
Reversals and modifications	302	338	377	377
Trial Services to Indigents and Special Programs				
Cases open (July 1)	34,335	38,700	47,299	52,513
Added	82,019	82,868	82,868	82,868
Closed	77,654	74,269	77,654	77,654
Open (June 30)	38,700	47,299	52,513	57,727
Backlog (months)	5.7	6.8	7.6	8.4
Parental Representation Unit - Title 9				
Cases open (July 1)	6,936	7,520	7,440	7,005
Added	5,545	5,256	5,256	5,256
Closed	4,961	5,336	5,691	5,691
Open (June 30)	7,520	7,440	7,005	6,570
Parental Representation Unit - Title 30				
Cases open (July 1)	1,195	1,355	1,235	1,057
Added	949	1,172	1,172	1,172
Closed	789	1,292	1,350	1,350
Open (June 30)	1,355	1,235	1,057	879

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Law Guardian - Title 9				
Cases open (July 1)	8,719	9,980	9,178	8,639
Added	7,360	6,486	6,486	6,486
Closed	6,099	7,288	7,025	7,025
Open (June 30)	9,980	9,178	8,639	8,100
Institutional Abuse investigations (DYFS)	186	171	171	171
Law Guardian - Title 30				
Cases open (July 1)	1,377	1,355	1,150	1,093
Added	1,181	1,381	1,381	1,381
Closed	1,203	1,586	1,438	1,439
Open (June 30)	1,355	1,150	1,093	1,035
Special Hearings Unit - Megan's Law				
Cases open (July 1)	298	475	776	671
Added	416	471	471	471
Closed	239	170	576	373
Open (June 30)	475	776	671	769
Intensive Supervision Program (ISP) Staff				
Cases open (July 1)	169	201	172	143
Added	1,283	1,322	1,322	1,322
Closed	1,251	1,351	1,351	1,351
Open (June 30)	201	172	143	114

PERSONNEL DATA**Affirmative Action Data**

Male Minority	120	119	119	119
Male Minority %	11.6	11.8	11.2	11.2
Female Minority	331	330	330	330
Female Minority %	31.9	34.1	31.0	31.0
Total Minority	451	449	449	449
Total Minority %	43.5	45.8	42.2	42.2

Position Data**Filled Positions by Funding Source**

State Supported	1,034	1,010	1,062	1,062
Federal	2	2	1	1
Total Positions	1,036	1,012	1,063	1,063

Filled Positions by Program Class

Appellate Services to Indigents	69	66	64	64
Trial Services to Indigents and Special Programs	934	918	970	970
Administration and Support Services	33	28	29	29
Total Positions	1,036	1,012	1,063	1,063

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Prog. Class. Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
9,724	25	-717	9,032	9,023	Appellate Services to Indigents	06	10,312	9,604	9,604
91,364	923	3,935	96,222	95,557	Trial Services to Indigents and Special Programs	57	99,048	98,292	98,292
2,441	27	32	2,500	2,494	Administration and Support Services	99	2,657	2,614	2,614
103,529	975	3,250	107,754	107,074	Total Direct State Services		112,017 (a)	110,510	110,510

TREASURY

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Object								
56,986	---	-261	56,725	56,725	Personal Services:			
					Salaries and Wages (b)			
						61,182	59,968	59,968
56,986	---	-261	56,725	56,725	<i>Total Personal Services</i>			
726	70	62	858	818		730	730	730
22,780					Materials and Supplies			
1,748 ^S	332	2,454	27,314	27,314		22,576	23,021	23,021
548	69	74	691	691	Services Other Than Personal (c)			
					Maintenance and Fixed Charges			
						559	559	559
Special Purpose:								
---	43	1,604	1,647	1,569	Law Guardian Expansion			
					Required for DYFS Caseload Increase (b)			
					57	1,601	1,601	1,601
4,836	30	-173	4,693	4,383	Continuous Representation - Title 9 to Title 30			
199	5	-35	169	168	57	5,106	5,106	5,106
1,877	20	150	2,047	2,040	57	218	175	175
					Law Guardian - Kinship Guardianship			
					57	2,127	2,127	2,127
---	---	58	58	36	Safer Cities Initiative			
8,900	295	-2,721	6,474	6,283	57	---	---	---
					Law Guardian - Child Welfare Reform			
					57	9,325	8,728	8,728
4,618					Parental Representation Unit - Child Welfare Reform (c)			
23 ^S	78	1,904	6,623	6,623	57	8,305	8,207	8,207
---	22	13	35	25	Community Assistance Program			
					57	---	---	---
64	---	---	64	64	Affirmative Action and Equal Employment Opportunity			
					99	64	64	64
224	11	121	356	335	Additions, Improvements and Equipment			
						224	224	224
103,529	975	3,250	107,754	107,074	<i>Grand Total State Appropriation</i>			
						112,017	110,510	110,510
OTHER RELATED APPROPRIATIONS								
Federal Funds								
---	138	76	214	188	Trial Services to Indigents and Special Programs			
					57	---	---	---
---	138	76	214	188	<i>Total Federal Funds</i>			
103,529	1,113	3,326	107,968	107,262		---	---	---
					<i>GRAND TOTAL ALL FUNDS</i>			
						112,017	110,510	110,510

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.
- (b) In fiscal 2008, appropriation of \$1,950,000 for costs related to the federal court-ordered Department of Children and Families caseload increase was reallocated from the Department of Children and Families.
- (c) The fiscal year 2007 appropriation reflects a one-time accrual adjustment.

Language Recommendations -- Direct State Services - General Fund

Sums provided for legal and investigative services are available for payment of obligations applicable to prior fiscal years.

In addition to the amount hereinabove appropriated for the operation of the Office of the Public Defender there are appropriated additional sums as may be required for Trial and Appellate services to indigents, the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, no State funds are appropriated to fund the expenses associated with the legal representation of persons before the State Parole Board or the Parole Bureau.

Lawsuit settlements and legal costs awarded by any court to the Office of the Public Defender are appropriated for the expenses associated with the representation of indigent clients.

The amount hereinabove appropriated to the Office of the Public Defender is available for expenses associated with pool attorneys hired by the Office of the Public Defender for the representation of indigent clients.

80. SPECIAL GOVERNMENT SERVICES
82. PROTECTION OF CITIZENS' RIGHTS
2048. STATE LEGAL SERVICES OFFICE

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID								
Distribution by Fund and Program								
16,400	---	---	16,400	16,400				
					Trial Services to Indigents and Special Programs	57	16,400	16,400
<u>16,400</u>	<u>---</u>	<u>---</u>	<u>16,400</u>	<u>16,400</u>	Total Grants-in-Aid		<u>16,400</u>	<u>16,400</u>
Distribution by Fund and Object								
Grants:								
8,400	---	---	8,400	8,400	State Legal Services Office	57	8,400	8,400
<u>8,000</u>	<u>---</u>	<u>---</u>	<u>8,000</u>	<u>8,000</u>	Legal Services of New Jersey - Legal Assistance in Civil Matters P.L.1996, c.52	57	<u>8,000</u>	<u>8,000</u>
<u>16,400</u>	<u>---</u>	<u>---</u>	<u>16,400</u>	<u>16,400</u>	Grand Total State Appropriation		<u>16,400</u>	<u>16,400</u>
OTHER RELATED APPROPRIATIONS								
Federal Funds								
<u>1,228</u>	<u>---</u>	<u>---</u>	<u>1,228</u>	<u>1,228</u>	Trial Services to Indigents and Special Programs	57	<u>1,228</u>	<u>1,228</u>
<u>1,228</u>	<u>---</u>	<u>---</u>	<u>1,228</u>	<u>1,228</u>	Total Federal Funds		<u>1,228</u>	<u>1,228</u>
<u>17,628</u>	<u>---</u>	<u>---</u>	<u>17,628</u>	<u>17,628</u>	GRAND TOTAL ALL FUNDS		<u>17,628</u>	<u>17,628</u>

Language Recommendations -- Grants-In-Aid - General Fund

Receipts in excess of the amount hereinabove appropriated for Legal Services of New Jersey - Legal Assistance in Civil Matters, P.L.1996, c.52, are appropriated for the same purposes, subject to the approval of the Director of the Division of Budget and Accounting.

MISCELLANEOUS COMMISSIONS
OVERVIEW

Mission and Goals

Miscellaneous Commissions are agencies with missions that extend beyond a single department within the State. This summary of Miscellaneous Commissions concerns only those that receive State funds. In some instances, they may extend to one or more states, and were created as an interstate-federal compact. Compacts take effect upon Congressional approval of identical State laws in each participating state. For example, an interstate commission operates in conjunction with executive departments in several states, with each member state exercising equal power in the decision making process. Such compacts are necessary, as an action taken by one state frequently has ramifications in another state.

While compacts are created to allow commissions to offer a variety of functions, such as the Port Authority of New York and New Jersey, the services of the Miscellaneous Commissions described here are provided in two distinct areas: science and technical programs and governmental review. The Delaware River Basin Commission and the Interstate Environmental Commission are engaged in science and technology programs, and governmental review activities are conducted by the Council on Local Mandates.

Budget Highlights

The Fiscal 2009 Budget for Miscellaneous Commissions totals \$1.5 million, the same level as the fiscal 2008 adjusted appropriation.

Delaware River Basin Commission

This Commission, under the Delaware River Basin Compact, operates as a regional agency for the planning, conservation, utilization, development, management, and control of water and related natural resources of the Delaware River Basin. The Compact includes Delaware, New Jersey, New York, the Commonwealth of Pennsylvania, and the federal government. Each year the Commission proposes a water resources program to be undertaken in conjunction with other governmental and private agencies, organizations, and individuals over a six-year period, or another reasonable, specified time period. The Commission is empowered to allocate the waters of the Basin to and among the states and their respective political subdivisions, and to impose related conditions, obligations, and release requirements, subject to certain limitations. Also, it is empowered to acquire, operate, and control projects and facilities for the storage and release of waters, and may assess water users for any imposed costs. The Commission may conduct

investigations and surveys, and design, acquire, construct, operate, and maintain projects and facilities for the purposes of controlling potential pollution, abating existing pollution, and reducing flood damage. Additionally, it has the power to restrict the use of property within areas of the flood plain in order to minimize flood hazards.

The Commission provides for the development of water-related public sports and recreational facilities through the construction, maintenance, and administration of such facilities. It may develop and operate, or authorize to be developed and operated, dams and related facilities and equipment for the purpose of generating hydroelectric power. The fiscal 2009 recommendation represents New Jersey's share of the Commission's budget.

Interstate Environmental Commission

The Commission is an agency created by the states of New Jersey, New York, and Connecticut through enabling legislation and a tri-state compact. The Commission plans and coordinates activities designed to abate water pollution in waterways common to the three states. It establishes rules, regulations, and orders related to its purpose and may rely on the courts for enforcement, if required. In addition, the Commission is the official planning and coordinating agency for the New Jersey, New York, and Connecticut air quality control region, though it does not have air pollution abatement enforcement powers. The Commission's program plan is designed to provide an effective coordinated approach to regional environmental problems. The Commission conducts research, testing, and development, and disseminates data to other public and private organizations or agencies. It does sampling to track sources of air pollutants and refers complaints, with data necessary to support corrective action, to the appropriate agency or agencies of the states. The fiscal 2009 recommendation reflects New Jersey's contribution to the Commission's total operating budget.

Council On Local Mandates

The nine-member Council was created by P.L. 1996, c.24, to implement a constitutional amendment approved by New Jersey voters in the 1995 general election. The Council reviews complaints filed by counties, municipalities or school districts, or by a county executive or elected mayor, and issues written rulings on whether a statute, rule, or regulation constitutes an impermissible, unfunded State mandate.

MISCELLANEOUS COMMISSIONS
SUMMARY OF APPROPRIATIONS BY FUND
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND							
1,407	7	11	1,425	1,424	1,456	1,456	1,456
---	2	---	2	---	---	---	---
1,407	9	11	1,427	1,424	1,456	1,456	1,456
1,407	9	11	1,427	1,424	1,456	1,456	1,456
Total Appropriation, Miscellaneous Commissions					1,456	1,456	1,456

MISCELLANEOUS COMMISSIONS

SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES - GENERAL FUND								
Science and Technical Programs								
857	---	---	857	857	893	893	893	
383	---	---	383	383	383	383	383	
<u>1,240</u>	<u>---</u>	<u>---</u>	<u>1,240</u>	<u>1,240</u>	<u>1,276</u>	<u>1,276</u>	<u>1,276</u>	
Governmental Review and Oversight								
167	7	11	185	184	180	180	180	
<u>167</u>	<u>7</u>	<u>11</u>	<u>185</u>	<u>184</u>	<u>180</u>	<u>180</u>	<u>180</u>	
<u>1,407</u>	<u>7</u>	<u>11</u>	<u>1,425</u>	<u>1,424</u>	<u>1,456</u>	<u>1,456</u>	<u>1,456</u>	
<u>1,407</u>	<u>7</u>	<u>11</u>	<u>1,425</u>	<u>1,424</u>	<u>1,456</u>	<u>1,456</u>	<u>1,456</u>	
CAPITAL CONSTRUCTION								
Science and Technical Programs								
---	2	---	2	---	---	---	---	
<u>---</u>	<u>2</u>	<u>---</u>	<u>2</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	
<u>---</u>	<u>2</u>	<u>---</u>	<u>2</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	
<u>1,407</u>	<u>9</u>	<u>11</u>	<u>1,427</u>	<u>1,424</u>	<u>1,456</u>	<u>1,456</u>	<u>1,456</u>	
Total Appropriation,					Miscellaneous Commissions			

40. COMMUNITY DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT

43. SCIENCE AND TECHNICAL PROGRAMS

9130. INTERSTATE ENVIRONMENTAL COMMISSION

OBJECTIVES

1. To restore to usefulness, within a reasonable time and in an economical manner, areas of the Interstate Environmental Commission District which are presently blighted from water pollution.
2. To plan and coordinate activities to control and prevent air pollution in the region through the development of compatible standards and implementation plans.

PROGRAM CLASSIFICATIONS

03. **Interstate Environmental Commission.** The Interstate Environmental Commission is a tri-state agency created by the states of New Jersey, New York and Connecticut through enabling legislation and a tri-state compact (N.J.S.A. 32:18-1 et seq. and N.J.S.A. 32:19-1 et seq.) The Interstate Environmental Commission District extends approximately from Sandy Hook on the New Jersey coast to include all of New York Harbor, north on the Hudson River to the northerly

boundaries of Westchester and Rockland counties, easterly into Long Island Sound to the New Haven, Connecticut shore, to Port Jefferson on the north shore of Long Island, and along the south shore of Long Island extending easterly to Fire Island Inlet. The Commission makes rules, regulations and orders for the abatement of water pollution and may resort to the courts for enforcement. The Commission's program plan for water pollution abatement is designed to provide assistance in an effective coordinated approach to regional problems. The Commission is also the official planning and coordinating agency for the New Jersey-New York-Connecticut air quality control region, though it does not have air pollution abatement enforcement powers. The Commission conducts studies; undertakes research, testing and development; gathers and disseminates data to other public and private organizations or agencies; does sampling to track sources of air pollutants; and refers complaints to an appropriate agency or agencies of the states, along with data necessary to take corrective action.

MISCELLANEOUS COMMISSIONS

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES									
Distribution by Fund and Program									
383	---	---	383	383	Interstate Environmental Commission	03	383	383	383
383	---	---	383	383	Total Direct State Services		383	383	383
Distribution by Fund and Object									
Special Purpose:									
383	---	---	383	383	Expenses of the Commission	03	383	383	383
383	---	---	383	383	Grand Total State Appropriation		383	383	383

40. COMMUNITY DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT

43. SCIENCE AND TECHNICAL PROGRAMS

9140. DELAWARE RIVER BASIN COMMISSION

OBJECTIVES

1. To establish standards of planning, design and operation of water resources projects and facilities in the Basin.
2. To conduct and sponsor research on water resources.
3. To coordinate the activities and programs of federal, state, municipal and private agencies concerned with water resources administration.
4. To improve environmental quality within the Basin.

PROGRAM CLASSIFICATIONS

02. **Delaware River Basin Commission.** This Commission, under the Delaware River Basin Compact (N.J.S.A. 32:11D-1 et seq.), cooperates as a regional agency for the planning, conservation, utilization, development, management and control of water and related natural resources of the Delaware River Basin. The Compact includes the states of Delaware, New Jersey, New York, the Commonwealth of Pennsylvania and the federal government. Each year the Commission adopts a water resources program which it proposes be undertaken by the Commission and other governmental and private agencies, organizations and persons during the

ensuing six years or such other reasonable period. The Commission is empowered to allocate the waters of the Basin to and among the states and their respective political subdivisions, and to impose conditions, obligations and release requirements related thereto, subject to certain limitations. It is also empowered to acquire, operate and control projects and facilities for the storage and release of waters and may assess the cost thereof upon water users. The Commission may undertake investigations and surveys, and acquire and construct, operate and maintain projects and facilities to control potential pollution and abate existing pollution. The Commission may plan, design, construct and operate and maintain projects and facilities for flood damage reduction and has the power to restrict the use of property within the area of a flood plain so as to minimize the flood hazard. The Commission provides for the development of water-related public sports and recreational facilities through the construction, maintenance and administration of such facilities. The Commission may develop and operate, or authorize to be developed and operated, dams and related facilities and appurtenances for the purpose of generating hydroelectric power. The appropriation recommended below represents New Jersey's share of the Commission's budget.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES									
Distribution by Fund and Program									
857	---	---	857	857	Delaware River Basin Commission	02	893	893	893
857	---	---	857	857	Total Direct State Services		893	893	893
Distribution by Fund and Object									
Special Purpose:									
857	---	---	857	857	Expenses of the Commission	02	893	893	893

MISCELLANEOUS COMMISSIONS

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
CAPITAL CONSTRUCTION								
Distribution by Fund and Program								
---	2	---	2	---	Delaware River Basin Commission	02	---	---
---	2	---	2	---	Total Capital Construction		---	---
Distribution by Fund and Object								
Delaware River Basin Commission								
---	2	---	2	---	Amortization Costs of Multipurpose Dams	02	---	---
857	2	---	859	857	Grand Total State Appropriation		893	893

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

72. GOVERNMENTAL REVIEW AND OVERSIGHT

9148. COUNCIL ON LOCAL MANDATES

OBJECTIVES

- To resolve disputes as to whether a statute, rule or regulation constitutes an unfunded State mandate.

PROGRAM CLASSIFICATIONS

- Council On Local Mandates.** The nine-member Council was created by P.L. 1996, c.24 to implement the constitutional

amendment approved by New Jersey voters in the 1995 general election. The Council reviews and issues written rulings on whether a statute, rule, or regulation constitutes an impermissible, unfunded State mandate. Complaints may be filed by a county, municipality or school district, or by a county executive or directly elected mayor.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	2	2	2	2
Total Positions	2	2	2	2
Filled Positions by Program Class				
Council on Local Mandates	2	2	2	2
Total Positions	2	2	2	2

Notes:

Actual payroll counts reported for fiscal years 2006 and 2007 as of December and revised fiscal 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
167	7	11	185	184	Council On Local Mandates	92	180	180
167	7	11	185	184	Total Direct State Services		180 (a)	180
Distribution by Fund and Object								
Special Purpose:								
167	7	11	185	184	Council On Local Mandates	92	180	180
167	7	11	185	184	Grand Total State Appropriation		180	180

Notes -- Direct State Services - General Fund

(a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

The unexpended balance at the end of the preceding fiscal year in this account is appropriated.

**INTERDEPARTMENTAL ACCOUNTS
OVERVIEW****Mission and Goals**

The Interdepartmental Accounts provide funds for the cost of certain services that are administered centrally on behalf of all agencies of State government. The budget for Statewide Capital is discussed in the Capital and Debt Service section.

Budget Highlights

Funding for the Interdepartmental Accounts in the Fiscal 2009 Budget totals \$3.307 billion, an increase of \$20.2 million or 0.6% over the fiscal 2008 adjusted appropriation of \$3.287 billion. This reflects the impact on centrally budgeted amounts for salary and fringe costs of savings related to employee actions such as an Early Retirement Incentive (ERI) program, attrition, and targeted layoffs. It also assumes \$25 million in savings from procurement efficiencies. (The specific highlights are outlined in their respective sections below.)

Salary Increases

The State of New Jersey currently employs approximately 78,000 full-time workers. A proposed ERI program, attrition, and targeted layoffs will result in the reduction of approximately 3,000 employees. The State is covered by the New Jersey Public Employer-Employee Relations Act, as amended, N.J.S.A. 34:13A-1, et seq. This Act guarantees public employees the right to negotiate collectively, through employee organizations certified or recognized as the exclusive collective negotiation representatives for units of public employees. As of January 2008, unions represented 71,600 full-time State employees, or approximately 92% of the total work force.

In fiscal 2009, \$18.9 million is recommended for Salary Increases and Other Benefits, to cover fiscal 2009 employee increments and cost-of-living adjustments (COLA) for all eligible State employees. Savings from the ERI that will be achieved in the agency budgets will be utilized to offset these costs. Additionally, \$38.5 million in funding is included for senior public higher education institutions' employee salary increases.

In addition to salary increases, this section of the Budget provides \$34.4 million for payment of unused accumulated sick leave in accordance with N.J.A.C. 4A:6-3.1 et seq. Employees are permitted to accumulate earned sick days. Upon retirement, retirees are paid for any unused sick days, at 50% of the normal pay rate, up to a maximum amount of \$15,000. The fiscal 2009 increase of \$20.5 million represents the projected additional need under the ERI program.

Employee Contract Status

Unions representing approximately 66% of State employees, including CWA (Communications Workers of America), AFSCME (American Federation of State, County, and Municipal Employees), and IFPTE (International Federation of Professional and Technical Engineers) will receive a 3% cost-of-living (COLA) increase for fiscal 2009 effective July 1, 2008. Negotiations continue with unions representing corrections and non-corrections law enforcement officers employed by the State. Contracts with unions representing Judicial and the State Police employees will expire June 30, 2008.

Employee Fringe Benefits

For fiscal 2009, a total cost of almost \$1.769 billion is budgeted to provide fringe benefits to employees of State government, an increase of \$13.3 million, or nearly 1%, as compared to fiscal 2008. The fiscal 2009 recommendation for higher education's senior public institutions is \$768.5 million, an increase of \$23 million, or 3% compared to fiscal 2008. This reflects savings from the deferral of growth in pension costs, employee actions, and changes in the State Health Benefits Program.

Employee Retirement

All State employees, and most employees of counties, municipalities, and school districts, are members of one of the seven State retirement systems: Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF), Police and Firemen's Retirement System (PFRS), Consolidated Police and Firemen's Pension Fund, State Police Retirement System (SPRS), Judicial Retirement System (JRS), and Prison Officer's Pension Fund (POPF). The law provides that all defined benefit pension plans are subject to actuarial valuation every year and actuarial experience studies every three years.

The Fiscal 2009 Budget provides flat funding for the five defined pension plans. The recommended amount for State and higher education employee pensions in the Fiscal 2009 Budget totals \$865.6 million, including \$355 million of post retirement medical costs. The recommended appropriation for debt service payments on the pension obligation bonds for State and higher education employees is \$88.5 million in fiscal 2009. The Budget includes establishment of a special reserve for capital projects and the reduction of long term liabilities such as state debt, pensions, and post retirement medical benefits, of which \$300 million will be used for funding of the ERI pension liability in fiscal 2009.

Employee Health Benefits

The projected cost for health benefits, including medical, prescription drug, dental, and vision, for State and higher education employees in fiscal 2009 is \$1.010 billion, a \$1.2 million increase in comparison to fiscal 2008. The fiscal 2009 growth for health benefits is offset by estimated savings from employee related actions and considers the impact of the replacement of the Traditional and NJ PLUS plans by the new preferred provider organization (PPO) that is expected to be operational by April 1, 2008.

Employer Payroll Taxes

The fiscal 2009 recommendation of \$572.9 million for employer payroll taxes represents an increase of \$2.7 million over fiscal 2008. The recommendation includes \$542.2 million of employer Social Security tax, \$17.8 million for Temporary Disability Insurance (TDI), and \$12.8 million for Unemployment Insurance (UI) liability. In fiscal 2009, growth in employer payroll taxes is contained mainly due to estimated fringe savings from the ERI Program and other employee related actions.

Other Interdepartmental Accounts

Funding for Other Interdepartmental Accounts in the Fiscal 2009 Budget totals \$4.1 million, a decrease of \$10 million, or 71%, from the fiscal 2008 adjusted appropriation of \$14.1 million.

In Direct State Services (DSS), some of the major items funded in fiscal 2009 are: \$1.1 million for debt issuance - special purposes, \$1 million for interest on interfund borrowing, and \$2 million on several smaller programs.

Aid To Independent Authorities

The Fiscal 2009 Budget recommends \$137.8 million for Aid to Independent Authorities, a decrease of \$17.5 million, or 11.3% less than the fiscal 2008 adjusted appropriation of \$155.3 million. This supports the New Jersey Sports and Exposition Authority, Business Employment Incentive Program debt service, New Jersey Performing Arts Center, Municipal Rehabilitation and Economic Recovery, and other authorities.

Property Rentals

Funding for Property Rentals in the Fiscal 2009 Budget totals \$150.5 million, a decrease of \$26.9 million from the previous year. Of these savings, \$25.0 million is attributable to savings from procurement efficiencies to be implemented across all departments. The Property Rentals account supports existing and anticipated leases of offices

INTERDEPARTMENTAL ACCOUNTS

and other facilities used by State agencies (\$118.8 million), payments for debt service leases and payments in lieu of property taxes on facilities occupied by State agencies (\$33.7 million), and debt service payments for Ancora Psychiatric Hospital, fire sprinkler systems and office furnishings (\$5.9 million). This account also includes \$17.1 million for debt service payments associated with the State's lease-purchase of facilities acquired or built by the Economic Development Authority. In fiscal 2009, a number of leases will be terminated or renegotiated, saving \$3.3 million. These savings are attributable to the elimination of vacant space that has occurred as a result of workforce attrition and other employee actions.

Insurance and Other Services

The Insurance and Other Services account includes insurance premiums for property, casualty, and special insurance policies for coverage against loss to State-owned real property, boilers and other machinery, and fine art objects owned by the State. This account also provides self-insurance funds for various claims against the State, including tort claims for personal injury or property damage,

workers' compensation for State employees, vehicle liability claims for property damage and injury resulting from the operation of State vehicles, and claims arising from the Foster Parents Program and the UMDNJ Self-Insurance Reserve Fund. Funding for Insurance and Other Services in the Fiscal 2009 Budget totals \$110.9 million, a decrease of \$582,000 from the fiscal 2008 adjusted appropriation of \$111.5 million. The decrease is primarily due to lower policy premiums, which reflect a soft insurance market.

Utilities and Other Services

The Utilities and Other Services account provides funding for the heating, electrical, security, and janitorial needs of various State-owned buildings, primarily in the Capitol Complex, that house the State workforce. This account also includes funding for State departments that are severely impacted by increases in fuel and utility costs. Funding of \$65.8 million for Utilities and Other Services in the Fiscal 2009 Budget is \$326,000 less than the previous year's adjusted appropriation of \$66.2 million, primarily due to increased reimbursements from non-State funded agencies.

INTERDEPARTMENTAL ACCOUNTS SUMMARY OF APPROPRIATIONS BY FUND (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND							
2,144,963	64,671	-64,924	2,144,710	2,006,862	Direct State Services	2,138,643	2,153,528
896,843	14,659	-13,022	898,480	882,851	Grants-In-Aid	900,773	944,795
202,772	43,721	10,593	257,086	208,735	Capital Construction	247,137	208,418
3,244,578	123,051	-67,353	3,300,276	3,098,448	Total General Fund	3,286,553	3,306,741
3,244,578	123,051	-67,353	3,300,276	3,098,448	Total Appropriation, Interdepartmental Accounts	3,286,553	3,306,741

SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES - GENERAL FUND							
General Government Services							
155,490	4,988	10,700	171,178	169,689	Property Rentals	177,431	150,477
120,711	2,832	---	123,543	121,678	Insurance and Other Services	111,489	110,907
1,647,708	8,000	34,924	1,690,632	1,620,735	Employee Benefits	1,755,524	1,768,831
36,278	695	34,196	71,169	45,508	Other Interdepartmental Accounts	14,143	4,175
118,860	47,232	-124,931	41,161	10,488	Salary Increases and Other Benefits	13,900	53,308
65,916	924	-19,813	47,027	38,764	Utilities and Other Services	66,156	65,830
2,144,963	64,671	-64,924	2,144,710	2,006,862	Subtotal	2,138,643	2,153,528
2,144,963	64,671	-64,924	2,144,710	2,006,862	Total Direct State Services - General Fund	2,138,643	2,153,528
2,144,963	64,671	-64,924	2,144,710	2,006,862	TOTAL DIRECT STATE SERVICES	2,138,643	2,153,528
GRANTS-IN-AID - GENERAL FUND							
General Government Services							
760,407	2,800	-13,032	750,175	736,677	Employee Benefits	745,469	768,514
---	11,189	10	11,199	10,838	Other Interdepartmental Accounts	---	---
---	---	---	---	---	Salary Increases and Other Benefits	---	38,485

INTERDEPARTMENTAL ACCOUNTS

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
136,436	670	---	137,106	135,336	Aid to Independent Authorities	155,304	137,796	137,796
896,843	14,659	-13,022	898,480	882,851	Subtotal	900,773	944,795	944,795
896,843	14,659	-13,022	898,480	882,851	Total Grants- In- Aid - General Fund	900,773	944,795	944,795
896,843	14,659	-13,022	898,480	882,851	TOTAL GRANTS- IN- AID	900,773	944,795	944,795
					CAPITAL CONSTRUCTION			
					General Government Services			
202,772	43,721	10,593	257,086	208,735	Capital Projects - Statewide	247,137	208,418	208,418
202,772	43,721	10,593	257,086	208,735	Subtotal	247,137	208,418	208,418
202,772	43,721	10,593	257,086	208,735	TOTAL CAPITAL CONSTRUCTION	247,137	208,418	208,418
3,244,578	123,051	-67,353	3,300,276	3,098,448	Total Appropriation, Interdepartmental Accounts	3,286,553	3,306,741	3,306,741

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

74. GENERAL GOVERNMENT SERVICES

OBJECTIVES

1. To provide pooled funds for the costs of certain services which are managed centrally for or on behalf of all agencies of State government.
2. To provide pooled contingency reserve funds to cover certain emergency situations and probable cost increases for various utilities and common services which cannot be predicted with reasonable certainty.
3. To provide pooled funds for salary adjustments and other salary and compensation benefits for State employees.

PROGRAM CLASSIFICATIONS

01. **Property Rentals.** Provides for payment by the Department of the Treasury of rents for office space and other premises for State agencies, whose operations are financed from General Fund appropriations. This account also functions as a clearing account for payment of rents for agencies financed from other than General Fund sources, which amounts are shown as a deduction from the gross rent recommendation.
02. **Insurance and Other Services.** Provides funds to pay all central insurance premium costs and to cover the State's tort liability and its statutory duty to indemnify its employees for adverse judgments in all instances where the State is self-insured. This account also provides the self-insurance funds to pay losses which fall within the deductible areas of property insurance coverage and other insurance claims.
03. **Employee Benefits.** Provides funds for the following classes of employees: (1) Heath Act pensioners (RS 43:5-1 et seq.), consisting of persons employed by the State as of January, 1921; (2) Veterans' Act pensioners (RS 43:4-1 et seq.); (3) Miscellaneous Special Pension Acts, in accordance with various State laws authorizing payments to designated individuals; (4) Annuity for Widows of Governors (RS 43:8-2); (5) Judicial pensioners (C43:6-6.4 et seq.); (6) Prison officers (C43:7-7 et seq.); (7) Public Employees

(C43:15A-1 et seq.), whose funds are administered by a board of nine trustees, including municipal and county representation, two appointees of the Governor, and the State Treasurer; (8) State Police (C53:5A-1 et seq.), whose funds are administered by a board of five trustees including two active members of the system, two appointees of the Governor, and the State Treasurer, ex officio; (9) State and local members of the Police and Firemen's Retirement System (C43:16A-1 et seq.), whose funds are administered by a board of eleven trustees, including four active members, one retired member, five appointees of the Governor, and one representative from the State Treasurer's Office; (10) and the pension and non-contributory group life insurance payments to be made by the State on behalf of those members of the Teachers' Pension and Annuity Fund, not employees of school districts, employed by the State Department of Education, and by the public institutions of higher education in the State. Funds are also provided for the payments for non-contributory group life insurance covering employees of the State and other participating employers in the retirement system (C43:15A-1 et seq.); the State's share of Social Security Tax (C43:22-1 et seq.); Pension Adjustment Act (C3:3B-1 et seq.) providing increases in benefits payable to members of State retirement systems; and the employer's share of health benefits charges for State employees enrolled in the State Health Benefits Program. Under C52:14-17.25 et seq., the administration of this program was transferred to the Division of Pensions and Benefits.

The Alternate Benefit Program was established (NJS 18A:64C-11.1, NJS 18A:65-74 and C18A:66-130) for faculty and staff members at the University of Medicine and Dentistry of New Jersey; Rutgers, The State University; the New Jersey Institute of Technology; and the State colleges and universities. The employer contribution to this retirement program is included in this budget.

INTERDEPARTMENTAL ACCOUNTS

The State Employee Health Benefits Program (C52:14-17.25 et seq.) provides health insurance for employees and their dependents, including those employed by State colleges and universities, through a preferred provider organization or health maintenance organization. Most full time State employees are required to contribute 1.5% of their salary as a health contribution for coverage in the Program.

The Division of Pensions and Benefits coordinates the funding for payment of temporary disability insurance benefits to State employees (C43:21-46). Temporary cash benefits are provided to eligible State employees covered under Federal law to insure against loss of earnings due to non-occupational sickness or accident.

All individuals in the employ of the State of New Jersey or an instrumentality of the State, with respect to service performed after December 31, 1971 for a hospital or institution of higher education, are covered under the Unemployment Compensation Law (RS 43:21-1 et seq., as amended by P.L. 1971, c. 346). Any political subdivision of the State may elect to cover individuals employed by the subdivision in all of the hospitals and institutions of higher education operated by that political subdivision. Benefits paid based on wages earned in the employ of the State or of a political subdivision are financed by payments in lieu of employer contributions to the Unemployment Compensation Fund. All covered State employees are required to contribute each year to the Fund in accordance with the established rate. Benefits under the unemployment compensation program are payable in accordance with the provisions of the Unemployment Compensation Law.

The New Jersey State Prescription Drug Program (C52:14-17.29) helps meet the cost of drugs prescribed for eligible employees and their dependents for use outside of hospitals, nursing homes or other institutions. Included are those drugs which, as required by Federal law, can be dispensed only upon a written prescription order by a physician. The program covers the full cost of a prescription drug dispensed by a licensed participating retail pharmacy or

mail order service, less a co-payment charge for each eligible prescription and prescription refill. The co-payment charge is dependent upon whether the employee chooses a prescription which is generic, brand-named, or a brand-named drug with a generic equivalent. Most full time State employees are required to contribute 1.5% of their salary as a health contribution for coverage in the Program.

04. **Other Interdepartmental Accounts.** Provides funds for allotment by the Director of the Division of Budget and Accounting to various departments or agencies of State government for meeting emergency conditions, and for a number of other contingencies which cannot be predicted with sufficient certainty to be included within the budget recommendations of individual departments or agencies. Included are the Governor's Emergency Fund, the premium portion of required payments for short term notes, seed money to implement cost saving processes, and other productivity improvements as appropriate.
05. **Salary Increases and Other Benefits.** Includes funds to be allotted to the various State departments or agencies for the cost of general and special salary adjustments and unused accumulated sick leave.
06. **Utilities and Other Services.** Provides for payment of fuel, utilities, janitorial services, and trash removal for State-owned and lease-purchase facilities primarily in the Capitol district, as well as some fuel and utility costs for State departments.
08. **Capital Projects - Statewide.** Provides for statewide programs and capital projects administered by the Department of Treasury on behalf of state agencies. Statewide programs include the removal of underground storage tanks, hazardous material removal and Americans with Disabilities Act compliance. Also, included is funding for the purchase of open space through the Garden State Preservation Trust Fund.
09. **Aid to Independent Authorities.** Provides for payments to independent authorities for operating expenses and construction costs of cultural and sports-related facilities and for the location and development of businesses in New Jersey.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Distribution by Fund and Organization								
238,843	4,988	10,700	254,531	253,042		257,487	263,305	263,305
120,711	2,832	---	123,543	121,678		111,489	110,907	110,907
65,916	924	-19,813	47,027	38,764		66,156	65,830	65,830
Distribution by Fund and Program								
238,843	4,988	10,700	254,531	253,042	01	257,487	263,305	263,305
120,711	2,832	---	123,543	121,678	02	111,489	110,907	110,907
65,916	924	-19,813	47,027	38,764	06	66,156	65,830	65,830
425,470	8,744	-9,113	425,101	413,484		435,132	440,042	440,042
Less:								
(83,353)	---	---	(83,353)	(83,353)				
---	---	---	---	---		(80,056)	(87,828)	(87,828)
(83,353)	---	---	(83,353)	(83,353)		---	(25,000)	(25,000)
						(80,056)	(112,828)	(112,828)
342,117	8,744	-9,113	341,748	330,131		355,076	327,214	327,214

INTERDEPARTMENTAL ACCOUNTS

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Object									
Property Rentals									
196,495									
5,000 ^S	3,588	10,385	215,468	214,285	Existing and Anticipated Leases	01	202,269		
							10,000 ^S	206,656	206,656
17,051	---	---	17,051	16,745	Economic Development Authority	01	17,096	17,114	17,114
19,015	---	---	19,015	19,015	Other Debt Service Leases and Tax Payments	01	23,590	33,679	33,679
237,561	3,588	10,385	251,534	250,045	Subtotal Appropriation (Gross)		252,955	257,449	257,449
Less:									
(83,353)	---	---	(83,353)	(83,353)	Total Deductions		(80,056)	(112,828)	(112,828)
154,208	3,588	10,385	168,181	166,692	Subtotal Appropriation (Net)		172,899	144,621	144,621
1,282	1,400	315	2,997	2,997	Additions, Improvements and Equipment		4,532	5,856	5,856
Insurance and Other Services									
17,500					Tort Claims Liability Fund (C59:12-1)	02	15,000	15,000	15,000
7,000 ^S	---	---	24,500	24,500					
64,700	720	1,532	69,452	68,481	Workers' Compensation Self-Insurance Fund	02	64,700	67,700	67,700
2,500 ^S							3,000 ^S		
3,636	---	444	4,080	4,080	Property Insurance Premium Payments	02	4,283	3,796	3,796
2,030	---	-1,404	626	626	Casualty Insurance Premium Payments	02	1,101	1,010	1,010
220	---	45	265	264	Special Insurance Policy Premium Payment	02	280	276	276
18,000	---	---	18,000	18,000	UMDNJ Self-Insurance Reserve Fund	02	18,000	18,000	18,000
1,500									
2,000 ^S	---	305	3,805	3,805	Vehicle Claims Liability Fund	02	3,500	3,500	3,500
1,500	2,112	-805	2,807	1,914	Self-Insurance Deductible Fund	02	1,500	1,500	1,500
125	---	-117	8	8	Self-Insurance Fund - Foster Parents	02	125	125	125
Utilities and Other Services									
57,677	59 814 ^R	-19,813	38,737	30,544	Fuel and Utilities	06	39,687		
							17,000 ^S	59,387	59,387
8,239	51	---	8,290	8,220	Household and Security	06	9,469	6,443	6,443
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
136,436	670	---	137,106	135,336	Aid to Independent Authorities	09	155,304	137,796	137,796
136,436	670	---	137,106	135,336	Total Grants-in-Aid		155,304	137,796	137,796
Distribution by Fund and Object									
Grants:									
5,557	---	---	5,557	5,541	New Jersey Performing Arts Center, EDA	09	5,558	5,558	5,558
48,443	670	---	49,113	47,934	Business Employment Incentive Program, EDA-Debt Service	09	50,126	40,514	40,514
							2,011 ^S		
1,213	---	---	1,213	1,176	Liberty Science Center, EDA	09	8,081	7,017	7,017
14,129	---	---	14,129	14,113	Municipal Rehabilitation and Economic Recovery-EDA	09	14,125	14,126	14,126
625	---	---	625	625	Camden Children's Garden	09	625	625	625
7,665	---	---	7,665	7,649	Designated Industries Economic Growth & Development-EDA	09	7,663	7,591	7,591

INTERDEPARTMENTAL ACCOUNTS

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
GRANTS-IN-AID									
29,121	---	---	35,751	35,245	NJSEA Sports Complex	09	38,598	39,312	39,312
6,630 ^S	---	---					5,464 ^S		
15,440	---	---	15,440	15,440	NJSEA Atlantic City Projects	09	15,440	15,440	15,440
2,818	---	---	2,818	2,818	NJSEA Higher Education and Other Projects	09	2,818	2,818	2,818
4,795	---	---	4,795	4,795	NJSEA Wildwood Convention Center	09	4,795	4,795	4,795
CAPITAL CONSTRUCTION									
Distribution by Fund and Program									
202,772	43,721	10,593	257,086	208,735	Capital Projects - Statewide	08	247,137	208,418	208,418
202,772	43,721	10,593	257,086	208,735	Total Capital Construction		247,137	208,418	208,418
Distribution by Fund and Object									
Statewide Capital Projects									
---	2,705	597	3,302	1,826	Capital Improvements, Capitol Complex	08	---	---	---
---	15,245	13,548	28,793	7,104	Statewide Fire, Life Safety and Renovation Projects ^(a)	08	---	---	---
---	1,032	---	1,032	622	Fire Detection/Security - Central Station Upgrade	08	---	---	---
---	922	---	922	---	DEP Building	08	---	---	---
---	330	---	330	---	Life Safety and Emergency Projects - Statewide	08	---	---	---
2,400	---	---	2,400	128	Roof Repairs - Statewide	08	7,000	---	---
1,000	2,422	---	3,422	1,426	Americans with Disabilities Act Compliance Projects - Statewide	08	1,000	---	---
---	3,633	---	3,633	2,770	Fuel Distribution Systems/Underground Storage Tank Replacements - Statewide	08	---	---	---
500	3,848	---	4,348	1,190	Hazardous Materials Removal Projects - Statewide	08	1,975	---	---
225	---	---	225	165	Fire Code Compliance	08	200	---	---
1,500	5,096	---	6,596	393	Statewide Security Projects	08	2,000	---	---
200	1	-132	69	24	Energy Efficiency Projects	08	---	---	---
New Jersey Building Authority Debt Service - General State Projects									
30,248	---	---	30,248	30,248	Southwoods State Prison	08	30,392	32,991	32,991
19,731	---	---	19,731	19,731	State House Renovations	08	21,128	21,519	21,519
11,046	---	---	11,046	11,046	Hughes Justice Complex	08	11,838	15,051	15,051
22,008	1,016	---	23,024	19,910	Other State Projects	08	23,568	21,042	21,042
					<i>Counter Terrorism Projects</i>				
					State Police Multipurpose Building/Troop "C"				
7,584	---	---	7,584	7,584	Headquarters	08	8,116	8,262	8,262
1,414	---	---	1,414	955	State Police Emergency Operations Center	08	1,525	1,553	1,553
---	1,145	---	1,145	1,145	Renovation Projects, Existing and Anticipated Leases	08	2,500	---	---
---	143	---	143	---	Complex-wide Security System Design	08	---	---	---
---	288	-288	---	---	Replace/Relocate Motor Control Center	08	---	---	---
---	---	---	---	---	Audiovisual Equipment Replacement, Thomas Edison State College	08	360	---	---

INTERDEPARTMENTAL ACCOUNTS

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
CAPITAL CONSTRUCTION								
---	181	---	181	18				
---	---	---	---	---	08	---	---	---
---	---	---	---	---	08	250	---	---
---	1,890	---	1,890	115	08	---	---	---
---	---	---	---	---	08	285	---	---
---	---	---	---	---	08	10,000	10,000	10,000
Enterprise Initiatives								
416	2,005	---	2,421	967	08	---	---	---
6,500	---	-6,500	---	---	08	---	---	---
Open Space Preservation Program								
98,000	1,819	3,368	103,187	101,368	08	98,000	98,000	98,000
---	---	---	---	---	08	25,000	---	---
681,325	53,135	1,480	735,940	674,202		757,517	673,428	673,428
OTHER RELATED APPROPRIATIONS								
Federal Funds								
---	197	---	197	197	06	---	---	---
---	197	---	197	197		---	---	---
All Other Funds								
---	---	---	---	---	06	3,500	3,500	3,500
---	7,001	---	7,001	61	08	---	---	---
---	7,001	---	7,001	61		3,500	3,500	3,500
681,325	60,333	1,480	743,138	674,460		761,017	676,928	676,928

Notes -- Capital Construction

- (a) The budget recommends \$17,000,000 be made available for Statewide Fire, Life Safety and Renovation Projects from non-State funding sources.

Language Recommendations -- Direct State Services - General Fund

The Director of the Division of Budget and Accounting is empowered to allocate to any State agency occupying space in any State-owned building equitable charges for the rental of such space to include, but not be limited to, the costs of operation and maintenance thereof, and the amounts so charged shall be credited to the General Fund; and, to the extent that such charges exceed the amounts appropriated for such purposes to any agency financed from any fund other than the General Fund, the required additional appropriation shall be made out of such other fund.

Receipts derived from direct charges and charges to non-State fund sources are appropriated for the rental of property, including the costs of operation and maintenance of such properties.

