STATE OF NEW JERSEY

BUDGET

FISCAL YEAR 2005 – 2006

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Office of Management and Budget

March 1, 2005



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 its annual budget for the fiscal year beginning July 1, 2004.

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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GOVERNOR'S MESSAGE



RICHARD J. CODEY
ACTING GOVERNOR OF NEW JERSEY
TRANSMITTED TO THE SECOND ANNUAL SESSION
OF THE TWO HUNDRED AND ELEVENTH LEGISLATURE

Mr. Speaker, Majority Leaders Kenny and Roberts, Senate President Pro Tem Turner, Minority Leaders Lance and DeCroce, Reverend clergy, Governors Byrne, Florio, and Bennett , distinguished guests, fellow New Jerseyans.....

Thank you for the cooperation and commitment you have shown me in the past three months.

Together, we have made progress to increase the minimum wage, we have raised awareness of the daily struggles of individuals with mental illness, we have brought new companies to New Jersey and convinced old friends to stay and to expand.

We are working together to create a Lieutenant Governor and an Inspector General and we passed one of the toughest pay–to–play bans anywhere in America.

We have put aside partisan differences to work together and the results speak for themselves. As we begin this debate, now more than ever, New Jersey needs us to work together, not as Democrats and Republicans, but as New Jerseyans.

In this budget address, there's good news and there's bad news.

The good news is, we're not bankrupt.

The bad news is, we're close.

I have been a member of this Legislature for thirty years.

I have witnessed more budget debates than anyone should in a lifetime. Budgets that were done in the best of times and budgets that were done in the worst of times.

But whether the Treasury was full or empty, too many budgets were driven by one concern, the politics of survival.

There was always a Gubernatorial election or a Legislative election or some other reason that prevented an honest discussion of the State's fiscal problems.

Year after year, the State always managed to find one more gimmick, one more back door pass to get us through the day. As a coach, I know sometimes the back door pass works and sometimes it comes back to haunt you.

Finally.....the bill has come due.

Today, the ghost of Christmas past has arrived at the Statehouse door.

The result of decades of passing the buck is a budget that cannot stand under its own weight, not today and definitely not tomorrow.

Unless the State owns up to the structural deficit in the budget, we will continually face a huge shortfall.

Our credit rating will continue to worsen.

Every year the State will be the dog that chases its own tail engaging in a futile attempt to close a perpetual budget gap.

Meanwhile investments in health care and education will be postponed because the State's resources are consumed in a spiral of increasing entitlements.

The budget nightmare isn't about Republicans or Democrats, it's about New Jersey.

It isn't about political campaigns or heated rhetoric.

It's about our collective responsibility to the people that elect us.

We can't afford to squander the next four months debating who caused this problem.

Each party has accused the other of recklessness and irresponsibility, of wasting taxpayer money and employing financial trickery and I have made some of those partisan accusations myself.

But the rhetoric has not solved the problem. And the political games have only made it worse.

Fiscal gimmicks and borrowing have been a bi–partisan budget addiction.

Both parties have borrowed recklessly and spent well beyond the State's means.

Both parties have placed political expediency over financial responsibility.

Both have enhanced retirement benefits without thought to future costs.

And both parties have been unwilling to address the skyrocketing cost of health care, whether it was for Medicaid, State workers, or retired teachers.

The time has come for elected officials to put aside our partisan knives and work together to fix the budget problem.

As budget solutions leaked out, people would come up to me and say Governor, I wouldn't want to trade places with you!

At the coffee shop or the basketball court, people said "the Governors before you created this mess, and you just inherited it."

But the truth is we, and I include myself, have all been guilty of saying yes when we should have said no.

And frankly it doesn't matter whether I inherited this mess, created this mess, or had nothing to do with this mess.

I said I wouldn't run from the responsibilities of this job, and I won't.

At some point, someone has to stand up and tell the truth. Today, I am going to call it like it is, the only way I know how, honestly and directly.

Our State is facing a fiscal crisis. It is a crisis that has been building for the better part of the last twenty years.

It can't be solved in one year or even in the next few years.

But it can no longer be avoided.

We are no different than the families we represent. We have living expenses and annual income. We have long term obligations that come with monthly payments.

We make choices about our priorities and their costs. We are not the first family to live beyond our means and we won't be the last to have a day of reckoning.

During the late 1990's, the stock market was reaching all time highs. The State Treasury was flush with record levels of income from Wall Street bonuses and stock market capital gains.

The government made a decision to increase spending to match the record levels of revenue pouring into the Treasury.

To enjoy immediate political benefits, new long–term obligations were freely given away.

Then the stock market fell and our economy suffered under the impact of the September 11th attacks.

Revenue crashed. In 2002, revenue was off by $3 billion dollars.

But even though revenue dropped the State was committed to spending levels that could only be supported in the best of economic times.

While we waited for the economy to recover, we tried to replace the revenue.

We brought fairness to the corporate business tax, and we cashed in the tobacco settlement.

When the tobacco money was gone, we borrowed against future cigarette taxes and fines.

And that brings us to today.

We confront a budget that is the direct result of years of spending levels that couldn't and cannot be sustained.

There is no more tobacco money, it all went up in smoke.

There is no more borrowing the Supreme Court put an end to that.

Today we are left with painful choices that no one wants to make.

My good friend, the minority leader from Hunterdon County, said last year we passed a credit card budget.

In many ways he was right, but it wasn't the whole picture.

The State is no different than the family that enjoys a great financial year and then proceeds to buy that big house, a new boat, and adopts an expensive lifestyle.

But when that great year ends, the mortgage payment is still due on the first of the month, but the money to pay the bills is gone.

The family is reluctant to trade in their new way of life.

Maybe they hope that the good times will return.

Maybe they hope they'll win the lottery — we all do!

Month by month, they find a way to keep the charade alive.

First the credit cards are used, then a home equity loan, eventually, the plastic is maxed out and the banks will not extend any credit.

That is where New Jersey is today.

The Supreme Court cut up the credit cards, but we still have to pay the bills.

It's a sobering task.

At least the family keeps the majority of what they earn.

75 cents of every dollar the State collects, is handed over to someone else.

Every year more than 20 billion dollars is given to towns and school districts, hospitals, and universities.

Now, it's awfully hard to cut your expenses when you give away the majority of your revenue.

In the past weeks, I have met with legislators from both parties. I have laid out the problem in stark and honest terms. I have asked for their help and their ideas, I hope in the months ahead, I will receive both.

Today, I want to talk to the people of this great State.

I want them to understand exactly what the State is facing.

No rhetoric, no blame, there's been enough of that, just facts and figures as best I can explain them.

In the last budget, New Jersey spent $28.3 billion dollars.

But nearly $3 billion dollars of that was one–time revenue, revenue we had last year but do not have this year.

Just to fund last year's budget, we need more than $3 billion dollars in new revenue. And that's before we spend a dime on any new programs.

But just like a family or a business, the State has fixed costs that go up every year.

We aren't faced with funding just last year's budget, we must fund the annual increases in mandatory entitlement costs.

Some costs are health care, some are salary, some are retirement, and some are court–ordered but, none can be avoided.

Let me give you a sampling of some of the increases the State faces this year.

$160 million dollars more in salary increases for State workers and college employees.

$300 million dollars in additional Medicaid costs, most of it federal mandates, bringing the total Medicaid budget to more than $3 billion dollars.

$90 million dollars more in increased health care costs to support the free medical benefits for retired teachers and school employees bringing the total cost of this program to nearly $700 million dollars.

$120 million dollars more in health care costs for current State and college employees, bringing the total cost of this program to over a billion dollars.

$50 million dollars more in health care costs for retired State workers and college employees, bringing this program's total cost to $320 million dollars.

$100 million dollars more in increased school construction debt service costs, bringing New Jersey's total debt payments to nearly two billion dollars.

$55 million dollars in additional court–ordered funding for the child welfare reform plan.

And these increases are not new.

These entitlements are the driving force behind the increase in State spending each and every year.

In the last four years the total cost of health benefits for current State employees has risen by 50 percent.

The total cost of health benefits for retired State and college employees has tripled.

The total cost of free health benefits for retired teachers and other school personnel has doubled.

The total cost of Medicaid has more than doubled and now consumes 10 percent of the budget.

And these items will continue to increase at double digit rates well into the future.

If we do not get a handle on these escalating costs we'll be having this same debate every year.

So today I am calling for a timeout to this madness of entitlement spending.

I will not sign any legislation that enhances retirement benefits or increases pension costs unless those benefits are paid for.

There has to be a better way, and I have asked one of my budget advisers, Phil Murphy, to lead a small working group to develop some ideas for us to consider.

Facing up to the impact of entitlements is one part of reforming the State's structural budget problem.

Controlling discretionary spending is another.

Last year's budget increased by 17 percent.

This year's budget will decrease by more than 2 percent.

That's right, this budget despite nearly a billion dollars in mandatory cost increases, is actually smaller than last year's budget.

We didn't keep spending increases to the cost of inflation or increase spending just a little.

We cut spending by more than a billion dollars.

This is the largest spending cut in the history of our State.

This budget more than meets the challenge to reign in government spending.

It is the most fiscally conservative budget in recent history.

For the first time in years, there is zero borrowing to cover operating costs.

The use of one time revenues is cut by 70 percent.

Spending on State government operations is virtually frozen. Out–of–state travel has been prohibited.

Funding for the office of the Governor, cut by 10 percent.

Funding for the office of each Cabinet member, cut by 10 percent.

Agencies have been directed to evaluate the effectiveness of every program. Those programs that cannot demonstrate proven results will be eliminated or consolidated.

The size of government will shrink and at least 500 jobs will be eliminated without resorting to layoffs.

An Inspector General has been hired to root out waste, fraud, and mis–management and ethics laws have been strengthened to increase accountability.

I have done all this because for too long government has spent too much and it is time to tighten our belts.

In order to eliminate the structural hole in the budget, I have reduced government.

I have strengthened oversight and accountability.

I have taken on the entitlement issue.

I have raised new revenues.

But regretfully, these actions alone cannot balance the budget.

In the midst of this budget mess, New Jersey cannot afford the full rebate program. The truth is we weren't able to afford expanded rebates, whether done by Democrats or by Republicans.

So I am proposing a suspension of the New Jersey Saver program for everyone except senior citizens.

It is simply impossible to maintain the full program, maintain the services our citizens need, and maintain the massive entitlement machine, all without significant new revenues.

It simply cannot be done.

I find this action as unappealing as you do but we are faced with a series of unpleasant choices.

Would you rather tax 401(k)'s? Increase the sales tax?

Increase the income tax? Destroy government services?

Or create some new illegal borrowing scheme.

The only free choices are the unrealistic sound bites offered by those who don't have the responsibility to govern.

Now, I recognize the political stakes involved in the budget

I wish the budget had collapsed in another year — not the year I just happen to be Governor.

But now is when it occurred and there is actually something greater at stake than just politics.

We have to face up to some tough choices about what we can afford and what we should fund, because we cannot do everything.

We pretended we could have it all and still never raise taxes, but that fairy tale has ended.

The sad truth is New Jersey can barely afford to maintain the services we provide. State government is no longer discussing the expansion of services we are debating how to hold on to the most critical.

We are in a battle every year to preserve health care and prescription drugs for the most vulnerable in our society.

We wrestle every year to keep the prisons open, State troopers patrolling, and student aid available.

We struggle to care for individuals with mental illness and developmental disabilities.

I wish I could be here discussing a major investment in higher education or an expansion of health care because those are investments New Jersey needs to make but I can't have those discussions not with this mess in front of us.

I said increasing the income or sales tax would be a last resort, and it must be.

The knee jerk answer can't be to simply raise taxes.

No one may want to admit this, but government has a cost, all those services our citizens need have a cost, and costs usually go up every year.

My Republican colleagues know this better than even the Democrats.

In 1992 when the Republican party needed revenue, they chose this same path I am proposing today, they basically eliminated the property tax rebate program for everyone but senior citizens.

They made a decision that eliminating rebates was a better choice than cutting government services for the most needy.

I am sure that their decision was as painful to them, as mine is to me.

Today marks the beginning of four months of what I am sure will be a lively debate.

Now, I have tried to outline the problem and shape the discussion. I don't pretend to have a monopoly on ideas — whether good ones or bad ones.

I welcome the ideas of others, not just from members of the Legislature, but from all who care about our State.

I have put forward a plan. I suspect the Legislature will make some changes.

And you have no idea how happy I am to welcome you to this debate.

I know this budget will be met with the typical political spin, but let me say this, if individuals on either side of the aisle want to criticize this budget, if people want to oppose the small revenue raisers or clamor for more cuts, then come forward with your specific ideas, not your generic criticisms.

If you want to do more spending, show me how you will pay for it.

If you want to talk about cuts, show me directly what you mean.

If you want to remove a revenue raiser, show me how you will replace it.

Don't sit in the aisles and say you oppose this idea or that idea.

Don't stand at some distant podium and say the State should just cut more spending.

Don't mistake appealing sound bites for actual choices or mis–lead the public with false choices about easy options that do not exist.

If you want to be a leader, the public deserves to hear your ideas and weigh them against what I have proposed.

Treat our citizens like responsible adults and give them the facts.

Will you cut school aid?

Will you cut municipal aid?

Will you cut higher education or aid to hospitals?

Will you lay off State workers?

Close prisons take away student loans?

Increase co–payments for PAAD and Senior Gold?

Or will you take away health care for the most vulnerable in our society like they did in Arkansas and Mississippi?

But if you are serious, I promise I will listen.

This budget is honest and it is lean, but it is not inhumane.

I have made painful cuts to reduce government spending but I am not going to balance the budget on the backs of the most vulnerable.

I am not going to make arbitrary cuts in worthwhile programs just to prove that it can be done.

Now is the time for leadership not showmanship.

The politics of business– as–usual have gotten us into this mess. The policy of responsible governance can get us out.

So, let's have an honest and open discussion about putting the State we love on a fresh path. A path of financial responsibility and spending restraint.

Today marks a new beginning for New Jersey.

It is our chance to put aside the politics of the past and forge a different course.

To the citizens of New Jersey, I make this pledge:

"The days of spending like there's no tomorrow end today."

Organization of New Jersey State Government

This section of the budget displays the many Departments, Agencies, and Organizations that comprise New Jersey State Government. Included is a brief background statement on the history of New Jersey Government which is followed by individual displays of the fifteen Executive Branch Departments.



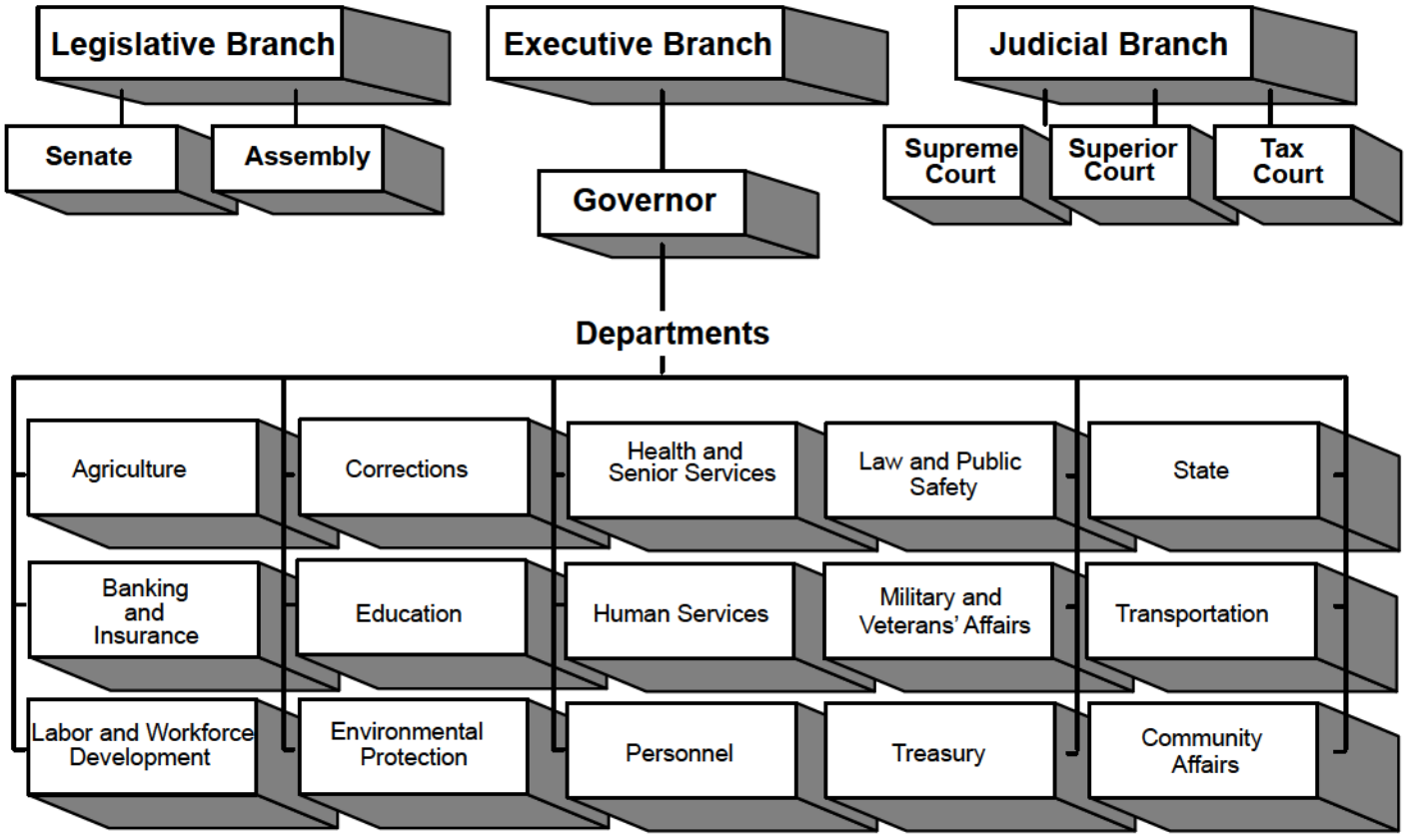
Background

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.

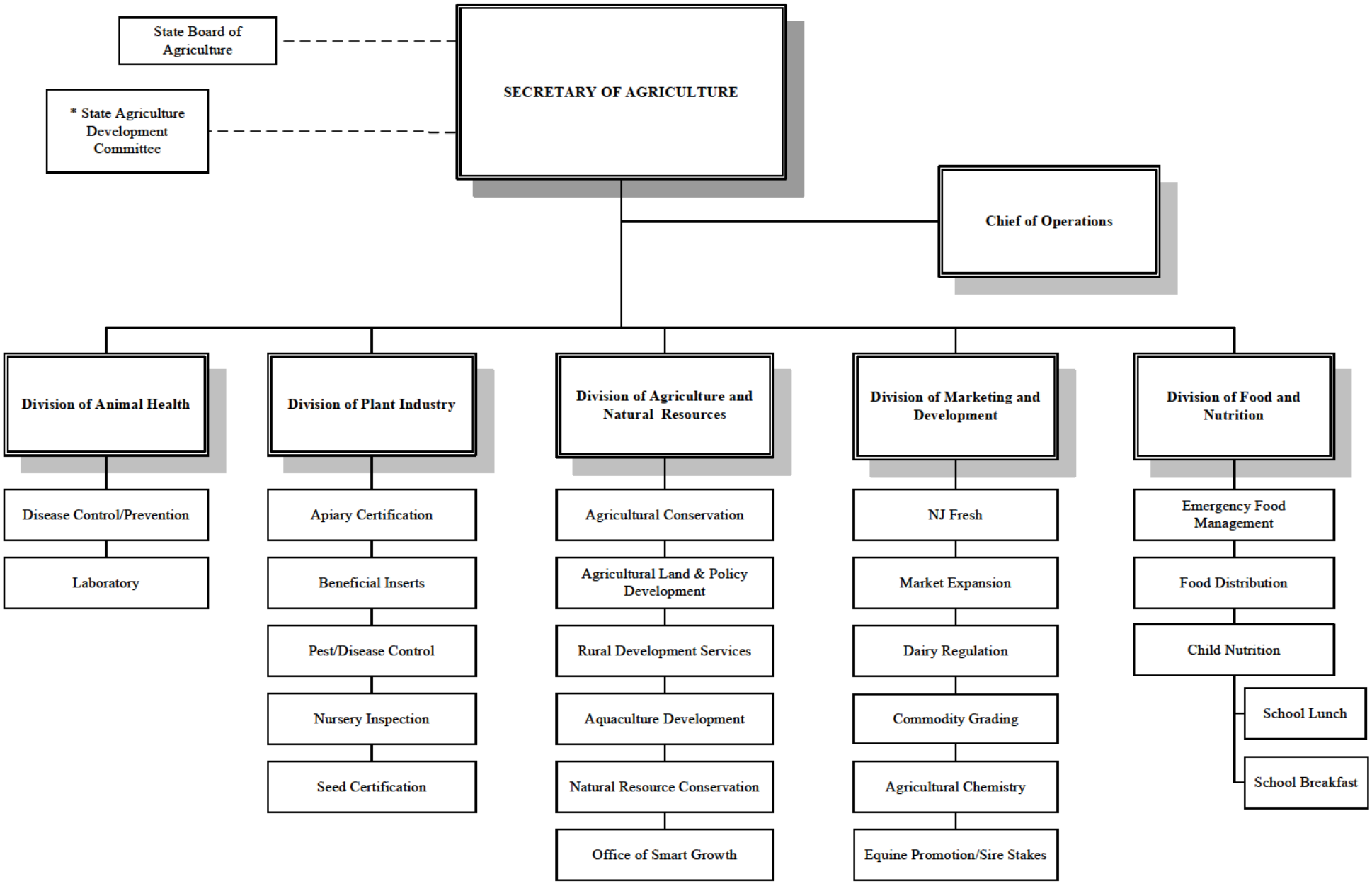
The Constitution of the State requires a balanced budget and restricts State long–term borrowing to one percent of total appropriations, unless higher amounts are specifically approved by voters at a general election. Short–term borrowing to cover cash flow needs, provided such borrowing is repaid within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

A State Government Organization chart is provided below:

ORGANIZATION OF NEW JERSEY STATE GOVERNMENT

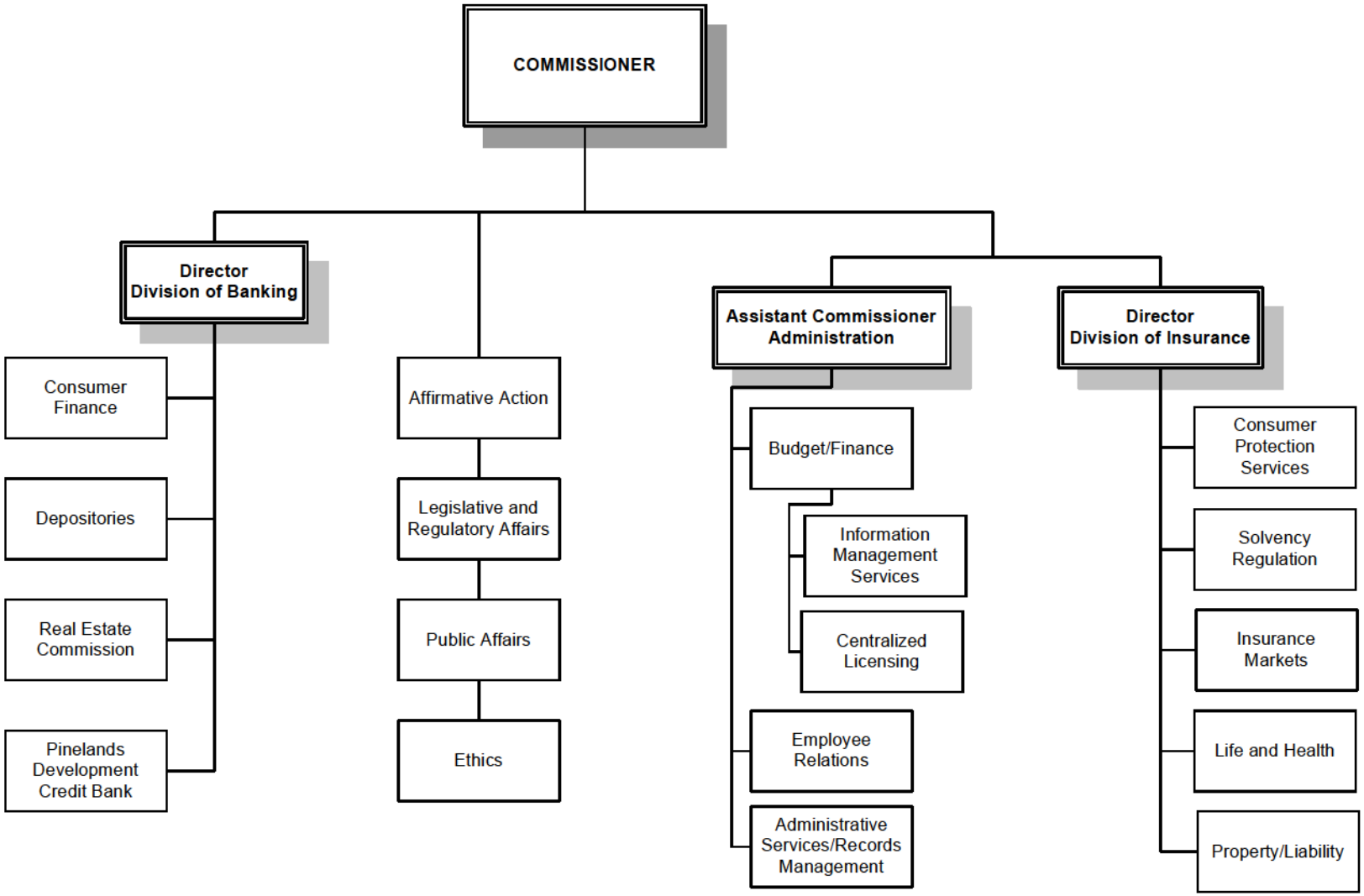


AGRICULTURE

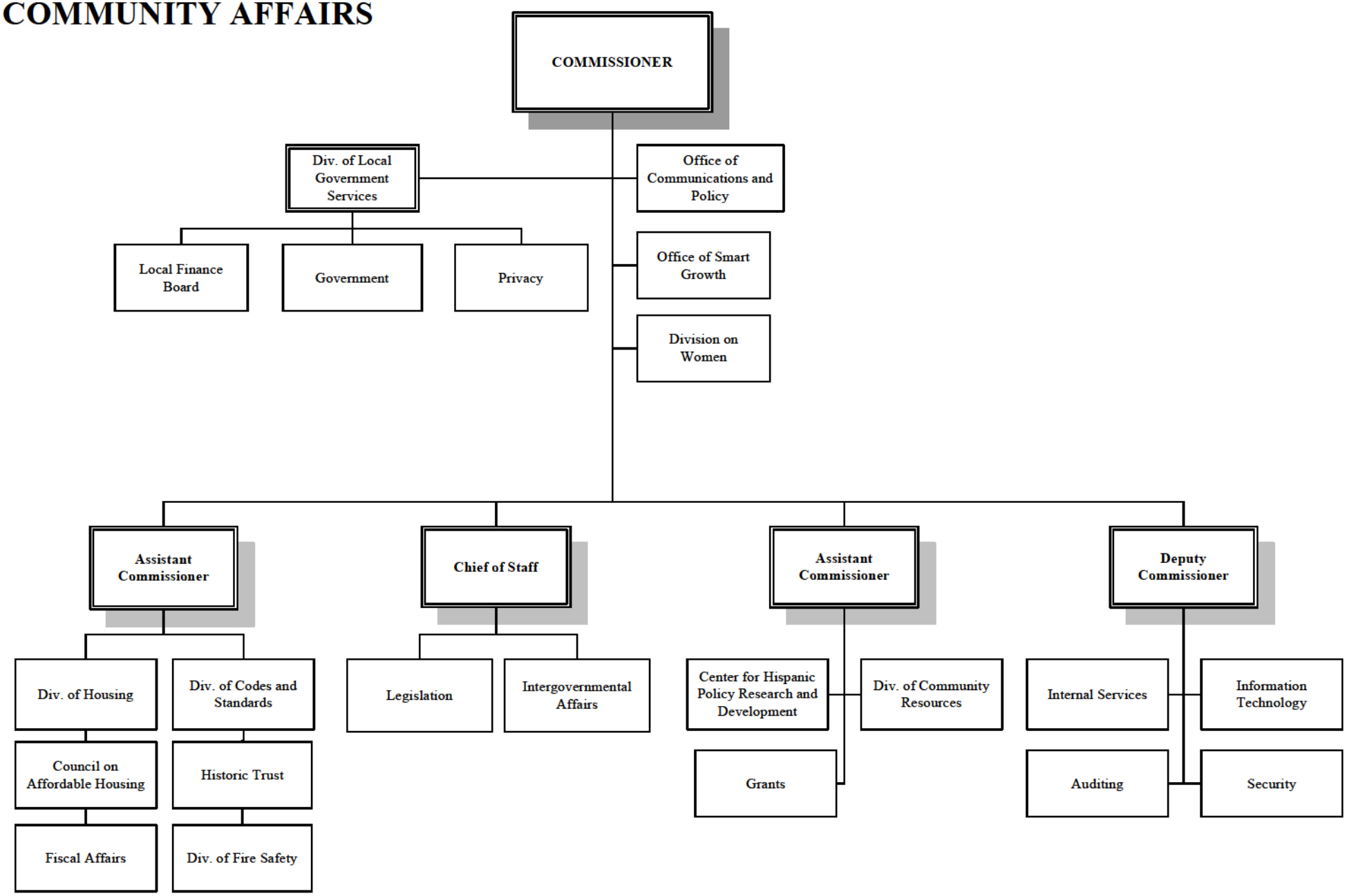


*** In but not of the Department of Agriculture**

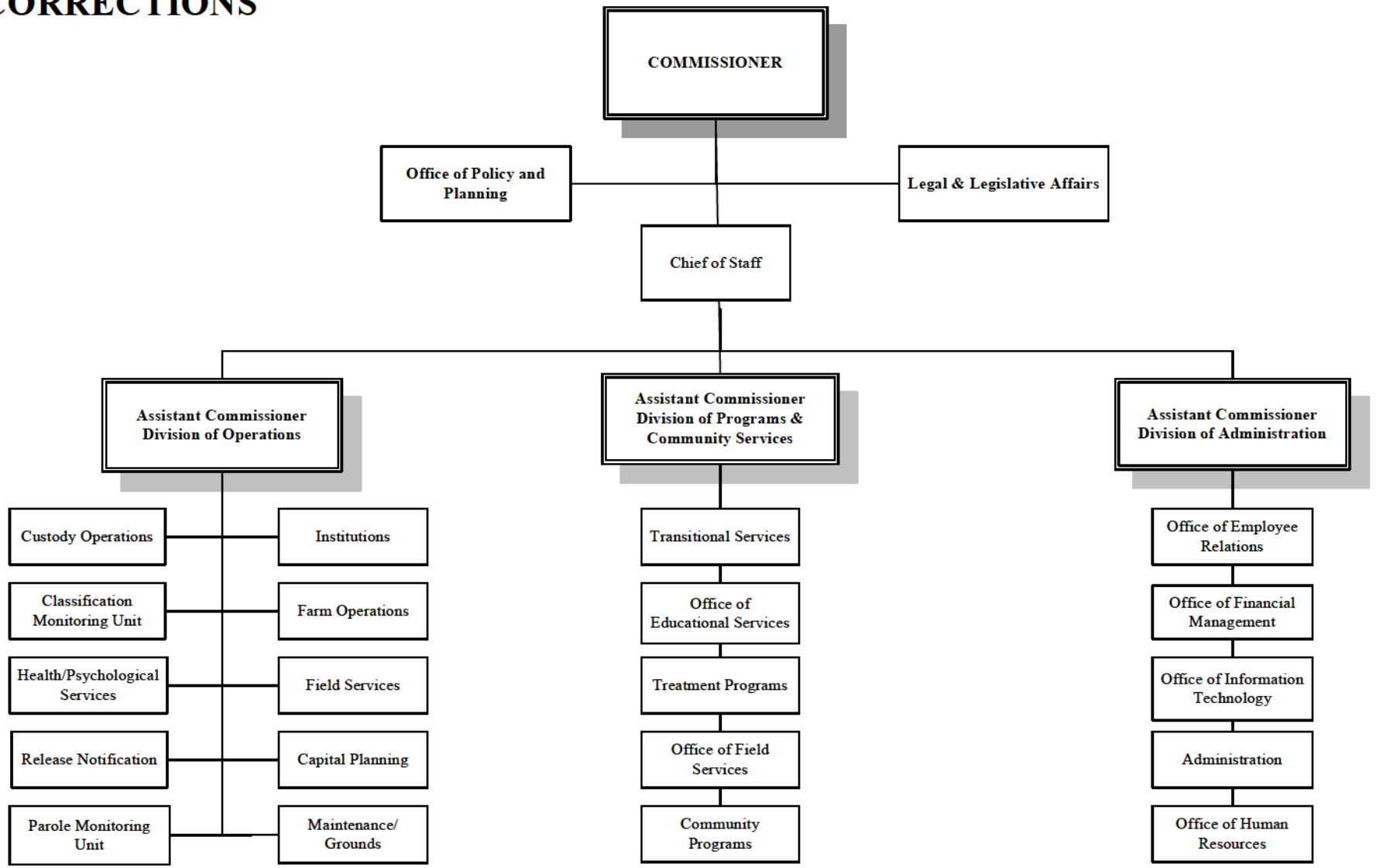
BANKING AND INSURANCE



COMMUNITY AFFAIRS



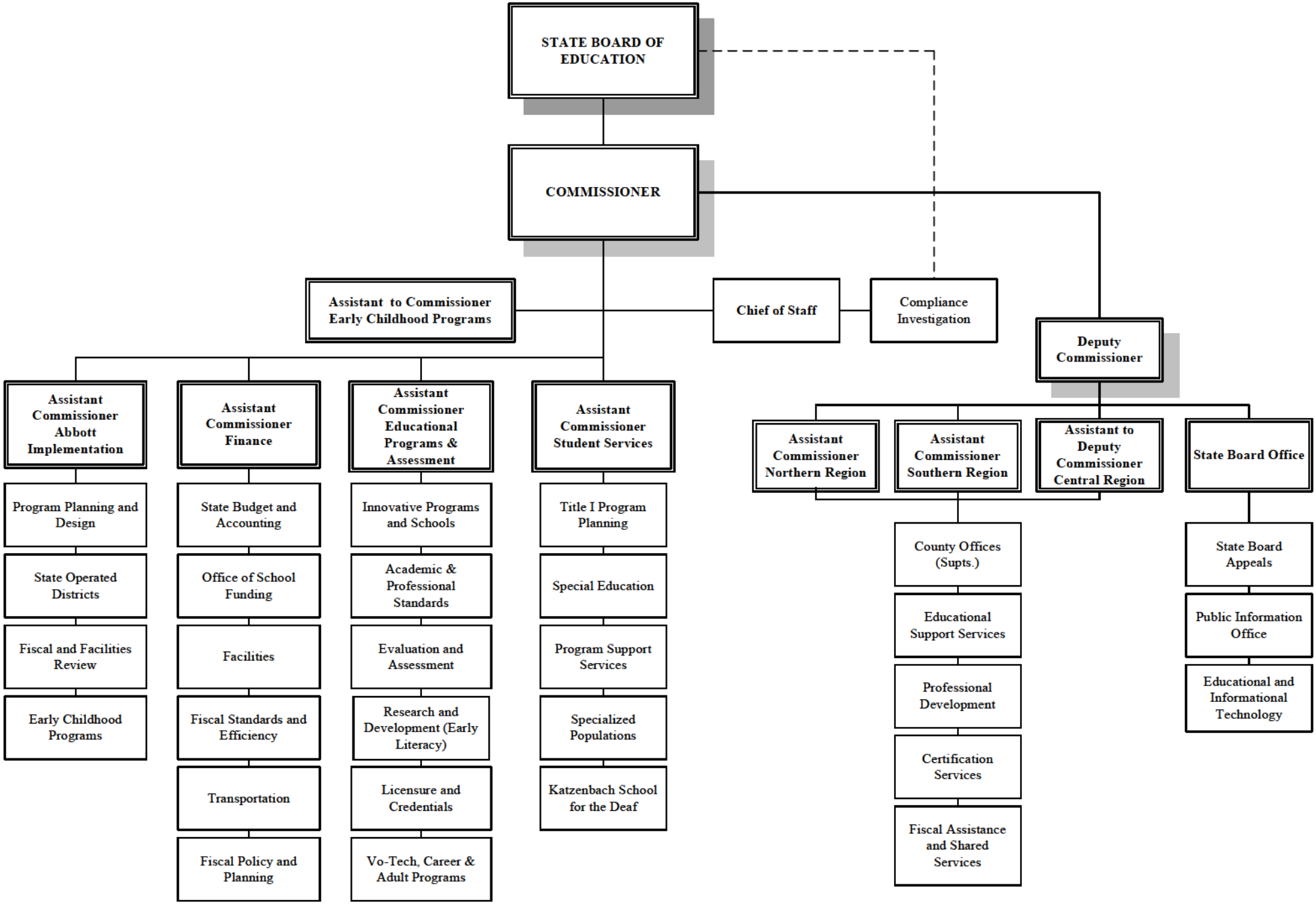
CORRECTIONS



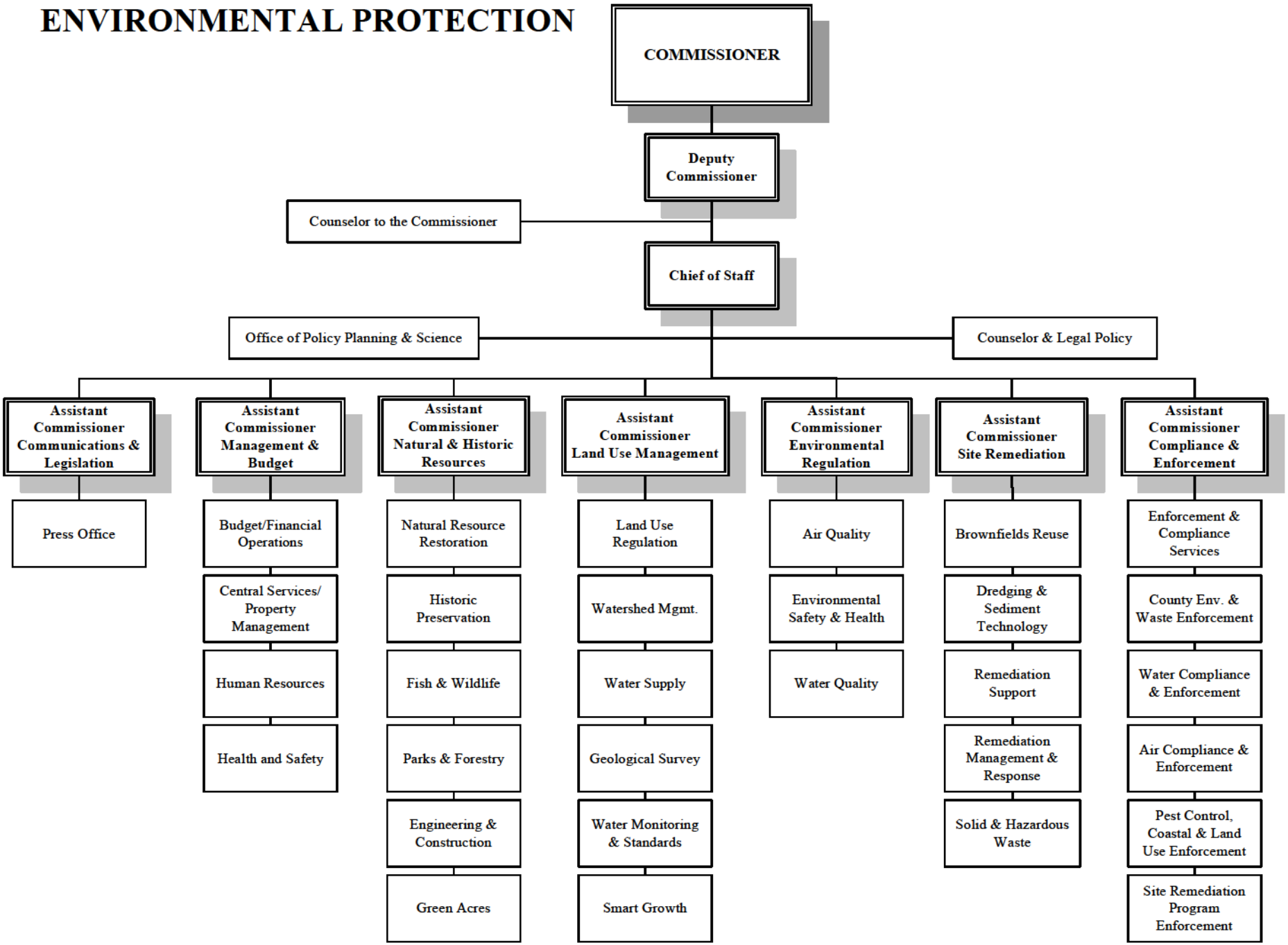
In-But-Not-Of Agencies

New Jersey State Parole Board

EDUCATION


STATE BOARD OF EDUCATION
COMMISSIONER
Assistant to Commissioner Early Childhood Programs
Chief of Staff
Compliance Investigation
Deputy Commissioner
Assistant Commissioner Abbott Implementation
Program Planning and Design
State Operated Districts
Fiscal and Facilities Review
Early Childhood Programs
Assistant Commissioner Finance
State Budget and Accounting
Office of School Funding
Facilities
Fiscal Standards and Efficiency
Transportation
Fiscal Policy and Planning
Assistant Commissioner Educational Programs & Assessment
Innovative Programs and Schools
Academic & Professional Standards
Evaluation and Assessment
Research and Development (Early Literacy)
Licensure and Credentials
Vo-Tech, Career & Adult Programs
Assistant Commissioner Student Services
Title I Program Planning
Special Education
Program Support Services
Specialized Populations
Katzenbach School for the Deaf
Assistant Commissioner Northern Region
Assistant Commissioner Southern Region
Assistant to Deputy Commissioner Central Region
State Board Office
County Offices (Supts.)
Educational Support Services
Professional Development
Certification Services
Fiscal Assistance and Shared Services
State Board Appeals
Public Information Office
Educational and Informational Technology