Notwithstanding the provisions of any law or regulation to the contrary, and except for leases negotiated by the Division of Property Management and Construction and subject to the approval or disapproval by the State Leasing and Space Utilization Committee pursuant to P.L. 1992, c.130 (C.52:18A-191.1 et seq.), and except as hereinafter provided, no lease for the rental of any office or building, except for legislative district offices, shall be executed without the prior written consent of the State Treasurer and the Director of the Division of Budget and Accounting. Legislative district office leases may be executed by personnel in the Office of Legislative Services so directed by the Executive Director, provided the lease complies with the Joint Rules Governing Legislative District Offices adopted by the presiding officers. Leases which do not comply with the Joint Rules Governing Legislative District Offices may be executed by personnel in the Office of Legislative District Services so directed by the Executive Director with the prior written consent of the President of the Senate and the Speaker of the General Assembly.

To the extent that sums appropriated for property rental payments are insufficient, there are appropriated such additional sums, not to exceed \$3,000,000 as may be required to pay property rental obligations, subject to the approval of the Director of the Division of Budget and Accounting.

An amount not to exceed \$2,500,000 shall be appropriated for the costs of security, maintenance, utilities and other operating expenses related to the closure of State-owned buildings, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, the Division of Property Management and Construction is empowered to renegotiate lease terms, provided that such renegotiations result in cost savings to the State for the current fiscal year

INTERDEPARTMENTAL ACCOUNTS

and for the term of the lease. Any lease amendments made as a result of these renegotiations are subject to the review and approval of the State Leasing and Space Utilization Committee.

There are appropriated such additional sums as may be required to pay for office renovations associated with the consolidation of office space, subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated such additional sums as may be required to pay debt service costs for the Greystone Park Psychiatric Hospital Project, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated for Property Rentals, there is appropriated to the Property Rentals program \$5,638,000 from the Motor Vehicle Commission for property rental charges.

Notwithstanding the provisions of any law or regulation to the contrary, the Director of the Division of Budget and Accounting shall transfer from Departmental accounts and credit to the Property Rentals account a sum of \$25,000,000 to reflect savings from implementation of procurement efficiencies. This additional sum is appropriated for Property Rentals.

The unexpended balance at the end of the preceding fiscal year in the Master Lease Program Fund is appropriated for the same purpose.

In order to permit flexibility, amounts may be transferred between various items of appropriation within the Insurance and Other Services program classification, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

There are appropriated such additional sums as may be required to pay tort claims under N.J.S. 59:12-1, as recommended by the Attorney General and as the Director of the Division of Budget and Accounting shall determine.

The funds appropriated to the Tort Claims Liability Fund are available for the payment of claims of a tortious nature, for the indemnification of pool attorneys engaged by the Public Defender for the defense of indigents, for the indemnification of designated pathologists engaged by the State Medical Examiner, and for direct costs of legal, administrative and medical services related to the investigation, mitigation and litigation of tort claims under N.J.S. 59:12-1, as recommended by the Attorney General and as the Director of the Division of Budget and Accounting shall determine.

Notwithstanding the provisions of any law or regulation to the contrary, claims paid from the Tort Claims Liability Fund on behalf of entities funded, in whole or in part, from non-State funds, may be reimbursed from such non-State fund sources as determined by the Director of the Division of Budget and Accounting.

There are appropriated such additional sums as may be required to pay claims not payable from the Tort Claims Liability Fund or payable under the New Jersey Contractual Liability Act, as recommended by the Attorney General and as the Director of the Division of Budget and Accounting shall determine. The funds appropriated are available for the payment of direct costs of legal, administrative and medical services related to the investigation, mitigation and litigation of claims not payable from the Tort Claims Liability Fund or payable under the New Jersey Contractual Liability Act, as recommended by the Attorney General and as the Director of the Division of Budget and Accounting shall determine. Notwithstanding the provisions of any law or regulation to the contrary, claims or costs paid from the monies appropriated under this paragraph on behalf of entities funded, in whole or in part from non-State funds, may be reimbursed from such non-State funds sources as determined by the Director of the Division of Budget and Accounting. Appropriations under this paragraph shall not be available to pay punitive damages and shall not be deemed a waiver of any immunity by the State.

To the extent that sums appropriated to pay Workers' Compensation claims under R.S. 34:15-1 et seq., are insufficient, there are appropriated such additional sums as may be required to pay Workers' Compensation claims, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the Workers' Compensation Self-Insurance Fund under R.S. 34:15-1 et seq. is available for the payment of direct costs of legal, investigative, administrative and medical services related to the investigation, mitigation, litigation and administration of claims against the fund, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, benefits provided to community work experience participants shall be borne by the Work First New Jersey program funded through the Department of Human Services and any costs related to administration, mitigation, litigation and investigation of claims will be reimbursed to the Division of Risk Management within the Department of the Treasury by the Work First New Jersey program funded through the Department of Human Services, subject to the approval of the Director of the Division of Budget and Accounting.

Providing that expenditures during the current fiscal year on workers' compensation claims attributable to the Departments of Human Services, Transportation, Corrections, and Law and Public Safety are less than the respective amounts expended by those departments for claims attributable to the preceding fiscal year, all or a portion of that savings is appropriated to those departments or the Division of Risk Management within the Department of the Treasury for the purpose of improving worker safety and reducing workers' compensation costs, subject to the approval of the Director of the Division of Budget and Accounting.

To the extent that sums appropriated to pay auto insurance claims are insufficient, there are appropriated such additional sums as may be required to pay auto insurance claims, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the Vehicle Claims Liability Fund is available for the payment of direct costs of legal, investigative and medical services related to the investigation, mitigation and litigation of claims against the fund.

The unexpended balance at the end of the preceding fiscal year in the Self-Insurance Deductible Fund is appropriated for the same purposes.

The amount hereinabove appropriated for the Self-Insurance Fund - Foster Parents is available for the payment of direct costs of legal, investigative and medical services related to the investigation, mitigation and litigation of claims against the fund.

The sums hereinabove appropriated are available for payment of obligations applicable to prior fiscal years.

There are appropriated out of revenues received from utility companies such sums as may be required for implementation and administration of the Energy Conservation Initiatives Program, subject to the approval of the Director of the Division of Budget and Accounting.

INTERDEPARTMENTAL ACCOUNTS

In addition to the sums hereinabove appropriated for Fuel and Utilities, the Director of the Division of Budget and Accounting shall transfer or credit to this account such sums that accrue from appropriations made to various spending agencies for Fuel and Utilities and Salaries and Wages, to reflect savings associated with electrical deregulation, fuel switch and other energy-conservation initiatives.

Of the amount hereinabove appropriated for fuel and utility costs, \$35,267,000 may be transferred to State departments and, in addition to the sums hereinabove appropriated for fuel and utility costs, there are appropriated such additional sums as may be required for transfer to State departments to pay fuel and utility costs, subject to the approval of the Director of the Division of Budget and Accounting.

Revenue generated from the sale of Solar Renewable Energy Certificates is appropriated to fund energy-related savings initiatives as determined by the Director of Energy Savings within the Department of the Treasury, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived from fees charged for public parking at the Bangs Avenue Parking Garage in Asbury Park, and the unexpended balance from the preceding fiscal year, are appropriated for the costs incurred for maintenance and operation of the Garage, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated for Household and Security, there is appropriated \$526,000 to the Household and Security account from the New Jersey Public Broadcasting Authority for utility, security, and building maintenance costs.

In addition to the amount hereinabove appropriated for the Household and Security account, there is appropriated to the Household and Security account \$2,500,000 from the Motor Vehicle Commission for utility, security, and building maintenance costs.

Of the unexpended balances in the Petroleum Overcharge Reimbursement Fund available for "Green Power", such sums shall be transferred to the various departments and agencies participating in the State electricity contract, as applicable, to reimburse additional costs associated with "Green Power" sources, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated for Utilities and Other Services, there is appropriated out of the Petroleum Overcharge Reimbursement Fund the sum of \$3,500,000 to fund energy-related savings initiatives, including an energy tracking and invoice payment system, as determined by the Director of Energy Savings within the Department of the Treasury, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Global Energy Statewide Account is appropriated for the same purpose.

Language Recommendations -- Grants-In-Aid - General Fund

In addition to the amounts hereinabove appropriated for the Sports and Exposition Authority Operations - Debt Service there are appropriated such additional sums as may be necessary, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the New Jersey Performing Arts Center, EDA account shall be used to pay the State's obligations pursuant to a lease with the New Jersey Economic Development Authority, for the lease of real property and infrastructure improvements and the Performing Arts Center structure constructed thereon purchased by the authority for the State in the city of Newark, for the purpose of constructing buildings to comprise a Performing Arts Center. Notwithstanding the provisions of any law or regulation to the contrary, the State Treasurer may enter into a lease with the New Jersey Economic Development Authority to lease the real property and improvements thereon purchased or caused to be constructed by the authority for the State in the city of Newark for the Performing Arts Center, subject to the prior written consent of the Director of the Division of Budget and Accounting, the President of the Senate and the Speaker of the General Assembly. Upon the final payment of the State's obligations pursuant to the lease for the real property and infrastructure improvements purchased by the Authority, the title to the real property and improvements shall revert to the State. The State may sublease the land and facilities for the purpose of operating, maintaining or financing a Performing Arts Center in Newark. Any sublease for use of land and improvements acquired for the State by the New Jersey Economic Development Authority for the Performing Arts Center shall be subject to the prior written approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee, or its successor. There are appropriated such additional sums as may be necessary to pay debt service for the New Jersey Performing Arts Center.

The amount hereinabove appropriated for the Camden Children's Garden shall be subject to the execution of an agreement between the State Treasurer and the operator of the Camden Children's Garden.

The amounts hereinabove appropriated for debt service payments attributable to the New Jersey Performing Arts Center, EDA program and to the Municipal Rehabilitation and Economic Recovery, EDA program may be paid by the New Jersey Economic Development Authority from resources available from unexpended balances, and in such instances the amounts appropriated for the New Jersey Performing Arts Center, EDA program and for the Municipal Rehabilitation and Economic Recovery, EDA program shall be reduced by the same amount. There are appropriated such additional sums as may be necessary to pay debt service and other costs for the Municipal Rehabilitation and Economic Recovery, EDA program, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Capital Construction

There are appropriated such additional sums as may be required to pay future debt service costs for projects undertaken by the New Jersey Building Authority, subject to the approval of the Director of the Division of Budget and Accounting.

INTERDEPARTMENTAL ACCOUNTS

In addition to the amounts appropriated under P.L.2004, c.71, donations for the 9/11 Memorial Design Costs from public and private sources, including those collected from the Port Authority of New York and New Jersey, for the purposes of planning, designing, maintaining and constructing a memorial to the victims of the terrorist attacks of September 11, 2001, on the World Trade Center in New York City, the Pentagon in Washington, D.C., and United Airlines Flight 93 in Somerset County, Pennsylvania, shall be deposited by the State Treasurer in a dedicated account established for this purpose and are appropriated for the purposes set forth under P.L.2004, c.71 and there are appropriated or transferred such sums as are necessary for the 9/11 Memorial project, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, in order to provide flexibility in administering the amounts provided for Statewide Fire, Life Safety and Renovations Projects; Roof Repairs-Statewide; American's with Disabilities Act Compliance Projects-Statewide; Hazardous Materials Removal Projects-Statewide; Statewide Security Projects; and Energy Efficiency-Statewide Projects; such sums as may be necessary may be transferred to individual project line items within various departments, subject to the approval of the Director of the Division of Budget and Accounting.

Of the amounts hereinabove appropriated for Hazardous Materials Removal Projects - Statewide and Statewide Security Projects, funds may be transferred to the Fuel Distribution Systems / Underground Storage Tank Replacements - Statewide account for the removal of underground storage tanks at State facilities, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balances at the end of the preceding fiscal year of appropriations from the "1996 Economic Development Site Fund," established pursuant to section 20 of the "Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development Bond Act of 1996," c. 70 are appropriated.

The amount hereinabove appropriated for Energy Efficiency - Statewide Projects is payable from the Clean Energy Fund to provide the full cost of energy efficiency projects in State facilities including, but not limited to, up to \$6,000,000 for heating, ventilation and air conditioning systems at various Human Services institutions. The project allocations may be adjusted based on consultation with the Department of the Treasury, Office of Energy Savings, subject to the approval of the Director of the Division of Budget and Accounting.

Any monies received from the sale of real property in excess of the amount anticipated in this Act are appropriated for Capital Construction Energy Efficiency - Statewide Projects, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated for the Garden State Preservation Trust Fund Account, interest earned and accumulated commencing with the start of this fiscal year is appropriated.

The amount hereinabove appropriated for the Garden State Preservation Trust Fund Account is subject to the provisions of the "Garden State Preservation Trust Act," P.L. 1999, c.152 (C.13:8C-1 et seq.) and the constitutional amendment on open space (Article VIII, Section II, paragraph 7).

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

74. GENERAL GOVERNMENT SERVICES

9410. EMPLOYEE BENEFITS

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Employee Benefits				
Judicial Retirement System				
Assets	\$ 340,118,181	\$ 373,563,181	\$ 385,965,479	\$ 397,081,285
Active Members	438	421	417	414
Pensioners	449	459	475	492
Annual Pensions	\$ 30,579,313	\$ 32,795,549	\$ 35,177,162	\$ 37,731,727
Lump Sum Death Benefits	\$ 558,286	\$ 79,898	\$ 631,000	\$ 661,748
Prison Officers' Pension Fund				
Assets	\$ 14,257,848	\$ 13,667,743	\$ 13,141,535	\$ 12,685,524
Pensioners	178	170	161	153
Public Employees' Retirement System				
Assets	\$ 25,396,595,063	\$ 28,467,586,589	\$ 29,990,602,471	\$ 31,529,120,378
Total Members	327,696	324,038	325,556	327,174
State (Active)	87,964	86,933	85,916	81,911
State (Inactive)	27,714	22,257	21,381	20,539
Local	212,018	214,848	218,259	221,724
Pensioners	122,122	126,568	129,527	132,554
Annual Pensions	\$ 1,717,907,371	\$ 1,867,475,574	\$ 2,006,341,057	\$ 2,155,532,579
Lump Sum Death Benefits	\$ 91,469,327	\$ 109,559,172	\$ 114,885,939	\$ 120,471,693

INTERDEPARTMENTAL ACCOUNTS

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
State Police Retirement System				
Assets	\$ 1,846,076,363	\$ 2,073,337,682	\$ 2,186,334,586	\$ 2,297,837,650
Total Members	3,273	3,219	3,304	3,184
Active	3,123	3,096	3,181	3,061
Inactive	150	123	123	123
Pensioners	2,336	2,428	2,524	2,624
Annual Pensions	\$ 103,505,165	\$ 110,620,918	\$ 119,160,852	\$ 128,360,070
Lump Sum Death Benefits	\$ 1,432,995	\$ 434,194	\$ 1,402,141	\$ 1,493,160
Police and Firemen's Retirement System				
Assets	\$ 18,998,209,666	\$ 21,615,914,946	\$ 23,072,827,613	\$ 24,593,326,953
Total Members	45,913	46,055	46,374	46,696
State (Active)	7,891	7,819	7,840	7,861
State (Inactive)	358	293	302	311
Local	37,664	37,943	38,232	38,524
Pensioners	30,226	31,726	33,143	34,622
Annual Pensions	\$ 1,121,795,184	\$ 1,220,700,516	\$ 1,324,252,540	\$ 1,436,588,883
Lump Sum Death Benefits	\$ 31,695,612	\$ 32,643,052	\$ 37,423,953	\$ 42,905,066
Alternate Benefit Program				
Total Active Members	17,162	16,994	17,009	17,025
State	13,939	13,751	13,763	13,776
County	3,223	3,243	3,246	3,249
Teachers' Pension and Annuity Fund				
Assets	\$ 31,073,540,791	\$ 34,628,492,613	\$ 36,235,254,670	\$ 37,746,264,790
Total Members	156,159	158,039	160,408	162,813
State	291	265	258	251
County	47	43	41	40
Local	155,821	157,731	160,109	162,522
Pensioners	68,455	71,742	75,245	78,919
Annual Pensions	\$ 2,184,830,376	\$ 2,395,332,364	\$ 2,624,206,371	\$ 2,874,949,290
Lump Sum Death Benefits	\$ 56,051,067	\$ 58,220,617	\$ 59,762,299	\$ 61,344,805
Consolidated Police & Firemen's Pension Fund				
Assets	\$ 19,303,969	\$ 16,392,620	\$ 13,578,007	\$ 11,123,103
Pensioners	713	611	533	465
Annual Pensions	\$ 13,478,300	\$ 11,901,811	\$ 10,604,037	\$ 9,447,773
Health Benefits Program				
Covered Members	364,447	356,410	353,936	350,012
State	149,272	148,598	146,808	145,597
Local	215,175	207,812	207,128	204,415

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
<u>Distribution by Fund and Program</u>								
1,647,708	8,000	34,924	1,690,632	1,620,735	Employee Benefits	03	1,755,524	1,768,831
1,647,708	8,000	34,924	1,690,632	1,620,735	Total Direct State Services		1,755,524	1,768,831
<u>Distribution by Fund and Object</u>								
Special Purpose:								
176,011	---	---	176,011	176,011	Public Employees' Retirement System	03	186,510	186,510
194,274	---	---	194,274	192,110	Public Employees' Retirement System - Post Retirement Medical	03	206,103	216,898
17,697 4,630 ^S	---	---	22,327	21,484	Public Employees' Retirement System - Non-contributory Insurance	03	24,426	24,689

INTERDEPARTMENTAL ACCOUNTS

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
54,827	---	---	54,827	54,827	Police and Firemen's Retirement System	03	60,663	60,663	60,663
4,806	---	17	5,550	5,550	Police and Firemen's Retirement System - Non-contributory Insurance	03	7,047	7,253	7,253
727 ^S	---	---	---	---	Police and Firemen's Retirement System (P.L. 1979, c.109)	03	3,109	3,109	3,109
3,338	---	---	3,338	3,338	Alternate Benefit Program - Employer Contributions	03	1,157	1,159	1,159
1,018	---	137	1,155	1,132	Alternate Benefit Program - Non-contributory Insurance	03	189	183	183
264	---	---	264	159	State Police Retirement System	03	34,918	34,918	34,918
28,834	---	---	28,834	28,834	State Police Retirement System- Non-contributory Insurance	03	1,457	1,501	1,501
1,256	---	-17	1,239	434	Judicial Retirement System	03	11,957	11,957	11,957
12,662	---	---	12,662	12,662	Judicial Retirement System - Non-contributory Insurance	03	631	649	649
722	---	---	722	80	Teachers' Pension and Annuity Fund	03	2,020	2,020	2,020
2,165	---	---	2,165	2,165	Teachers' Pension and Annuity Fund - Post Retirement Medical-State	03	3,851	3,771	3,771
4,040	---	---	4,040	3,806	Teachers' Pension and Annuity Fund - Non-contributory Insurance	03	80	80	80
91	---	---	91	89	Pension Adjustment Program	03	1,495	1,530	1,530
1,600	---	---	1,600	1,488	Veterans Act Pensions	03	70	63	63
70	---	---	70	70	Heath Act Pensions	03	5	5	5
5	---	---	5	5	Debt Service on Pension Obligation Bonds	03	76,945	83,665	83,665
70,716	---	---	70,716	70,716	Volunteer Emergency Survivor Benefit	03	135	105	105
135	---	---	135	105	State Employees' Health Benefits	03	463,738	461,335	461,335
465,300	---	13,404	538,704	478,703	Other Pension Systems-Post Retirement Medical	03	66,887	70,597	70,597
60,000 ^S	---	---	65,631	64,618	State Employees' Prescription Drug Program	03	185,435	184,459	184,459
65,631	---	---	---	---	State Employees' Dental Program - Shared Cost	03	26,049	26,100	26,100
107,391	---	1,219	108,610	108,610	State Employees' Vision Care Program	03	1,000	1,000	1,000
26,534	---	---	26,534	26,534	Social Security Tax - State	03	362,751	362,693	362,693
1,000	---	---	1,000	699	Temporary Disability Insurance Liability	03	11,104	12,204	12,204
325,046	8,000	21,892	354,938	352,269	Unemployment Insurance Liability	03	5,291	9,715	9,715
12,968	---	-707	12,261	11,308	<u>GRANTS-IN-AID</u>				
2,323	---	-1,021	2,929	2,929	<u>Distribution by Fund and Program</u>				
1,627 ^S	---	---	---	---	Employee Benefits	03	745,469	768,514	768,514
760,407	2,800	-13,032	750,175	736,677	<u>Total Grants-in-Aid</u>				
760,407	2,800	-13,032	750,175	736,677		745,469	768,514	768,514	
<u>Distribution by Fund and Object</u>									
Special Purpose:									
16,935	---	---	16,935	16,935	Public Employees' Retirement System	03	19,800	19,800	19,800

INTERDEPARTMENTAL ACCOUNTS

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended	
GRANTS-IN-AID									
32,561	---	---	32,561	32,198	Public Employees' Retirement System - Post Retirement Medical	03	34,631	35,362	35,362
1,734	---	---	2,187	2,104	Public Employees' Retirement System - Non-contributory Insurance	03	2,351	2,397	2,397
453 ^S	---	---							
4,248	---	---	4,248	4,248	Police and Firemen's Retirement System	03	4,248	4,248	4,248
173	---	---	193	193	Police and Firemen's Retirement System - Non-contributory Insurance	03	245	258	258
20 ^S	---	---							
113,929	2,233	-137	116,025	112,688	Alternate Benefit Program - Employer Contributions	03	119,058	127,138	127,138
17,221	---	---	17,221	16,766	Alternate Benefit Program - Non-contributory Insurance	03	19,367	19,654	19,654
650	---	---	650	650	Teachers' Pension and Annuity Fund	03	650	650	650
7,413	---	---	7,413	6,984	Teachers' Pension and Annuity Fund - Post Retirement Medical-State	03	6,841	6,437	6,437
22	---	---	22	19	Teachers' Pension and Annuity Fund - Non-contributory Insurance	03	20	17	17
4,080	---	---	4,080	4,080	Debt Service on Pension Obligation Bonds	03	4,439	4,827	4,827
268,625	---	-13,404	255,221	255,221	State Employees' Health Benefits	03	240,602	246,316	246,316
20,233	---	---	20,233	18,225	Other Pension Systems-Post Retirement Medical	03	20,319	21,981	21,981
82,379	---	-1,219	81,160	81,160	State Employees' Prescription Drug Program	03	81,237	80,834	80,834
11,406	---	---	11,406	11,406	State Employees' Dental Program - Shared Cost	03	11,126	10,343	10,343
170,258	567	---	170,825	164,005	Social Security Tax - State	03	170,379		
4,314	---	707	5,021	5,021	Temporary Disability Insurance Liability	03	1,674 ^S	179,535	179,535
1,823	---	---	---	---	Unemployment Insurance Liability	03	5,168	5,631	5,631
1,930 ^S	---	---	---	---					
<u>2,408,115</u>	<u>10,800</u>	<u>21,892</u>	<u>2,440,807</u>	<u>2,357,412</u>	Grand Total State Appropriation		<u>2,500,993</u>	<u>2,537,345</u>	<u>2,537,345</u>

Language Recommendations -- Direct State Services - General Fund

There is appropriated a sufficient amount in order that upon application to the Director of the Division of Budget and Accounting, an annuity of \$4,000 shall be paid to the widow or widower of any person, now deceased, who was elected and served as Governor of the State; provided such widow or widower was the spouse of such person for all or part of the period during which he or she served as Governor; and provided further, that this shall not apply to any widow or widower receiving a pension granted under R.S.43:8-2, and continued by R.S.43:7-1 et seq., R.S.43:8-1 et seq., and R.S.43:8-8 et seq.

The amounts hereinabove appropriated for Employee Benefits may be transferred to the Grants-In-Aid accounts for the same purposes.

Such additional sums as may be required for Public Employees' Retirement System - Post Retirement Medical, Public Employees' Retirement System - Non-contributory Insurance, Police and Firemen's Retirement System - Non-contributory Insurance, Alternate Benefit Program - Employer Contributions, Alternate Benefit Program - Non-contributory Insurance, Teachers' Pension and Annuity Fund - Post Retirement Medical - State, Teachers' Pension and Annuity Fund - Non-contributory Insurance, State Police Retirement System - Non-contributory Insurance, Judicial Retirement System - Non-contributory Insurance, State Employees' Health Benefits, Other Pension Systems - Post Retirement Medical, State Employees' Prescription Drug Program, State Employees' Dental Program - Shared Cost, State Employees' Vision Care Program, Social Security Tax - State, Temporary Disability Insurance Liability, and Unemployment Insurance Liability are appropriated, as the Director of the Division of Budget and Accounting shall determine.

No monies hereinabove appropriated shall be used to provide additional health insurance coverage to a State or local elected official when that official receives health insurance coverage as a result of holding other public office or employment.

There are appropriated such additional sums as may be required for State employer contributions to the Defined Contribution Retirement Program, State premium costs for life insurance and disability insurance, and the related State administrative costs of the Division of Pensions and Benefits in accordance with the provisions of P.L.2007, c.92.

INTERDEPARTMENTAL ACCOUNTS

Notwithstanding the provisions of the "Pension Adjustment Act," P.L.1958, c.143 (C.43:3B-1 et seq.), pension adjustment benefits for State members and beneficiaries of the Consolidated Police and Firemen's Pension Fund, Prison Officers' Pension Fund, and Central Pension Fund shall be paid by the respective pension funds. The amounts hereinabove appropriated for the Pension Adjustment Program for these benefits as required under the act shall be paid to the Pension Adjustment Fund.

In addition to the sum hereinabove appropriated for Debt Service on Pension Obligation Bonds to make payments under the State Treasurer's contracts authorized pursuant to section 6 of P.L.1997, c.114 (C.34:1B-7.50), there are appropriated such other sums as the Director of the Division of Budget and Accounting shall determine are required to pay all amounts due from the State pursuant to such contracts.

The unexpended balance at the end of the preceding fiscal year in the Debt Service on Pension Obligation Bonds account is appropriated for the same purpose.

Such additional sums as may be required for State Employees' Health Benefits may be allotted from the various departmental operating appropriations to this account, as the Director of the Division of Budget and Accounting shall determine.

Such additional sums as may be required for Social Security Tax - State may be allotted from the various departmental operating appropriations to this account, as the Director of the Division of Budget and Accounting shall determine.

Notwithstanding the provisions of any law or regulation to the contrary, fees due to the third party administrator for the Section 125 Tax Savings Program established in 1996 pursuant to N.J.S.A. 52:14-15.1a and the Section 132(f) Commuter Transportation Benefit Program established in 2003 pursuant to N.J.S.A. 52:14-15.1b shall be paid from amounts hereinabove appropriated for the Social Security Tax - State Account, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - General Fund

The amounts hereinabove appropriated for Employee Benefits may be transferred to the Direct State Services accounts for the same purposes.

Such additional sums as may be required for Public Employees' Retirement System - Post Retirement Medical, Public Employees' Retirement System - Non-contributory Insurance, Police and Firemen's Retirement System - Non-contributory Insurance, Alternate Benefit Program - Employer Contributions, Alternate Benefit Program - Non-contributory Insurance, Teachers' Pension and Annuity Fund - Post Retirement Medical - State, Teachers' Pension and Annuity Fund - Non-contributory Insurance, State Employees' Health Benefits, Other Pension Systems - Post Retirement Medical, State Employees' Prescription Drug Program, State Employees' Dental Program - Shared Cost, Social Security Tax - State, Temporary Disability Insurance Liability, and Unemployment Insurance Liability are appropriated, as the Director of the Division of Budget and Accounting shall determine.

No monies hereinabove appropriated shall be used to provide additional health insurance coverage to a State or local elected official when that official receives health insurance coverage as a result of holding other public office or employment.

The unexpended balance at the end of the preceding fiscal year in the Debt Service on Pension Obligation Bonds account is appropriated for the same purpose.

In addition to the sum hereinabove appropriated for Debt Service on Pension Obligation Bonds to make payments under the State Treasurer's contracts authorized pursuant to section 6 of P.L.1997, c.114 (C.34:1B-7.50), there are appropriated such other sums as the Director of the Division of Budget and Accounting shall determine are required to pay all amounts due from the State pursuant to such contracts.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

74. GENERAL GOVERNMENT SERVICES

9420. OTHER INTERDEPARTMENTAL ACCOUNTS

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
<u>Distribution by Fund and Program</u>								
36,278	695	34,196	71,169	45,508	04	14,143	4,175	4,175
36,278	695	34,196	71,169	45,508	Total Direct State Services		4,175	4,175

INTERDEPARTMENTAL ACCOUNTS

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom-mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Object								
Special Purpose:								
875	562	283	1,720	---	To the Governor, for allotment to the various departments or agencies, to meet any condition of emergency or necessity; provided however, that a sum not in excess of \$5,000 shall be available for expenses of officially receiving dignitaries and for incidental expenses, including lunches for non-salaried board members and others for whom official reception shall be beneficial to the State.			
					04	875	875	875
625	---	-587	38	---	Contingency Funds			
					04	625	625	625
32,000	---	34,500	66,500	43,802	Interest On Short Term Notes			
					04	10,000	---	---
1,100	---	---	1,100	270	Debt Issuance-Special Purpose			
					04	1,100	1,100	1,100
125	---	---	125	125	Catastrophic Illness in Children Relief Fund - Employer Contributions			
					04	193	225	225
1,203 ^S	---	---	1,203	1,203	Interest on Interfund Borrowing			
					04	1,000 ^S	1,000	1,000
350	133	---	483	108	Payment of Military Leave Benefits			
					04	350	350	350
<u>GRANTS-IN-AID</u>								
Distribution by Fund and Program								
---	11,189	10	11,199	10,838	Other Interdepartmental Accounts			
					04	---	---	---
---	11,189	10	11,199	10,838	Total Grants-in-Aid			
						---	---	---
Distribution by Fund and Object								
Grants:								
---	9,130	10	9,140	8,791	Property Tax Assistance and Community Development Grants			
					04	---	---	---
---	2,059	---	2,059	2,047	Property Tax Assistance and Community Development Grants			
					04	---	---	---
36,278	11,884	34,206	82,368	56,346	Grand Total State Appropriation			
						14,143	4,175	4,175

Language Recommendations -- Direct State Services - General Fund

Unless otherwise indicated, funds hereinabove appropriated may be allotted by the Director of the Division of Budget and Accounting to the various departments and agencies.

Notwithstanding the provisions of N.J.S. 2A:153-1 et seq., there is allocated at the discretion of the Governor, an amount up to \$50,000, from the Special Purpose amount hereinabove appropriated to meet any condition of emergency or necessity, as a reward for the capture and return of Joanne Chesimard.

There are appropriated to the Emergency Services Fund such sums as are required to meet the costs of any emergency occasioned by aggression, civil disturbance, sabotage, or disaster as recommended by the Emergency Services Council and approved by the Governor, and subject to the approval of the Director of the Division of Budget and Accounting. In the event that the Emergency Service Council is unable to convene due to any such emergency described above, there shall be appropriated to the Emergency Service Fund such sums as are required to meet the costs of any such emergency described above, and payments from the Fund shall be made by the State Treasurer upon approval of the Governor and the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Governor's Contingency Fund is appropriated for the same purpose. Such sums as may be necessary for payment of expenses incurred by issuing officials appointed under the several bond acts of the State are appropriated for the purposes and from the sources defined in those acts.

The unexpended balance at the end of the preceding fiscal year in Payment of Military Leave Benefits is appropriated for the same purpose.

74. GENERAL GOVERNMENT SERVICES

APPROPRIATIONS DATA
(thousands of dollars)

Notes -- Direct State Services - General Fund**Notes -- Grants-In-Aid - General Fund****Language Recommendations -- Direct State Services - General Fund**

No salary range or rate of pay shall be increased or paid in any State department, agency, or commission without the approval of the Director of the Division of Budget and Accounting. Nothing herein shall be construed as applicable to unclassified personnel of the Legislative Branch or unclassified personnel of the Judicial Branch.

INTERDEPARTMENTAL ACCOUNTS

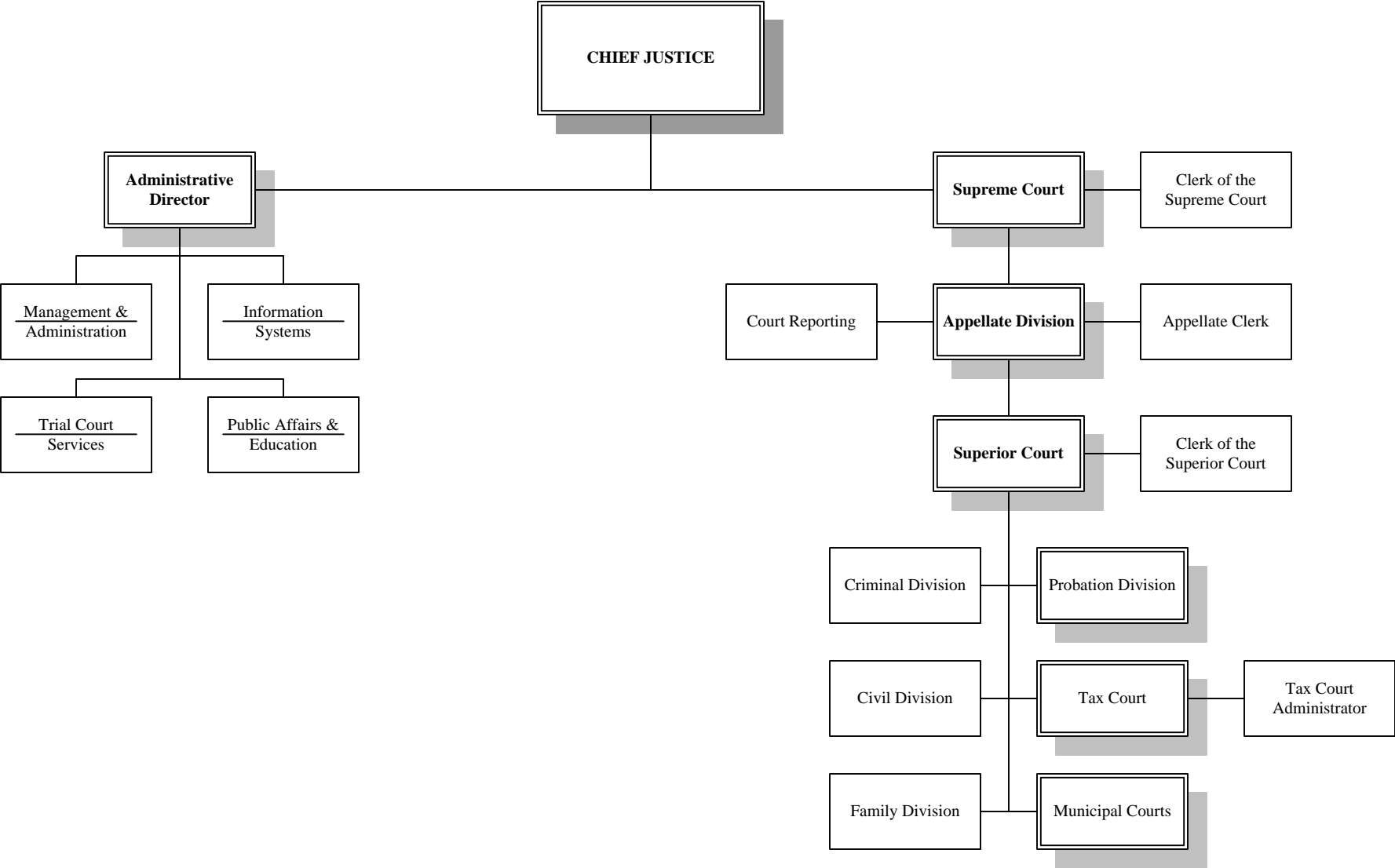
Any sums appropriated for Salary Increases and Other Benefits shall be made available for any person holding State office, position or employment whose compensation is paid directly or indirectly, in whole or in part, from State funds, including any person holding office, position or employment under the Palisades Interstate Park Commission.

The unexpended balance at the end of the preceding fiscal year in the Salary Increases and Other Benefits account is appropriated for the same purposes.

In addition to the amount hereinabove appropriated for Unused Accumulated Sick Leave Payments, there are appropriated such sums as may be necessary for payments of unused accumulated sick leave.

Notwithstanding the provisions of any law or regulation to the contrary, the Director of the Division of Budget and Accounting may transfer from Departmental Accounts and credit to the Salary Increases and Other Benefits account such sums that reflect savings from an Early Retirement Incentive program, pursuant to separate legislation. This additional sum is hereinabove appropriated for Salary Increases and Other Benefits.

THE JUDICIARY



THE JUDICIARY OVERVIEW

Mission and Goals

As an independent branch of government, the Judiciary is constitutionally entrusted with the full and fair resolution of disputes in order to preserve the rule of law and to protect the rights and liberties guaranteed by the Constitution and laws of the United States and this State.

The Judiciary is organized into 15 vicinages that include courts in each of the State's 21 counties. The Administrative Office of the Courts provides administrative services to the courts. The Judiciary includes the Supreme Court, the Superior Court, including the Appellate Division, the civil, criminal, family and general equity divisions, and the Tax Court. Judiciary staff supervises probationers in the 15 vicinages.

In the court year ending June 30, 2007, the Superior Courts resolved more than 1 million cases, including 58,188 criminal cases; 625,494 civil cases; and 370,579 cases involving family-related issues.

With the consolidation of activities, streamlining of court operations, and application of sound case-management practices during the past seven years, the Judiciary has been successful in reducing backlogged court system cases by 49%. The number of cases in backlog decreased from 51,368 in June of 2000 to 26,268 in June of 2007.

The Judiciary is responsible for the oversight, supervision, and technical support of the State's 536 Municipal Courts, which handle about 6 million cases per year. In 2002, the Judiciary launched NJMCDirect, an online payment system for traffic and parking tickets. Payments made through NJMCDirect immediately update Municipal Court records through the statewide Automated Traffic System, providing law enforcement officers and the Motor Vehicles Commission with instant access to current information. Since the program's introduction, 3,909,599 transactions, totaling \$220,956,662 have been paid online. The online payment system provides convenience to drivers and efficiency to the Municipal Courts, as online payments eliminate handling and processing costs.

Budget Highlights

The Fiscal 2009 Budget for the Judiciary totals \$636.2 million, an increase of \$7 million or 1.1% over the fiscal 2008 adjusted appropriation of \$629.1 million. Of the \$7 million increase, \$5.1 million is for the expansion of the Drug Court program, while another \$1.3 million is for the expansion of the Intensive Supervision program. The Judiciary's expansion of these incarceration diversion programs will generate a savings in the Department of Corrections.

Drug Court Program

The fiscal 2009 funding recommendation for the Drug Court program is \$38.5 million. Of the \$38.5 million appropriation, \$26.4 million is designated for drug treatment and aftercare services provided by the Division of Addiction Services within the Department of Human Services. The Drug Court program, a cost effective alternative to incarceration, provides court-supervised treatment for carefully screened, non-violent offenders with addictions. The program's purpose is to break the cycle of drug-driven crime through treatment and close supervision of eligible offenders. The pilot drug courts in Camden, Essex, Mercer, Passaic, and Union vicinages initially provided the framework for the statewide project. The Judiciary added five additional drug courts in fiscal 2002: Bergen, Cumberland/Gloucester/Salem, Monmouth, Morris/Sussex, and Ocean vicinages. In fiscal 2005, the Judiciary expanded the Drug Court program to all vicinages, reaching all 21 counties in the State.

Kinship Legal Guardianship Program

The fiscal 2009 funding recommendation for the Kinship Legal Guardianship program is \$3.7 million. The program addresses the needs of children who cannot reside with their parents due to the parents' inability to provide appropriate care. The program allows relatives to assume full responsibility for the child. Relatives must provide for the child's health, protection, education, and maintenance until the child reaches age 18. The Kinship Legal Guardianship program was created to establish a more stable and permanent alternative to custody or long-term foster care.

THE JUDICIARY

SUMMARY OF APPROPRIATIONS BY FUND (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND							
567,750	9,753	7,219	584,722	576,492	Direct State Services	629,131	636,167
567,750	9,753	7,219	584,722	576,492	<i>Total General Fund</i>	629,131	636,167
567,750	9,753	7,219	584,722	576,492	<i>Total Appropriation, The Judiciary</i>	629,131	636,167

SUMMARY OF APPROPRIATIONS BY PROGRAM

(thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES - GENERAL FUND								
Judicial Services								
5,744	---	-444	5,300	5,300	Supreme Court	6,792	6,792	6,792
20,053	---	-1,834	18,219	18,217	Superior Court-Appellate Division	21,381	21,381	21,381
95,274	6,246	-4,320	97,200	93,545	Civil Courts	104,167	104,167	104,167
111,920	---	-19,195	92,725	91,546	Criminal Courts	120,927	126,711	126,711
100,225	---	2,273	102,498	102,496	Family Courts	113,226	114,033	114,033
1,147	---	-54	1,093	1,093	Municipal Courts	1,598	1,598	1,598
120,123	432	4,479	125,034	125,030	Probation Services	132,795	132,672	132,672
8,368	---	-1,521	6,847	6,846	Court Reporting	8,898	8,898	8,898
2,794	---	121	2,915	2,915	Public Affairs and Education	2,953	2,953	2,953
17,107	13	19,785	36,905	36,871	Information Services	18,169	18,169	18,169
74,414	3,062	4,689	82,165	78,813	Trial Court Services	86,886	87,454	87,454
10,581	---	3,240	13,821	13,820	Management and Administration	11,339	11,339	11,339
567,750	9,753	7,219	584,722	576,492	Subtotal	629,131	636,167	636,167
567,750	9,753	7,219	584,722	576,492	Total Direct State Services - General Fund	629,131	636,167	636,167
567,750	9,753	7,219	584,722	576,492	TOTAL DIRECT STATE SERVICES	629,131	636,167	636,167
567,750	9,753	7,219	584,722	576,492	Total Appropriation, The Judiciary	629,131	636,167	636,167

10. PUBLIC SAFETY AND CRIMINAL JUSTICE

15. JUDICIAL SERVICES

OBJECTIVES

1. To determine in a fair and expeditious manner the cases of all kinds which are brought to court.
2. To assist the Chief Justice of the Supreme Court in carrying out the constitutional responsibility vested in that office as the administrative head of the entire New Jersey court system.
3. To provide the services and direct support necessary for the effective operation of the Judicial system throughout the State.

PROGRAM CLASSIFICATIONS

01. **Supreme Court.** The State Supreme Court consists of the Chief Justice and six Associate Justices, appointed by the Governor with the advice and consent of the Senate, and is the State court of final appeal. Pursuant to Article VI, Section V of the New Jersey Constitution, appeals may be taken to the Supreme Court in causes determined by the Appellate Division of the Superior Court involving a question arising under the Constitution of the United States or of this State; in causes in which there is a dissent in the Appellate Division of the Superior Court; in capital causes; on certification by the Supreme Court itself to the Superior Court and where provided by rules of the Supreme Court, to the inferior courts; and in such other causes as may be provided by law.

Pursuant to Article VI, Section II of the Constitution, the Supreme Court makes rules governing the administration of the courts in the State. The Supreme Court also administers programs that are wholly or partially reimbursable by special

fees, such as the New Jersey Lawyers' Fund for Client Protection, Attorney Discipline, Trial Attorney Certification, and the Bar Admissions Financial Committee.

02. **Superior Court, Appellate Division.** The Superior Court, pursuant to Article VI, Section III of the Constitution, includes an Appellate Division. The Appellate Division hears appeals from the Law and Chancery Divisions of the Superior Court, the Tax Court, and State administrative agencies.
03. **Civil Courts.** The Civil Courts include the Civil Part of the Law Division of Superior Court, the General Equity Part of the Chancery Division, and the Tax Court.

The Tax Court is a special category within Civil Courts. Pursuant to N.J.S.A. 2A:4A, it has jurisdiction to hear tax appeals of taxpayers and taxing districts with regard to assessment, railroad assessments levied by the State, sales taxes, franchise taxes, gross receipts, and all other taxes levied by the State. The Court also hears appeals on homestead rebate denials issued by the Director of the Division of Taxation and appeals by taxing districts from both the equalization tables promulgated by the Director of the Division of Taxation for the distribution of school aid and the equalization tables promulgated by the various counties for the purpose of distributing costs of county government.

04. **Criminal Courts.** The Criminal Part of the Law Division of the Superior Court hears and determines all serious criminal cases following grand jury indictment. It also hears appeals from Municipal Courts.

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05. **Family Courts.** The Family Courts hear and determine all causes involving the family including those causes previously heard by the Matrimonial Part of the Superior Court and the Juvenile and Domestic Relations Courts.
06. **Municipal Courts.** The Municipal Courts are funded directly by the municipalities, but the State supports a unit within the Administrative Office of the Courts to train municipal court judges and clerks, promulgate manuals of procedures, collect data on municipal court operations, conduct studies for the improvement of municipal courts, works with other State agencies on matters involving the municipal courts, and also administers the Automated Traffic System, a program which is wholly reimbursable by special fees.
07. **Probation Services.** Probation Services supervises probation operations statewide, establishes and monitors standards, conducts research and field review of probation programs, coordinates community services programs, and operates the Intensive Supervision Program. Additionally, it oversees both the collections of all court imposed financial obligations and the Child Support Enforcement operations statewide.
08. **Court Reporting.** Court proceedings are recorded verbatim either by court reporters or by sound recordings, as provided by Supreme Court rules.