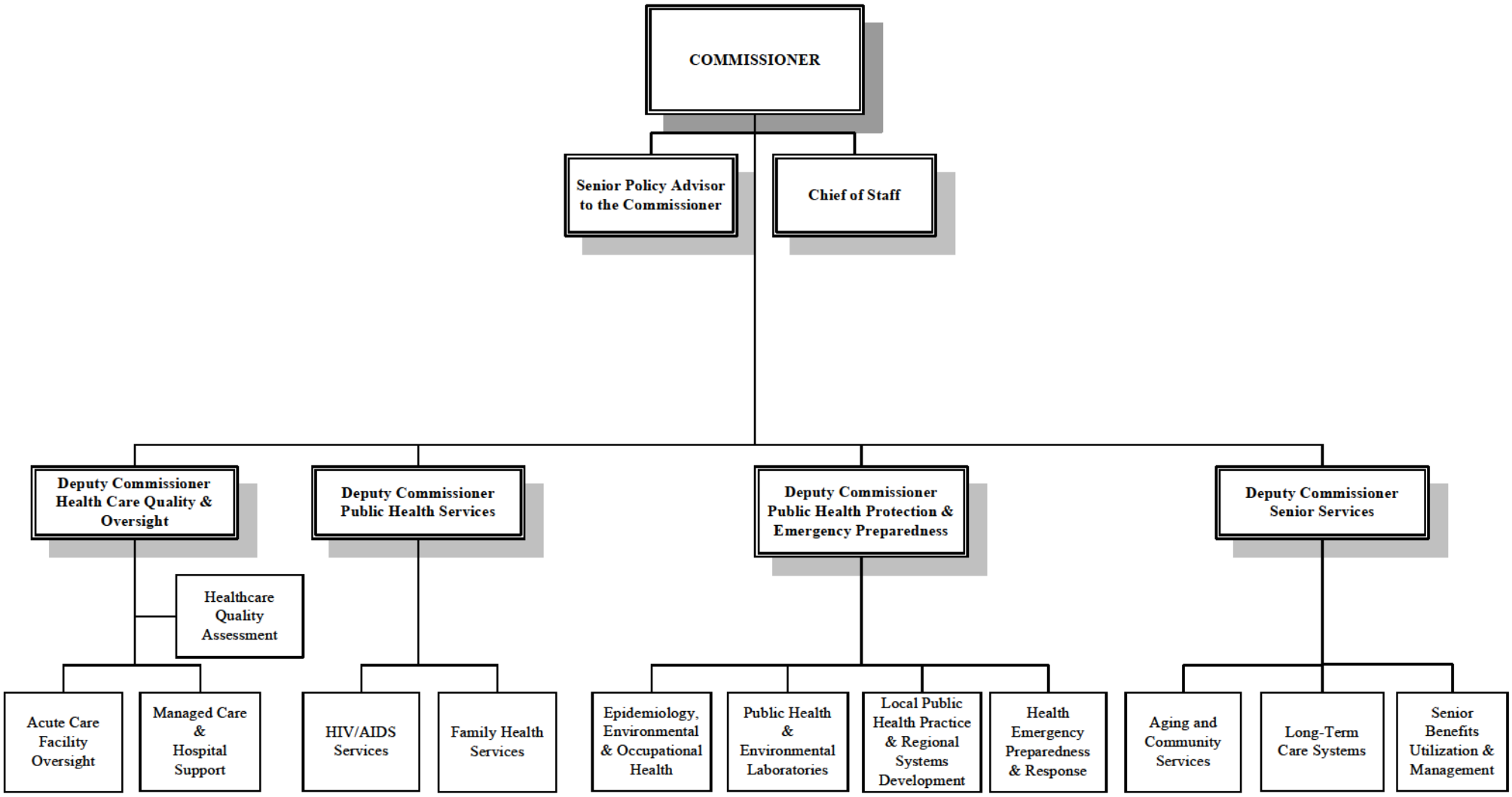
ENVIRONMENTAL PROTECTION



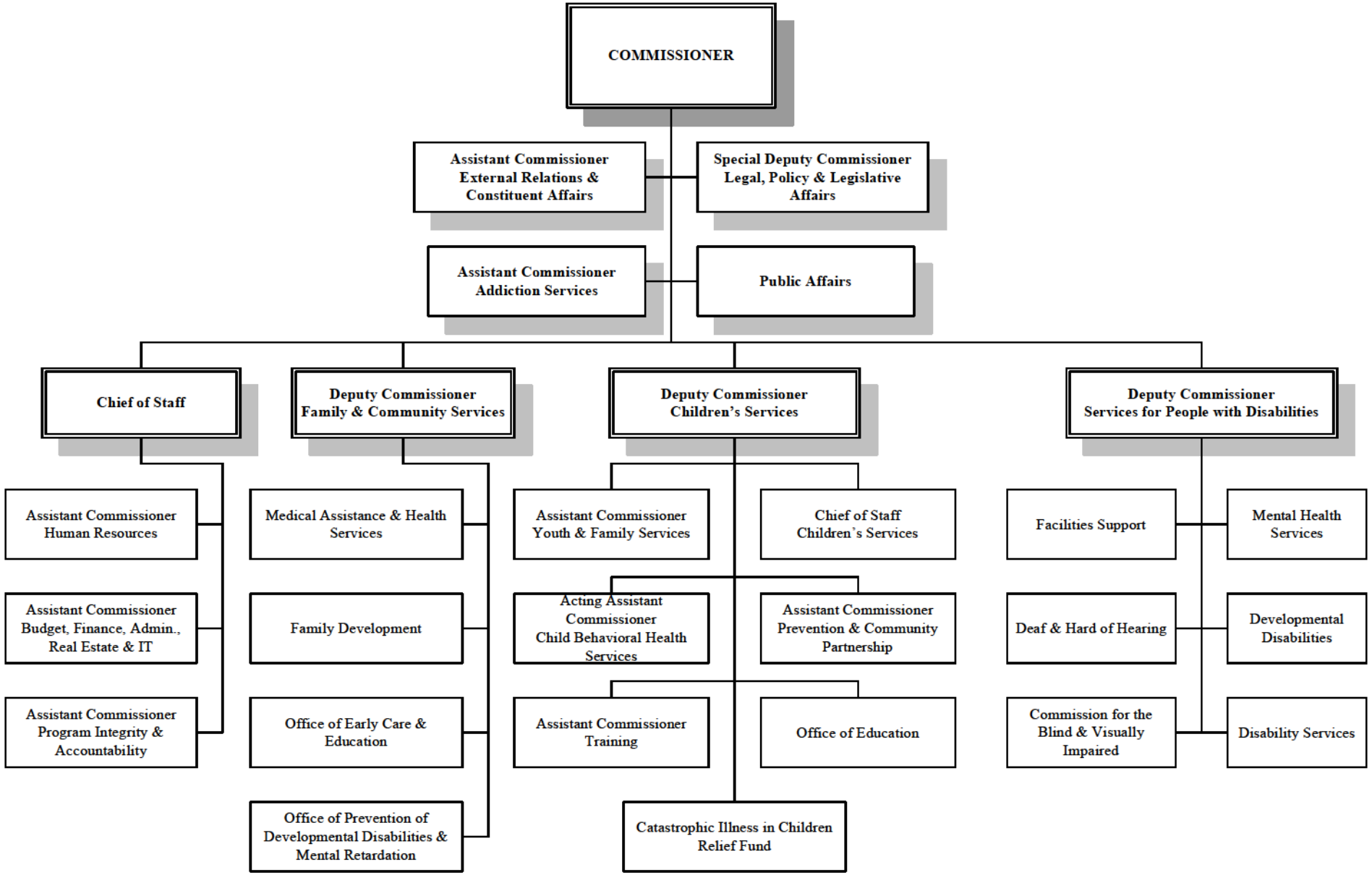
In-But-Not-Of Agencies

- Palisades Interstate Park Commission
- Highlands Council
- Pinelands Commission
- Mosquito Control Commission

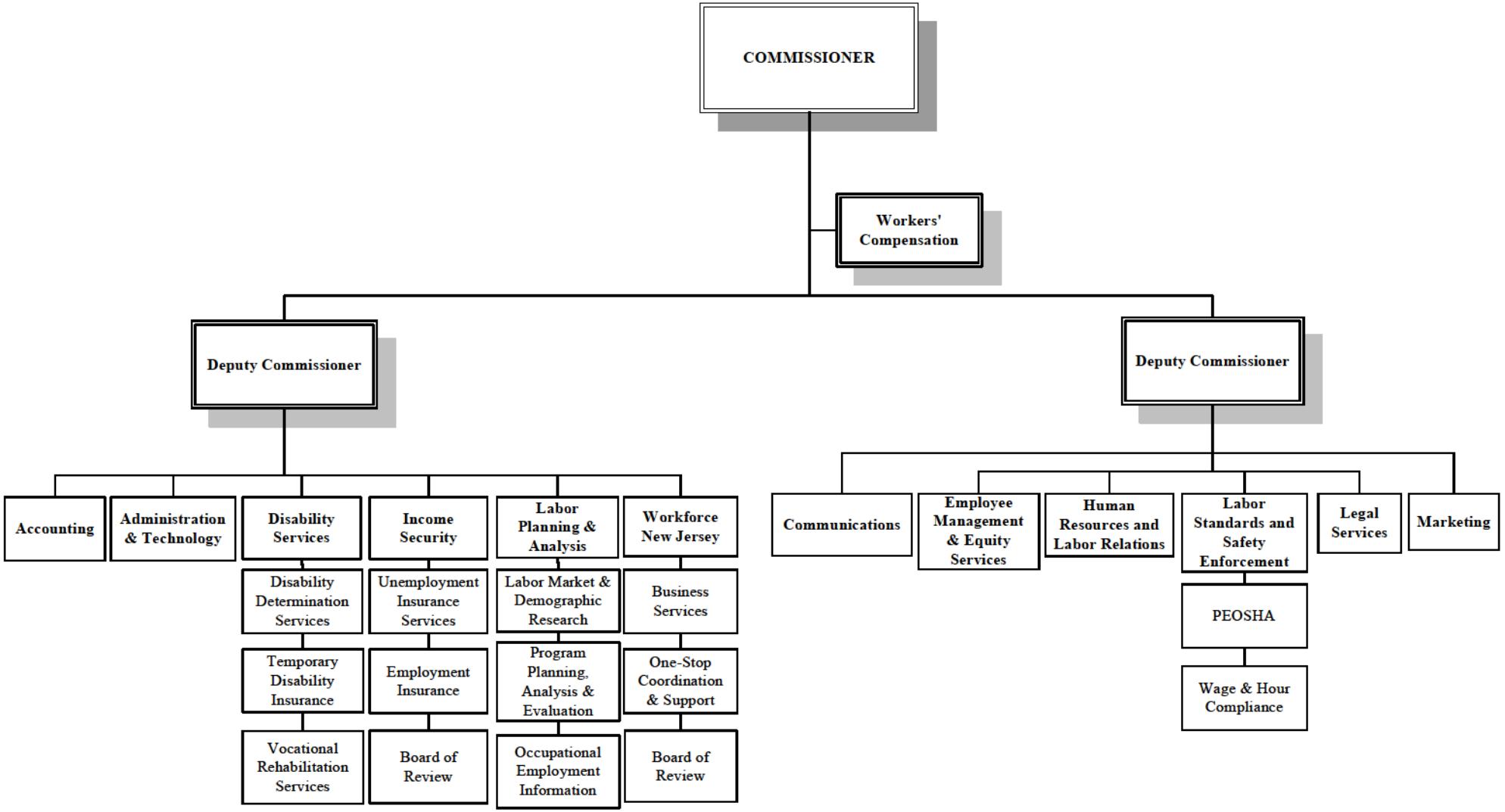
HEALTH AND SENIOR SERVICES



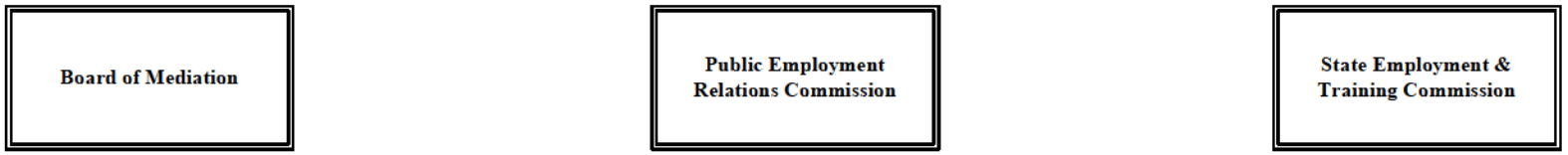
HUMAN SERVICES



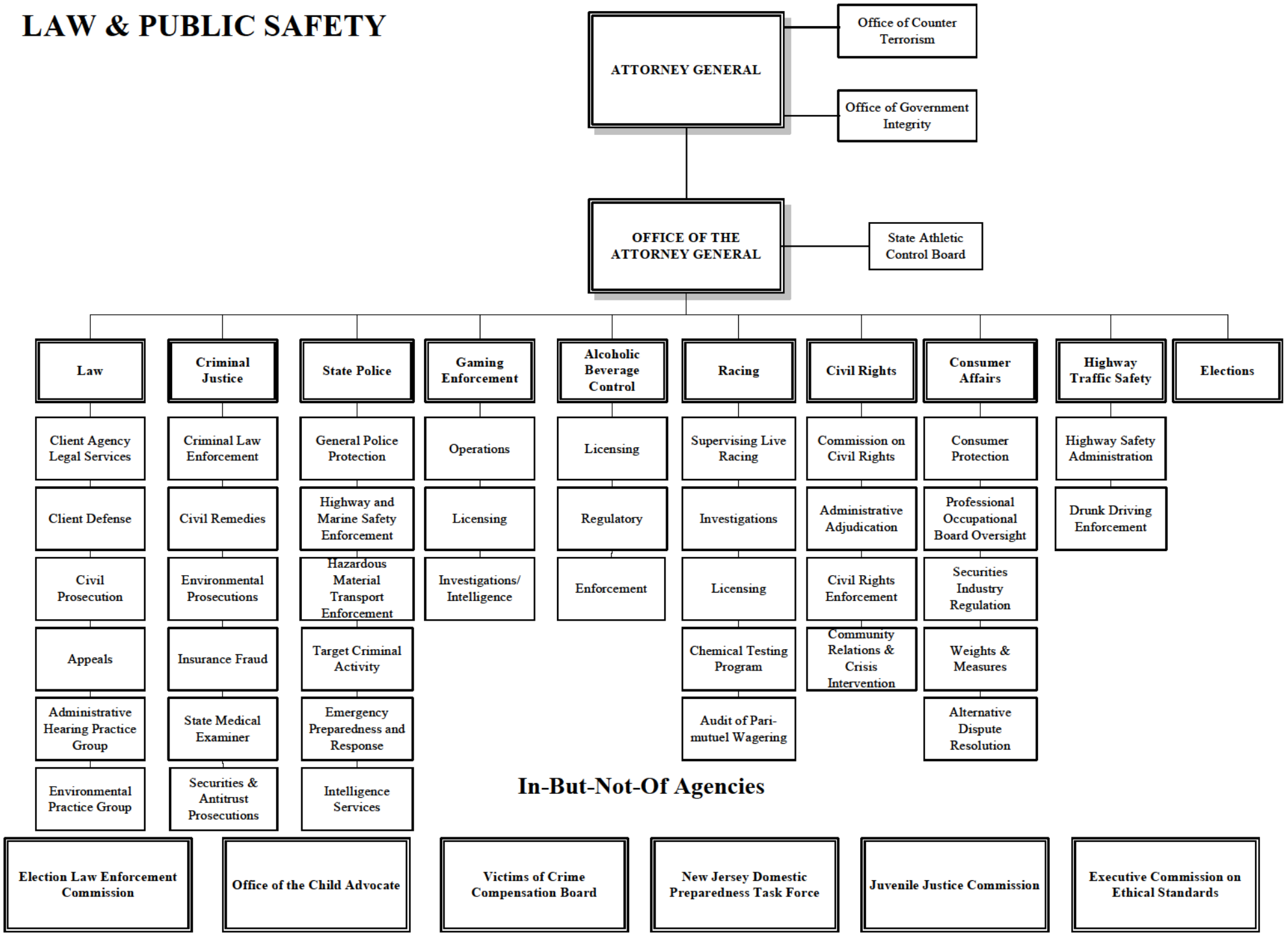
LABOR AND WORKFORCE DEVELOPMENT



In-But-Not-Of Agencies



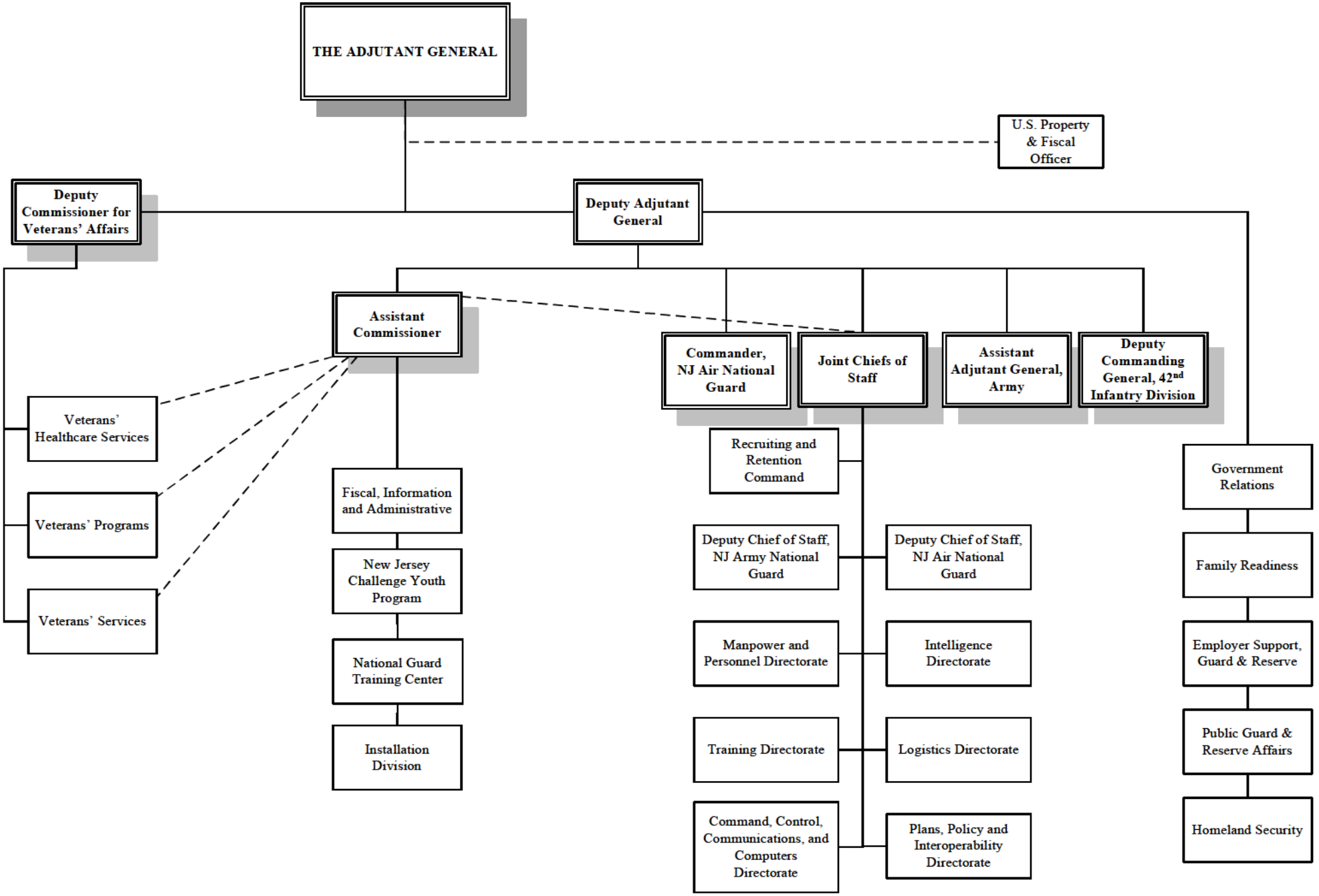
LAW & PUBLIC SAFETY



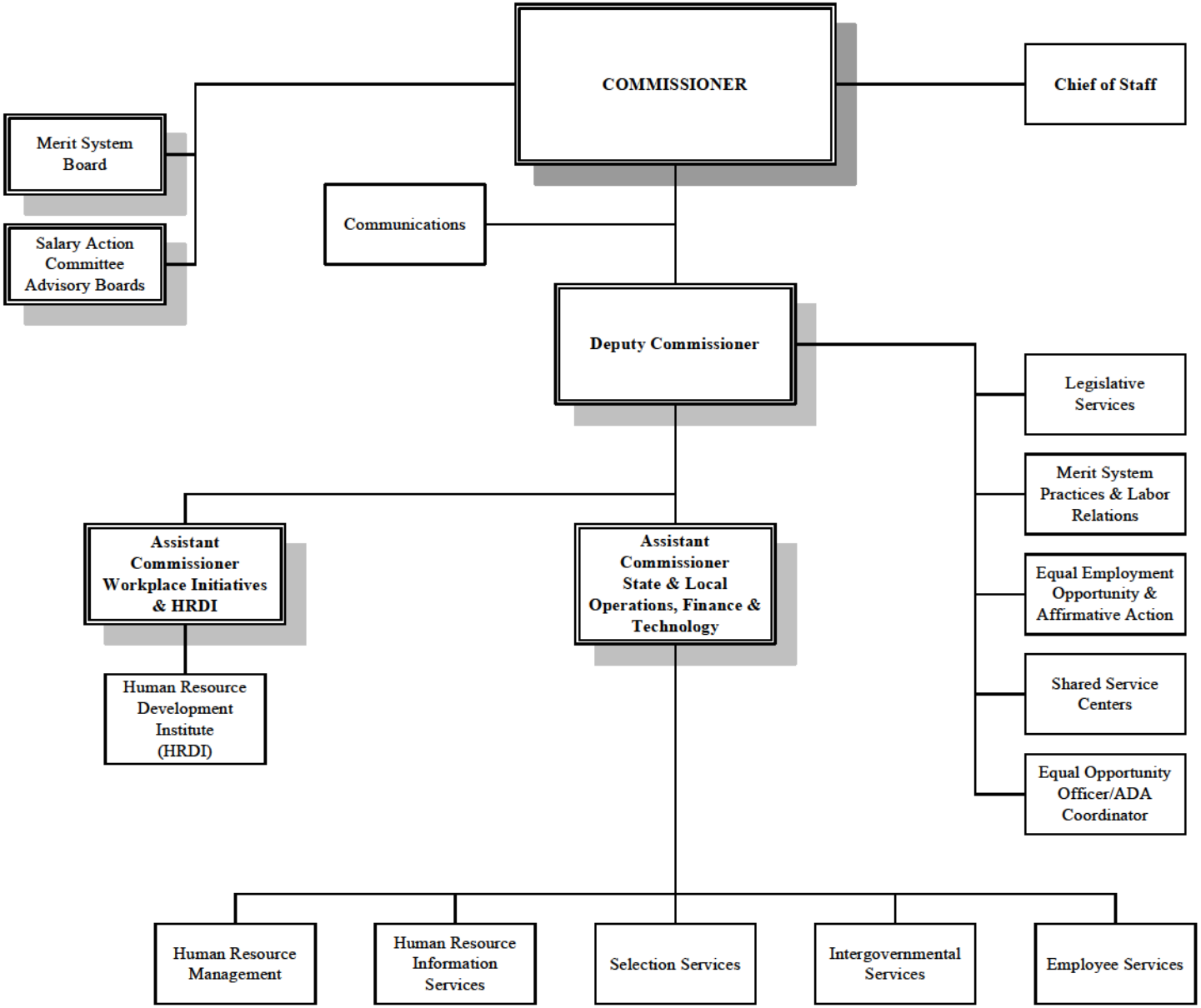
In-But-Not-Of Agencies

- Election Law Enforcement Commission
- Office of the Child Advocate
- Victims of Crime Compensation Board
- New Jersey Domestic Preparedness Task Force
- Juvenile Justice Commission
- Executive Commission on Ethical Standards

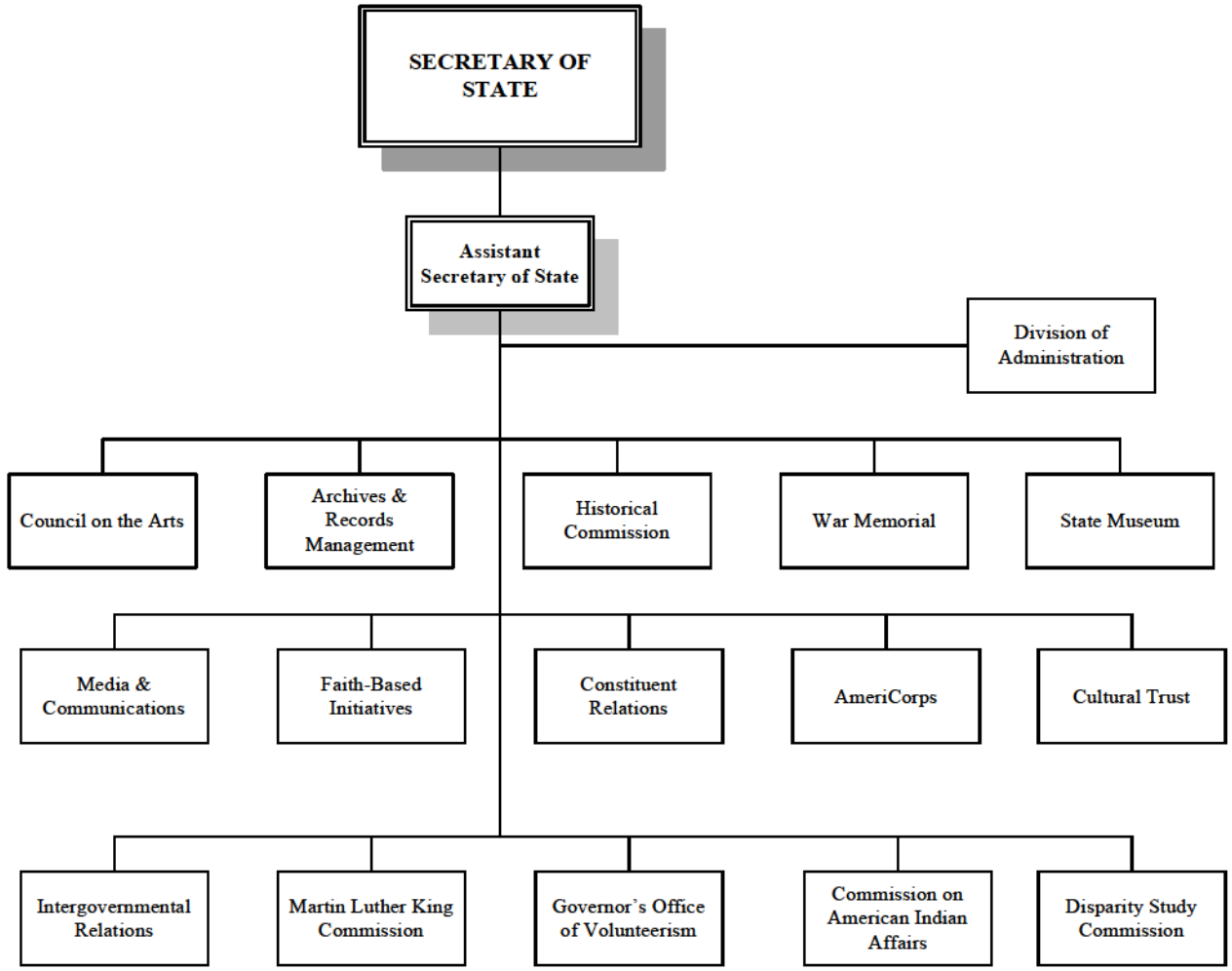
MILITARY AND VETERANS' AFFAIRS



PERSONNEL


COMMISSIONER
Chief of Staff
Merit System Board
Salary Action Committee Advisory Boards
Communications
Deputy Commissioner
Legislative Services
Merit System Practices & Labor Relations
Equal Employment Opportunity & Affirmative Action
Shared Service Centers
Equal Opportunity Officer/ADA Coordinator
Assistant Commissioner Workplace Initiatives & HRDI
Human Resource Development Institute (HRDI)
Assistant Commissioner State & Local Operations, Finance & Technology
Human Resource Management
Human Resource Information Services
Selection Services
Intergovernmental Services
Employee Services

STATE



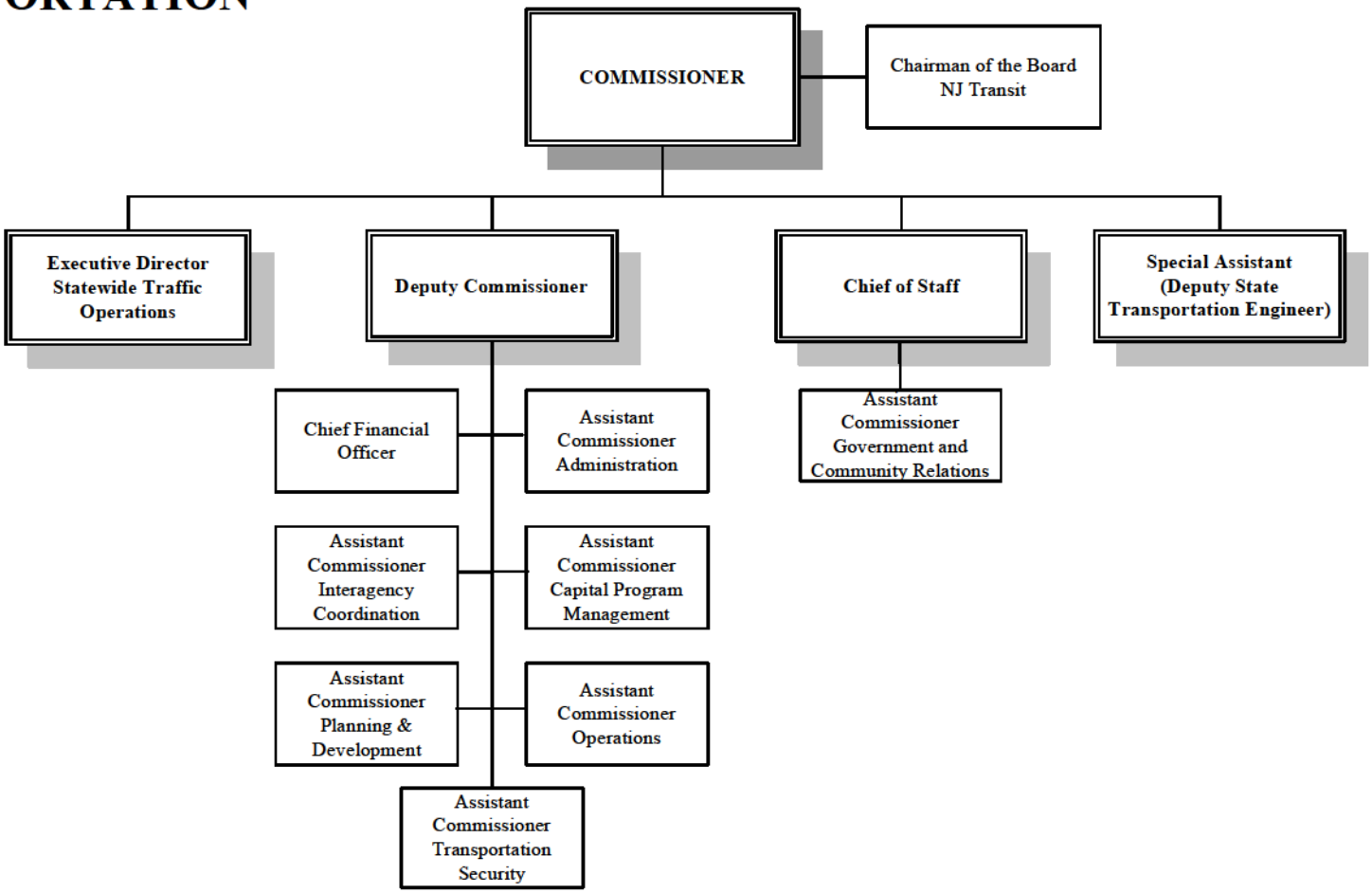
In-But-Not-Of Agencies

Commission on Higher Education

Higher Education Student Assistance Authority

Public Broadcasting Authority

TRANSPORTATION

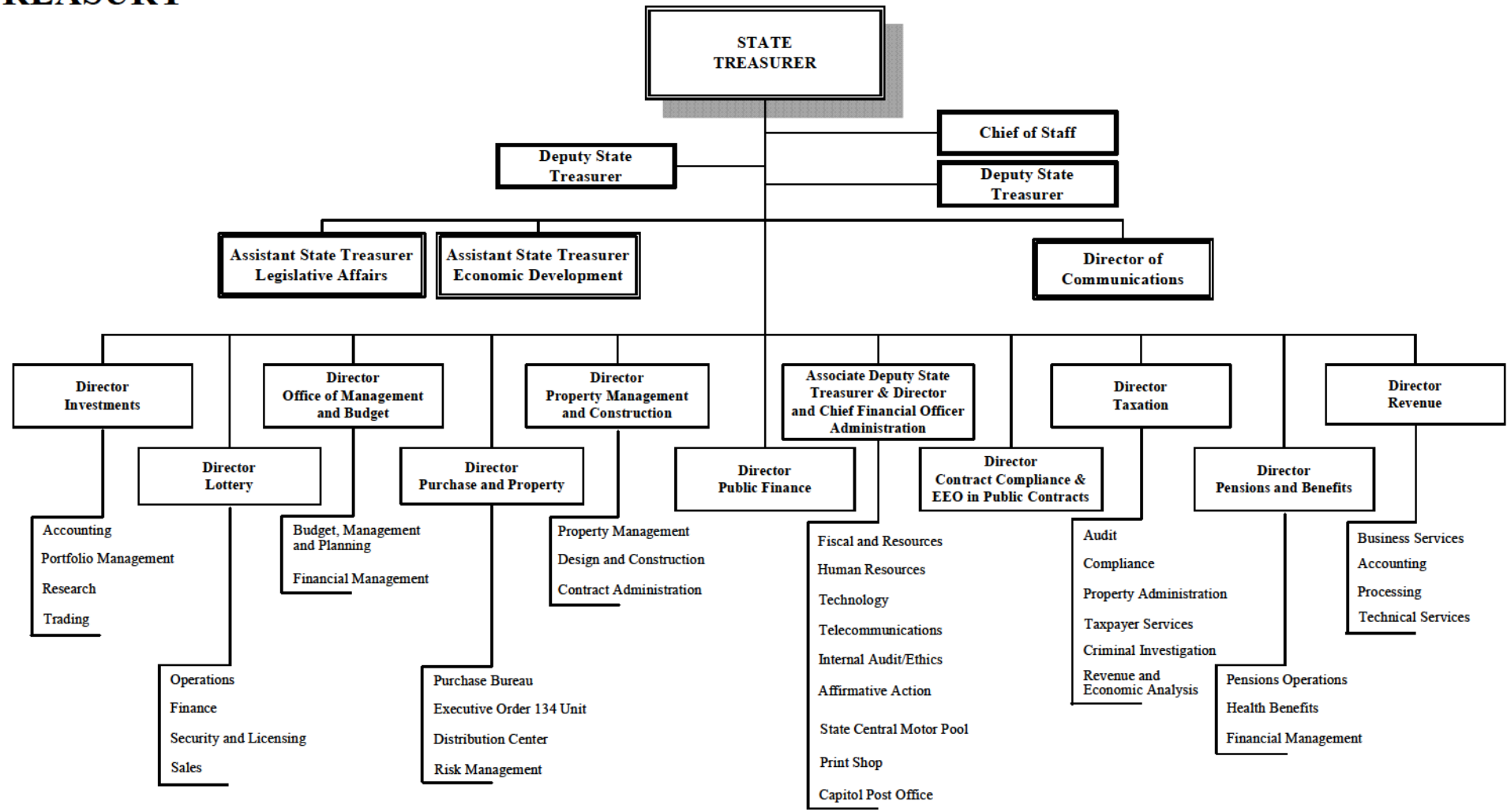


In-But-Not-Of Agencies

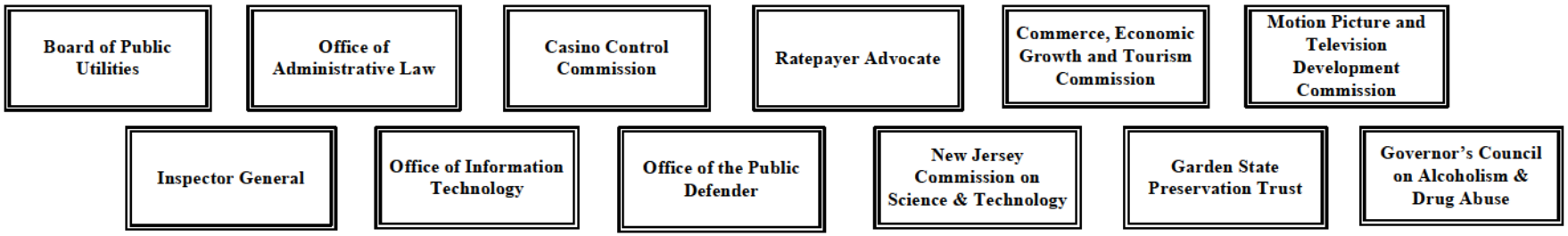
New Jersey Motor Vehicle Commission

NJ Transit Corporation

TREASURY



In-But-Not-Of Agencies



Reader's Guide

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.



WHAT'S NEW IN THE GOVERNOR'S BUDGET

The Fiscal 2006 Governor's Budget Message includes a few significant changes in format, content and design that are meant to improve its usefulness as a communications device and to ease the reader's ability to navigate the document. Specifically, the document includes the following changes:

Upgraded Index
Typically, readers who are interested in information on a particular program or organization turn to the index. 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 2006 Budget, the index has been expanded to include 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 (i.e., threshold reduced from previous $10 million);
- Re-ordered index titles to 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
A series of high-level organization charts has been added to the front this document and includes not only the major programs operated by the fifteen department but also the existence of "in-but-not-of" agencies that are housed within that organization for display purposes. These charts immediately preceed this Reader's Guide.

Supplemental Appropriations
A summary chart of supplemental appropriations is newly added in the Fiscal 2006 Budget document, organized by department. Included is a brief explanation of why these supplemental funds are required. Though the Governor's Budget Message has traditionally reflected individual supplemental appropriations in a discrete way within the various accounts affected, this is the first time that they have been gathered into a summary display with a corresponding narrative. This summary chart can be found in the Appendix of this document.

Enhanced 911
Similar to the existing charts depicting the potential use of revenues from the Lottery or the Casino Revenue Fund, a new display has been added to the Appendix identifying the 911 Technology and Homeland Security programs that are eligible to be supported from the Enhanced 911 surcharge originally implemented in fiscal 2005. This summary chart can be found in the Appendix of this document.

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

THE STATE BUDGET PROCESS

The current budget process, the Integrated Planning and Budgeting Process, was first implemented for the production of the fiscal 1991 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 process usually begins during the month of April, some fifteen 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 budget should be arranged, including any desired reallocations, in the coming budget year. Any recommended changes identified later with 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 to each State agency in September by OMB, including preliminary budget targets.

Agencies prepare planning documents which 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. The Office of Management and Budget (OMB) reviews the planning documents with the agencies from November through mid January, and 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.

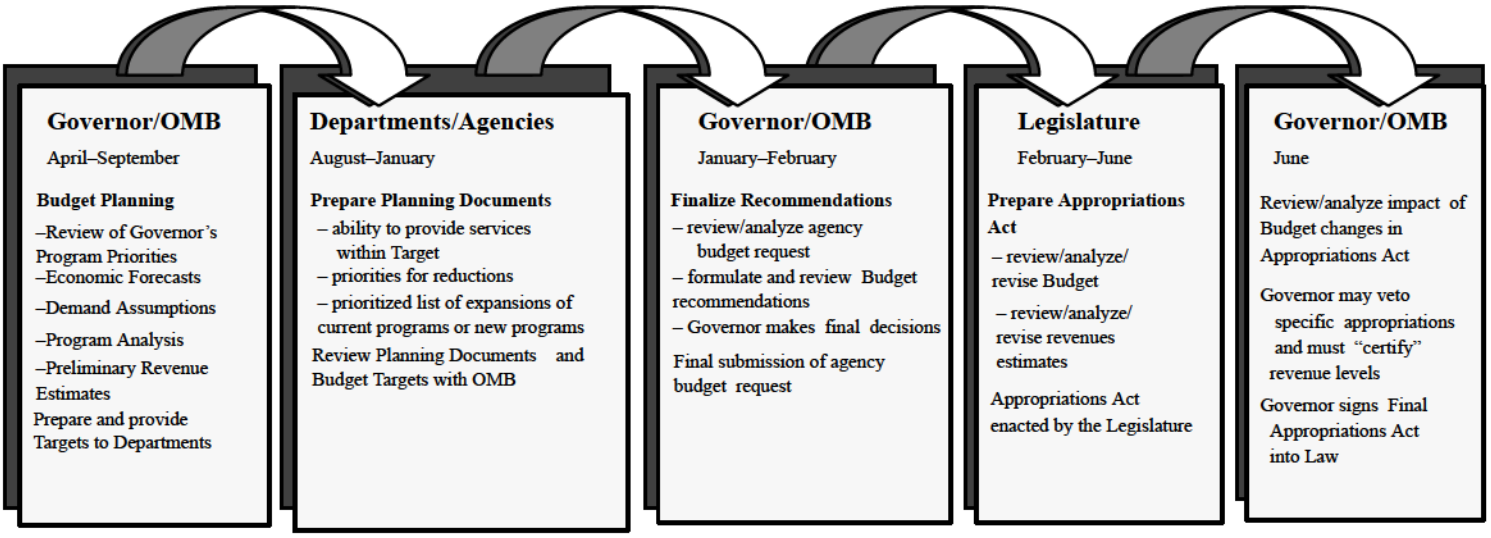
The planning portion of the process culminates in the final submission of the agency budget request to OMB in February, which is forwarded to the Legislature. The Budget Message, representing the Governor's recommendations on how revenues should be allocated, is delivered to the Legislature on or before February 24th of each year (unless superceded by legislation). From year to year, the Budget is the single most important policy statement that the Governor makes.

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. Departments must document whether a project will have an affect on operating budgets and must quantify such information. 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 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 Budget. 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.



HOW THE BUDGET IS ORGANIZED

The New Jersey State Budget is divided into five major sections, which 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 fiscal tables which explain the Governor's recommendations at various, significant levels of aggregation.

Summary of Appropriation Recommendations
Summary of Appropriation Recommendations by Fund
Summary of Appropriation Recommendations by Organization
Summary of Appropriations by Category or Purpose
Summary of Appropriations by Statewide Program
Appropriations – Major Increases and Decreases

Also included within this section is the *Major Highlights* of the fiscal year 2006 Budget, which discusses the major programmatic and operational impact of the budget proposals.

Additional summaries of major increases and decreases, and charts and graphs depicting significant programmatic or fiscal trends included within the FY 2006 Budget are also included within this section.

3.) The ***Summaries of Revenues, Expenditures and Fund Balances*** section provides an overview of the state's economy and 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, such as the income tax, sales tax, corporation tax, etc., and provide year–to–year comparisons and projections for the fiscal year 2006 budget year. Most of the schedules and exhibits in this section are displayed by *Fund*. For the purposes of state financial accounting, funds are accounting entities which segregate financial resources according to the purposes for which they may be used.

This section includes four "major schedules" which 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), provide 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 ***Budget 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; and is organized by Governmental Branch and sorted in alphabetical order by agencies or executive departments. The major sub–divisions of this section are summarized below:

a. Department and Branch Recommendations
(Direct State Services, Grants–In–Aid, State Aid and Capital Construction)
b. Debt Service
c. General and Federal Fund Language Provisions
d. Revolving Funds
e. Appendices

4.A.) **Budget Recommendations – Overview**

For fiscal 2006, the Budget displays all of a department's non–debt appropriations in a single subdivision of the document. The separate sub–divisions for Direct State Services (i.e. funds to support operations), Grants–In–Aid, State Aid and Capital Construction are now shown 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 affecting State Aid, the Casino Revenue Fund, etc., are presented in new summaries in the "Summaries of Appropriations" section.

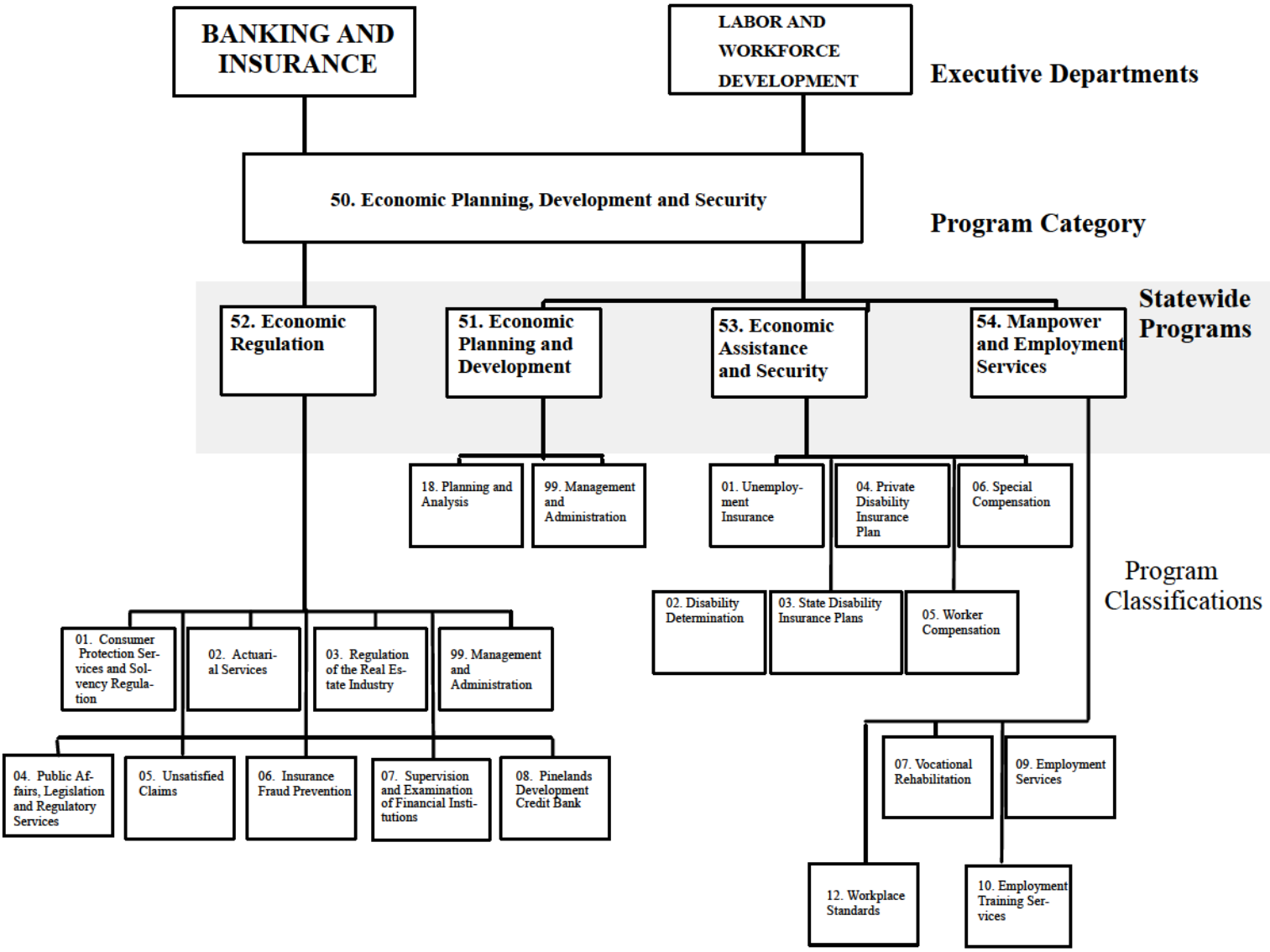
This consolidated presentation provides readers with a comprehensive view of all of a department's operations, across all spending categories and funds and provides New Jersey citizens with a better understanding of the relationships between *all* of the recommendations affecting departmental programs.

Each of the sub–sections of the *Budget Recommendation* section follow 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 include Water Supply Management, Forestry Management, Shellfish and Marine Fisheries Management, in the Department of Environmental Protection. 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.

In the Department of Labor and Workforce Development for example, all programs are grouped under the broad **Program Category** of *Economic Planning, Development and Security.* They are further divided into the following four **Statewide Programs:** *1.) Economic Planning and Development, 2.) Economic Regulation, 3.) Economic Assistance and Security,* and *4.) 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 Regulation, is common to both.


BANKING AND INSURANCE
LABOR AND WORKFORCE DEVELOPMENT
Executive Departments
50. Economic Planning, Development and Security
Program Category
Statewide Programs
52. Economic Regulation
51. Economic Planning and Development
53. Economic Assistance and Security
54. Manpower and Employment Services
18. Planning and Analysis
99. Management and Administration
01. Unemployment Insurance
04. Private Disability Insurance Plan
06. Special Compensation
02. Disability Determination
03. State Disability Insurance Plans
05. Worker Compensation
Program Classifications
01. Consumer Protection Services and Solvency Regulation
02. Actuarial Services
03. Regulation of the Real Estate Industry
99. Management and Administration
04. Public Affairs, Legislation and Regulatory Services
05. Unsatisfied Claims
06. Insurance Fraud Prevention
07. Supervision and Examination of Financial Institutions
08. Pinelands Development Credit Bank
07. Vocational Rehabilitation
09. Employment Services
12. Workplace Standards
10. Employment Training Services

4.B.) **Budget Recommendations – Descriptions of Sub–Divisions**

Detailed descriptions of the sub–divisions of the *Budget Recommendations Section* are provided below:

a.) *Department and Branch Recommendations* is the sub–division of the Budget that relates to the appropriations and expenditures that support operations of State agencies, grants and state aid. 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 level, and include information on the current year, two prior years, and a projection for the budget request year.

The *Appropriations Data* component 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* represent funding to support the administration and direct operations 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 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 NJ 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 accounts in Direct State Services.

Language Recommendations, the final, significant item of this budget sub–division 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.

b.) The *Debt Service* sub–division 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. Historically, New Jersey Debt Service payments average approximately three percent of the total General Fund appropriations.

c.) The *Language Provisions* sub–division 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.

d.) *Revolving and Other Funds* is the sub–division 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, 2004, presented in accordance with generally accepted accounting principles, as well as estimated amounts for fiscal 2005 and fiscal 2006.

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.

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 revenues and the Governor is responsible for the final certification of revenue.

The Governor's budget is prepared in accordance with generally accepted accounting principles (GAAP). Revenues are recognized when susceptible to accrual; that is, when they are both measurable and available to finance expenditures of the fiscal period. Significant revenue sources which are susceptible to accrual include sales tax, individual income taxes, corporate income taxes and federal grants.

Appropriations are recommended at a level sufficient to recognize all accrued expenditures applicable to the fiscal period. Expenditures are recorded on an accrual basis when the related liability is incurred. Disbursements for prepaid expenses, inventory items, and fixed assets are recorded when expenditures are incurred. Expenditures for principal and interest on general obligation long–term debt are recognized when due.

The use of the term "expended" to report the most recent actual year activity in the budget is not in strict accordance with GAAP, in that this amount includes encumbrances which under GAAP are reservations of fund balance, not expenditures.

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 generally accepted accounting principles (GAAP). The main differences between the budgetary basis and the GAAP basis are that under the budgetary basis encumbrances are recognized as expenditures, the federal revenue related to such encumbrances is also recognized, 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.

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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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
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, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					Distribution by Program				
22,507	4,646	712	27,865	27,121	Criminal Justice	09	21,691	28,291	28,291
22,507								*1*	*28,291*
690								5	625
447								7	477
2,321								1	4,631
2,321								*1*	*4,631*
17,559								*1*	*23,691*
—								0	1,000
—								*0*	*1,000*
4,948								0	3,600
4,948								*0*	*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	33,350
59,655	*14,486*	*–151*	*73,990*	*31,803*	*Total Federal Funds*		*42,574*	*33,350*	*33,350*
					All Other Funds				
—	1,136 16,125[R]	1,975	19,236	8,583	Criminal Justice	09	34,850	34,760	34,760
—	*17,261*	*1,975*	*19,236*	*8,583*	*Total All Other Funds*		*34,850*	*34,760*	*34,760*
83,162	*36,393*	*2,536*	*127,091*	*68,507*	*GRAND TOTAL*		*99,115*	*96,401*	*96,401*

Notes — Direct State Services – General Fund

(a) The fiscal 2005 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.

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.

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 2004 as enacted by the Legislature on July 1, 2003. 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 2004.

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 2004.

10. PUBLIC SAFETY AND CRIMINAL JUSTICE
12. LAW ENFORCEMENT

OBJECTIVES

1. To provide statewide law enforcement services.

PROGRAM CLASSIFICATIONS

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

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
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

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
17,559	4,646	682	22,887	22,143	Criminal Justice	09	18,091	23,691	23,691
17,559	***4,646***	***682***	***22,887***	***22,143***	***Total Direct State Services***		***18,091***[a]	***23,691***	***23,691***
					Distribution by Fund and Object				
					Personal Services:				
152,359	5,514[R]	3,315	161,188	144,517	Salaries and Wages		142,686	154,537	154,537
152,359	*5,514*	*3,315*	*161,188*	*144,517*	*Total Personal Services*		*142,686*	*154,537*	*154,537*
					GRANTS–IN–AID				
					Distribution by Fund and Program				
—	—	—	—	—	Criminal Justice	09	—	1,000	1,000
—	—	—	—	—	***Total Grants–in–Aid***		—	***1,000***	***1,000***
					Distribution by Fund and Object				
—	—	—	—	—	Human Relations Council	09	—	1,000	1,000
					STATE AID				
					Distribution by Fund and Program				
4,948	—	30	4,978	4,978	Criminal Justice	09	3,600	3,600	3,600
4,948	—	***30***	***4,978***	***4,978***	***Total State Aid***		***3,600***	***3,600***	***3,600***
					Distribution by Fund and Object				
4,948	—	30	4,978	4,978	Safe and Secure Neighborhoods Program	09	3,600	3,600	3,600
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
1,053	1,177	(14)	2,216	665	State Police Operations	06	7,425	15,741	5,831
1,053	***1,177***	***(14)***	***2,516***	***665***	***Total Capital Construction***		***7,425***	***15,741***	***5,831***
					Distribution by Fund and Object				
1,053	1,177	(14)	2,516	665	HVAC Renovation	11	7,425	15,741	5,831
218,368	***21,359***	***3,992***	***243,719***	***236,439***	***Grand Total State Appropriation***		***243,975***	***274,046***	***264,136***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
59,655	14,486	(151)	73,990	31,803	Criminal Justice	09	42,574	33,350	33,350
59,655	***14,486***	***(151)***	***73,990***	***31,803***	***Total Federal Funds***		***42,574***	***33,350***	***33,350***
					All Other Funds				
—	1,136 16,125[R]	1,975	19,236	8,583	Criminal Justice	09	34,850	34,760	34,760
—	***17,261***	***1,975***	***19,236***	***8,583***	***Total All Other Funds***		***34,850***	***34,760***	***34,760***
295,785	***108,360***	***21,821***	***425,966***	***347,051***	***GRAND TOTAL ALL FUNDS***		***403,717***	***428,317***	***418,407***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 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 Inter–departmental 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.

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.

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 are received the proceeds from the issuance of bonds, and from which are paid all proper expenditures for the purposes for which the bonds were authorized.

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 Sate.

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

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.

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.)

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.

GLOSSARY

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.

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: benefits to which the recipient is entitled by law or regulation; provision of services for which the State has primary responsibility; and subsidies and provision of services for which the State has no responsibility, but which it elects to provide.

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.

INTER–DEPARTMENTAL 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.

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.

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.

GLOSSARY

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.

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 (REF. 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.

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.

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.

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.

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)

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.

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.

Summaries of Appropriations

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



THE BUDGET IN BRIEF

GENERAL FUND

Resources

($ In Thousands)

Undesignated fund balance, July 1, 2005	111,584	
Revenues anticipated	17,204,752	
Total Resources		17,316,336
Recommendations		
Direct State Services	5,859,807	
Grants in Aid	7,828,853	
State Aid	2,241,296	
Capital Construction	1,089,420	
Debt Service	185,376	
Total Recommendations		17,204,752
Undesignated fund balance, June 30, 2006		111,584

SURPLUS REVENUE FUND

Resources

Undesignated fund balance, July 1, 2005	288,416	
Recommendations		
Transfer from or to General Fund		
Undesignated fund balance, June 30, 2006		288,416

PROPERTY TAX RELIEF FUND

Resources

Undesignated fund balance, July 1, 2005		
Revenues anticipated from Gross Income Tax	9,650,000	
Total Resources		9,650,000
Recommendations		
Grants in Aid	576,888	
State Aid	9,073,112	
Total Recommendations		9,650,000
Undesignated fund balance, June 30, 2006		

GUBERNATORIAL ELECTIONS FUND

Resources

Undesignated fund balance, July 1, 2005		
Revenues anticipated	1,500	
Total Resources		1,500
Recommendations		
Public Financing of Elections		1,025
Undesignated fund balance, June 30, 2006		475

CASINO CONTROL FUND

Resources

Undesignated fund balance, July 1, 2005		
Revenues anticipated	69,585	
Total Resources		69,585
Recommendations		
Regulation of Casino Gambling		69,285
Undesignated fund balance, June 30, 2006		300

CASINO REVENUE FUND

Resources

Undesignated fund balance, July 1, 2005		
Revenues anticipated	487,204	
Total Resources		487,204
Recommendations		
Programs for senior citizens and handicapped persons		487,204
Undesignated fund balance, June 30, 2006		

NOTES

BUDGET HIGHLIGHTS

Acting Governor Codey's $27.4 billion proposed Fiscal 2006 Budget is an honest and responsible budget that has State government living within its means and meets the challenge of reining in government spending while at the same time not recommending any increase in the sales tax or income tax rates. Despite nearly a billion dollars in increases for mandatory entitlements, the proposed budget is $614 million, or 2.2%, *below* the $28 billion budget enacted in fiscal 2005. In contrast, the Fiscal 2005 Budget actually *increased* spending by 17% from the year before. In fact, the reduction proposed for fiscal 2006 is the largest spending cut in State history, both on a percentage basis and in its amount.

Regardless of how the comparison is made, the level of cost restraint in this Budget is truly historic. For instance, when the fiscal 2006 appropriation is compared to the *adjusted* appropriation for fiscal 2005, it is nearly $1 billion or 3.5% less. From a dollar standpoint, this drop is approximately three times larger than its nearest predecessor.

Some of the major highlights of the proposed budget include:

- $614 million reduction in spending is the largest reduction in history;
- 2.2% decline in appropriations is *four times larger* than the next closest year (.58%);
- Spending cuts exceed revenue increases by a five to one margin;
- Out-of-state travel has been prohibited;
- Number of State employees will be reduced by at least 500;
- The budgets of each Cabinet officer and the Governor's Office will be reduced by 10%;
- No borrowing to cover operating costs;
- Use of one-time revenue is reduced by 70%, and
- Ethics laws are strengthened to increase accountability.

Besides being honest, this budget is tough and gimmick-free.

This budget proposal makes great strides towards eliminating the structural imbalance that has plagued the State budget for the past decade while ensuring the continuity of fiscal support of programs and services that meet the critical needs of the State's most vulnerable citizens and millions of other New Jersey residents. The significant actions in the new budget serve to mitigate two key components which have exacerbated fiscal stress over the past decade, namely the habitual reliance on non-recurring budget actions and the annual increase in spending. This budget also addresses long term budget pressures by restraining growth in areas such as employee and retiree benefits and promoting fairness and equity in the State's sales tax structure.

Year after year, New Jersey's budget process has been defined by feverous efforts to offset non-recurring revenues and fund mandatory entitlement and benefit increases. The dwindling options for one-time revenues, combined with an unrelenting pace of entitlement growth, has left New Jersey with insufficient resources to reliably fund important and necessary needs such as property tax relief, assistance for higher education, support for social service programs and many other programs that are important to the citizens of New Jersey.

The proposed budget significantly reduces the reliance on non-recurring budget actions by 70% from $2.86 billion in the current budget to $891 million in fiscal 2006.

The Fiscal 2006 Budget provides for $2.4 billion in actions to reduce spending. Nearly $1.5 billion of these actions are actual cost reductions, including $272 million of spending that was added by the Legislature. The remainder of the $2.4 billion is comprised of reductions due to under-spending in the current year, shifts to other funding sources and elimination of non-recurring expenditures.

Finally, despite the reduction of entitlements and cuts in bureaucratic spending, the Acting Governor must meet the constitutional mandate for a balanced budget by proposing targeted actions that will improve New Jersey's recurring revenue base without resulting in a broad-based impact on the income tax or the sales tax rate. These actions to enhance revenues include $500 million from asset sales and $150 million from the VLT's and other actions with no direct impact on taxpayers. Only $505 million of this amount represents increases in taxes paid by individuals and businesses.

This means that for every dollar of revenue increased, there have been nearly $5 of spending reductions.

State support for school districts, municipalities, higher education and the majority of the safety-net programs for vulnerable citizens have generally been kept at the current level. Discretionary increases in the proposed budget are minimal and focus on areas such as enhancing the State's mental health system, expanding programs for the developmentally disabled and increasing support for ethics, additional State troopers and government accountability.

The multi-billion dollar budget gap that the Acting Governor must close is composed of two components– replacing $2.9 billion in non-recurring revenue and funding approximately $1.4 billion in growing budget mandates. Additional growth in areas such as school aid, aid to higher education, public employee pensions and growth in social service programs increases the budget gap to approximately $4 billion to $5 billion. Despite an expectation of continued economic growth in the next year, the State's recurring revenues are only expected to increase by approximately $900 million. Total recurring revenues are expected to be approximately $26.1 billion. Therefore, even if State spending remained flat in fiscal 2006 and the State maintained the $28.4 billion anticipated appropriation level from the current year, the State would still have a gap of $2.3 billion that would need to be offset by spending reductions or revenue increases.

The budget divide is increased by mandatory funding needs of approximately $1.4 billion for areas such as:

- Medicaid ($289 million);
- Health coverage, post retirement medical, and other fringe benefits and employer related taxes for current and retired State and public college employees, as well as employer taxes for active teachers and post retirement medical coverage for retired school district and local employees ($281.3 million);
- Pensions for State and public college employees as well as local teachers and other school employees ($122.4 million);
- Negotiated salary increases for State and college employees ($157.9 million);
- Debt service for the State's school construction program and the 1997 Pension Bond ($97.3 million);
- Growth in welfare programs; and the annualization of obligations from the current year ($36.8 million).

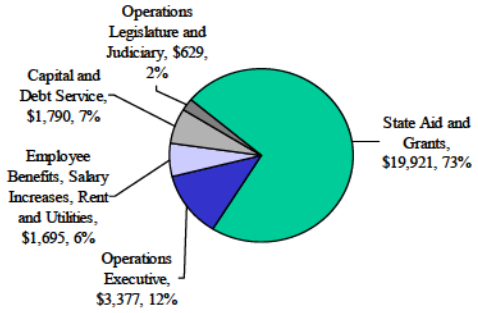
In addition, the State faces mandatory increases to comply with reform of the child welfare system and court mandated Abbott school funding responsibilities.

The budget gap grows wider when other spending demands, such as local school aid, municipal aid, operating support for higher education, expansion of community placements for developmentally disabled, and increases in State Police protection are recognized.

The challenge of balancing the State Budget is even more daunting upon a review of where budget revenue actually goes. The chart below indicates that nearly three-quarters of the money the State receives goes back out in State Aid to municipalities and school districts, direct property tax relief, health care and prescription drug coverage for seniors and the poor, support of higher education, and community programs for the disabled. Only 12% of the State's spending is related to the operating budgets of the 16 State departments and the majority of this amount is spent on public safety (e.g., State Police, courts, and prisons), institutions for veterans, mentally ill and the developmentally disabled, highway maintenance, etc.

Where Does the Money Go – State Aid and Grants Represent 73% of Budget

(In Millions)



$.73 cents of every dollar goes to Property Tax Relief and Grants in Aid

Reliance on Non-recurring Budget Actions Reduced by Approximately $2 Billion

The use of non-recurring budget actions and financial "gimmicks" have been a staple of New Jersey budgets since the early 1990's. For example, the State's contribution to the various public employee pension systems was significantly reduced over time, culminating in the 1997 pension bond deal that allowed the State to temporarily skip pension payments and use this money to fund new and expanded programs. Now, the State is faced with the need to not only fund the

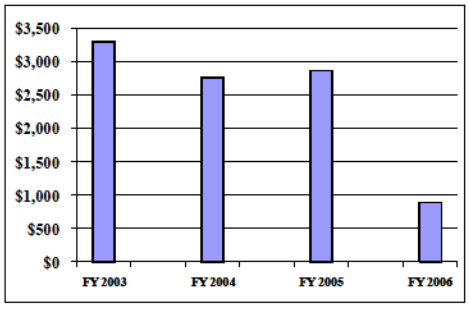
pension system but also to continue to fund the programs and enhancements that were created during this era.

As the stock market boomed in the late 1990's and early 2000, New Jersey policy-makers crafted budgets that boomed with it. With state income tax revenues reaching record levels, long term budget commitments, including new and expanded programs, were made with no expectation that the "good times" would end and revenues would recede. The bubble finally burst in fiscal 2002. State income tax collections actually fell by $1.15 billion but the newly created programs remained intact. During this period, the State also began to rely on increased federal funds to support the State's obligation to nursing homes through accounting gimmicks that most officials knew would not continue into the future. More recent non-recurring budget actions include the accelerated use of the revenue the State was to receive from the national tobacco settlement and the securitization of motor vehicle fines and increased cigarette taxes to fund on-going state budget costs.

While non-recurring budget actions will always play some part in the State Budget; this spending plan takes a pivotal step in reducing the reliance on one-time revenues. As depicted in the chart below, the reliance on non-recurring budget actions is reduced from $2.9 billion in the current year to only $891 million in the proposed Fiscal 2006 Budget. As noted earlier, the proposed Budget reduces the reliance on non-recurring budget actions by 70%.

Nonrecurring Resources Down by 70%

(In Millions)



Based on planned revenue actions.

Controlling Growth in Entitlements

To understand the ongoing structural budget issues that the State faces, it is necessary to have a full appreciation of the extent of program entitlements and fixed costs. Whether through statutory or federal requirements, client increases resulting from normal population growth, or the powerful effects of inflation and market forces in areas such as healthcare and drugs, the State Budget assumes a large, ongoing commitment just to maintain the current level of service in programs such as Medicaid, Welfare, and Pharmaceutical Assistance for the Aged and Disabled (PAAD).

Controlling growth in entitlement programs can not occur overnight. Most of the actions proposed by the Acting Governor will result in limited short term benefits but will lead to significant benefits to taxpayers for a number of years. However, failure to start the process means that these benefits will never be realized.

Growth in certain entitlement programs such as Medicaid is driven by mandates from the federal government. The proposed budget provides $3.6 billion for Medicaid and other health related programs for senior citizens and the poor. These programs, including PAAD, represent 13.1% of the State Budget and will increase by another 4.4% despite the implementation of program efficiencies.

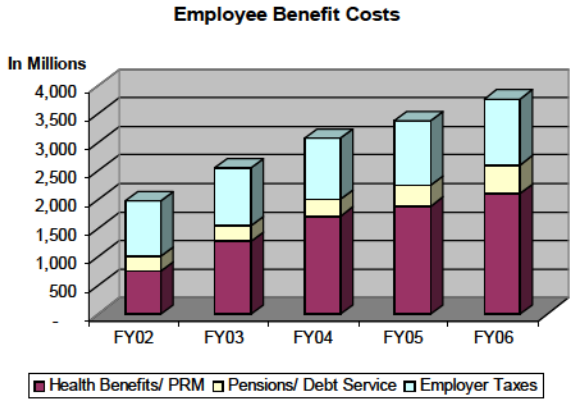
A good case study of rapid cost growth is Employee Benefits, which is described in detail below.

Employee Benefits

Within the State Budget, Employee Benefits is defined to include pensions, health benefits, post retirement medical costs, and employer payroll taxes. State appropriations support not only active and retired State employees, but also employees of senior public colleges and universities, school districts and certain local governments. Health benefits for active school district and local employees are not a State responsibility; however, under statute, the State funds the health insurance costs of retired teachers and certain public employees with 25 or more years of service prior to retirement. Even though the State does not negotiate teacher contracts, the State funds the cost of teacher federal social security taxes.

Due in part to the breadth of coverage provided, Employee Benefits has become one of the most intense growth areas in the State Budget. As depicted on the attached chart entitled "Employee Benefits-Actual and Projected Costs", the appropriation for these fixed costs grew by $1.8 billion or 90% from approximately $2

billion in fiscal 2002 to almost $3.8 billion in fiscal 2006. Employee Benefits costs are projected to be 14% of the State's overall Fiscal 2006 Budget as compared to 8.8% just four years ago.



This growth has occurred despite recent initiatives to implement management efficiencies or use available balances. The most prominent of these were a five-year phase-in for pension contributions, utilization of assets from the Benefit Enhancement Fund (BEF) for the future costs of the "n/55" benefit, and the use of post retirement medical (PRM) reserve funds for current costs. In the area of health benefits, savings measures included an increase in co-pays for doctor's visits/prescription drugs and the exclusion of new enrollees from the traditional health benefit plan. Similar to the pension situation, the State also reduced its health benefits appropriation by applying accumulated fund balances from the self-insured plans.

The fastest growing component has been health benefits for active and retired state employees and retired school district employees. In total, these costs to the State Budget comprise approximately $2.1 billion (56%) of the projected $3.8 billion in Employee Benefit expenses in fiscal 2006. This represents an increase of approximately $220 million (11.8%) over the amount budgeted in fiscal 2005.

By statute, the State assumes all health benefit costs for eligible retired school district employees; payments for this group are expected to be nearly $700 million for the next fiscal year or approximately 33% of the total $2.1 billion appropriated for this purpose. The growth in health benefit costs is expected to continue unabated in fiscal 2006, rising an estimated 12% above the previous year, and that trend is expected to continue in the future due to significant increases in teacher retirements coupled with increasing health care outlays.

The cost of pensions for public employees is another area that must be brought under control. The 1997 pension bond deal and the meteoric growth in the stock market hid underlying problems with the State's pension systems. The problems were exacerbated by benefit increases approved in the late 1990's and early 2000's. The day of reckoning for the pension system is now upon the State. The actions taken over the past three years – phasing in the obligation of the system and using reserves that will not be available in the future – only delayed the inevitable full impact of New Jersey's pension obligations. The State Treasurer's actions to diversify the investment of pension assets will serve to increase the annual return but will only offset a portion of the multi-billion obligation that the State faces within the next few years.

As part of his Fiscal 2006 Budget proposal, Acting Governor Codey has stated that he will not sign any increase in retiree benefits unless it is funded. A special task force will be appointed to look at the benefits of State and local public employees.

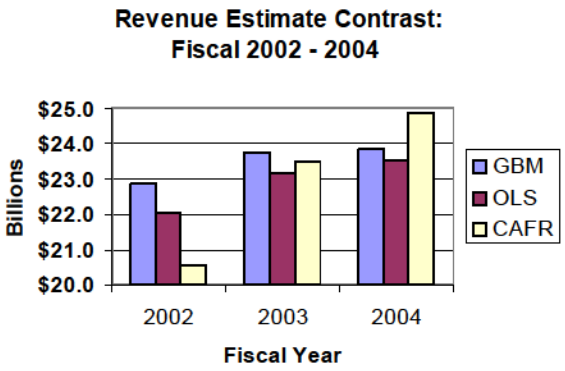
Reducing the Operating Cost of State Government

For the fourth year, the proposed budget reflects an overall decrease in the operating budgets of the 16 executive branch departments. Increases have been provided for the expansion of programs that will improve the integrity of government, the continued expansion of the Child Welfare Reform initiative, for additional State troopers and the replacement of trooper vehicles, and for the State's veteran's homes and the Department of Corrections.

Acting Governor Codey has prohibited all out-of-state travel, has directed each department and agency to evaluate the effectiveness of every program, and has directed that those programs that cannot demonstrate results be eliminated or consolidated. Through this evaluation and added scrutiny of employee levels in each department, the total number of State employees will shrink by at least 500.

Responsible Revenue Estimates

Since the Governor certifies the final revenue estimate in New Jersey, it is crucial that the results of that



process be rational, defensible, and as accurate as possible given the myriad of variables involved. From a historical perspective, the recent track record is clearly much improved. The attached chart entitled "Revenue Estimate Contrast: Fiscal 2002 – 2004," compares the revenue projections published in the Governor's Budget with that of the Office of Legislative Services (OLS) and the final audited revenues as represented in the Comprehensive Annual Financial Report (CAFR) over a three year period from fiscal 2002 to 2004. In fiscal 2002, prior to the change in Administrations, the estimate was $836 million (4%) higher than that provided by OLS at a similar point in time, and was $2.3 billion (11%) over the amount that was ultimately realized in the CAFR for that year. Of the latter, approximately $2.1 billion, or over 90%, of the shortfall resided in Gross Income Tax collections, which were originally projected at $8.9 billion but only materialized at $6.8 billion, an unwelcome outcome that placed the State in a perilous fiscal position.

Contrast that approach with the past two fiscal years. The original revenue projection provided as part of the Fiscal 2003 Governor's Budget of $23.7 billion was ultimately proven to be within $200 million of the final CAFR revenues for that year ($23.5 billion), a variance of less than 1%. In the Fiscal 2004 Governor's Budget, the total revenue estimate of $23.9 billion proved to be conservative, as revenues materialized at a level $1 billion higher than that. The original estimate was very close to what OLS projected at the time ($23.5 billion), however. Most importantly, this considered approach avoided the mid-year fiscal crises that typified the overly-optimistic forecasts in the past.

For fiscal 2006, total revenues are anticipated to be $27.4 billion, which is approximately $91 million above the revised estimate for fiscal 2005, including new initiatives of $1.3 billion. Base revenue for both the income and sales tax are projected to grow by 5.1%, a moderate pace that reflects an improved but reasoned outlook for payroll employment and economic activity.

Fiscal 2005 - Managing the Current Budget

Continuing the trend from last year, the fiscal 2005 budget is being managed without mid-year program reductions. Despite the fact that revenues are slightly below the original estimate at the time of the Appropriations Act and several supplemental appropriations are necessary, there are sufficient accounts with under-spending and a higher than expected opening balance to compensate for the revenue shortfall. Prudent revenue estimates and sound budgeting that has reduced the size of the supplemental appropriations needed permit fiscal 2005 to close with a $400 million surplus as originally expected.

Some of the larger supplemental appropriations projected for fiscal 2005 are summarized below.

- $102 million – Education Opportunity Aid to Abbott school districts mandated by court decisions and based on final awards;
- $28 million - Federal Community Care Waiver projected shortfall and a Federal IV-E disallowance;
- $25 million – Employee contracts settled after July 1;
- $15 million – State rental assistance;
- $14 million – General Assistance cash assistance has increased beyond expectations over the prior months;
- $13 million – Snow removal;
- $9 million – Lottery advertising to enhance participation in the Lottery;
- $10 million – State Police recruit class and radio upgrade.

Fiscal 2006 Budget

Acting Governor Codey's proposed Fiscal 2006 Budget of $27.4 billion represents a decrease of $1.0 billion below the adjusted appropriation of $28.4 billion.

The vast majority of the spending increases included in this budget are mandatory in nature. Very few discretionary spending increases are recommended. Some of the major spending increases include:

- $289 million increase for Medicaid including long term care services;
- $204 million for local teacher fringe costs including pensions, post retirement medical and social security taxes paid by the State;
- $140 million for salary increases for State employees as a result of contractual obligations;
- $102 million for State employee health benefits, including retirees;
- $94 million for child welfare reform and other increases for the Office of Children Services (which includes DYFS);
- $84 million for increased costs for school construction;
- $64 million for Higher Education fringes and salary funding;
- $59 million for Education Opportunity Aid for Abbott Districts and the expected Abbott Preschool enrollment increase;

- $53 million to address the gap between federal TANF funds and ongoing welfare program commitments;
- $36.8 million to meet rising costs for the General Assistance and Supplemental Security Income programs;
- $26.8 million to increase funding for community mental health funding in the Department of Human Services;
- $25 million increase for the senior/disabled property tax freeze program;
- $23.4 million to expand and annualize prior year commitments for the Developmentally Disabled;
- $20 million for State employee pension increases;
- $9.5 million for Higher Education Tuition Aid Grants.

Some of the major spending reductions include:

- $1.2 billion reduction to homestead rebates/ SAVER based on program changes and under-spending of current year appropriations ($140 million);
- $272 million of legislative additions in the fiscal year 2005 Budget are not continued in fiscal year 2006;
- $150 million reduction due to an increased diversion of Unemployment Insurance funding to offset the State's charity care costs;
- $57.5 million offset to the Medicaid State's Nursing Home costs due to increased federal funds including the nursing home providers assessment, for which the State recently received federal approval. Besides providing budget relief, the nursing facilities will receive a net increase to their rates of $44 million;
- $57 million due to efficiencies in Medicaid and Pharmaceutical Assistance programs including better monitoring of outpatient hospital costs, a $1 co-pay for prescription drugs and $3 for other selected services in Medicaid, changing refill requirements and the frequency of drug manufacturer price updates.
- $50 million for employee savings including a 10% reduction to the commissioners' offices and other administrative accounts;

On the revenue side, the $27.4 billion budget is supported by base revenues totaling $26.1 billion and revenue enhancements of $1.3 billion. Of the $1.3 billion approximately $760 million will not impact taxpayers. The most prominent revenue enhancements are summarized below:

Revenues Not Impacting Taxpayers:

- $500 million expected to be realized as the State examines all of its assets to determine which are still useful and productive and which assets can be sold;
- $150 million is estimated to be realized from the introduction of video lottery terminals;
- $55 million will be realized from simplified sales tax/amnesty and fines amnesty proposals;
- $50 million from reducing the revenue loss in the UEZ program attributable to the inappropriate use of the program;

Other Revenue Initiatives:

- $275 million will be realized from modifying the State sales tax to provide a more equitable tax treatment of similar products and recognizing the erosion of the sales tax base due to the impact of technology and a movement to a service economy;
- $130 million from eliminating the existing property tax deduction for those taxpayers with incomes above $200,000 and from eliminating the exclusion for up to $20,000 in retirement income for taxpayers with over $100,000 in income;
- $50 million will be generated from a 2% gross receipts tax on the cable industry which will be structured to achieve equality in consumer services offered by the telecommunications industry;
- $25 million from a change in the Transfer Inheritance Tax structure;
- $25 million from a proposed change in the Realty Transfer Tax.

In addition, fund balances are recommended for transfer to the General Fund. Key initiatives include:

- $250 million from the Unemployment Insurance diversion to offset the cost of Charity Care and Medicaid, an increase of $150 million compared to FY2005;
- $14 million from the Supplemental Workforce Fund for Basic Skills to support remedial courses at the State's county colleges, an increase of $6 million compared to FY2005;

- $10.5 million from the remaining balance in the Tobacco Settlement Fund due to a legal settlement of claims with HIP-New York ;
- $10 million from the Workforce Development Fund to provide ongoing job training services to welfare clients;

(See Revenue Forecast and Initiatives section for further details on revenue-related items.)

Fiscal Year 2006 Budget Compared to Fiscal Year 2005 Budget

When viewed by category of funding, the recommended Fiscal 2006 Budget is allocated as follows:

- $20 billion (73.7%) is either State Aid ($11.4 billion, 41.4%) or Grants ($8.8 billion, 32.2%);
- Direct State Services (DSS) totals $5.9 billion (21.6%). When adjusted for required increases such as the prisoner health contract, Child Welfare Reform, and enhanced ethics programs, the DSS recommendation for Executive Branch Departments (i.e., without Interdepartmental, Judiciary, and the Legislature) declines by approximately $122 million or about 4.5%;
- State Aid increases by $407 million (3.7%);
- Grants decrease by $1.3 billion or 12.4% largely because of changes to the Homestead Rebate/SAVER program;
- General Obligation debt service decreases by $256 million due to a refinancing initiative.

(See the Summary of Major Increases and Decreases in the Financial Summaries section for the full listing of the recommendations in the Fiscal 2006 Budget.)

ACTING GOVERNOR CODEY'S PRIORITIES

State Government Integrity

Ethics

The process of governing requires, above all, moral conduct and behavior. For State government to effectively exercise authority and leadership over public policy, and to preserve its legitimacy, it must uphold ethical standards at the highest possible level. This forms the basis of the simple compact that citizens have with their governing officials: that the most difficult decisions of the day are made honestly, impartially, and with the utmost integrity, and that the day-to-day business of government is above reproach.

To restore confidence in State government, the Acting Governor has proposed a multi-pronged initiative, as outlined below.

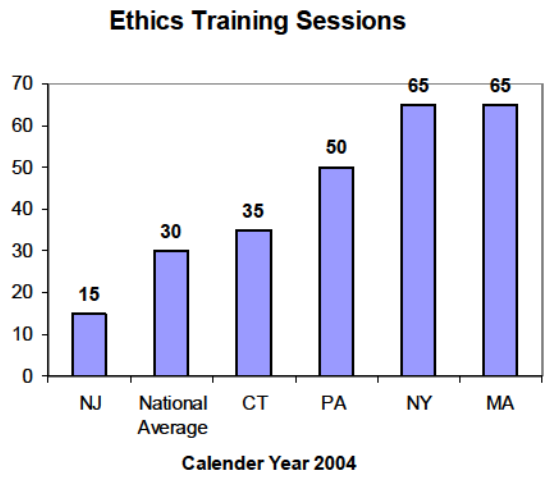
Office of the Inspector General

By signing Executive Order #7 to create the new Office of the Inspector General (IG), Acting Governor Codey established New Jersey as only the ninth State to have a statewide Inspector General position. The Fiscal 2006 Budget recommends an appropriation of $2.5 million for this new office, supporting a staff of 18. In accordance with pending legislation, the IG will be appointed by the Acting Governor to a five-year term, effectively providing a degree of independence that is critical for this oversight function. Earlier this year, the Acting Governor appointed Mary Cooper, a former State Deputy Attorney General, to this position. As IG, Ms. Cooper and her staff will investigate contracts and spending practices at all levels of government, including school boards and independent authorities, centralizing the review of expenditures and procurements to prevent fraud, abuse, and mismanagement. The emphasis of procurements is particularly important, as that is often viewed as an area of concern. Finally, the IG will provide performance reviews to determine if programs are working effectively and will consider the promise of new technology as a means to improve operational efficiency.

Commission on Ethical Standards

A funding increase of $450,000 is provided to the Commission on Ethical Standards, raising the Commission's budget by nearly 70%, from $700,000 in the current year to over $1.1 million in fiscal 2006.This represents the largest increase, and the largest total budget, in the history of the Commission. This additional funding will be used for training and audits.

Acting Governor Codey has appointed a Special Counsel for Ethics Reform who will perform a complete audit of the existing statutes, rules, and codes of conduct governing ethical behavior. Swift action is expected, as the results of this review will be summarized in a report to the Acting Governor within 120 days identifying specific compliance measures that should be implemented. The Counsel, which was created through Executive Order #3, will also work with the Commission to devise a new, mandatory ethics training program for employees of the Executive Branch and independent authorities. Heretofore, ethics rules required training for only 1,086 of these staff, or 1.5% of the total, and procurement officers were excluded from that requirement. As noted on the attached chart entitled "Ethics Training Sessions", this level of effort was out of step with the balance of the country, as on



average New Jersey has offered far fewer annual training sessions than other states.

These measures are key to restoring public confidence in State government and removing the actual or perceived influence of money in politics.

State Commission on Investigation (SCI)

Securing the public trust requires a degree of vigilance and, most importantly, aggressive enforcement of existing guidelines on ethical behavior. In that regard, the Fiscal Year 2006 Budget provides an additional $522,000 appropriation for the State Commission of Investigation (SCI), representing an increase of 11%. This increase raises the SCI's appropriation from the current $4.4 million to $4.9 million, the highest amount in the history of the Commission. The recommended increase will enable the Commission to expand its statutory mission to investigate and expose corruption, ethics irregularities, mismanagement and other forms of waste, fraud and abuse of taxpayers' dollars while also recommending new laws and remedies to protect the integrity of the governmental process in New Jersey.

Public Advocate

First and foremost, citizens with specific needs or problems must believe they can effectively connect to State government, and that their larger concerns are adequately represented as public policy decisions are made. As a major step in that direction, a new appropriation of $2 million is recommended in the Fiscal 2006 Budget to re-establish the Department of the Public Advocate. Since the Department was abolished in Fiscal 1995, its various consumer protection, guardian and ratepayer advocate functions have been scattered throughout State government, diffusing its impact. Consistent with its original form in 1974, the Public Advocate will provide a cabinet-level presence for consumers, children, the elderly, the poor, the mentally ill, and other "voiceless" citizens who often lack the influence to effectively press their case.

Specifically, the Public Advocate will investigate waste, mismanagement. and inefficiencies that hinder services to these groups. Most importantly, it will mediate with other State departments on behalf of citizens, resolving disputes and troubleshooting problems involving government services. Though the Public Advocate will be empowered to legally compel other State agencies to bring about change, it will first seek to maximize cost effective techniques, such as alternative dispute resolution, which actually reduce or eliminate costly litigation.

In the past, the Public Advocate was credited with saving New Jersey consumers millions of dollars through its advocacy on utility and insurance rates and also prevailed in landmark cases that improved the environment, mental health services and housing.

Election Law Enforcement Commission (ELEC)

A supplemental appropriation of $2 million was provided in August, 2004, to expand ELEC's Direct State Services budget from $4.5 million to $6.5 million, an increase of 44%. This appropriation will continue into fiscal 2006. This increase, which is the largest in the history of the Commission, will support a total of 36 new staff, nearly two thirds more than the 54 staff currently authorized. The Commission will use these new staff to help implement a series of new laws that were enacted in 2004 to improve election management and scrutinize campaign contributions and lobbying activities. The laws included the following:

- New prohibitions on campaign contributions from businesses actively involved with government contracts;
- Tightened standards on reporting requirements for campaign contributions;
- Required registration and reporting by professional campaign fund raisers;
- New Jersey Fair and Clean Elections Pilot Project;
- Increased monetary penalties for violating campaign contribution limits and reporting requirements;
- Extended financial disclosure requirements to lobbying conducted through ads and direct mail to the general public;
- Barred government officials from lobbying activities for one year after leaving office;
- Expanded definition of lobbyists to include those who influence government processes;

- Required ELEC to conduct random audits of records kept by legislative agents;
- Prohibited legislative agents from accepting contingency fees for influencing legislation.