09. **Public Affairs and Education.** Responsibilities of the units within this program, formerly known as Legal and Professional Services, include coordination and/or provision of legislative liaison services, research and analysis, and coordination of the Judicial Performance Program, Media/Public Information.
10. **Information Services.** The Administrative Office of the Courts is responsible for the collection and maintenance of data on court operations, including statistical analysis and reporting, records management, and management information systems.
11. **Trial Court Services.** This program classification, formerly known as Field Operations, includes the Division of Trial Court Support Operations, which provides technical assistance to the statewide trial level courts in areas such as case management, management structure, Interpreter and Translation Services, and coordination of Volunteer Services.
- In the Trial Courts, this program classification includes Trial Court Administrators who serve as the administrative arm for the Assignment Judge, as well as the vicinage finance, accounting, purchasing, and human resources functions.
12. **Management and Administration.** Provides overhead services in such areas as budgeting and accounting, purchasing, property maintenance, and personnel.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Supreme Court				
Court Year--July 1 to June 30				
Appeals				
Added	254	265	260	260
Disposed	251	256	267	265
Pending	117	126	110	105
Certifications added	1,282	1,332	1,350	1,375
Motions added	1,648	1,641	1,650	1,675
Disciplinary proceedings added	240	142	150	150
Superior Court-Appellate Division				
Appeals				
Added	7,450	7,064	7,100	7,200
Disposed	7,350	7,029	7,100	7,200
Pending June 30	5,895	6,365	6,400	6,500
Motions added	7,000	7,538	7,700	7,900
Civil Courts				
Civil Cases				
Added	104,022	104,740	94,266	94,266
Resolved	99,445	94,347	94,347	94,347
Pending	95,999	106,863	106,782	106,701
Special Civil				
Added	502,199	521,287	542,138	563,824
Resolved	507,785	515,574	536,196	557,645
Pending	43,239	49,880	55,822	62,001
Probate				
Added	10,018	10,108	10,108	10,108
Resolved	9,960	10,152	10,152	10,152
Pending	1,629	1,721	1,677	1,633
General Equity				
Added	5,201	5,154	5,566	6,011
Disposed	5,105	5,421	5,854	6,322
Pending	2,463	2,231	1,943	1,632

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Automobile Arbitration (a)				
Cases scheduled	28,702	24,886	24,886	24,886
Cases removed	168	153	153	153
Cases settled prior to hearing	3,666	3,280	3,280	3,280
Cases arbitrated	12,831	11,095	11,095	11,095
Trial de novo requests	9,822	8,753	8,753	8,753
Trials de novo completed	854	824	824	824
Personal Injury Arbitration (a)				
Cases scheduled	15,649	14,381	14,381	14,381
Cases removed	129	127	127	127
Cases settled prior to hearing	1,847	1,794	1,794	1,794
Cases arbitrated	6,467	5,765	5,765	5,765
Trial de novo requests	4,542	4,170	4,170	4,170
Trials de novo completed	282	290	290	290
Other Civil Arbitration (a)				
Cases Scheduled	4,994	4,557	4,557	4,557
Presumptive Mediation (a)				
Cases Referred	7,322	7,891	7,891	7,891
Cases Settled Prior to Hearing	132	142	142	142
Completed Mediation	4,210	4,304	4,304	4,304
Agreement Reached	1,306	1,443	1,443	1,443
Partial Agreement	93	88	88	88
No Agreement	2,811	2,773	2,773	2,773
Tax Court				
Local & State Appeals				
Added	8,205	10,759	10,800	10,900
Closed	7,533	8,283	8,700	9,000
Pending	13,120	15,596	17,696	19,596
Criminal Courts				
Criminal Post-Indictment				
Added	54,671	55,962	56,522	57,087
Resolved	55,960	56,097	56,658	57,225
Pending June 30	14,377	15,532	15,464	15,395
Municipal Appeals				
Added	1,402	1,288	1,288	1,288
Resolved	1,420	1,268	1,268	1,268
Pending June 30	496	527	547	567
Post-Conviction Relief				
Added	762	808	881	960
Resolved	738	823	897	978
Pending June 30	856	825	809	791
Drug Court Program				
Current Active Cases	2,498	2,811	3,331	3,871
Number of Graduates	591	877	1,148	1,614
Family Courts				
Dissolution				
Added	66,059	66,638	67,304	67,977
Resolved	66,352	65,765	66,422	67,086
Pending June 30	17,368	18,187	19,069	19,960
Juvenile Delinquency				
Added	66,365	65,492	66,802	68,138
Resolved	66,061	65,227	66,532	67,862
Pending June 30	5,394	5,648	5,918	6,194
Non-Dissolution				
Added	158,544	157,347	158,920	160,509
Resolved	158,402	156,405	157,969	159,548
Pending June 30	10,985	11,697	12,648	13,609
Domestic Violence				
Added	59,639	56,528	56,528	56,528
Resolved	59,670	56,598	56,598	56,598
Pending June 30	1,475	1,442	1,372	1,302

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	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Abuse/Neglect Complaints				
Added	4,728	4,220	4,431	4,653
Resolved	4,085	4,325	4,541	4,769
Pending June 30	5,261	5,151	5,041	4,925
Adoption Complaints				
Added	2,398	2,248	2,270	2,293
Resolved	2,409	2,313	2,336	2,359
Pending June 30	516	453	387	321
Child Placement Review				
Added	6,181	5,720	5,777	5,835
Resolved	6,863	6,580	6,646	6,712
Pending June 30	11,231	10,415	9,546	8,669
Juvenile/Family Crisis Petition				
Added	915	1,076	1,022	971
Resolved	933	1,084	1,022	971
Pending June 30	21	13	13	13
Kinship Legal Guardian (KLG)				
Added	1,454	1,134	1,134	1,134
Resolved	1,474	1,203	1,134	1,134
Pending June 30	211	143	143	143
Termination of Parental Rights Complaints				
Added	1,029	1,181	1,216	1,252
Resolved	1,070	1,089	1,121	1,154
Pending June 30	540	632	727	825
Criminal/Quasi-Criminal				
Added	10,812	10,140	9,734	9,345
Resolved	10,842	9,990	9,590	9,207
Pending June 30	772	924	1,068	1,206
Combined Trial Courts				
Added	1,056,399	1,071,071	1,085,907	1,112,179
Resolved	1,058,574	1,054,261	1,079,283	1,105,337
Pending June 30	212,833	232,284	238,976	245,887
Volunteer Services				
Number of Volunteers	5,120	4,100	4,460	4,820
Number of Volunteer Hours Served	307,200	246,000	267,600	289,200
Municipal Courts				
Non-Traffic Violations				
Indictables	205,373	204,346	203,324	202,307
Disorderly Person	390,872	396,915	403,051	409,283
Other Non-Traffic	244,376	277,928	316,087	359,484
Traffic Violations				
Drunk Driving	36,705	36,760	36,815	36,870
Moving Violations	2,655,019	2,764,609	2,878,722	2,997,546
Parking	2,888,956	2,831,255	2,774,706	2,719,287
Total	6,421,301	6,511,813	6,612,705	6,724,777
Probation Services				
Adult Supervision Clients	60,510	61,127	62,227	63,285
Juvenile Supervision Clients	11,938	11,670	11,787	11,905
Core Services Clients	58,971	55,834	56,392	56,957
Intensive Supervision Program (ISP)				
Participants	1,224	1,257	1,275	1,350
Applications	3,515	3,622	3,645	3,720
Assessment Reports	2,541	2,598	2,652	2,700
Resentencing Panel Hearings	4,876	5,132	5,235	5,400
Revocations	434	459	457	397
Juvenile Intensive Supervision Program (JISP)				
Participants	310	323	325	325
Applications	262	254	300	300
Assessment Reports	262	254	300	300
Revocations	71	75	81	81

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
Child Support & Paternity – Title IV-D				
Child Support Cases	310,554	312,218	315,340	318,494
Collections	\$1,070,679,867	\$1,125,353,263	\$1,187,247,692	\$1,252,546,315

PERSONNEL DATA

Affirmative Action Data

Male Minority	599	624	624	624
Male Minority %	6.3	6.6	6.6	6.5
Female Minority	2,772	2,801	2,801	2,839
Female Minority %	29.0	29.5	29.5	29.5
Total Minority	3,371	3,425	3,425	3,463
Total Minority %	35.3	36.1	36.1	36.0

Position Data

Filled Positions by Funding Source

State Supported	8,008	7,975	7,928	8,030
Federal	1,279	1,272	1,293	1,302
All Other	259	259	267	275
Total Positions	9,546	9,506	9,488	9,607

Filled Positions by Program Class

Supreme Court	182	180	182	188
Superior Court-Appellate Division	228	235	233	243
Civil Courts	1,624	1,589	1,588	1,650
Criminal Courts	1,448	1,465	1,470	1,455
Family Courts	1,931	1,911	1,918	1,927
Municipal Courts	81	77	77	85
Probation Services	2,435	2,412	2,375	2,499
Court Reporting	84	78	75	95
Public Affairs and Education	31	33	32	28
Information Services	173	189	192	201
Trial Court Services	1,157	1,170	1,178	1,111
Management and Administration	172	167	168	125
Total Positions	9,546	9,506	9,488	9,607

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.

The Budget Estimate for fiscal year 2009 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

Revised fiscal year 2007 and 2008 figures and the budget estimate for fiscal 2009 are based on recounted data. The calculation of pending, plus added, less disposed may not total.

(a) Figures for all Arbitration and Presumptive Mediation cases are the same for fiscal years 2007, 2008, and 2009 due to stable Civil Court caseload levels.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Prog. Class. Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
5,744	---	-444	5,300	5,300	Supreme Court	01	6,792	6,792	6,792
20,053	---	-1,834	18,219	18,217	Superior Court-Appellate Division	02	21,381	21,381	21,381
95,274	6,246	-4,320	97,200	93,545	Civil Courts	03	104,167	104,167	104,167
111,920	---	-19,195	92,725	91,546	Criminal Courts	04	120,927	126,711	126,711
100,225	---	2,273	102,498	102,496	Family Courts	05	113,226	114,033	114,033
1,147	---	-54	1,093	1,093	Municipal Courts	06	1,598	1,598	1,598
120,123	432	4,479	125,034	125,030	Probation Services	07	132,795	132,672	132,672
8,368	---	-1,521	6,847	6,846	Court Reporting	08	8,898	8,898	8,898
2,794	---	121	2,915	2,915	Public Affairs and Education	09	2,953	2,953	2,953
17,107	13	19,785	36,905	36,871	Information Services	10	18,169	18,169	18,169

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Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Prog. Class. Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES									
74,414	3,062	4,689	82,165	78,813	Trial Court Services	11	86,886	87,454	87,454
10,581	---	3,240	13,821	13,820	Management and Administration	12	11,339	11,339	11,339
567,750	9,753	7,219	584,722	576,492	Total Direct State Services		629,131 (a)	636,167	636,167
Distribution by Fund and Object									
Personal Services:									
---	---	---	---	157	Chief Justice		174	174	174
---	---	---	---	1,002	Associate Justices		1,033	1,033	1,033
---	---	---	---	58,777	Judges		64,718	64,718	64,718
438,109	---	1,151	439,260	379,322	Salaries and Wages		420,710	420,710	420,710
438,109	---	1,151	439,260	439,258	Total Personal Services		486,635	486,635	486,635
7,755	---	1,107	8,862	8,862	Materials and Supplies		7,755	7,755	7,755
32,549	3,075	8,551	44,175	41,184	Services Other Than Personal		32,423	32,423	32,423
1,852	---	246	2,098	2,098	Maintenance and Fixed Charges		1,852	1,852	1,852
Special Purpose:									
200	---	-14	186	186	Rules Development	01	200	200	200
---	3,911	---	6,246	2,581	Civil Arbitration Program	03	---	---	---
20,618	2,335 R	-19,447	1,171	---	Drug Court Treatment/After-care	04	20,618 (b)	26,402	26,402
6,978	---	1,857	8,835	8,833	Drug Court Operations	04	10,459	10,459	10,459
1,498	---	103	1,601	1,598	Drug Court Judgeships	04	1,612	1,612	1,612
---	---	1,060	1,060	1,060	Family Crisis Intervention	05	1,076	1,076	1,076
82	---	---	82	82	Child Placement Review				
3,361	---	25	3,386	3,385	Advisory Council	05	82	82	82
11,071	---	1,300	12,371	12,371	Kinship Legal Guardianship	05	3,711	3,711	3,711
11,630	432 R	64	12,126	12,125	Child Support and Paternity Program Title IV-D (Family Court) (c)	05	13,444	14,251	14,251
2,169	---	-8	2,161	2,160	Intensive Supervision Program	07	12,666	13,960	13,960
---	---	14	14	14	Juvenile Intensive Supervision Program	07	2,269	2,269	2,269
---	---	35	35	34	Union State Match	07	---	---	---
23,197	---	1,300	24,497	24,497	Passaic State Match	07	---	---	---
---	---	143	143	110	Child Support and Paternity Program Title IV-D (Probation) (c)	07	27,516	26,099	26,099
1,908	---	-1,000	908	558	ITO State Match	10	---	---	---
770	---	-33	737	737	Child Support and Paternity Program Title IV-D (Trial) (c)	11	2,040	2,650	2,650
---	---	10	10	10	Affirmative Action and Equal Employment Opportunity	12	770	770	770
4,003	---	10,755	14,758	14,749	State Justice Training Grant	12	---	---	---
567,750	9,753	7,219	584,722	576,492	Additions, Improvements and Equipment		4,003	3,961	3,961
					Grand Total State Appropriation		629,131	636,167	636,167

Year Ending June 30, 2007					Year Ending June 30, 2009				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended	
OTHER RELATED APPROPRIATIONS									
Federal Funds									
---	---	---	---	---	Criminal Courts	04	---	1,500	1,500
26,822									
533 ^S	1,230	1,447	30,032	27,899	Family Courts	05	32,454	31,797	31,797
53,178	1,855	-1,808	53,225	48,944	Probation Services	07	56,399	58,655	58,655
---	371	---	371	370	Information Services	10	---	---	---
4,002	-14	358	4,346	4,125	Trial Court Services	11	4,550	4,712	4,712
20 ^S	---	---	20	20	Management and Administra- tion	12	---	---	---
<u>84,555</u>	<u>3,442</u>	<u>-3</u>	<u>87,994</u>	<u>81,358</u>	Total Federal Funds		<u>93,403</u>	<u>96,664</u>	<u>96,664</u>
All Other Funds									
---	76	---	---	---	Supreme Court	01	16,032	16,748	16,748
---	13,259 ^R	---	13,335	13,334					
---	4	---	---	---	Civil Courts	03	2,760	3,015	3,015
---	3,018 ^R	---	3,022	3,021					
---	34	---	---	---	Family Courts	05	400	400	400
---	604 ^R	---	638	540					
---	9,688	---	---	---	Municipal Courts	06	23,015	23,015	23,015
---	22,087 ^R	---	31,775	28,801					
---	3,452	---	---	---	Probation Services	07	3,200	3,400	3,400
---	4,030 ^R	---	7,482	3,425					
---	4,776	---	---	---	Information Services	10	13,816	13,816	13,816
---	15,775 ^R	---	20,551	11,041					
---	3	---	---	---	Trial Court Services	11	---	---	---
---	47 ^R	---	50	48					
---	109	15	124	---	Management and Administra- tion	12	---	---	---
<u>---</u>	<u>76,962</u>	<u>15</u>	<u>76,977</u>	<u>60,210</u>	Total All Other Funds		<u>59,223</u>	<u>60,394</u>	<u>60,394</u>
<u>652,305</u>	<u>90,157</u>	<u>7,231</u>	<u>749,693</u>	<u>718,060</u>	GRAND TOTAL ALL FUNDS		<u>781,757</u>	<u>793,225</u>	<u>793,225</u>

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2008 appropriation has been adjusted for the allocation of salary program.
- (b) The appropriation of \$20,618,000 for Drug Court Treatment/Aftercare will be transferred to the Department of Human Services to provide services for the Drug Court Program.
- (c) The fiscal year 2009 appropriation for Child Support and Paternity Program Title IV-D has been reallocated between Family, Probation, and Trial courts.

Language Recommendations -- Direct State Services - General Fund

The unexpended balances at the end of the preceding fiscal year in the Civil Arbitration Program are appropriated subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, receipts derived from fees under the Special Civil Part service of process via certified mailers are appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

The amounts hereinabove appropriated in the Drug Courts Treatment and Aftercare account shall be transferred to the Department of Human Services to fund treatment, aftercare and administrative services associated with the drug court program, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived from the increase in fees collected by the Judiciary pursuant to P.L. 2002, c.34 and related increases provided by operation of N.J.S.22A:2-5 and section 2 of P.L. 1993, c.74 (C.22A:5-1) are appropriated from the Court Technology Improvement Fund for the purpose of offsetting the costs of development, establishment, operation and maintenance of the Judiciary computerized court information systems, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts from charges to certain Special Purpose accounts listed hereinabove are appropriated for services provided to these funds.

Receipts from charges to the Superior Court Trust Fund, NJ Lawyers Fund for Client Protection, Disciplinary Oversight Committee, Board on Attorney Certification, Bar Admission Financial Committee, Parents' Education Fund, Automated Traffic System Fund, Municipal Court Administrator Certification, Comprehensive Enforcement Program, and Courts Computerized Information Systems Fund are appropriated for services provided to these funds.

The unexpended balances at the end of the preceding fiscal year not to exceed \$9,000,000 in these respective accounts are appropriated subject to the approval of the Director of the Division of Budget and Accounting.

A collage of black and white photographs of various landmarks and scenic views from the state of New Jersey, arranged in a circular pattern. The landmarks include a large stone building on a cliff, a waterfall, a bridge, a lighthouse, a boat, a clock tower, and a roller coaster.

The primary method for State financing of capital projects is through the sale of general obligation bonds of the State. The Debt Service portion of this section shows the amounts necessary to pay principal and interest due on capital projects financed via general obligation bonds.

CAPITAL CONSTRUCTION

OVERVIEW

Capital Definition and Objectives

In New Jersey, a capital project is defined to include the acquisition of land, new structures and equipment, and other projects whose cost of land, planning, furnishing and equipment is estimated over \$50,000. Projects or acquisitions under \$50,000 are appropriated in the maintenance accounts in the Direct State Services section of the Budget. New Jersey's Capital Program invests in critical short-term and long-term needs essential to the citizens of the State. These needs include preservation of existing capital equipment and facilities; investments in the transportation system; improvements to wastewater treatment and water supply facilities; cleanup of hazardous waste sites; preservation of open space; and construction of local schools and higher education facilities. Together, these investments ensure a clean and healthy environment, provide recreational space, enhance mobility, and generate economic growth and jobs for New Jersey citizens.

Capital Planning Process

For fiscal 2009, the General Fund capital recommendation totals \$1.196 billion, including just under \$1.086 billion for legislatively-mandated projects funded through dedicated sources, \$100.4 million for debt service on New Jersey Building Authority projects and \$10 million in Clean Energy Fund monies that will be used for energy efficiency projects in State facilities.

The Capital Budget is largely based on the recommendations of the New Jersey Commission on Capital Budgeting and Planning. This Commission, composed of Executive, Legislative, and public members, prepares the State's Annual Capital Improvement Plan and serves in an advisory role to the Governor and the Legislature. In addition to the

Commission, the capital budgeting process includes the Governor's Office, the Office of Management and Budget, the Department of the Treasury, and other State departments and agencies.

Capital Highlights

For the Department of Environmental Protection, \$92.6 million is recommended, including \$21.8 million for Cleanup of Hazardous Substance Discharges, \$28.6 million in loans and grants for Brownfields Redevelopment projects, \$25 million for Shore Protection and \$17.2 million for Parks Development and Conservation projects. These four mandated programs are funded through dedicated sources.

To ensure highway and mass transit improvements, \$895 million in dedicated funds is recommended for the Department of Transportation. This recommendation, combined with federal, State, and other matching funds, will provide for a capital improvement transportation program totaling just under \$3.2 billion.

Finally, \$208.4 million is recommended for Interdepartmental accounts. This includes \$98 million for constitutionally-mandated Open Space, Farmland, Parks and Historic Preservation programs and \$100.4 million for debt service payments on Building Authority bonds. A total of \$10 million will be made available for critical energy related projects statewide that will be offset by revenue from the Clean Energy Fund, of which up to \$6 million is recommended to continue the replacement of heating / ventilation and air conditioning (HVAC) systems throughout Human Services' institutional facilities. Finally, budget language has been added to the General Provisions of the Budget which details the funding of \$34 million from the Long Term Obligation and Capital Expenditure Reserve.

CAPITAL CONSTRUCTION

Summary of Appropriations by Department (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
---	288	---	288	117	Legislature	---	---
---	1,799	---	1,799	---	Department of Agriculture	250	---
10,000	---	2,881	12,881	6,916	Department of Children and Families	---	---
---	8,517	-1	8,516	1,125	Department of Corrections	3,936	---
2,450	1,638	---	4,088	1,168	Department of Education	2,800	---
116,767	114,270	-9,118	221,919	99,251	Department of Environmental Protection	117,024	92,611
---	246	---	246	98	Department of Health and Senior Services	---	---
7,700	20,653	-2,881	25,472	10,044	Department of Human Services	2,800	---
1,500	13,122	---	14,622	4,195	Department of Law and Public Safety	3,800	---
2,590	2,465	925	5,980	1,565	Department of Military and Veterans' Affairs	1,318	---
---	1,624	---	1,624	1,157	Department of State	---	---
895,000	191	---	895,191	895,000	Department of Transportation	895,000	895,000
---	20,419	8,879	29,298	11,760	Department of the Treasury	6,500	---
---	2	---	2	---	Miscellaneous Commissions	---	---
202,772	43,721	10,593	257,086	208,735	Interdepartmental Accounts	247,137	208,418
1,238,779	228,955	11,278	1,479,012	1,241,131	Total Appropriation	1,280,565	1,196,029

Notes:

Budget language has been added to the General Provisions of the Budget which details the funding of \$34 million from the Long Term Obligation and Capital Expenditure Reserve.

DEBT SERVICE

OVERVIEW

The primary method for State financing of capital projects is through the sale of State general obligation bonds, previously authorized by voter approval in the general election. The State must present debt before the voters in a general election as required by the statutory debt limitations in the State Constitution. The State Constitution provides that the State Legislature shall not create, in any fiscal year, debt or liability of the State, which, together with any previous debts or liabilities, exceeds at any time one percent of total appropriations, unless authorized by law and submitted to the people at a general election for approval by the voters. Since the current appropriation level is approximately \$33.6 billion, the debt limit is \$336 million before voter approval must be sought. The current level of outstanding general obligation debt is \$2.8 billion. Therefore, voter approval must be sought in order to authorize additional general obligation bonds. Voter approval is not required for any such law authorizing the creation of a debt for a refinancing of all or any portion of the outstanding debts or liabilities of the State, so long

as the refinancing produces a debt service savings.

The Debt Service section of the Budget shows the amounts necessary to pay principal and interest due on capital projects financed via general obligation bonds. Appropriations for principal and interest payments on general obligation bonds are recommended at \$405.9 million for fiscal 2009. This projected level of debt service for fiscal 2009 reflects \$413.3 million for the payment of principal and interest on outstanding bonds, offset by \$7.4 million of bond premium remaining from the sale of general obligation bonds on December 13, 2007.

The Statement of General Long-Term Debt, which appears in the Appendix of this Budget, shows the status of the State's general obligation, bonded indebtedness as of June 30, 2007. The outstanding debt as of that date is \$2.8 billion. Also, there is \$742 million of additional long-term debt authorized but unissued.

DEBT SERVICE (thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
173,539	---	1	173,540	173,538	Interest on Bonds	171,722	157,785	157,785
254,246	---	-1	254,245	254,245	Bond Redemption	267,075	248,112	248,112
427,785	---	---	427,785	427,783	Total Appropriation	438,797	405,897	405,897
825	---	---	825	825	Water Conservation Bonds (P.L. 1969, c. 127)	721	---	---
157	---	---	157	157	State Recreation and Conservation Land Acquisition and Development Bonds (P.L. 1974, c. 102)	---	---	---
205	---	---	205	205	Clean Waters Bonds (P.L. 1976, c. 92)	100	105	105
813	---	-1	812	812	State Land Acquisition and Development Bonds (P.L. 1978, c. 118)	277	433	433
786	---	---	786	786	Transportation Rehabilitation and Improvement Bonds (P.L. 1979, c. 165)	---	---	---
236	---	---	236	236	Energy Conservation Bonds (P.L. 1980, c. 68)	236	40	40
1,888	---	---	1,888	1,888	Natural Resources Bonds (P.L. 1980, c. 70)	1,731	1,729	1,729
744	---	---	744	744	Hazardous Discharge Bonds (P.L. 1981, c. 275)	587	336	336
555	---	1	556	555	Community Development Bonds (P.L. 1981, c. 486)	318	---	---
100	---	---	100	100	1983 New Jersey Green Acres Bonds (P.L. 1983, c. 354)	100	---	---
53	---	---	53	53	Shore Protection Bonds (P.L. 1983, c. 356)	---	---	---
235	---	---	235	235	Human Services Facilities Construction Bonds (P.L. 1984, c. 157)	---	---	---
311,650	---	---	311,650	311,649	Refunding Bonds (P.L. 1985, c. 74 as amended by P.L. 1992, c. 182)	322,392	305,456	305,456
1,340	---	---	1,340	1,340	Resource Recovery and Solid Waste Disposal Facility Fund (P.L. 1985, c. 330)	1,338	1,341	1,341
11,567	---	---	11,567	11,567	Hazardous Discharge Bonds (P.L. 1986, c. 113)	10,164	7,897	7,897

DEBT SERVICE

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
802	---	---	802	802	1987 Green Acres, Cultural Centers and Historic Preservation Bonds (P.L. 1987, c. 265)	806	1,330	1,330
5,888	---	---	5,888	5,888	Jobs, Education and Competitiveness Bonds (P.L. 1988, c. 78)	1,954	1,407	1,407
4,138	---	---	4,138	4,138	1989 Bridge Rehabilitation and Improvement and Railroad Right-of-way Preservation Bonds (P.L. 1989, c. 108)	3,614	2,120	2,120
676	---	---	676	676	Stormwater Management and Combined Sewer Overflow Abatement Bonds (P.L. 1989, c. 181)	682	1,040	1,040
7,578	---	---	7,578	7,578	1989 New Jersey Open Space Preservation Bonds (P.L. 1989, c. 183)	4,903	1,976	1,976
1,736	---	---	1,736	1,736	Public Purpose Buildings and Community-Based Facilities Construction Bonds (P.L. 1989, c. 184)	1,736	1,734	1,734
16,271	---	---	16,271	16,271	Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992 (P.L. 1992, c. 88)	13,748	7,497	7,497
9,217	---	---	9,217	9,217	Developmental Disabilities Waiting List Reduction and Human Services Facilities Construction Bonds (P.L. 1994, c. 108)	8,646	6,742	6,742
16,509	---	---	16,509	16,509	Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995 (P.L. 1995, c. 204)	16,512	13,515	13,515
5,136	---	---	5,136	5,136	Port of New Jersey Revitalization, Dredging Bonds (P.L. 1996 c. 70)	5,121	10,343	10,343
3,808	---	---	3,808	3,808	Urban and Rural Centers Unsafe Buildings Demolition Bonds (P.L. 1997, c. 125)	3,809	3,808	3,808
24,872	---	---	24,872	24,872	Statewide Transportation and Local Bridge Bond Act of 1999 (P.L. 1999, c.181)	24,853	24,855	24,855
---	---	---	---	---	Dam, Lake, Stream, Water Resources and Wastewater Treatment Project Bonds (P.L. 2003, c. 162)	---	12,193	12,193
---	---	---	---	---	Payments on Future Bond Sales	14,449	---	---
427,785	---	---	427,785	427,783	Total Appropriation	438,797	405,897	405,897

DEBT SERVICE

DESCRIPTION OF BOND FUNDS FINANCED BY DEBT SERVICE APPROPRIATION

PUBLIC BUILDINGS CONSTRUCTION BONDS--1968

An amount of \$337,500,000 was authorized for the construction or reconstruction and rehabilitation of various institutions and the equipment necessary for the operation of the facilities. Among the types of institutional facilities included are mental health and mental retardation, correctional, higher education, including state and county colleges, vocational education, and facilities to establish a public broadcasting system within the State of New Jersey.

WATER CONSERVATION BONDS--1969

An amount of \$271,000,000 was authorized for planning, developing, constructing and maintaining facilities to provide adequate supplies of water for potable, industrial, commercial, irrigational and recreational purposes.

HIGHER EDUCATION CONSTRUCTION BONDS--1971

An amount of \$155,000,000 was authorized for the construction and rehabilitation of State institutions for higher education and for county colleges.

STATE TRANSPORTATION BONDS--1968

An amount of \$640,000,000 was authorized to improve the public transportation system of the State. Of this amount, not more than \$200,000,000 was for mass transportation facilities with the remainder for the improvement of highways.

STATE RECREATION AND CONSERVATION LAND ACQUISITION BONDS--1971

An amount of \$80,000,000 was authorized for the acquisition of land by the State and by municipalities through state grants for recreation and conservation purposes.

STATE RECREATION AND CONSERVATION LAND ACQUISITION AND DEVELOPMENT BONDS--1974

An amount of \$200,000,000 was authorized for the acquisition of land by the State and municipalities through state grants, for recreation and conservation purposes. In addition, this Act also provides funds for state and local development of acquired lands to expand and enhance their utilization for recreation and conservation purposes.

CLEAN WATERS BONDS--1976

An amount of \$120,000,000 was authorized for the conservation and development of water resources through construction of water supply and wastewater treatment facilities.

INSTITUTIONS CONSTRUCTION BONDS--1976

An amount of \$80,000,000 was authorized to provide safe and humane facilities at institutions for the mentally ill, mentally retarded and incarcerated through construction of new facilities or rehabilitation and improvement of existing facilities. An amount of \$41,500,000 was allocated to the Department of Corrections and \$38,500,000 was allocated to the Department of Human Services.

STATE MORTGAGE ASSISTANCE BONDS--1976

An amount of \$25,000,000 was authorized for construction, rehabilitation and maintenance of housing for senior citizens and families of low and moderate income and to provide funds for second mortgage assistance.

BEACHES AND HARBORS BONDS--1977

An amount of \$30,000,000 was authorized for the restoration, maintenance and protection of the State's beaches and harbors.

MEDICAL EDUCATION FACILITIES BONDS--1977

An amount of \$120,000,000 was authorized for the issuance of general obligation bonds of the State to refinance revenue bonds issued in 1974 by the New Jersey Health Care Facilities Financing Authority. The refinancing reduced interest costs for the construction of the teaching hospital at the University of Medicine and Dentistry of New Jersey and provided substantial savings (\$25 million) which were made available for other needed medical facilities.

EMERGENCY FLOOD CONTROL BONDS--1978

An amount of \$25,000,000 was authorized to develop and maintain flood control facilities and to develop a comprehensive flood control master plan for the State.

INSTITUTIONAL CONSTRUCTION BONDS--1978

An amount of \$100,000,000 was authorized for various state facilities. An amount of \$59,000,000 was allocated to construct or rehabilitate facilities for the mentally retarded in concert with the federal program for Intermediate Care Facilities/Mentally Retarded (ICF/MR) and the construction or rehabilitation of mental health facilities. An amount of \$30,000,000 was allocated for correctional facilities. In addition, \$6,500,000 was allocated for a library for the blind and handicapped and \$4,500,000 was allocated for a forensic laboratory for the State Medical Examiner.

STATE LAND ACQUISITION AND DEVELOPMENT BONDS--1978

An amount of \$200,000,000 was authorized for state and local acquisition and development to conserve open space and provide recreation areas. Half of the amount authorized is allocated to urban areas.

TRANSPORTATION REHABILITATION AND IMPROVEMENT BONDS--1979

An amount of \$475,000,000 was authorized to improve state highways, county and municipal roads, and public transportation facilities.

ENERGY CONSERVATION BONDS--1980

An amount of \$50,000,000 was authorized for energy audits and renovation of public buildings for the purpose of reducing energy consumption.

NATURAL RESOURCES BONDS--1980

An amount of \$145,000,000 was authorized for development, acquisition, and construction of resource recovery facilities, sewage treatment facilities, water supply facilities, dam restoration projects, and harbor cleanup. An amount of \$50,000,000 was allocated for resource recovery; \$60,000,000 for sewage treatment; \$12,000,000 for harbor cleanup; \$15,000,000 for dam restoration; and \$8,000,000 for water supply.

PUBLIC PURPOSE BUILDINGS CONSTRUCTION BONDS--1980

An amount of \$159,000,000 was authorized for the construction, equipping, and/or the demolition of public buildings. An amount of \$92,000,000 was allocated to the Department of Human Services for facilities for the mentally retarded, mentally ill, disabled veterans, and for a loan guarantee program for the construction of nursing homes. The Department of Corrections was allocated \$67,000,000 for correctional facilities.

WATER SUPPLY BONDS--1981

An amount of \$350,000,000 was authorized for state or local projects to rehabilitate, repair or consolidate antiquated, damaged or inadequately operating water supply facilities and to plan, design, acquire and construct various state water supply facilities.

HAZARDOUS DISCHARGE BONDS--1981

An amount of \$100,000,000 was authorized for the identification, cleanup and removal of hazardous discharges.

FARMLAND PRESERVATION BONDS--1981

An amount of \$50,000,000 was authorized for the purchase of development easements on farmland and to provide State matching funds for soil and water conservation projects.

COMMUNITY DEVELOPMENT BONDS--1982

An amount of \$85,000,000 was authorized to capitalize the New Jersey Local Development Financing Fund and to provide support for revitalization and development of, and the creation of urban industrial parks.

DEBT SERVICE

CORRECTIONAL FACILITIES CONSTRUCTION BONDS--1982

An amount of \$170,000,000 was authorized for the planning, erection, acquisition, improvement, development and equipping of correctional facilities. These funds will be used to alleviate present and anticipated problems of overcrowding in state and county prisons.

NEW JERSEY GREEN ACRES BONDS--1983

An amount of \$135,000,000 was authorized for state and local acquisition and development to conserve open space and provide recreation areas. An amount of \$52,000,000 was allocated for state acquisition and development and \$83,000,000 was allocated for loans to local governments.

SHORE PROTECTION BONDS--1983

An amount of \$50,000,000 was authorized for restoration, maintenance and protection of beaches and harbors.

NEW JERSEY BRIDGE REHABILITATION AND IMPROVEMENTS BONDS--1983

An amount of \$135,000,000 was authorized for the construction, reconstruction, improvement and repair to state and local bridges. An amount of \$97,500,000 was allocated for state bridges and \$37,500,000 was allocated for local bridges.

JOBS, SCIENCE AND TECHNOLOGY BONDS--1984

An amount of \$90,000,000 was authorized for the construction and improvement of technical and engineering facilities and for high technology job training and retraining programs at public and private institutions of higher education. The New Jersey Commission on Science and Technology was allocated \$57,000,000 for the establishment and construction of advanced technology centers. The Department of Higher Education was allocated \$23,000,000 for the construction of undergraduate facilities and \$10,000,000 for engineering programs and Computer-Assisted-Design and Computer-Assisted-Manufacturing Centers.

HUMAN SERVICES FACILITIES CONSTRUCTION BONDS--1984

An amount of \$60,000,000 was authorized for the planning, construction, acquisition, improvement, development and equipping of Human Services facilities and for community programs.

PINELANDS INFRASTRUCTURE TRUST BONDS--1985

An amount of \$30,000,000 was authorized to provide grants and loans to local governments located in the Pinelands for infrastructure needs.

WASTEWATER TREATMENT BONDS--1985

An amount of \$190,000,000 was authorized for two major areas. An amount of \$150,000,000 was allocated for grants and loans for the construction of wastewater treatment facilities and \$40,000,000 was allocated to the New Jersey Wastewater Treatment Trust of 1985.

RESOURCE RECOVERY AND SOLID WASTE DISPOSAL FACILITY BONDS--1985

An amount of \$85,000,000 was authorized to provide loans to local governments for construction of resource recovery facilities.

HAZARDOUS DISCHARGE BONDS--1986

An amount of \$200,000,000 was authorized for the identification, cleanup and removal of hazardous discharges.

CORRECTIONAL FACILITIES CONSTRUCTION BONDS--1987

An amount of \$198,000,000 was authorized for the planning, erection, acquisition, improvement and development of correctional facilities.

NEW JERSEY GREEN ACRES CULTURAL CENTERS AND HISTORIC PRESERVATION BONDS--1987

An amount of \$100,000,000 was authorized for the construction and development of cultural centers and for restoration, repair and rehabilitation of historic structures. An amount of \$40,000,000 was allocated to the Department of State for state grants for cultural center development. The Department of Environmental Protection and Energy was allocated \$25,000,000 for historic preservation grants and loans and \$35,000,000 for grants and loans to local government units for Green Acres projects.

JOBS, EDUCATION AND COMPETITIVENESS BONDS--1988

An amount of \$350,000,000 was authorized for the construction and renovation of classrooms, libraries, computer facilities, and a network of high technology research centers at colleges and universities. An amount of \$308,000,000 was designated for higher education construction and renovations. The remaining \$42,000,000 was designated to the New Jersey Commission on Science and Technology to establish and build an expanded network of advanced technology centers.

**NEW JERSEY BRIDGE REHABILITATION AND IMPROVEMENT, AND
RAILROAD RIGHT-OF-WAY PRESERVATION BONDS--1989**

An amount of \$115,000,000 was authorized for the rehabilitation and improvement of bridges and the preservation and acquisition of railroad rights-of-way. An amount of \$45,000,000 was designated for the rehabilitation of bridges carrying state highways; \$45,000,000 was designated for bridges carrying county and municipal roads; and \$25,000,000 was designated for the preservation and acquisition of railroad rights-of-way.

STORMWATER MANAGEMENT AND COMBINED SEWER OVERFLOW ABATEMENT BONDS--1989

An amount of \$50,000,000 was authorized for the purpose of providing grants and low interest loans to local government units for the costs of projects to manage stormwater and abate combined sewer overflows into the State's waters and other improper connections of stormwater and sewer systems.

OPEN SPACE PRESERVATION BONDS--1989

An amount of \$300,000,000 was authorized for the purchase and development of land for recreation and conservation purposes and to provide state matching funds for soil and water conservation projects. The Department of Environmental Protection and Energy was allocated \$230,000,000 for acquisition of lands for recreational development and conservation purposes and \$20,000,000 for funding development potential transfer banks. The Department of Agriculture was allocated \$50,000,000 for the preservation of farmland for agricultural use and production.

PUBLIC PURPOSE BUILDINGS AND COMMUNITY-BASED FACILITIES CONSTRUCTION BONDS--1989

An amount of \$125,000,000 was authorized for the purchase, construction, and renovation of public buildings. An amount of \$90,000,000 was allocated to the Department of Human Services for facilities for the mentally ill and developmentally disabled. The Department of Corrections was allocated \$35,000,000 for the construction of correctional facilities.

GREEN ACRES, CLEAN WATER, FARMLAND AND HISTORIC PRESERVATION BONDS--1992

A total amount of \$345,000,000 was authorized, of which the Department of Environmental Protection and Energy was authorized an amount of \$200,000,000 for acquisition and development of lands for recreation and conservation purposes, \$25,000,000 for historic preservation projects, \$20,000,000 for dam restoration and inland waters projects, and \$50,000,000 for financing wastewater treatment system projects. The Department of Agriculture was provided with \$50,000,000 for the preservation of farmland for agricultural use and production.

**DEVELOPMENTAL DISABILITIES WAITING LIST REDUCTION, AND
HUMAN SERVICES FACILITIES CONSTRUCTION BONDS--1994**

The Department of Human Services was authorized an amount of \$160,000,000 for institutional and community projects for clients served by the Department of Human Services, including clients of the Division of Developmental Disabilities. An amount of \$130,000,000 was allocated for renovations of existing community-based facilities and expansion and creation of new community-based facilities. An amount of \$30,000,000 was allocated for necessary capital improvements at the various institutions operated by the Department of Human Services.

DEBT SERVICE

GREEN ACRES, FARMLAND AND HISTORIC PRESERVATION, AND BLUE ACRES BONDS--1995

A total amount of \$340,000,000 was authorized, of which the Department of Environmental Protection was allocated \$250,000,000 for acquisition and development of lands for recreation and conservation purposes, and to provide state matching funds for recreation and conservation projects, \$10,000,000 for historic preservation projects, \$15,000,000 for the acquisition of coastal area lands that have or are prone to damage by storms or storm related flooding, and \$15,000,000 to purchase lands in the floodway of the Passaic River. The Department of Agriculture was allocated \$50,000,000 for the preservation of farmland for agricultural use and production.

PORT OF NEW JERSEY REVITALIZATION, DREDGING, ENVIRONMENTAL CLEANUP, LAKE RESTORATION, AND DELAWARE BAY AREA ECONOMIC DEVELOPMENT BONDS--1996

The Department of Environmental Protection was authorized a total amount of \$300,000,000, of which \$185,000,000 was allocated for the construction of subaqueous pits and a containment facility for the disposal of dredged material from the New Jersey/New York port region, \$20,000,000 for dredging navigational channels not located in the port region, \$70,000,000 for remediation of hazardous discharge sites, \$5,000,000 for lake restoration projects and \$20,000,000 for financing economic development sites in the Delaware River and Bay Region.

URBAN AND RURAL CENTERS UNSAFE BUILDINGS DEMOLITION BONDS--1997

An amount of \$20,000,000 was authorized for the purpose of providing loans to municipalities for the demolition and disposal of unsafe buildings in urban and rural centers.

STATEWIDE TRANSPORTATION AND LOCAL BRIDGE BONDS--1999

An amount of \$500,000,000 was authorized for the purpose of rehabilitating and improving the State transportation system, including local bridges. Of the total amount authorized, \$250,000,000 was allocated for grants to county and municipal governments for rehabilitation and improvement of structurally deficient bridges carrying county or municipal roads, including railroad overhead bridges. The remaining \$250,000,000 was allocated for transportation projects.

DAM, LAKE, STREAM, AND WASTEWATER TREATMENT PROJECT BONDS--2003

An amount of \$200,000,000 was authorized for the purposes of dam restoration and repair projects, lake dredging and restoration projects, stream cleaning and desnagging projects. Of the total amount authorized, \$15,000,000 was allocated to restore and repair State-owned dams, \$105,000,000 was allocated for low-interest loans to owners of private dams for dam restoration and repair projects, \$30,000,000 was allocated for low-interest loans to owners of private lakes and streams and private lake associations for lake dredging, restoration, or stream cleaning and desnagging projects, necessary to diminish severe flooding, and \$50,000,000 was allocated for wastewater treatment system projects.

GREEN ACRES, FARMLAND, BLUE ACRES, AND HISTORIC PRESERVATION BONDS--2007

An amount of \$200,000,000 was authorized for the purpose of acquisition and development of lands for recreation and conservation purposes, preservation of farmland for agricultural or horticultural use and production, acquisition, for recreation and conservation purposes, of properties in the floodways of the Delaware River, Passaic River, and Raritan River, and their tributaries, and funding historic preservation projects.

42. DEPARTMENT OF ENVIRONMENTAL PROTECTION 40. COMMUNITY DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT 46. ENVIRONMENTAL PLANNING AND ADMINISTRATION

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2008 Adjusted Approp.	Requested	Recom- mended
14,844	---	-1	14,843	14,843	12,570	21,710	21,710
49,820	---	---	49,820	49,820	44,220	38,025	38,025
64,664	---	-1	64,663	64,663	56,790	59,735	59,735
Interest on Bonds							
Bond Redemption							
Total Appropriation							

DEBT SERVICE

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
Distribution by Object								
Special Purpose:								
Interest:								
73	---	---	73	73	Water Conservation Bonds (P.L. 1969, c. 127)	36	---	---
5	---	---	5	5	State Recreation and Conservation Land Acquisition and Development Bonds (P.L. 1974, c. 102)	---	---	---
13	---	---	13	13	Clean Waters Bonds (P.L. 1976, c. 92)	5	60	60
105	---	-1	104	104	State Land Acquisition and Development Bonds (P.L. 1978, c. 118)	77	138	138
886	---	---	886	886	Natural Resources Bonds (P.L. 1980, c. 70)	836	794	794
122	---	---	122	122	Hazardous Discharge Bonds (P.L. 1981, c. 275)	92	66	66
10	---	---	10	10	1983 New Jersey Green Acres Bonds (P.L. 1983, c. 354)	5	---	---
2	---	---	2	2	Shore Protection Bonds (P.L. 1983, c. 356)	---	---	---
305	---	---	305	305	Resource Recovery and Solid Waste Disposal Facility Bonds (P.L. 1985, c. 330)	253	196	196
1,541	---	---	1,541	1,541	Hazardous Discharge Bonds (P.L. 1986, c. 113)	1,204	872	872
222	---	---	222	222	1987 Green Acres, Cultural Centers and Historic Preservation Bonds (P.L. 1987, c. 265)	191	550	550
929	---	---	929	929	1989 New Jersey Open Space Preservation Bonds (P.L. 1989, c. 183)	633	411	411
206	---	---	206	206	Stormwater Management and Combined Sewer Overflow Abatement Bonds (P.L. 1989, c. 181)	182	425	425
3,200	---	---	3,200	3,200	Green Acres, Clean Water, Farmland and Historic Preservation Bonds (P.L. 1992, c. 88)	2,573	2,137	2,137
4,764	---	---	4,764	4,764	Green Acres, Farmland and Historic Preservation and Blue Acres Bonds (P.L. 1995, c. 204)	4,157	3,740	3,740
2,461	---	---	2,461	2,461	Port of New Jersey Revitalization, Dredging Bonds (P.L. 1996, c. 70)	2,326	6,088	6,088
---	---	---	---	---	Dam, Lake, Stream, Water Resources, and Wastewater Treatment Project Bonds (P.L. 2003, c. 162)	---	6,233	6,233
Redemption:								
752	---	---	752	752	Water Conservation Bonds (P.L. 1969, c. 127)	685	---	---
152	---	---	152	152	State Recreation and Conservation Land Acquisition and Development Bonds (P.L. 1974, c. 102)	---	---	---
192	---	---	192	192	Clean Waters Bonds (P.L. 1976, c. 92)	95	45	45
708	---	---	708	708	State Land Acquisition and Development Bonds (P.L. 1978, c. 118)	200	295	295
1,002	---	---	1,002	1,002	Natural Resources Bonds (P.L. 1980, c. 70)	895	935	935
622	---	---	622	622	Hazardous Discharge Bonds (P.L. 1981, c. 275)	495	270	270
90	---	---	90	90	1983 New Jersey Green Acres Bonds (P.L. 1983, c. 354)	95	---	---
51	---	---	51	51	Shore Protection Bonds (P.L. 1983, c. 356)	---	---	---
1,035	---	---	1,035	1,035	Resource Recovery and Solid Waste Disposal Facility Bonds (P.L. 1985, c. 330)	1,085	1,145	1,145
10,026	---	---	10,026	10,026	Hazardous Discharge Bonds (P.L. 1986, c. 113)	8,960	7,025	7,025
580	---	---	580	580	1987 Green Acres, Cultural Centers and Historic Preservation Bonds (P.L. 1987, c. 265)	615	780	780
6,649	---	---	6,649	6,649	1989 New Jersey Open Space Preservation Bonds (P.L. 1989, c. 183)	4,270	1,565	1,565

DEBT SERVICE

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
470	---	---	470	470	Stormwater Management and Combined Sewer Overflow Abatement Bonds (P.L. 1989, c. 181)	500	615	615
13,071	---	---	13,071	13,071	Green Acres, Clean Water, Farmland and Historic Preservation Bonds (P.L. 1992, c. 88)	11,175	5,360	5,360
11,745	---	---	11,745	11,745	Green Acres, Farmland and Historic Preservation and Blue Acres Bonds (P.L. 1995 c. 204)	12,355	9,775	9,775
2,675	---	---	2,675	2,675	Port of New Jersey Revitalization, Dredging Bonds (P.L. 1996 c. 70)	2,795	4,255	4,255
---	---	---	---	---	Dam, Lake, Stream, Water Resources, and Wastewater Treatment Project Bonds (P.L. 2003, c. 162)	---	<u>5,960</u>	<u>5,960</u>
64,664	---	-1	64,663	64,663	<i>Total Special Purpose</i>	56,790	59,735	59,735
64,664	---	-1	64,663	64,663	Total Appropriation, Department of Environmental Protection	56,790	59,735	59,735

82. DEPARTMENT OF THE TREASURY

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

76. MANAGEMENT AND ADMINISTRATION

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
158,695	---	2	158,697	158,695	Interest on Bonds	159,152	136,075	136,075
<u>204,426</u>	<u>---</u>	<u>-1</u>	<u>204,425</u>	<u>204,425</u>	Bond Redemption	<u>222,855</u>	<u>210,087</u>	<u>210,087</u>
363,121	---	1	363,122	363,120	<i>Total Appropriation</i>	382,007	346,162	346,162

Distribution by Object

Special Purpose:

Interest:

25	---	---	25	25	Transportation Rehabilitation and Improvement Bonds (P.L. 1979, c. 165)	---	---	---
36	---	---	36	36	Energy Conservation Bonds (P.L. 1980, c. 68)	26	15	15
42	---	1	43	42	Community Development Bonds (P.L. 1981, c. 486)	18	---	---
7	---	---	7	7	Human Services Facilities Construction Bonds (P.L. 1984, c. 157)	---	---	---
144,624	---	1	144,625	144,624	Refunding Bonds (P.L. 1985, c. 74, as amended by P.L. 1992, c. 182)	132,467	125,244	125,244
571	---	---	571	571	Jobs, Education and Competitiveness Bonds (P.L. 1988, c. 78)	369	287	287
491	---	---	491	491	Public Purpose Buildings and Community-Based Facilities Construction Bonds (P.L. 1989, c. 184)	426	359	359
710	---	---	710	710	1989 Bridge Rehabilitation and Improvement and Railroad Right- of-way Preservation Bonds (P.L. 1989, c. 108)	539	380	380
2,039	---	---	2,039	2,039	Developmental Disabilities Waiting List Reduction & Human Services Facilities Bonds (P.L. 1994, c. 108)	1,691	1,587	1,587
438	---	---	438	438	Urban and Rural Centers Unsafe Buildings Demolition Bonds (P.L. 1997, c. 125)	274	93	93

DEBT SERVICE

Year Ending June 30, 2007						Year Ending June 30, 2009		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2008 Adjusted Approp.	Requested	Recom- mended
9,712	---	---	9,712	9,712	Statewide Transportation and Local Bridge Bond Act of 1999 (P.L. 1999, c. 181)	8,893	8,110	8,110
---	---	---	---	---	Payments on Future Bond Sales	14,449	---	---
Redemption:								
761	---	---	761	761	Transportation Rehabilitation and Improvement Bonds (P.L. 1979, c. 165)	---	---	---
200	---	---	200	200	Energy Conservation Bonds (P.L. 1980, c. 68)	210	25	25
513	---	---	513	513	Community Development Bonds (P.L. 1981, c. 486)	300	---	---
228	---	---	228	228	Human Services Facilities Construction Bonds (P.L. 1984, c. 157)	---	---	---
167,026	---	-1	167,025	167,025	Refunding Bonds (P.L. 1985, c. 74, as amended by P.L. 1992, c. 182)	189,925	180,212	180,212
5,317	---	---	5,317	5,317	Jobs, Education and Competitiveness Bonds (P.L. 1988, c. 78)	1,585	1,120	1,120
1,245	---	---	1,245	1,245	Public Purpose Buildings and Community-Based Facilities Construction Bonds (P.L. 1987, c. 184)	1,310	1,375	1,375
3,428	---	---	3,428	3,428	1989 Bridge Rehabilitation and Improvement and Railroad Right- of-way Preservation Bonds (P.L. 1989, c. 108)	3,075	1,740	1,740
7,178	---	---	7,178	7,178	Developmental Disabilities Waiting List Reduction and Human Services Facilities Bonds (P.L. 1994, c. 108)	6,955	5,155	5,155
3,370	---	---	3,370	3,370	Urban and Rural Centers Unsafe Buildings Demolition Bonds (P.L. 1997, c. 125)	3,535	3,715	3,715
<u>15,160</u>	<u>---</u>	<u>---</u>	<u>15,160</u>	<u>15,160</u>	Statewide Transportation and Local Bridge Bond Act of 1999 (P.L. 1999, c. 181)	<u>15,960</u>	<u>16,745</u>	<u>16,745</u>
363,121	---	1	363,122	363,120	Total Special Purpose	382,007	346,162	346,162
363,121	---	1	363,122	363,120	Total Appropriation, Department of the Treasury	382,007	346,162	346,162

Language Recommendations --

Notwithstanding the provisions of any law or regulation to the contrary, such sums as may be needed for the payment of interest and/or principal due from the issuance of any bonds authorized under the several bond acts of the State are appropriated and shall first be charged to the earnings from the investments of such bond proceeds and/or repayments of loans from the applicable bond funds established under such bond acts, and monies are appropriated from such bond funds for the purpose of paying interest and/or principal on the bonds issued pursuant to such bond acts. Where required by law, such sums shall be used to fund a reserve for the payment of interest and/or principal on the bonds authorized under the bond act. Furthermore, where required by law, the amounts hereinabove appropriated are allocated to the projects heretofore approved by the Legislature pursuant to those bond acts. The Director of the Division of Budget and Accounting is authorized to reallocate amounts hereinabove appropriated among the various debt service accounts to permit the proper debt service payments.

There are appropriated such sums as may be needed for the payment of debt service administrative costs.

Subsequent to the refunding of bonds in the current fiscal year, the Director of the Division of Budget and Accounting is authorized to reallocate amounts hereinabove appropriated among the various debt service accounts to reflect the debt service savings of the refunding and to permit the proper debt service payments.

427,785	---	---	427,785	427,783	Grand Total, Debt Service	438,797	405,897	405,897
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NOTES

Together, we will set a

new course for New

Jersey. Together, we

will set a new course for New

Jersey. Together, we

will set a new course for

Jersey. Together,

will set a new course for



Language Provisions

This section includes the General Language provisions which provide certain restrictions on the use of State and Federal Fund appropriations.

FEDERAL FUNDS PROVISIONS

Notwithstanding the provisions of any State law or regulation to the contrary, no State agency shall accept or expend federal funds except as appropriated by the Legislature or otherwise provided in this act.

In addition to the federal funds appropriated in this act, there are appropriated the following federal funds, subject to the approval of the Director of the Division of Budget and Accounting: emergency disaster aid funds including grants for preventive measures; pass-through grants to political subdivisions of the State over which the State is not permitted to exercise discretion in the use or distribution of the funds and for which no State matching funds are required; the first 25% of unanticipated grant awards, and up to 25% of increases in previously anticipated grant awards for which no State matching funds are required except, for the purpose of this section, federal funds received by one executive agency that are ultimately expended by another executive agency shall not be considered pass-through grants; federal financial aid funds for students attending post-secondary educational institutions in excess of the amount specifically appropriated, and any such grants intended to prevent threats to homeland security up to 100% of previously anticipated or unanticipated grant award amounts for which no State matching funds are required, provided however, that the Director of the Division of Budget and Accounting shall notify the Legislative Budget and Finance Officer of such grants; and all other grants of \$500,000 or less which have been awarded competitively.

For the purposes of federal funds appropriations, “political subdivisions of the State” means counties, municipalities, school districts, or agencies thereof, regional, county or municipal authorities, or districts other than interstate authorities or districts; “discretion” refers to any action in which an agency may determine either the amount of funds to be allocated or the recipient of the allocation; and “grants” refers to one-time, or time limited awards, which are received pursuant to submission of a grant application in competition with other grant applications.

The unexpended balances at the end of the preceding fiscal year of federal funds are appropriated for the same purposes. The Director of the Division of Budget and Accounting shall inform the Legislative Budget and Finance Officer by November 1, 2008 of any unexpended balances which are continued.

The appropriate executive agencies shall prepare and submit to the Senate Budget and Appropriations Committee and the Assembly Appropriations Committee, or their successors, by March 1, 2009, reports on proposed expenditures during the current fiscal year for the following federal programs: the alcohol, drug abuse and mental health block grant; the education block grant; the community services block grant; the jobs training partnership block grant; the low income energy assistance block grant; the maternal and child health block grant; the preventive health and health services block grant; the small cities block grant; the social services block grant; and the child care block grant. These reports shall account for all federal, State and local funds which are anticipated to be expended on block grant programs, shall provide an accounting of block grant expenditures during the prior fiscal year, and shall provide a detailed list of contracts awarded to provide services under the block grants.

Out of the appropriations herein, the Director of the Division of Budget and Accounting is empowered to approve payments to liquidate any unrecorded liabilities for materials delivered or services rendered in prior fiscal years, upon the written recommendations of any department head or the department head’s designated representative. The Director of the Division of Budget and Accounting shall reject any recommendations for payment which the Director deems improper.

The sum herein appropriated to the Department of Transportation for the Hudson-Bergen Light Rail Transit System is hereby appropriated, to the extent necessary, to pay the principal of and interest on the grant anticipation notes issued by the New Jersey Transit Corporation.

In order to permit flexibility in the handling of appropriations and ensure the timely payment of claims to providers of medical services, amounts may be transferred to and from the various items of appropriation within the General Medical Services program classification, and within the federal matching funding, in the Division of Medical Assistance and Health Services in the Department of Human Services, and within the Medical Services for the Aged program classification, and within the federal matching funding, in the Division of Senior Services in the Department of Health and Senior Services, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

Notwithstanding the provisions of any law, regulation or Executive Order to the contrary, any purchase by the State or by a State agency or local government unit of equipment, goods or services related to homeland security and domestic preparedness, that is paid for or reimbursed by federal funds awarded by the U.S. Department of Homeland Security or other federal agency, appropriated in the current fiscal year, may be made through the receipt of public bids or as an alternative to public bidding and subject to the provisions of this paragraph, through direct purchase without advertising for bids or rejecting bids already received but not awarded. The equipment, goods or services purchased by a local government unit shall be referred to in the grant agreement issued by the State administrative agency administering such funds and shall be authorized by resolution of the governing body of the local government unit entering into the grant agreement. Such resolution may, without subsequent action of the local governing body, simultaneously accept the grant from the State administrative agency, authorize the insertion of the revenue and offsetting appropriation in the budget of the local government unit, and authorize the contracting agent of the local government unit to procure the equipment, goods or services. A copy of such resolution shall be filed with the chief financial officer of the local government unit, the State Administrative agency and the Division of Local Government Services in the Department of Community Affairs. Purchases made without public bidding shall be from vendors that shall either (1) be holders of a current State contract for the equipment, goods or services sought, or (2) be participating in a federal procurement program established by a federal department or agency, or (3) have been approved by the State Treasurer in consultation with the New Jersey Domestic Security Preparedness Task Force. All homeland security purchases herein shall continue to be subject to all grant requirements and conditions approved by the State administrative agency. The Director of the Division of Purchase and Property may enter into or participate in purchasing agreements with one or more other states, or political subdivisions or compact agencies thereof, for the purchase of such equipment, goods or services, using monies appropriated under this act, to meet the domestic preparedness and homeland security needs of this State. Such purchasing agreement may provide for the sharing of costs and the methods of payments relating to such purchases. Furthermore, a county government awarding a contract for Homeland Security equipment, goods or services, may, with the approval of the vendor, extend the terms and conditions of the contract to any other county government that wants to purchase under that contract, subject to notice and documentation requirements issued by the Director of the Division of Local Government Services.

LANGUAGE PROVISIONS

Of the amounts appropriated for Income Maintenance Management, amounts may be transferred to the various departments in accordance with the Division of Family Development's agreements, subject to the approval of the Director of the Division of Budget and Accounting. Any unobligated balances remaining from funds transferred to the departments shall be transferred back to the Division of Family Development subject to the approval of the Director of the Division of Budget and Accounting.

Of the amounts hereinabove appropriated for Community Provider Cost of Living Adjustment, amounts may be transferred to other divisions within the Department of Human Services in order to provide a cost of living adjustment to community care providers contracting with the various divisions, subject to the approval of the Director of the Division of Budget and Accounting.

GENERAL FUND PROVISIONS

All dedicated funds are hereby appropriated for their dedicated purposes. There are appropriated, subject to allotment by the Director of the Division of Budget and Accounting and with the approval of the Legislative Budget and Finance Officer, private contributions, revolving funds and dedicated funds received, receivable or estimated to be received for the use of the State or its agencies in excess of those anticipated, unless otherwise provided herein, and the unexpended balances at the end of the preceding fiscal year of such funds, subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated, subject to allotment by the Director of the Division of Budget and Accounting, the following: sums required to refund amounts credited to the State Treasury which do not represent State revenue; sums received representing insurance to cover losses by fire and other casualties and the unexpended balance at the end of the preceding fiscal year of such sums; sums received by any State department or agency from the sale of equipment, when such sums are received in lieu of trade-in value in the replacement of such equipment; and sums received in the State Treasury representing refunds of payments made from appropriations provided in this act.

There are appropriated, subject to allotment by the Director of the Division of Budget and Accounting, sums required to satisfy receivables previously established from which non-reimbursable costs and ineligible expenditures have been incurred.

There are appropriated, subject to allotment by the Director of the Division of Budget and Accounting, from federal or other non-State sources amounts not to exceed the cost of services necessary to document and support retroactive claims.

There are appropriated such sums as may be required to pay interest liabilities to the federal government as required by the Treasury/State agreement pursuant to the provisions of the Cash Management Improvement Act of 1990, Pub. L. 101-453 (31 U.S.C. s.6501 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated, subject to the approval of the Director of the Division of Budget and Accounting, from interest earnings of the various bond funds such sums as may be necessary for the State to comply with the federal "Tax Reform Act of 1986," Pub. L. 99-514 (26 U.S.C. s.1 et seq.), which requires issuers of tax-exempt debt obligations to rebate any arbitrage earnings to the federal government.

There are appropriated from the General Fund, subject to the approval of the Director of the Division of Budget and Accounting, such sums as are necessary to pay interest, at the average rate of earnings during the fiscal year from the State's general investments, to those bond funds that have borrowed money from the General Fund or other bond funds and that have insufficient resources to accrue and pay the interest expense on such borrowing.

In addition to the amounts appropriated hereinabove, such additional sums as may be necessary are appropriated to fund the costs of the collection of debts, taxes and other fees and charges owed to the State, including but not limited to the services of auditors and attorneys and enhanced compliance programs, subject to the approval of the Director of the Division of Budget and Accounting.

There is appropriated \$11,600,000 from the Legal Services Trust Fund established pursuant to section 6 of P.L. 1996, c.52 (C.22A:2-51), for transfer to the General Fund as State revenue to fund the following programs: \$8,000,000 for Legal Services of New Jersey grant, \$3,000,000 for ten additional judgeships in the Judiciary, and \$600,000 for Clinical Legal Programs for the Poor at the Rutgers-Camden Law School, the Rutgers-Newark Law School and Seton Hall Law School.

The unexpended balances at the end of the preceding fiscal year in the accounts of the several departments and agencies heretofore appropriated or established in the category of Additions, Improvements and Equipment are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balances at the end of the preceding fiscal year in the Capital Construction accounts for all departments and agencies are appropriated.

Unless otherwise provided, unexpended balances at the end of the preceding fiscal year in accounts of appropriations enacted subsequent to April 1, 2008 are appropriated.

The unexpended balances at the end of the preceding fiscal year in accounts that are funded by Interfund Transfers are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding any provisions in this act or the provisions of any law or regulation to the contrary, no unexpended balances at the end of the preceding fiscal year are appropriated without the approval of the Director of the Division of Budget and Accounting, except that the Legislative Branch of State government shall be exempt from this provision. The Director of the Division of Budget and Accounting shall notify the Legislative Budget and Finance Officer of those instances in which unexpended balances are not appropriated pursuant to this section.

The administrative costs of the Special Education Medicaid Initiative (SEMI) and the Medicaid Administrative Claiming (MAC) program, including the participation of a consultant, are appropriated and shall be paid from the revenue received, subject to the approval of the Director of the Division of Budget and Accounting.

The following transfer of appropriations rules are in effect for the current fiscal year:

- a. To permit flexibility in the handling of appropriations, any department or agency that receives an appropriation by law, may, subject to the provisions of this section, or unless otherwise provided in this act, apply to the Director of the Division of Budget and Accounting for permission to transfer funds from one item of appropriation to a different item of appropriation. For the purposes of this section, "item of appropriation" means the spending authority identified by an organization code, appropriation source, and program code, unique to the item. If the director consents to the transfer, the amount transferred shall be credited by the director to the designated item of appropriation and notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer. However, the director, after consenting thereto, shall submit the following transfer requests to the Legislative Budget and Finance Officer for legislative approval or disapproval unless otherwise provided in this act:
 - (1) Requests for the transfer of State and other nonfederal funds, in amounts greater than \$300,000, to or from any item of appropriation;
 - (2) Requests for the transfer of State and other nonfederal funds, in amounts greater than \$50,000, to or from any Special Purpose account, as defined by major object 5, or Grant account, as defined by major object 6, within an item of appropriation, from or to a different item of appropriation;
 - (3) Requests for the transfer of State and other nonfederal funds, in amounts greater than \$50,000, to or from any Special Purpose or Grant account in which the identifying organization code, appropriation source, and program code, remain the same, provided that the transfer would effect a change in the legislative intent of the appropriations;
 - (4) Requests for the transfer of State funds, in amounts greater than \$50,000, between items of appropriation in different departments or between items of appropriation in different appropriation classifications herein entitled as Direct State Services, Grants-In-Aid, State Aid, Capital Construction and Debt Service;
 - (5) Requests for the transfer of federal funds, in amounts greater than \$300,000, from one item of appropriation to another item of appropriation, if the amount of the transfer to an item in combination with the amount of the appropriation to that item would result in an amount in excess of the appropriation authority for that item, as defined by the program class;
 - (6) Requests for such other transfers as are appropriate in order to ensure compliance with the legislative intent of this act.
- b. The Joint Budget Oversight Committee or its successor may review all transfer requests submitted for legislative approval and may direct the Legislative Budget and Finance Officer to approve or disapprove any such transfer request. Transfers submitted for legislative approval pursuant to paragraph (4) of subsection a. of this section shall be made only if approved by the Legislative Budget and Finance Officer at the direction of the committee.
- c. The Legislative Budget and Finance Officer shall approve or disapprove requests for the transfer of funds submitted for legislative approval within 10 working days of the physical receipt thereof and shall return them to the director. If any provision of this act or any supplement thereto requires the Legislative Budget and Finance Officer to approve or disapprove requests for the transfer of funds, the request shall be deemed to be approved by the Legislative Budget and Finance Officer if, within 20 working days of the physical receipt of the request, he has not disapproved the request and so notified the requesting officer. However, this time period shall not pertain to any transfer request under review by the Joint Budget Oversight Committee or its successor, provided notice of such review has been given to the director.
- d. No amount appropriated for any capital improvement shall be used for any temporary purpose except extraordinary snow removal or extraordinary transportation maintenance subject to the approval of the Director of the Division of Budget and Accounting. However, an amount from any appropriation for an item of capital improvement may be transferred to any other item of capital improvement subject to the approval of the director, and, if in an amount greater than \$300,000, subject to the approval of the Legislative Budget and Finance Officer.
- e. The provisions of subsections a. through d. of this section shall not apply to appropriations made to the Legislative or Judicial branches of State government. To permit flexibility in the handling of these appropriations, amounts may be transferred to and from the various items of appropriation by the appropriate officer or designee with notification given to the director on the effective date thereof.
- f. Notwithstanding any provisions of this section to the contrary, transfers to and from the Special Purpose appropriation to the Governor for emergency or necessity under the Other Interdepartmental Accounts program classification and transfers from the appropriations to the various accounts in the category of Salary Increases and Other Benefits, both in the Interdepartmental Accounts, shall not be subject to legislative approval or disapproval.

The Director of the Division of Budget and Accounting shall make such correction of the title, text or account number of an appropriation necessary to make such appropriation available in accordance with legislative intent. Such correction shall be by written ruling, reciting in appropriate detail the facts thereof, and reasons therefore, attested by the signature of the Director of the Division of Budget and Accounting and filed in the Division of Budget and Accounting of the Department of the Treasury as an official record thereof, and any action thereunder, including disbursement and the audit thereof, shall be legally binding and of full force and virtue. An official copy of each such written ruling shall be transmitted to the Legislative Budget and Finance Officer, upon the effective date of the ruling.

The Legislative Budget and Finance Officer with the cooperation and assistance of the Director of the Division of Budget and Accounting is authorized to adjust this appropriations bill to reflect any reorganizations which have been implemented since the presentation of the Governor's Budget Message and Recommendation Document that was proposed for this fiscal year.

None of the funds appropriated to the Executive Branch of State government for Information Processing, Development, Telecommunications, and Related Services and Equipment shall be available to pay for any of these services or equipment without the review of the Office of Information Technology, and compliance with statewide policies and standards and an approved department Information Technology Strategic Plan; authorization and approval by the Office of Information Technology is required for expenditure of amounts in excess of \$2,500, as currently specified by Circular Letter 07-14-OMB/OIT.

If the sum provided in this act for a State aid payment pursuant to formula is insufficient to meet the full requirements of the formula, all recipients of State aid shall have their allocation proportionately reduced, subject to the approval of the Director of the Division of Budget and Accounting.

LANGUAGE PROVISIONS

When the duties or responsibilities of any department or branch, except for the Legislature and any of its agencies, are transferred to any other department or branch, it shall be the duty of the Director of the Division of Budget and Accounting and the director is hereby empowered to transfer funds appropriated for the maintenance and operation of any such department or branch to such department or branch as shall be charged with the responsibility of administering the functions so transferred. The Director of the Division of Budget and Accounting shall have the authority to create such new accounts as may be necessary to carry out the intent of the transfer. Information copies of such transfers shall be transmitted to the Legislative Budget and Finance Officer upon the effective date thereof. If such transfers may be required among appropriations made to the Legislature and its agencies, the Legislative Budget and Finance Officer, subject to the approval of the President of the Senate and the Speaker of the General Assembly, is hereby empowered and it shall be that officer's duty to effect such transactions hereinabove described and to notify the Director of the Division of Budget and Accounting upon the effective date thereof.

The Director of the Division of Budget and Accounting is empowered and it shall be the director's duty in the disbursement of funds for payment of expenses classified as salary increases and other benefits, employee benefits, debt service, rent, telephone, data processing, motor pool, insurance, travel, postage, lease payments on equipment purchases, additions, improvements and equipment, and compensation awards to credit or transfer to the Department of the Treasury, to an Interdepartmental account, or to the General Fund, as applicable, from any other department, branch or non-State fund source out of funds appropriated or credited thereto, such sums as may be required to cover the costs of such payment attributable to such other department, branch or non-State fund source, or to reimburse the Department of the Treasury, an Interdepartmental account, or the General Fund for reductions made representing statewide savings in the above expense classifications, as the director shall determine. Receipts in any non-State funds are appropriated for the purpose of such transfer.

The Governor is empowered to direct the State Treasurer to transfer from any State department to any other State department such sums as may be necessary for the cost of any emergency occasioned by aggression, civil disturbance, sabotage, or disaster. In addition, there are appropriated such additional sums as may be necessary for emergency repairs and reconstruction of State facilities or property, subject to the approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee. Appropriations referred to the Joint Budget Oversight Committee shall be deemed approved unless a resolution of disapproval is adopted within 10 working days of receipt of notification of the proposed appropriation.

Upon request of any department receiving non-State funds, the Director of the Division of Budget and Accounting is empowered to transfer such funds from that department to other departments as may be charged with the responsibility for the expenditure thereof.

The Director of the Division of Budget and Accounting is empowered to transfer or credit appropriations to any State agency for services provided, or to be provided, by that agency to any other agency or department; provided further, however, that funds have been appropriated or allocated to such agency or department for the purpose of purchasing these services.

Notwithstanding any law to the contrary, should appropriations in the Property Tax Relief Fund exceed available revenues, the Director of the Division of Budget and Accounting is authorized to transfer General Fund unreserved, undesignated fund balances into the Property Tax Relief Fund, providing unreserved, undesignated fund balances are available from the General Fund, as determined by the Director of the Division of Budget and Accounting.

Notwithstanding any law to the contrary, should appropriations in the Casino Revenue Fund exceed available revenues, the Director of the Division of Budget and Accounting is authorized to transfer General Fund unreserved, undesignated fund balances into the Casino Revenue Fund, providing unreserved, undesignated fund balances are available from the General Fund, as determined by the Director of the Division of Budget and Accounting.

No funds shall be expended by any State Department in the Executive Branch in connection with a contract for the production of films, videotapes, video conferences, video-assisted training or multi-media projects that include video images unless the New Jersey Public Broadcasting Authority (PBA) has the opportunity to match any successful bid as part of any formal or informal contract award process. This is not a requirement to award a contract to PBA since the decision to award a contract may also be based on non-cost considerations.

Notwithstanding the provisions of P.L.1954, c.48 (C.52:34-6 et seq.), sums appropriated for services for the various State departments and agencies may be expended for the purchase of contract services from the New Jersey Marine Sciences Consortium as if it were a State government agency pursuant to subsection (a) of section 5 of P.L.1954, c.48 (C.52:34-10).

Out of the amounts hereinabove appropriated, the Director of the Division of Budget and Accounting is empowered to approve payments to liquidate any unrecorded liabilities for materials delivered or services rendered in prior fiscal years, upon the written recommendation of any department head, or the department head's designated representative. The Director of the Division of Budget and Accounting shall reject any recommendations for payment which the director deems improper.

Whenever any county, municipality, school district or a political subdivision thereof withholds funds from a State agency, or causes a State agency to make payment on behalf of a county, municipality, school district or a political subdivision thereof, then the Director of the Division of Budget and Accounting may withhold State aid payments and transfer the same as payment for such funds, as the Director of the Division of Budget and Accounting shall determine.

The Director of the Division of Budget and Accounting is empowered to establish revolving and dedicated funds as required. Notice of the establishment of such funds shall be transmitted to the Legislative Budget and Finance Officer, upon the effective date thereof.

The Director of the Division of Budget and Accounting may, upon application therefore, allot from appropriations made to any official, department, commission or board, a sum to establish a petty cash fund for the payment of expenses under rules and regulations established by the director. Allotments thus made by the Director of the Division of Budget and Accounting shall be paid to such person as shall be designated as the custodian thereof by the official, department, commission or board making a request therefore, and the money thus allotted shall be disbursed by such custodian who shall require a receipt therefore from all persons obtaining money from the fund. The director shall make regulations governing disbursement from petty cash funds.

From appropriations to the various departments of State government, the Director of the Division of Budget and Accounting is empowered to transfer sums sufficient to pay any obligation due and owing in any other department or agency.

Notwithstanding the provisions of any law or regulation to the contrary, the State Treasurer may transfer from any fund in the State Treasurer's custody, deposited with the State Treasurer pursuant to law, sufficient sums to enable payments from any appropriation made herein for any obligations due and owing. Any such transfer shall be restored out of the taxes or other revenue received in the Treasury in support of this act. Except for transfers from the several funds established pursuant to statutes that provide for interest earnings to accrue to those funds, all such transfers shall be without interest. If the statute provides for interest earnings, it shall be calculated at the average rate of earnings during the fiscal year from the State's general investments and such sums as are necessary shall be appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Any qualifying State aid appropriation, or part thereof, made from the General Fund may be transferred and recorded as an appropriation from the Property Tax Relief Fund, as deemed necessary by the State Treasurer, in order that the Director of the Division of Budget and Accounting may warrant the necessary payments; provided however, that the available unreserved, undesignated fund balance in the Property Tax Relief Fund, as determined by the State Treasurer, is sufficient to support the expenditure.

Notwithstanding any other provisions of this act, the State Treasurer, upon warrant of the Director of the Division of Budget and Accounting, shall pay any claim not exceeding \$4,000 out of any appropriations made to the several departments, provided such claim is recommended for payment by the head of such department. The Legislative Budget and Finance Officer shall be notified of the amount and description of any such claim at the time such payment is made. Any claimant who has presented a claim not exceeding \$4,000, which has been denied or not recommended by the head of such department, shall be precluded from presenting said claim to the Legislature for consideration.

Unless otherwise provided, federal grant and project receipts representing reimbursement for agency and central support services, indirect and administrative costs, as determined by the Director of the Division of Budget and Accounting, shall be transmitted to the Department of the Treasury for credit to the General Fund; provided however, that a portion of the indirect and administrative cost recoveries received which are in excess of the amount anticipated may be reclassified into a dedicated account and returned to State departments and agencies, as determined by the Director of the Division of Budget and Accounting, who shall notify the Legislative Budget and Finance Officer of the amount of such funds returned, the departments or agencies receiving such funds and the purpose for which such funds will be used, within 10 working days of any such transaction. Such receipts shall be forwarded to the Director of the Division of Budget and Accounting upon completion of the project or at the end of the fiscal year, whichever occurs earlier.

Notwithstanding the provisions of any law or regulation to the contrary, each local school district that participates in the Special Education Medicaid Initiative (SEMI) shall receive a percentage of the federal revenue realized for current year claims. The percentage share shall be 17.5% of claims approved by the State by June 30.

Notwithstanding the provisions of any law or regulation to the contrary, each local school district that participates in the Medicaid Administrative Claiming (MAC) initiative shall receive a percentage of the federal revenue realized for current year claims. The percentage share shall be 17.5% of claims approved by the State by June 30.

Notwithstanding the provisions of P.L. 1943, c. 188 (C.52:14-17.1 et seq.), the rate of reimbursement for mileage allowed for employees traveling by personal automobile on official business shall be \$.31 per mile.

State agencies shall prepare and submit a copy of their agency or departmental budget requests for the next ensuing fiscal year by October 1 of this fiscal year to the Director of the Division of Budget and Accounting. In addition, State agencies shall prepare and submit a copy of their spending plans involving all State, federal and other non-State funds to the Director of the Division of Budget and Accounting and the Legislative Budget and Finance Officer by November 1, and updated spending plans on February 1 and May 1 of this fiscal year. The spending plans shall account for any changes in departmental spending which differ from this appropriations act and all supplements to this act. The spending plans shall be submitted on forms specified by the Director of the Division of Budget and Accounting.

The Director of the Division of Budget and Accounting shall provide the Legislative Budget and Finance Officer with copies of all BB-4s, Application for Non-State Funds, and accompanying project proposals or grant applications, which require a State match and that may commit or require State support after the grant's expiration.

In order to provide effective cash flow management for revenues and expenditures of the General Fund and the Property Tax Relief Fund in the implementation of this annual appropriations act, there are appropriated from the General Fund such sums as may be required to pay the principal of and interest on tax and revenue anticipation notes including notes in the form of commercial paper (hereinafter collectively referred to as short-term notes), together with any costs or obligations relating to the issuance thereof or contracts related thereto, according to the terms set forth hereinabove. Provided further that, to the extent that short-term notes are issued for cash flow management purposes in connection with the Property Tax Relief Fund, there are appropriated from the Property Tax Relief Fund such sums as may be required to pay the principal of those short-term notes.

The State Treasurer is authorized to issue short-term notes, which notes shall not constitute a general obligation of the State or a debt or a liability within the meaning of the State Constitution, and the State Treasurer is authorized to pay any costs or obligations relating to the issuance of such short-term notes or contracts relating thereto. Such short-term notes shall be issued in such amounts and at such times as the State Treasurer shall deem necessary for the above stated purposes and for the payment of related costs, and on such terms and conditions, sold in such manner and at such prices, bearing interest at such fixed or variable rate or rates, renewable at such time or times, and entitled to such security, and using such paying agents as shall be determined by the State Treasurer. The State Treasurer is authorized to enter into such contracts and to take such other actions, all as determined by the State Treasurer to be appropriate to carry out the above cash flow management purposes. The State Treasurer shall give consideration to New Jersey-based vendors in entering into such contracts. Whenever the State Treasurer issues such short-term notes, the State Treasurer shall report on each such issuance to the Chairman of the Senate Budget and Appropriations Committee and the Chairman of the Assembly Appropriations Committee.

The Tobacco Settlement Fund, created and established in the Department of the Treasury as a separate non-lapsing fund pursuant to section 53 of P.L. 1999, c. 138, is reestablished and continued. The unexpended balances at the end of the preceding fiscal year in the Tobacco Settlement Fund are appropriated. The Tobacco Settlement Fund shall be the repository for payments made by the tobacco manufacturers pursuant to the settlement agreement entered into by the tobacco manufacturers and the State on November 23, 1998 that resolved the State's pending claims

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against the tobacco industry and all other monies, including interest earnings on balances in the fund, credited or transferred thereto from any other fund or source pursuant to law. Balances in the Tobacco Settlement Fund shall be deposited in such depositories as the State Treasurer may select. Amounts transferred from the Tobacco Settlement Fund to the General Fund as anticipated revenue shall be excluded when calculating deposits to the Surplus Revenue Fund pursuant to P.L.1990, c.44 (C.52:9H-14 et seq.).

With respect to appropriations provided to various departments for services provided by the Office of Information Technology, any change by the Office of Information Technology to their rate structure that would affect the rates charged to the various State agencies for Office of Information Technology services shall first be approved by the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of section 29 of P.L.1983, c.303 (C.52:27H-88), or any law or regulation to the contrary, interest earned in the current fiscal year on balances in the Enterprise Zone Assistance Fund, shall be credited to the General Fund.

Notwithstanding the provisions of any law or regulation to the contrary, funds may be transferred from the State Disability Benefits Fund to the General Fund during the current fiscal year, which transfer amount shall be based upon the actual receipt of revenue in the State Disability Benefits Fund as shall be determined by the State Treasurer in consultation with the Commissioner of Labor and Workforce Development, subject to the approval of the Director of the Division of Budget and Accounting.

There is appropriated \$500,000 from the Casino Simulcasting Fund for transfer to the Casino Revenue Fund.

In all cases in which language authorizes the appropriation of additional receipts not to exceed a specific amount, and the specific amount is insufficient to cover the amount due for fringe benefits and indirect costs, there are appropriated from receipts such additional amounts as are required to fully cover the amount due for fringe benefits and indirect costs, subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated, out of receipts derived from any structured financing transaction, such sums as may be necessary to satisfy any obligation incurred in connection with any structured financing agreement, subject to the approval of the Director of the Division of Budget and Accounting. In addition, there are appropriated such sums as may be necessary to pay costs incurred in connection with any proposed structured financing transaction, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any departmental language or statute, no receipts in excess of those anticipated or appropriated as provided in the Departmental Revenue Statements (BB-103's) in the budget submission for this fiscal year are available for expenditure until a comprehensive expenditure plan is submitted to and approved by the Director of the Division of Budget and Accounting.

Such sums as may be necessary are appropriated or transferred from existing appropriations for the purpose of promoting awareness to increase participation in programs that are administered by the State subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated such additional sums as may be required to pay the amount of any civil penalty imposed on a State officer, employee or custodian pursuant to section 12 of P.L.2001, c.404 (C.47:1A-11), as recommended by the Attorney General and as the Director of the Division of Budget and Accounting shall determine.

Receipts derived from the provision of copies and other materials related to compliance with P.L.2001, c.404, are appropriated for the purpose of offsetting agency and departmental expenses of complying with the public access law, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, there is appropriated from the Universal Service Fund \$72,616,000 for transfer to the General Fund as State revenue.

Notwithstanding the provisions of section 32 of P.L. 2002, c.40 (C.52:9H-38) to the contrary, revenues derived from the Corporation Business Tax during the preceding fiscal year shall not be credited to the "Corporation Business Tax Excess Revenue Fund" but shall be available as undesignated funds in the General Fund except as are dedicated by Article VIII, Section II, paragraph 6 of the State Constitution.

Any qualifying State aid or Grants-In-Aid appropriation, or part thereof, made from the General Fund may be transferred and recorded as an appropriation from the Casino Revenue Fund, as deemed necessary by the State Treasurer, in order that the Director of the Division of Budget and Accounting may warrant the necessary payments; provided however, that the available unreserved, undesignated fund balance in the Casino Revenue Fund, as determined by the State Treasurer, is sufficient to support the expenditure.

Providing that the contributions made during the current fiscal year by the University of Medicine and Dentistry of New Jersey and its affiliates to the University of Medicine and Dentistry of New Jersey Self-Insurance Reserve Fund is equal to the amount established in a memorandum of agreement between the Department of the Treasury and the University, and if after such amount having been contributed, the receipts deposited within the University of Medicine and Dentistry of New Jersey's Self Insurance Reserve Fund are insufficient to pay claims expenditures, there is appropriated from the General Fund to the Self Insurance Reserve Fund such sums as may be necessary to pay the remaining claims, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to any amounts hereinabove appropriated to pay debt service on bonds, notes and other obligations by the various independent authorities, payment of which is to be made by the State subject to appropriation pursuant to a contract with the State Treasurer or pursuant to a lease with a State department, there is hereby appropriated such additional sums as the Director of the Division of Budget and Accounting shall determine are required to pay all amounts due from the State pursuant to such contracts or leases, as applicable.

Monies appropriated pursuant to this act to counties, municipalities or school districts as State grants or State Aid may, in addition to the uses specifically provided under this act, be used for purposes of implementing best practices adopted by the New Jersey Domestic Security Preparedness Task Force.

If any law requires annual State funding, and if the amount of the funding in this act is insufficient to meet the requirement, the statutory requirement shall be deemed to be suspended for the current fiscal year to the extent that the funding is insufficient.

Such sums as may be required to initiate the implementation of information systems development or modification during the current fiscal year to support fees, fines or other revenue enhancements, or to initiate cost savings or budget efficiencies that are to be implemented during the fiscal year ending June 30, 2010 and that are proposed in the Governor's Budget Recommendation Document for the fiscal year ending June 30, 2010, may be appropriated subject to the approval of the Director of the Division of Budget and Accounting.

- Notwithstanding the provisions of any law or regulation to the contrary, no funding shall be provided by any program supported in part or in whole by State funding for erectile dysfunction medications for individuals who are registered on New Jersey's Sex Offender Registry.
- Due to opportunities for increased recoveries in the Department of Human Services, unexpended balances carried forward are appropriated to the developmental centers in the Department of Human Services, subject to the approval of the Director of the Division of Budget and Accounting. For the purposes of the "State Appropriations Limitation Act," P.L. 1990 (C.52:9H-24 et seq.), the amounts carried forward in these accounts and amounts carried forward in the State Employees Health Benefits accounts shall be deemed a "Base Year Appropriation."
- The amounts hereinabove appropriated for employee fringe benefits in Interdepartmental Direct-State-Services and Grants-in-Aid; Department of Education State Aid; and Department of Treasury State Aid may be transferred between accounts for the same purposes, as the Director of the Division of Budget and Accounting shall determine.
- Notwithstanding the provisions of P.L.2000, c.12, or any law or regulation to the contrary, funds may be transferred from the Tobacco Settlement Fund to the General Fund during this fiscal year, which transfer amount shall be based upon the available balances in the Tobacco Settlement Fund, subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding the provisions of sections 5 and 6 of P.L.1990, c.44 (C.52:9H-18 and 52:9H-19) or any law or regulation to the contrary, there may be transferred from the Surplus Revenue Fund to the General Fund an amount up to the credit made to the Surplus Revenue Fund during the 2008 fiscal year, but not in excess of \$100,000,000 as revenue for general State purposes, subject to the approval of the Director of the Division of Budget and Accounting.
- There are appropriated such sums as may be necessary for legal and engineering fees, financial advisors and other consultants and services associated with, as well as any other costs determined necessary in preparation for the monetization or lease of public assets, subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding the provisions of P.L. 2004, c.68 (C.34:1B-21.16 et seq.) or any law or regulation to the contrary, funds remaining in the Dedicated Cigarette Tax Revenue Fund at the end of the current fiscal year are appropriated from such fund for transfer to the General Fund as State revenue.
- To permit flexibility in the handling of state match authority identified to match federal grants, any department or agency that receives an appropriation by law, may, subject to the provisions of this section, or unless otherwise provided in this act, apply to the Director of the Division of Budget and Accounting for permission to transfer funds from one item of appropriation to a different item of appropriation. For the purpose of this section, "item of appropriation" means the spending authority identified by an organization code and appropriation source unique to the item designated as state match authority. If the director consents to the transfer, the amount transferred shall be credited by the director to the designated item of appropriation and notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer. The unexpended balances at the end of the preceding fiscal year in accounts that provide matching State funds in the various departments and agencies are appropriated in order to provide State authority to match federal grants that have project periods extending beyond the current State fiscal year.
- Unless otherwise provided in this Act, all unexpended balances at the end of the preceding fiscal year that are appropriated by this Act are appropriated for the same purpose.
- Notwithstanding the provisions of any law or regulation to the contrary and when not restricted by any other State law or federal law, upon entering into a construction contract in excess of \$1,000,000, which is funded, in whole or in part by an appropriation under this Act, the State agency entering into the contract shall transfer an amount equal to one half of one percent (0.5%) of the appropriated portion of such contract amount to the Department of Labor and Workforce Development, subject to the approval of the Director of the Division of Budget and Accounting. Such transferred funds are hereby appropriated to the Department of Labor and Workforce Development to provide on-the-job and/or off-the-job outreach and training programs for minorities and women in the construction trades, including reimbursement to the Department of Labor and Workforce Development for direct costs incurred in administering such programs as approved by the Director of the Division of Budget and Accounting. Such programs shall not be limited to the term of the public works project and no part of the outreach and training funds shall be used to pay the salary of any trainee.
- There is established within the fund balance of the General Fund a reserve named the "Long Term Obligation and Capital Expenditure Reserve". The Reserve shall have credited to it an amount up to \$334,069,000. Any amount from the fiscal year 2008 ending General Fund and Surplus Revenue Fund combined fund balance in excess of \$1,432,516,000 may be credited to the Reserve, as determined by the Director of the Division of Budget and Accounting. Additional funds shall also be credited to the "Long Term Obligation and Capital Expenditure Reserve" in any amount up to the amount equal to the anticipated increase in the fiscal year 2009 combined ending balance in the General Fund and Surplus Revenue Fund above \$600,000,000, as determined by the Director of the Division of Budget and Accounting.
- There is appropriated from the "Long Term Obligation and Capital Expenditure Reserve" an amount not to exceed \$34,069,000 for the following capital construction projects: \$175,000 for Classroom Improvements - Ewing Treatment Center, in the Department of Children and Families; \$3,919,000 for Fire Safety Code Compliance - Garden State Youth Correctional Facility, \$1,494,000 to Replace Modular Unit - Bayside State Prison, and \$1,580,000 for a Locking System Upgrade - Northern State Prison, in the Department of Corrections; \$560,000 for Fire Protection - Marie H. Katzenbach School for the Deaf and \$2,000,000 for Fire Sprinkler Systems, Various Regional Day Schools, in the Department of Education; \$6,500,000 for HR-6 Flood Control Projects and \$561,000 for Information Technology Infrastructure, in the Department of Environmental Protection; \$2,400,000 for Electrical Upgrades at Ancora Psychiatric Hospital, Hunterdon Developmental Center, and the Senator Garrett W. Hagedorn Gero-Psychiatric Hospital and \$1,700,000 for Elevator Replacement at the Vineland Developmental Center and Trenton Psychiatric Hospital, in the Department of Human Services; \$1,320,000 for Electrical Upgrades at Building 15 in West Trenton, \$660,000 for Suicide Prevention Improvements at the Bordentown Juvenile Medium Secure Facility and \$1,000,000 for Critical Repairs to various Juvenile Services facilities, in the Department of Law and Public Safety; \$1,200,000 for the Cooling Tower Replacement at the Department of Environmental Protection Building, \$1,500,000 for Plaza Water Membrane Replacement at the New Jersey State Museum in Trenton, \$1,000,000 for Americans with Disabilities Act Compliance Projects - Statewide, \$1,000,000 for Hazardous Materials Removal Projects - Statewide, \$3,500,000 for Renovation Projects, Existing and Anticipated Leases, and \$2,000,000 for Security Projects - Statewide, in Interdepartmental Accounts, subject to the approval of the Director of the Division of Budget and Accounting.