Other Ethics Measures

- On December 6, 2004, Acting Governor Codey signed an Executive Order banning the State, including its departments, agencies, and independent authorities, from hiring bond underwriting firms that pay contingency fees to consultants.
- That measure was quickly followed with another on December 15, 2004, when the Acting Governor signed a bill to freeze campaign contribution limits to State and county political organizations and to leadership political action committees. Previously, campaign contribution limits were increased every four years by the Election Law Enforcement Commission based on a formula that measured the cost of campaigning. The new law eliminates that automatic adjustment and freezes contribution limits at their current level.
- The Acting Governor has also co-sponsored a bill that would enable localities and school boards to enact stronger pay to play bans.
- Acting Governor Codey supports an effort to codify into law former Governor McGreevey's Executive Order banning contributions from vendors that do business with State agencies.
- Most recently, on February 16, 2005 the Acting Governor called for an additional voting session for the Senate to consider legislation (A-1500/S-2052) authorizing a permanent ban on pay-to-play, essentially prohibiting campaign contributions by business entities seeking or holding State contracts in certain circumstances. This measure is a vital component of genuine ethics reform and is sorely needed.

Mental Health

Compassion, as well as the willingness to stand up for those who may not be able to stand up for themselves, are not only the foundation of government service; they are also the hallmarks of this Administration. Thus, despite severe budget constraints, it is with great care and concern that the Acting Governor seeks an additional $40 million in the Fiscal 2006 Budget to recast the State's mental health system to provide services that are comprehensive, accessible, and consumer-driven.

Historically, the State's mental health services have churned in place, outside the limelight of other, more visible public programs. As a public issue, mental illness has resided at an unfortunate intersection: characteristically misunderstood, often unappreciated, and arguably under-funded, yet absolutely vital to the people it serves, many of whom are among our most vulnerable citizens.

And, along the way, subtle forces have exerted downward pressure on the quality of care. Population growth, economic stress, emergencies and military conflict have steadily increased the demand for mental health services, including community-based services, culturally-competent programs, hospital treatment, housing, and support programs. While the availability of services stagnated, inpatient treatment in local hospitals and the need for expanded community-based services increased significantly, thus straining an already fragile system of care.

The Acting Governor's new initiative is designed to ensure adequate and timely access to varied levels of care and to help patients advocate with regard to their benefits, housing and general rights. Emphasis will be placed on treatment, wellness, and recovery, as well as consumer and family-directed care. Instead of defaulting to an institutional setting, community-based alternatives will be thoroughly explored. To improve access to services, a central point of entry will be provided, and the availability of treatment experts who are culturally-competent, bilingual and capable of handling co-occurring disorders will become the norm, not the exception.

Most importantly, while some of our most vulnerable citizens need the care that the hospital system provides, the re-invigorated system will adopt the premise that the vast majority of patients can recover and participate in community life…where they can live, work, pay taxes and have meaningful relationships. The ultimate goal will be to re-integrate these patients by using the least restrictive setting possible.

Just over $30 million (75%) of the $40 million newly recommended for fiscal 2006 will be used by the Departments of Human Services, Health and Senior Services, Labor and Military and Veterans' Affairs to strengthen the State's mental health system, as detailed below:

Mental Health Programs:

- *Mental Health Screening Centers*
  A total of approximately $10 million in additional funding is recommended in fiscal

2006 to expand mental health screening centers by 50%. The Screening Centers, located in all 21 counties, serve as the gateway to services at every level, including outpatient counseling, case management, self-help centers and even inpatient hospitalization. This initiative will add approximately 160 new master's level clinicians for emergency screening, including mobile outreach teams and enhanced, on-call resources for off-peak shifts when wait times spike. Staff recruitment will specifically target bilingual clinicians based on the needs of specific communities and will provide an improved ability to assess and treat co-occurring disorders. Most importantly, enhanced screening will provide mental health services on a 24/7 basis for individuals in crisis who cannot wait for a regular appointment.

- *Self-Help Centers*
  An increase of approximately $2.1 million is recommended in fiscal 2006 to expand outreach and programming capabilities at the 27 Self-Help centers in New Jersey. These centers are a key resource in the move toward a more consumer and family-centered approach to successful treatment and recovery. The new funds will be used to expand specialized therapies such as music, art and recreation, and for capital improvements to program facilities.

- *Post Traumatic Stress Disorder*
  Based on prior military conflicts, approximately 15 to 25% of the returning veterans and their families will experience some form of Post Traumatic Stress Disorder. Currently, 250 veterans are waiting for counseling services. A total of approximately $.5 million in new funding would help clear the existing waiting list and provide services for returning military personnel and their families and for those who have lost loved ones in battle.

- *Psychiatric Services*
  Presently, the waiting list for an appointment with a psychiatrist or an advanced-practice psychiatric nurse for medication management and other psychiatric services can stretch up to six weeks. Thus, when a person is released from the hospital after being stabilized, medication appointments may not be available in a timely fashion. In some cases, this can result in re-admission to a State psychiatric hospital, creating a cyclical pattern that is costly and otherwise avoidable. New funding of approximately $2.5 million will provide an estimated 25,000 additional hours of counseling time from psychiatrists and/or advanced practice psychiatric nurses.

- *Support Services for Permanent Supportive Housing*
  Case management, counseling, employment training and daily living skills are vital support services that help to ensure the long-term wellness and recovery of persons with mental illness in a permanent supportive housing setting. This Budget includes an additional appropriation of approximately $5 million for these services, which will be made available to the first 500 persons who take advantage of the housing opportunities provided by the Governor's Housing Trust Fund (see description below).

- *Jail Diversion*
  Nationally, 16% of prisoners suffer from a severe mental illness. A similar situation exists among inmates in New Jersey. Studies indicate that persons with mental illness often end up in prison due to an inappropriate charge, often of a non-violent or disorderly nature, when providing access to appropriate treatment and medications would have been the preferred form of treatment. In fiscal 2006, an estimated $1.8 million in new funding is recommended to develop community treatment liaisons to the judicial community in the counties with the greatest need. This program is patterned after pending legislation introduced by Assemblyman Francis Blee. Based on statistical information, the counties with the highest pre-arrest/pre-adjudication numbers will be identified and community treatment liaisons to the judicial community will be developed based on their needs.

- *Governor's Council on Mental Health Stigma*
  Stigma, which erodes confidence that mental disorders are real health conditions, is one of the greatest barriers to treatment today. This Budget proposes a new appropriation of roughly $250,000 to establish the

Governor's Council on Mental Health Stigma, with representatives from the fields of mental health, healthcare, the media, insurance, government, pharmaceutical industry, business, law enforcement, clergy and education, as well as consumers and family members. The group's mandate will be to develop a master plan to increase public awareness and understanding of mental disorders.

- *Office of Disaster Mental Health*
  One of the lessons of September 11th was the importance of having readily available services to respond to the needs of victims of large-scale emergencies. A new appropriation of approximately $250,000 is recommended to stabilize the current Office of Disaster Mental Health with the Division of Mental Health Services for that purpose.

- *Supportive Employment*
  An individual with mental illness who has learned to manage his/her own illness must also provide for their own housing, education, and employment in order to become a fully-contributing member of society. Currently, there are approximately 1,600 consumers per year who benefit from supportive employment programs funded by the State. Expanding the current funding by an estimated $1 million, from $3.5 million to $4.5 million, would enable approximately 450 additional individuals with mental illness to participate in this program, which successfully places a minimum of 50% of its participants in viable employment.

- *Bilingual and Culturally Competent Services*
  Cultural competency in mental health and social services is a key component of quality care. Services and mental health professionals need to have the necessary language and cultural skills to support racial and ethnic minority groups in need of mental health services. A new investment of approximately $1 million is proposed for fiscal 2006 to expand bilingual and culturally-diverse case management and outpatient services, specifically to serve the fastest-growing ethnic minority populations in New Jersey. Anecdotal data from community-based provider agencies and ethnic minority group associations as well as census data will be essential in identifying crucial service areas and populations.

- *Short-Term Care Facilities*
  Families and persons with mental illness prefer to receive treatment as close to home as possible. Currently, an average of two out of every three persons determined to be in need of hospitalization at local screening centers is sent directly to a State psychiatric hospital. To encourage community hospitals to provide this care closer to home, the Fiscal 2006 Budget commits approximately $1 million to implement a pilot program to provide inpatient psychiatric hospitalization in community Short Term Care Facilities for up to 30 days. This program will assess whether patients can be stabilized before they are sent to a more restrictive and costly place of care.

- *Residential Health Care Facilities*
  An estimated $2.2 million in additional State funding is proposed for fiscal 2006 to improve Residential Health Care Facilities (RHCF), or "boarding homes." An increase of $50 per patient would be provided in the existing subsidy to RHF operators, along with an increase of $10 for the consumers' personal needs allowance. This investment will assist in improving the facilities and overall quality of life for those persons residing in the RHCF's.

  In addition, responsibility for the monitoring and inspection of these facilities will be shifted from the Department of Health and Senior Services to the Department of Community Affairs (DCA). DCA presently has jurisdiction over the regulation of rooming and boarding homes, facilities that are similar in nature to RHCF's. Using existing staff available within DCA's Division of Codes and Standards, this consolidation will provide a more efficient means of administering these inspections, eliminating overlap and duplication of effort.

- *Community Health Law Project*
  The Fiscal 2006 Budget would provide an estimated $600,000 to the Community Health Law Project (CHLP) which counsels persons with mental illness and their families on their entitlements and benefits and often represents persons with mental illness living in boarding homes. The CHLP will be expanded from 7 to approximately 10 counties. Approximately 90% of mental

health patients are denied on their first submission of a benefits application to the federal government. CHLP has a 90%+ success rate of obtaining federal benefits for these people, however.

- *Specialized Case Management*
  To provide opportunities for services in the least restrictive setting for those persons identified as "treatment resistant," but who do not necessarily meet the terms for involuntary inpatient commitment, the Fiscal 2006 Budget will include approximately $1.5 million for Special Case Management services to help these individuals recover in the community.

- *Pilot Re-entry Case Management Services*
  Studies indicate that, for the mentally ill prisoner, re-entry treatment and related services after release are crucial to giving them the best possible chance to become productive members of society. The University of Medicine and Dentistry of New Jersey (UMDNJ) recently assumed responsibility for mental health patients currently incarcerated in New Jersey's prisons. It is recommended that approximately $800,000 be appropriated to pilot re-entry case management services, building on existing Intensive Case Management and Program for Assertive Community Treatment (PACT) services, with the provider directly coordinating with UMDNJ staff, beginning with pre-discharge planning. This will provide approximately 100 hours of case management for approximately 100 individuals recently discharged from prison. This new program will be a cooperative effort administered by the Department of Human Services, the State Parole Board, and the affected communities.

- *Governor's Task Force on Mental Health*
  Under the direction of the Acting Governor, the Task Force on Mental Health, established in Executive Order #1 on November 16, 2004, will continue to evaluate and monitor these activities as well as relates administrative directives and recommendations, concerning adult and children's mental health services, throughout fiscal 2006.

College Loan Forgiveness for Mental Health Workers

A new appropriation estimated at $3.5 million also is recommended for the College Loan Forgiveness Program for Mental Health Workers within the Higher Education Student Assistance Authority budget. An estimated 3,000 New Jerseyans graduate from four-year college programs each year with the intention of entering jobs in the social service industry. Unfortunately, after being employed for just one year in community-based provider agencies, 38% leave these jobs; in some of the more intense programs, the turnover rate can be as high as 80%. Most of the staff that leave these positions do so because they have difficulty paying off student loans, a problem exacerbated by the fact that the average starting salary of social service and mental health professionals in New Jersey is only $25,000. Under the proposed program, up to $5,000 of an individual's outstanding loan amount could be forgiven (i.e., paid by the State) annually, and up to $20,000 over a period of four years, for qualified college graduates. The program, which will be available to New Jersey residents who work in a State, county, or State-contracted, non-profit mental health or social service facility in the state, will ensure that our most vulnerable citizens receive continuous care from quality professionals.

Housing Trust Fund

Approximately half of all adults with mental health concerns presently live at home with aging parents and many of the state's 8,000 chronically homeless people also suffer from some type of mental illness. Unfortunately, the wait for housing presently can last as long as five years. Besides bringing decency to their lives, the availability of decent housing will dramatically enhance the chance of recovery for these individuals.

To ensure that New Jersey's most vulnerable citizens have a place to call home, a $200 million Housing Trust Fund will be established in fiscal 2006 as an initial step in creating 10,000 permanent, affordable housing opportunities over a 10-year period. (These capital funds will be derived from bonding capacity remaining from the prior securitization of motor vehicle surcharge revenue in fiscal 2005.) This initiative, which will have no cost impact in fiscal 2006, will enable individuals with mental illness and the disabled to achieve their highest functional level in the least restrictive setting.

Postpartum Depression

In the Department of Health and Senior Services (DHSS), a new appropriation of approximately $2 million is recommended for Postpartum Screening.

Postpartum Depression (PPD) is a condition that describes a range of physical and emotional changes that many mothers experience after having a baby. The new appropriation will cover the cost of treating postpartum depression among uninsured women, establishing New Jersey as the first state in the nation to do so. In addition, an estimated $2.5 million will be provided to DHSS for a postpartum education campaign. This new program will educate the public on postpartum depression, including its signs and symptoms, and will instruct women and their families on how to get needed help.

Traumatic Brain Injury

In addition, as part of the mental health initiative, an increase of approximately $1.8 million is recommended in the Department of Human Services to serve more people with traumatic brain injury in a non-institutional setting. The federally approved Medicaid Traumatic Brain Injury Waiver provides home and community-based assistance services to adults who have suffered traumatic brain injury. At present, New Jersey has approval and funding for 300 slots for this particular waiver. The increase noted above will enable the Department of Human Services to fund an additional 50 slots, an increase of 17%.

Brisbane Closure

Under the terms of a legal settlement with Children's Rights, Inc., the Arthur Brisbane Child Treatment Center must be closed by December 31, 2005. The Child Welfare Reform Plan establishes a timetable for ceasing admissions for each population group at Brisbane. That Plan was initiated on September 30, 2004 and will continue until admissions stop on June 30, 2005.

The Plan also requires that former Brisbane residents receive services in a less restrictive, community-based setting. These community-based programs will be operated by non-profit agencies contracting with the Department of Human Services and will be based on the age of each child and the severity of their behavioral health issues.

A total of $2.4 million was provided in fiscal 2005 for transitional costs associated with the depopulation of Brisbane. This funding is continued in fiscal 2006 along with $5.6 million for community placements of children who otherwise would have been placed in Brisbane.

After Brisbane is closed, the facility will continue to be used to provide services to children with special needs. The exact nature and scope of those services will be determined by the Department of Human Services during fiscal 2006.

State Purchases – Disability Vendors

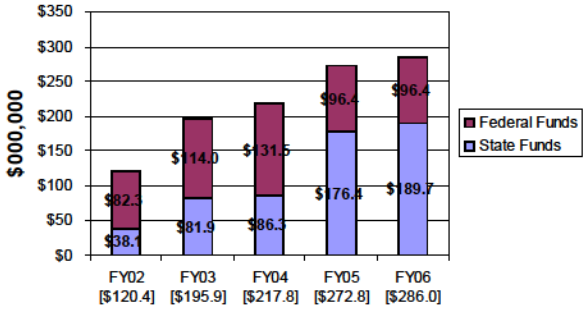
Presently, about one-third of 1% of total State purchases are made from developmentally disabled workshops. These purchases are made in accordance with the State Use Law for Rehabilitation Facilities, which encourages business between employment and training centers and State government agencies. In fiscal 2006, an administrative goal will be set to raise the percentage of State purchases from disability vendors or the Central Non-profit Agency (i.e., set-aside program) to a total of 3%.

Homeland Security

The tragic events of September 11, 2001, not only changed our lives, they fundamentally altered the priorities of government. To confront the enormity of the task that lay ahead, security became a top funding priority, and the State re-organized key services to combat the ongoing threat of terrorism.

As depicted on the attached chart entitled "New Jersey Homeland Security Funding," a total of $1.1 billion has been made available for security programs in New Jersey since fiscal 2002, split almost equally between State ($572 million) and federal ($521 million) funds. Along the way, however, the federal portion has steadily declined as a percentage of the annual total, dropping from a high of 68% in fiscal 2002 to a projected 34% in fiscal 2006. The State has filled that vacuum, raising its level of effort by nearly 500% from approximately $38

New Jersey Homeland Security Funding

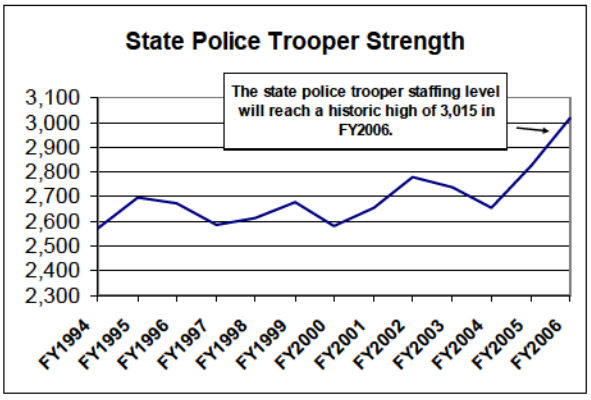


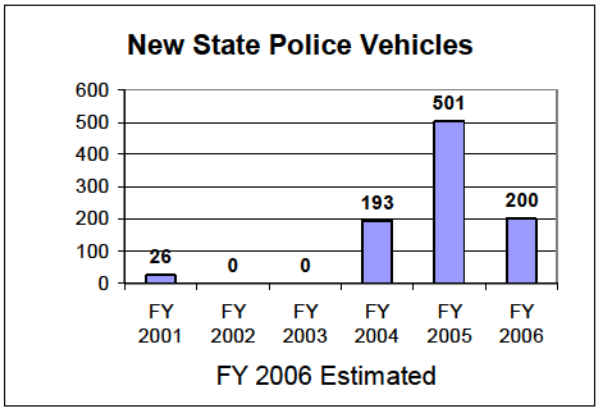
million in fiscal 2002 to a projected $189 million in fiscal 2006, primarily by adding new surcharges on car rentals ($2 per day, $22 million per year beginning in fiscal 2004) and monthly telephone bills ($.90 per phone line, $115 million per year beginning in fiscal 2005) to an expanded level of General Fund support.

The chart below outlines some of the new programs that were implemented since September 11th, 2001, and the corresponding State funding that is recommended in fiscal 2006:

Enhanced 911 Service – Wireless Calls	$32.4 million
Municipal Aid – Homeland Security Grants	$32.0
Bioterrorism/Disease Surveillance	$12.3
Office of Counterterrorism	$ 9.2
Nuclear Plant Security	$ 4.8

As displayed on the chart below entitled "State Police Trooper Strength," the State has also increased the State Police ranks by a projected 363 troopers (14%) from fiscal 2004 to fiscal 2006 at an annual cost of approximately $12 million in salaries. This will provide a total of 3,015 troopers, the highest level in the history of the State Police. An accompanying chart entitled "New State Police Vehicles" displays a corresponding increase in State trooper cars during this time frame.



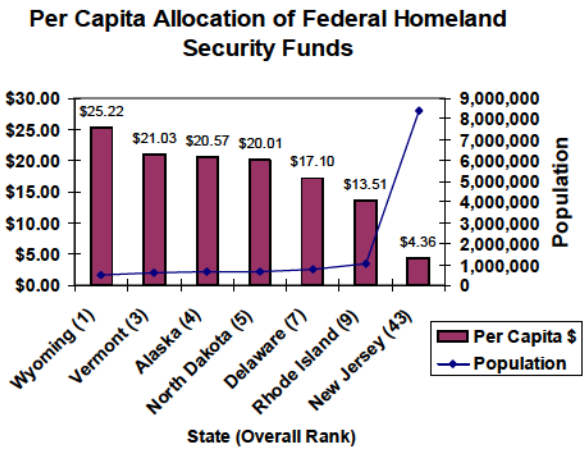


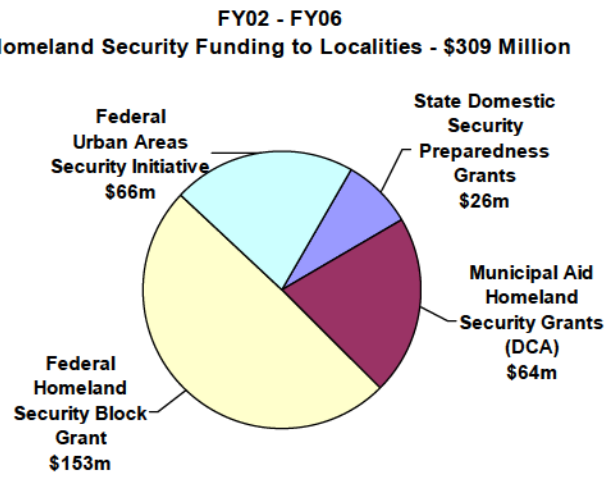
Equally impressive, however, is the amount of capital funds provided by the State, including Building Authority financing, to upgrade key emergency response facilities or to protect potential targets:

State Police Technology Center and Troop C Headquarters	$84.0 million
State Police Emergency Operations Center	$27.0
OIT Availability and Recovery Site	$14.1
Statewide Security (since FY2002)	$12.0

With the exception of Bioterrorism, however, none of these new programs received any federal support. In fact, federal funds provided to New Jersey for health and law enforcement programs declined by a total of $35 million or 27% from fiscal 2004 ($131.4 million) to fiscal 2005 ($96.4 million). Most of this decline ($32 million or 90%) was in the area of law enforcement, reflecting a $16 million (40%) reduction in equipment and training grants for first responders in New Jersey as well as cuts to Urban Area Security Initiative (UASI) grants ($13 million, 40%). The latter, which are designed to address the unique security needs faced by large cities, resulted in a reduction to the Jersey City UASI of $10.3 million, or 60%, from $17 million in fiscal 2004 to only $6.7 million in fiscal 2005. The greater Newark UASI, which includes Essex, Bergen, Morris, Hudson, Passaic and Union counties, will receive only $12.4 million in fiscal 2005, or $2.6 million less than its previous $15 million amount. Collectively, these two UASI areas represent nearly half the state's population and its critical infrastructure sites.

Generally, there are two underlying causes for the decline in federal funds to New Jersey. The UASI cuts noted above were implemented despite an increase in the total UASI funding of 24% in fiscal 2005, as the federal government directed more funds to the nation's largest cities (e.g., New York, Washington, D.C.) at the expense of comparatively smaller urban areas. The federal government's use of a population-based formula for distributing Homeland Security grants among the states was equally troubling. As shown on the attached chart entitled "Per Capita Allocation of Federal Homeland Security Funds," rural states such as Wyoming and Vermont, which have far fewer potential terrorist targets, have received much higher funding on a per capita basis than New Jersey. In fact, New Jersey ranks 43rd in the nation in federal Homeland Security grants per capita despite having the highest concentration of at-risk infrastructure. Unfortunately, the funding provided has simply not been commensurate with the risks, placing a disproportionate funding burden on New Jersey taxpayers.





The State's lobbying efforts at the federal level may be bearing fruit, however. The proposed Federal 2006 Budget, released on February 7, 2005, would restructure State and local grants for first responders to target money to areas which face the greatest risk and potential vulnerability. It would scrap the current population-based formula and instead require states to compete for funds by demonstrating how their security plans mesh with national preparedness goals. It would also provide $600 million nationally for a new grant program to protect key infrastructure, including ports and private industry, would lower the minimum percentage allocation to states from .75% to .25%, and increase UASI funding for cities. However, Congress must approve these changes by altering existing law, including the USA PATRIOT Act, which designates the current mandatory minimums for states.

Of the funding that is presently available, much of it has been forwarded to localities. In the aftermath of September 11th, many towns have struggled to keep pace with Homeland Security needs. The attached chart, entitled "Homeland Security Funding – Localities", highlights an estimated $309 million that was passed through to local governments, representing roughly one-third of the $1.1 billion in State and federal funds provided for Homeland Security from fiscal 2002 to fiscal 2006. This includes 80% of most federal grants for equipment and training as well as $32 million in annual State funds for local property tax relief, offsetting security costs within local operating budgets.

Organizing Collaboratively to Maximize Resources

Under the best of circumstances, there is not enough funding available to bring every affected agency up to the level of preparedness that is required. To successfully combat terrorism, cooperative solutions must be implemented. As opposed to the ways of the past, when hundreds of localities would purchase equipment and security services independent of one another, it is inherently more efficient to arrange mutual aid agreements between various units of governments. New Jersey has responded to this challenge by instituting historic organizational changes that drive budget decisions, leveraging available funds through the regionalization of services.

Over a year before the federal government established the new U.S. Department of Homeland Security, New Jersey created the Domestic Security Preparedness Task Force to coordinate the efforts of multiple departments, including Law and Public Safety, Health and Senior Services, Transportation, and Environmental Protection, to name a few. Operating largely out of public view, the Task Force has coordinated one of the most extensive interagency operations in State history. To drive home the importance of interagency cooperation, the Task Force has adopted a funding strategy that maximizes available resources by placing the highest priority on regional solutions and, to the extent possible, adopting a "follow the hazard" approach that recognizes the localities that face the greatest risk.

Some prime examples of interagency cooperation include:

- Detect and Render Safe Task Force – State and local collaboration providing bomb squads and explosive-detecting dogs on a regional basis.
- Rapid Deployment Force (RDF) – over 1,000 officers from 135 municipalities and counties, plus a contingent of State troopers, provide immediate response capability to potential terrorist incidents that could overwhelm a local police force; the RDF

also has been deployed for special events, such as the Republican National Convention, the presidential inauguration, and to inspect trucks traveling into Manhattan during periods of heightened security alerts.

- Domestic Security Exercise Support Team - an interagency group that evaluates security capability in the field. For example, in April, 2005, New Jersey will participate in a congressionally-mandated, full-scale terrorism preparedness exercise referred to as TOPOFF 3, a week-long security exercise which will be international in scope, involving Canada and the United Kingdom as well as federal, state and local governments. New Jersey was chosen as the host venue on a competitive basis for the biological agent exercise (plague). The Support Team will identify existing gaps and weaknesses.
- Monmouth County assigned much of the equipment it purchased to a select few county or municipal responders who are positioned and staffed to rapidly transport the equipment anywhere in the county. This model has been replicated throughout the state.
- At the request of the United States Coast Guard and the United States Navy, State Police marine troopers now escort vessels carrying military and hazardous cargo containers.

Collaboration has also extended to the private sector, which owns up to 90% of the critical infrastructure in our state. The Task Force has developed best practices for security, covering issues such as background checks, mitigation measures, and communication protocols for crisis events, and tailored them to 20 different industry sectors (e.g., chemical/petroleum, healthcare and food). The corresponding public agencies serve as liaisons to their respective industries (e.g., Board of Public Utilities with the power industry), forwarding best practices to the Governor for approval. These suggestions are then disseminated to each company within a sector, and compliance is monitored biannually. In addition, the Office of Counter Terrorism routinely shares information with the private sector about potential threats using a high-speed notification system.

Two other key examples of regional, multi-agency solutions pressed by the Domestic Security Preparedness Task Force are summarized below.

School Security

In the summer of 2004, the extent of what is truly at stake in the war against terrorism became apparent in an attack on school children in Beslan, Russia, in which terrorists hid explosives and weapons in the school as part of a construction project. The shock was deepened by the subsequent news that floor plans for two New Jersey schools were found on a computer disk in Iraq. To ensure the safety of our children, Acting Governor Codey implemented a School Security plan. Each school in New Jersey will receive a comprehensive security checklist jointly prepared by law enforcement and educational officials, and the State Police will send trained security experts to ensure compliance at every school. In addition, every school construction site will be regularly inspected by security staff, and school personnel will be trained by federal and State security experts on how to recognize and react to potential terrorist activity. Finally, the NJ Domestic Security Preparedness Task Force will apply the lessons learned from the pre-existing Model Mall Initiative to investigate the use of new technology, such as "smart" surveillance cameras or identification cards, which are currently being evaluated by the State's Homeland Security Technology Systems Center at the New Jersey Institute of Technology (NJIT).

Interoperable Communications

Another stark lesson of the September 11th disaster was the inability of first responders to effectively communicate. Using a combination of $36 million in State and federal funds, including $2 million provided in a supplemental appropriation signed by the Acting Governor in January, 2005, the State Police will upgrade their existing, obsolete analog radio system to a digital platform, ending the reliance on a single transmitter at a single tower which existed at the time of the World Trade Center attack.

While statewide coverage is expected by December of 2005, the North Jersey segment was recently completed and field tested with over 40 other law enforcement agencies, including the Port Authority, FBI, Coast Guard, county sheriffs, and local first responders. This technology, which was successfully used at the Republican National Convention and during previous threats against the financial industry in northern New Jersey, eliminates the need to patch together existing frequencies through a central dispatch point. That prior system produced a "party line" type connection in which many agencies were indiscriminately linked. Instead, the new system provides a targeted "private line", essentially limiting communications to those first responders who are vital in any particular emergency. This system, which meets current standards established

by the federal Department of Homeland Security, makes maximum use of existing radio equipment while the State awaits a longer term solution that would standardize radio frequencies for all users.

As a counterpart in the health field, New Jersey is also the first state in the nation to have an interoperable radio system connecting the State's 84 acute care hospitals and the various emergency preparedness centers, ensuring reliable communications among health care providers and first responders if a terrorist event or natural disaster were to disrupt normal communications.

State Police – Homeland Security Branch

On February 26, 2004 the State Police announced the largest reorganization in the Division's history with the creation of a new Homeland Security Branch (H.S.B.). This reorganization placed all front-line defenses under one unified command, thus maximizing the Division's ability to coordinate statewide resources. As of January 2005, the HSB has a total of 1,137 staff, approximately one-quarter of the total available to the State Police.

Public Health Terrorism Preparedness

The Department of Health and Senior Services (DHSS) has stewardship responsibility for approximately $45.3 million a year in state ($12.3 million) and federal funds ($33 million) for bioterrorism, disease surveillance, and health care preparedness. These resources enable DHSS to adequately prepare for emerging health threats that were rarely mentioned prior to the tragedy of September 11th.

In fiscal 2005, approximately $14 million was forwarded to counties and cities (e.g., Newark, Paterson) designated as lead public health departments to enhance emergency preparedness planning and response, disease surveillance, health education, training, and mass vaccination, adding approximately 150 specialists to the local public health workforce.

To rapidly distribute antibiotics and vaccines during a biological or chemical attack, the Department developed a robust system for the storage and distribution of the federal Strategic National Stockpile, including a supplemental stockpile to meet our immediate needs until the federal assets arrive. In fiscal 2005 and 2006, $3.5 million will be provided for this purpose. This includes the strategic placement of "CHEMPACKs", which are federally-controlled supplies of chemical antidotes located in select hospitals and secure government venues around the state.

The State's emergency medical services (EMS) and health care system, such as hospitals and community health centers, require increased capacity to handle mass casualties. In response, nine hospitals have been designated as Medical Coordination Centers, responsible for coordinating medical activities on a regional basis ($8.6 million). In addition, New Jersey was the first state in the nation to provide a round-the-clock Bioterrorism Rapid Response team as well as three regional EMS Task Forces comprised of advanced life support and paramedic staff who can mobilize quickly in the face of a crisis. Finally, the JEMTRAK project will provide a rail-based medical response capability, retrofitting several rail cars with equipment, medical supplies and trained health personnel to provide timely triage, emergency medical treatment and transport/medivac ($1.4 million).

Laboratory testing services are a vital component of every state's preparedness efforts, and DHSS has aggressively pursued several capital projects to more efficiently handle specimens. Assuming final legislative approval in 2005, the NJ Building Authority will be authorized to provide $139 million in financing for a new, 275,000 square foot, state-of-the-art Public Health, Agricultural and Environmental Laboratory. The facility should be fully commissioned in about four years. In the interim, DHSS has secured satellite lab space to support expanded environmental chemistry testing and has also expanded its current microbiology laboratory to provide an additional 3,000 square feet of lab space.

In addition, DHSS is also constructing a full use, 1,500 square foot Health Command Center, providing a key focal point for coordinating the public health response to an act of terrorism or other major health emergencies. The facility will be equipped with redundant, state-of-the-art communications equipment as well as an emergency power generator to ensure continuity of operations at a total cost of $2.2 million.

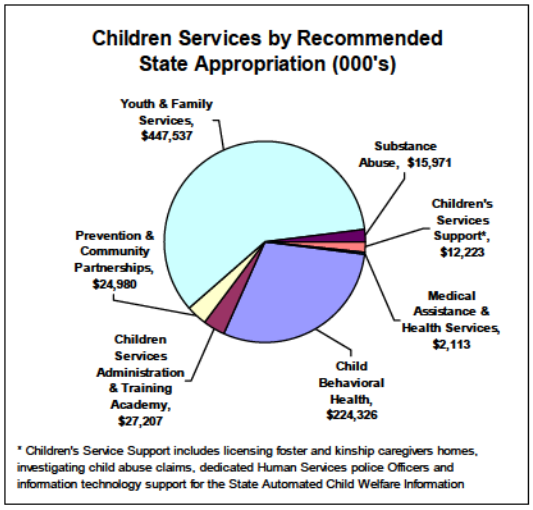
Child Welfare Reform

Following the tragic death of several children due to abuse or neglect, a federal class action lawsuit originally filed by Children's Rights, Inc., in 1999 was settled in June, 2003. The settlement created a Child Welfare Reform Panel whose role is to approve a reform plan developed by the State and to oversee the subsequent reform efforts implemented over an 18 month period. The plan, entitled *A New Beginning: Child Welfare Reform in New Jersey*, was approved by the Panel on June 9, 2004 and incorporated into the lawsuit.

The Fiscal 2006 Budget provides an additional $55 million in State funds, increasing State appropriations from $149.8 million in fiscal 2005 to $204.8 million (37

%) in fiscal 2006, to sustain and expand Child Welfare Reform efforts for the following initiatives:

- *Reorganize Children Services*: All child welfare services within the Department of Human Services are restructured under the Office of Children Services, an umbrella "agency within the agency." Within this new organization are the Division of Youth and Family Services, the Division of Child Behavioral Health, the Division of Prevention and Community Partnerships, and the Child Welfare Training Academy. By separating mental health, prevention and training services, DYFS will be able to focus exclusively on permanency and protective services for children. (See the attached chart entitled "Children Services by Recommended State Appropriation" for a breakout of State funding for Child Welfare among various divisions within the Department of Human Services.)



- *Additional Caseworkers and Support Staff:* The Fiscal 2006 Budget provides funding for additional employees. These positions include additional case-carrying staff that will allow DYFS to move towards its goal of achieving caseload-to-staff ratios of 12-to-one for protective staff and 15-to-one for permanency staff.

- *Rate Increases for Resource Families (i.e., Foster Care, Subsidized Adoption):* The Budget provides additional funding to increase the board rates for foster and subsidized adoption in order to close the gap between current rates and the U.S. Department of Agriculture's estimated cost of raising a child in a two-parent, middle income family in the urban northeast by 15%.

- *Division of Child Behavioral Health Services:* Funding is provided to reduce the inappropriate reliance on institutional settings by expanding child behavior health services, including intensive in-home services, mobile response and stabilization services, care management organizations, family support organizations and community-based treatment homes.

- *Substance Abuse*: Additional funding is provided to create and support more substance slots for women who are involved or at-risk of involvement with the child welfare system and their children.

- *Community Partnerships and Prevention Services*: With particular attention to the precursors of child abuse and neglect, including mental health, substance abuse and housing, the Fiscal 2006 Budget provides funding to support expanded community-based planning services including school-based youth programs to preserve and support healthy families.

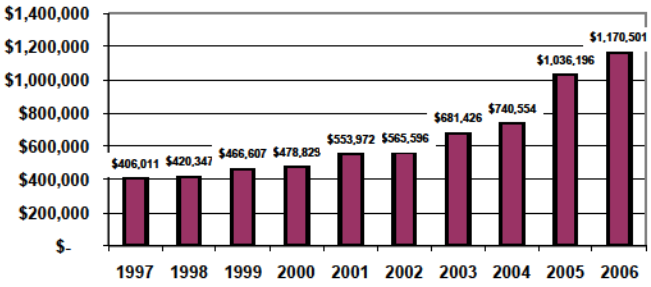
- *Child Welfare Training Academy*: The Fiscal 2006 Budget supports the continued development of the Child Welfare Training Academy, which provides training for resource families, community-based provider employees and all Office of Children Services staff.

- *Statewide Automated Child Welfare Information System (SACWIS):* Operational support is continued for the development of SACWIS, which rolled out its first module November, 2004. An additional $3.5 million is recommended in State capital to modify a component of an existing SACWIS system from another state so it may be used in New Jersey. This State funding will be matched by federal grants.

Beyond the growth associated with Child Welfare Reform efforts, the Fiscal 2006 Budget provides another $24.5 million for Child Behavioral Health services and $4.3 million in funding for various DYFS out-of-home placement categories. As depicted on the attached chart entitled "Protecting Children: Total Expenditures",

the combined value of State and federal funds dedicated for protecting children in fiscal 2006 will be nearly $1.2 billion, an increase of 13% over the amount provided in fiscal 2005.

Protecting Children: Total Expenditures Fiscal 1997 - 2006 (in thousands)



Expenditures data includes all funds for the Office of Children Services; Office of the Child Advocate; Division of Law, Office of Child Welfare; and Office of Public Defender, Law Gaurdain Kinship Care.

Safety Net

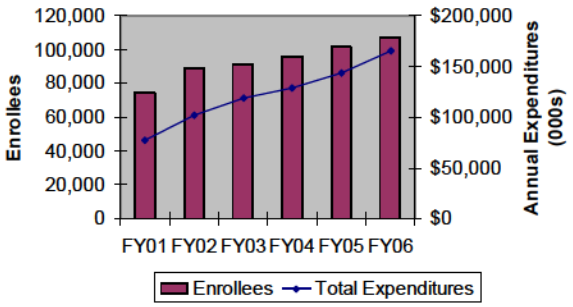
Medicaid, Family Care, and Kidcare

Through the Medicaid, FamilyCare, and KidCare programs, the Division of Medical Assistance and Health Services fulfills its commitment to provide health care to New Jersey's most vulnerable citizens. The combined State cost of providing these services is projected to increase from $2 billion in fiscal 2005 to $2.2 billion in fiscal 2006. This increase of 8.4% is primarily attributable to utilization increases, medical inflation, and the rising cost of prescription drugs.

While the number of Medicaid-eligible residents is projected to remain relatively stable at 930,000, the number of children receiving health insurance through the KidCare Program is expected to increase by 10,000, or approximately 10% above the 100,000 children currently receiving health insurance benefits. As can be seen in the chart entitled "NJ KidCare Growth", the Fiscal 2006 Budget continues support for this growing program with $164 million in State and federal funds. All New Jersey children with a family income up to 350% of the federal poverty level, or income of $65,975 for a family of four, will continue to be eligible for coverage under the program.

Due to fiscal constraints, the FamilyCare program will again be limited to those who are currently enrolled.

NJ KidCare Growth



Operational Efficiencies

In an effort to provide the highest possible level of benefits to the Medicaid population in this challenging fiscal year, operational efficiencies and client cost-sharing measures totaling $25.8 million are recommended for fiscal 2006. These cost containment initiatives are quite similar to those implemented by most other states across the country, all of whom face the same type of Medicaid cost pressures as New Jersey has experienced. While New Jersey has avoided the more draconian cuts that some other states have found necessary, including large scale reduction of ancillary services, the measures proposed for fiscal 2006 are designed to eliminate duplication and increase program efficiency. Highlights include:

- Savings of $20 million will be achieved through enhanced monitoring of Medicaid payments for outpatient hospital services.
- Individuals who receive chiropractic, home health, and physician services will share in the cost of their care, saving $3.3 million. A nominal co-pay of $3 per visit will be required from adult beneficiaries, excluding pregnant women.
- Recommended savings of $1.5 million by switching to electronic information transfer wherever practical, thus reducing the cost for printing and postage, most of which will be obtained by transitioning to electronic transmittal of provider manuals and newsletters.
- Continued efforts to identify individuals currently enrolled in Medicaid who have duplicate coverage through a commercial company or the Medicare program, yielding a projected savings of $1 million.

Prescription Drugs

Medicaid plans to spend in excess of $1 billion in State and federal funds on fee-for-service and long term care prescription drugs in fiscal 2006. This amount

excludes drugs provided through a Medicaid managed care plan or the FamilyCare program. To lessen the budget pressure created by the rapid increase in the cost and utilization of prescription drugs, and to preserve Medicaid programs for the greatest number of needy recipients possible, several cost-saving measures worth $12.1 million are planned for fiscal 2006, as summarized below:

- In an effort to better control drug utilization and help offset cost increases, adult beneficiaries excluding pregnant women, will begin to share the costs of their prescriptions, in fiscal 2006, yielding a Medicaid savings of $3 million. A nominal $1 co-pay will be required at the point-of-sale for each prescription filled.

- Recommended savings of $3.4 million will be achieved by reducing the frequency of pricing updates. Currently, prices paid to pharmacies are updated on a weekly basis. This initiative would change these updates to once a month.

- Changing the refill requirements for prescription drugs is expected to produce savings of $2.8 million. Currently, a prescription may be refilled once it is 75% finished. This initiative would increase that requirement to 85%.

- Implementing a computer system edit to screen for and deny any prescription claim that exceeds the maximum allowance for the number of pills per prescription is anticipated to save $1 million.

- Recommended savings of $1 million will be generated by reducing costs for the prior authorization of pharmacy claims. Currently, claims that require prior authorization are reviewed by a commercial contractor. This initiative would shift this function to the State's School of Pharmacy.

- Another new claims system edit will prevent the dispensing of prescriptions for narcotic drugs to anyone taking methadone. The effects of a narcotic prescription are neutralized by methadone, rendering the pharmaceutical useless. Savings of $500,000 is projected.

- Recommended savings of $330,000 will be achieved through changes in payments for injectable drugs dispensed in a physician's office and billed as a physician service. Currently, Medicaid reimbursement for these drugs is based on the Average Wholesale Price (AWP) minus 5%. This initiative will reduce Medicaid reimbursement to the lower of a physician's acquisition cost or AWP minus 12.5%. This proposal will also maximize drug rebate revenue by including drugs administered by physicians in the federal Medicaid Drug Rebate Program.

Managed Care

In addition to traditional fee-for-service medical coverage, 646,000 people (69%) of all Medicaid Clients receive health care coverage through five Health Maintenance Organizations (HMOs). The managed care program, which seeks to provide quality access and care management to Medicaid clients, is funded at $593 million in the Fiscal 2006 Budget. Through the increased coordination of care provided by HMOs, Medicaid clients remain in better health and incur lower health care costs.

Developmental Disabilities-Community Programs

The Fiscal 2006 Budget proposes increases in State appropriations for several programs that benefit the developmentally disabled.

As part of the Division of Developmental Disabilities (DDD) ongoing Community Service Waiting List initiative, funding will be available to place 200 people from the existing Community Services Waiting List and Community Transition in group homes during fiscal 2006, an increase of 3%. The cost of these new placements and full year funding for costs deferred from fiscal 2005 totals $12.6 million.

Real Life Choices, a new program that was recently implemented within DDD, provides in-home/respite services for people on the waiting list and for people living at home with parents or guardians. Real Life Choices reduces the Community Services Waiting List by providing home supports for disabled persons and their families as an alternative to residential placements. Funding of $1.5 million is recommended for the annualized costs of clients that were added in fiscal 2005.