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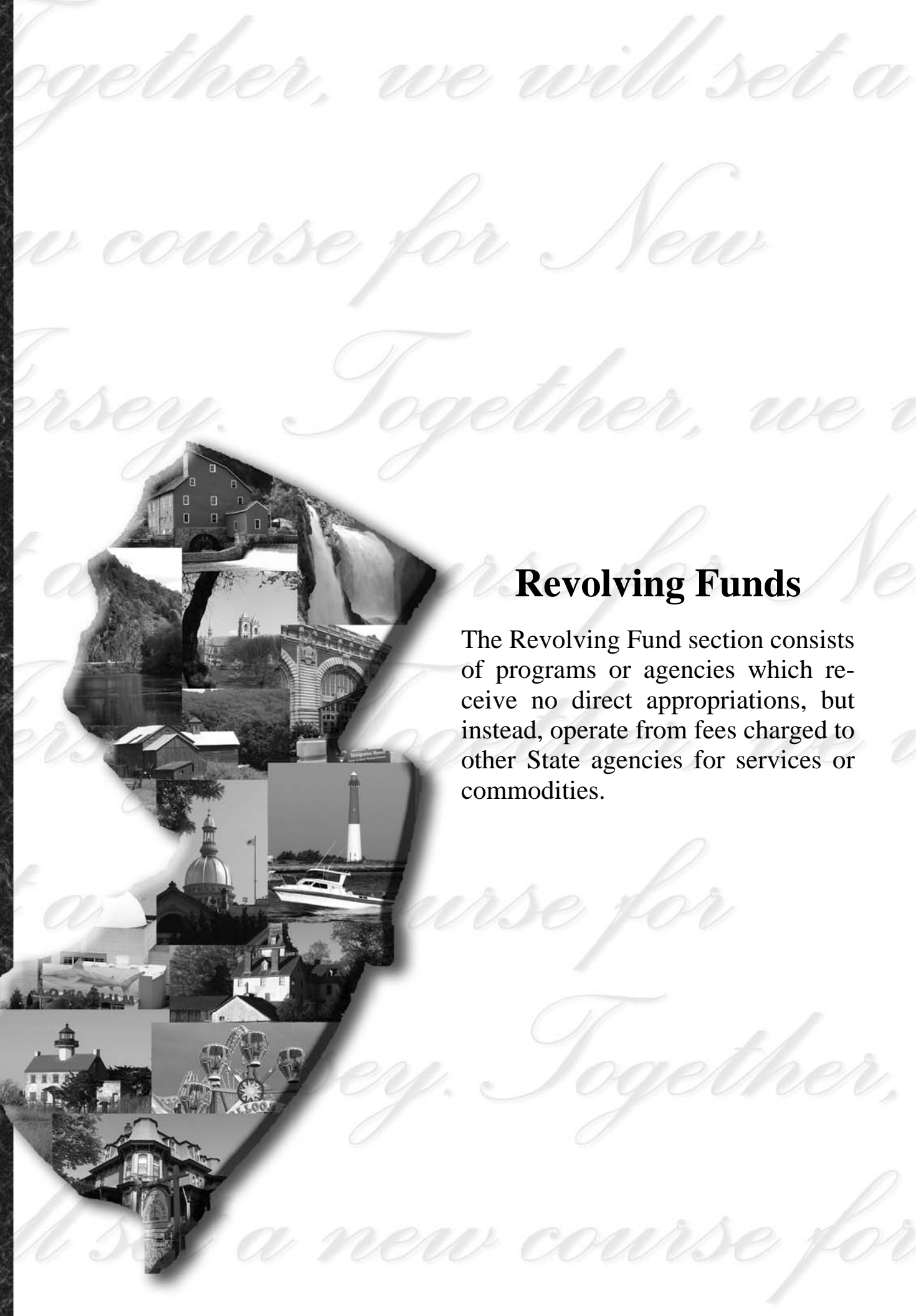
There is appropriated from the “Long Term Obligation and Capital Expenditure Reserve” an amount not to exceed \$300,000,000. Of this appropriation, such sums as are determined by the Director of the Division of Budget and Accounting shall be allocated to the Public Employees’ Retirement System, the Teachers’ Pension and Annuity Fund, the Police and Firemen’s Retirement System, the State Police Retirement System, and the Judicial Retirement System for reduction of the unfunded liabilities of these pension systems, and for the liabilities associated with the Early Retirement Incentive program for fiscal year 2009, established in separate legislation.

There is appropriated for the purposes of capital expenditures and reducing the unfunded liabilities of the pension systems and funding the liabilities associated with the Early Retirement Incentive program any remaining funds deposited in the “Long Term Obligation and Capital Expenditure Reserve” as recommended by the Treasurer and approved by the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of N.J.S.A. 52:27B-23 or any law or regulation to the contrary, copies of the budget message shall be made available to the State library, public libraries, newspapers and citizens of the State only through the State of New Jersey website.

This act shall take effect July 1, 2008.

NOTES



**26. DEPARTMENT OF CORRECTIONS
10. PUBLIC SAFETY AND CRIMINAL JUSTICE
16. DETENTION AND REHABILITATION
7020. BUREAU OF STATE USE INDUSTRIES**

The Bureau of State Use Industries (RS 30:4-98), operates self-sustaining work-training projects in the institutions. Functions include planning and maintenance of industrial output, training of personnel, procurement of equipment and materials, distribution of finished products, accounting, billing, and cost control systems similar to any diversified manufacturing operation. Products manufactured in State Use Industries are sold only to tax supported agencies, institutions, and units of State, county, and municipal governments both within and outside of New Jersey. Under current

law, products manufactured by inmate labor through DEPTCOR/ Bureau of State Use Industries must not be sold in competition with the products of free enterprise on the open market.

On July 1, 1990 the Bureau formally registered with the New Jersey Department of State the trademark/servicemark DEPTCOR. The DEPTCOR trade name now represents the complete line of products and services offered by the Bureau of State Use Industries.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
State Use				
Average number of jobs for inmates	1,526	1,526	1,526	1,526
Inmates assigned during year	3,300	3,300	3,300	3,300
Number of				
Shops and Offices	39	39	39	39
Product items	2,000	2,000	2,000	2,000
Sales	\$18,840,000	\$18,000,000	\$20,500,000	\$20,500,000

PERSONNEL DATA

Position Data

All Other	165	165	163	163
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Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

**APPROPRIATIONS DATA
(thousands of dollars)**

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
Distribution by Program								
---	18,853	---	18,853	20,426	06	19,500	18,750	18,750
---	18,853	---	18,853	20,426		19,500	18,750	18,750
Distribution by Object								
Personal Services:								
---	---	---	---	8,685		8,807	8,807	8,807
---	---	---	---	8,685		8,807	8,807	8,807
---	---	---	---	8,674		8,085	7,678	7,678
---	---	---	---	1,120		1,119	1,020	1,020
---	---	---	---	1,357		1,248	1,000	1,000
Special Purpose:								
---	3,553	---	---	---		---	---	---
---	15,300 ^R	---	18,853	---	06	---	---	---
---	18,853	---	18,853	---		---	---	---
---	---	---	---	590		241	245	245

Notes --

(a) Expenditure data reflects a delay in receiving receipts from departments for items ordered.

REVOLVING FUNDS

26. DEPARTMENT OF CORRECTIONS 10. PUBLIC SAFETY AND CRIMINAL JUSTICE 16. DETENTION AND REHABILITATION 7030. BUREAU OF STATE FARM OPERATIONS

The Farm Operations Revolving Fund combines revenues and expenses for all farm operations and processing plants. Products are sold for the benefit of State institutions at prices not to exceed competitive bid prices of the Department of Treasury and the Bureau of Purchase and Property. Farm Operations consists of five dairy farms and six processing plants at institutions throughout the State. A beef processing plant is located at Riverfront State Prison.

Pork, turkey, and vegetable products are produced at South Woods State Prison. Fruit drink production began at Bayside State Prison and Jones Farm in October 2001. Farm Operations provides products to the Departments of Corrections, Human Services, Military and Veterans Affairs, the Juvenile Justice Commission, and customers of the State Distribution Center.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Farm Operations				
Inmates assigned	465	465	465	465
Value of farm products	\$10,793,000	\$10,810,000	\$11,203,000	\$11,500,000
Whole milk (quarts)	6,450,000	6,460,000	6,500,000	6,500,000
Low fat milk (1/2 pints)	8,150,000	8,160,000	8,180,000	8,180,000
Beef (pounds)	2,690,000	2,700,000	2,720,000	2,800,000
Pork (pounds)	256,000	260,000	275,000	275,000
Turkey processing (pounds)	830,000	830,000	840,000	1,000,000
Vegetable processing (pounds)	5,200,000	5,250,000	5,300,000	5,300,000
Fruit Drink (1/2 pints)	284,000	284,000	290,000	290,000

PERSONNEL DATA

Position Data

All Other	51	50	51	51
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Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
---	11,832	---	11,832	11,321	Distribution by Program			
---	11,832	---	11,832	11,321	Farm Operations ^(a)			
					20	10,950	11,130	11,130
					Total Appropriation^(b)			
						10,950	11,130	11,130
					Distribution by Object			
					Personal Services:			
				3,021		3,283	3,356	3,356
				3,021		3,283	3,356	3,356
				7,226		6,521	6,628	6,628
				449		505	505	505
				563		590	590	590
					Special Purpose:			
	896							
---	10,936 ^R	---	11,832	---	20	---	---	---
---	11,832	---	11,832	---		---	---	---
---	---	---	---	62		51	51	51
					Additions, Improvements and Equipment			

Notes --

- (a) Expenditure data reflects a delay in receiving receipts from departments for items ordered.
(b) Fiscal data adjusted to reflect accounting adjustments.

46. DEPARTMENT OF HEALTH AND SENIOR SERVICES

20. PHYSICAL AND MENTAL HEALTH

21. HEALTH SERVICES

4280. DIVISION OF PUBLIC HEALTH AND ENVIRONMENTAL LABORATORIES

The Department of Health and Senior Services operates a revolving fund for certain laboratory services that are charged to the public or third party providers. Receipts from the sale of these

services support staff and supplies that handle the increased laboratory effort generated from these activities.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
All Other	107	105	94	106

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
Distribution by Program									
---	10,844	---	10,844	6,648	Laboratory Services	08	11,500	13,166	13,166
---	10,844	---	10,844	6,648	Total Appropriation		11,500	13,166	13,166
Distribution by Object									
Personal Services:									
---	---	---	---	2,532	Salaries and Wages		6,137	5,859	5,859
---	---	---	---	428	Employee Benefits		1,086	1,008	1,008
---	---	---	---	2,960	Total Personal Services		7,223	6,867	6,867
---	---	---	---	2,474	Materials and Supplies		2,763	3,921	3,921
---	---	---	---	617	Services Other Than Personal		769	1,219	1,219
---	---	---	---	268	Maintenance and Fixed Charges		374	374	374
Special Purpose:									
---	1,969	---	---	---	Laboratory Services	08	---	---	---
---	8,875 ^R	---	10,844	---	Other Special Purpose		356	356	356
---	---	---	---	292	Total Special Purpose		356	356	356
---	10,844	---	10,844	292	Additions, Improvements and Equipment		15	429	429
---	---	---	---	37					

54. DEPARTMENT OF HUMAN SERVICES

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

53. ECONOMIC ASSISTANCE AND SECURITY

7550. DIVISION OF FAMILY DEVELOPMENT

Information processing services are provided to the county welfare agencies and the county probation departments through three major systems. The Electronic Benefits Transfer System (EBT) provides electronic transfer of public assistance and food stamp benefits to welfare recipients. EBT operational costs are shared equally by the federal government and participating counties. The Family Assistance Management Information System (FAMIS) is a benefit delivery system for disbursement of Work First New Jersey

(WFNJ), Food Stamp coupons and Medicaid Eligibility cards. The Automated Child Support Enforcement System (ACSES) is a Statewide system for the collection and distribution of child support payments and arrearages. Development and implementation costs were funded by the State and federal governments. Maintenance and operations are funded by the State, county and federal governments.

REVOLVING FUNDS

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
Distribution by Program								
---	5,810	---	5,810	5,740	15	5,525	5,525	5,525
---	5,810	---	5,810	5,740		5,525	5,525	5,525
Distribution by Object								
	10							
---	5,800 ^R	---	5,810	5,740		5,525	5,525	5,525

82. DEPARTMENT OF THE TREASURY
70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL
74. GENERAL GOVERNMENT SERVICES
2020. OFFICE OF PUBLIC COMMUNICATION

The Office of Public Communication was created by Executive Order No. 30, effective February 1, 1976, to centralize the functions of press and public relations services. It operates as a

revolving fund with the costs of operation being financed by the agencies receiving services.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
All Other	12	13	14	12

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
Distribution by Program								
---	1,978	---	1,978	905	04	1,001	1,001	1,001
---	1,978	---	1,978	905		1,001	1,001	1,001
Distribution by Object								
Personal Services:								
---	---	---	---	799		791	836	836
---	---	---	---	799		791	836	836
---	---	---	---	24		91	91	91
---	---	---	---	82		117	72	72
---	---	---	---	---		2	2	2
Special Purpose:								
---	548	---	---	---	04	---	---	---
---	1,430 ^R	---	1,978	---		---	---	---
---	1,978	---	1,978	---		---	---	---

82. DEPARTMENT OF THE TREASURY
70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL
74. GENERAL GOVERNMENT SERVICES
2052. STATE CENTRAL MOTOR POOL

The Bureau of Transportation Services (State Central Motor Pool) operates and oversees the maintenance and repair facilities servicing State owned motor vehicles. The Bureau controls and manages the majority of maintenance, fueling, and repair facilities

located throughout the State. The Bureau has legal ownership of all State vehicles and prescribes rules and regulations aimed at promoting the efficient and effective use of the fleet.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Automotive Services				
Vehicles				
Central Motor Pool Maintained (a)	7,857	7,789	7,878	7,933
Agency Assignment (b)	8,130	7,808	7,611	7,611
Mechanic Personnel	54	51	56	58
PERSONNEL DATA				
Position Data				
All Other	107	107	106	106

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January. The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

- (a) Vehicles titled to the Central Motor Pool and under the jurisdiction of the Central Motor Pool as a result of the consolidation of statewide facilities.
- (b) Vehicles titled to the Central Motor Pool; however, the supporting funds are budgeted in the agency budgets, not in the Central Motor Pool requested authorization.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
Distribution by Program								
---	32,178	---	32,178	26,013	41	25,957	25,957	25,957
---	32,178	---	32,178	26,013		25,957	25,957	25,957
Distribution by Object								
Personal Services:								
---	---	---	---	6,076		6,425	6,298	6,298
---	---	---	---	6,076		6,425	6,298	6,298
---	---	---	---	12,666		12,464	12,464	12,464
---	---	---	---	776		960	960	960
---	---	---	---	6,313		5,828	5,955	5,955
Special Purpose:								
---	965	---	30,238	---	41	---	---	---
---	29,273 ^R	---						
---	1,933	---						
---	7 ^R	---	1,940	---	41	---	---	---
---	32,178	---	32,178	---		---	---	---
---	---	---	---	182		280	280	280

REVOLVING FUNDS

82. DEPARTMENT OF THE TREASURY
70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL
74. GENERAL GOVERNMENT SERVICES
2056. PRINT SHOP

Pursuant to NJSA 52:18A-30, the Treasury Department Print Shop operates as a revolving fund. The costs of labor and materials are reimbursed by various agencies including, but not limited to, the

Department of the Treasury, the Office of the Chief Executive, the Legislature, and the Department of State.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Printing Services				
Orders processed	7,270	6,577	7,500	7,500
Pages printed	49,696,274	52,065,422	54,000,000	54,000,000
Metal offset plates	489	1,092	1,200	1,200
Sheets collated (a)	1,131,412	654,575	800,000	800,000
Items bound, padded and punched	9,486,883	8,788,647	9,000,000	9,000,000

PERSONNEL DATA

Position Data

All Other	29	25	29	30
-----------------	----	----	----	----

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.

The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

(a) Does not include collated sheets completed on high speed copiers.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
					Distribution by Program				
---	2,379	---	2,379	2,255	Printing Services	43	2,324	2,324	2,324
---	2,379	---	2,379	2,255	Total Appropriation		2,324	2,324	2,324
					Distribution by Object				
					Personal Services:				
---	---	---	---	1,254	Salaries and Wages		1,455	1,514	1,514
---	---	---	---	1,254	Total Personal Services		1,455	1,514	1,514
---	---	---	---	620	Materials and Supplies		490	464	464
---	---	---	---	104	Services Other Than Personal		94	94	94
---	---	---	---	203	Maintenance and Fixed Charges		204	171	171
					Special Purpose:				
---	282	---	---	---	Printing Services	43	---	---	---
---	2,097 ^R	---	2,379	---	Total Special Purpose		---	---	---
---	2,379	---	2,379	---	Additions, Improvements and Equipment		81	81	81
---	---	---	---	74					

82. DEPARTMENT OF THE TREASURY
70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL
74. GENERAL GOVERNMENT SERVICES
2057. DISTRIBUTION CENTER

The Distribution Center (NJSA 52:25-13) maintains and operates central facilities for the purchase and distribution of food and other materials used by various State agencies. Revenues collected

include amounts sufficient to cover the costs of operation. Financing for the program is accomplished through the use of the State Purchase Fund.

REVOLVING FUNDS

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PROGRAM DATA				
Purchasing and Inventory Management				
Sales	\$47,260,375	\$46,866,000	\$51,220,000	\$51,220,000
Value of inventory, June 30	\$2,867,410	\$3,971,405	\$3,900,000	\$4,000,000
Percentage of demand (\$) delivered	97%	96%	97%	97%

PERSONNEL DATA

Position Data

All Other	65	63	64	66
-----------------	----	----	----	----

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007						Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
Distribution by Program									
---	47,772	---	47,772	47,380	Purchasing and Inventory Management	09	50,920	50,920	50,920
---	47,772	---	47,772	47,380	Total Appropriation		50,920	50,920	50,920
Distribution by Object									
Personal Services:									
---	---	---	---	4,124	Salaries and Wages		4,350	4,442	4,442
---	---	---	---	4,124	Total Personal Services		4,350	4,442	4,442
---	---	---	---	41,873	Materials and Supplies		324	324	324
---	---	---	---	619	Services Other Than Personal		487	460	460
---	---	---	---	484	Maintenance and Fixed Charges		440	375	375
Special Purpose:									
---	906	---	---	---	State Purchase Fund	09	45,294	45,294	45,294
---	46,866 ^R	---	47,772	---	Total Special Purpose		45,294	45,294	45,294
---	47,772	---	47,772	---	Additions, Improvements and Equipment		25	25	25
---	---	---	---	280					

82. DEPARTMENT OF THE TREASURY

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

74. GENERAL GOVERNMENT SERVICES

2065. DIVISION OF PROPERTY MANAGEMENT AND CONSTRUCTION

The Division of Property Management and Construction - Construction Management Services provides all architectural and engineering design and construction supervision of new facilities, as well as the renovation and rehabilitation of existing facilities; provides technical advice and assistance to all State agencies in preliminary planning, programming design, layout, and cost

estimating; administers construction and professional service contracts associated with building programs; provides for field supervision on State construction projects; ensures that all building programs are completed in accordance with the objectives of the State agencies within established budgets.

EVALUATION DATA

	Actual FY 2006	Actual FY 2007	Revised FY 2008	Budget Estimate FY 2009
PERSONNEL DATA				
Position Data				
All Other	44	44	43	44

Notes:

Actual payroll counts are reported for fiscal years 2006 and 2007 as of December and revised fiscal year 2008 as of January.
The Budget Estimate for fiscal year 2009 reflects the number of positions funded.

REVOLVING FUNDS

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2007					Year Ending June 30, 2009			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2008 Adjusted Approp.	Requested	Recom- mended
Distribution by Program								
---	6,958	---	6,958	5,245				
---	6,958	---	6,958	5,245				
Distribution by Object								
Personal Services:								
---	---	---	---	3,718		4,142	4,002	4,002
---	---	---	---	3,718		4,142	4,002	4,002
---	---	---	---	92		100	141	141
---	---	---	---	1,364		123	222	222
---	---	---	---	69		60	60	60
Special Purpose:								
---	2,764 4,194 ^R	---	6,958	---				
---	6,958	---	6,958	---	12	---	---	---
---	---	---	---	2		---	---	---
Additions, Improvements and Equipment								

NOTES

[illegible]

SUMMARY
ESTIMATED REVENUES, EXPENDITURES, AND FUND BALANCES
SPECIAL REVENUES, CAPITAL PROJECTS, PROPRIETARY, AND
PRIVATE PURPOSE TRUST FUNDS

APPENDIX 1
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007	2008	2009
	Actual	Estimated	Estimated
Fund Balance July 1	5,323,101	5,396,404	5,351,902
Total Revenues	7,050,057	7,039,751	7,206,430
Other Financing Sources			
Proceeds from sale of bonds	--	240,000	--
Transfers from other funds	207,441	288,646	173,711
Total Other Financing Sources	207,441	528,646	173,711
Total Available	12,580,599	12,964,801	12,732,043
Total Expenditures	5,195,989	5,378,324	5,534,894
Other Financing Uses			
Transfers to other funds	1,988,206	2,234,575	1,998,377
Total Other Financing Uses	1,988,206	2,234,575	1,998,377
Total Expenditures and Other Financing Uses	7,184,195	7,612,899	7,533,271
Fund Balance June 30	5,396,404	5,351,902	5,198,772

APPENDIX

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES SPECIAL REVENUE FUNDS

APPENDIX 1A (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Alcohol Education, Rehabilitation and Enforcement Fund (N.J.S.A. 54:32C)			
Fund Balance July 1	7,618	7,344	6,997
Revenues			
Taxes	11,000	11,000	11,000
Licenses and fees	1,787	2,010	2,010
Investment earnings	393	312	300
Total Revenues	13,180	13,322	13,310
Total Available	20,798	20,666	20,307
Expenditures			
Public safety and criminal justice	1,663	1,697	1,695
Physical and mental health	10,394	9,962	9,681
Total Expenditures	12,057	11,659	11,376
Other Financing Uses			
Transfers to other funds	1,397	2,010	2,010
Total Other Financing Uses	1,397	2,010	2,010
Total Expenditures and Other Financing Uses	13,454	13,669	13,386
Fund Balance June 30	7,344	6,997	6,921
Atlantic City Parking Fees Fund (P.L. 1993, c.159)			
Fund Balance July 1	265	393	428
Revenues			
Taxes	31,230	33,000	35,000
Investment earnings	31	35	38
Total Revenues	31,261	33,035	35,038
Total Available	31,526	33,428	35,466
Expenditures			
Economic planning, development and security	31,133	33,000	35,000
Total Expenditures	31,133	33,000	35,000
Fund Balance June 30	393	428	466
Atlantic City Projects-Room Fund (P.L. 2001, c.221)			
Fund Balance July 1	1	1,832	1,902
Revenues			
Taxes	18,063	19,000	20,000
Investment earnings	68	70	--
Total Revenues	18,131	19,070	20,000
Other Financing Sources			
Transfers from other funds	1,414	--	--
Total Other Financing Sources	1,414	--	--
Total Available	19,546	20,902	21,902
Expenditures			
Economic planning, development and security	17,714	19,000	20,000
Total Expenditures	17,714	19,000	20,000
Fund Balance June 30	1,832	1,902	1,902

**STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
SPECIAL REVENUE FUNDS**

**APPENDIX 1A
(thousands of dollars)**

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Atlantic City Tourism Promotion Fund (P.L. 1991, c.376)			
Fund Balance July 1	1,293	68	93
Revenues			
Taxes	6,595	5,500	5,000
Investment earnings	36	25	20
Total Revenues	6,631	5,525	5,020
Total Available	7,924	5,593	5,113
Expenditures			
Economic planning, development and security	6,442	5,500	5,000
Total Expenditures	6,442	5,500	5,000
Other Financing Uses			
Transfers to other funds	1,414		
Total Other Financing Uses	1,414	--	--
Total Expenditures and Other Financing Uses	7,856	5,500	5,000
Fund Balance June 30	68	93	113
Beaches and Harbors Fund (P.L. 1977, c.208)			
Fund Balance July 1	1,380	1,352	1,352
Revenues			
Investment Earnings	58	86	86
Total Revenues	58	86	86
Total Available	1,438	1,438	1,438
Other Financing Uses			
Transfers to other funds	86	86	86
Total Other Financing Uses	86	86	86
Fund Balance June 30	1,352	1,352	1,352
Board of Bar Examiners (R. 1:27 B1)			
Fund Balance July 1	4,908	5,367	5,145
Revenues			
Licenses and fees	2,531	2,715	2,715
Investment earnings	278	250	200
Other	62	60	60
Total Revenues	2,871	3,025	2,975
Total Available	7,779	8,392	8,120
Expenditures			
Public safety and criminal justice	2,412	3,247	3,247
Total Expenditures	2,412	3,247	3,247
Fund Balance June 30	5,367	5,145	4,873
Boarding House Rental Assistance Fund (N.J.S.A. 55:14K-14)			
Fund Balance July 1	190	494	--
Revenues			
Investment earnings	8	25	--
Other	296		
Total Revenues	304	25	--
Total Available	494	519	--
Expenditures			
Community development and environmental management	--	519	--
Total Expenditures	--	519	--
Fund Balance June 30	494	--	--

APPENDIX

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES SPECIAL REVENUE FUNDS

APPENDIX 1A (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Body Armor Replacement Fund (P.L. 1997, c. 177)			
Fund Balance July 1	7,152	7,925	8,030
Revenues			
Investment earnings	259	259	258
Other	4,251	4,173	4,194
Total Revenues	4,510	4,432	4,452
Total Available	11,662	12,357	12,482
Expenditures			
Public safety and criminal justice	3,298	3,852	3,969
Government direction, management, and control	364	400	400
Total Expenditures	3,662	4,252	4,369
Other Financing Uses			
Transfers to other funds	75	75	75
Total Other Financing Uses	75	75	75
Total Expenditures and Other Financing Uses	3,737	4,327	4,444
Fund Balance June 30	7,925	8,030	8,038
Capital City Redevelopment Loan and Grant Fund (P.L. 1987, c.58)			
Fund Balance July 1	1,649	1,645	1,643
Revenues			
Investment earnings	16	16	16
Other	48	50	50
Total Revenues	64	66	66
Total Available	1,713	1,711	1,709
Other Financing Uses			
Transfers to other funds	68	68	68
Total Other Financing Uses	68	68	68
Fund Balance June 30	1,645	1,643	1,641
Casino Simulcasting Fund (P.L. 1992, c.19)			
Fund Balance July 1	--	--	54
Revenues			
Investment earnings	5	8	3
Other	546	546	546
Total Revenues	551	554	549
Total Available	551	554	603
Other Financing Uses			
Transfers to other funds	551	500	500
Total Other Financing Uses	551	500	500
Fund Balance June 30	--	54	103
Casino Simulcasting Special Fund (P.L. 1992, c.19)			
Fund Balance July 1	4,603	4,200	3,326
Revenues			
Investment earnings	258	126	78
Other	5,555	5,300	5,300
Total Revenues	5,813	5,426	5,378
Total Available	10,416	9,626	8,704
Expenditures			
Public safety and criminal justice	6,216	6,300	6,300
Total Expenditures	6,216	6,300	6,300
Fund Balance June 30	4,200	3,326	2,404

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Catastrophic Illness in Children Relief Fund (P.L. 1987, c.370)			
Fund Balance July 1	5,692	4,000	4,598
Revenues			
Services and assessments	6,472	9,708	9,708
Investment earnings	300	325	225
Other	28	25	25
Total Revenues	6,800	10,058	9,958
Total Available	12,492	14,058	14,556
Expenditures			
Physical and mental health	7	104	106
Total Expenditures	7	104	106
Other Financing Uses			
Transfers to other funds	8,485	9,356	9,720
Total Other Financing Uses	8,485	9,356	9,720
Total Expenditures and Other Financing Uses	8,492	9,460	9,826
Fund Balance June 30	4,000	4,598	4,730
Clean Communities Account Fund (P.L. 1985, c.533)			
Fund Balance July 1	3,593	4,166	2,326
Revenues			
Taxes	17,435	16,000	16,000
Investment earnings	274	160	60
Total Revenues	17,709	16,160	16,060
Total Available	21,302	20,326	18,386
Expenditures			
Community development and environmental management	13,136	14,000	18,000
Total Expenditures	13,136	14,000	18,000
Other Financing Uses			
Transfers to other funds	4,000	4,000	--
Total Other Financing Uses	4,000	4,000	--
Total Expenditures and Other Financing Uses	17,136	18,000	18,000
Fund Balance June 30	4,166	2,326	386
Clean Energy Fund (P.L. 1999, c.23)			
Fund Balance July 1	122,287	139,378	147,724
Revenues			
Services and assessments	187,267	220,535	235,000
Investment earnings	6,622	7,811	5,121
Total Revenues	193,889	228,346	240,121
Total Available	316,176	367,724	387,845
Expenditures			
Economic planning, development, and security	173,669	202,000	305,093
Total Expenditures	173,669	202,000	305,093
Other Financing Uses			
Transfers to other funds	3,129	18,000	16,100
Total Other Financing Uses	3,129	18,000	16,100
Total Expenditures and other uses	176,798	220,000	321,193
Fund Balance June 30	139,378	147,724	66,652

APPENDIX

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES SPECIAL REVENUE FUNDS

APPENDIX 1A (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Clean Waters Fund (P.L. 1976, c.92)			
Fund Balance July 1	(114)	(114)	136
Revenues			
Investment earnings	7	7	7
Total Revenues	7	7	7
Other Financing Sources			
Proceeds from sale of bonds	--	1,250	--
Transfers from other funds	7	--	--
Total Other Financing Sources	7	1,250	--
Total Available	(100)	1,143	143
Expenditures			
Government direction, management, and control	14	1,000	--
Total Expenditures	14	1,000	--
Other Financing Uses			
Transfers to other funds	--	7	7
Total Other Financing Uses	--	7	7
Total Expenditures and Other Financing Uses	14	1,007	7
Fund Balance June 30	(114)	136	136
Cultural Centers and Historic Preservation Fund (P.L. 1987, c.265)			
Fund Balance July 1	(3,872)	(5,347)	2,440
Revenues			
Investment earnings	73	350	125
Total Revenues	73	350	125
Other Financing Sources			
Proceeds from sale of bonds	--	8,000	--
Total Other Financing Sources	--	8,000	--
Total Available	(3,799)	3,003	2,565
Expenditures			
Educational, cultural and intellectual management	255	200	200
Economic planning, development and security	61	13	13
Total Expenditures	316	213	213
Other Financing Uses			
Transfers to other funds	1,232	350	125
Total Other Financing Uses	1,232	350	125
Total Expenditures and Other Financing Uses	1,548	563	338
Fund Balance June 30	(5,347)	2,440	2,227

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
2003 Dam, Lake, and Stream Project Revolving Loan Fund (P.L. 2003, c.162)			
Fund Balance July 1	(129)	(208)	74,065
Revenues			
Investment earnings	44	950	1,250
Other	6	73	70
Total Revenues	50	1,023	1,320
Other Financing Sources			
Proceeds from sale of bonds	--	73,250	--
Transfers from other funds	385	--	--
Total Other Financing Sources	385	73,250	--
Total Available	306	74,065	75,385
Expenditures			
Community development and environmental management	85	--	--
Government direction, management, and control	429	--	--
Total Expenditures	514	--	--
Fund Balance June 30	(208)	74,065	75,385
2003 Dam, Lake, Stream, and Flood Control Project Fund (P.L. 2003, c.162)			
Fund Balance July 1	(762)	(4,045)	12,955
Revenues			
Investment earnings	52	434	343
Total Revenues	52	434	343
Other Financing Sources			
Proceeds from sale of bonds	--	27,000	--
Transfers from other funds	126	--	--
Total Other Financing Sources	126	27,000	--
Total Available	(584)	23,389	13,298
Expenditures			
Community development and environmental management	3,283	10,000	10,000
Government direction, management, and control	178	--	--
Total Expenditures	3,461	10,000	10,000
Other Financing Uses			
Transfers to other funds	--	434	343
Total Other Financing Uses	--	434	343
Total Expenditures and Other Financing Uses	3,461	10,434	10,343
Fund Balance June 30	(4,045)	12,955	2,955
1992 Dam Restoration and Clean Waters Trust Fund (P.L. 1992, c. 88)			
Fund Balance July 1	16,619	17,265	17,360
Revenues			
Investment earnings	313	350	320
Other	333	745	718
Total Revenues	646	1,095	1,038
Total Available	17,265	18,360	18,398
Expenditures			
Community development and environmental management	--	1,000	1,000
Total Expenditures	--	1,000	1,000
Fund Balance June 30	17,265	17,360	17,398

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STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES SPECIAL REVENUE FUNDS

APPENDIX 1A (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
1989 Development Potential Bank Transfer Fund (P.L. 1989, c. 183)			
Fund Balance July 1	6,600	6,801	6,902
Revenues			
Investment earnings	353	336	347
Total Revenues	353	336	347
Total Available	6,953	7,137	7,249
Expenditures			
Community development and environmental management	60	140	120
Total Expenditures	60	140	120
Other Financing Uses			
Transfers to other funds	92	95	100
Total Other Financing Uses	92	95	100
Total Expenditures and Other Financing Uses	152	235	220
Fund Balance June 30	6,801	6,902	7,029
Developmental Disabilities Waiting List Reduction Fund (P.L. 1994, c. 108)			
Fund Balance July 1	16,366	6,775	7,775
Revenues			
Investment earnings	574	425	325
Total Revenues	574	425	325
Other Financing Sources			
Proceeds from sale of bonds	--	5,000	--
Total Other Financing Sources	--	5,000	--
Total Available	16,940	12,200	8,100
Expenditures			
Public safety and criminal justice	10	--	--
Educational, cultural and intellectual management	9,581	4,000	2,775
Total Expenditures	9,591	4,000	2,775
Other Financing Uses			
Transfers to other funds	574	425	325
Total Other Financing Uses	574	425	325
Total Expenditures and Other Financing Uses	10,165	4,425	3,100
Fund Balance June 30	6,775	7,775	5,000
Disciplinary Oversight Committee (R. 1:20-2)			
Fund Balance July 1	2,311	2,499	1,676
Revenues			
Licenses and fees	8,830	8,705	9,162
Investment earnings	277	250	225
Other	356	350	350
Total Revenues	9,463	9,305	9,737
Total Available	11,774	11,804	11,413
Expenditures			
Public safety and criminal justice	9,275	10,128	10,835
Total Expenditures	9,275	10,128	10,835
Fund Balance June 30	2,499	1,676	578

**STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
SPECIAL REVENUE FUNDS**

**APPENDIX 1A
(thousands of dollars)**

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Division of Motor Vehicles Surcharge Fund (P.L.1994, c. 57)			
Fund Balance July 1	332	--	--
Revenues			
Services and assessments	173,490	172,000	172,000
Investment earnings	490	260	260
Total Revenues	173,980	172,260	172,260
Total Available	174,312	172,260	172,260
Expenditures			
Public safety and criminal justice	3,802	2,260	2,260
Government direction, management, and control	170,510	170,000	170,000
Total Expenditures	174,312	172,260	172,260
Fund Balance June 30	--	--	--
Dredging and Containment Facility Fund (P.L. 1996, c.70)			
Fund Balance July 1	29,980	25,397	99,146
Revenues			
Investment earnings	1,444	975	925
Other	362	--	--
Total Revenues	1,806	975	925
Other Financing Sources			
Proceeds from sale of bonds	--	80,000	--
Total Other Financing Sources	--	80,000	--
Total Available	31,786	106,372	100,071
Expenditures			
Community development and environmental management	64	1,000	1,000
Transportation programs	5,756	5,657	5,361
Total Expenditures	5,820	6,657	6,361
Other Financing Uses			
Transfers to other funds	569	569	600
Total Other Financing Uses	569	569	600
Total Expenditures and Other Financing Uses	6,389	7,226	6,961
Fund Balance June 30	25,397	99,146	93,110
Drinking Water State Revolving Fund (P.L. 1998, c.84)			
Fund Balance July 1	171,758	189,487	209,682
Revenues			
Federal and other grants	11,772	14,998	15,000
Investment earnings	2,991	2,400	2,600
Total Revenues	14,763	17,398	17,600
Other Financing Sources			
Transfers from other funds	6,010	6,010	6,100
Total Other Financing Sources	6,010	6,010	6,100
Total Available	192,531	212,895	233,382
Expenditures			
Community development and environment management	--	2,485	2,485
Total Expenditures	--	2,485	2,485
Other Financing Uses			
Transfers to other funds	3,044	728	728
Total Other Financing Uses	3,044	728	728
Total Expenditures and Other Financing Uses	3,044	3,213	3,213
Fund Balance June 30	189,487	209,682	230,169

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STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES SPECIAL REVENUE FUNDS

APPENDIX 1A (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
1996 Economic Development Site Fund (P.L. 1996, c.70)			
Fund Balance July 1	3,483	3,453	3,469
Revenues			
Investment earnings	79	76	75
Total Revenues	79	76	75
Total Available	3,562	3,529	3,544
Expenditures			
Economic planning, development, and security	109	60	75
Total Expenditures	109	60	75
Fund Balance June 30	3,453	3,469	3,469
Emergency Flood Control Fund (P.L. 1978, c.78)			
Fund Balance July 1	353	353	303
Revenues			
Investment earnings	19	16	13
Total Revenues	19	16	13
Total Available	372	369	316
Expenditures			
Community development and environmental management	--	50	50
Total Expenditures	--	50	50
Other Financing Uses			
Transfers to other funds	19	16	13
Total Other Financing Uses	19	16	13
Total Expenditures and Other Financing Uses	19	66	63
Fund Balance June 30	353	303	253
Emergency Medical Technician Training Fund (P.L. 1992, c.143)			
Fund Balance July 1	7,059	6,471	5,352
Revenues			
Services and assessments	2,161	1,800	1,800
Investment earnings	375	335	266
Total Revenues	2,536	2,135	2,066
Total Available	9,595	8,606	7,418
Expenditures			
Physical and mental health	2,758	2,800	2,800
Total Expenditures	2,758	2,800	2,800
Other Financing Uses			
Transfers to other funds	366	454	444
Total Other Financing Uses	366	454	444
Total Expenditures and Other Financing Uses	3,124	3,254	3,244
Fund Balance June 30	6,471	5,352	4,174

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Emergency Services Fund (N.J.S.A. 52:14E-5)			
Fund Balance July 1	12,484	11,758	9,258
Revenues			
Investment earnings	646	500	325
Total Revenues	646	500	325
Total Available	13,130	12,258	9,583
Expenditures			
Public safety and criminal justice	1,219	3,000	3,000
Community development and environmental management	153	--	--
Total Expenditures	1,372	3,000	3,000
Fund Balance June 30	11,758	9,258	6,583
Enterprise Zone Assistance Fund (P.L. 1983, c.303)			
Fund Balance July 1	249,291	266,517	286,469
Revenues			
Taxes	82,997	87,737	89,931
Federal and other grants	2,323	--	--
Licenses and fees	21	22	22
Investment earnings	14,603	16,311	17,942
Total Revenues	99,944	104,070	107,895
Total Available	349,235	370,587	394,364
Expenditures			
Community development and environmental management	8,877	8,285	8,493
Economic planning, development, and security	55,584	55,825	57,221
Total Expenditures	64,461	64,110	65,714
Other Financing Uses			
Transfers to other funds	18,257	20,008	21,639
Total Other Financing Uses	18,257	20,008	21,639
Total Expenditures and Other Financing Uses	82,718	84,118	87,353
Fund Balance June 30	266,517	286,469	307,011
1996 Environmental Cleanup Fund (P.L. 1996, c.70)			
Fund Balance July 1	3,987	3,656	2,852
Revenues			
Investment earnings	209	196	151
Total Revenues	209	196	151
Total Available	4,196	3,852	3,003
Expenditures			
Community development and environmental management	540	1,000	1,000
Total Expenditures	540	1,000	1,000
Fund Balance June 30	3,656	2,852	2,003
1989 Farmland Preservation Fund (P.L. 1989, c.183)			
Fund Balance July 1	156	139	71
Revenues			
Investment earnings	7	5	2
Total Revenues	7	5	2
Total Available	163	144	73
Expenditures			
Community development and environmental management	24	73	--
Total Expenditures	24	73	--
Fund Balance June 30	139	71	73

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STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES SPECIAL REVENUE FUNDS

APPENDIX 1A (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
1992 Farmland Preservation Fund (P.L. 1992, c.88)			
Fund Balance July 1	837	738	420
Revenues			
Investment earnings	42	28	13
Total Revenues	42	28	13
Total Available	879	766	433
Expenditures			
Community development and environmental management	141	346	340
Total Expenditures	141	346	340
Fund Balance June 30	738	420	93
1995 Farmland Preservation Fund (P.L. 1995, c.204)			
Fund Balance July 1	6,758	4,541	1,306
Revenues			
Investment earnings	348	254	65
Total Revenues	348	254	65
Total Available	7,106	4,795	1,371
Expenditures			
Community development and environmental management	2,565	3,489	900
Total Expenditures	2,565	3,489	900
Fund Balance June 30	4,541	1,306	471
Fund For Support of Free Public Schools (N.J.S.A. 18A:56-1)			
Fund Balance July 1	115,366	118,164	123,539
Revenues			
Licenses and fees	9,180	12,000	12,000
Investment earnings	6,067	6,050	6,050
Total Revenues	15,247	18,050	18,050
Total Available	130,613	136,214	141,589
Other Financing Uses			
Transfers to other funds	12,449	12,675	13,706
Total Other Financing Uses	12,449	12,675	13,706
Fund Balance June 30	118,164	123,539	127,883

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007	2008	2009
	Actual	Estimated	Estimated
Garden State Farmland Preservation Trust Fund (P.L. 1999, c.152)			
Fund Balance July 1	355,438	262,737	187,550
Revenues			
Investment earnings	17,194	14,859	10,000
Other	2,272	9,381	3,284
Total Revenues	19,466	24,240	13,284
Other Financing Sources			
Transfers from other funds	15,118	15,007	14,676
Total Other Financing Sources	15,118	15,007	14,676
Total Available	390,022	301,984	215,510
Expenditures			
Community development and environmental management	124,918	112,000	104,000
Total Expenditures	124,918	112,000	104,000
Other Financing Uses			
Transfers to other funds	2,367	2,434	2,800
Total Other Financing Uses	2,367	2,434	2,800
Total Expenditures and Other Financing Uses	127,285	114,434	106,800
Fund Balance June 30	262,737	187,550	108,710
Garden State Green Acres Preservation Trust Fund (P.L. 1999, c.152)			
Fund Balance July 1	503,043	421,309	367,487
Revenues			
Federal and other grants	1,101	--	--
Investment earnings	22,360	22,155	21,750
Other	800	1,987	1,987
Total Revenues	24,261	24,142	23,737
Other Financing Sources			
Transfers from other funds	22,582	47,510	21,802
Total Other Financing Sources	22,582	47,510	21,802
Total Available	549,886	492,961	413,026
Expenditures			
Community development and environmental management	123,704	120,000	100,000
Total Expenditures	123,704	120,000	100,000
Other Financing Uses			
Transfers to other funds	4,873	5,474	5,668
Total Other Financing Uses	4,873	5,474	5,668
Total Expenditures and Other Financing Uses	128,577	125,474	105,668
Fund Balance June 30	421,309	367,487	307,358

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STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES SPECIAL REVENUE FUNDS

APPENDIX 1A (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Garden State Historic Preservation Trust Fund (P.L. 1999, c.152)			
Fund Balance July 1	22,392	24,534	26,933
Revenues			
Investment earnings	1,100	1,264	1,340
Total Revenues	1,100	1,264	1,340
Other Financing Sources			
Transfers from other funds	6,269	6,251	6,251
Total Other Financing Sources	6,269	6,251	6,251
Total Available	29,761	32,049	34,524
Expenditures			
Economic planning, development and security	4,723	4,500	6,500
Total Expenditures	4,723	4,500	6,500
Other Financing Uses			
Transfers to other funds	504	616	616
Total Other Financing Uses	504	616	616
Total Expenditures and Other Financing Uses	5,227	5,116	7,116
Fund Balance June 30	24,534	26,933	27,408
Green Trust Fund (P.L. 1983, c.354)			
Fund Balance July 1	84,876	81,355	76,755
Revenues			
Investment earnings	949	900	800
Other	1,547	1,500	1,400
Total Revenues	2,496	2,400	2,200
Other Financing Sources			
Transfers from other funds	1,000	--	--
Total Other Financing Sources	1,000	--	--
Total Available	88,372	83,755	78,955
Expenditures			
Community development and environmental management	7,017	7,000	7,000
Total Expenditures	7,017	7,000	7,000
Fund Balance June 30	81,355	76,755	71,955
Hazardous Discharge Fund of 1981 (P.L. 1981, c. 275)			
Fund Balance July 1	181	181	181
Revenues			
Investment earnings	10	10	10
Total Revenues	10	10	10
Total Available	191	191	191
Other Financing Uses			
Transfers to other funds	10	10	10
Total Other Financing Uses	10	10	10
Total Expenditures and Other Financing Uses	10	10	10
Fund Balance June 30	181	181	181

**STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
SPECIAL REVENUE FUNDS**

**APPENDIX 1A
(thousands of dollars)**

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Hazardous Discharge Fund of 1986 (P.L. 1986, c.113)			
Fund Balance July 1	16,683	18,057	18,957
Revenues			
Investment earnings	879	900	900
Total Revenues	879	900	900
Other Financing Sources			
Transfers from other funds	9,476	9,400	9,400
Total Other Financing Sources	9,476	9,400	9,400
Total Available	27,038	28,357	29,257
Expenditures			
Community development and environmental management	8,981	9,400	9,400
Total Expenditures	8,981	9,400	9,400
Fund Balance June 30	18,057	18,957	19,857
Hazardous Discharge Site Cleanup Fund (P.L. 1985, c.247)			
Fund Balance July 1	91,902	98,081	89,098
Revenues			
Services and assessments	18,885	19,900	24,600
Investment earnings	4,985	5,500	5,500
Total Revenues	23,870	25,400	30,100
Other Financing Sources			
Transfers from other funds	15,201	3,300	3,300
Total Other Financing Sources	15,201	3,300	3,300
Total Available	130,973	126,781	122,498
Expenditures			
Community development and environmental management	6,917	10,200	10,700
Total Expenditures	6,917	10,200	10,700
Other Financing Uses			
Transfers to other funds	25,975	27,483	27,901
Total Other Financing Uses	25,975	27,483	27,901
Total Expenditures and Other Financing Uses	32,892	37,683	38,601
Fund Balance June 30	98,081	89,098	83,897

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STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES SPECIAL REVENUE FUNDS

APPENDIX 1A (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Health Care Subsidy Fund (P.L. 1992, c. 160)			
Fund Balance July 1	7,045	17,555	6,502
Revenues			
Taxes	381,193	381,200	381,200
Services and assessments	180,441	180,200	180,200
Investment earnings	4,815	4,000	4,000
Total Revenues	566,449	565,400	565,400
Other Financing Sources			
Transfers from other funds	90,460	181,462	87,462
Total Other Financing Sources	90,460	181,462	87,462
Total Available	663,954	764,417	659,364
Expenditures			
Physical and mental health	2,000	6,000	6,000
Total Expenditures	2,000	6,000	6,000
Other Financing Uses			
Transfers to other funds	644,399	751,915	645,163
Total Other Financing Uses	644,399	751,915	645,163
Total Expenditures and Other Financing Uses	646,399	757,915	651,163
Fund Balance June 30	17,555	6,502	8,201
Higher Education Facility Renovation and Rehabilitation Fund (P.L. 1990, c. 126)			
Fund Balance July 1	919	435	131
Revenues			
Investment earnings	35	20	10
Total Revenues	35	20	10
Total Available	954	455	141
Expenditures			
Educational, cultural and intellectual development	519	324	--
Total Expenditures	519	324	--
Fund Balance June 30	435	131	141
1992 Historic Preservation Fund (P.L. 1992, c.88)			
Fund Balance July 1	(44)	(620)	1,870
Revenues			
Investment earnings	5	45	90
Total Revenues	5	45	90
Other Financing Sources			
Proceeds from sale of bonds	--	3,000	--
Transfers from other funds	9	--	--
Total Other Financing Sources	9	3,000	--
Total Available	(30)	2,425	1,960
Expenditures			
Economic planning, development and security	576	555	555
Government direction, management, and control	14	--	--
Total Expenditures	590	555	555
Fund Balance June 30	(620)	1,870	1,405

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
1995 Historic Preservation Fund (P.L. 1995, c.204)			
Fund Balance July 1	(547)	(568)	1,016
Revenues			
Investment earnings	23	40	45
Total Revenues	23	40	45
Other Financing Sources			
Proceeds from sale of bonds	--	2,000	--
Transfers from other funds	32	--	--
Total Other Financing Sources	32	2,000	--
Total Available	(492)	1,472	1,061
Expenditures			
Economic planning, development and security	76	456	456
Total Expenditures	76	456	456
Fund Balance June 30	(568)	1,016	605
Historic Preservation Revolving Loan Fund (P.L. 1991, c.41)			
Fund Balance July 1	4,152	4,357	4,552
Revenues			
Investment earnings	198	195	200
Other	7	--	--
Total Revenues	205	195	200
Total Available	4,357	4,552	4,752
Fund Balance June 30	4,357	4,552	4,752
Horse Racing Injury Compensation Fund (P.L. 1995, c.329)			
Fund Balance July 1	4,959	4,443	4,037
Revenues			
Services and assessments	936	1,101	1,060
Investment earnings	231	193	164
Total Revenues	1,167	1,294	1,224
Total Available	6,126	5,737	5,261
Expenditures			
Public safety and criminal justice	1,683	1,700	1,900
Total Expenditures	1,683	1,700	1,900
Fund Balance June 30	4,443	4,037	3,361
Housing Assistance Fund (P.L. 1968, c.127)			
Fund Balance July 1	6,938	6,938	6,938
Revenues			
Investment earnings	225	220	215
Other	3	35	35
Total Revenues	228	255	250
Total Available	7,166	7,193	7,188
Other Financing Uses			
Transfers to other funds	228	255	250
Total Other Financing Uses	228	255	250
Fund Balance June 30	6,938	6,938	6,938

APPENDIX

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES SPECIAL REVENUE FUNDS

APPENDIX 1A (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Jobs, Education and Competitiveness Fund (P.L. 1988, c.78)			
Fund Balance July 1	6,045	2,085	756
Revenues			
Investment earnings	227	97	43
Total Revenues	227	97	43
Total Available	6,272	2,182	799
Expenditures			
Educational, cultural and intellectual development	3,960	1,329	409
Total Expenditures	3,960	1,329	409
Other Financing Uses			
Transfers to other funds	227	97	43
Total Other Financing Uses	227	97	43
Total Expenditures and Other Financing Uses	4,187	1,426	452
Fund Balance June 30	2,085	756	347
Jobs, Science and Technology Fund (P.L. 1984, c.99)			
Fund Balance July 1	24	3	--
Investment earnings	1	--	--
Total Revenues	1	--	--
Total Available	25	3	--
Expenditures			
Educational, cultural and intellectual development	21	3	--
Total Expenditures	21	3	--
Other Financing Uses			
Transfers to other funds	1	--	--
Total Other Financing Uses	1	--	--
Total Expenditures and Other Financing Uses	22	3	--
Fund Balance June 30	3	--	--
1996 Lake Restoration Fund (P.L. 1996, c.70)			
Fund Balance July 1	2,517	2,300	2,386
Revenues			
Investment earnings	76	75	75
Other	103	86	86
Total Revenues	179	161	161
Total Available	2,696	2,461	2,547
Expenditures			
Community development and environmental management	396	75	75
Total Expenditures	396	75	75
Fund Balance June 30	2,300	2,386	2,472

**STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
SPECIAL REVENUE FUNDS**

**APPENDIX 1A
(thousands of dollars)**

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Lead Hazard Control Assistance Fund (P.L. 2003, c.311)			
Fund Balance July 1	10,876	12,946	10,506
Revenues			
Licenses and fees	1,730	1,600	1,600
Investment earnings	581	660	660
Total Revenues	2,311	2,260	2,260
Other Financing Sources			
Transfers from other funds	2,000	6,000	6,000
Total Other Financing Sources	2,000	6,000	6,000
Total Available	15,187	21,206	18,766
Expenditures			
Economic planning, development, and security	1,854	9,800	9,800
Total Expenditures	1,854	9,800	9,800
Other Financing Uses			
Transfers to other funds	387	900	900
Total Other Financing Uses	387	900	900
Total Expenditures and Other Financing Uses	2,241	10,700	10,700
Fund Balance June 30	12,946	10,506	8,066
Legal Services Fund (P.L. 1996, c.52)			
Fund Balance July 1	--	--	--
Revenues			
Licenses and fees	10,905	10,410	10,410
Total Revenues	10,905	10,410	10,410
Total Available	10,905	10,410	10,410
Other Financing Uses			
Transfers to other funds	10,905	10,410	10,410
Total Other Financing Uses	10,905	10,410	10,410
Fund Balance June 30	--	--	--
Luxury Tax Fund (N.J.S. A. 40:48-8.30a(B), (P.L. 1991, c.375)			
Fund Balance July 1	87	92	102
Revenues			
Taxes	28,346	30,150	31,550
Investment earnings	5	10	10
Total Revenues	28,351	30,160	31,560
Total Available	28,438	30,252	31,662
Expenditures			
Government direction, management, and control	28,346	30,150	31,550
Total Expenditures	28,346	30,150	31,550
Fund Balance June 30	92	102	112

APPENDIX

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES SPECIAL REVENUE FUNDS

APPENDIX 1A (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Medical Malpractice Liability Insurance Premium Assistance Fund (P.L. 2004, c.17)			
Fund Balance July 1	18,061	18,612	--
Revenues			
Licenses and fees	1,989	250	
Services and assessments	21,510	--	--
Investment earnings	1,332	600	--
Total Revenues	24,831	850	--
Total Available	42,892	19,462	--
Expenditures			
Economic planning, development and security	16,572	19,462	--
Special government services	62	--	--
Total Expenditures	16,634	19,462	--
Other Financing Uses			
Transfers to other funds	7,646	--	--
Total Other Financing Uses	7,646	--	--
Total Expenditures and Other Financing Uses	24,280	19,462	--
Fund Balance June 30	18,612	--	--
Mortgage Assistance Fund (P.L. 1976, c.94)			
Fund Balance July 1	13,826	13,524	12,324
Revenues			
Investment earnings	211	255	210
Other	644	625	625
Total Revenues	855	880	835
Total Available	14,681	14,404	13,159
Expenditures			
Community development and environmental management	--	1,200	2,400
Total Expenditures	--	1,200	2,400
Other Financing Uses			
Transfers to other funds	1,157	880	835
Total Other Financing Uses	1,157	880	835
Total Expenditures and Other Financing Uses	1,157	2,080	3,235
Fund Balance June 30	13,524	12,324	9,924
Municipal Landfill Closure and Remediation Fund (P.L. 1996, c.124)			
Fund Balance July 1	68	68	68
Revenues			
Other	3,467	4,500	5,000
Total Revenues	3,467	4,500	5,000
Total Available	3,535	4,568	5,068
Expenditures			
Community development and environmental management	3,467	4,500	5,000
Total Expenditures	3,467	4,500	5,000
Fund Balance June 30	68	68	68

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Natural Resources Fund (P.L. 1980, c.70)			
Fund Balance July 1	3,502	3,369	2,369
Revenues			
Investment earnings	161	150	125
Total Revenues	161	150	125
Total Available	3,663	3,519	2,494
Expenditures			
Community development and environmental management	133	1,000	100
Total Expenditures	133	1,000	100
Other Financing Uses			
Transfers to other funds	161	150	125
Total Other Financing Uses	161	150	125
Total Expenditures and Other Financing Uses	294	1,150	225
Fund Balance June 30	3,369	2,369	2,269
New Home Warranty Security Fund (N.J.S.A. 46:3B-7)			
Fund Balance July 1	24,694	29,552	34,161
Revenues			
Licenses and fees	1,042	900	900
Services and assessments	8,286	8,000	8,000
Investment earnings	1,535	1,750	2,000
Other	272	275	275
Total Revenues	11,135	10,925	11,175
Total Available	35,829	40,477	45,336
Expenditures			
Community development and environmental management	1,266	1,500	1,750
Total Expenditures	1,266	1,500	1,750
Other Financing Uses			
Transfers to other funds	5,011	4,816	4,816
Total Other Financing Uses	5,011	4,816	4,816
Total Expenditures and Other Financing Uses	6,277	6,316	6,566
Fund Balance June 30	29,552	34,161	38,770
1995 New Jersey Coastal Blue Acres Fund (P.L. 1995, c.204)			
Fund Balance July 1	3,465	3,368	3,013
Revenues			
Investment earnings	120	120	120
Other	26	25	25
Total Revenues	146	145	145
Total Available	3,611	3,513	3,158
Expenditures			
Community development and environmental management	243	500	500
Total Expenditures	243	500	500
Fund Balance June 30	3,368	3,013	2,658

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STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES SPECIAL REVENUE FUNDS

APPENDIX 1A (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
New Jersey Cultural Trust (P.L. 2000, c.76)			
Fund Balance July 1	22,314	22,689	23,410
Revenues			
Investment earnings	752	1,018	1,073
Total Revenues	752	1,018	1,073
Other Financing Sources			
Transfers from other funds	720	720	720
Total Other Financing Sources	720	720	720
Total Available	23,786	24,427	25,203
Expenditures			
Government direction, management, and control	1,097	1,017	1,300
Total Expenditures	1,097	1,017	1,300
Fund Balance June 30	22,689	23,410	23,903
1983 New Jersey Green Acres Fund (P.L. 1983, c.354)			
Fund Balance July 1	19,646	19,641	19,631
Revenues			
Investment earnings	1,070	1,070	1,070
Total Revenues	1,070	1,070	1,070
Total Available	20,716	20,711	20,701
Expenditures			
Community development and environmental management	5	10	10
Total Expenditures	5	10	10
Other Financing Uses			
Transfers to other funds	1,070	1,070	1,070
Total Other Financing Uses	1,070	1,070	1,070
Total Expenditures and Other Financing Uses	1,075	1,080	1,080
Fund Balance June 30	19,641	19,631	19,621
1989 New Jersey Green Acres Fund (P.L. 1989, c.183)			
Fund Balance July 1	5,582	5,854	5,574
Revenues			
Investment earnings	289	300	285
Total Revenues	289	300	285
Total Available	5,871	6,154	5,859
Expenditures			
Community development and environmental management	17	580	1,000
Total Expenditures	17	580	1,000
Fund Balance June 30	5,854	5,574	4,859
1992 New Jersey Green Acres Fund (P.L. 1992, c. 88)			
Fund Balance July 1	1,347	1,273	1,258
Revenues			
Investment earnings	39	35	34
Total Revenues	39	35	34
Total Available	1,386	1,308	1,292
Expenditures			
Community development and environmental management	113	50	100
Total Expenditures	113	50	100
Fund Balance June 30	1,273	1,258	1,192

**STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
SPECIAL REVENUE FUNDS**

**APPENDIX 1A
(thousands of dollars)**

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
1995 New Jersey Green Acres Fund (P.L. 1995, c. 204)			
Fund Balance July 1	4,000	2,928	4,428
Revenues			
Investment earnings	155	200	150
Other	534	--	--
Total Revenues	689	200	150
Other Financing Sources			
Proceeds from sale of bonds	--	2,500	--
Total Other Financing Sources	--	2,500	--
Total Available	4,689	5,628	4,578
Expenditures			
Community development and environmental management	1,761	1,200	3,000
Total Expenditures	1,761	1,200	3,000
Fund Balance June 30	2,928	4,428	1,578
1989 New Jersey Green Trust Fund (P.L. 1989, c.183)			
Fund Balance July 1	96,555	97,017	95,317
Revenues			
Investment earnings	2,136	2,200	2,000
Other	1,105	1,100	1,100
Total Revenues	3,241	3,300	3,100
Total Available	99,796	100,317	98,417
Expenditures			
Community development and environmental management	2,779	5,000	5,000
Total Expenditures	2,779	5,000	5,000
Fund Balance June 30	97,017	95,317	93,417
1992 New Jersey Green Trust Fund (P.L. 1992, c. 88)			
Fund Balance July 1	53,651	54,231	50,131
Revenues			
Investment earnings	1,158	1,200	1,000
Other	646	700	500
Total Revenues	1,804	1,900	1,500
Total Available	55,455	56,131	51,631
Expenditures			
Community development and environmental management	1,224	6,000	6,000
Total Expenditures	1,224	6,000	6,000
Fund Balance June 30	54,231	50,131	45,631
1995 New Jersey Green Trust Fund (P.L. 1995, c. 204)			
Fund Balance July 1	75,490	72,560	69,060
Revenues			
Investment earnings	1,411	1,200	1,100
Other	1,473	1,300	1,200
Total Revenues	2,884	2,500	2,300
Total Available	78,374	75,060	71,360
Expenditures			
Community development and environmental management	5,814	6,000	6,000
Total Expenditures	5,814	6,000	6,000
Fund Balance June 30	72,560	69,060	65,360

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STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES SPECIAL REVENUE FUNDS

APPENDIX 1A (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
1995 New Jersey Inland Blue Acres Fund (P.L. 1995, c.204)			
Fund Balance July 1	980	1,017	1,057
Revenues			
Investment earnings	51	50	50
Total Revenues	51	50	50
Total Available	1,031	1,067	1,107
Expenditures			
Community development and environmental management	14	10	300
Total Expenditures	14	10	300
Fund Balance June 30	1,017	1,057	807
New Jersey Lawyers' Assistance Program (R. 1:28B)			
Fund Balance July 1	370	602	664
Revenues			
Licenses and fees	670	638	657
Investment earnings	22	25	25
Total Revenues	692	663	682
Total Available	1,062	1,265	1,346
Expenditures			
Public safety and criminal justice	460	601	651
Total Expenditures	460	601	651
Fund Balance June 30	602	664	695
New Jersey Lawyers' Fund for Client Protection (R. 1:28-7)			
Fund Balance July 1	14,367	16,381	16,714
Revenues			
Licenses and fees	3,561	2,897	3,085
Investment earnings	694	700	700
Other	1,166	1,165	1,165
Total Revenues	5,421	4,762	4,950
Total Available	19,788	21,143	21,664
Expenditures			
Public safety and criminal justice	3,407	4,429	4,815
Total Expenditures	3,407	4,429	4,815
Fund Balance June 30	16,381	16,714	16,849
New Jersey Local Development Financing Fund (N.J.S.A. 34:1B-36)			
Fund Balance July 1	48,419	50,174	52,140
Revenues			
Licenses and fees	29	48	49
Investment earnings	969	1,050	1,055
Other	1,142	1,318	1,409
Total Revenues	2,140	2,416	2,513
Total Available	50,559	52,590	54,653
Expenditures			
Economic planning, development and security	385	450	404
Total Expenditures	385	450	404
Fund Balance June 30	50,174	52,140	54,249

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
New Jersey Racing Industry Special Fund (P.L. 2001, c.199)			
Fund Balance July 1	818	1,017	1,769
Revenues			
Services and assessments	637	600	600
Investment earnings	3	2	38
Other	4,218	4,900	5,400
Total Revenues	4,858	5,502	6,038
Total Available	5,676	6,519	7,807
Expenditures			
Public safety and criminal justice	4,659	4,750	5,000
Total Expenditures	4,659	4,750	5,000
Fund Balance June 30	1,017	1,769	2,807
New Jersey Spill Compensation Fund (N.J.S.A. 58:10-23.11i)			
Fund Balance July 1	12,962	9,849	17,346
Revenues			
Taxes	23,242	23,000	23,000
Licenses and fees	9,129	8,100	8,100
Investment earnings	1,579	2,000	2,000
Other	2,001	2,000	3,700
Total Revenues	35,951	35,100	36,800
Total Available	48,913	44,949	54,146
Expenditures			
Community development and environmental management	4,531	4,000	4,000
Total Expenditures	4,531	4,000	4,000
Other Financing Uses			
Transfers to other funds	34,533	23,603	29,091
Total Other Financing Uses	34,533	23,603	29,091
Total Expenditures and Other Financing Uses	39,064	27,603	33,091
Fund Balance June 30	9,849	17,346	21,055
New Jersey Spinal Cord Research Fund (P.L. 1999, c. 201)			
Fund Balance July 1	15,513	16,344	13,484
Revenues			
Investment earnings	785	600	600
Other	4,152	3,600	3,600
Total Revenues	4,937	4,200	4,200
Total Available	20,450	20,544	17,684
Expenditures			
Physical and mental health	3,577	6,500	6,825
Total Expenditures	3,577	6,500	6,825
Other Financing Uses			
Transfers to other funds	529	560	580
Total Other Financing Uses	529	560	580
Total Expenditures and Other Financing Uses	4,106	7,060	7,405
Fund Balance June 30	16,344	13,484	10,279

APPENDIX

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES SPECIAL REVENUE FUNDS

APPENDIX 1A (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
New Jersey Workforce Development Partnership Fund (P.L. 1992, c. 44)			
Fund Balance July 1	79,601	65,678	54,210
Revenues			
Taxes	93,677	97,000	100,000
Investment earnings	4,687	4,458	3,835
Total Revenues	98,364	101,458	103,835
Total Available	177,965	167,136	158,045
Expenditures			
Economic planning, development, and security	45,021	50,000	55,000
Total Expenditures	45,021	50,000	55,000
Other Financing Uses			
Transfers to other funds	67,266	62,926	63,067
Total Other Financing Uses	67,266	62,926	63,067
Total Expenditures and Other Financing Uses	112,287	112,926	118,067
Fund Balance June 30	65,678	54,210	39,978
Petroleum Overcharge Reimbursement Fund (P.L. 1987,c.231)			
Fund Balance July 1	8,172	7,929	4,089
Revenues			
Federal and other grants	225	--	--
Investment earnings	210	205	15
Total Revenues	435	205	15
Total Available	8,607	8,134	4,104
Expenditures			
Community development and environmental management	482	545	1,728
Government direction, management, and control	196	3,500	--
Total Expenditures	678	4,045	1,728
Fund Balance June 30	7,929	4,089	2,376
Pinelands Infrastructure Trust Fund (P.L. 1985, c.302)			
Fund Balance July 1	10,028	10,394	10,716
Revenues			
Investment earnings	243	252	260
Other	123	120	120
Total Revenues	366	372	380
Total Available	10,394	10,766	11,096
Expenditures			
Community development and environmental management	--	50	50
Total Expenditures	--	50	50
Fund Balance June 30	10,394	10,716	11,046
Pollution Prevention Fund (P.L. 1991, c. 235)			
Fund Balance July 1	1,400	1,633	1,409
Revenues			
Services and assessments	1,823	1,820	1,820
Investment earnings	44	60	50
Total Revenues	1,867	1,880	1,870
Total Available	3,267	3,513	3,279
Other Financing Uses			
Transfers to other funds	1,634	2,104	2,179
Total Other Financing Uses	1,634	2,104	2,179
Fund Balance June 30	1,633	1,409	1,100

**STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
SPECIAL REVENUE FUNDS**

**APPENDIX 1A
(thousands of dollars)**

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Real Estate Guaranty Fund (N.J.S.A. 45:15-34)			
Fund Balance July 1	1,619	1,718	1,793
Revenues			
Licenses and fees	109	110	110
Investment earnings	65	65	65
Total Revenues	174	175	175
Total Available	1,793	1,893	1,968
Expenditures			
Economic planning, development, and security	75	100	100
Total Expenditures	75	100	100
Fund Balance June 30	1,718	1,793	1,868
Resource Recovery and Solid Waste Disposal Facility Fund (P.L. 1985, c.330)			
Fund Balance July 1	597	627	659
Revenues			
Investment earnings	30	32	32
Total Revenues	30	32	32
Total Available	627	659	691
Fund Balance June 30	627	659	691
Retail Margin Fund (P.L. 1999, c.23)			
Fund Balance July 1	62,401	81,080	96,531
Revenues			
Services and agreements	17,150	20,307	15,622
Investment earnings	1,681	4,000	3,200
Total Revenues	18,831	24,307	18,822
Total Available	81,232	105,387	115,353
Expenditures			
Economic planning, development, and security	--	8,405	19,606
Total Expenditures	--	8,405	19,606
Other Financing Uses			
Transfers to other funds	152	451	451
Total Other Financing Uses	152	451	451
Total Expenditures and Other Financing Uses	152	8,856	20,057
Fund Balance June 30	81,080	96,531	95,296
Safe Drinking Water Fund (N.J.S.A. 58:12A-12)			
Fund Balance July 1	219	292	974
Revenues			
Taxes	2,992	3,100	3,100
Investment earnings	117	115	115
Total Revenues	3,109	3,215	3,215
Total Available	3,328	3,507	4,189
Expenditures			
Community development and environmental management	114	100	100
Total Expenditures	114	100	100
Other Financing Uses			
Transfers to other funds	2,922	2,433	3,712
Total Other Financing Uses	2,922	2,433	3,712
Total Expenditures and Other Financing Uses	3,036	2,533	3,812
Fund Balance June 30	292	974	377

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STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES SPECIAL REVENUE FUNDS

APPENDIX 1A (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Sanitary Landfill Facility Contingency Fund (N.J.S.A. 13:1E-100)			
Fund Balance July 1	16,186	13,394	15,396
Revenues			
Services and assessments	1,967	2,000	2,000
Investment earnings	847	702	785
Total Revenues	2,814	2,702	2,785
Total Available	19,000	16,096	18,181
Expenditures			
Community development and environmental management	606	700	700
Total Expenditures	606	700	700
Other Financing Uses			
Transfers to other funds	5,000	--	--
Total Other Financing Uses	5,000	--	--
Total Expenditures and Other Financing Uses	5,606	700	700
Fund Balance June 30	13,394	15,396	17,481
Shore Protection Fund (P.L. 1983, c. 356)			
Fund Balance July 1	11,086	11,086	11,086
Revenues			
Investment earnings	541	534	479
Other	29	3	2
Total Revenues	570	537	481
Total Available	11,656	11,623	11,567
Expenditures			
Community development and environmental management	--	--	1,600
Total Expenditures	--	--	1,600
Other Financing Uses			
Transfers to other funds	570	537	481
Total Other Financing Uses	570	537	481
Total Expenditures and Other Financing Uses	570	537	2,081
Fund Balance June 30	11,086	11,086	9,486
State Disability Benefit Fund (N.J.S.A. 43:21-46a)			
Fund Balance July 1	207,965	218,891	230,491
Revenue			
Taxes	534,493	578,500	603,500
Services and assessments	28,644	30,800	31,000
Investment earnings	4,247	5,300	5,800
Other	1,004	1,000	1,000
Total Revenues	568,388	615,600	641,300
Total Available	776,353	834,491	871,791
Expenditures			
Economic planning, development, and security	470,401	491,500	513,000
Total Expenditures	470,401	491,500	513,000
Other Financing Uses			
Transfers to other funds	87,061	112,500	39,243
Total Other Financing Uses	87,061	112,500	39,243
Total Expenditures and Other Financing Uses	557,462	604,000	552,243
Fund Balance June 30	218,891	230,491	319,548

**STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
SPECIAL REVENUE FUNDS**

**APPENDIX 1A
(thousands of dollars)**

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
State Land Acquisition and Development Fund (P.L. 1978, c. 118)			
Fund Balance July 1	(118)	(197)	953
Revenues			
Investment earnings	19	50	40
Total Revenues	19	50	40
Other Financing Sources			
Proceeds from sale of bonds	--	1,500	--
Transfers from other funds	9	--	--
Total Other Financing Sources	9	1,500	--
Total Available	(90)	1,353	993
Expenditures			
Community development and environmental management	79	400	100
Government direction, management, and control	28	--	--
Total Expenditures	107	400	100
Fund Balance June 30	(197)	953	893
State Recreation and Conservation Land Acquisition and Development Fund (P.L. 1974, c.102)			
Fund Balance July 1	449	449	449
Revenues			
Investment earnings	24	25	25
Total Revenues	24	25	25
Total Available	473	474	474
Other Financing Uses			
Transfers to other funds	24	25	25
Total Other Financing Uses	24	25	25
Fund Balance June 30	449	449	449
State Recycling Fund (N.J.S.A. 12:1E-92)			
Fund Balance July 1	6,205	5,877	13,380
Revenues			
Taxes	--	--	28,000
Investment earnings	136	310	595
Other	38	25	25
Total Revenues	174	335	28,620
Other Financing Sources			
Transfers from other funds	4,000	10,986	--
Total Other Financing Sources	4,000	10,986	--
Total Available	10,379	17,198	42,000
Expenditures			
Community development and environmental management	4,502	3,818	42,000
Total Expenditures	4,502	3,818	42,000
Fund Balance June 30	5,877	13,380	--

APPENDIX

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES SPECIAL REVENUE FUNDS

APPENDIX 1A (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Stormwater Management and Combined Sewer Overflow Abatement Fund (P.L. 1989, c. 181)			
Fund Balance July 1	620	(1,250)	2,375
Revenues			
Investment earnings	35	125	75
Total Revenues	35	125	75
Other Financing Sources			
Proceeds from sale of bonds	--	5,500	--
Transfers from other funds	15	--	--
Total Other Financing Sources	15	5,500	--
Total Available	670	4,375	2,450
Expenditures			
Community development and environmental management	1,870	2,000	2,000
Government direction, management, and control	50	--	--
Total Expenditures	1,920	2,000	2,000
Fund Balance June 30	(1,250)	2,375	450
Superior Court of New Jersey Trust Fund (R. 4:57-2 to 5)			
Fund Balance July 1	1,447	1,460	1,460
Revenues			
Investment earnings	18,252	14,162	14,162
Total Revenues	18,252	14,162	14,162
Total Available	19,699	15,622	15,622
Expenditures			
Public safety and criminal justice	18,239	14,162	14,162
Total Expenditures	18,239	14,162	14,162
Fund Balance June 30	1,460	1,460	1,460
Supplemental Workforce Fund for Basic Skills (P.L.2001, c.152)			
Fund Balance July 1	31,038	27,396	18,103
Revenues			
Taxes	26,323	27,500	29,500
Investment earnings	1,456	1,207	1,100
Total Revenues	27,779	28,707	30,600
Total Available	58,817	56,103	48,703
Expenditures			
Economic planning, development and security	27,181	34,000	36,000
Total Expenditures	27,181	34,000	36,000
Other Financing Uses			
Transfers to other funds	4,240	4,000	4,200
Total Other Financing Uses	4,240	4,000	4,200
Total Expenditures and Other Financing Uses	31,421	38,000	40,200
Fund Balance June 30	27,396	18,103	8,503

**STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
SPECIAL REVENUE FUNDS**

**APPENDIX 1A
(thousands of dollars)**

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Tobacco Settlement Fund			
Fund Balance July 1	6,081	89,687	455
Revenues			
Investment earnings	1,109	250	250
Other	89,482	28,518	64,650
Total Revenues	90,591	28,768	64,900
Other Financing Sources			
Transfers from other funds	8,689	--	--
Total Other Financing Sources	8,689	--	--
Total Available	105,361	118,455	65,355
Other Financing Uses			
Transfers to other funds	15,674	118,000	64,650
Total Other Financing Uses	15,674	118,000	64,650
Fund Balance June 30	89,687	455	705
Tourism Improvement and Development Fund (P.L. 1992, c.165)			
Fund Balance July 1	1	3	6
Revenues			
Taxes	4,867	5,650	6,000
Investment earnings	2	3	3
Total Revenues	4,869	5,653	6,003
Total Available	4,870	5,656	6,009
Expenditures			
Economic planning, development, and security	4,742	5,525	5,875
Total Expenditures	4,742	5,525	5,875
Other Financing Uses			
Transfers to other funds	125	125	125
Total Other Financing Uses	125	125	125
Total Expenditures and Other Financing Uses	4,867	5,650	6,000
Fund Balance June 30	3	6	9
Trial Attorney Certification Program (R. 1:39-1(h))			
Fund Balance July 1	90	57	57
Revenues			
Licenses and fees	223	238	238
Investment earnings	6	5	5
Other	7	7	7
Total Revenues	236	250	250
Total Available	326	307	307
Expenditures			
Public safety and criminal justice	269	250	250
Total Expenditures	269	250	250
Fund Balance June 30	57	57	57

APPENDIX

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES SPECIAL REVENUE FUNDS

APPENDIX 1A (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Unclaimed Child Support Trust Fund (P.L. 1995, c.115)			
Fund Balance July 1	2,433	2,608	2,791
Revenues			
Investment earnings	116	116	116
Other	71	77	50
Total Revenues	187	193	166
Total Available	2,620	2,801	2,957
Expenditures			
Government direction, management, and control	12	10	10
Total Expenditures	12	10	10
Fund Balance June 30	2,608	2,791	2,947
Unclaimed Utility Deposits Trust Fund (P.L. 2000, c.132)			
Fund Balance July 1	4,854	2,884	3,389
Revenues			
Investment earnings	216	175	225
Other	2,475	2,500	2,500
Total Revenues	2,691	2,675	2,725
Total Available	7,545	5,559	6,114
Expenditures			
Government direction, management, and control	4,445	1,995	1,995
Total Expenditures	4,445	1,995	1,995
Other Financing Uses			
Transfers to other funds	216	175	225
Total Other Financing Uses	216	175	225
Total Expenditures and Other Financing Uses	4,661	2,170	2,220
Fund Balance June 30	2,884	3,389	3,894
Unemployment Compensation Auxiliary Fund (N.J.S.A. 43:21-14g)			
Fund Balance July 1	14,802	23,699	26,349
Revenues			
Investment earnings	1,518	1,950	2,000
Other	29,676	29,700	29,700
Total Revenues	31,194	31,650	31,700
Total Available	45,996	55,349	58,049
Other Financing Uses			
Transfers to other funds	22,297	29,000	31,129
Total Other Financing Uses	22,297	29,000	31,129
Fund Balance June 30	23,699	26,349	26,920

**STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
SPECIAL REVENUE FUNDS**

**APPENDIX 1A
(thousands of dollars)**

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Universal Services Fund (P.L. 1999, c.23)			
Fund Balance July 1	2,486	4,656	9,082
Revenues			
Services and assessments	224,745	225,000	226,000
Investment earnings	2,715	2,500	2,200
Total Revenues	227,460	227,500	228,200
Total Available	229,946	232,156	237,282
Expenditures			
Community development and environmental management	145,908	146,000	147,000
Total Expenditures	145,908	146,000	147,000
Other Financing Uses			
Transfers to other funds	79,382	77,074	77,216
Total Other Financing Uses	79,382	77,074	77,216
Total Expenditures and Other Financing Uses	225,290	223,074	224,216
Fund Balance June 30	4,656	9,082	13,066
University of Medicine and Dentistry of New Jersey - Self Insurance Reserve Fund (N.J.S.A. 52:18A-1 et seq.)			
Fund Balance July 1	--	15,621	308
Revenues			
Services and assessments	8,408	8,400	8,400
Investment earnings	668	375	250
Total Revenues	9,076	8,775	8,650
Other Financing Sources			
Transfers from other funds	18,000	2,000	18,000
Total Other Financing Sources	18,000	2,000	18,000
Total Available	27,076	26,396	26,958
Expenditures			
Economic planning, development, and security	11,455	26,088	25,820
Total Expenditures	11,455	26,088	25,820
Fund Balance June 30	15,621	308	1,138
Urban and Rural Centers Unsafe Buildings Demolition Revolving Loan Fund (P.L. 1997, c.125)			
Fund Balance July 1	20,941	21,376	21,828
Revenues			
Investment earnings	417	400	400
Other	18	52	52
Total Revenues	435	452	452
Total Available	21,376	21,828	22,280
Fund Balance June 30	21,376	21,828	22,280
Vietnam Veterans' Memorial Fund (P.L. 1985, c.494)			
Fund Balance July 1	72	91	91
Revenues			
Contributions	91	70	70
Total Revenues	91	70	70
Total Available	163	161	161
Expenditures			
Special government services	72	70	70
Total Expenditures	72	70	70
Fund Balance June 30	91	91	91

APPENDIX

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES SPECIAL REVENUE FUNDS

APPENDIX 1A (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Volunteer Emergency Service Organizations Loan Fund (P.L. 1987, c. 8)			
Fund Balance July 1	3,123	3,229	3,332
Revenues			
Investment earnings	75	75	75
Other	31	28	28
Total Revenues	106	103	103
Total Available	3,229	3,332	3,435
Fund Balance June 30	3,229	3,332	3,435
Wastewater Treatment Fund (P.L. 1985, c. 329)			
Fund Balance July 1	962,037	1,031,696	1,119,655
Revenues			
Federal and other grants	70,465	80,000	50,000
Investment earnings	23,297	21,000	19,000
Total Revenues	93,762	101,000	69,000
Total Available	1,055,799	1,132,696	1,188,655
Expenditures			
Community development and environmental management	17,249	5,000	5,000
Total Expenditures	17,249	5,000	5,000
Other Financing Uses			
Transfers to other funds	6,854	8,041	8,100
Total Other Financing Uses	6,854	8,041	8,100
Total Expenditures and Other Financing Uses	24,103	13,041	13,100
Fund Balance June 30	1,031,696	1,119,655	1,175,555
1992 Wastewater Treatment Fund (P.L. 1992, c. 88)			
Fund Balance July 1	30,003	30,684	31,334
Revenues			
Investment earnings	681	650	650
Total Revenues	681	650	650
Total Available	30,684	31,334	31,984
Fund Balance June 30	30,684	31,334	31,984
Water Conservation Fund (P.L. 1969, c. 127)			
Fund Balance July 1	792	792	792
Revenues			
Investment earnings	38	39	39
Other	1	1	1
Total Revenues	39	40	40
Total Available	831	832	832
Other Financing Uses			
Transfers to other funds	39	40	40
Total Other Financing Uses	39	40	40
Fund Balance June 30	792	792	792

**STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
SPECIAL REVENUE FUNDS**

**APPENDIX 1A
(thousands of dollars)**

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
2003 Water Resources and Wastewater Treatment Fund (P.L. 2003, c.162)			
Fund Balance July 1	4	13	26,388
Revenues			
Investment earnings	33	375	625
Others 9	--	--	
Total Revenues	42	375	625
Other Financing Sources			
Proceeds from sale of bonds	--	26,000	--
Transfers from other funds	343	--	--
Total Other Financing Sources	343	26,000	--
Total Available	389	26,388	27,013
Expenditures			
Government direction, management, and control	376	--	--
Total Expenditures	376	--	--
Fund Balance June 30	13	26,388	27,013
2003 Water Resources and Wastewater Treatment Trust Fund (P.L. 2003, c.162)			
Fund Balance July 1	(5,000)	(5,000)	--
Other Financing Sources			
Proceeds from sale of bonds	--	5,000	--
Transfers from other funds	277	--	--
Total Other Financing Sources	277	5,000	--
Total Available	(4,723)	--	--
Expenditures			
Government direction, management, and control	277	--	--
Total Expenditures	277	--	--
Fund Balance June 30	(5,000)	--	--
Water Supply Fund (P.L. 1981, c. 261)			
Fund Balance July 1	177,707	177,120	176,139
Revenues			
Investment earnings	6,163	6,000	6,000
Other	648	428	333
Total Revenues	6,811	6,428	6,333
Total Available	184,518	183,548	182,472
Expenditures			
Community development and environmental management	3,332	3,000	3,000
Total Expenditures	3,332	3,000	3,000
Other Financing Uses			
Transfers to other funds	4,066	4,409	4,409
Total Other Financing Uses	4,066	4,409	4,409
Total Expenditures and Other Financing Uses	7,398	7,409	7,409
Fund Balance June 30	177,120	176,139	175,063
Water Supply Replacement Trust Fund (P.L. 1988, c. 106)			
Fund Balance July 1	67	71	75
Revenues			
Investment earnings	4	4	4
Total Revenues	4	4	4
Total Available	71	75	79
Fund Balance June 30	71	75	79

APPENDIX

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES SPECIAL REVENUE FUNDS

APPENDIX 1A (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Worker and Community Right To Know Fund (N.J.S.A. 34:54A-1)			
Fund Balance July 1	2,769	3,131	2,699
Revenues			
Services and assessments	4,394	4,395	4,395
Investment earnings	128	125	125
Total Revenues	4,522	4,520	4,520
Total Available	7,291	7,651	7,219
Other Financing Uses			
Transfers to other funds	4,160	4,952	5,095
Total Other Financing Uses	4,160	4,952	5,095
Fund Balance June 30	3,131	2,699	2,124
Workers Compensation Security Fund (P.L. 2004, c.179)			
Fund Balance July 1	17,949	30,664	32,164
Revenues			
Services and assessments	37,635	26,000	21,000
Investment earnings	1,491	2,500	2,700
Total Revenues	39,126	28,500	23,700
Total Available	57,075	59,164	55,864
Expenditures			
Economic planning, development and security	26,411	27,000	27,000
Total Expenditures	26,411	27,000	27,000
Fund Balance June 30	30,664	32,164	28,864

**STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
CAPITAL PROJECTS FUNDS**

**APPENDIX 1B
(thousands of dollars)**

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Correctional Facilities Construction Fund (P.L. 1982, c. 120)			
Fund Balance July 1	589	589	262
Revenues			
Investment earnings	31	14	15
Total Revenues	31	14	15
Total Available	620	603	277
Expenditures			
Public safety and criminal justice	--	327	262
Total Expenditures	--	327	262
Other Financing Uses			
Transfers to other funds	31	14	15
Total Other Financing Uses	31	14	15
Total Expenditures and Other Financing Uses	31	341	277
Fund Balance June 30	589	262	--
Correctional Facilities Construction Fund of 1987 (P.L. 1987, c.178)			
Fund Balance July 1	921	814	797
Revenues			
Investment earnings	46	26	13
Total Revenues	46	26	13
Total Available	967	840	810
Expenditures			
Public safety and criminal justice	107	17	--
Total Expenditures	107	17	--
Other Financing Uses			
Transfers to other funds	46	26	13
Total Other Financing Uses	46	26	13
Total Expenditures and Other Financing Uses	153	43	13
Fund Balance June 30	814	797	797
Energy Conservation Fund (P.L. 1980, c.68)			
Fund Balance July 1	280	280	280
Revenues			
Investment earnings	15	15	15
Total Revenues	15	15	15
Total Available	295	295	295
Other Financing Uses			
Transfers to other funds	15	15	15
Total Other Financing Uses	15	15	15
Fund Balance June 30	280	280	280

APPENDIX

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES CAPITAL PROJECTS FUNDS

APPENDIX 1B (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Human Services Facilities Construction Fund (P.L. 1984, c. 157)			
Fund Balance July 1	12	12	--
Revenues			
Investment earnings	2	--	--
Total Revenues	2	--	--
Total Available	14	12	--
Expenditures			
Educational, cultural, and intellectual development	--	12	--
Total Expenditures	--	12	--
Other Financing Uses			
Transfers to other funds	2	--	--
Total Other Financing Uses	2	--	--
Total Expenditures and Other Financing Uses	2	12	--
Fund Balance June 30	12	--	--
Motor Vehicle Commission Fund (P.L. 2003, c.13)			
Fund Balance July 1	115,001	102,086	80,094
Revenues			
Investment earnings	2,896	2,670	1,773
Total Revenues	2,896	2,670	1,773
Total Available	117,897	104,756	81,867
Expenditures			
Public safety and criminal justice	15,807	24,662	34,992
Government direction, management, and control	4	--	--
Total Expenditures	15,811	24,662	34,992
Fund Balance June 30	102,086	80,094	46,875
New Jersey Bridge Rehabilitation and Improvement and Railroad Right-of-Way Preservation Fund (P.L. 1989, c. 180)			
Fund Balance July 1	6,165	6,165	6,165
Revenues			
Investment earnings	335	334	325
Total Revenues	335	334	325
Total Available	6,500	6,499	6,490
Other Financing Uses			
Transfers to other funds	335	334	325
Total Other Financing Uses	335	334	325
Fund Balance June 30	6,165	6,165	6,165

**STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
CAPITAL PROJECTS FUNDS**

**APPENDIX 1B
(thousands of dollars)**

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Public Purpose Buildings and Community-Based Facilities Construction Fund (P.L. 1989, c. 184)			
Fund Balance July 1	4,046	3,161	1,840
Revenues			
Investment earnings	193	170	100
Total Revenues	193	170	100
Total Available	4,239	3,331	1,940
Expenditures			
Public safety and criminal justice	410	471	--
Physical and mental health	288	850	150
Economic planning, development and security	187	--	--
Total Expenditures	885	1,321	150
Other Financing Uses			
Transfers to other funds	193	170	100
Total Other Financing Uses	193	170	100
Total Expenditures and Other Financing Uses	1,078	1,491	250
Fund Balance June 30	3,161	1,840	1,690
Public Purpose Buildings Construction Fund (P.L. 1980, c. 119)			
Fund Balance July 1	245	245	245
Revenues			
Investments earnings	8	8	8
Total Revenues	8	8	8
Total Available	253	253	253
Other Financing Uses			
Transfers to other funds	8	8	8
Total Other Financing Uses	8	8	8
Fund Balance June 30	245	245	245
State Facilities for Handicapped Fund (P.L. 1973, c. 149)			
Fund Balance July 1	15	16	12
Revenues			
Investment earnings	1	1	1
Total Revenues	1	1	1
Total Available	16	17	13
Expenditures			
Educational, cultural, and intellectual development	--	5	13
Total Expenditures	--	5	13
Fund Balance June 30	16	12	--

APPENDIX

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES CAPITAL PROJECTS FUNDS

APPENDIX 1B (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
1999 Statewide Transportation and Local Bridge Fund (P.L. 1999, c. 181)			
Fund Balance July 1	29,635	26,313	22,984
Revenues			
Investment earnings	1,556	1,556	1,556
Total Revenues	1,556	1,556	1,556
Total Available	31,191	27,869	24,540
Expenditures			
Transportation programs	3,322	3,329	2,908
Total Expenditures	3,322	3,329	2,908
Other Financing Uses			
Transfers to other funds	1,556	1,556	1,556
Total Other Financing Uses	1,556	1,556	1,556
Total Expenditures and Other Financing Uses	4,878	4,885	4,464
Fund Balance June 30	26,313	22,984	20,076

**STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES
PRIVATE PURPOSE TRUST FUNDS**

**APPENDIX 1C
(thousands of dollars)**

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
Insurance Annuity Trust Fund			
Fund Balance July 1	112	124	137
Revenues			
Investment earnings	6	7	7
Other	6	6	6
Total Revenues	12	13	13
Total Available	124	137	150
Fund Balance June 30	124	137	150
Motor Vehicle Security Responsibility Fund (N.J.S.A. 39:6-30.1)			
Fund Balance July 1	--	--	--
Revenues			
Investment earnings	13	13	13
Total Revenues	13	13	13
Total Available	13	13	13
Other Financing Uses			
Transfers to other funds	13	13	13
Total Other Financing Uses	13	13	13
Fund Balance June 30	--	--	--
Unclaimed County Deposits Trust Fund (P.L. 1992, c.173)			
Fund Balance July 1	4,377	4,883	5,184
Revenues			
Investment earnings	552	600	600
Other	249	150	150
Total Revenues	801	750	750
Total Available	5,178	5,633	5,934
Expenditures			
Government direction, management, and control	295	449	263
Total Expenditures	295	449	263
Fund Balance June 30	4,883	5,184	5,671
Unclaimed Insurance Payments on Deposit Accounts Fund			
Fund Balance July 1	1,715	222	171
Revenues			
Investment earnings	58	7	5
Total Revenues	58	7	5
Total Available	1,773	229	176
Expenditures			
Government direction, management, and control	1,551	58	--
Total Expenditures	1,551	58	--
Fund Balance June 30	222	171	176

APPENDIX

STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES

PROPRIETARY FUNDS

APPENDIX 1D (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2007 Actual	2008 Estimated	2009 Estimated
State Lottery Fund (N.J.S.A. 5:9-21)			
Fund Balance July 1	12,702	10,426	10,179
Revenues			
Investment earnings	6,177	2,400	3,500
Other	2,392,335	2,416,754	2,427,976
Total Revenues	2,398,512	2,419,154	2,431,476
Total Available	2,411,214	2,429,580	2,441,655
Expenditures			
Government direction, management, and control	1,544,183	1,549,283	1,561,221
Total Expenditures	1,544,183	1,549,283	1,561,221
Other Financing Uses			
Transfers to other funds	856,605	870,118	870,118
Total Other Financing Uses	856,605	870,118	870,118
Total Expenditures and Other Financing Uses	2,400,788	2,419,401	2,431,339
Fund Balance June 30	10,426	10,179	10,316
Unemployment Compensation Fund (N.J.S.A. 43:21-9a)			
Fund Balance July 1	1,114,550	1,132,775	1,024,075
Revenue			
Federal and other grants	34,858	35,800	35,600
Services and assessments	1,913,107	1,868,500	1,960,000
Investment earnings	32,280	30,000	27,300
Other	1,982	2,000	2,000
Total Revenues	1,982,227	1,936,300	2,024,900
Other Financing Sources			
Transfers from other funds	5,299	--	--
Total Other Financing Sources	5,299	--	--
Total Available	3,102,076	3,069,075	3,048,975
Expenditures			
Economic planning, development and security	1,937,371	2,010,000	2,002,000
Total Expenditures	1,937,371	2,010,000	2,002,000
Other Financing Uses			
Transfers to other funds	31,930	35,000	25,000
Total Other Financing Uses	31,930	35,000	25,000
Total Expenditures and Other Financing Uses	1,969,301	2,045,000	2,027,000
Fund Balance June 30	1,132,775	1,024,075	1,021,975

STATE OF NEW JERSEY

DESCRIPTION OF FUNDS

Alcohol Education, Rehabilitation and Enforcement Fund (N.J.S.A. 54:32C)

Special Revenue Fund

Annual deposits of \$11 million are made to this fund from annual Alcohol Beverage Excise Tax collections. The monies collected shall be dedicated as follows: 75.0 percent to alcohol rehabilitation, 15.0 percent to enforcement, and 10.0 percent to education. Additionally, a \$40 fee paid by persons convicted of operating a motor vehicle under the influence of intoxicating liquor or drugs are deposited into this fund to be used for the screening, evaluation, education, and referral of persons who have been convicted of driving while intoxicated.