In addition, Developmental Center Enhancement funding of $2.5 million is recommended to prevent the Woodbridge Developmental Center from losing federal certification/funding. These funds will be used to encourage the recruitment of nurses, update equipment,

purchase contracted services, and provide community placements and work programs.

An additional $7 million is recommended for approximately 200 emergency residential placements. Each year, DDD receives approximately 200 requests for immediate, emergency residential placements. The requests include people whose caregivers, usually elderly parents, are no longer able to provide care because of their own medical problems.

Charity Care

New Jersey hospitals are required by State law to provide services to those in need, regardless of their ability to pay. A share of the cost associated with this care is reimbursed by the State through the Charity Care program.

The Fiscal 2006 Budget provides a total of $532.4 million in funding for Charity Care payments to hospitals. This reduced level is because of the lower than anticipated collections in the cosmetic surgery and ambulatory facility assessments. Of the total general fund contribution to the Health Care Subsidy Fund (HCSF), $42.1 million will be used for Charity Care payments in fiscal 2006.

In addition to the General Fund contribution, it is anticipated that Charity Care will be funded by the following:

- $200 million through a diversion of resources from the Unemployment Compensation Fund;
- $155 million from the cigarette tax;
- $55 million from an assessment on Health Maintenance Organizations (HMOs);
- $42.6 million in federal revenue;
- $25 million from an assessment on ambulatory medical facilities;
- $7 million from an assessment on cosmetic surgery procedures;
- $5.7 million from other revenue sources.

If revenues realized are greater than those anticipated from the ambulatory facility or cosmetic surgery assessments, the amount of charity care distributed will be proportionally increased. This level of support to the State's hospital industry ensures access to medical care for those in need.

Federal Qualified Community Health Centers

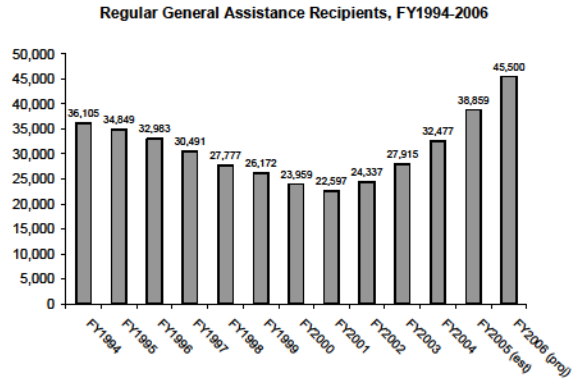
The Fiscal 2006 Budget recommends an increase of $5 million, from an existing appropriation of $21 million to $26 million, to enable existing Federally Qualified Health Centers (FQHC) to treat more uninsured patients and to develop new service locations in areas designated as Medically Underserved Areas (MUA) by the U.S. Department of Health and Human Services. Currently there are 20 community health centers operating 67 facilities throughout New Jersey. The funding increase proposed for fiscal 2006 will enable the Department of Health and Senior Services (DHSS) to open several new centers and thus provide quality healthcare to approximately 30,000 additional New Jersey residents.

In the absence of a universal health insurance program, the community health centers have become a major component of the nation's health care safety net. In many communities, community health centers are the only health care providers available. Given the disparities that have been identified among communities and ethnic groups, this initiative is critical to addressing the medical needs of these special populations. Specifically, FQHCs improve infant mortality rates and prenatal care, reduce low birth weight, and control chronic disease and disability. They also decrease the use of emergency room services for non-emergency purposes, a key cost control factor.

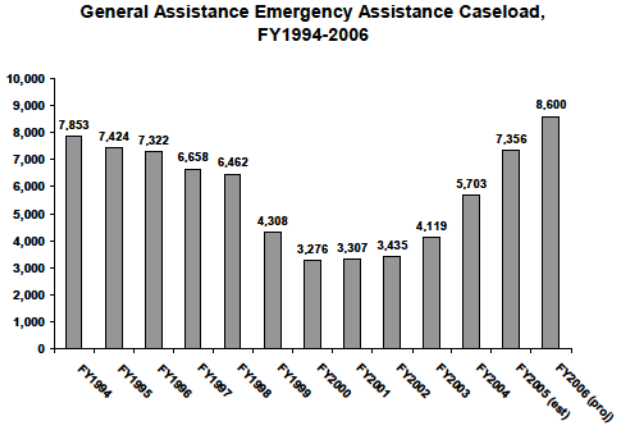
In addition, Federally Qualified Health Centers include a federal 340B Drug Pricing program which gives access to reduced prices for prescription drugs. Specifically, the 340B Drug Pricing program requires manufacturers to provide outpatient drugs at a reduced price, as defined by federal statute. This program should help to maximize the use of available resources within the State's FQHC program.

Welfare

The General Assistance (GA) program provides cash assistance for single people and childless couples who earn up to 100% of the federal poverty level as well as other singles and childless couples who are unable to work due to disability. As noted on the attached chart entitled "Regular General Assistance Caseload", the number of GA recipients increased by 44% (9,880) between fiscal 2001 (22,597) and fiscal 2004 (32,477), and the cost of providing benefits increased $15.2 million (36%) in the same period, from $42.5 million in fiscal 2001 to $57.7 million in fiscal 2004. Based on trends observed over the last 18 months, annual recipient growth of more than 15% is expected in fiscal 2005 and fiscal 2006, and the associated cost of providing benefits is expected to grow by $22.8 million during this period.

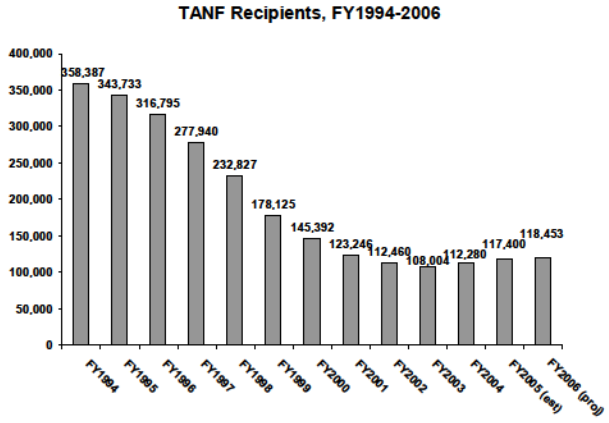


The GA program also provides emergency assistance services to its clients, including temporary rental assistance, payments for furniture, clothing, shelter and other essential needs. Due to increases in housing costs and a corresponding increase in the need for rental assistance, the number of GA emergency assistance recipients increased by approximately 73% (2,396) between fiscal 2001 (3,307) and fiscal 2004 (5,703). Due to increasing monthly grants, the cost of providing emergency assistance to this population more than doubled in this period, from $25.1 million in fiscal 2001 to $51.9 million in fiscal 2004. Additional growth of 53% ($27.6 million) is expected between fiscal 2004 and fiscal 2006. This trend can be viewed in the attached chart entitled "General Assistance Emergency Assistance Caseload".



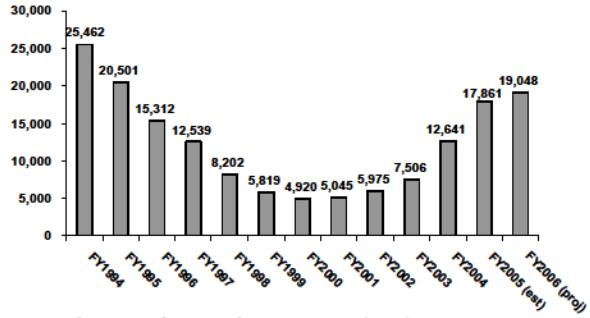
There are a number of reasons for the dramatic increase in GA caseloads, including the 2001-2002 recession, slow job growth in the current economic recovery, increased housing costs, and the fact that disadvantaged singles and couples become eligible for basic health coverage (available through the Division of Medical Assistance and Health Services) simply by receiving GA cash assistance.

The Temporary Assistance for Needy Families (TANF) program provides cash assistance for families whose income is less than 250% of the federal poverty level. As noted on the attached chart entitled "TANF Recipients", the total number of TANF recipients decreased by approximately 12% (15,242) between fiscal 2001 (123,246) and fiscal 2003 (108,004), generating budget savings of $16.6 million in this period. Most of this decrease was attributable to the federal government's 1996 welfare reform law which implemented cash benefit time limits and required welfare recipients to participate in work activities in order to move off of TANF cash assistance. In fiscal 2004, the TANF caseload increased by nearly 4%, the first annual caseload increase in more than 10 years, mainly due to slow job growth in the current economic recovery and a smaller number of TANF recipients leaving welfare for work. As a result, the associated cost increased by $9.2 million. As shown on the attached chart, TANF caseloads are expected to rise by just over 4% in fiscal 2005 and then remain relatively flat in fiscal 2006. The increased cost between fiscal 2004 and 2006 is expected to be approximately $10.0 million.



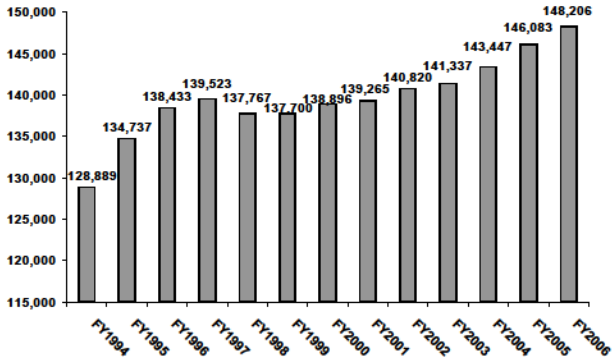
Similar to the GA program, TANF also provides emergency assistance services to its families, including temporary rental assistance, payments for furniture, clothing, shelter, and other essential needs. Due to increases in housing costs and a corresponding increase in the need for rental assistance, the number of TANF emergency assistance recipients increased by nearly 151% (7,596) between fiscal 2001 (5,045) and fiscal 2004 (12,641), and the cost to provide emergency assistance benefits increased by $33.7 million in this period. (See attached chart entitled "TANF Emergency Assistance Recipients"). In fiscal 2001, approximately 1 out of every 20 TANF cash assistance recipients also received emergency assistance benefits; by fiscal 2004, that number was up to 1 out of every 9 TANF cash assistance recipients. The emergency assistance population is projected to continue to grow through fiscal 2006, generating $4.5 million in budget growth.

TANF Emergency Assistance Recipients, FY1994-2006



The Supplemental Security Income (SSI) program provides cash assistance to New Jersey's economically disadvantaged disabled population. As depicted on the attached chart entitled "SSI Recipients", this population has grown steadily since fiscal 1999, including 3% growth between fiscal 2001 and fiscal 2004, which created $7.6 million in additional costs. On an annual basis, this growth trend is expected to accelerate slightly, from a rate of about 0.7% per year from fiscal 2001 to fiscal 2004 to about 1.5% per year in fiscal 2005 and fiscal 2006, mainly due to the aging of New Jersey's population and the movement of GA – Unemployable recipients into SSI. Additional funds totaling $3.6 million are expected to be needed to accommodate this caseload increase.

SSI Recipients, FY1994-FY2006



Health Care

Pharmaceutical Assistance to the Aged and Disabled (PAAD)

The recommended funding for the Pharmaceutical Assistance for the Aged and Disabled (PAAD) program in fiscal 2006 is approximately $397.6 million, which is $16.6 million (4%) less than the fiscal 2005 amount of $414.2 million. As summarized below, this recommended appropriation includes several savings initiatives that offset projected fiscal 2006 budget growth attributable to increased utilization and the rising cost of drugs:

- Typically, there is a six-month lag in the receipt of rebates from drug manufacturers. These rebates are based on the sheer size of the State's bulk purchase of drugs. The Fiscal 2006 Budget will assume that rebates that are not submitted to the State until fiscal 2007, but which are due and owing from expenditures made in fiscal 2006, will be attributed to the Fiscal 2006 Budget. This approach mirrors the standard practice that has been applied in the past in the State's Medicaid program. These rebates will offset the State appropriation for the PAAD program and thus yield an estimated savings of $50 million in fiscal 2006.

- Reducing the frequency of pricing updates of prescription drugs will achieve an estimated savings of $7.9 million. Currently, the PAAD and Medicaid programs update the reimbursement rates paid to pharmacies for prescription drugs on a weekly basis. This initiative would decrease the frequency of these price updates to once per month.

- The PAAD program will realize an estimated savings of $4.5 million by changing the refill requirement for prescription drugs. Currently, a prescription may be refilled once it is 75% finished. This initiative would increase that requirement to 85%.

- The PAAD program will receive federal funding to help educate and transition PAAD beneficiaries to Medicare Part D. The Medicare Transitional Assistance Grant will be used to help offset PAAD State administrative costs. Estimated savings are $5.3 million.

In addition, under the new federal Medicare Modernization Act of 2003, the PAAD program will provide a seamless transition for current recipients who will be enrolling into Medicare so no one will experience a loss of benefits.

Long-Term Care and Nursing Homes

The total recommendation for Nursing Home and alternative programs in the Fiscal 2006 Budget exceeds

$783 million in State funds. This recommendation includes several key savings initiatives which maximize federal revenues and control costs, thereby offsetting a total of nearly $100 million of State appropriations that would otherwise be required to support Nursing Home and alternative operations. The major savings initiatives are outlined below:

- A provider assessment initiative, based on P.L. 2004, c. 41, implements a uniform assessment on all nursing facilities' providers that will generate new federal Medicaid matching funds. This initiative will provide $51.5 million to offset increased costs funded by the State. The remaining revenue will be matchable under Medicaid, increasing the amount of federal matching funds which will be redistributed to the nursing facilities to improve caregiving.

- Nursing home rates will be rebased without providing an inflation factor adjustment, resulting in an estimated savings of $23.4 million.

- Reducing nursing home reimbursements from 90% to 50% of the facility rate in instances where beds are reserved for residents who leave temporarily, is projected to yield a savings estimated at $6.4 million.

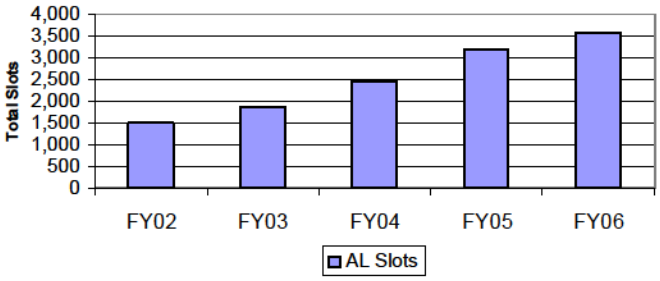
- An enhancement of the existing peer grouping methodology which is used to reimburse county nursing facilities is expected to generate savings of $6 million in fiscal 2006.

- Estimated net savings of $765,000 may be realized through increased audits and recoveries of overpayments to nursing facilities. Additional staff have been added to support this initiative, which will ensure that nursing home rate recalculations are done in a more timely manner when overpayments occur.

- A $3.00 co-payment on Medical Day Care services will be implemented. Estimated savings is $3.2 million.

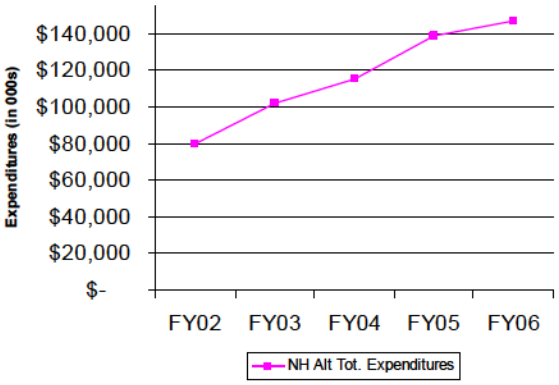
As depicted on the chart entitled "Growth of Assisted Living Slots," the Fiscal 2006 Budget supports an additional 375 slots for the Assisted Living program, bringing the total number of slots to 3,575, an increase of 12% over fiscal 2005. Assisted Living provides a cost effective, community-based alternative to nursing home care for the Medicaid population. The program combines housing, personalized support, and health care services to those who need help with the daily activities but do not require nursing home care. Since fiscal 2002, the number of Assisted Living slots has increased by 138%.

Growth of Assisted Living Slots



The Fiscal 2006 Budget increases funding for programs that offer alternatives for nursing home residents to be supported in less costly, more appropriate services. (See the chart entitled "Growth of Nursing Home Alternatives".) These nursing home alternatives include Assisted Living, Community Care Alternatives, ElderCare, and Medical Day Care. The recommended Fiscal 2006 Budget approaches $147 million for these four programs, which represents an increase of 83% above the fiscal 2002 appropriation of $80 million.

Growth of Nursing Home Alternatives



Cancer Research

Cancer continues to be one of the leading causes of disease and death, prematurely taking the lives of 18,000 New Jersey residents each year. The Fiscal 2006 Budget reflects a continued commitment to eradicating cancer by providing $32.3 million for cancer

research, prevention and treatment. Of this amount, $23.3 million is targeted to support the Cancer Institute of New Jersey, including $18.3 million in operating costs and $5 million in capital for facility expansion. As the state's only comprehensive cancer center, the Cancer Institute provides access to life-saving screenings, precise diagnosis, and innovative treatments. In addition, the New Jersey Cancer Trial Connect website provides cancer patients with access to information about innovative, clinical research trials. The remaining amount of $9 million is recommended for various cancer programs, such as the Commission on Cancer Research, cancer cluster investigations and cancer education and screening services through the New Jersey Cancer Education and Early Detection Program (NJCEED).

This appropriation continues a commitment that began in earnest in fiscal 2003. Since that time, the State has provided a total of $123 million in cumulative appropriations for this important program beyond its original base amount.

Stem Cell Research

Stem cells are unique in their potential for easing human suffering. Most cells of the body – such as heart cells or skin cells – are committed to conduct a specific function. Stem cells are different, however, in that they are able to grow and develop into various specialized cell types. Researchers believe that stem cells, which may be derived from placental tissue, umbilical cord blood, or a range of adult tissues in addition to human embryos, will one day replace cells lost or damaged by devastating diseases such as Parkinson's, Alzheimer's, kidney and heart disease, as well as spinal cord and brain injuries. When transplanted, stem cells have the potential to repair damage and restore function. And by understanding how stem cells renew themselves for long periods, research may unlock the secret to the growth of cancer cells, which also multiply without apparent limit, and thus provide a benefit that does not require the therapeutic application of stem cells themselves.

But there is much work to be done before the potential gift of stem cell research is realized, before we can turn hope into an actual cure. In 2004, New Jersey took a historic step by creating the nation's first state-supported institute dedicated to stem cell research and medical treatment. Two major public research universities, the University of Medicine and Dentistry of New Jersey and Rutgers University, are working together to create the Stem Cell Institute of New Jersey in New Brunswick. The Institute will feature world-class research teams and a state-of-the-art research and clinical treatment facility. An international search for a permanent Scientific Director of the Stem Cell Institute has begun.

As with any effort of this size and importance, resources are key. In his State of the State address, Acting Governor Codey committed $150 million in bond funds that remained from a prior securitization to build the Stem Cell Institute. He also called for a $230 million ballot initiative (General Obligation Bond Act) to fund stem cell research grants. Continuation funding of $5.5 million is provided in fiscal 2006 for the initial planning and development of the Stem Cell Institute. These funds are in addition to the $9.5 million previously appropriated.

Though other states are moving aggressively into this field, including initiatives totaling $3 billion in California and $1 billion in New York, the State of New Jersey holds a distinct advantage. Not only do we possess a unique combination of pharmaceutical infrastructure, biomedical research, and university expertise necessary to advance stem cell research, well over 50% of the therapeutic industry of the world is headquartered in New Jersey, and stem cells are clearly the future of therapeutics. This investment not only places New Jersey at the forefront of this exciting new field, it also represents a vital commitment to medical excellence for current residents and for generations to come.

Education

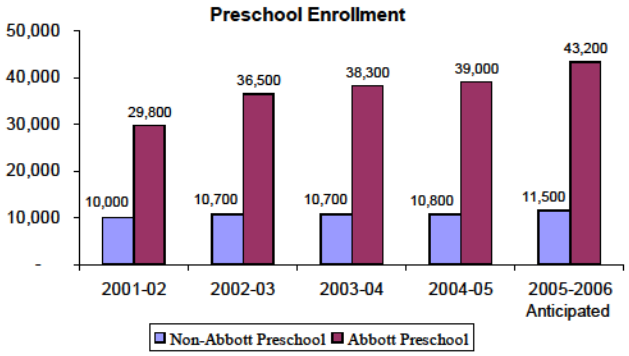
Including School Aid to localities, which is detailed in the Taxpayer Relief section of this document, over one-third of the Fiscal 2006 Budget, or $9.3 billion of the $27.4 billion total State appropriation, is provided for Education. Some of the more prominent programs are described below.

The Preschool Advantage

The importance of a quality education during a child's early years cannot be understated. In light of this, the State has maintained a firm commitment to enhance preschool services for our children. Through the joint efforts of the Departments of Education and Human Services, the State comprehensively integrates educational, social, and family programs to promote academic and social development. The quality of this effort has attracted national attention, as the National Institute for Early Education Research continues to rank New Jersey's Abbott program as one of the highest in the nation.

As the accompanying graph illustrates, the Department of Education expects preschool enrollment in the Abbott districts to grow to 43,200 for the 2005-2006 school year, an increase of approximately 45% since the program began in the 2001-2002 school year. If these enrollment levels are achieved, approximately 80% of all 3 and 4 year-olds in the Abbott districts will be enrolled in a high quality preschool program. To improve preschool quality while promoting fiscal accountability, the following initiatives are ongoing:

- Development of research-based program guidelines to encourage consistency across providers;
- A compliance program that will audit approximately 20% of providers and visit every district each year;
- Addition of fiscal specialists in each district to work with private providers and district programs on budget issues;
- Increased recruitment efforts to promote awareness of programs within Abbott communities;
- And offering a venue for providers, districts and the Departments of Education and Human Services to discuss issues and pose solutions.



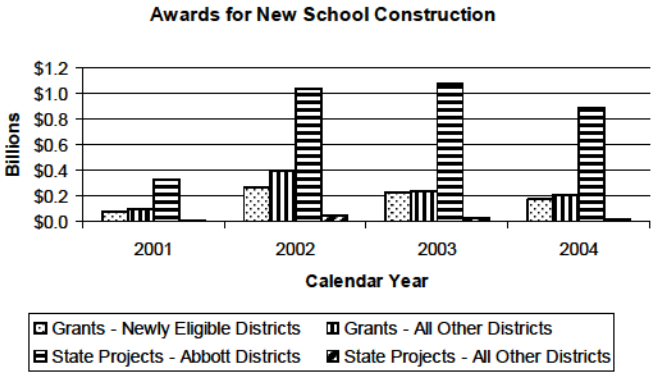
Since fiscal 2003, a new form of State aid has been provided to fund the dramatic increase in preschool enrollment in the Abbott districts. The Fiscal 2006 Budget recommendation includes $192.4 million for Abbott Preschool Expansion Aid, as well as $108.4 million in the Department of Human Services for programs offered before and after-school for approximately 29,000 Abbott preschoolers.

A second form of State preschool aid—Early Childhood Program Aid—supports an additional 42,823 preschoolers and kindergartners in 132 high poverty districts around the State. The Fiscal 2006 Budget recommends $330.6 million for this program. In fiscal 2005, a new category of early childhood State Aid, the Early Launch to Learning Initiative (ELLI), was introduced. The $4 million recommended for this program in the Fiscal 2006 Budget will increase access to high quality preschool for four year-olds by creating new or expanded preschool programs in districts with low-income students.

School Construction

As defined by the Educational Facilities Construction and Financing Act of 2000, New Jersey's school construction program is the largest in the nation. Every district is eligible for school construction aid and all districts saw an increase in the percentage of State support, which now ranges from 40% to 100% of approved project costs.

The New Jersey Schools Construction Corporation (SCC), a subsidiary of the New Jersey Economic Development Authority, is dedicated exclusively to school construction. In calendar year 2001, the first year of the program, state projects focused on correcting health and safety issues in the Abbott districts. As the following graph illustrates, in calendar years 2002 through 2004, $3.1 billion was dedicated to approved state projects and $1.5 billion was awarded in grants. Of the 440 districts that have received grants since the program's inception, 189 districts (43%) were previously ineligible for any school construction aid. Finally, 112 districts have been approved to receive over $415 million in debt service aid for school bonds issued before the new law took effect, thus decreasing reliance on local property taxes for that purpose. Of the districts receiving this retroactive debt service, 58 (52%) were previously ineligible for school construction aid.

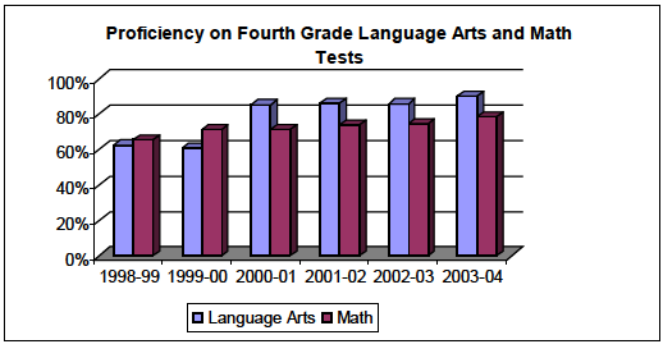


The overhauled school construction program provides a massive infusion of dollars into local school districts, helping districts keep pace with increasing enrollment and modernization needs while minimizing property tax growth. Six communities have been given the

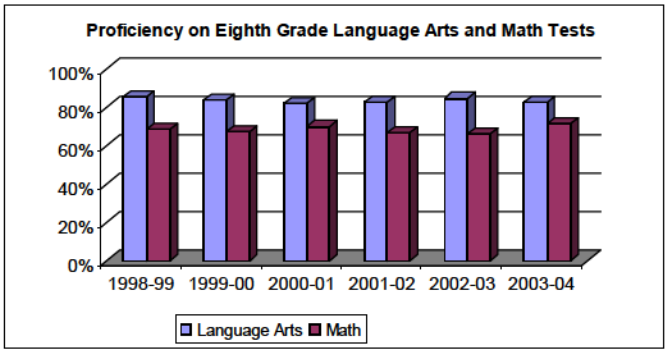
opportunity to build Renaissance Schools and Demonstration Projects Schools that serve not only the students of the community, but their parents, seniors and other community members. These schools are designed to be the center of the community, offering parental support and adult classes. The SCC also provides training and financial tools to small businesses to maximize their participation in the construction of facilities and offers workforce programs to residents in the affected communities. The benefits of this investment will be reaped for decades, fulfilling our obligation to provide a quality learning environment for all of the State's children.

Statewide Assessment

New Jersey continues to recognize the far-reaching effect of investments to educate young students. In 1996, the New Jersey Board of Education adopted the Core Curriculum Content Standards (CCCS) which outlined the skills that New Jersey pupils should master by the end of the fourth and eighth grades. The CCCS also defined the graduation requirements for New Jersey's high school students by creating expectations for performance. In addition, the CCCS laid the foundation for three statewide assessment tests administered in grades 4, 8 and 11.



With the enactment of the No Child Left Behind Act in 2001, further alterations have been made to New Jersey's statewide assessment test for elementary school children in accordance with the mandate to administer annual tests in grades 3 through 8. To comply with the expectation that each state will provide assessments that test students' knowledge in the state's content standards and test cognitive skills in language arts, math and science, New Jersey has begun to develop a comprehensive testing program. As is evident by the following graphs, New Jersey students continue to achieve high levels of proficiency in both language arts and math, and are progressively approaching the federal goal of 100% proficiency. Students are steadily achieving advanced levels of proficiency, especially in math, with approximately 30% of fourth grade students and nearly 25% of eighth grade students testing at advanced levels.



Social Promotion Initiative

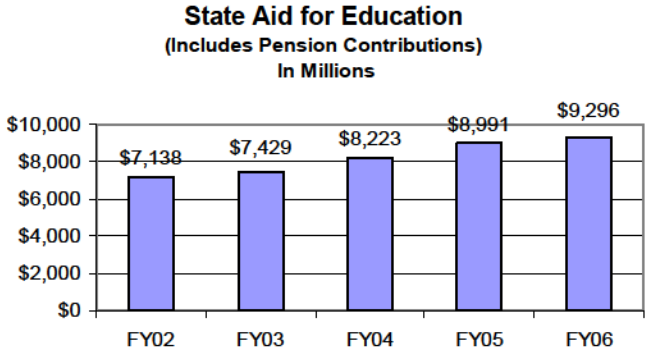
While proficiency levels are on the rise, some students continue to require additional assistance in attaining the skills necessary to pass the statewide assessment tests. Recognizing the importance of identifying these students and developing criteria to determine when a student is ready to be promoted, the Administration has proposed a pilot program that will identify struggling students at an early grade. The program includes identification of students in need of assistance through scores on the third grade assessment test. These students will receive tutoring and summer school programs to provide the assistance needed. The fourth grade test, along with a number of measures including district tests, end-of-the-year assessments, teacher evaluations and classroom work, will be used to determine a student's readiness to move to fifth grade, rather than a high-stakes test alone. The Fiscal 2006 Budget includes $1.5 million that will be distributed through a competitive grant process to provide funding for reading coaches and summer school.

Taxpayer Relief

In fiscal 2006 the State will devote more than 42% of its $27.4 billion budget to taxpayer relief in various forms. To reduce taxpayers' property tax burden, State funds are provided to school districts, local governments, and directly to taxpayers. In addition, the State provides funding from dedicated sources (for example, from energy tax receipts) and authorizes local governments to charge and retain non-property tax revenues to further reduce the local tax levy.

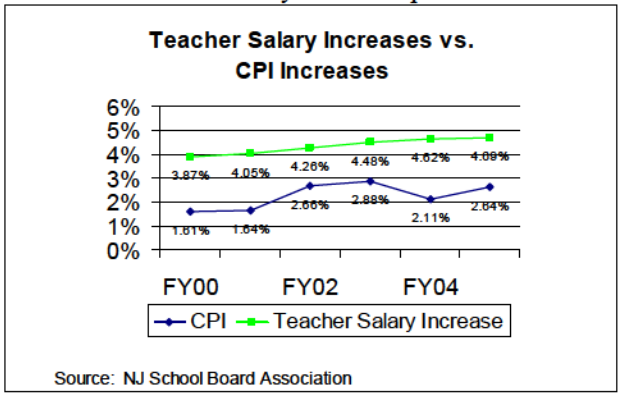
School Aid

State Aid for school districts is the single largest purpose to which State funds are devoted with a total recommended amount of nearly $9.3 billion for fiscal 2006, as seen in the accompanying graph. In recognition of the continued high priority given to education, the Fiscal 2006 Budget includes $7.4 billion in direct aid to local districts.



Fiscal 2006 school aid also includes $267.8 million for the School Construction and Renovation program and $119.7 million in School Building Aid. This represents an increase of $82.2 million over the fiscal 2005 adjusted appropriation for these categories of aid. This funding will provide for State school construction debt service on new and existing bond issues, as well as aid for qualifying local debt issued for school construction.

The Budget provides $1.5 billion in payments on behalf of local school districts for teachers' retirement benefits and the employer's share of social security payments. This represents an increase of $211.1 million over the fiscal 2005 adjusted appropriation and shields property taxpayers from shouldering these costs. The large driver in the increased costs associated with these payments is the increase in teacher salaries, which is negotiated locally by each district's school board. The State average increase in teacher salaries has been well above the inflation rate in recent years. For example, as the following chart illustrates, in fiscal 2005, the average increase was 4.69% in comparison to the 2.64% increase in the New Jersey consumer price index.



The Fiscal 2006 Budget recommendation for most categories of Direct Aid is at the same level as in fiscal 2005, with reductions largely limited to the elimination of programs added in fiscal 2005. Funding for Abbott districts will grow to $1.4 billion, an increase of $49 million over fiscal 2005. These resources will ensure parity and support educational priorities in those districts.

Municipal Aid

Despite the tremendous budget constraints, the proposed Fiscal 2006 Budget increases formula aid to New Jersey's 566 municipalities by 0.1%. Total formula aid of $1.6 billion reflects a $753,000 increase in Energy Tax Receipts Property Tax Relief and level funding of Consolidated Municipal Property Tax Relief Aid.

Other formula and non-formula municipal grant programs are funded at a level of $174 million. Included among these is an increase of $500,000 for Payments in Lieu of Taxes (PILOT) to municipalities for State and nonprofit preserved open space. Open space PILOT payments to municipalities have grown from $8 million in fiscal 2004 to $9 million in the Fiscal 2006 Budget recommendation.

Also continued in fiscal 2006 are two grant programs, totaling $14 million, which reward towns that streamline their costs and seek to create efficiencies - the Regional Efficiency Development Incentive Grants (REDI) program and the Regional Efficiency Aid Program (REAP):

Regional Efficiency Development Incentive Grants

The Fiscal 2006 Budget continues funding for REDI grants at $4.2 million. Funding for REDI will be utilized to support the new SHARE program, Sharing Available Resources Efficiently. SHARE grants are available to municipalities, counties and fire and other special districts as well as nonprofit organizations that provide regional coordination of shared services. The SHARE program offers three assistance options: Implementation Assistance, Feasibility Studies and Regional Coordination Grants. Implementation Grants offer State reimbursement to help local government units implement new shared and regional services, and to assist with the consolidation of local units. Feasibility Study Grants assist local units in planning and developing new shared services through feasibility studies. Regional Coordination Grants offer State financial assistance to help local government units and/or public service non-profit organizations study, develop, and implement new shared and regional services.

Regional Efficiency Aid Program

The REAP program rewards towns that have already consolidated services and reduced municipal spending. In fiscal 2006, fourteen municipalities will continue to receive aid under this program, which is budgeted at $10 million.

The Fiscal 2006 Budget continues level funding for two municipal aid programs new in fiscal 2005, the Municipal Homeland Security Assistance Aid program and the Highlands Protection Fund.

Municipal Homeland Security Assistance Aid

The Municipal Homeland Security Assistance Aid program is funded at $32 million in fiscal 2006. This program provides aid to municipal police departments to help offset growing and sudden costs associated with homeland security in the absence of federal aid. The grants range from $25,000 - $140,000 based on the population of the municipality.

Highlands Protection Fund

Per the provisions of the Highlands Water Protection and Planning Act, P.L.2004, c.120 (C.13:20-19), the Highlands Protection Fund is funded in the Budget at $12 million. The funding compensates municipalities in the Highlands region for the loss of the developable value of their land due to new Highlands environment protections, provides planning assistance, and provides compensation for Pinelands municipalities. Specifically, the Highlands Protection Fund provides:

- $2.2 million in municipal Watershed Moratorium Offset Aid;
- $1.8 million in retroactive property tax stabilization aid to Pinelands municipalities;
- $2.65 million in incentive planning grants to municipalities in the Highlands planning area that want to accept growth as receiving areas;
- $1.75 million in grants to enable towns in the Highlands preservation area to bring their municipal plans into compliance with the Highlands Regional Master Plan; and
- $3.6 million in property tax stabilization aid to Highlands municipalities.

The balance of the recommended fiscal 2006 municipal aid programs and their funding levels are:

- Legislative Initiative Block Grant program at $34.8 million;
- Extraordinary Aid at $31 million;
- Special Municipal Aid at $24.3 million;
- Trenton Capitol City Aid at $16.5 million;

Other Local Aid

In addition to the school and major municipal aid programs discussed above, the State provides other aid to counties and local government units through direct State Budget assistance and by granting authority to retain tax revenues.

State Assistance Programs

The most significant fiscal 2006 increase for such local aid programs is $11.1 million for Aid to County Psychiatric Hospitals, which brings total annual State aid for this program to $104.6 million. Other significant fiscal 2006 increases include Pension Contributions on Behalf of Local Governments ($4.2 million), County College Aid ($3.5 million), General Assistance Administration ($2.2 million), and the Public Library Project Fund ($1.7 million).

The budget continues level funding for other county-based aid programs, including County Solid Waste Debt Service ($57.3 million), the County Prosecutor Funding Initiative ($8.0 million), and County Environmental Health Act administration ($3.5 million). Continuation funding of $14.9 million is also provided to counties and municipalities for 911 Service Enhancement.

The following programs were funded in fiscal 2005 on a one-time basis and are therefore discontinued in fiscal 2006: Property Tax Assistance and Community Development ($88 million), Statewide Livable Communities ($16 million), Statewide Local Domestic Preparedness – Equipment Grants ($10 million), Social Service Emergency Grants ($10 million), the Local Library Grants supplemental program ($4 million), and Local Tire Management ($2.3 million). Similarly, the Stormwater Management Grants program, which provided $12 million over two years to assist local government units in developing federally mandated stormwater management plans, is no longer required in fiscal 2006.

Local Revenue Programs

The state's 37 municipalities with Urban Enterprise Zones continue to benefit from retention of the 3% State sales tax charged within their boundaries. In fiscal 2005, it is estimated that these 37 municipalities will collect and retain $80 million in sales tax revenues to support Zone development projects. This is expected to grow to $84 million in fiscal 2006.

In both fiscal 2005 and 2006, municipal governments are expected to retain $35 million from the hotel tax, up $28 million from collections of $7 million in fiscal

2004. This State and local surcharge, which began in 2003, has been adopted by 147 municipalities to date.

Counties have benefited from a record level of county realty transfer fee revenue over the past few years, and this is expected to continue in fiscal 2005 and fiscal 2006. Annual county realty transfer fee is estimated at $130 million in both years, as compared to $55 million in fiscal 2003. This increase is the result of both the State-authorized surcharge for public health priority funds, beginning in fiscal 2004, and the strong growth in the state's real estate sector.

Direct Property Tax Relief

The Fiscal 2006 Budget will continue essential property tax relief programs by providing $1.1 billion in rebates and State-funded tax deductions to New Jersey property taxpayers.

Homestead Rebates

The fiscal 2006 Homestead Rebate program, funded at $478.5 million, will continue to provide property tax relief to over 600,000 senior or disabled homeowners and tenants with taxable incomes of $100,000 or less. Due to severe fiscal constraints, non-seniors and higher income seniors will not be eligible for these rebates in fiscal 2006.

Beginning in fiscal 2005, the NJ SAVER program was folded into the Homestead Rebate program, and rebate amounts were raised significantly. Rebates are based on the amount by which property taxes exceed 5% of the taxpayer's income, and in fiscal 2006 the maximum rebate will be $800 for senior homeowners and $775 for senior tenants. Most seniors with incomes under $70,000 will receive the maximum rebate amounts.

Senior Freeze

The Budget allocates $98.4 million for the Senior and Disabled Citizens' Property Tax Freeze program, which freezes property taxes for low and middle income seniors. This increase of $25 million (34%) over fiscal 2005 funding is expected to provide rebates to approximately 170,000 seniors in fiscal 2006, at an average check level of $602. In fiscal 2005, some 150,000 seniors received rebates with checks averaging $483 each. The Senior Freeze program provides seniors with reimbursement for any property tax increases assessed after a participant joins the program, so the per-person cost of the program increases as local property taxes increase. For fiscal 2006, the program's income eligibility thresholds have increased by 2.1%, from $40,028 to $40,869 if single and from $49,082 to $50,113 if married.

Property Tax Deductions

Veterans and qualified senior and disabled residents will continue to receive a $250 property tax deduction on their local tax bills in fiscal 2006. The State will reimburse municipalities a total of $109 million for the estimated 407,000 veterans, seniors and disabled residents expected to apply for this deduction in fiscal 2006.

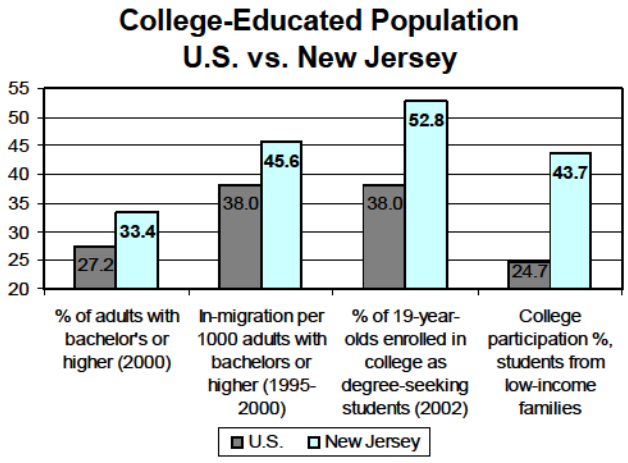
The property tax deduction against State income tax liability will save middle income taxpayers an estimated $335 million in fiscal 2006. This reflects a reduction of approximately $85 million due to the proposed exclusion of high income taxpayers from this benefit.

The New Jersey Earned Income Tax Credit (EITC) program provides families with 20% of their federal EITC benefit. In fiscal 2006, this benefit is estimated at $113 million, of which $18.4 million will be paid from the federal welfare block grant.

Other Budget Initiatives

Higher Education

One of New Jersey's greatest strengths is its highly-educated population (see chart entitled "College-Educated Population"). New Jersey ranks 8th in the nation in the percent of adults with a bachelor's degree or higher, and 4th in the number of individuals with a bachelor's degree or higher who migrated into the state. We rank 3rd in our children's "chance for college" – the percentage of 19-year-olds who are enrolled in college as degree-seeking students.



Higher education benefits both the individual and society in a variety of ways. According to a study published by the College Board in October 2004, average earnings increase measurably with higher levels

of education across all demographic groups in the United States. Research indicates that the average full-time year-round worker age 25 and older with a bachelor's degree earned $49,900, 62% more than the average full-time worker with a high school diploma who earned $30,800. Those with master's degrees earned average salaries of nearly $60,000. The average approached $80,000 for individuals with doctorates, while those holding professional degrees averaged more than $95,000.

According to the College Board, society also benefits as educated individuals are less likely to be unemployed or live in poverty. Research has shown that, in addition to contributing more to tax revenues than others do, adults with higher levels of education are less likely to depend on social safety-net programs, generating decreased demand on public budgets. Higher levels of education also correlate with higher levels of civic participation, including volunteer work, voting, and blood donation.

This Budget provides $2.05 billion in overall support of the State's higher education system in fiscal 2006, a $49.4 million, or 2.5%, increase in funding over the fiscal 2005 level.

The State's senior public colleges and universities would receive $1.42 billion in overall support in fiscal 2006, which is an increase of $42.6 million, or 3.1%. Direct State support to the institutions declines slightly to $857.2 million in fiscal 2006. The only reductions in direct State support to higher education are legislative additions that have been discontinued. There are no reductions to base appropriations. This modest decline of 1.9% is offset by a substantial increase in indirect support to the senior public institutions.

This Budget provides an increase of $41.2 million in indirect support to senior public institutions through the continued payment of the fringe benefits for college and university personnel. In fiscal 2006, the State budget will provide $541.8 million for these costs.

Funds totaling $17.8 million will provide a portion of the negotiated cost-of-living increases (COLAs) for State-supported personnel at the senior public institutions.

The Budget also provides $223.6 million in support of the State's county colleges. The increase of $3.5 million will fund growing costs for debt service and fringe benefits.

The State's 14 independent colleges and universities will receive $24 million in direct support during fiscal 2006, the same level of funding as in fiscal 2005. These institutions serve an important role in providing higher education for more than 24,000 New Jersey residents.

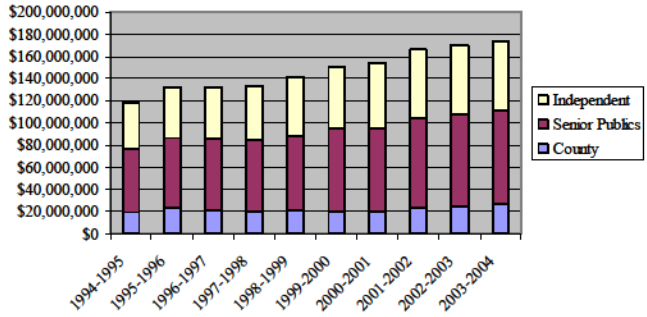
Student Financial Assistance

This Budget provides $288.1 million for the various student financial assistance programs, including the Tuition Aid Grant programs, Educational Opportunity Fund programs, the NJSTARS program, and the new College Loan Forgiveness for Mental Health Workers program. This is an increase of $11.0 million, or 4.0%, from the current level.

Tuition Aid Grants

New Jersey's student financial assistance programs are among the strongest in the nation. New Jersey's flagship Tuition Aid Grant (TAG) program provides more than twice the national average grant support per student (see chart entitled "New Jersey's Tuition Aid Grant (TAG) Funding Per Full-Time Equivalent Undergraduate Enrollment Compared to National Average, 2002 – 2003 Academic Year). According to the Postsecondary Education *OPPORTUNITY* December 2004 research letter, New Jersey ranks first in the nation at 43.7% in college participation rates for students from low income families (see chart entitled "College-Educated Population"); the national average is 24.7%. New Jersey's need-based TAG program generously supports low income students at the State's senior public institutions, independent institutions, and county colleges (see chart entitled "Tuition Aid Grant (TAG) Program Funding, by Sector: Academic Years 1995 – 2004).

Tuition Aid Grant (TAG) Program Funding, by Sector: Academic Years 1995 - 2004



The Budget provides $211.9 million for the Tuition Aid Grant program for full-time students, an increase of $9.3 million. This increase will allow 1,000 more students to receive grants in fiscal 2006, and will provide award increases for the majority of students. A total of 54,800 students will receive TAG support during fiscal 2006.

New Jersey's Tuition Aid Grant (TAG) Funding Per Full-Time Equivalent Undergraduate Enrollment Compared to National Average, 2002 - 2003 Academic Year



In addition, this Budget provides $4.5 million for the Part-Time TAG for County Colleges program that was initiated in fiscal 2004. The $251,000 increase in the program will support 9,100 recipients in fiscal 2006, 500 more than in fiscal 2005.

New Jersey Educational Opportunity Fund

The New Jersey Educational Opportunity Fund (EOF) was created by law in 1968 to ensure meaningful access to higher education for those who come from backgrounds of economic and educational disadvantage. EOF funding totaling $37.1 million in fiscal 2006 will assist low-income New Jersey residents who are capable and motivated, but lack adequate preparation for college study, through a variety of programs such as Opportunity Program Grants, Supplementary Education Program Grants, the C. Clyde Ferguson Law Scholarships, and the Martin Luther King Physician-Dentist Scholarships.

NJSTARS

To ensure that New Jersey's most academically talented students are not denied the opportunity to attend college, the NJSTARS (Student Tuition Assistance Reward Scholarship) program was established in fiscal 2005. NJSTARS guarantees that every New Jersey high school student who graduates in the top 20% of his or her high school class and wants to go to a New Jersey community college will have tuition and fees covered for two years. Based on a more accurate projection of expenditures for the program, funding of $8 million is provided in fiscal 2006 for NJSTARS. There are no changes to program eligibility requirements.

College Loan Forgiveness for Mental Health Workers

This Budget will provide $3.5 million in fiscal 2006 for a new College Loan Forgiveness Program for Mental Health Workers. This program will forgive $5,000 annually, and up to $20,000 over a period of four years, for qualified college graduates who agree to work in a state, county, or state-contracted non-profit mental health or social service facility within the state. This new program is discussed in more detail in the Mental Health section of the Budget in Brief.

Capital Grants and Facility Support

Finally, the Budget provides $81.2 million in State debt service support for various bonds issued by the Educational Facilities Authority that have provided more than $1 billion in capital grants and facilities funding over the past decade for the higher education institutions.

In addition, the State recently increased the total authorization of the County College Capital Projects Fund Act (i.e., the "Chapter 12" program, P.L. 1971, c.12) to $530 million. The State is supporting debt service costs on $265 million, or 50%, of the funds under this Act for capital projects throughout the county college system.

Employee Benefits

All State employees and most employees of counties, municipalities, and school districts are members of one of the seven State retirement systems: the Public Employees' Retirement System (PERS), the Teachers' Pension and Annuity Fund (TPAF), the 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. The law provides that all defined benefit pension plans are subject to actuarial valuation every year and actuarial experience studies every three years.

The recommended amount for State and higher education employee pensions in the Fiscal 2006 Budget totals $475.7 million, including $295.3 million of post-retirement medical costs, $36.5 million of pension contribution costs for PFRS, $120.7 million of pension contribution costs for the Alternate Benefits Program, $8.0 million of pension contribution costs for the JRS, and $12.9 million of pension contribution costs for the SPRS. Also, $2.2 million is appropriated for pension funds and other specially legislated retirement provisions. Recommended appropriations for debt service payments on the pension obligation bonds for State and higher education employees total $68.4 million in fiscal 2006.

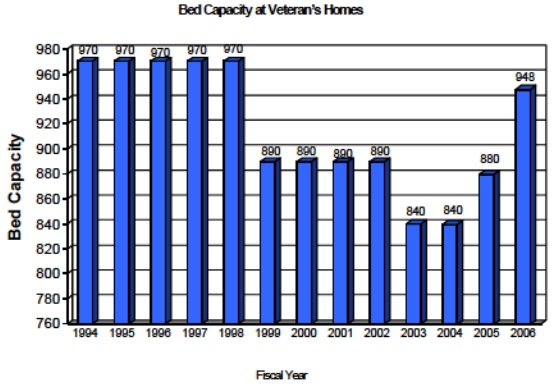
The projected cost for health benefits in the Fiscal 2006 Budget, including medical, prescription drug, dental, and vision coverage for State and college employees is $1.1 billion. This represents a net increase of $117.9 million, or approximately 12.1%, above the fiscal 2005 adjusted appropriation of $973.0 million. This growth is a result of anticipated rate increases for all State

health plans, reflecting continued cost escalation in the health care industry.

Veteran's Programs

The Fiscal 2006 Budget recommends an increase of $2.1 million to expand capacity at veterans' homes operated by the Department of Military and Veterans' Affairs (MAVA).

Specifically, an additional $1.7 million is proposed in fiscal 2006 to annualize funding for the operation of a new, state-of-the-art Vineland Veterans' Memorial Home. This facility, which is scheduled to open in the summer of 2005, will provide a rated capacity of 300 beds, an increase of 30% (68) in the number of beds

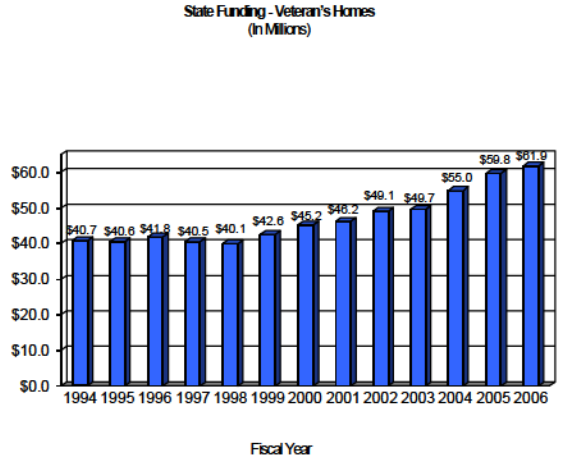


available to our most deserving citizens. (See the attached chart entitled "Bed Capacity at Veteran's Homes" for a 12-year history dating back to fiscal 1994.)

The Old Glory Wing is a Special Needs/Alzheimer's Unit that opened in April 2004. Since then, funding has been increased by $3.3 million, including an additional $455,000 recommended in fiscal 2006. The opening of the Old Glory Wing increased the rated capacity of the Menlo Park Veteran's Memorial Home by 15% (40 beds), from the current 272 to 312.

As displayed on the attached chart entitled "Funding for Veterans' Homes", total Direct State Services funding for the three state veterans' homes increased by $12.2 million or 25% from fiscal 2003 ($49.7 million) to 2006 ($61.9 million).

In addition, the Post Traumatic Stress Disorder Grant Program is recommended to receive an additional $500,000 to address an estimated waiting list of 250 veterans and to extend the length of the program for those who need these services for a longer period of time. This program enables veterans to receive treatment and therapy trauma disorders related to combat and military service. The recommendation would raise available funding from the existing $300,000 to $800,000.



Arts and History

In fiscal 2006, $27.2 million for arts and history programs will be offset by dedicated revenues derived from the State hotel and motel occupancy fee (P.L. 2003, c. 114). Included are the following:

- The New Jersey Cultural Trust has a fiscal 2006 appropriation of $720,000, which is the same level of funding as in fiscal 2005.

- The New Jersey Historical Commission is recommended to receive a fiscal 2006 appropriation of $4.4 million in grants, including $3.8 million for the New Jersey Historical Commission's agency grants using revenue derived from the State hotel/motel occupancy fee.

- In fiscal 2006, the Council on the Arts will receive a grants appropriation of $25.1 million. Of this total amount, the $22.7 million that will support cultural projects is supported by the hotel and motel occupancy fee.

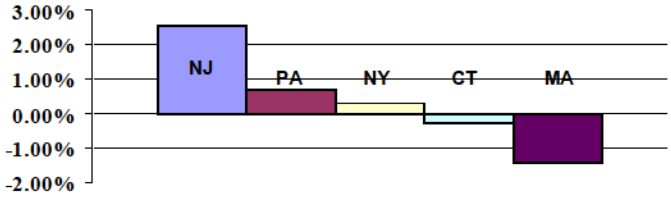
Other related accounts include the Battleship New Jersey Museum, for which an appropriation of $1.5 million is recommended, and the Office of Faith-Based Initiatives which would receive an appropriation of $3 million, the same amount as in fiscal 2005.

Economic Development

New Jersey's fiscal and economic outlook is strong with the state outpacing neighboring states and most of the nation in job creation and business growth. Those gains were helped by investments in economic development initiatives, including the new Business Retention and Relocation Assistance Grants (BRRAGs) and the continuation of the State's successful Business Employment and Incentive (BEIP) program.

As noted in the attached chart entitled "Regional Job Growth", New Jersey's job growth outpaced that of all surrounding states during the period from calendar year 2002 to 2004. Specifically, more than 90,000 jobs were created in New Jersey between December 2002 and December 2004. In fact, New Jersey's job growth during this period was the fifth highest in the country.

Regional Job Growth
Dec. 2002 - Dec. 2004
(% Change)



*These numbers represent a preliminary estimate through December 2004

Through January, 2005, New Jersey's unemployment rate had been below the national rate for 20 consecutive months. This benefit was at least partially attributable to powerful job creation provided by programs such as the Transportation Trust Fund (i.e., $2.6 billion in projects annually) and the School Construction program.

A key part of New Jersey's success has been its strategic investment in programs that help spur economic development. The BEIP program remains the State's best tool for job creation and is among the most innovative incentive programs offered by any state in the country. Last year, BEIP grants totaling $146 million were awarded for 78 projects that will bring an estimated 11,853 new jobs and $842 million of investments into the State of New Jersey.

To further expand economic development by helping companies to invest in their own operations and keep New Jersey jobs here, the State also created the $20 million BRRAG program in Fiscal 2005. New Jersey companies are eligible for new tax credits when seeking to move or consolidate the location of 250 or more jobs. The credits help companies with the capital investment needed to expand and offset the cost of employee relocation.

In December, Pfizer Inc. announced it would invest more than $500 million and retain 2,070 jobs in expansion plans in Morris Plains and Parsippany following a BRRAG approval. Novartis Pharmaceuticals Corporation, Celgene Corporation and Cadbury Adams USA LLC also agreed to relocate or expand operations after a grant approval.

With the influence of these programs, more New Jerseyans are working than at any other point in state history.

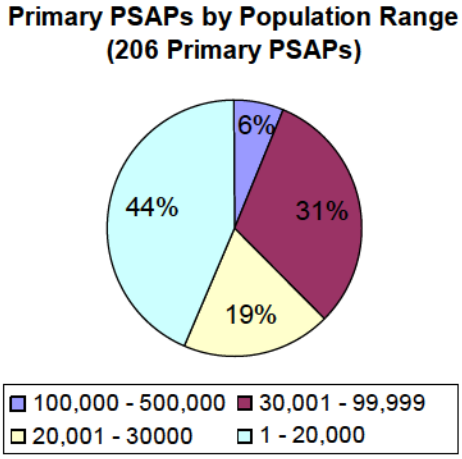
Other measures have expanded opportunities for the growth of science and technology businesses, a key sector in the New Jersey economy.

The Waterfront Technology Center at Camden will provide 100,000-square-foot facility has been designed exclusively to accommodate the work of established businesses and startups in the biosciences, microelectronics, advanced materials, information technology and other high-tech and life sciences fields.

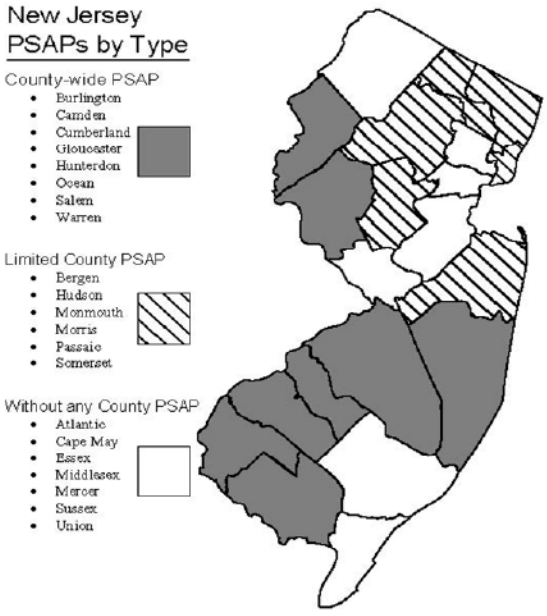
Management Efficiencies

Enhanced 911 Consolidation Study

In fiscal 2005, the Legislature authorized a new surcharge of $.90 per phone line per month to support the cost of upgrading the State's 911 system to pinpoint the location of wireless emergency calls, as required by federal law. Presently, there are 318 public service answering points (PSAPs) operated by counties and localities across New Jersey, including 206 primary PSAPs and 112 secondary PSAPs for dispatching first responders. Nearly all of these units would require costly upgrades in 911 equipment and technology. These PSAPs range in size from large, county-operated facilities to small units. As depicted in the attached chart entitled "Primary PSAPs by Population Range", 44% of the existing primary PSAPs are situated in localities with populations of 20,000 or less. From an organizational standpoint, PSAPs are arrayed in several different patterns, with some counties already having consolidated service at the county level while others rely on individual towns or some type of hybrid



arrangement. To improve the efficiency of this system and maximize the use of available funding, the Office of Management and Budget (OMB) has commissioned a study by Rutgers University to determine whether a consolidation of PSAPs could reduce costs while still improving the level of service. Results of the study are anticipated during fiscal 2006.



Cooperative Purchasing/Strategic Sourcing

The Department of Treasury will secure the services of a consultant to comprehensively analyze the State's existing procurement methods and apply state-of-the-art decision support tools and best practices to realize the best price possible. Purchasing will be scrutinized on a statewide level to verify the amount that is being spent for goods and services and where new opportunities exist to leverage the State's buying power. This strategic approach to procurement has been adopted by many private sector firms, and other states such as Virginia, Connecticut, Texas, and Missouri are in varying stages of development. When the new system is in place, data will be regularly culled from the State's procurement and accounting systems and compiled into management reports for strategic sourcing. This would include information on possible "piggybacking" opportunities with localities, which often have the same needs as the State for items ranging from rock salt to park playground equipment. Analysis will pinpoint instances where numerous suppliers are providing similar goods, often at varying prices, across State departments. It will also confirm, for the first time, the sheer size of various purchases, and thus provide a powerful tool for negotiating price reductions. And besides leveraging volume, significant cost savings are possible by standardizing purchases, maximizing rebates, managing suppliers, and improving administrative productivity. The ultimate goal is to move away from a fragmented procurement process that fails to take advantage of the market presence that the State and its localities presently command.

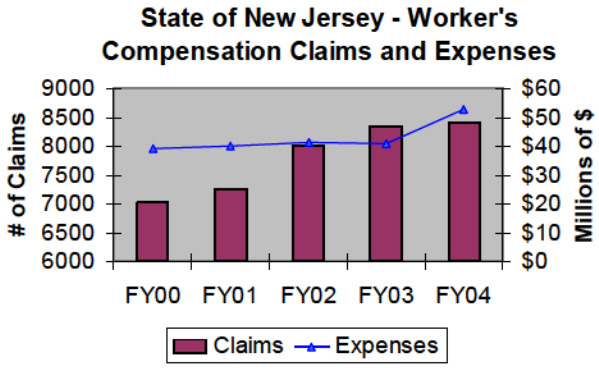
Consolidation of Warehouse/Records Space

Many different State agencies are required to retain records and materials as part of their normal line of business. In the absence of central planning, this has gradually resulted in a haphazard array of costly month-to-month leases in facilities that are often ill-suited for the purpose. Currently, the State is paying approximately $1.5 million annually to rent 180,000 square feet of warehouse space, and because of the physical inadequacies of these buildings the utilization of space is less than 50% of what is actually leased. Working in cooperation with the Division of Archives and Records Management (DARM) in the Department of State, the Department of Treasury will eliminate seven leased sites for records storage in fiscal 2006. Records that require occasional retrieval will be moved to DARM's State-owned facility while materials that are rarely retrieved will be shifted to private facilities that offer attractive rates for long-term storage. In addition, office furniture will also be consolidated, providing the potential to reduce future expenditures by maximizing the use of existing inventory and increasing revenue from surplus sales. On a net basis, an immediate savings of $400,000 is anticipated in the Central Rent budget in fiscal 2006, however that amount is expected to grow to over $800,000 in fiscal 2007 as one-time costs (e.g., moving expenses) are satisfied and the benefits of central control begin to accrue.

Workers Compensation – Risk Advisor

As noted on the attached chart, Workers Compensation claims have risen precipitously in recent years, resulting in significant cost increases. From fiscal 2000 through fiscal 2004, annual claims increased by nearly 1,400 or 20%, and related costs increased by $13.6 million or 35%, much of which was concentrated in large departments such as Human Services and Corrections which have extensive institutional operations. To help arrest this growth, the Department of Treasury's Bureau of Risk Management (BRM) plans to secure the services of an experienced Risk Management Advisor. This firm will provide three basic services:

- Critically assess the functions of the Bureau;
- Recommend program improvements to the State Treasurer;
- Prepare an implementation plan and schedule.



Following the completion of the plan, the Department may elect to arrange for a plan administrator to carry out the recommended management initiatives. The goal is to reduce claims, improve early intervention and communication between the Bureau and the departments, streamline the administrative process (i.e., review and processing), identify claims "hotspots", improve the State's Back to Work program, and upgrade management reporting. The contract term for the study will be for 90 days, enabling BRM to take quick action on the recommendations during fiscal 2006. In addition, the gainsharing arrangement that was initiated in fiscal 2005 with the largest departmental generators of workers compensation claims will continue in fiscal 2006.

E-CATS – Time Reporting System

Through a unique interagency partnership, the State is gradually expanding the use of the Electronic Cost Accounting and Timesheet System (E-CATS), a web-based system which captures time and leave information in a more accurate, flexible and detailed manner. To capture and report their time, most State agencies currently use TALRS (Time and Leave Reporting System), an antiquated, 15 year-old system that relies on mainframe technology. Given the TALRS file structure, administrative processing, system maintenance, and the creation of statewide time and leave reports are highly costly and labor intensive. To date, the Departments of Environmental Protection, Transportation, Labor and Workforce Development, and Personnel have adopted the E-CATS system. The system, which may be adapted for the particular administrative needs of each department, currently has additional capacity available and several additional agencies are actively considering the conversion.

Specifically, E-CATS provides the following benefits:

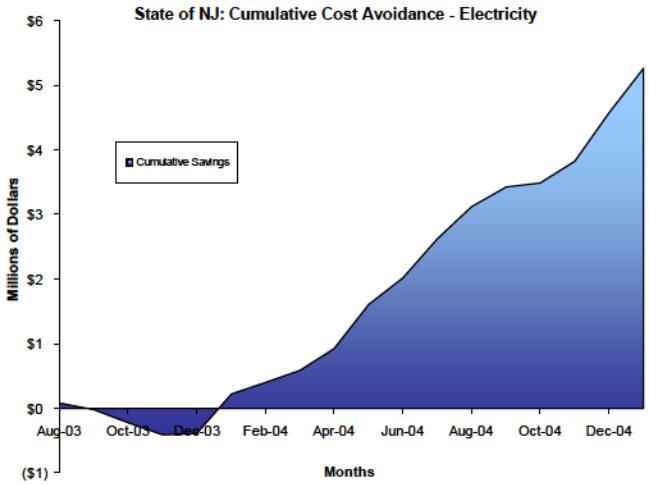
- Reduces system support and maintenance costs by more than 50%;
- Reduces manual processing at the agency level and provides real-time information by automating data reporting to the State payroll system;
- On-line approval of benefit time requests eliminates manual processing and record-keeping;
- Can be customized to accommodate each agency's needs;
- Can be included in the State data warehouse, providing a full account of salary and non-salary information as well as activity costing;
- Generates statewide time and leave reports in a fraction of a time that is currently needed.

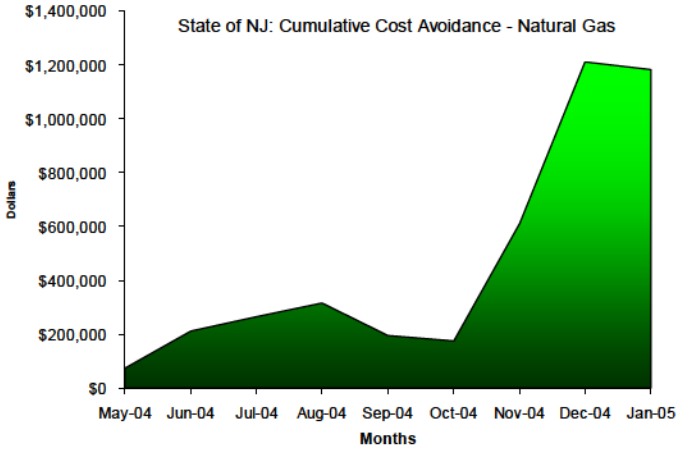
The ultimate goal is to replace the TALRS system entirely. As that occurs, the State should realize savings in mainframe charges, elimination of separate time and leave systems within the departments, printing and staff support costs on a statewide basis.

Local Energy Aggregation

The Acting Governor continues the recent effort to secure legislation that would help localities reduce the cost of energy by voluntarily aggregating in a cooperative bid under the auspices of the State. Under the State's existing New Jersey Consolidated Energy Savings Program (NJCESP), the State joined with public universities, toll road authorities, and New Jersey Transit in its own cooperative venture, successfully driving down the cost of electricity and natural gas from the levels that each entity would have paid individually. Since its inception in fiscal 2001, the NJCESP has consistently provided cost avoidance or savings and,

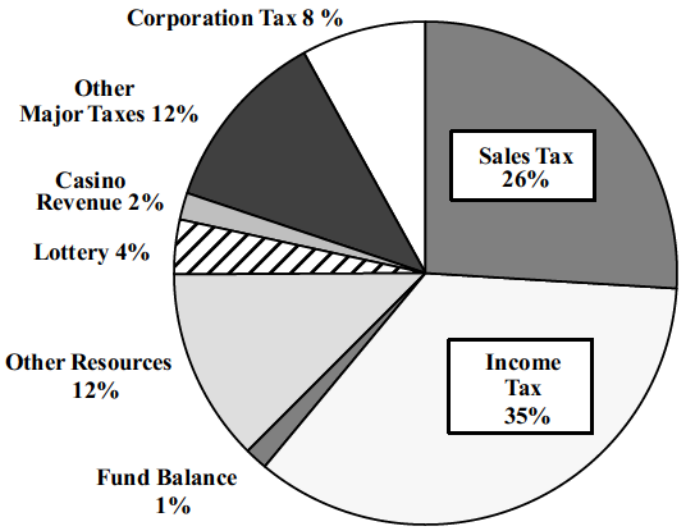
perhaps equally important, price certainty in the deregulated energy markets. As noted on the attached charts entitled "State of NJ: Cumulative Cost Avoidance – Electricity/Natural Gas", the initial segment of NJCESP's most recent contracts for electricity (i.e., first 18 months) and natural gas (i.e., first 9 months) yielded a cost avoidance totaling $6 million. Since the current outlook indicates that energy pricing will remain high, additional savings is likely for the immediate future. Legislation is required to extend this benefit to counties, municipalities, and local authorities and commissions.



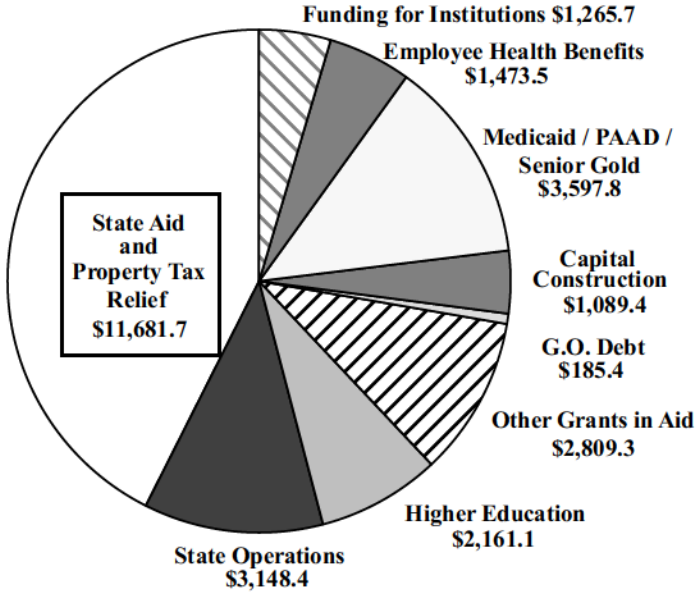


RESOURCES AND RECOMMENDATIONS FOR FISCAL YEAR 2006
ALL STATE FUNDS

Resources



Recommendations
(In Millions)



RESOURCES
(In Thousands)

INCOME TAX	$ 9,650,000
SALES TAX	7,175,000
CORPORATION and BANK TAX	2,211,000
LOTTERY REVENUE	970,000
CASINO REVENUE	487,204
OTHER MAJOR TAXES:	
Cigarette	$ 612,000
Motor Fuels	580,000
Transfer Inheritance	545,000
Insurance Premium	443,000
Realty Transfer	405,000
Motor Vehicle Fees	294,320
Petroleum Products Gross Receipts	255,000
Alcoholic Beverage Excise	91,000
Tobacco Products Wholesale Sales	12,000
Public Utility Excise	9,000
OTHER RESOURCES	$ 3,673,517
SUB T OTAL RESOURCES	$ 27,413,041
ESTIMATED FUND BALANCE JULY 1, 2005	
General Fund	$ 111,584
Surplus Revenue Fund	288,416
TOTAL	$ 27,813,041

STATE OPERATIONS
(In Millions)

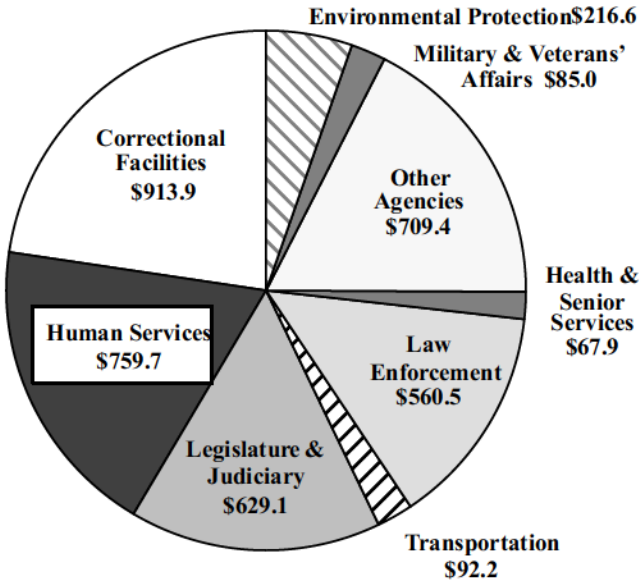


TABLE I
SUMMARY OF FISCAL YEAR 2005–2006 APPROPRIATION RECOMMENDATION
(In Thousands)

Table I shows the appropriations from all State sources by Fund. It highlights the percent change in appropriations between fiscal years.

	2005 Adjusted Approp.	2006 Recommended	----- Change ----- Dollar	Percent
GENERAL FUND AND PROPERTY TAX RELIEF FUND				
State Aid and Grants	$ 20,538,882	$ 19,720,149	$ (818,733)	% (4.0)
State Operations				
Executive Branch	3,392,999	3,335,062	(57,937)	(1.7)
Legislature	74,567	75,106	539	0.7
Judiciary	552,326	554,026	1,700	0.3
Interdepartmental	1,696,541	1,895,613	199,072	11.7
Total State Operations	$ 5,716,433	$ 5,859,807	$ 143,374	% 2.5
Capital Construction	1,120,529	1,089,420	(31,109)	(2.8)
Debt Service	441,533	185,376	(256,157)	(58.0)
TOTAL GENERAL FUND AND PROPERTY TAX RELIEF FUND	$ 27,817,377	$ 26,854,752	$ (962,625)	% (3.5)
CASINO CONTROL FUND	69,285	69,285	0	0.0
CASINO REVENUE FUND	504,897	487,204	(17,693)	(3.5)
GUBERNATORIAL ELECTIONS FUND	8,870	1,025	(7,845)	0.0
GRAND TOTAL STATE APPROPRIATIONS	$ 28,400,429	$ 27,412,266	$ (988,163)	% (3.5)

TABLE II
SUMMARY OF FISCAL YEAR 2005–06 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, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
					General Fund			
5,338,867	417,090	41,028	5,796,985	5,530,223	Direct State Services	5,716,433	5,866,352	5,859,807
6,341,108	275,703	-80,008	6,536,803	6,444,461	Grants-in-Aid	7,834,189	8,024,597	7,828,853
3,634,072	58,604	-6,404	3,686,272	3,614,431	State Aid	3,735,441	2,280,766	2,241,296
1,150,038	166,432	-13,004	1,303,466	1,117,010	Capital Construction	1,120,529	1,089,420	1,089,420
442,481	5	---	442,486	438,066	Debt Service	441,533	185,376	185,376
16,906,566	***917,834***	***-58,388***	***17,766,012***	***17,144,191***	***Total General Fund***	***18,848,125***	***17,446,511***	***17,204,752***
7,150,735	**6,458**	**92,403**	**7,249,596**	**7,219,722**	**Property Tax Relief Fund**	**8,969,252**	**9,650,000**	**9,650,000**
64,637	**1,966**	**---**	**66,603**	**65,340**	**Casino Control Fund**	**69,285**	**69,285**	**69,285**
447,200	**127,945**	**---**	**575,145**	**573,476**	**Casino Revenue Fund**	**504,897**	**487,204**	**487,204**
---	---	---	---	---	**Gubernatorial Elections Fund**	**8,870**	**1,025**	**1,025**
24,569,138	***1,054,203***	***34,015***	***25,657,356***	***25,002,729***	***GRAND TOTAL STATE APPROPRIATIONS***	***28,400,429***	***27,654,025***	***27,412,266***

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, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES			
					Legislative Branch			
10,694	2,162	800	13,656	11,326	Senate	11,644	11,644	11,644
17,305	2,260	1,600	21,165	18,623	General Assembly	19,155	19,155	19,155
26,933	5,000	---	31,933	30,895	Legislative Support Services	29,038	29,038	29,038
14,119	5,529	---	19,648	13,155	Legislative Commission	14,730	15,269	15,269
69,051	***14,951***	***2,400***	***86,402***	***73,999***	***Total Legislative Branch***	***74,567***	***75,106***	***75,106***
					Executive Branch			
5,351	766	17	6,134	5,141	Chief Executive	5,537	4,972	4,972
9,384	2,090	352	11,826	11,266	Department of Agriculture	9,513	9,415	9,415
68,018	8,646	-2,500	74,164	66,696	Department of Banking and Insurance	68,837	67,837	67,837
34,771	20,874	-5,542	50,103	45,644	Department of Community Affairs	37,356	36,491	36,491
845,325	214	2,744	848,283	845,531	Department of Corrections	904,546	913,940	913,940
61,646	2,817	-2,537	61,926	56,855	Department of Education	63,206	69,374	69,374
219,133	27,271	5,821	252,225	236,091	Department of Environmental Protection	225,524	216,636	216,636
74,544	8,365	9,156	92,065	88,579	Department of Health and Senior Services	79,058	67,907	67,907
73,673	*8,341*	*9,068*	*91,082*	*87,642*	*(From General Fund)*	*78,187*	*67,036*	*67,036*
871	*24*	*88*	*983*	*937*	*(From Casino Revenue Fund)*	*871*	*871*	*871*
678,738	16,461	87,055	782,254	768,455	Department of Human Services	773,288	759,742	759,742
60,018	37,859	154	98,031	91,194	Department of Labor and Workforce Development	62,012	60,946	60,946
506,273	129,909	9,756	645,938	569,687	Department of Law and Public Safety	553,937	560,466	560,466
468,482	*129,853*	*9,756*	*608,091*	*532,328*	*(From General Fund)*	*513,246*	*519,775*	*519,775*
37,699	*55*	*---*	*37,754*	*37,266*	*(From Casino Control Fund)*	*40,599*	*40,599*	*40,599*
92	*1*	*---*	*93*	*93*	*(From Casino Revenue Fund)*	*92*	*92*	*92*
77,802	3,331	605	81,738	80,049	Department of Military and Veterans' Affairs	84,031	85,011	85,011
25,936	7,391	---	33,327	30,414	Department of Personnel	26,307	25,701	25,701
23,462	769	151	24,382	23,220	Department of State	32,617	31,631	25,086
102,331	7,266	-2,403	107,194	104,791	Department of Transportation	105,657	92,175	92,175
397,070	58,844	2,098	458,012	429,624	Department of the Treasury	430,426	408,208	408,208
370,132	*56,933*	*2,098*	*429,163*	*401,550*	*(From General Fund)*	*401,740*	*379,522*	*379,522*
26,938	*1,911*	*---*	*28,849*	*28,074*	*(From Casino Control Fund)*	*28,686*	*28,686*	*28,686*
1,373	35	---	1,408	1,404	Miscellaneous Commissions	1,395	1,403	1,403
3,191,175	***332,908***	***104,927***	***3,629,010***	***3,454,641***	***Total Executive Branch***	***3,463,247***	***3,411,855***	***3,405,310***
3,125,575	*330,917*	*104,839*	*3,561,331*	*3,388,271*	*(From General Fund)*	*3,392,999*	*3,341,607*	*3,335,062*
64,637	*1,966*	*---*	*66,603*	*65,340*	*(From Casino Control Fund)*	*69,285*	*69,285*	*69,285*
963	*25*	*88*	*1,076*	*1,030*	*(From Casino Revenue Fund)*	*963*	*963*	*963*
					Inter-Departmental Accounts			
147,726	4,596	-2,639	149,683	149,221	Property Rentals	153,932	141,920	141,920
100,575	325	---	100,900	93,614	Insurance and Other Services	93,411	94,011	94,011
1,247,359	380	14,951	1,262,690	1,242,587	Employee Benefits	1,355,644	1,473,483	1,473,483
52,820	1,900	-20,220	34,500	26,122	Other Inter-Departmental Accounts	56,969	55,721	55,721
64,404	50,098	-72,142	42,360	6,941	Salary Increases and Other Benefits	7,500	97,624	97,624
29,193	1,876	447	31,516	31,301	Utilities and Other Services	29,085	32,854	32,854
1,642,077	***59,175***	***-79,603***	***1,621,649***	***1,549,786***	***Total Inter-Departmental Accounts***	***1,696,541***	***1,895,613***	***1,895,613***

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES			
					Judicial Branch			
502,164	12,047	13,392	527,603	518,167	The Judiciary	552,326	554,026	554,026
502,164	***12,047***	***13,392***	***527,603***	***518,167***	***Total Judicial Branch***	***552,326***	***554,026***	***554,026***
5,404,467	***419,081***	***41,116***	***5,864,664***	***5,596,593***	***Total Direct State Services***	***5,786,681***	***5,936,600***	***5,930,055***
5,338,867	*417,090*	*41,028*	*5,796,985*	*5,530,223*	*(From General Fund)*	*5,716,433*	*5,866,352*	*5,859,807*
64,637	*1,966*	*---*	*66,603*	*65,340*	*(From Casino Control Fund)*	*69,285*	*69,285*	*69,285*
963	*25*	*88*	*1,076*	*1,030*	*(From Casino Revenue Fund)*	*963*	*963*	*963*
					GRANTS-IN-AID			
					Executive Branch			
436	220	469	1,125	930	Department of Agriculture	2,755	1,575	1,575
---	111	-111	---	---	Commerce and Economic Development	---	---	---
36,865	7,044	5,407	49,316	42,743	Department of Community Affairs	69,005	51,165	51,165
89,386	5,022	-32	94,376	92,161	Department of Corrections	113,599	114,504	114,504
9,443	---	-270	9,173	8,860	Department of Education	25,544	18,879	18,879
9,250	4,416	3,468	17,134	7,818	Department of Environmental Protection	16,250	---	---
1,030,967	132,001	-8,711	1,154,257	1,119,269	Department of Health and Senior Services	1,774,452	1,540,408	1,540,408
731,365	*4,081*	*-8,623*	*726,823*	*693,357*	*(From General Fund)*	*1,416,982*	*1,209,696*	*1,209,696*
299,602	*127,920*	*-88*	*427,434*	*425,912*	*(From Casino Revenue Fund)*	*357,470*	*330,712*	*330,712*
3,401,636	240,493	-19,407	3,622,722	3,609,017	Department of Human Services	3,715,938	3,995,737	3,995,737
3,282,899	*240,493*	*-19,407*	*3,503,985*	*3,490,381*	*(From General Fund)*	*3,597,201*	*3,877,000*	*3,877,000*
118,737	*---*	*---*	*118,737*	*118,636*	*(From Casino Revenue Fund)*	*118,737*	*118,737*	*118,737*
44,957	---	-4,074	40,883	40,883	Department of Labor and Workforce Development	45,694	46,694	46,694
42,517	*---*	*-4,074*	*38,443*	*38,443*	*(From General Fund)*	*43,254*	*44,254*	*44,254*
2,440	*---*	*---*	*2,440*	*2,440*	*(From Casino Revenue Fund)*	*2,440*	*2,440*	*2,440*
18,822	---	35	18,857	18,557	Department of Law and Public Safety	28,259	20,414	20,414
18,822	*---*	*35*	*18,857*	*18,557*	*(From General Fund)*	*19,389*	*19,389*	*19,389*
---	---	---	---	---	*(From Gubenatorial Election Fund)*	*8,870*	*1,025*	*1,025*
1,044	63	---	1,107	1,052	Department of Military and Veterans' Affairs	1,044	1,544	1,544
1,090,689	9,055	-35,911	1,063,833	1,046,194	Department of State	1,197,575	1,376,754	1,186,627
193,827	3,513	17	197,357	195,608	Department of Transportation	278,700	278,700	278,700
1,073,974	38	-25,781	1,048,231	1,026,288	Department of the Treasury	2,007,572	812,002	806,385
211,663	*38*	*-10,781*	*200,920*	*197,477*	*(From General Fund)*	*244,861*	*235,114*	*229,497*
862,311	*---*	*-15,000*	*847,311*	*828,811*	*(From Property Tax Relief Fund)*	*1,762,711*	*576,888*	*576,888*
7,001,296	***401,976***	***-84,901***	***7,318,371***	***7,209,380***	***Total Executive Branch***	***9,276,387***	***8,258,376***	***8,062,632***
5,718,206	*274,056*	*-69,813*	*5,922,449*	*5,833,581*	*(From General Fund)*	*7,026,159*	*7,228,574*	*7,032,830*
862,311	*---*	*-15,000*	*847,311*	*828,811*	*(From Property Tax Relief Fund)*	*1,762,711*	*576,888*	*576,888*
420,779	*127,920*	*-88*	*548,611*	*546,988*	*(From Casino Revenue Fund)*	*478,647*	*451,889*	*451,889*
---	*---*	*---*	*---*	*---*	*(From Gubenatorial Election Fund*	*8,870*	*1,025*	*1,025*

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom-mended
					GRANTS-IN-AID			
					Inter-Departmental Accounts			
555,207	1,646	-9,695	547,158	545,447	Employee Benefits	618,535	661,772	661,772
200	---	-200	---	---	Other Inter-Departmental Accounts	102,925	14,925	14,925
---	---	---	---	---	Salary Increases and Other Benefits	---	17,773	17,773
67,495	1	-600	66,896	65,133	Aid to Independent Authorities	86,570	101,553	101,553
622,902	***1,647***	***-10,495***	***614,054***	***610,580***	***Total Inter-Departmental Accounts***	***808,030***	***796,023***	***796,023***
					Judicial Branch			
---	---	300	300	300	The Judiciary	---	---	---
---	***---***	***300***	***300***	***300***	***Total Judicial Branch***	***---***	***---***	***---***
7,624,198	***403,623***	***-95,096***	***7,932,725***	***7,820,260***	***Total Grants-in-Aid***	***10,084,417***	***9,054,399***	***8,858,655***
6,341,108	*275,703*	*-80,008*	*6,536,803*	*6,444,461*	*(From General Fund)*	*7,834,189*	*8,024,597*	*7,828,853*
862,311	*---*	*-15,000*	*847,311*	*828,811*	*(From Property Tax Relief Fund)*	*1,762,711*	*576,888*	*576,888*
420,779	*127,920*	*-88*	*548,611*	*546,988*	*(From Casino Revenue Fund)*	*478,647*	*451,889*	*451,889*
---	---	---	---	---	*(From Gubenatorial Election Fund)*	*8,870*	*1,025*	*1,025*
					STATE AID			
					Executive Branch			
11,015	---	---	11,015	10,678	Department of Agriculture	11,085	11,727	11,727
980,065	35,581	-18,808	996,838	971,020	Department of Community Affairs	1,032,765	1,014,265	1,014,265
19,996	*35,581*	*---*	*55,577*	*29,825*	*(From General Fund)*	*103,196*	*93,196*	*93,196*
960,069	*---*	*-18,808*	*941,261*	*941,195*	*(From Property Tax Relief Fund)*	*929,569*	*921,069*	*921,069*
8,129,302	6,746	110,808	8,246,856	8,223,029	Department of Education	8,990,843	9,296,264	9,296,264
2,971,208	*288*	*-18,601*	*2,952,895*	*2,937,891*	*(From General Fund)*	*2,886,705*	*1,320,241*	*1,320,241*
5,158,094	*6,458*	*129,409*	*5,293,961*	*5,285,138*	*(From Property Tax Relief Fund)*	*6,104,138*	*7,976,023*	*7,976,023*
14,708	4	-300	14,412	14,366	Department of Environmental Protection	20,872	19,072	19,072
4,255	*4*	*---*	*4,259*	*4,237*	*(From General Fund)*	*12,372*	*10,072*	*10,072*
10,453	*---*	*-300*	*10,153*	*10,129*	*(From Property Tax Relief Fund)*	*8,500*	*9,000*	*9,000*
9,508	---	---	9,508	9,380	Department of Health and Senior Services	9,985	9,552	9,552
314,222	12,161	15,345	341,728	332,714	Department of Human Services	371,076	466,433	466,433
1,624	---	---	1,624	1,624	Department of Labor and Workforce Development	1,624	1,522	1,522
15,109	8,522	-1,100	22,531	11,457	Department of Law and Public Safety	18,120	8,030	8,030
16,827	---	---	16,827	16,541	Department of State	16,827	37,407	18,537
25,458	---	---	25,458	25,458	Department of Transportation	25,287	34,352	34,352
25,458	*---*	*---*	*25,458*	*25,458*	*(From Casino Revenue Fund)*	*25,287*	*34,352*	*34,352*
430,116	2,048	-4,946	427,218	414,533	Department of the Treasury	468,785	489,606	469,006
270,308	*2,048*	*-2,048*	*270,308*	*260,084*	*(From General Fund)*	*304,451*	*322,586*	*301,986*
159,808	*---*	*-2,898*	*156,910*	*154,449*	*(From Property Tax Relief Fund)*	*164,334*	*167,020*	*167,020*
9,947,954	***65,062***	***100,999***	***10,114,015***	***10,030,800***	***Total Executive Branch***	***10,967,269***	***11,388,230***	***11,348,760***
3,634,072	*58,604*	*-6,404*	*3,686,272*	*3,614,431*	*(From General Fund)*	*3,735,441*	*2,280,766*	*2,241,296*
6,288,424	*6,458*	*107,403*	*6,402,285*	*6,390,911*	*(From Property Tax Relief Fund)*	*7,206,541*	*9,073,112*	*9,073,112*
25,458	*---*	*---*	*25,458*	*25,458*	*(From Casino Revenue Fund)*	*25,287*	*34,352*	*34,352*
9,947,954	***65,062***	***100,999***	***10,114,015***	***10,030,800***	***Total State Aid***	***10,967,269***	***11,388,230***	***11,348,760***
3,634,072	*58,604*	*-6,404*	*3,686,272*	*3,614,431*	*(From General Fund)*	*3,735,441*	*2,280,766*	*2,241,296*
6,288,424	*6,458*	*107,403*	*6,402,285*	*6,390,911*	*(From Property Tax Relief Fund)*	*7,206,541*	*9,073,112*	*9,073,112*
25,458	*---*	*---*	*25,458*	*25,458*	*(From Casino Revenue Fund)*	*25,287*	*34,352*	*34,352*

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
					CAPITAL CONSTRUCTION			
					Legislative Branch			
---	108	---	108	74	Legislative Support Services	---	---	---
---	*108*	---	*108*	*74*	*Total Legislative Branch*	---	---	---
					Executive Branch			
---	5,141	---	5,141	3,999	Department of Agriculture	---	---	---
---	10,372	3	10,375	4,269	Department of Corrections	500	5,000	5,000
---	1,465	---	1,465	324	Department of Education	---	1,050	1,050
140,074	60,217	-5,780	194,511	100,614	Department of Environmental Protection	116,453	82,463	82,463
620	312	---	932	216	Department of Health and Senior Services	---	---	---
5,600	24,848	---	30,448	11,878	Department of Human Services	10,400	11,600	11,600
4,346	19,257	500	24,103	5,913	Department of Law and Public Safety	---	4,805	4,805
165	1,464	---	1,629	920	Department of Military and Veterans' Affairs	2,627	175	175
---	2	---	2	---	Department of Personnel	---	---	---
---	1,634	-992	642	507	Department of State	1,000	---	---
805,000	539	-539	805,000	804,190	Department of Transportation	805,000	805,000	805,000
---	12,860	58	12,918	3,047	Department of the Treasury	---	---	---
---	2	---	2	---	Miscellaneous Commissions	---	---	---
955,805	*138,113*	*-6,750*	*1,087,168*	*935,877*	*Total Executive Branch*	*935,980*	*910,093*	*910,093*
					Inter-Departmental Accounts			
194,233	28,211	-6,254	216,190	181,059	Capital Projects - Statewide	184,549	179,327	179,327
194,233	*28,211*	*-6,254*	*216,190*	*181,059*	*Total Inter-Departmental Accounts*	*184,549*	*179,327*	*179,327*
1,150,038	*166,432*	*-13,004*	*1,303,466*	*1,117,010*	*Total Capital Construction*	*1,120,529*	*1,089,420*	*1,089,420*
					DEBT SERVICE			
					Executive Branch			
68,053	5	-3,840	64,218	63,180	Department of Environmental Protection	63,240	28,943	28,943
374,428	---	3,840	378,268	374,886	Department of the Treasury	378,293	156,433	156,433
442,481	*5*	*---*	*442,486*	*438,066*	*Total Executive Branch*	*441,533*	*185,376*	*185,376*
442,481	*5*	*---*	*442,486*	*438,066*	*Total Debt Service*	*441,533*	*185,376*	*185,376*
24,569,138	*1,054,203*	*34,015*	*25,657,356*	*25,002,729*	*GRAND TOTAL-STATE APPROPRIATIONS*	*28,400,429*	*27,654,025*	*27,412,266*
16,906,566	*917,834*	*-58,388*	*17,766,012*	*17,144,191*	*(From General Fund)*	*18,848,125*	*17,446,511*	*17,204,752*
64,637	*1,966*	*---*	*66,603*	*65,340*	*(From Casino Control Fund)*	*69,285*	*69,285*	*69,285*
7,150,735	*6,458*	*92,403*	*7,249,596*	*7,219,722*	*(From Property Tax Relief Fund)*	*8,969,252*	*9,650,000*	*9,650,000*
447,200	*127,945*	*---*	*575,145*	*573,476*	*(From Casino Revenue Fund)*	*504,897*	*487,204*	*487,204*
---	---	---	---	---	*(From Gubenatorial Election Fund)*	*8,870*	*1,025*	*1,025*

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.