Atlantic City Parking Fees Fund (P.L. 1993, c.159)

Special Revenue Fund

A \$3 parking fee per diem is imposed for each vehicle parked, garaged, or stored in any casino hotel parking space. As per P.L. 2003, c.116 effective July 1, 2007, of the \$3.00 fee collected the first \$1.50 shall be remitted to the Casino Reinvestment Development Authority (CRDA). Of the remaining \$1.50, the first \$0.50 shall be deposited into the Casino Revenue Fund and the remaining \$1.00 shall be remitted to the CRDA.

Atlantic City Projects-Room Fund (P.L. 2001, c.221)

Special Revenue Fund

The Atlantic City Projects-Room Fund facilitates the development of entertainment-retail projects in specified districts located within Atlantic City and promotes the revitalization of other urban areas throughout the State. Room Fund revenue is comprised of Tourism Promotion Fee receipts limited to annual Luxury Tax receipts that exceed the pre-determined baseline amount for a given district. Project Fund revenue is comprised of Sales and Use Tax receipts received from the entertainment-retail vendors within each district project.

Atlantic City Tourism Promotion Fund (P.L. 1991, c.376)

Special Revenue Fund

This fund accounts for revenues collected for fees of \$2 per day for each occupied room in any hotel providing casino gaming and \$1 per day for each occupied room in any other hotel in the eligible municipality. The revenues are collected, certified, and distributed on a monthly basis to the Atlantic City Convention and Visitors Authority. Amounts expended are solely for the purpose of promoting tourism, conventions, resorts, and casino gaming.

Beaches and Harbor Fund (P.L. 1977, c.208)

Special Revenue Fund

An amount of \$30 million of General Obligation bonds was authorized to research, plan, acquire, develop, construct, and maintain beaches and harbors.

Board of Bar Examiners (R. 1:27B1)

Special Revenue Fund

This fund was established for the purposes of drafting bar essay examination questions, reviewing applications, and preparing, administering, and grading bar examinations. Revenues are generated by payments made by candidates for admission to the Bar of the State of New Jersey. Revenues include examination fees, late fee charges, certificates of good standing, license name changes, and copying fees.

Boarding House Rental Assistance Fund (N.J.S.A. 55:14K-14)

Special Revenue Fund

This fund finances life safety improvement loans by the New Jersey Housing and Mortgage Finance Agency for the benefit of residents of boarding homes; and to provide a source of repayment for such life safety improvement loans.

Body Armor Replacement Fund (P.L. 1997, c.177)

Special Revenue Fund

This fund is a repository for monies used exclusively for the purchase of body vests for law enforcement officers and correction officers.

APPENDIX

Capital City Redevelopment Loan and Grant Fund (P.L. 1987, c.58)

Special Revenue Fund

This fund was established for the redevelopment and revitalization of the City of Trenton. The State has established the Capital City Redevelopment Corporation to operate within the boundaries of the Trenton district, which plans, coordinates, and promotes the public and private development of that district in a manner that enhances the Trenton area's vitality as a place of commerce, recreation, and culture and as an area which to conduct public business and visit historic sites.

Casino Simulcasting Fund (P.L. 1992, c.19)

Special Revenue Fund

Casino simulcasting is defined as the simultaneous transmission by picture of running or harness horse races conducted at race tracks to Atlantic City casinos and pari-mutuel wagering at those gambling establishments on the results of those races. A portion of the revenue generated from casino simulcasting is to be deposited into this fund and shall be used for services to benefit senior citizens.

Casino Simulcasting Special Fund (P.L. 1992, c.19)

Special Revenue Fund

Casino simulcasting is defined as the simultaneous transmission by picture of running or harness horse races conducted at race tracks to Atlantic City casinos and pari-mutuel wagering at those gambling establishments on the results of those races. A portion of the revenue generated from casino simulcasting is to be deposited into this fund and shall be disbursed to the Atlantic City Racetrack, Atlantic City casinos conducting simulcasting, and for other miscellaneous purposes.

Catastrophic Illness in Children Relief Fund (P.L. 1987, c.370)

Special Revenue Fund

This fund provides assistance to children and their families whose medical expenses due to a child's "catastrophic illness" extend beyond the families' available resources. For the fiscal year ending June 30, 2007, revenue was derived from a \$1 annual surcharge per employee for all employers who are subject to the New Jersey Unemployment Compensation Law. Legislation was enacted during fiscal year 2008 increasing the \$1 annual surcharge to \$1.50 per employee.

Clean Communities Account Fund (P.L. 1985, c.533)

Special Revenue Fund

A user fee on sales of litter-generating products is credited to the Clean Communities Account Fund. Through fiscal year 2008, twenty-five percent of the annual amount credited to the fund, but not more than \$4 million per year, is appropriated to the State Recycling Fund to provide recycling grants to municipalities and counties for local recycling programs. The balance of money credited to the fund is used to provide grants to eligible municipalities for programs of litter pickup and removal; and is also used for a State program of litter pickup and removal and of enforcement of litter-related laws. Legislation was enacted during fiscal year 2008 eliminating the fiscal year 2009 appropriation to the State Recycling Fund.

Clean Energy Fund (P.L. 1999, c.23)

Special Revenue Fund

This fund accounts for revenues collected from a "societal benefit charge" on monthly utility bills. Funds generated from this charge are used to support clean energy initiatives.

Clean Waters Fund (P.L. 1976, c.92)

Special Revenue Fund

An amount of \$120 million of General Obligation bonds was authorized to research, plan, acquire, develop, construct, and maintain water supply and wastewater treatment facilities.

Correctional Facilities Construction Fund (P.L. 1982, c.120)

Capital Projects Fund

An amount of \$170 million of General Obligation bonds was authorized for construction of new medium security prisons, county assistance programs, and renovations and modifications to existing State facilities.

Correctional Facilities Construction Fund of 1987 (P.L. 1987, c.178)**Capital Projects Fund**

An amount of \$198 million of General Obligation bonds was authorized for the planning, erection, acquisition, improvement, construction, reconstruction, development, extension, rehabilitation, demolition, and equipment of State and county correctional facilities.

Cultural Centers and Historic Preservation Fund (P.L. 1987, c.265)**Special Revenue Fund**

An amount of \$100 million of General Obligation bonds was authorized for the purpose of financing the construction and development of cultural centers (\$40 million); the restoration, repair, or rehabilitation of historic structures in the State (\$25 million); and for the purpose of providing for grants and loans to assist municipalities, counties, and other units of local government to acquire and develop lands for recreation and conservation purposes (\$35 million).

2003 Dam, Lake and Stream Project Revolving Loan Fund (P.L. 2003, c.162)**Special Revenue Fund**

An amount of \$110 million of General Obligation bonds was authorized to make low-interest loans to owners of dams, lakes or stream, or private lake associations for dam restoration and repair projects, lake dredging and restoration projects, or stream cleaning and desnagging projects.

2003 Dam, Lake, Stream and Flood Control Project Fund (P.L. 2003, c.162)**Special Revenue Fund**

An amount of \$40 million of General Obligation bonds was authorized to provide assistance, other than full or matching grants, to owners of dams, lakes or streams, or private lake associations for dam restoration and repair projects, lake dredging and restoration projects, or stream cleaning and desnagging projects, and for State flood control projects or State dam restoration and repair projects.

1992 Dam Restoration and Clean Waters Trust Fund (P.L. 1992, c.88)**Special Revenue Fund**

An amount of \$20 million of General Obligation bonds was authorized from the Green Acres, Clean Water, Farmland, and Historic Preservation Bond Act of 1992 to finance dam restoration and inland water projects and loans.

1989 Development Potential Bank Transfer Fund (P.L. 1989, c.183)**Special Revenue Fund**

An amount of \$20 million of General Obligation bonds was authorized to provide for the acquisition and development rights of land by the State for recreation and conservation purposes.

Developmental Disabilities Waiting List Reduction Fund (P.L. 1994, c.108)**Special Revenue Fund**

An amount of \$160 million of General Obligation bonds was authorized for the purpose of planning, construction, reconstruction, development, erection, acquisition, extension, improvement, rehabilitation, and equipping of community based residential facilities for clients on the New Jersey Department of Human Services' Developmental Disabilities Waiting List.

Disciplinary Oversight Committee (R. 1:20-2)**Special Revenue Fund**

This fund was established for the purpose of performing random audits of the books and records of New Jersey attorneys for compliance with standards established by the Supreme Court of New Jersey. Revenues are generated from annual attorney assessments paid by bar members.

Division of Motor Vehicles Surcharge Fund (P.L. 1994, c.57)**Special Revenue Fund**

This fund is comprised of revenues from surcharges and interest for payment to the New Jersey Economic Development Authority to pay principal and interest applicable to bonds for the Market Transition Facility, Motor Vehicle Commission and Special Needs Housing Program. Excess funds are available for transfer to the State's General Fund.

APPENDIX

Dredging and Containment Facility Fund (P.L. 1996, c.70)

Special Revenue Fund

An amount of \$185 million of General Obligation bonds was authorized for the construction of subaqueous pits, the construction of containment facilities, projects related to the decontamination of dredged materials, and dredging projects. Additionally, an amount of \$20 million of General Obligation bond proceeds was authorized for the purpose of dredging navigation channels located in the port region.

Drinking Water State Revolving Fund (P.L. 1998, c.84)

Special Revenue Fund

This fund is the depository for the receipt of federal capitalization grants and other funds made available to the State for drinking water projects and set-asides pursuant to the Federal Safe Drinking Water Act.

1996 Economic Development Site Fund (P.L. 1996, c.70)

Special Revenue Fund

An amount of \$20 million of General Obligation bonds was authorized for the purchase of real property, equipment, and any building, construction, and miscellaneous site improvements associated with an economic development site.

Emergency Flood Control Fund (P.L. 1978, c.78)

Special Revenue Fund

An amount of \$25 million of General Obligation bonds was authorized to acquire, develop, construct, and maintain flood control facilities and for the development of a comprehensive flood control master plan.

Emergency Medical Technician Training Fund (P.L. 1992, c.143)

Special Revenue Fund

This fund was established to annually reimburse any private agency, organization, or entity which is certified by the Commissioner of Health and Senior Services to provide training and testing for volunteer ambulance, first aid, and rescue squad personnel who are seeking emergency medical tech-ambulance and defibrillation intermediate, or who are taking refresher courses or recertification for which that entity is not otherwise reimbursed.

Emergency Services Fund (N.J.S.A. 52:14E-5)

Special Revenue Fund

This fund reimburses municipalities or counties for damage or excess costs as a result of an emergency. Payments must be certified by the Governor's Advisory Council and approved by the Governor.

Energy Conservation Fund (P.L. 1980, c.68)

Capital Projects Fund

Of the \$50 million of General Obligation bonds that was authorized, \$3 million is appropriated for energy audits and \$47 million is appropriated for energy-saving renovations to educational facilities, institutions, and public buildings of the State.

Enterprise Zone Assistance Fund (P.L. 1983, c.303)

Special Revenue Fund

The purpose of this fund is to provide relief in certain areas of economic distress, by reducing sales and use tax paid by one half of the current tax rate. The revenues generated in these zones are made available to the municipalities located within the Urban Enterprise Zones for various approved revitalization projects.

1996 Environmental Cleanup Fund (P.L. 1996, c.70)

Special Revenue Fund

An amount of \$70 million of General Obligation bonds was authorized to provide for the remediation of hazardous discharge sites and for the construction of water supply facilities to replace potable water supplies determined to be contaminated or threatened by discharge.

1989 Farmland Preservation Fund (P.L. 1989, c.183)**Special Revenue Fund**

An amount of \$50 million of General Obligation bonds was authorized for the purpose of the preservation of farmland for agricultural use and production.

1992 Farmland Preservation Fund (P.L. 1992, c.88)**Special Revenue Fund**

An amount of \$50 million of General Obligation bonds was authorized from the Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992 for farmland preservation and agricultural use.

1995 Farmland Preservation Fund (P.L. 1995, c.204)**Special Revenue Fund**

An amount of \$50 million was authorized from the Green Acres, Farmland and Historic Preservation Bond Act of 1995, and Blue Acres Bond Act of 1995 for the purpose of farmland preservation and agricultural use.

Fund for Support of Free Public Schools (N.J.S.A. 18A:56-1)**Special Revenue Fund**

The fund consists of proceeds from the sale of riparian lands, rents received on leased riparian State lands, licenses and fees related to such lands, and the income from earnings on investments. The income is appropriated by the Annual Appropriations Act for the support of free public schools. The income of the fund is then transferred to the General Fund in support of the appropriations.

The fund provides for the establishment of a school bond reserve. The school bond reserve consists of two accounts, the old school bond reserve account and the new school bond reserve account. The old school bond reserve account shall be funded in an amount equal to at least 1.5 percent of the aggregate issued and outstanding bonded indebtedness of counties, municipalities, or school districts for school purposes for all such indebtedness issued prior to July 1, 2003. The new school bond reserve account shall be funded in an amount equal to at least 1.0 percent of the aggregate issued and outstanding bonded indebtedness of counties, municipalities, or school districts for school purposes for all such indebtedness issued on or after July 1, 2003, exclusive of bonds for debt service, which is provided by State appropriations.

Garden State Farmland Preservation Trust Fund (P.L. 1999, c.152)**Special Revenue Fund**

The Garden State Farmland Preservation Trust Fund was authorized for the preservation of farmland for agricultural use and production. It receives funding from the Garden State Preservation Trust.

Garden State Green Acres Preservation Trust Fund (P.L. 1999, c.152)**Special Revenue Fund**

The Garden State Green Acres Preservation Trust Fund was authorized for the acquisition and development of lands by the State for recreation and conservation purposes. It receives funding from the Garden State Preservation Trust.

Garden State Historic Preservation Trust Fund (P.L. 1999, c.152)**Special Revenue Fund**

The Garden State Historic Preservation Trust Fund was authorized for the work relating to the conservation, improvement, repair, restoration, or stabilization of historic property. It receives funding from the Garden State Preservation Trust.

Green Trust Fund (P.L. 1983, c.354)**Special Revenue Fund**

An amount of \$83 million of General Obligation bonds was authorized from the 1983 New Jersey Green Acres Fund for the purpose of making loans and grants to local government units for the acquisition and development of lands for recreation and conservation.

Hazardous Discharge Fund of 1981 (P.L. 1981, c.275)**Special Revenue Fund**

An amount of \$100 million of General Obligation bonds was authorized for the identification, cleanup, and removal of hazardous discharges.

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Hazardous Discharge Fund of 1986 (P.L. 1986, c.113)

Special Revenue Fund

An amount of \$200 million of General Obligation bonds was authorized for the purpose of financing the cost of identification, cleanup, and removal of hazardous discharges.

Hazardous Discharge Site Cleanup Fund (P.L. 1985, c.247)

Special Revenue Fund

This fund was established for the purposes of preparing feasibility studies, engineering designs, and undertaking other work necessary for the cleanup or mitigation of hazardous discharge sites in the State. An amount of \$100 million was appropriated from the Hazardous Discharge Fund of 1981.

Health Care Subsidy Fund (P.L. 1992, c.160)

Special Revenue Fund

This fund is comprised of revenues from cigarette and tobacco taxes, HMO assessments, hospital assessments, cosmetic surgery taxes, ambulatory facility fees, General Fund appropriations, interest, and penalties. Monies in the fund shall be used to distribute charity and other uncompensated care disproportionate share payments to hospitals; provide subsidies for the New Jersey Kid Care program; and provide financial assistance for hospitals, other health care initiatives, and hospital bond assistance.

Higher Education Facility Renovation and Rehabilitation Fund (P.L. 1990, c.126)

Special Revenue Fund

The sum of \$45 million of General Obligation bonds was appropriated from the Jobs, Education and Competitiveness Fund for the renovation and rehabilitation of existing higher education buildings at various State colleges and universities.

1992 Historic Preservation Fund (P.L. 1992, c.88)

Special Revenue Fund

An amount of \$25 million of General Obligation bonds was authorized from the Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992 for the purpose of providing State matching grants to assist State agencies or entities, local government units, and qualifying tax exempt nonprofit organizations to meet the historic preservation project cost for historic properties, structures, facilities, or sites owned or leased on a long-term basis by those agencies, entities, units, or organizations.

1995 Historic Preservation Fund (P.L. 1995, c.204)

Special Revenue Fund

The purpose of this fund is to provide matching grants to assist State agencies or entities, local government units, and qualified tax-exempt nonprofit organizations to meet historic preservation project costs.

Historic Preservation Revolving Loan Fund (P.L. 1991, c.41)

Special Revenue Fund

There was appropriated \$3 million to the Historic Preservation Revolving Loan Fund for the purpose of making low interest loans to counties, municipalities, or tax exempt non-profit organizations to finance the costs of acquiring, restoring, repairing, or rehabilitating historic structures.

Horse Racing Injury Compensation Fund (P.L. 1995, c.329)

Special Revenue Fund

The purpose of this fund is to provide workers' compensation coverage to employees in the thoroughbred and standardbred horse racing industries. The costs of providing coverage shall be funded from assessments to both the thoroughbred and standardbred industries based on their respective experience rating.

Housing Assistance Fund (P.L. 1968, c.127)

Special Revenue Fund

An amount of \$12.5 million was authorized for interest rate subsidies on contracts and agreements with qualified mortgagors and mortgagees of housing developments to decrease rental and carrying charges to low and moderate income occupants of such housing, and to provide financial assistance to qualified housing developments that were constructed, financed, or rehabilitated under federal law and moderate income financing programs.

Human Services Facilities Construction Fund (P.L. 1984, c.157)

Capital Projects Fund

An amount of \$60 million of General Obligation bonds was authorized for the planning, construction, reconstruction, development, erection, acquisition, extension, improvement, rehabilitation, and equipping of human services facilities.

Insurance Annuity Trust Fund (Superior Court of New Jersey, Law Division, Morris County Docket No. L-081390-83)

Private Purpose Trust Fund

This fund was established to account for deposits made by Western National Life Insurance Company or its assignees on behalf of the State of New Jersey resulting from a lawsuit filed against the State.

Jobs, Education and Competitiveness Fund (P.L. 1988, c.78)

Special Revenue Fund

An amount of \$350 million of General Obligation bonds was authorized for the construction, reconstruction, development, extension, improvement, and equipment of classrooms, academic buildings, libraries, computer facilities, and other higher education buildings at New Jersey's public and private institutions of higher education; the establishment and construction of advanced technology centers at public and private institutions of higher education; and for the expansion and construction of additional facilities at, and acquisition of additional and upgraded equipment for, existing advanced technology centers sponsored by the New Jersey Commission on Science and Technology.

Jobs, Science and Technology Fund (P.L. 1984, c.99)

Special Revenue Fund

An amount of \$90 million of General Obligation bonds was authorized for the establishment and construction of a network of advanced technology centers at public and private institutions of higher education; providing for the construction and improvement of technical and engineering facilities and for high technology job training and retraining programs at public and private institutions of higher education.

1996 Lake Restoration Fund (P.L. 1996, c.70)

Special Revenue Fund

An amount of \$5 million of General Obligation bonds was authorized for the removal of sand, silt, mud, sediment, rocks, stumps, vegetation, algae blooms, or other materials from lakes, or the abatement and control of pollution caused by storm water runoff, soil erosion, or other types of non-point source or point source pollution.

Lead Hazard Control Assistance Fund (P.L. 2003, c.311)

Special Revenue Fund

This fund was established for the purpose of providing grants or loans to eligible homeowners to make their homes lead-safe. Funds are received from various sources, including a \$20 fee assessed to homeowners of multiple dwelling units, a portion of the Sales and Use Tax generated on the sale of paint, and the Catastrophic Illness in Children Relief Fund.

Legal Services Fund (P.L. 1996, c.52)

Special Revenue Fund

Revenues generated from the increase in certain filing fees in civil actions are credited to the fund and are used to provide legal services to the poor in civil matters, funding for ten Superior Court judgeships, and support to Rutgers-Newark Law School, Rutgers-Camden Law School, and Seton Hall Law School for clinical programs which provide free legal representation to the poor.

Luxury Tax Fund (N.J.S.A. 40:48-8.30a (B), (P.L. 1991, c.375)

Special Revenue Fund

This fund accounts for revenues collected under the provisions of the Luxury Tax Fund Act. The act amends existing statutes wherein Atlantic City imposes a tax on certain sales and services. A portion of these tax revenues are dedicated to the payment of debt service on bonds issued for the construction of Convention Hall facilities, to subsidize Convention Center operating budget deficits, and to provide housing opportunities for low and moderate income families.

APPENDIX

Medical Malpractice Liability Insurance Premium Assistance Fund (P.L. 2004, c.17)

Special Revenue Fund

This fund was established to provide medical malpractice liability insurance premium relief to certain health care providers who have experienced or are experiencing a liability insurance premium increase in an amount established by regulation by the Department of Banking and Insurance. Revenues in the fund are generated from a \$3 per employee surcharge on those businesses who are subject to the “unemployment compensation law” and an annual \$75 assessment of certain health care professionals and attorneys.

Mortgage Assistance Fund (P.L. 1976, c.94)

Special Revenue Fund

An amount of \$25 million of General Obligation bonds was authorized for mortgage assistance and to spur construction, rehabilitation, and maintenance of housing for senior citizens and families of low and moderate income, and to provide funds for second mortgages and for a neighborhood preservation program.

Motor Vehicle Commission Fund (P.L. 2003, c.13)

Capital Projects Fund

The Motor Vehicle Security and Customer Service Act created the Motor Vehicle Commission Fund which authorized the issuance of \$160 million in installment obligation bonds. An amount of \$10 million was transferred to the Administrative Office of the Courts for improvements to the automated traffic system, while the remainder was for the payment of the costs of capital improvements for Motor Vehicle Commission facilities, including but not limited to building improvements, and the acquisition and installation of furniture, fixtures, machinery, computers and electronic equipment.

Motor Vehicle Security Responsibility Fund (N.J.S.A. 39:6-30.1)

Private Purpose Trust Fund

Security deposits made by motorists not having the required minimum motor vehicle insurance coverage in the State, who have been involved in a motor vehicle accident resulting in bodily injury or death and/or property damage, are recorded in this fund. The deposits may be disbursed in satisfaction of judgments rendered or returned to the motorist upon release of liability.

Municipal Landfill Closure and Remediation Fund (P.L. 1996, c.124)

Special Revenue Fund

This fund is dedicated for the purpose of reimbursing a developer who enters into a redevelopment agreement related to the closure, remediation, and redevelopment of municipal landfill sites and is certified for reimbursement in accordance with the provisions of the law. Costs of the closure and remediation of the municipal solid waste landfill may be eligible for a 75.0 percent reimbursement upon the commencement of a business operation within a redevelopment project. The reimbursements are made from designated Sales and Use Tax collections.

Natural Resources Fund (P.L. 1980, c.70)

Special Revenue Fund

An amount of \$145 million of General Obligation bonds was authorized to fund state and local projects for resource recovery, sewage treatment, water supply, dam restoration, and harbor clean-up projects.

New Home Warranty Security Fund (N.J.S.A. 46:3B-7)

Special Revenue Fund

Monies received from participating builders of dwellings not previously occupied, excluding those constructed solely for lease, are deposited into this fund. Payments are authorized by approved claims of owners for defects in new homes covered by the new home warranty.

New Jersey Bridge Rehabilitation and Improvement and Railroad Right-of-Way Preservation Fund (P.L. 1989, c.180)

Capital Projects Fund

An amount of \$115 million of General Obligation bonds was authorized for the purposes of rehabilitating and improving bridges in the State and the preservation and acquisition of railroad rights-of-way.

1995 New Jersey Coastal Blue Acres Trust Fund (P.L. 1995, c.204)**Special Revenue Fund**

An amount of \$15 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation Bond Act of 1995, and Blue Acres Bond Act of 1995 for the purpose of providing State grants and loans to assist local government units to meet the coastal blue acres cost of acquiring, for recreation and conservation purposes, lands in the coastal area that have been damaged by, or may be prone to incurring damage caused by, storms or storm-related flooding, or may buffer or protect other lands from such damage.

New Jersey Cultural Trust Fund (P.L. 2000, c.76)**Special Revenue Fund**

The Annual Appropriations Act provides funding to a dedicated non-lapsing account in the General Fund. The State Treasurer shall transfer to the trust fund from this account an amount equal to donations made to the Cultural Trust Fund subject to the availability of monies in the dedicated account. Interest or other monies earned on the deposits made to the fund shall be used for assisting in the funding of capital facilities projects and endowment development, and contributing to the financial stability of qualified organizations in New Jersey.

1983 New Jersey Green Acres Fund (P.L. 1983, c.354)**Special Revenue Fund**

An amount of \$135 million of General Obligation bonds was authorized for public acquisition and development of land for recreation and conservation purposes. Of this amount, \$52 million has been allocated for the acquisition and development of land by the State. An amount of \$83 million has been transferred to the Green Trust Fund for grants or loans to local governmental entities for acquisition or development of land.

1989 New Jersey Green Acres Fund (P.L. 1989, c.183)**Special Revenue Fund**

An amount of \$90 million of General Obligation bonds was authorized from the 1989 Open Space Preservation Bond Act to provide monies for State grants to assist local governmental entities to acquire and develop land for recreation and conservation purposes.

1992 New Jersey Green Acres Fund (P.L. 1992, c.88)**Special Revenue Fund**

An amount of \$80 million of General Obligation bonds was authorized from the Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992 for the purpose of acquiring and developing land by the State for recreation and conservation purposes.

1995 New Jersey Green Acres Fund (P.L. 1995, c.204)**Special Revenue Fund**

An amount of \$115 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation Bond Act of 1995, and the Blue Acres Bond Act of 1995 to provide monies for public acquisition and development of land for recreation and conservation purposes.

1989 New Jersey Green Trust Fund (P.L. 1989, c.183)**Special Revenue Fund**

An amount of \$140 million of General Obligation bonds was authorized from the 1989 Open Space Preservation Bond Act to provide monies for public acquisition and development of land for recreation and conservation purposes.

1992 New Jersey Green Trust Fund (P.L. 1992, c.88)**Special Revenue Fund**

An amount of \$120 million of General Obligation bonds was authorized from the Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992 for the purpose of providing State grants and loans to assist local governmental entities to acquire and develop land for recreation and conservation.

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1995 New Jersey Green Trust Fund (P.L. 1995, c.204)

Special Revenue Fund

An amount of \$135 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation Bond Act of 1995, and Blue Acres Bond Act of 1995 to provide monies for public acquisition and development of land for recreation and conservation purposes.

1995 New Jersey Inland Blue Acres Fund (P.L. 1995, c.204)

Special Revenue Fund

An amount of \$15 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation Bond Act of 1995, and Blue Acres Bond Act of 1995 for the purpose of acquiring inland blue acres for recreation and conservation purposes and lands in the floodway of the Passaic River and its tributaries that have been damaged by, or may be prone to incurring damage caused by, storms or storm related flooding, or that may buffer or protect other lands from such damage.

New Jersey Lawyers' Assistance Program (R. 1:28B)

Special Revenue Fund

This fund provides assistance to members of the New Jersey Bar, law students, and law school graduates who have an alcohol, drug abuse, and/or gambling problems. Each nonexempt member of the Bar is required to pay \$3 annually if in their second year of practice and \$6 annually for attorneys in their third year to forty-ninth year.

New Jersey Lawyers' Fund for Client Protection (R. 1:28-7)

Special Revenue Fund

This fund was established for the purpose of reimbursing, to the extent and in the manner provided by rules and regulations, losses resulting from dishonest conduct by members of the Bar of the State of New Jersey. Annual payments are made to this fund by each member of the Bar of the State of New Jersey.

New Jersey Local Development Financing Fund (N.J.S.A. 34:1B-36)

Special Revenue Fund

An amount of \$45 million of General Obligation bonds was authorized to capitalize the New Jersey Local Development Financing Fund. The fund provides financial assistance to municipal governments, local development corporations, and other organizations sponsoring commercial and industrial projects which encourage municipal economic development.

New Jersey Racing Industry Special Fund (P.L. 2001, c.199)

Special Revenue Fund

The New Jersey Racing Industry Special Fund accounts for inactive or dormant wagering accounts, breakage and outstanding parimutuel money exceeding required racing costs, and the excess takeout rate. Money deposited shall be disbursed monthly by the New Jersey Racing Commission primarily to those holding permits to conduct horse racing.

New Jersey Spill Compensation Fund (N.J.S.A. 58:10-23.11i)

Special Revenue Fund

Receipts from taxes and penalties levied on each owner or operator of a major facility of hazardous substances are deposited in this fund. The tax is measured by the number of barrels of hazardous substances of the first transfer to the major facility. Payments may be authorized for clean-up costs, removal costs, research, and payments of approved claims.

New Jersey Spinal Cord Research Fund (P.L. 1999, c.201)

Special Revenue Fund

A \$1 surcharge on motor vehicle fines and penalties are credited to this fund. Money collected shall be used exclusively for the purpose of making grants for approved spinal cord research projects at qualified research institutions.

New Jersey Workforce Development Partnership Fund (P.L. 1992, c.44)**Special Revenue Fund**

This fund was established to provide qualified displaced, disadvantaged, and employed workers with employment and training services most likely to provide the greatest opportunity for long range career advancement with high levels of productivity and earning power. The program shall provide those services by means of training grants or customized training services, provided the funding is not available from federal or other sources. Beginning January 1, 1993, each worker and employer shall contribute to the fund an amount equal to 0.025 percent of the workers' wages. These funds will reduce contributions to the Unemployment Compensation Fund.

Petroleum Overcharge Reimbursement Fund (P.L. 1987, c.231)**Special Revenue Fund**

The Petroleum Overcharge Reimbursement Fund accounts for monies received by the State from the Federal government pursuant to court settlements with various petroleum companies and distributors as payments for overcharges for petroleum products. Appropriations are made from the fund for energy efficiency and conservation programs.

Pinelands Infrastructure Trust Fund (P.L. 1985, c.302)**Special Revenue Fund**

An amount of \$30 million of General Obligation bonds was authorized for the purpose of providing grants and loans to local governmental entities for transportation, wastewater treatment, water supply, and other infrastructure capital projects necessary to accommodate development in the pinelands area.

Pollution Prevention Fund (P.L. 1991, c.235)**Special Revenue Fund**

This fund was established to fund the implementation of a comprehensive pollution prevention program which integrates the air pollution, water pollution, and hazardous waste management programs. The fund shall be credited with fees imposed upon employers and collected by the New Jersey Department of Labor.

Public Purpose Buildings and Community-Based Facilities Construction Fund (P.L. 1989, c.184)**Capital Projects Fund**

An amount of \$125 million of General Obligation bonds was authorized for the purpose of the planning, construction, reconstruction, development, erection, acquisition, extension, improvement, rehabilitation, and the equipping of State and community-based human services facilities and State correctional facilities.

Public Purpose Buildings Construction Fund (P.L. 1980, c.119)**Capital Projects Fund**

An amount of \$159 million of General Obligation bonds was authorized for construction of public purpose buildings, including \$50 million for facilities for the mentally retarded, \$67 million for correctional facilities, \$7 million for a veterans' long-term care facility, \$3.5 million for facilities for children in need of supervision, and \$21.5 million for facilities for the mentally ill. The fund also provided \$10 million to the Department of Human Services for the establishment of a loan guarantee fund to encourage the construction of long-term care facilities which will provide additional Medicaid beds.

Real Estate Guaranty Fund (N.J.S.A. 45:15-34)**Special Revenue Fund**

Monies received from additional fees on annual licenses of real estate brokers and real estate salesmen are deposited in this fund. Claim payments, as certified by court orders, are made to persons aggrieved by the embezzlement, conversion, or unlawful obtaining of money or property by a licensed real estate broker or a real estate salesman, or an unlicensed employee of a real estate broker.

Resource Recovery and Solid Waste Disposal Facility Fund (P.L. 1985, c.330)**Special Revenue Fund**

An amount of \$85 million of General Obligation bonds was authorized to provide funds for loans or grants to local government units for the construction of resource recovery facilities and environmentally sound sanitary landfill facilities.

APPENDIX

Retail Margin Fund (P.L. 1999, c.23)

Special Revenue Fund

This fund accounts for revenues collected from a “retail margin charge” collected mostly from what are generally larger commercial and industrial utility customers. Funds generated from this charge are used to support initiatives of the Board of Public Utilities related to commercial and industrial-based customers.

Safe Drinking Water Fund (N.J.S.A. 58:12A-12)

Special Revenue Fund

This fund accounts for tax revenues collected from owners or operators of public community water systems pursuant to the Safe Drinking Water Act. Monies in this fund are subject to appropriation to the Department of Environmental Protection for all costs associated with the department’s administration of programs set forth in the Act.

Sanitary Landfill Facility Contingency Fund (N.J.S.A. 13:1E-100)

Special Revenue Fund

Receipts from taxes and penalties levied upon each owner or operator of every sanitary landfill facility are deposited in this fund. The tax is levied per cubic yard of solids and per gallon of liquids. The fund shall be liable for all direct and indirect damages resulting from the operations or closure of any sanitary landfill.

Shore Protection Fund (P.L. 1983, c.356)

Special Revenue Fund

An amount of \$50 million of General Obligation bonds was authorized for the purpose of State projects and the making of State grants and loans to counties and municipalities for researching, planning, acquiring, developing, constructing, and maintaining shore protection projects. Of the total available, \$40 million was allocated for State shore protection projects and for State grants to counties and municipalities. The remaining \$10 million was allocated for State loans to counties and municipalities.

State Disability Benefit Fund (N.J.S.A. 43:21-46a)

Special Revenue Fund

Deposits from contributions of workers and employers who are subject to the contribution section on taxable wages under the unemployment compensation law of the State are recorded in the fund. Deposits are also made from special assessments, fines, penalties, and investment earnings. Payments from the fund may be made to persons entitled to disability benefits and benefits not covered by the Workers’ Compensation Law, for authorized refunds of contributions, and for administrative expenses.

State Facilities for Handicapped Fund (P.L. 1973, c.149)

Capital Projects Fund

An amount of \$25 million of General Obligation bonds was authorized for the expansion and renovation of the Marie H. Katzenbach School for the Deaf and for the planning, acquisition, improvements, and construction of regional day-school facilities to educate children with severe handicaps.

State Land Acquisition and Development Fund (P.L. 1978, c.118)

Special Revenue Fund

An amount of \$200 million of General Obligation bonds was authorized for State and local acquisition and development to continue efforts to conserve open space and provide recreation areas. Half of the amount is allocated to urban areas.

State Lottery Fund (N.J.S.A. 5:9-21)

Proprietary Fund

Monies derived from the sale of State lottery tickets are deposited into this fund. Disbursements are authorized for the payment of prizes to holders of winning lottery tickets and for the administrative expenses of the Division of State Lottery. Remaining balances are paid to the General Fund in support of the amounts annually appropriated for State institutions and for education. The present value of obligations for future installment payments of lottery prizes funded by the purchase of deposit fund contracts are accounted for in this Fund.

State Recreation and Conservation Land Acquisition and Development Fund (P.L. 1974, c.102)**Special Revenue Fund**

An amount of \$200 million of General Obligation bonds was authorized to enable the State to acquire and develop land and to provide for State grants to assist municipalities, counties, and other units of local government to acquire and develop land for recreation and conservation purposes.

State Recycling Fund (N.J.S.A. 12:1E-92)**Special Revenue Fund**

Through fiscal year 2008, twenty-five percent of the balance in the Clean Communities Account Fund, but not more than \$4 million per year, is appropriated to this fund in order to provide recycling grants to municipalities and counties for local recycling programs. Legislation enacted during fiscal year 2008 establishes for fiscal year 2009, and thereafter, a \$3 per ton tax to be levied upon operators of solid waste facilities and solid waste collectors. This legislation stipulates that the fund shall be used for recycling; grants to municipalities or counties; aid to counties for preparing, revising, and implementing solid waste management plans; recycling program funding; aid to counties for public information and education programs concerning recycling activities; and grants to institution of higher education to conduct research in recycling.

1999 Statewide Transportation and Local Bridge Fund (P.L. 1999, c.181)**Capital Projects Fund**

An amount of \$500 million of General Obligation bonds was authorized for the purpose of rehabilitating and improving State transportation, including local bridges. Of this sum, \$250 million was reserved for grants to county and municipal governments for the cost of rehabilitation and improvement of structurally deficient bridges carrying county or municipal roads including railroad overhead bridges. The remaining \$250 million is reserved for transportation projects.

Stormwater Management and Combined Sewer Overflow Abatement Fund (P.L. 1989, c.181)**Special Revenue Fund**

An amount of \$50 million of General Obligation bonds was authorized for the purpose of providing grants and loans to local government units for the cost of projects identified pursuant to the stormwater management and combined sewer overflow abatement project priority list.

Superior Court of New Jersey Trust Fund (R. 4:57-2 to 5)**Special Revenue Fund**

This fund accounts for monies representing deposits made in court as a result of litigation, including foreclosures, condemnations, liquidations, dissolutions, good faith deposits by liability insurers, sale of infants' lands, insolvencies, receiverships, and interpleaders.

Supplemental Workforce Fund for Basic Skills (P.L. 2002, c.152)**Special Revenue Fund**

The monies in this fund shall be used for the basic skills training; reemployment services, and training programs for displaced disadvantaged workers. Each worker shall contribute 0.0175 percent of their wages to the Fund as determined by paragraph (3) of subsection (b) of R.S. 43:21-7.

Tobacco Settlement Fund**Special Revenue Fund**

Payments received from the Master Settlement Agreement (MSA), dated November 23, 1998, are deposited into this fund. The MSA is the national settlement reached with the tobacco industry in which participating states will be paid in perpetuity.

Tourism Improvement and Development Fund (P.L. 1992, c.165)**Special Revenue Fund**

This fund was established for the deposit of tax revenues collected from predominantly tourism related sales, such as the occupancy of every hotel room subject to tax and receipts from the sale of food or drink, except those sold through vending machines. These funds are to be used to fund tourism facility improvements without placing the onus on the permanent residents and businesses.

APPENDIX

Trial Attorney Certification Program (R. 1:39-1 (h))

Special Revenue Fund

This fund was established to assist the New Jersey Supreme Court in the administration of the certification function for civil or criminal trial attorneys.

Unclaimed Child Support Trust Fund (P.L. 1995, c.115)

Special Revenue Fund

All monies received, as abandoned child support shall be deposited into this fund. Each year, within 45 days of the receipt of such funds, payments shall be made to the Judiciary consisting of the Federal Government's Title IV-D share. The remaining portions shall be used to pay claims duly presented and allowed and all expenses and costs incurred by the State of New Jersey.

Unclaimed County Deposits Trust Fund (P.L. 1992, c.173)

Private Purpose Trust Fund

All monies received as unclaimed county deposits shall be deposited in the fund. Each year 75 percent of the deposits received from a respective county shall be paid to that county. The remaining portion shall be retained in the Fund and used to pay claims duly presented and allowed and all expenses and costs incurred by the State of New Jersey.

Unclaimed Insurance Payments on Deposit Accounts Fund

Private Purpose Trust Fund

The Unclaimed Deposits Amendment Act of 1993 (UDAA) controls the disposition of unclaimed insurance payments on deposit accounts for insured depository institutions which are placed into receivership after July 28, 1993. Pursuant to the UDAA, unclaimed insurance deposits are placed into this fund and held for ten years. Payments will be made to the owner upon determining that such individual or entity is the rightful owner of such funds. At the end of the ten-year period, any remaining deposits will be forwarded to the Federal Deposit Insurance Corporation.

Unclaimed Utility Deposits Trust Fund (P.L. 2000, c.132)

Special Revenue Fund

All monies received in unclaimed property deposits from electric and gas utilities are deposited into this fund. Each year, unless the administrator deems it prudent and advisable to do otherwise, the administrator shall pay to the New Jersey Statewide Heating Assistance and Referral for Energy Services, a non-profit corporation, or to another statewide non-profit energy assistance organization designated by the Board of Public Utilities within 45 days of the receipt of such funds, 75.0 percent of the unclaimed utility deposits received from each of the electric and gas utilities by the administrator. Money received from the administrator shall be used exclusively for the payment of expenses associated with the restoration of electric or gas service, or to prevent the termination of electric or gas service. The remaining portion shall be retained in the fund and used to pay claims duly presented and allowed.

Unemployment Compensation Auxiliary Fund (N.J.S.A. 43:21-14g)

Special Revenue Fund

Amounts collected as penalties and interest assessed against employers who have failed to make payment of contributions required under the Unemployment Compensation Law to the State on a timely basis are deposited in this fund. Payments from the fund are authorized for the refund of any interest and/or penalty credited hereto, determined to have been collected or remitted by mistake. The remaining amounts may be expended by appropriations for administrative costs of the Unemployment Compensation Law and for costs of programs which generate employment, such as the Work Incentive Program, authorized training programs, and economic development activities.

Unemployment Compensation Fund (N.J.S.A. 43:21-9a)

Proprietary Fund

This fund accounts for monies deposited from contributions of employers and employees for unemployment compensation, amounts credited or advances made by the Federal government, and amounts received herein from any other source.

After consideration is given to any claim for refund of overpayment of contributions, the remainder is transferred by the Division of Employment Security to the Treasurer of the United States for credit to the State of New Jersey Unemployment Compensation Fund and held by the Treasurer of the United States in the State of New Jersey Unemployment Trust Fund. Drawdowns against the State of New Jersey Unemployment Trust Fund are made by requests submitted to the Treasurer of the United States by the Division of Employment Security on an as-needed basis, whereby amounts are transferred back to the Unemployment Compensation Fund and are then disbursed by the Division of Employment Security to persons entitled to receive unemployment benefits.