	2004 Expenditures	2005 Adjusted Appropriation	2006 Requested	2006 Recommended
General Fund--				
Direct State Services--				
Personal Services	2,617,965	2,671,732	2,808,725	2,808,437
Materials and Supplies	206,198	201,529	206,136	206,022
Services Other Than Personal	440,890	432,685	413,215	413,128
Maintenance and Fixed Charges	240,437	235,260	217,044	217,009
Improvements and Equipment	46,155	34,792	37,275	37,254
Employee Pension and Health Benefits	1,242,587	1,355,644	1,473,483	1,473,483
Human Services Programs	86,339	125,722	50,258	50,258
Other	649,652	659,069	660,216	654,216
Total Direct State Services	*5,530,223*	*5,716,433*	*5,866,352*	*5,859,807*
Grants-in-Aid--				
Employee Pension and Health Benefits	545,447	618,535	661,772	661,772
Rutgers, The State University	313,118	325,951	351,081	323,801
University of Medicine and Dentistry of New Jersey	152,125	209,476	241,112	196,476
New Jersey Institute of Technology	48,790	50,262	60,949	50,112
State Colleges	270,882	287,918	382,728	286,854
Other Higher Education Programs	75,401	102,601	105,678	97,342
Transit Subsidy	194,149	278,700	278,700	278,700
Student Aid-Scholarships and Grants	230,431	277,188	291,751	288,251
Support of Independent Higher Education Institutions	24,798	25,359	30,640	25,359
Correctional Facilities	92,161	113,599	114,504	114,504
Support of the Arts	18,472	28,900	25,830	25,830
Income Maintenance Management	229,188	259,766	241,672	241,672
Medicaid and Pharmaceutical Assistance to the Aged and Disabled	2,671,462	2,987,128	3,163,987	3,163,987
Children's Services	367,170	477,530	544,791	544,791
Services for the Developmentally Disabled	425,335	462,389	464,157	464,157
Mental Health Services	235,760	253,251	287,694	287,694
AIDS Control	17,194	40,840	33,840	33,840
Other Human Service Programs	47,900	44,594	54,215	54,215
Other	484,678	990,202	689,496	689,496
Total Grants-in-Aid	*6,444,461*	*7,834,189*	*8,024,597*	*7,828,853*
State Aid--				
Educational	3,141,170	3,087,607	1,559,271	1,519,801
Welfare	227,492	265,566	349,858	349,858
Health & Senior Services and Human Services	108,602	103,495	114,127	114,127
Payment to Counties and Municipalities	91,844	183,287	171,795	171,795
Other	33,699	73,486	73,715	73,715
Non State Funds	11,624	22,000	12,000	12,000
Total State Aid	*3,614,431*	*3,735,441*	*2,280,766*	*2,241,296*

	2004 Expenditures	2005 Adjusted Appropriation	2006 Requested	2006 Recommended
Capital Construction--				
Transportation	804,233	805,000	805,000	805,000
Environmental	100,571	116,453	82,463	82,463
Educational	324	---	1,050	1,050
Institutional	16,147	10,900	16,600	16,600
All Other	195,735	188,176	184,307	184,307
Total Capital Construction	*1,117,010*	*1,120,529*	*1,089,420*	*1,089,420*
Debt Service--				
Principal	265,463	267,145	13,671	13,671
Interest	172,603	174,388	171,705	171,705
Total Debt Service	*438,066*	*441,533*	*185,376*	*185,376*
Total General Fund	***17,144,191***	***18,848,125***	***17,446,511***	***17,204,752***
Property Tax Relief Fund--				
Homestead Rebates	531,497	1,762,711	576,888	576,888
Direct School Tax Relief	297,314	---	---	---
Educational	5,285,138	6,104,138	7,976,023	7,976,023
Payments to Municipalities	1,105,773	1,102,403	1,097,089	1,097,089
Total Property Tax Relief Fund	***7,219,722***	***8,969,252***	***9,650,000***	***9,650,000***
Casino Control Fund - Direct State Services--				
Enforcement	37,266	40,599	40,599	40,599
Administration	28,074	28,686	28,686	28,686
Total Casino Control Fund - Direct State Services	***65,340***	***69,285***	***69,285***	***69,285***
Casino Revenue Fund--				
Programs for Senior Citizens and the Disabled	573,476	504,897	487,204	487,204
Total Casino Revenue Fund	***573,476***	***504,897***	***487,204***	***487,204***
Gubernatorial Elections Fund - Grants-In-Aid--				
Public Financing of Gubernatorial General Election	---	8,870	1,025	1,025
Total Gubernatorial Elections Fund - Grants-In-Aid	***---***	***8,870***	***1,025***	***1,025***
GRAND TOTAL STATE APPROPRIATIONS	***25,002,729***	***28,400,429***	***27,654,025***	***27,412,266***

TABLE V
SUMMARY OF APPROPRIATIONS BY STATEWIDE PROGRAM
(thousands of dollars)

Table V shows detailed prior year financial data, current year appropriations, and budget year recommendations by fund, major spending category, and Statewide Program.

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
					GENERAL FUND			
					Direct State Services			
					10. Public Safety and Criminal Justice			
---	2,404	-2,404	---	---	11. Vehicular Safety	---	---	---
293,458	17,580	7,249	318,287	306,928	12. Law Enforcement	326,336	332,699	332,699
7,494	5,193	-61	12,626	11,063	13. Special Law Enforcement Activities	11,133	10,383	10,383
17,126	1,968	150	19,244	18,653	14. Military Services	18,093	16,943	16,943
502,164	12,047	13,392	527,603	518,167	15. Judicial Services	552,326	554,026	554,026
771,686	188	1,957	773,831	772,750	16. Detention and Rehabilitation	826,778	834,354	834,354
54,445	26	---	54,471	52,875	17. Parole	58,484	60,302	60,302
83,273	14	1,749	85,036	84,972	18. Juvenile Services	93,572	94,910	94,910
34,398	---	1,223	35,621	35,102	19. Central Planning, Direction and Management	35,531	35,356	35,356
1,764,044	39,420	23,255	1,826,719	1,800,510	Total Appropriation	1,922,253	1,938,973	1,938,973
					20. Physical and Mental Health			
46,524	2,022	797	49,343	48,383	21. Health Services	50,838	43,688	43,688
5,134	6,052	-3,938	7,248	7,198	22. Health Planning and Evaluation	5,074	4,874	4,874
249,663	686	32,046	282,395	281,966	23. Mental Health Services	266,838	260,070	260,070
26,853	9,221	-879	35,195	27,045	24. Special Health Services	24,599	26,989	26,989
5,376	16	2,688	8,080	8,037	25. Health Administration	6,013	6,013	6,013
16,639	251	9,521	26,411	24,024	26. Senior Services	16,262	12,461	12,461
984	---	-110	874	874	27. Disability Services	1,071	1,071	1,071
351,173	18,248	40,125	409,546	397,527	Total Appropriation	370,695	355,166	355,166
					30. Educational, Cultural and Intellectual Development			
648	---	-57	591	591	31. Direct Educational Services and Assistance	1,809	1,809	1,809
229,792	160	4,449	234,401	234,253	32. Operation and Support of Educational Institutions	220,138	213,744	213,744
8,694	937	-1,000	8,631	8,494	33. Supplemental Education and Training Programs	9,208	9,208	9,208
41,964	2,788	-2,832	41,920	37,848	34. Educational Support Services	41,190	47,958	47,958
15,776	8	352	16,136	15,211	35. Education Administration and Management	17,058	16,458	16,458
3,955	14	100	4,069	3,530	36. Higher Educational Services	3,930	4,080	3,930
13,973	2	51	14,026	14,018	37. Cultural and Intellectual Development Services	20,356	20,251	13,856
314,802	3,909	1,063	319,774	313,945	Total Appropriation	313,689	313,508	306,963

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
					40. Community Development and Environmental Management			
22,260	20,782	-5,254	37,788	33,643	41. Community Development Management	23,786	23,734	23,734
60,465	2,110	4,439	67,014	65,689	42. Natural Resource Management	63,662	62,984	62,984
36,676	8,372	-145	44,903	40,184	43. Science and Technical Programs	40,169	36,243	36,243
51,424	14,380	-289	65,515	57,762	44. Site Remediation and Waste Management	46,577	45,013	45,013
32,919	1,705	-51	34,573	34,322	45. Environmental Regulation	35,870	35,126	35,126
19,858	2	1,031	20,891	20,849	46. Environmental Planning and Administration	20,349	19,875	19,875
19,031	702	836	20,569	18,525	47. Compliance and Enforcement	20,137	18,635	18,635
9,384	2,090	352	11,826	11,266	49. Agricultural Resources, Planning, and Regulation	9,513	9,415	9,415
252,017	50,143	919	303,079	282,240	Total Appropriation	260,063	251,025	251,025
					50. Economic Planning, Development and Security			
3,356	36	165	3,557	3,352	51. Economic Planning and Development	5,080	4,513	4,513
96,738	12,819	-2,259	107,298	96,426	52. Economic Regulation	98,407	97,407	97,407
64,275	19,564	-2,563	81,276	73,784	53. Economic Assistance and Security	66,732	66,732	66,732
20,295	22,942	478	43,715	39,830	54. Manpower and Employment Services	21,400	20,443	20,443
110,527	2	49,097	159,626	159,423	55. Social Services Programs	193,980	182,108	182,108
295,191	55,363	44,918	395,472	372,815	Total Appropriation	385,599	371,203	371,203
					60. Transportation Programs			
96,756	4,777	-9	101,524	99,219	61. State and Local Highway Facilities	99,252	85,770	85,770
5,575	85	10	5,670	5,572	64. Regulation and General Management	6,405	6,405	6,405
102,331	4,862	1	107,194	104,791	Total Appropriation	105,657	92,175	92,175
					70. Government Direction, Management and Control			
54,932	9,422	2,400	66,754	60,844	71. Legislative Activities	59,837	59,837	59,837
20,384	12,454	-3,687	29,151	28,533	72. Governmental Review and Oversight	20,287	22,406	22,406
162,986	22,941	-276	185,651	176,570	73. Financial Administration	186,260	157,333	157,333
1,762,277	81,965	-78,604	1,765,638	1,675,695	74. General Government Services	1,818,252	2,015,345	2,015,345
4,718	87	-475	4,330	4,185	75. State Subsidies and Financial Aid	4,590	4,472	4,472
52,626	2,907	9,324	64,857	63,257	76. Management and Administration	58,576	66,374	66,374
14,119	5,529	---	19,648	13,155	77. Legislative Commissions and Committees	14,730	15,269	15,269
2,072,042	135,305	-71,318	2,136,029	2,022,239	Total Appropriation	2,162,532	2,341,036	2,341,036
					80. Special Government Services			
126,591	108,477	1,610	236,678	174,760	82. Protection of Citizens' Rights	130,007	135,198	135,198
60,676	1,363	455	62,494	61,396	83. Services to Veterans	65,938	68,068	68,068
187,267	109,840	2,065	299,172	236,156	Total Appropriation	195,945	203,266	203,266
5,338,867	*417,090*	*41,028*	*5,796,985*	*5,530,223*	*Total Direct State Services*	*5,716,433*	*5,866,352*	*5,859,807*

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
					Grants-in-Aid			
					10. Public Safety and Criminal Justice			
565	---	---	565	265	12. Law Enforcement	565	565	565
35	---	---	35	35	14. Military Services	35	35	35
---	---	300	300	300	15. Judicial Services	---	---	---
83,650	5,022	-32	88,640	87,065	16. Detention and Rehabilitation	83,605	81,105	81,105
5,736	---	---	5,736	5,096	17. Parole	29,994	33,399	33,399
18,257	---	25	18,282	18,282	18. Juvenile Services	18,824	18,824	18,824
---	---	10	10	10	19. Central Planning, Direction and Management	---	---	---
108,243	5,022	303	113,568	111,053	Total Appropriation	133,023	133,928	133,928
					20. Physical and Mental Health			
109,022	42	10,168	119,232	117,017	21. Health Services	193,151	174,606	174,606
73,269	---	-9,975	63,294	63,294	22. Health Planning and Evaluation	300,725	119,725	119,725
234,751	---	1,600	236,351	235,760	23. Mental Health Services	253,251	287,694	287,694
1,883,555	228,521	-5,913	2,106,163	2,104,320	24. Special Health Services	2,008,879	2,181,258	2,181,258
549,074	4,039	-8,816	544,297	513,046	26. Senior Services	923,106	915,365	915,365
82,572	---	---	82,572	80,708	27. Disability Services	90,792	103,213	103,213
2,932,243	232,602	-12,936	3,151,909	3,114,145	Total Appropriation	3,769,904	3,781,861	3,781,861
					30. Educational, Cultural and Intellectual Development			
417,402	963	6,970	425,335	425,335	32. Operation and Support of Educational Institutions	462,389	464,157	464,157
4,178	---	---	4,178	4,173	33. Supplemental Education and Training Programs	4,226	4,226	4,226
9,443	---	-270	9,173	8,860	34. Educational Support Services	25,544	18,879	18,879
1,170,532	9,048	-46,377	1,133,203	1,115,469	36. Higher Educational Services	1,278,653	1,463,837	1,268,093
22,532	7	41	22,580	22,580	37. Cultural and Intellectual Development Services	36,622	31,552	31,552
1,624,087	10,018	-39,636	1,594,469	1,576,417	Total Appropriation	1,807,434	1,982,651	1,786,907
					40. Community Development and Environmental Management			
15,850	6,996	6,025	28,871	26,071	41. Community Development Management	31,150	31,150	31,150
3,250	4,416	2,918	10,584	4,421	42. Natural Resource Management	10,250	---	---
6,000	---	300	6,300	3,147	43. Science and Technical Programs	6,000	---	---
---	---	250	250	250	46. Environmental Planning and Administration	---	---	---
436	220	469	1,125	930	49. Agricultural Resources, Planning, and Regulation	2,755	1,575	1,575
25,536	11,632	9,962	47,130	34,819	Total Appropriation	50,155	32,725	32,725
					50. Economic Planning, Development and Security			
26,648	111	-500	26,259	25,105	51. Economic Planning and Development	31,901	28,219	28,219
70,840	---	---	70,840	68,692	52. Economic Regulation	70,840	70,840	70,840
253,308	10,755	-28,034	236,029	229,188	53. Economic Assistance and Security	259,766	241,672	241,672
42,517	---	-4,074	38,443	38,443	54. Manpower and Employment Services	43,254	44,254	44,254
400,288	260	5,314	405,862	402,651	55. Social Services Programs	531,989	611,381	611,381
793,601	11,126	-27,294	777,433	764,079	Total Appropriation	937,750	996,366	996,366

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
					60. Transportation Programs			
---	1,569	---	1,569	1,459	61. State and Local Highway Facilities	---	---	---
193,827	---	---	193,827	193,827	62. Public Transportation	278,700	278,700	278,700
---	1,944	17	1,961	322	64. Regulation and General Management	---	---	---
193,827	3,513	17	197,357	195,608	Total Appropriation	278,700	278,700	278,700
					70. Government Direction, Management and Control			
625,402	1,647	-10,495	616,554	613,080	74. General Government Services	811,750	799,743	799,743
10,500	42	-618	9,924	6,907	75. State Subsidies and Financial Aid	10,000	---	---
14,660	38	689	15,387	15,336	76. Management and Administration	18,064	714	714
650,562	1,727	-10,424	641,865	635,323	Total Appropriation	839,814	800,457	800,457
					80. Special Government Services			
12,000	---	---	12,000	12,000	82. Protection of Citizens' Rights	16,400	16,400	16,400
1,009	63	---	1,072	1,017	83. Services to Veterans	1,009	1,509	1,509
13,009	63	---	13,072	13,017	Total Appropriation	17,409	17,909	17,909
6,341,108	*275,703*	*-80,008*	*6,536,803*	*6,444,461*	*Total Grants-in-Aid*	*7,834,189*	*8,024,597*	*7,828,853*
					State Aid			
					10. Public Safety and Criminal Justice			
8,090	8,522	-1,100	15,512	4,674	12. Law Enforcement	11,090	1,000	1,000
7,019	---	---	7,019	6,783	13. Special Law Enforcement Activities	7,030	7,030	7,030
15,109	8,522	-1,100	22,531	11,457	Total Appropriation	18,120	8,030	8,030
					20. Physical and Mental Health			
2,400	---	---	2,400	2,272	21. Health Services	2,400	2,400	2,400
93,510	11,646	---	105,156	99,222	23. Mental Health Services	93,510	104,575	104,575
7,108	---	---	7,108	7,108	26. Senior Services	7,585	7,152	7,152
103,018	11,646	---	114,664	108,602	Total Appropriation	103,495	114,127	114,127
					30. Educational, Cultural and Intellectual Development			
1,539,963	288	501	1,540,752	1,538,774	31. Direct Educational Services and Assistance	1,265,061	650,148	650,148
4,860	---	---	4,860	4,846	33. Supplemental Education and Training Programs	4,860	4,860	4,860
1,426,385	---	-19,102	1,407,283	1,394,271	34. Educational Support Services	1,616,784	665,233	665,233
188,587	---	---	188,587	186,738	36. Higher Educational Services	184,075	201,623	181,023
16,827	---	---	16,827	16,541	37. Cultural and Intellectual Development Services	16,827	37,407	18,537
3,176,622	288	-18,601	3,158,309	3,141,170	Total Appropriation	3,087,607	1,559,271	1,519,801

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
					40. Community Development and Environmental Management			
16,925	35,581	---	52,506	28,756	41. Community Development Management	16,925	16,925	16,925
---	---	---	---	---	44. Site Remediation and Waste Management	2,300	---	---
4,255	4	---	4,259	4,237	46. Environmental Planning and Administration	6,619	6,619	6,619
---	---	---	---	---	47. Compliance and Enforcement	3,453	3,453	3,453
11,015	---	---	11,015	10,678	49. Agricultural Resources, Planning, and Regulation	11,085	11,727	11,727
32,195	35,585	---	67,780	43,671	Total Appropriation	40,382	38,724	38,724
					50. Economic Planning, Development and Security			
214,712	515	15,345	230,572	227,492	53. Economic Assistance and Security	265,566	349,858	349,858
1,624	---	---	1,624	1,624	54. Manpower and Employment Services	1,624	1,522	1,522
6,000	---	---	6,000	6,000	55. Social Services Programs	12,000	12,000	12,000
222,336	515	15,345	238,196	235,116	Total Appropriation	279,190	363,380	363,380
					70. Government Direction, Management and Control			
84,792	2,048	-2,048	84,792	74,415	75. State Subsidies and Financial Aid	206,647	197,234	197,234
84,792	2,048	-2,048	84,792	74,415	Total Appropriation	206,647	197,234	197,234
3,634,072	*58,604*	*-6,404*	*3,686,272*	*3,614,431*	*Total State Aid*	*3,735,441*	*2,280,766*	*2,241,296*
					Capital Construction			
					10. Public Safety and Criminal Justice			
---	539	-539	---	---	11. Vehicular Safety	---	---	---
3,846	9,231	---	13,077	2,738	12. Law Enforcement	---	4,055	4,055
165	1,117	-17	1,265	677	14. Military Services	2,627	175	175
---	3,100	-234	2,866	2,559	16. Detention and Rehabilitation	500	---	---
500	10,026	500	11,026	3,175	18. Juvenile Services	---	750	750
---	7,272	237	7,509	1,710	19. Central Planning, Direction and Management	---	5,000	5,000
4,511	31,285	-53	35,743	10,859	Total Appropriation	3,127	9,980	9,980
					20. Physical and Mental Health			
620	306	---	926	216	21. Health Services	---	---	---
---	10,785	---	10,785	2,766	23. Mental Health Services	---	---	---
---	6	---	6	---	25. Health Administration	---	---	---
620	11,097	---	11,717	2,982	Total Appropriation	---	---	---
					30. Educational, Cultural and Intellectual Development			
---	7,586	---	7,586	4,191	32. Operation and Support of Educational Institutions	---	---	---
---	1,191	---	1,191	146	33. Supplemental Education and Training Programs	---	---	---
---	508	---	508	120	35. Education Administration and Management	---	1,050	1,050
---	1,013	-992	21	---	36. Higher Educational Services	---	---	---
---	537	---	537	488	37. Cultural and Intellectual Development Services	1,000	---	---
---	10,835	-992	9,843	4,945	Total Appropriation	1,000	1,050	1,050

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
					40. Community Development and Environmental Management			
36,294	32,967	–4,780	64,481	43,149	42. Natural Resource Management	36,233	29,106	29,106
---	2	---	2	---	43. Science and Technical Programs	---	---	---
103,780	27,234	–1,000	130,014	57,465	44. Site Remediation and Waste Management	80,220	53,357	53,357
---	3	---	3	---	45. Environmental Regulation	---	---	---
---	13	---	13	---	46. Environmental Planning and Administration	---	---	---
---	5,141	---	5,141	3,999	49. Agricultural Resources, Planning, and Regulation	---	---	---
140,074	65,360	–5,780	199,654	104,613	Total Appropriation	116,453	82,463	82,463
					50. Economic Planning, Development and Security			
---	1	---	1	---	52. Economic Regulation	---	---	---
---	1	---	1	---	Total Appropriation	---	---	---
					60. Transportation Programs			
805,000	---	---	805,000	804,190	61. State and Local Highway Facilities	805,000	805,000	805,000
805,000	---	---	805,000	804,190	Total Appropriation	805,000	805,000	805,000
					70. Government Direction, Management and Control			
---	108	---	108	74	71. Legislative Activities	---	---	---
194,233	41,156	–6,196	229,193	184,125	74. General Government Services	184,549	179,327	179,327
5,600	6,243	---	11,843	4,979	76. Management and Administration	10,400	11,600	11,600
199,833	47,507	–6,196	241,144	189,178	Total Appropriation	194,949	190,927	190,927
					80. Special Government Services			
---	347	17	364	243	83. Services to Veterans	---	---	---
---	347	17	364	243	Total Appropriation	---	---	---
1,150,038	*166,432*	*–13,004*	*1,303,466*	*1,117,010*	*Total Capital Construction*	*1,120,529*	*1,089,420*	*1,089,420*
					Debt Service			
					40. Community Development and Environmental Management			
68,053	5	–3,840	64,218	63,180	46. Environmental Planning and Administration	63,240	28,943	28,943
68,053	5	–3,840	64,218	63,180	Total Appropriation	63,240	28,943	28,943
					70. Government Direction, Management and Control			
374,428	---	3,840	378,268	374,886	76. Management and Administration	378,293	156,433	156,433
374,428	---	3,840	378,268	374,886	Total Appropriation	378,293	156,433	156,433
442,481	*5*	---	*442,486*	*438,066*	*Total Debt Service*	*441,533*	*185,376*	*185,376*
16,906,566	***917,834***	***-58,388***	***17,766,012***	***17,144,191***	***Total General Fund***	***18,848,125***	***17,446,511***	***17,204,752***

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
					PROPERTY TAX RELIEF FUND			
					Property Tax Relief Fund – Grants-in-Aid			
					70. Government Direction, Management and Control			
862,311	---	-15,000	847,311	828,811	75. State Subsidies and Financial Aid	1,762,711	576,888	576,888
862,311	---	-15,000	847,311	828,811	Total Appropriation	1,762,711	576,888	576,888
862,311	---	*-15,000*	*847,311*	*828,811*	*Total Property Tax Relief Fund – Grants-in-Aid*	*1,762,711*	*576,888*	*576,888*
					Property Tax Relief Fund – State Aid			
					30. Educational, Cultural and Intellectual Development			
4,794,258	3,186	132,067	4,929,511	4,921,121	31. Direct Educational Services and Assistance	5,731,779	6,358,976	6,358,976
38,948	---	---	38,948	38,948	33. Supplemental Education and Training Programs	38,948	38,948	38,948
324,888	3,272	-2,658	325,502	325,069	34. Educational Support Services	333,411	1,578,099	1,578,099
24,862	---	---	24,862	24,042	36. Higher Educational Services	28,045	28,556	28,556
5,182,956	6,458	129,409	5,318,823	5,309,180	Total Appropriation	6,132,183	8,004,579	8,004,579
					40. Community Development and Environmental Management			
8,000	---	-300	7,700	7,682	46. Environmental Planning and Administration	8,500	9,000	9,000
2,453	---	---	2,453	2,447	47. Compliance and Enforcement	---	---	---
10,453	---	-300	10,153	10,129	Total Appropriation	8,500	9,000	9,000
					70. Government Direction, Management and Control			
1,095,015	---	-21,706	1,073,309	1,071,602	75. State Subsidies and Financial Aid	1,065,858	1,059,533	1,059,533
1,095,015	---	-21,706	1,073,309	1,071,602	Total Appropriation	1,065,858	1,059,533	1,059,533
6,288,424	*6,458*	*107,403*	*6,402,285*	*6,390,911*	*Total Property Tax Relief Fund – State Aid*	*7,206,541*	*9,073,112*	*9,073,112*
7,150,735	***6,458***	***92,403***	***7,249,596***	***7,219,722***	***Total Property Tax Relief Fund***	***8,969,252***	***9,650,000***	***9,650,000***
					CASINO CONTROL FUND			
					Casino Control Fund – Direct State Services			
					10. Public Safety and Criminal Justice			
37,699	55	---	37,754	37,266	12. Law Enforcement	40,599	40,599	40,599
37,699	55	---	37,754	37,266	Total Appropriation	40,599	40,599	40,599
					70. Government Direction, Management and Control			
26,938	1,911	---	28,849	28,074	73. Financial Administration	28,686	28,686	28,686
26,938	1,911	---	28,849	28,074	Total Appropriation	28,686	28,686	28,686
64,637	***1,966***	***---***	***66,603***	***65,340***	***Total Casino Control Fund***	***69,285***	***69,285***	***69,285***

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
					CASINO REVENUE FUND			
					Casino Revenue Fund - Direct State Services			
					20. Physical and Mental Health			
871	24	88	983	937	26. Senior Services	871	871	871
871	24	88	983	937	Total Appropriation	871	871	871
					80. Special Government Services			
92	1	---	93	93	82. Protection of Citizens' Rights	92	92	92
92	1	---	93	93	Total Appropriation	92	92	92
963	*25*	*88*	*1,076*	*1,030*	*Total Casino Revenue Fund - Direct State Services*	*963*	*963*	*963*
					Casino Revenue Fund - Grants-in-Aid			
					20. Physical and Mental Health			
500	---	---	500	497	21. Health Services	529	529	529
299,102	127,920	-88	426,934	425,415	26. Senior Services	356,941	330,183	330,183
80,328	---	---	80,328	80,328	27. Disability Services	80,328	80,328	80,328
379,930	127,920	-88	507,762	506,240	Total Appropriation	437,798	411,040	411,040
					30. Educational, Cultural and Intellectual Development			
38,409	---	---	38,409	38,308	32. Operation and Support of Educational Institutions	38,409	38,409	38,409
38,409	---	---	38,409	38,308	Total Appropriation	38,409	38,409	38,409
					50. Economic Planning, Development and Security			
2,440	---	---	2,440	2,440	54. Manpower and Employment Services	2,440	2,440	2,440
2,440	---	---	2,440	2,440	Total Appropriation	2,440	2,440	2,440
420,779	*127,920*	*-88*	*548,611*	*546,988*	*Total Casino Revenue Fund - Grants-in-Aid*	*478,647*	*451,889*	*451,889*
					Casino Revenue Fund - State Aid			
					60. Transportation Programs			
25,458	---	---	25,458	25,458	62. Public Transportation	25,287	34,352	34,352
25,458	---	---	25,458	25,458	Total Appropriation	25,287	34,352	34,352
25,458	---	---	*25,458*	*25,458*	*Total Casino Revenue Fund - State Aid*	*25,287*	*34,352*	*34,352*
447,200	***127,945***	***---***	***575,145***	***573,476***	***Total Casino Revenue Fund***	***504,897***	***487,204***	***487,204***
					GUBERNATORIAL ELECTIONS FUND			
					Gubernatorial Elections Fund - Grants-In-Aid			
					10. Public Safety and Criminal Justice			
---	---	---	---	---	13. Special Law Enforcement Activities	8,870	1,025	1,025
---	---	---	---	---	Total Appropriation	8,870	1,025	1,025
---	***---***	***---***	***---***	***---***	***Total Gubernatorial Elections Fund***	***8,870***	***1,025***	***1,025***
24,569,138	***1,054,203***	***34,015***	***25,657,356***	***25,002,729***	***GRAND TOTAL STATE APPROPRIATIONS***	***28,400,429***	***27,654,025***	***27,412,266***

DEDICATED FUNDS

Summary of Appropriations by Department
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					Property Tax Relief Fund – Grants–in–Aid			
					Department of the Treasury			
537,663	——	——	537,663	531,497	Homestead Exemptions	1,762,711	576,888	576,888
324,648	——	–15,000	309,648	297,314	Direct Tax Relief	——	——	——
862,311	——	*–15,000*	*847,311*	*828,811*	*Total Department of the Treasury*	*1,762,711*	*576,888*	*576,888*
862,311	——	***–15,000***	***847,311***	***828,811***	***Total Property Tax Relief Fund – Grants–in–Aid***	***1,762,711***	***576,888***	***576,888***
					Property Tax Relief Fund – State Aid			
					Department of Community Affairs			
960,069	——	–18,808	941,261	941,195	Local Government Services	929,569	921,069	921,069
960,069	——	*–18,808*	*941,261*	*941,195*	*Total Department of Community Affairs*	*929,569*	*921,069*	*921,069*
					Department of Education			
3,522,325	3,186	132,167	3,657,678	3,649,299	General Formula Aid	4,508,278	5,137,995	5,137,995
58,423	——	–100	58,323	58,312	Miscellaneous Grants–In–Aid	61,991	59,471	59,471
65,578	——	——	65,578	65,578	Bilingual Education	65,578	65,578	65,578
199,512	——	——	199,512	199,512	Programs for Disadvantaged Youths	199,512	199,512	199,512
948,420	——	——	948,420	948,420	Special Education	896,420	896,420	896,420
38,948	——	——	38,948	38,948	General Vocational Education	38,948	38,948	38,948
17,337	3,272	–2,458	18,151	17,750	Office of School Choice	25,169	25,169	25,169
305,952	——	–200	305,752	305,720	Pupil Transportation	307,287	307,287	307,287
1,599	——	——	1,599	1,599	Facilities Planning and School Building Aid	955	775	775
——	——	——	——	——	Teachers' Pension and Annuity Assistance	——	1,244,868	1,244,868
5,158,094	*6,458*	*129,409*	*5,293,961*	*5,285,138*	*Total Department of Education*	*6,104,138*	*7,976,023*	*7,976,023*
					Department of Environmental Protection			
8,000	——	–300	7,700	7,682	Administration and Support Services	8,500	9,000	9,000
2,453	——	——	2,453	2,447	Water Pollution Control	——	——	——
10,453	——	*–300*	*10,153*	*10,129*	*Total Department of Environmental Protection*	*8,500*	*9,000*	*9,000*
					Department of the Treasury			
24,862	——	——	24,862	24,042	Aid to County Colleges	28,045	28,556	28,556
109,000	——	–2,898	106,102	106,102	Reimbursement of Senior/Disabled Citizens' and Veterans' Tax Deductions	109,000	109,000	109,000
25,946	——	——	25,946	24,305	Consolidated Police and Firemen's Pension Fund	27,289	29,464	29,464
159,808	——	*–2,898*	*156,910*	*154,449*	*Total Department of the Treasury*	*164,334*	*167,020*	*167,020*
6,288,424	6,458	107,403	6,402,285	6,390,911	Total Property Tax Relief Fund – State Aid	7,206,541	9,073,112	9,073,112
7,150,735	***6,458***	***92,403***	***7,249,596***	***7,219,722***	***Total Property Tax Relief Fund***	***8,969,252***	***9,650,000***	***9,650,000***

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					Casino Control Fund – Direct State Services			
					Department of Law and Public Safety			
37,699	55	—	37,754	37,266	Gaming Enforcement	40,599	40,599	40,599
37,699	*55*	—	*37,754*	*37,266*	*Total Department of Law and Public Safety*	*40,599*	*40,599*	*40,599*
					Department of the Treasury			
26,938	1,911	—	28,849	28,074	Administration of Casino Gambling	28,686	28,686	28,686
26,938	*1,911*	—	*28,849*	*28,074*	*Total Department of the Treasury*	*28,686*	*28,686*	*28,686*
64,637	***1,966***	—	***66,603***	***65,340***	***Total Casino Control Fund***	***69,285***	***69,285***	***69,285***
					Casino Revenue Fund – Direct State Services			
					Department of Health and Senior Services			
871	24	88	983	937	Programs for the Aged	871	871	871
871	*24*	*88*	*983*	*937*	*Total Department of Health and Senior Services*	*871*	*871*	*871*
					Department of Law and Public Safety			
92	1	—	93	93	Operation of State Professional Boards	92	92	92
92	*1*	—	*93*	*93*	*Total Department of Law and Public Safety*	*92*	*92*	*92*
963	***25***	***88***	***1,076***	***1,030***	***Total Casino Revenue Fund – Direct State Services***	***963***	***963***	***963***
					Casino Revenue Fund – Grants–in–Aid			
					Department of Health and Senior Services			
500	—	—	500	497	Family Health Services	529	529	529
29,558	—	500	30,058	28,502	Medical Services for the Aged	28,461	30,531	30,531
255,182	127,920	–500	382,602	382,643	Pharmaceutical Assistance to the Aged and Disabled	313,596	284,768	284,768
14,362	—	–88	14,274	14,270	Programs for the Aged	14,884	14,884	14,884
299,602	*127,920*	*–88*	*427,434*	*425,912*	*Total Department of Health and Senior Services*	*357,470*	*330,712*	*330,712*
					Department of Human Services			
80,328	—	—	80,328	80,328	Division of Disabilities Services	80,328	80,328	80,328
28,827	—	—	28,827	28,726	Purchased Residential Care	28,827	28,827	28,827
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
118,737	—	—	*118,737*	*118,636*	*Total Department of Human Services*	*118,737*	*118,737*	*118,737*
					Department of Labor and Workforce Development			
2,440	—	—	2,440	2,440	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*
420,779	***127,920***	***–88***	***548,611***	***546,988***	***Total Casino Revenue Fund – Grants–in–Aid***	***478,647***	***451,889***	***451,889***

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					Casino Revenue Fund – State Aid			
					Department of Transportation			
25,458	—	—	25,458	25,458	Railroad and Bus Operations	25,287	34,352	34,352
25,458	—	—	*25,458*	*25,458*	*Total Department of Transportation*	*25,287*	*34,352*	*34,352*
25,458	—	—	25,458	25,458	Total Casino Revenue Fund – State Aid	25,287	34,352	34,352
447,200	***127,945***	—	***575,145***	***573,476***	***Total Casino Revenue Fund***	***504,897***	***487,204***	***487,204***
					Gubernatorial Elections Fund – Grants–In–Aid			
					Department of Law and Public Safety			
—	—	—	—	—	Election Law Enforcement	8,870	1,025	1,025
—	—	—	—	—	*Total Department of Law and Public Safety*	*8,870*	*1,025*	*1,025*
—	—	—	—	—	***Total Gubernatorial Elections Fund***	***8,870***	***1,025***	***1,025***
7,662,572	***136,369***	***92,403***	***7,891,344***	***7,858,538***	***Total Appropriation***	***9,552,304***	***10,207,514***	***10,207,514***

SUMMARY OF APPROPRIATIONS
MAJOR INCREASES AND DECREASES

This table summarizes the major increases and decreases in the Fiscal 2006 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 Assistance Grant Program, Homestead Rebates, payments for State inmates housed in county jails, public transportation aid, and funding for 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 program, the Municipal Block Grant program and other forms of municipal aid. It also includes funding for county colleges, local public assistance and county psychiatric hospital costs.