Any shortfall in the Unemployment Compensation Fund needed to pay benefits is covered by Federal statutes, which authorize advances from the Federal government for unemployment benefits. Such advances are repayable by increased rates on federally taxable wages reported by New Jersey employers, or the advances may be repaid out of the fund assets at any time by the Governor.

Universal Services Fund (P.L. 1999, c.23)

Special Revenue Fund

Monies deposited into this fund are generated from a “societal benefit charge” on monthly utility bills. The funds generated from the charge support the Lifeline program, clean energy initiatives and provide financial assistance to low income utility customers.

University of Medicine and Dentistry of New Jersey - Self-Insurance Reserve Fund

(N.J.S.A. 52:18A-1 et seq.)

Special Revenue Fund

This fund was established by a trust agreement between the State and the University of Medicine and Dentistry to cover malpractice claims against the hospitals and the University. This insurance is required by the New Jersey Health Care Facilities Financing Authority for protection of the Authority’s bondholders.

Urban and Rural Centers Unsafe Buildings Demolition Revolving Loan Fund (P.L. 1997, c.125)

Special Revenue Fund

An amount of \$20 million of General Obligation bonds was authorized to provide financing for the demolition and disposal of unsafe buildings in urban and rural centers.

Vietnam Veterans’ Memorial Fund (P.L. 1985, c.494)

Special Revenue Fund

This fund receives monies from donations and income tax designations to fund the Vietnam Veterans’ Memorial honoring New Jersey veterans of the Vietnam conflict.

Volunteer Emergency Service Organizations Loan Fund (P.L. 1987, c.8)

Special Revenue Fund

The purpose of this fund is to provide low-interest loans to volunteer emergency service organizations for the purpose of modernizing or replacing outmoded or unsafe emergency vehicles, apparatus, equipment, or facilities, or to establish facilities to meet an increasing demand for a higher level of service in the communities in which they serve.

Wastewater Treatment Fund (P.L. 1985, c.329)

Special Revenue Fund

An amount of \$190 million of General Obligation bonds was authorized for the purpose of financing the cost of construction of wastewater treatment systems. Of the total amount authorized, \$145 million is allocated for the purpose of making grants and low or zero interest loans to local government units for financing the cost of the construction of wastewater treatment systems. In addition, this fund is the depository for the receipt of federal capitalization grants made available to the State for the purpose of financing wastewater treatment systems.

APPENDIX

1992 Wastewater Treatment Fund (P.L. 1992, c.88)

Special Revenue Fund

An amount of \$45 million was authorized for the purpose of making zero interest loans to local governmental entities for wastewater treatment system projects, in order to bring such systems into full compliance with permits issued pursuant to the Water Pollution Control Act; to provide adequate wastewater treatment in areas where large numbers of septic systems have malfunctioned or become obsolete; or to connect an obsolete or malfunctioning wastewater treatment system to another wastewater treatment system.

Water Conservation Fund (P.L. 1969, c.127)

Special Revenue Fund

An amount of \$271 million of General Obligation bonds was authorized to conduct research, plan, acquire, develop, construct, and maintain water supply and wastewater treatment facilities for the preservation, sale, or exchange of water for potable, industrial, commercial, irrigational, recreational, and other public purposes.

2003 Water Resources and Wastewater Treatment Fund (P.L. 2003, c.162)

Special Revenue Fund

An amount of \$45 million of General Obligation bonds was authorized to provide loans to, or on behalf of, local governmental entities or public water utilities to finance the costs of water resources projects or to make improvements to water supply facilities, or to provide loans to, or on behalf of, local governmental entities to finance the costs of wastewater treatment system projects.

2003 Water Resources and Wastewater Treatment Trust Fund (P.L. 2003, c.162)

Special Revenue Fund

An amount of \$5 million of General Obligation bonds was authorized to establish reserve accounts to secure debt issued by the New Jersey Environmental Infrastructure Trust and loan guarantee accounts to secure debt issued by a local government unit. Monies in the reserve and loan guarantee accounts may be made available to the New Jersey Department of Environmental Protection, with the concurrence of the New Jersey Environmental Infrastructure Trust, for temporary use by the department in implementing the provisions of the Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project Bond Act of 2003.

Water Supply Fund (P.L. 1981, c.261)

Special Revenue Fund

An amount of \$350 million of General Obligation bonds was authorized to provide loans for State or local projects for the rehabilitation, repair, or consolidation of antiquated, damaged, or inadequately operating water supply facilities, as recommended by the New Jersey Water Supply Master Plan.

Water Supply Replacement Trust Fund (P.L. 1988, c.106)

Special Revenue Fund

This fund provides loans to municipalities or municipally owned public water systems for the purpose of providing a permanent alternate water supply to persons whose principal source of potable water is contaminated or is threatened with contamination by hazardous substances.

Worker and Community Right to Know Fund (N.J.S.A. 34:5A-1)

Special Revenue Fund

This fund was established to account for all fees collected from employers pursuant to the Worker and Community Right to Know Act. Monies in the fund are allocated for expenses incurred by the Department of Health and Senior Services, Department of Environmental Protection, Department of Labor and Workforce Development, and the Department of the Treasury in connection with the Act's provisions.

Workers' Compensation Security Fund (P.L. 2004, c.179)

Special Revenue Fund

Monies received from assessments levied against mutual and stock insurance carriers writing workers' compensation insurance in the State are deposited into this fund. Payments are made to persons entitled to receive workers' compensation when a mutual or stock carrier is determined to be insolvent.

STATE LOTTERY FUND SCHEDULE

(thousands of dollars)

The estimated revenue available from the State Lottery Fund for education and institutions in fiscal 2008–2009 is \$853 million. These funds will be applied to support a portion of the programs listed in the schedule below.

DIRECT STATE SERVICES

Department of Education

Statewide Assessment Program	20,725
Marie H. Katzenbach School for the Deaf	3,590

Department of Human Services

Operation of State Psychiatric Hospitals	283,614
Operation of Centers for the Developmentally Disabled	87,260

Department of Military and Veterans' Affairs

Operation of Homes for Disabled Soldiers	30,508
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<i>Subtotal, Direct State Services</i>	<u>425,697</u>
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GRANTS-IN-AID

Higher Educational Services

Senior Public Institutions–Operating Aid	804,556
Tuition Aid Grants	245,090
Higher Education Capital Improvement Program	42,940
Opportunity Program Grants	26,910
Higher Education Facilities Trust Fund	20,974
Aid to Independent Colleges and Universities	18,391
Student Tuition Assistance Reward Scholarship (NJSTARS I & II)	14,682
Supplementary Education Program Grants	12,885
Coordinated Garden State Scholarship Programs	7,135
Outstanding Scholars Recruitment Program	3,003
Higher Education for Special Needs Students	1,600
Veterinary Medicine Education Program	687

<i>Subtotal, Grants-in-Aid</i>	<u>1,198,853</u>
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STATE AID

Department of Agriculture

School Nutrition	10,823
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Department of Education

Nonpublic School Aid	104,664
School Construction and Renovation	62,000

Higher Educational Services

Aid to County Colleges for Operational Costs	133,093
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<i>Subtotal, State Aid</i>	<u>310,580</u>
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<i>Grand Total</i>	<u>1,935,130</u>
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CASINO REVENUE FUND SCHEDULE

(thousands of dollars)

The estimated revenue from the Casino Revenue Fund in Fiscal Year 2009 is \$425,826,000. These funds will be applied to support a portion of the programs listed below that originated in the Casino Revenue Fund or were created to be included within the Fund.

Senior Citizen Property Tax Freeze	169,000
MEDICAL ASSISTANCE	
Personal Assistance Services	3,734
Personal Care	137,076
Home Care Expansion	71
Pharmaceutical Assistance to the Aged & Disabled	250,735
Traumatic Brain Injury	21,443
Global Budget for LTC/Sixth Omnibus Budget Reconciliation Act	183,217
Respite Care	5,359
Hearing Aid Assistance	200
Statewide Birth Defects Registry	529
Health and Senior Services Administration	871
TRANSPORTATION ASSISTANCE	
Senior Citizens and Disabled Residents	33,018
Sheltered Workshop Transportation	2,440
HOUSING PROGRAMS	
Safe Housing and Transportation	1,726
Developmental Disabilities	32,516
Congregate Housing Support Services	2,006
OTHER	<u>5,678</u>
GRAND TOTAL	<u>849,619</u>

CASINO REVENUE FUND

The Casino Revenue Fund (CRF) was established in 1976 with the provision that State revenues derived from casino gambling would be applied solely for the purpose of “providing funding for reductions in property taxes, rental, telephone, gas, electric, and municipal utilities charges of eligible senior citizens and disabled residents of the State in accordance with such formulae as the Legislature shall by law provide.” The Fund’s authorized use was expanded in 1981 to include additional or expanded health services or benefits, transportation services, or benefits to eligible senior and disabled residents.

Total CRF resources of \$425.8 million, including \$500,000 from the Casino Simulcasting Fund, are projected for fiscal 2009. Total CRF resources also include \$23.1 million from the four taxes implemented in fiscal 2004. These taxes are: an increase in the casino parking fee from \$2 to \$3, a \$3 per room per day fee on casino hotel rooms, a tax on casino comps, and an 8% tax on multi-casino progressive slot machine revenue.

Total available CRF resources in fiscal 2009 are forecast to decrease from the fiscal 2008 appropriated amount by \$7.3 million. Contributing to this decrease is the fact that revenues from the four taxes implemented in 2004 are declining based on legislative provisions that phase down the tax on casino comps, eliminating it entirely after fiscal 2009. In addition, slot machine venues that have opened in the Philadelphia area are projected to have a negative impact on New Jersey casino revenues going forward.

The majority of total CRF resources continue to be used to support the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program.

The summary and projection table at the end of this section illustrates CRF revenues, and the programs receiving Fund appropriations over the past several years. Some CRF appropriations have been shifted to the General Fund and other funds over the past several fiscal years (see the General Fund Support section of the table).

BUDGET INITIATIVES AND ONGOING PROGRAMS

The following programs are currently receiving significant funding through the Casino Revenue Fund:

- Pharmaceutical Assistance to the Aged and Disabled (PAAD)— \$215.9 million
- Transportation Assistance— \$35.4 million
- Residential Care Developmental Disabilities— \$32.5 million
- Personal Assistance Services Program— \$3.7 million
- Global Budget for Long Term Care— \$27.6 million
- Sheltered Workshop Transportation— \$2.4 million
- Waiver Initiatives---\$16.5 million
- Personal Care---\$77.7 million

APPENDIX

CASINO REVENUE FUND SUMMARY AND PROJECTION

	(\$ In Millions)						
	Fiscal 2003	Fiscal 2004	Fiscal 2005	Fiscal 2006	Fiscal 2007	Revised 2008	Budget 2009
Opening surplus	\$0.00	\$0.00	\$22.7	\$0.0	\$1.0	\$1.0	\$0.0
Revenues	\$346.0	\$467.5	\$474.1	\$500.2	\$446.1	\$409.0	\$422.8
Lapses and adjustments	\$18.8	\$0.7	\$2.7	\$2.1	\$3.5	\$3.0	\$3.0
TOTAL RESOURCES	\$364.8	\$468.2	\$499.5	\$502.3	\$450.6	\$413.0	\$425.8
MEDICAL ASSISTANCE							
Personal assistance	\$3.7	\$3.7	\$3.7	\$3.7	\$3.7	\$3.7	\$3.7
Home care expansion	\$0.3	\$0.2	\$0.2	\$0.1	\$0.1	\$0.1	\$0.1
PAAD -- expanded	\$259.9	\$254.7	\$309.0	\$276.0	\$205.2	\$215.5	\$215.9
Global Budget and Waivers ^(b)	\$3.3	\$44.7	\$44.5	\$45.8	\$45.2	\$45.4	\$44.1
Respite care	\$5.4	\$5.4	\$5.4	\$5.6	\$5.4	\$5.4	\$5.4
Hearing aid assistance	\$0.3	\$0.1	\$0.1	\$0.1	\$0.1	\$0.2	\$0.2
Statewide birth defects registry	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Health and Senior Services Admin.	\$0.9	\$0.9	\$1.0	\$1.0	\$0.9	\$0.9	\$0.9
Personal Care	\$0.0	\$60.1	\$60.1	\$90.1	\$111.0	\$60.1	\$77.7
LIFELINE CREDITS	\$34.6	\$0.0 (a)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
TRANSPORTATION ASSISTANCE							
Senior citizens and disabled residents	\$24.9	\$25.5	\$25.3	\$34.4	\$34.9	\$36.9	\$33.0
Sheltered workshop transportation	\$2.4	\$2.4	\$2.4	\$2.4	\$2.4	\$2.4	\$2.4
HOUSING PROGRAMS							
Congregate housing support	\$1.9	\$1.9	\$1.9	\$2.0	\$2.0	\$2.0	\$2.0
Safe housing and transportation	\$1.7	\$1.7	\$1.7	\$1.7	\$1.7	\$1.7	\$1.7
Developmental Disabilities	\$19.6	\$38.3	\$38.3	\$32.4	\$31.8	\$32.5	\$32.5
OTHER	\$5.4	\$5.4	\$5.4	\$5.5	\$4.6	\$5.7	\$5.7
TOTAL APPROPRIATIONS	\$364.8	\$445.5	\$499.5	\$501.3	\$449.6	\$413.0	\$425.8
ENDING SURPLUS	\$0.0	\$22.7	\$0.0	\$1.0	\$1.0	\$0.0	\$0.0
GENERAL FUND SUPPORT							
Lifeline	\$11.2	\$0.0 ^(a)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
SOBRA for Aged and Disabled	\$133.9	\$198.8	\$169.2	\$158.5	\$130.4	\$119.4	\$108.4
Global Budget and Waivers ^(b)	\$45.9	\$0.6	\$5.1	\$4.9	\$4.9	\$45.5	\$52.2
Personal Care	\$130.2	\$75.0	\$76.8	\$44.1	\$16.9	\$75.2	\$59.4
Senior Citizens Property Tax Freeze	\$23.0	\$17.7	\$72.4	\$99.0	\$127.6	\$153.0	\$169.0
PAAD -- expanded	\$123.9	\$128.9	\$48.6	\$23.7	\$0.0	\$49.4	\$34.8
VALUE OF PROGRAMS SHIFTED	\$468.1	\$421.0	\$372.1	\$330.2	\$279.8	\$442.5	\$423.8

Notes:

(a) Beginning in fiscal 2004, the Lifeline program is funded through the Board of Public Utilities.

(b) Beginning in fiscal 2009, Community Care services are provided through the Global Budget for Long Term Care.

911 SYSTEM AND EMERGENCY RESPONSE FEE

(thousands of dollars)

The estimated revenue from the mobile telecommunications service and telephone exchange service fee in fiscal 2009 totals \$129 million. In accordance with the enabling legislation (P.L. 2004, c.48), these funds will be deposited into the 911 System and Emergency Response Trust Fund account, and applied to offset a portion of the cost of related programs listed below:

Department of Health and Senior Services	
Disease Surveillance	3,250
Interdepartmental	
State Police Emergency Operations Center	1,553
State Police Multipurpose Bldg and Troop C Headquarters	8,262
Statewide Security - Capital	2,000
Department of Law and Public Safety	
Office of Homeland Security and Preparedness	2,757
Domestic Security Preparedness Task Force	600
Homeland Security and Preparedness	15,000
State Police CAD System	600
State Police Forensic Lab	3,274
Vehicle Purchases	7,274
State Police Central Monitoring Station	654
State Police Radio Upgrade	1,552
Emergency Operations Center, Operating	3,466
State Police - Remaining Operating Budget	262,828
Department of Military and Veterans' Affairs	
Military Services - National Guard and Support Services	7,173
Department of Treasury	
Statewide 911 Emergency Telephone System	11,967
Enhanced 911 Grants	12,425
Office of Emergency Telecommunications Service (OETS)	1,050
<i>Total, State Appropriations</i>	<u>345,685</u>

APPENDIX

TRANSPORTATION TRUST FUND

(thousands of dollars)

The New Jersey Transportation Trust Fund Authority (P.L. 1984, c. 73 as amended) funds the development and preservation of the State's transportation infrastructure. The Authority funds State highway and bridge projects and public transportation projects outlined in the Department of Transportation's annual capital plan. Funds appropriated to the Authority are composed of Toll Authority contributions, motor fuels taxes, petroleum products gross receipts taxes, and sales and use taxes. The Authority may also issue bonds to supplement State appropriations.

	Fiscal 2007 Expended	Fiscal 2008 Adjusted Approp.	Year Ending June 30, 2009 Requested	Recommended
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DISTRIBUTION OF STATE TRANSPORTATION FUNDS

By Project Type

State Highway Projects	678,257	802,999	800,000	800,000
Local Aid Highway Projects	161,559	172,001	175,000	175,000
Public Transportation Projects	675,001	625,000	625,000	625,000
Subtotal, State Transportation Funds	1,514,817	1,600,000	1,600,000	1,600,000

By Phase of Work

Construction	1,401,812	1,480,640	1,517,650	1,517,650
Design and Engineering	44,081	46,560	39,880	39,880
Planning	6,665	7,040	6,850	6,850
Right-of-Way Acquisition	49,837	52,640	22,420	22,420
Study and Development	12,422	13,120	13,200	13,200
Total, State Transportation Funds	1,514,817	1,600,000	1,600,000	1,600,000

DISTRIBUTION OF FEDERAL HIGHWAY AND OTHER FUNDS

By Project Type

State Highway Projects	735,329	945,872	898,360	898,360
Public Transportation Projects	431,629	666,910	638,730	638,730
Route 52 Causeway GARVEE Funded Project	14,569	14,900	14,900	14,900
Subtotal, Federal Highway and Third-Party Funds	1,181,527	1,627,682	1,551,990	1,551,990

By Phase of Work

Construction	955,383	1,316,144	1,328,789	1,328,789
Design and Engineering	104,329	143,724	67,190	67,190
Planning	40,290	55,504	55,138	55,138
Right-of-Way Acquisition	32,374	44,598	45,040	45,040
Study and Development	49,151	67,712	55,833	55,833
Total, Federal Highway and Third-Party Funds	1,181,527	1,627,682	1,551,990	1,551,990

Total, State Transportation Funds	1,514,817	1,600,000	1,600,000	1,600,000
Total, Federal Highway and Third-Party Funds	1,181,527	1,627,682	1,551,990	1,551,990
Total Program Authorization	2,696,344	3,227,682 (a)	3,151,990	3,151,990 (b)

(a) Fiscal 2008 adjusted appropriation is derived from the fiscal 2008 Transportation Capital Construction Program.

(b) The specific projects represented by these amounts will be available in the fiscal 2009 Transportation Capital Construction Program due to be issued in March 2008.

STATE OF NEW JERSEY
STATEMENT OF GENERAL LONG-TERM DEBT
June 30, 2007 (a)
(thousands of dollars)

	ACT OF	AUTHORIZED^(a)	UNISSUED	RETIRED^(b)	OUTSTANDING
Water Conservation Bonds	1969	271,000	---	270,315	685
Clean Waters Bonds	1976	120,000	5,000	114,905	95
State Land Acquisition and Development Bonds	1978	200,000	1,500	197,035	1,465
Natural Resources Bonds	1980	145,000	9,600	118,365	17,035
Energy Conservation Bonds	1980	50,000	1,600	47,835	565
Water Supply Bonds	1981	350,000	93,400	256,600	---
Hazardous Discharge Bonds	1981	100,000	43,000	55,320	1,680
Community Development Bonds	1982	85,000	---	84,700	300
New Jersey Green Acres Bonds	1983	135,000	14,500	120,405	95
Refunding Bonds	1985	5,220,480	---	2,888,340	2,332,140
Pinelands Infrastructure Trust Bonds	1985	30,000	8,000	22,000	---
Resource Recovery and Solid Waste Disposal					
Facility Bonds	1985	85,000	---	80,295	4,705
Hazardous Discharge Bonds	1986	200,000	48,000	120,905	31,095
Green Acres, Cultural Centers and Historic					
Preservation Bonds	1987	100,000	9,000	87,490	3,510
Jobs, Education & Competitiveness Bonds	1988	350,000	---	343,020	6,980
New Jersey Open Space Preservation Bonds	1989	300,000	26,000	261,840	12,160
Public Purpose Buildings and Community-Based					
Facilities Construction Bonds	1989	125,000	5,000	111,980	8,020
Stormwater Management and Combined Sewer					
Overflow Abatement Bonds	1989	50,000	21,500	25,015	3,485
New Jersey Bridge Rehabilitation and Improvement					
and Railroad Right-of-Way Preservation Bonds	1989	115,000	---	105,070	9,930
New Jersey Green Acres, Clean Water, Farmland and					
Historic Preservation Bonds	1992	345,000	26,780	266,635	51,585
Developmental Disabilities Waiting List Reduction and					
Human Services Facilities Construction Bonds	1994	160,000	5,000	120,695	34,305
Green Acres, Farmland and Historic Preservation					
and Blue Acres Bonds	1995	340,000	25,500	232,320	82,180
Port of New Jersey Revitalization, Dredging, Environmental					
Cleanup, Lake Restoration and Delaware Bay Area					
Economic Development Bonds	1996	300,000	199,000	52,295	48,705
Urban and Rural Centers Unsafe Buildings					
Demolition Bonds	1997	20,000	---	12,750	7,250
Statewide Transportation and Local Bridge Bonds	1999	500,000	---	325,910	174,090
Dam, Lake, Stream, Flood Control, Water Resources, and					
Wastewater Treatment Project Bonds	2003	200,000	200,000	---	---
Total Long-Term Debt		<u>9,896,480</u>	<u>742,380</u>	<u>6,322,040</u>	<u>2,832,060</u>

(a) An additional \$1,000,000 Emergency Housing Bonds (Act of 1946) remain authorized but are not to be issued. Further, on November 6, 2007 voters approved the "Green Acres, Farmland, Blue Acres, and Historic Preservation Bond Act of 2007," authorizing \$200 million of bonds.

(b) Retired includes bonds for which provisions for payment have been made through the sale and issuance of refunding bonds.

Excludes bonds that have no amounts unissued or outstanding.

STATE APPROPRIATIONS LIMITATION ACT (CAP Law)

The State Appropriations Limitation Act (P.L. 1990, c.94), commonly called the CAP Law, limits the growth of appropriations in the Direct State Services (DSS) section of the Budget, which encompasses the operations of State government. Exempt from the limitation are Grants-in-Aid; State Aid to counties, municipalities, local school districts, and other instrumentalities; federal funds appropriations; Capital Construction and Debt Service; and monies deposited in and expended from the Property Tax Relief Fund, the Casino Control Fund, the Casino Revenue Fund, and the Gubernatorial Elections Fund.

The State may exceed the maximum appropriations if a bill making an appropriation is agreed to by a two-thirds vote of all members of each legislative body.

Under the formula in the law, the maximum appropriation for fiscal year 2009 is computed by multiplying the base year appropriation (fiscal 2008) subject to the percentage limitation by the average three-year growth rate in per capita personal income calculated on a fiscal basis. The fiscal 2009 CAP is calculated using 5.56%.

The calculation results in a maximum increase of \$346 million over the fiscal 2008 Adjusted Appropriation or a maximum appropriation of \$6.575 billion for Direct State Services for fiscal 2009. The Governor's recommendation for fiscal 2009, for items under the CAP, is \$6.045 billion, or \$530 million under the CAP limit. Data used to compute the appropriation limit are presented in the accompanying tables.

The average per capita personal income for the State and the average percentage change for the last four fiscal years are displayed as follows.

STATE INCOME (millions of dollars)

Fiscal 2004	351,364
Fiscal 2005	369,879
Fiscal 2006	391,407
Fiscal 2007	415,411

Source: U.S. Department of Commerce,
Bureau of Economic Analysis

STATE POPULATION

Fiscal 2004	8,641,235
Fiscal 2005	8,657,445
Fiscal 2006	8,666,075
Fiscal 2007	8,685,920

Source: U.S. Bureau of the Census
(State Pop. Estimates July 1, 2004 - July 1, 2007)

STATE AVERAGE PER CAPITA

	Personal Income	Percentage Change
Fiscal 2004	40,661	
Fiscal 2005	42,724	5.07%
Fiscal 2006	45,165	5.71%
Fiscal 2007	47,826	5.89%

Source: U.S. Bureau of the Census
(State Pop. Estimates, July 1, 2004 - July 1, 2007)

COMPUTATION OF FISCAL 2009 CAP
SUBJECT TO EXPENDITURE LIMITATION LAW PERCENTAGE
(thousands of dollars)

Appropriation and Adjustments for Fiscal 2008	\$ 33,619,339
Less Statutory Exemptions:	
Grants-In-Aid	(9,255,467)
State Aid	(1,840,302)
Capital Construction	(1,280,565)
Debt Service	(438,797)
Property Tax Relief Fund	(13,714,278)
Casino Control Fund	(75,439)
Casino Revenue Fund	(412,983)
Gubernatorial Elections Fund	0
Less: Funding In Accordance With Court Settlements	(286,165)
Less: Federal Funds Support of Employee Benefits	(86,943)
Amount Subject to Limitation	6,228,400
Fiscal 2008 Base Subject to Percentage Limitation	6,228,400
Per Capita Personal Income Growth Rate	5.56%
Maximum Increase in Appropriation for Fiscal 2009	346,299
Maximum Appropriation for Fiscal 2009	6,574,699
Fiscal 2009 Recommendation	6,430,073
Less: Funding In Accordance With Court Settlements	(279,843)
Less: Federal Funds Support of Employee Benefits	(105,234)
Amount of Fiscal 2009 Appropriation Subject to the CAP Limitation	6,044,996
Amount Over/(Under) the CAP Limitation	\$ (529,703)

WORKFORCE

Employee related reductions total \$209 million through a combination of an Early Retirement Incentive (ERI) program, attrition, and targeted layoffs. Included in this amount is \$136 million of net State savings for an ERI program, which will annualize to \$161 million in fiscal 2010 and beyond, after accumulated sick leave payments and other one-time costs are paid out in fiscal 2009.

The program will have limits on eligibility as well as a hard cap on backfilling such that only 10% of the positions vacated by retirement will be allowed to be re-filled. This approach preserves the associated budget savings.

Overall, the Fiscal 2009 Budget reduces the Executive Branch State funded workforce by over 3,000 employees, net of new hires, in addition to the overall decline of nearly 2,000 that has already occurred since the start of this Administration. This Budget also recommends the elimination or consolidation of State agencies, specifically the Department of Agriculture, the Department of Personnel and the New Jersey Commerce Commission, resulting in savings and efficiencies.

Every effort has been made to eliminate duplication and promote efficiencies; however, several of these employee reductions will result in fewer services or longer waiting times. For example, the Department of Environmental Protection (DEP) will be limiting park services based on an \$8.8 million reduction.

There are only 120 new State funded positions being added to the fiscal 2009 Budget. The expansion of community placements for the Developmentally Disabled (DD), as mandated by the Olmstead decision, will require 80 staff in the Department of Human Services while 14 staff are needed to expand appropriate, cost-effective alternatives to incarceration at the State Parole Board.

There is a net increase of 239 Executive Branch non-State funded full-time employees for fiscal 2009. Of this number, 54 positions are for the federally funded component of the Olmstead DD initiative mentioned above; a total of 134 are associated with this effort. The balance of the increases are funded vacancies for priority programs such as the 104 for the Motor Vehicle Commission (MVC). The MVC growth is needed to continue the improvement of services at the agencies.

STATE FUNDED WORKFORCE

01/18/2008 vs. FY 2009 FUNDED POSITION COMPARISON

	Admin Start 1/20/2006	Employees 1/18/2008	FY 2009 Funded Positions
AGRICULTURE	120	113	96
BANKING AND INSURANCE	3	2	3
CHIEF EXECUTIVE OFFICE	109	84	84
CHILDREN & FAMILIES	4,647	5,020	5,037
COMMUNITY AFFAIRS	180	172	172
CORRECTIONS (Balance)	9,121	8,826	8,873
- Parole Board	763	713	732
EDUCATION	419	419	426
ENVIRONMENTAL PROTECTION	1,005	935	837
- CBT Dedication	---	---	---
HEALTH AND SENIOR SERVICES	825	769	780
HUMAN SERVICES (Total)	10,989	10,827	10,752
- Management and Budget	411	312	286
- Medical Assistance	189	168	155
- Disability Services	17	14	19
- Family Development	228	210	195
- Addiction Services	22	16	16
- Commission for the Blind and Visually Impaired	195	206	152
- Deaf and Hard of Hearing	9	10	9
- Developmental Disabilities	5,052	5,040	5,093
- Mental Health and Hospitals	4,866	4,851	4,827
LABOR (Balance)	226	221	224
- Public Employee Relations Commission	34	35	35
LAW AND PUBLIC SAFETY (Balance)	2,788	2,583	2,457
- State Police	2,254	2,212	2,242
- Office of Homeland Security & Preparedness	84	104	123
- Election Law Enforcement Commission	75	69	70
- Violent Crimes Compensation Agency	47	38	38
- State Ethics Commission	13	13	18
- Juvenile Justice	1,307	1,243	1,238
MILITARY AND VETERANS' AFFAIRS	1,345	1,333	1,326
PERSONNEL	374	326	303
PUBLIC ADVOCATE	114	149	149
STATE (Balance)	136	159	161
- Commission on Higher Education	15	15	15
- Higher Education Student Assistance Authority	28	24	24
- New Jersey Network	116	105	82
TRANSPORTATION	2,854	2,649	2,683
- Motor Vehicle Commission	---	---	---
TREASURY (Balance)	2,954	2,839	2,869
- Office of State Comptroller	---	4	59
- Casino Control Commission	---	---	---
- Office of Administrative Law	107	98	89
- Office of Information Technology	---	---	---
- Public Defender	1,032	1,062	1,062
- Commission on Science and Technology	6	5	5
- Board of Public Utilities	---	---	---
MISCELLANEOUS COMMISSIONS	2	2	2
<i>*Employee actions including ERI</i>			(3,000)
SUBTOTAL EXECUTIVE BRANCH	44,092	43,168	40,066
LEGISLATURE	462	462	469
- SCI	46	51	59
JUDICIARY	7,981	7,928	8,030
GRAND TOTAL	52,581	51,609	48,624

The counts of employees on 1/20/06 and 1/18/08 have been adjusted to reflect shifts between State & Non-State funded positions for comparison purposes.

* May impact Non-State FTE's

APPENDIX

NON-STATE FUNDED WORKFORCE

01/18/2008 vs. FY 2009 FUNDED POSITION COMPARISON

	Admin Start 1/20/2006	Employees 1/18/2008	FY 2009 Funded Positions
AGRICULTURE	144	132	132
BANKING AND INSURANCE	502	463	466
CHIEF EXECUTIVE OFFICE	---	---	---
CHILDREN & FAMILIES	1,341	1,955	1,955
COMMUNITY AFFAIRS	982	956	966
CORRECTIONS (Balance)	424	399	420
- Parole Board	---	---	---
EDUCATION	535	462	474
ENVIRONMENTAL PROTECTION	2,214	2,032	2,032
- CBT Dedication	203	260	260
HEALTH AND SENIOR SERVICES	1,321	1,178	1,228
HUMAN SERVICES (Total)	4,886	4,868	4,922
- Management and Budget	131	107	107
- Medical Assistance	388	343	343
- Disability Services	13	13	13
- Family Development	213	198	198
- Addiction Services	114	114	114
- Commission for the Blind and Visually Impaired	108	103	103
- Deaf and Hard of Hearing	---	---	---
- Developmental Disabilities	3,894	3,971	4,025
- Mental Health and Hospitals	25	19	19
LABOR (Balance)	3,527	3,199	3,205
- Public Employee Relations Commission	---	---	---
LAW AND PUBLIC SAFETY (Balance)	2,224	1,883	1,735
- State Police	725	731	753
- Office of Homeland Security and Preparedness	---	9	9
- Election Law Enforcement Commission	---	---	---
- Violent Crimes Compensation Agency	---	---	---
- State Ethics Commission	---	---	---
- Juvenile Justice	466	437	438
MILITARY AND VETERANS' AFFAIRS	152	172	176
PERSONNEL	---	---	---
PUBLIC ADVOCATE	41	39	39
STATE (Balance)	63	68	68
- Commission on Higher Education	2	4	4
- Higher Education Student Assistance Authority	172	167	167
- New Jersey Network	42	45	65
TRANSPORTATION	1,055	940	957
- Motor Vehicle Commission	2,745	2,570	2,674
TREASURY (Balance)	811	782	788
- Office of State Comptroller	---	---	---
- Casino Control Commission	347	312	320
- Office of Administrative Law	10	7	10
- Office of Information Technology	945	891	932
- Public Defender	4	1	1
- Commission on Science and Technology	---	---	---
- Board of Public Utilities	305	281	286
MISCELLANEOUS COMMISSIONS	---	---	---
 SUBTOTAL EXECUTIVE BRANCH	 26,188	 25,243	 25,482
 LEGISLATURE	 ---	 ---	 ---
- SCI	---	---	---
JUDICIARY	1,545	1,560	1,577
 GRAND TOTAL	 27,733	 26,803	 27,059

The counts of employees on 1/20/06 and 1/18/08 have been adjusted to reflect shifts between State & Non-State funded positions for comparison purposes.

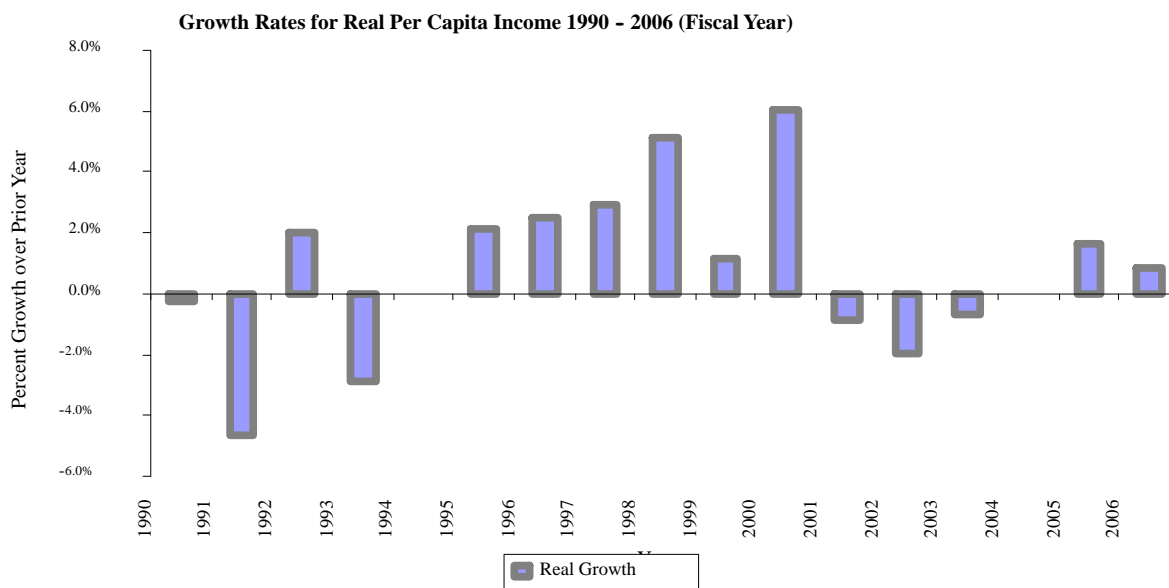
Population and Personal Income

The total population of New Jersey is 8.7 million, based on the latest update from the U.S. Bureau of the Census in July 2007.

For the second consecutive year, New Jersey's per capita income experienced real growth, i.e., annual growth in excess of consumer price index (see figure below).

New Jersey has the highest rank for per capita personal income of the mid-Atlantic states (see table below).

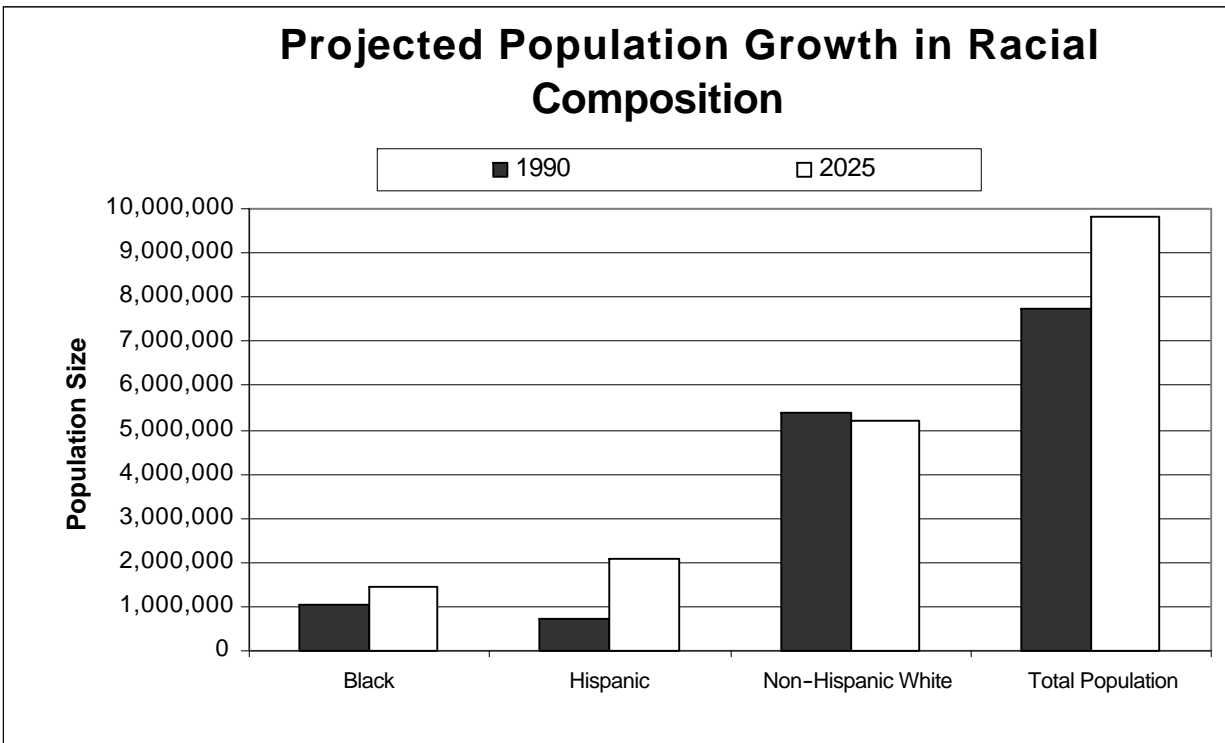
In 2006, New Jersey had the second highest per capita income nationwide behind only Connecticut.



**PER CAPITA PERSONAL INCOME FOR
THE UNITED STATES, NEW JERSEY, AND MIDDLE ATLANTIC STATES
(2006 Calendar Year)**

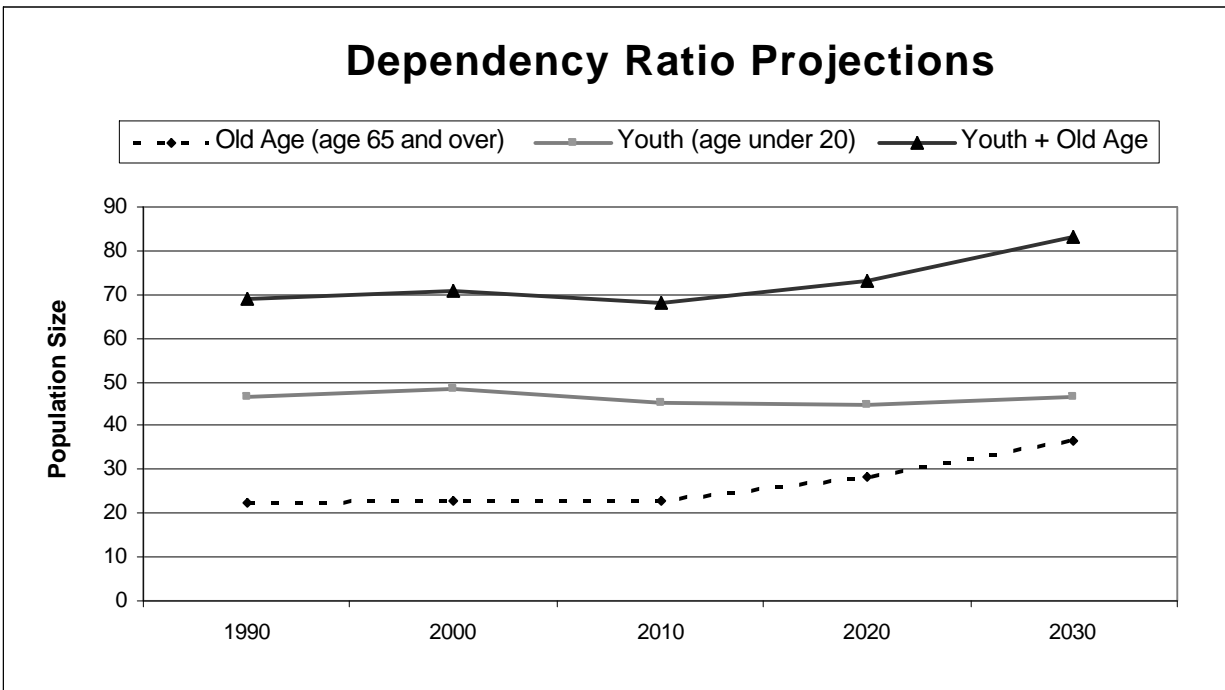
	Amount	Percent of National Average	National Ranking
United States	\$36,629	---	---
New Jersey	\$46,328	126%	2
New York	\$43,962	120%	4
Maryland	\$43,774	120%	5
Delaware	\$38,984	106%	12
Pennsylvania	\$36,689	100%	19

Source: U.S. Department of Commerce, Bureau of Economic Analysis.



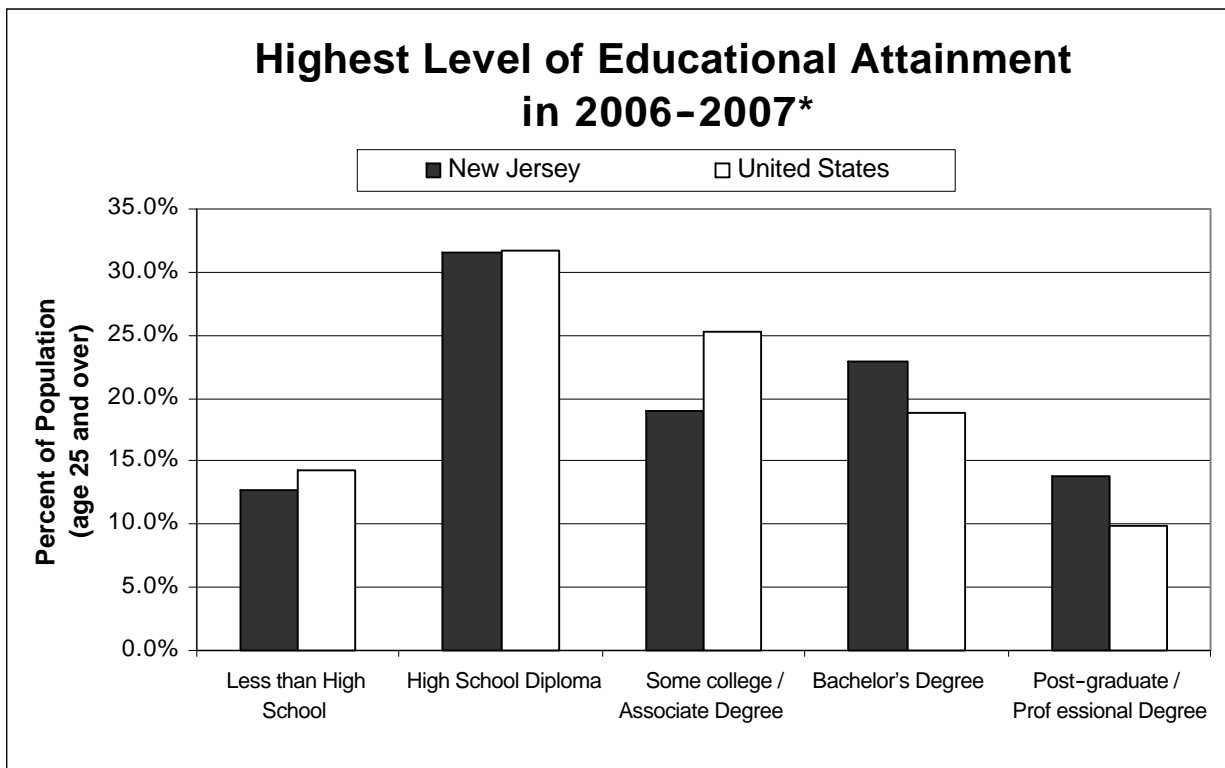
Source: New Jersey Department of Labor and Workforce Development
<http://www.wnjin.net/OneStopCareerCenter/LaborMarketInformation/Imi03/Sptab3.pdf>

New Jersey's population is projected to exceed 9.5 million by 2020, with the Hispanic population more than doubling between 1990 and 2025.



Source: U.S. Census Bureau, Population Division, Interim State Population Projections, 2005, and U.S. Census Bureau, 2000 Census.

The number of senior citizens per working-aged adult is expected to increase by 61% from 2000 to 2030.



Source: U.S. Census Bureau, Current Population Survey, 2007 Annual Social and Economic Supplement, and New Jersey Department of Labor and Workforce Development
<http://www.njpin.net/OneStopCareerCenter/LaborMarketInformation/lmi19/s5.pdf>

Over 36% of adults in New Jersey have completed at least a four-year college degree, compared with less than 30% nationally.

NOTES

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A collage of black and white photographs showing various scenic views of the Dolomites, including steep cliffs, a small town, and a church.

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