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

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

APPROPRIATIONS
MAJOR INCREASES AND DECREASES
($ In Millions)

	Increases	Decrease	Net Change
State Operations			
Salary Increase – State Employees	$ 140.124		
State Employee Health Benefits	83.904		
Child Welfare Reform/DYFS	32.289		
State Retiree Medical	26.693		
Pensions – State Employees	20.028		
Prisoner Health Care	7.535		
Education Statewide Assessment	7.000		
Debt/Line of Credit	6.737		
Workers' Compensation	5.600		
New State Trooper Classes and Salaries	4.417		
Fuel/Utilities and Household/Security	3.769		
Public Defender	3.438		
Employer Taxes	3.434		
Developmental Center Enhancement – Woodbridge	2.500		
Office of Inspector General	2.500		
Veterans' Homes	2.130		
Public Advocate	2.000		
Drug Courts	1.700		
Parole Board Staffing Ratios	1.206		
Erosion of Federal Funds – Substance Abuse Treatment	1.157		
Law Enforcement Programs	1.031		
Implement the Patient Safety Act	0.600		
Gubernatorial Transition Costs	0.600		
State Commission on Investigation	0.522		

MAJOR INCREASES AND DECREASES
($ In Millions)

	Increase	Decrease	Net Change
Juvenile Programs	0.503		
Mental Health Community Care Growth	0.500		
Commission on Ethical Standards Training and Audits	0.450		
Asian Longhorned Beetle	0.200		
CBT Dedication	0.023		
Legislative Commissions	0.017		
Subtotal – State Operations Increases	**$ 362.607**		
Employee Actions		$ (50.000)	
Non–Recurring Costs		(21.281)	
Central Rent		(12.012)	
Cash Management Reserve Fund		(12.000)	
Virtual Library		(6.000)	
Brisbane Closure January 2006		(5.543)	
Tort Claims		(5.000)	
Women's Health Awareness Reduction		(5.000)	
Department of Health and Senior Services Efficiencies		(4.861)	
Division of Smart Growth		(4.500)	
Department of Human Services Efficiencies		(3.245)	
Cardiovascular Program		(2.000)	
Department of Treasury Efficiencies		(1.664)	
Department of Corrections Efficiencies		(1.646)	
Department of Labor Efficiencies		(1.066)	
Jersey City Armory		(1.000)	
Statewide E–911 Emergency Telephone System		(0.795)	
Department of Community Affairs Efficiencies		(0.769)	
Chief Executive Efficiencies		(0.550)	
New Jersey Network Efficiencies		(0.500)	
Department of Personnel Efficiencies		(0.500)	
Teacher Preparation – Shift to Federal Funds		(0.500)	
Department of Law and Public Safety Efficiencies		(0.450)	
Department of Agriculture Efficiencies		(0.298)	
Other (Net)		(35.610)	
Subtotal – State Operations Decreases		**$ (176.790)**	
Net Change (State Operations)			**$ 185.817**
Grants–In–Aid			
Medicaid/General Assistance Health Care	$ 217.304		
Nursing Homes and Alternatives	71.724		
Child Welfare Reform/DYFS	61.491		
Employee Health Benefits – Higher Education	33.973		
Mental Health Community Care Growth	26.300		
Senior Tax Freeze	25.000		
Developmental Disabilities Annualization and Additional Placements	23.418		
Portion of Salary Increase – Senior Public Colleges and Universities	17.773		
Business Employment Incentive Program	13.992		
Tuition Aid Grants	9.585		
Brisbane Bridge Fund	5.543		
General Assistance/Food Stamp Case Management	5.076		
Federally Qualified Health Centers	5.000		
Pensions – Higher Education	4.893		
Retiree Health Benefits – Higher Education	4.573		
College Loan Forgiveness Program for Mental Health Workers	3.500		

MAJOR INCREASES AND DECREASES
($ In Millions)

	Increase	Decrease	Net Change
Corrections Programs	3.405		
Early Childhood Intervention Program	3.000		
Greystone Redirection II	2.600		
Postpartum Education Program	2.500		
Assisted Living – 375 Additional Slots	2.500		
Residential Health Care Facilities Growth	2.200		
Postpartum Screening	2.000		
Traumatic Brain Injury Waiver Additional Slots	1.800		
Social Promotion Initiative	1.500		
Supported Employment Services	1.000		
Post Traumatic Stress Syndrome	0.500		
Gubernatorial Election Costs	0.425		
Subtotal – Grants–In–Aid Increases	**$ 552.575**		
Homestead Rebate/SAVER Program Changes		$ (1,070.823)	
Charity Care – Unemployment Insurance Diversion Increase		(150.000)	
Homestead Rebate/SAVER Underspending		(140.000)	
Property Tax Assistance and Community Development Grants		(88.000)	
Nursing Home Provider and IGT Alternative Savings		(57.500)	
Cancer Programs		(28.000)	
Medical Assistance Operational Efficiencies		(23.880)	
Federal Community Care Waiver FY05 Shortfall		(20.103)	
Hospital Assistance Grants		(20.000)	
Statewide Livable Communities		(16.000)	
Family Development Shift to Other Funds		(15.000)	
University of Medicine and Dentistry of New Jersey		(13.000)	
Change Frequency of Drug Manufacturer Price Updates – PAAD/Medicaid		(11.387)	
Social Services Emergency Grants		(10.000)	
Gubernatorial Elections Fund		(8.270)	
Federal IV–E Disallowance FY05		(8.000)	
New Jersey After 3		(7.500)	
PAAD/Medicaid Refill Requirements to 85%		(7.300)	
Selected Medicaid Services $3 Copay		(6.500)	
CBT Dedication		(6.000)	
AIDS Drug Distribution Program Formulary Changes		(5.000)	
Local Library Grants		(4.000)	
Federal Financial Participation for Abbott Services		(4.000)	
Cultural Projects		(4.000)	
Pharmaceutical Assistance to the Aged and Disabled/Senior Gold		(3.627)	
New Jersey Competitiveness Fund		(3.000)	
$1 Copay per Medicaid Prescription		(3.000)	
Newark Museum		(2.570)	
County Jail Back–up – Decrease in Population		(2.500)	
AIDS Prevention Promotion		(2.000)	
NJSTARS		(2.000)	
NJ Caring for Caregivers Initiative		(2.000)	
Food Innovation Research Center		(1.800)	
Essex County – South Mountain Arena Renovations		(1.800)	
New Jersey Commerce, Economic Growth and Tourism Commission		(1.760)	
Ewing Township – Municipal Purposes		(1.500)	
Camden Aquarium Management Agreement		(1.500)	
Boys and Girls Clubs of New Jersey		(1.500)	
Battleship NJ Museum		(1.500)	

MAJOR INCREASES AND DECREASES
($ In Millions)

	Increase	Decrease	Net Change
Department of Health and Senior Services Efficiencies		(1.480)	
Department of Agriculture Efficiencies		(1.180)	
New Jersey Community College Strategic Partnership		(1.000)	
Larc School – Bellmawr		(1.000)	
Debt/Line of Credit		(0.884)	
Nutley Township – Park Development		(0.840)	
Big Brothers / Big Sisters		(0.750)	
Kean University – Visual Arts/Medical Science Teaching Positions		(0.750)	
NJ Commission on Science and Technology (Manufacturing Extension Program)		(0.600)	
Hispanic Business Owners Outreach Program		(0.600)	
Prosperity New Jersey		(0.522)	
Employer Taxes – Higher Education		(0.509)	
New Jersey Symphony Orchestra		(0.500)	
Teacher Recruitment		(0.415)	
Grant to ASPIRA		(0.400)	
Nursing Camp Grants		(0.360)	
United Way 2–1–1 System		(0.350)	
Rutgers University Programs		(0.350)	
New Jersey Collaborating Center for Nursing		(0.345)	
Watson Institute for Public Policy		(0.314)	
War Memorial – Marriott Operations		(0.300)	
Camden Optometric Eye Center		(0.300)	
Summer Academy for Professional Development		(0.250)	
Waterloo Village		(0.250)	
New Jersey Transfer Initiative		(0.217)	
New Jersey Commission on Science & Technology – Conference Cost Share		(0.200)	
Save Ellis Island		(0.200)	
NJIT – Smart Shunt Research		(0.150)	
Other (Net)		(49.444)	
Subtotal – Grants–In–Aid Decreases		**$ (1,820.780)**	
Net Change (Grants–In–Aid)			**$ (1,268.205)**

State Aid

Teachers' Pension and Annuity Fund	$ 94.516
Post Retirement Medical – Teachers' Pension and Annuity Fund	94.444
School Construction and Renovation Fund	83.789
Family Development Block Grant – State Supplement	52.551
Education Opportunity Aid	49.029
Local School Districts Teacher Social Security Payments	31.000
General Assistance and Supplemental Security Income Caseload	29.541
Education Cash Flow Payment	12.050
County Psychiatric Hospitals	11.065
Abbott Preschool Expansion Aid	10.000
Debt/Line of Credit	9.577
Elderly and Handicapped Transportation – Casino Revenue Dedication	9.065
Aid to County Colleges	3.459
Local Police and Fire Pension Contribution	3.458
General Assistance County Administration	2.200
School Breakfast Additional Schools	0.642
Subtotal – State Aid Increases	**$ 496.386**

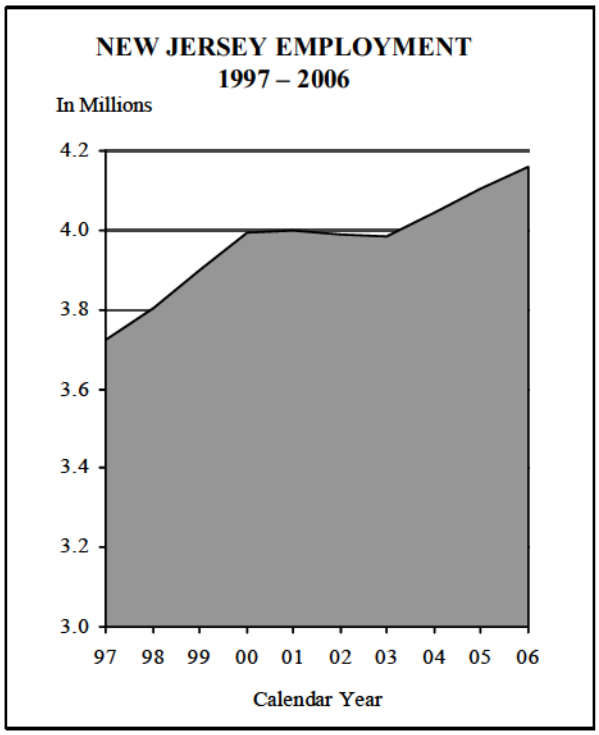
MAJOR INCREASES AND DECREASES
($ In Millions)

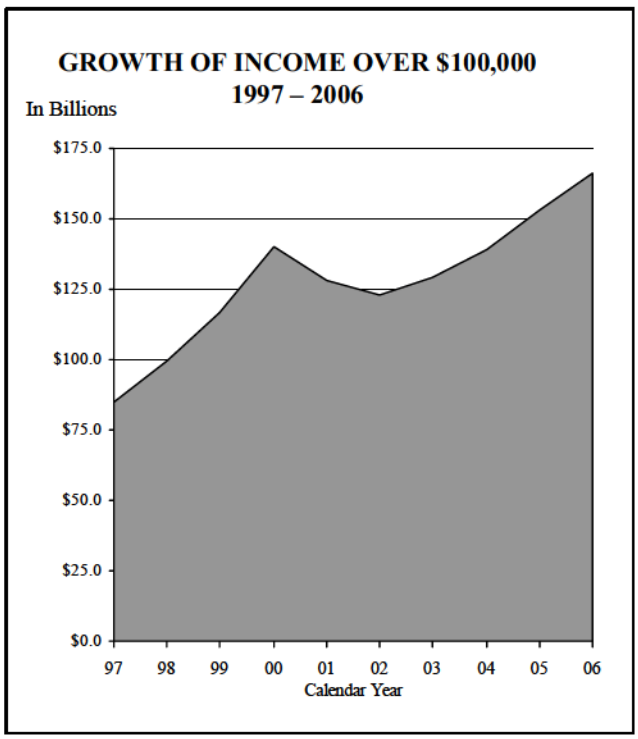
	Increase	Decrease	Net Change
State Aid			
High Expectations for Learning Proficiency		$ (17.000)	
Above Average Enrollment Growth		(12.000)	
Early Launch to Learning Initiative (ELLI)		(11.000)	
Statewide Local Domestic Preparedness Equipment Grant Program		(10.000)	
Extraordinary Aid		(10.000)	
County Colleges Supplemental Workforce Fund Offset		(6.000)	
Special Municipal Aid		(5.000)	
Englewood Implementation		(4.000)	
Nonpublic School Capital		(3.000)	
Taxpayer Hero Grants		(2.500)	
Positive Achievement and Cost Effectiveness		(2.500)	
Unknown District of Residence		(2.400)	
Local Tire Management Program		(2.300)	
North Bergen School District – Facilities Leasing		(1.900)	
Other Education Aid		(1.593)	
School District of Trenton – Security		(1.500)	
Regional Efficiency Aid Program		(1.000)	
Montclair Board of Education – Minority Student Achievement Network		(1.000)	
Settlement School		(1.000)	
Lawrence Township (Mercer) School District Extraordinary Aid		(0.750)	
Montclair Board of Education – Desegregation Aid		(0.500)	
County Offices on Aging – Federal Medicaid Match		(0.433)	
Additional School Building Aid		(0.180)	
EIRC – P20 Program		(0.125)	
County Special Services Restoration Aid		(0.120)	
Other (Net)		(17.094)	
Subtotal – State Aid Decreases		**$ (114.895)**	
Net Change (State Aid)			**$ 381.491**
Capital Construction			
Critical Fire, Life and Health Safety – Prisons	$ 5.000		
Garden State Network Security and Communication Center	3.950		
New Jersey State Police Emergency Operations Center	3.555		
Statewide Security Enhancements	3.000		
Availability and Recovery Site (OARS)	1.400		
State Police Radio System Sites Upgrades	0.500		
Veterans Homes HVAC Improvements	0.175		
Subtotal – Capital Construction Increases	**$ 17.580**		
CBT Dedication		$ (26.863)	
Paramus Veterans Home and WWII Memorial		(2.627)	
Liberty Science Center		(2.000)	
NJN Microwave Technology		(1.000)	
Bayside Locking System		(0.500)	
Other (Net)		(15.699)	
Subtotal – Capital Construction Decreases		**$ (48.689)**	
Net Change (Capital Construction)			**$ (31.109)**

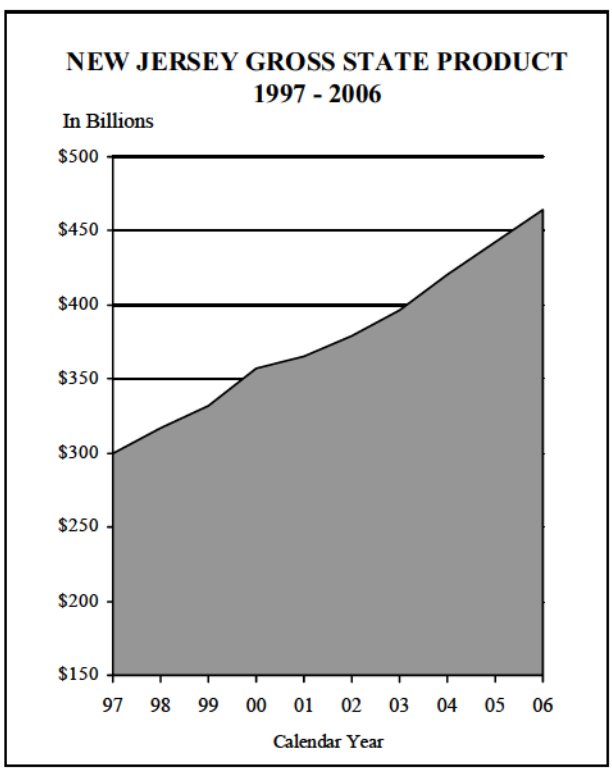
MAJOR INCREASES AND DECREASES
($ In Millions)

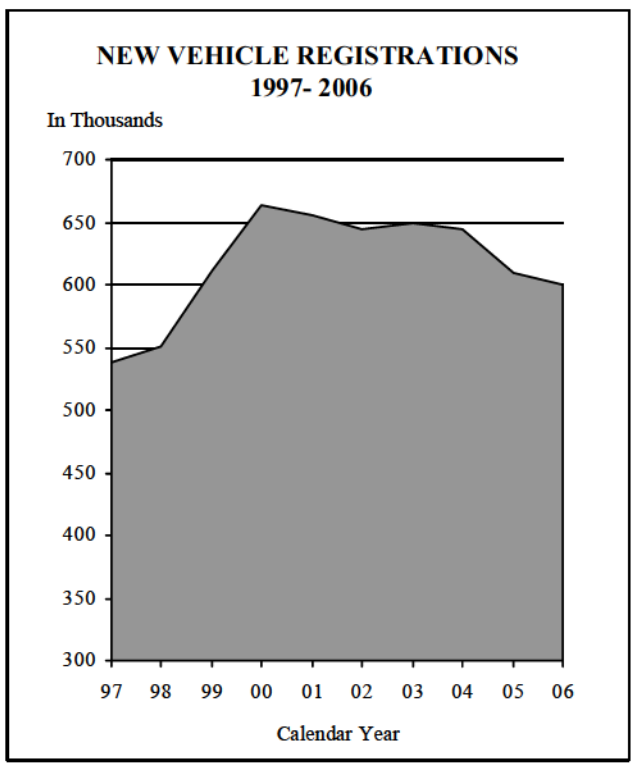
	Increase	Decrease	Net Change
Debt Service			
Refunding Savings		$ (249.575)	
General Obligation Debt Service		(6.582)	
Subtotal – Debt Service Decreases		**$ (256.157)**	
Net Change (Debt Service)			**$ (256.157)**
GRAND TOTAL	**$ 1,429.148**	**$ (2,417.311)**	**$ (988.163)**

Economic Growth
(1997 – 2006)









The Fiscal 2006 Budget

(In Millions)

	FY2005 Adjusted Approp.	FY2006 Budget	% Change
Opening Surplus	$ 863	$ 400	(53.7)
Revenues			
Income	9,055	9,650	6.6
Sales	6,520	7,175	10.0
Corporate	2,162	2,126	(1.7)
Other	9,560	8,462	(11.5)
Total Revenues	$ 27,297	$ 27,413	0.4
Lapses	640		
Total Resources	$ 28,800	$ 27,813	(3.4)
Appropriations			
Original	$28,027	$27,413	(2.2)
Supplemental	373		
Total Appropriations	**$28,400**	**$27,413**	(3.5)
Fund Balance	**$ 400**	**$ 400**	

FY 2005 Supplemental Appropriations

(In Thousands)

Additional Abbott v. Burke Aid	$ 102,052
Employer Taxes	37,649
Salary Increases for Recently Negotiated FOP and State Police Contracts	24,580
Community Care Waiver-Federal Shortfall	20,103
Rental Assistance Program	15,000
General Assistance Caseload Increase	14,046
Snow Removal	13,402
State Police Recruit Class and Radio System Upgrades	10,000
Advertising to Enhance Lottery Revenues	8,809
Federal IV-E Disallowance	8,000
Workers Compensation Claims	8,000
DYFS Residential Increase	6,600
Cancer Institute of New Jersey	6,000
Senior Tax Freeze	6,000
Additional School Aid	5,700
AIDS Treatment	5,000
Tort Claims Payments	5,000
Extended Polling Hours	3,300
Primary/Comprehensive Stroke Centers	3,000
Statewide Cord Blood Bank	2,500
Brisbane Child Treatment Bridge Fund	2,437
Increased Permitting and Enforcement for Highlands	2,166
Election Law Enforcement Commission Oversight	2,000
Camden Economic Recovery	1,500
Other Supplementals	60,324
	$ 373,168

Mandated Growth

(In Thousands)

Medicaid Including Long-Term Care	$289,028
Salary Increases State Employees	140,124
State Employees' Active and Retirees Health Benefits	110,597
Teachers' Pension and Annuity Fund	94,516
Local Teachers' Post Retirement Medical	94,444
Child Welfare Reform/DYFS	93,780
School Construction and Renovation	83,789
Family Development Block Grant - State Supplement	52,551
Education Opportunity Aid (Abbott Districts)	49,029
College Employees' Active and Retirees Health Benefits	40,369
General Assistance and Supplemental Security Income Administration and Caseload	36,817
Teacher Social Security	31,000
Mental Health Community Care Growth	26,800
Senior/Disabled Citizens' Property Tax Freeze	25,000
Pensions State Employees	20,028
Salaries Higher Education	17,773
BEIP Debt Service	13,992
Pension Bond Debt Service	13,508
Education Cash Flow Payment	12,050
County Psychiatric Hospitals	11,065
Abbott Preschool Enrollment Increase	10,000
Tuition Aid Grants	9,585
Annualized Costs of Developmental Disabilities Waiting List and Institutions	9,516
Casino Revenue Dedication for Transportation	9,065
Prisoner Health Care	7,535
Statewide Assessment Program	7,000
Pensions Colleges	6,011
Workers' Compensation	5,600
Brisbane Bridge Fund	5,543
Annualized Cost of Trooper Classes and Salaries	5,364
Medicaid Fiscal Agent	4,000
State Employer Taxes	3,434
Early Intervention Program	3,000
Greystone Annualized	2,600
Pool Attorney Rate Increase Annualized	2,600
Annualized Cost of Opening Old Glory and Vineland	2,130
Pensions Local Police and Fire	1,989
Drug Court Annualized	1,700
Local Police and Fire Post Retirement Medical	1,469
Other	5,052
Total	$1,359,453

Total Direct State Services
By Department
(In Thousands)

Department	FY2005 Appropriation	FY2005 Adjusted Appropriation	FY2006 Current Recommendation	Change from Adjusted Appropriation $	Change from Adjusted Appropriation %
Base Operations					
Chief Executive	$ 5,267	$ 5,537	$ 4,972	$ (565)	-10.2%
Agriculture	9,123	9,513	9,415	(98)	-1.0%
Banking and Insurance	66,703	68,837	67,837	(1,000)	-1.5%
Community Affairs	35,581	37,356	36,491	(865)	-2.3%
Corrections	724,438	761,746	763,298	1,552	0.2%
Education	42,934	46,981	46,149	(832)	-1.8%
Environmental Protection	210,197	225,524	216,636	(8,888)	-3.9%
Health & Senior Services	83,423	79,058	67,907	(11,151)	-14.1%
Balance of Human Services	36,830	38,413	38,413	-	0.0%
Child Welfare	73,462	96,776	52,066	(44,710)	-46.2%
Central Office	11,401	35,201	44,215	9,014	25.6%
DD	228,173	217,239	210,845	(6,394)	-2.9%
Medicaid	23,255	24,599	26,989	2,390	9.7%
Mental Health	254,375	266,838	260,070	(6,768)	-2.5%
Labor	60,242	62,012	60,946	(1,066)	-1.7%
Law & Public Safety	153,306	163,579	161,749	(1,830)	-1.1%
JJC	81,596	89,122	89,760	638	0.7%
Military & Veterans' Affairs	23,678	24,251	23,101	(1,150)	-4.7%
Personnel	25,448	26,307	25,701	(606)	-2.3%
State	13,715	15,801	14,770	(1,031)	-6.5%
NJN	6,146	6,446	5,946	(500)	-7.8%
State Library	10,245	10,370	4,370	(6,000)	-57.9%
Transportation	87,907	105,657	92,175	(13,482)	-12.8%
Treasury	299,251	343,144	312,988	(30,156)	-8.8%
Misc. Executive Commissions	1,390	1,395	1,403	8	0.6%
Total Executive Branch	***$ 2,568,086***	***$ 2,761,702***	***$ 2,638,212***	***$ (123,490)***	***-4.5%***
Legislature	$ 68,217	$ 70,167	$ 70,184	$ 17	0.0%
Judiciary	504,877	525,130	525,130	-	0.0%
Sub Total Operations-Base	$ 3,141,180	$ 3,356,999	$ 3,233,526	$ (123,473)	-3.7%
Required Increases					
Corrections and JJC					
Medical Contract Costs	$ 146,350	$ 147,250	$ 155,792	$ 8,542	5.8%
Education					
Statewide Assessment	16,225	16,225	23,225	7,000	43.1%
Human Services					
Child Welfare Reform	149,812	94,222	127,144	32,922	34.9%
Law & Public Safety					
State Police	271,455	296,107	302,678	6,571	2.2%
Ethical Standards	661	679	1,129	450	66.3%
DMAVA					
Veteran's Homes	58,113	59,780	61,910	2,130	3.6%
Treasury					
Office of the Inspector General	-	-	2,500	2,500	-
Public Advocate	-	-	2,000	2,000	-
Public Defender	84,818	87,282	90,720	3,438	3.9%
Legislature					
SCI Increase	4,400	4,400	4,922	522	11.9%
Judiciary					
Drug Court	27,196	27,196	28,896	1,700	6.3%
Subtotal Required Increases	$ 759,030	$ 733,141	$ 800,916	$ 67,775	9.2%
Interdepartmental					
Other	$ 55,469	$ 56,969	$ 55,721	$ (1,248)	-2.2%
Pension, Health Benefits & PRM	856,542	845,799	961,260	115,461	13.7%
Taxes	472,196	509,845	512,223	2,378	0.5%
Insurance & Other	80,411	93,411	94,011	600	0.6%
Rent	177,517	183,017	174,774	(8,243)	-4.5%
Salary Program	137,280	7,500	97,624	90,124	1201.7%
Subtotal Interdepartmental	$ 1,779,415	$ 1,696,541	$ 1,895,613	$ 199,072	11.7%
Total	$ 5,679,625	$ 5,786,681	$ 5,930,055	$ 143,374	2.5%

Funding for Property Tax Relief

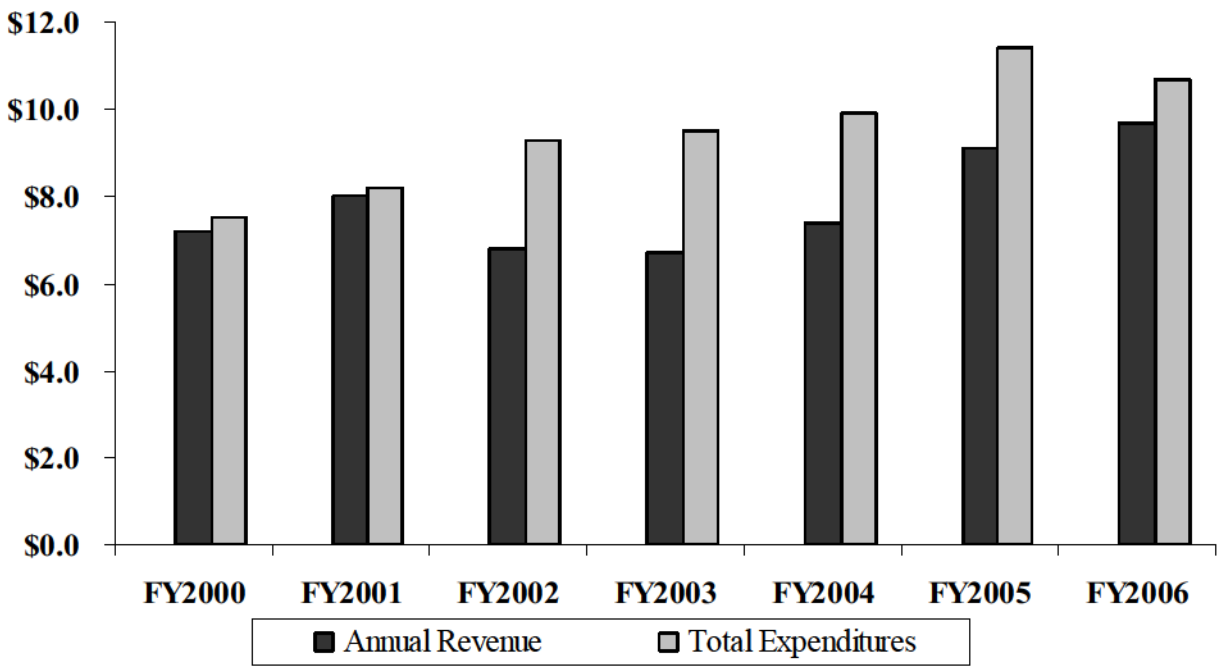
(In Millions)

Programs	FY2005 Adjusted Approp.	FY2006 Budget	$ Change
School Aid	$8,990.8	$9,296.3	$305.4
Municipal Aid	1,815.0	1,797.8	(17.2)
Other Local Aid	886.7	782.0	(104.7)
Direct Taxpayer Relief	2,261.7	1,020.9	(1,240.8)
Subtotal Direct Aid	**$13,954.2**	**$12,896.9**	**($1,057.4)**
Pension Savings	169.7	167.7	(2.0)
Police and Firemen's Pension Savings	199.1	154.8	(44.3)
Subtotal Pension Savings	**$368.8**	**$322.5**	**($46.3)**
Hotel Revenue	**$35.0**	**$35.0**	**$0.0**
Realty Transfer Fee - County Share	**$130.0** *	**$130.0** *	**$0.0**
Grand Totals	**$14,488.0**	**$13,384.4**	**($1,103.7)**

*Reflects base revenue of $90 million plus $40 million from 25 cent fee increase.

Property Tax Relief Programs/ Income Tax Revenues

(In Billions)



SUMMARIES OF APPROPRIATIONS

FISCAL 2006 TAXPAYER RELIEF
(In Millions)

PROGRAM DESCRIPTION	FY2005 Adjusted Approp.	FY2006 Budget	$ Change	% Change
School Aid				
Direct Aid	$7,374.1	$7,386.2	$12.1	0.2%
School Building Aid	305.3	387.5	82.2	26.9%
Teachers' Retirement Benefits & Social Security	1,311.5	1,522.6	211.1	16.1%
Subtotal School Aid	**$8,990.8**	**$9,296.3**	**$305.4**	**3.4%**
Municipal Aid				
Consolidated Municipal Property Tax Relief Aid	$835.4	$835.4	$0.0	0.0%
Energy Receipts Property Tax Relief Aid	787.7	788.5	0.8	0.1%
Special Municipal Aid	29.3	24.3	(5.0)	(17.1%)
Legislative Initiative Block Grant Program	34.8	34.8	0.0	0.0%
Extraordinary Aid	41.0	31.0	(10.0)	(24.4%)
Trenton Capitol City Aid	16.5	16.5	0.0	0.0%
Highlands Protection Fund Aid	12.0	12.0	0.0	0.0%
Regional Efficiency Aid Program (REAP)	11.0	10.0	(1.0)	(9.1%)
Open Space - Payments in Lieu of Taxes	8.5	9.0	0.5	5.9%
Taxpayer Hero Grants	2.5	0.0	(2.5)	(100.0%)
Regional Efficiency Development Incentive Grants (REDI)	4.2	4.2	0.0	0.0%
Municipal Homeland Security Assistance	32.0	32.0	0.0	0.0%
Subtotal Municipal Aid	**$1,815.0**	**$1,797.8**	**($17.2)**	**(1.0%)**
Other Local Aid				
County College Aid	$220.1	$223.6	$3.5	1.6%
Transportation Trust Fund - Local Project Aid	145.0	150.0	5.0	3.4%
Aid to County Psychiatric Hospitals	93.5	104.6	11.1	11.8%
Property Tax Assistance and Community Development	88.0	0.0	(88.0)	(100.0%)
General Assistance Administration	23.8	26.0	2.2	9.2%
Urban Enterprise Zones - Sales Tax Dedication	80.0	84.0	4.0	5.0%
County Solid Waste Debt	57.3	57.3	0.0	0.0%
DCA - Housing and Neighborhood Assistance	16.7	16.7	0.0	0.0%
Statewide Livable Communities	16.0	0.0	(16.0)	(100.0%)
Library Aid	20.8	18.5	(2.3)	(11.0%)
Pension Contributions on behalf of Local Governments	68.7	72.9	4.2	6.1%
911 Enhancement	14.9	14.9	0.0	0.0%
Statewide Local Domestic Preparedness - Equipment Grants	10.0	0.0	(10.0)	(100.0%)
Social Service Emergency Grants	10.0	0.0	(10.0)	(100.0%)
County Prosecutors	8.0	8.0	0.0	0.0%
Stormwater Management Grants	6.0	0.0	(6.0)	(100.0%)
County Environmental Health Act	3.5	3.5	0.0	0.0%
Local Tire Management Program	2.3	0.0	(2.3)	(100.0%)
Highlands Council	2.0	2.0	0.0	0.0%
Subtotal Other Local Aid	**$886.7**	**$782.0**	**($104.7)**	**(11.8%)**
Direct Taxpayer Relief				
Homestead Rebates / SAVER				
Eligibility and Benefit Level Changes	$1,549.3	$478.5	($1,070.8)	(69.1%)
Under-spending	140.0	0.0	(140.0)	(100.0%)
Senior/Disabled Citizens' Property Tax Freeze	73.4	98.4	25.0	34.1%
Municipal Reimbursement--Veterans' Tax Deductions	86.0	86.0	0.0	0.0%
Municipal Reimbursement--Senior/Disabled Citizens' Tax Deductions	23.0	23.0	0.0	0.0%
Property Tax Deduction Act	390.0	335.0	(55.0)	(14.1%)
Subtotal Direct Taxpayer Relief	**$2,261.7**	**$1,020.9**	**($1,240.8)**	**(54.9%)**
Pension Savings				
School District Pension Savings	$36.9	$36.5	($0.4)	(1.1%)
Municipal Pension Savings	44.6	44.1	(0.5)	(1.1%)
Other Local Pension Savings	88.2	87.1	(1.1)	(1.2%)
Police & Firemen's Retirement System	199.1	154.8	(44.3)	(22.3%)
Subtotal Pension Savings	**$368.8**	**$322.5**	**($46.3)**	**(12.6%)**
Hotel Municipal Revenue	**$35.0**	**$35.0**	**$0.0**	**0.0%**
Realty Transfer Fee - County Share	**$130.0**	**$130.0**	**$0.0**	**0.0%**
GRAND TOTAL - TAXPAYER RELIEF	**$14,488.1**	**$13,384.4**	**($1,103.8)**	**(7.6%)**

School Aid

(In Millions)

	FY2005 Adjusted Approp.	FY2006 Budget	$ Change
Formula/Supplemental Programs	$6,928.5	$6,977.5	$49.0
Abbott Preschool Expansion	182.4	192.4	10.0
Nonpublic School Aid	100.1	100.1	-
Other Aid	163.1	116.1	(46.9)
Total Direct School Aid	**$7,374.1**	**$7,386.2**	**$12.1**
Teachers' Pension and Annuity Fund	$0.0	$94.5	$94.5
Post Retirement Medical	607.0	685.4	78.4
Debt Service on Pension Obligation Bonds	79.8	86.9	7.2
Teachers' Social Security	624.8	655.8	31.0
Total Direct State Payments for Education	**$1,311.5**	**$1,522.6**	**$211.1**
School Construction and Renovation Fund	$184.0	$267.8	$83.8
Debt Service Aid	121.3	119.7	(1.6)
Total School Building Aid	**$305.3**	**$387.5**	**$82.2**
Total School Aid	**$8,990.8**	**$9,296.3**	**$305.4**

SUMMARIES OF APPROPRIATIONS

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

			---Recommended Fiscal Year 2006---			
	Expended Fiscal 2004	Adjusted Appropriation Fiscal 2005	Requested Fiscal 2006	General Fund	Property Tax Relief Fund	Total
Formula Aid Programs:						
Core Curriculum Standards Aid	$3,079,584	$3,080,318	$3,080,318	$497,089	$2,583,229	$3,080,318
Supplemental Core Curriculum Standards Aid	251,768	251,768	251,768	0	251,768	251,768
Early Childhood Aid	330,630	330,630	330,630	0	330,630	330,630
Instructional Supplement	15,621	15,621	15,621	0	15,621	15,621
Demonstrably Effective Program Aid	199,512	199,512	199,512	0	199,512	199,512
Stabilization Aid	111,626	111,626	111,626	0	111,626	111,626
Stabilization Aid 2	2,491	2,491	2,491	0	2,491	2,491
Stabilization Aid 3	11,402	11,402	11,402	0	11,402	11,402
Additional Supplemental Stabilization Aid:						
Large Efficient Districts	5,250	5,250	5,250	0	5,250	5,250
High Senior Citizen Concentrations	1,231	1,231	1,231	0	1,231	1,231
Regionalization Incentive Aid	18,295	18,295	18,295	0	18,295	18,295
Categorical Aids:						
Adult Education Grants	28,721	28,721	28,721	0	28,721	28,721
Bilingual Education	65,578	65,578	65,578	0	65,578	65,578
Special Education	896,420	896,420	896,420	0	896,420	896,420
County Vocational Education	38,948	38,948	38,948	0	38,948	38,948
Pupil Transportation Aid	305,652	307,187	307,187	0	307,187	307,187
School Choice	6,537	7,969	7,969	0	7,969	7,969
Aid for Enrollment Adjustments	16,456	16,456	16,456	0	16,456	16,456
Consolidated Aid	130,127	130,127	130,127	0	130,127	130,127
Above Average Enrollment Growth	0	12,000	0	0	0	0
Additional Formula Aid	0	90,000	90,000	0	90,000	90,000
Less:						
Stabilization Aid Growth Limitation	(73,576)	(73,576)	(73,576)	0	(73,576)	(73,576)
Growth Savings - Payment Change	(14,250)	(14,500)	(2,450)	0	(2,450)	(2,450)
Subtotal, Net T&E Budget	**$5,428,023**	**$5,533,474**	**$5,533,524**	**$497,089**	**$5,036,435**	**$5,533,524**
School Construction and Renovation Fund	108,463	183,991	267,780	267,780	0	267,780
Debt Service Aid	126,601	121,272	119,679	119,679	0	119,679
Subtotal, School Building Aid	**$235,064**	**$305,263**	**$387,459**	**$387,459**	**$0**	**$387,459**
TOTAL FORMULA AID	**$5,663,087**	**$5,838,737**	**$5,920,983**	**$884,548**	**$5,036,435**	**$5,920,983**

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

				---Recommended Fiscal Year 2006---		
	Expended Fiscal 2004	Adjusted Appropriation Fiscal 2005	Requested Fiscal 2006	General Fund	Property Tax Relief Fund	Total
Other Aid to Education:						
Nonpublic School Aid	$100,266	$100,118	$100,118	$100,118	$0	$100,118
Education Opportunity Aid	1,051,330	1,400,466	1,449,495	0	1,449,495	1,449,495
Abbott Preschool Expansion Aid	142,442	182,400	192,400	0	192,400	192,400
Early Launch to Learning Initiative	0	15,000	4,000	0	4,000	4,000
High Expectations for Learning Proficiency	0	17,000	0	0	0	0
Positive Achievement and Cost Effectiveness	0	2,500	0	0	0	0
Payment for Children with Unknown District of Residence	22,952	25,900	23,500	0	23,500	23,500
Extraordinary Special Education Costs Aid	52,000	52,000	52,000	52,000	0	52,000
General Vocational Aid	4,846	4,860	4,860	4,860	0	4,860
Additional School Building Aid (Debt Service)	1,599	955	775	0	775	775
Educational Information & Resource Center	450	450	450	450	0	450
Charter School Aid	5,714	11,700	11,700	0	11,700	11,700
Charter Schools - Council on Local Mandates Decision Offset Aid	5,499	5,500	5,500	0	5,500	5,500
Character Education	4,742	4,750	4,750	0	4,750	4,750
Teacher Quality Mentoring	1,997	2,500	2,500	0	2,500	2,500
Other Aid	6,898	14,486	591	491	100	591
Subtotal, Other Aid to Education	**$1,400,735**	**$1,840,585**	**$1,852,639**	**$157,919**	**$1,694,720**	**$1,852,639**
Subtotal, Department of Education	**$7,063,822**	**$7,679,322**	**$7,773,622**	**$1,042,467**	**$6,731,155**	**$7,773,622**
Direct State Payments for Education:						
Teachers' Pension and Annuity Fund	0	0	94,516	94,516	0	94,516
Teachers' Pension and Annuity Fund - Post Retirement Medical	415,883	524,979	589,118	0	589,118	589,118
Debt Service on Pension Obligation Bonds	83,512	79,779	86,940	86,940	0	86,940
Post Retirement Medical Other Than TPAF	65,385	82,013	96,318	96,318	0	96,318
Teachers' Social Security Assistance	594,427	624,750	655,750	0	655,750	655,750
Subtotal, Direct State Payments for Education	**$1,159,207**	**$1,311,521**	**$1,522,642**	**$277,774**	**$1,244,868**	**$1,522,642**
TOTAL	**$8,223,029**	**$8,990,843**	**$9,296,264**	**$1,320,241**	**$7,976,023**	**$9,296,264**

Municipal Aid

(In Millions)

	FY2005 Adjusted Approp.	FY2006 Budget	$ Change
Consolidated Municipal Property Tax Relief Aid (CMPTRA)	$835.4	$835.4	$0.0
Energy Receipts Property Tax Relief Aid	787.7	788.5	0.8
Special Municipal Aid	29.3	24.3	(5.0)
Municipal Homeland Security Assistance	32.0	32.0	0.0
Regional Efficiency Aid Program (REAP)	11.0	10.0	(1.0)
Trenton Capitol City Aid	16.5	16.5	0.0
Highlands Protection Fund Aid	12.0	12.0	0.0
Legislative Initiative Block Grant Program	34.8	34.8	0.0
Extraordinary Aid	41.0	31.0	(10.0)
Open Space - Payment In Lieu of Taxes (PILOT)	8.5	9.0	0.5
Taxpayer Hero Grants	2.5	0.0	(2.5)
Regional Efficiency Development Incentive Grants (REDI)	4.2	4.2	0.0
Total Direct Municipal Aid	**$1,815.0**	**$1,797.8**	**($17.2)**

Direct Property Tax Relief

(In Millions)

	FY2005 Adjusted Approp.	FY2006 Budget	$ Change
Homestead Rebates / SAVER			
Eligibility and Benefit Level Changes	$1,549.3	$478.5	($1,070.8)
Under-spending	140.0	0.0	(140.0)
Senior/Disabled Citizens Property Tax Freeze	73.4	98.4	25.0
Property Tax Deduction Act	390.0	335.0	(55.0)
Municipal Reimbursement - Veterans' Tax Deductions	86.0	86.0	0.0
Municipal Reimbursement - Senior/Disabled Citizens' Tax Deductions	23.0	23.0	0.0
Total Direct Property Tax Relief	**$2,261.7**	**$1,020.9**	**($1,240.8)**

Higher Education

(In Millions)

	FY2005 Adjusted	FY2006 Budget	Change $	Change %
Colleges and Universities				
Senior Public Colleges and Universities	$1,374.1	$1,416.8	$42.6	3.1%
County Colleges	220.1	223.6	3.5	1.6%
Independent Colleges and Universities	24.0	24.0	0.0	0.0%
Student Financial Assistance	**240.0**	**251.1**	**11.1**	**4.6%**
Educational Opportunity Fund	**37.1**	**37.1**	**---**	**---**
Facility and Capital Improvement Programs	**87.3**	**81.2**	**(6.2)**	**(7.1%)**
Other Programs	**23.1**	**21.5**	**(1.6)**	**(6.8%)**
TOTAL, Higher Education	**$2,005.8**	**$2,055.2**	**$49.4**	**2.5%**

Higher Education
(In Millions)

	FY2005 Adjusted	FY2006 Budget	$ Change
SENIOR PUBLIC INSTITUTIONS			
Rutgers University	$326.0	$323.8	($2.2)
UMDNJ	209.5	196.5	(13.0)
NJIT	50.3	50.1	(0.1)
Thomas Edison State College	6.1	5.8	(0.3)
Rowan University	38.1	38.1	0.0
New Jersey City University	32.1	32.1	0.0
Kean University	41.6	40.8	(0.8)
William Paterson University	40.7	40.7	0.0
Montclair State University	47.4	47.4	0.0
College of New Jersey	36.8	36.8	0.0
Ramapo College of New Jersey	20.6	20.6	0.0
Richard Stockton College of New Jersey	24.5	24.5	0.0
SUBTOTAL, SENIOR PUBLICS DIRECT AID [a]	$873.6	$857.2	($16.4)
SENIOR PUBLICS SALARY FUNDING	0.0	17.8	17.8
SENIOR PUBLICS NET FRINGE BENEFITS	500.5	541.8	41.2
TOTAL, SENIOR PUBLICS	**$1,374.1**	**$1,416.8**	**$42.6**
TOTAL, COUNTY COLLEGES [b]	**220.1**	**223.6**	**3.5**
TOTAL, INDEPENDENT COLLEGES & UNIV.	**24.0**	**24.0**	**0.0**
STUDENT FINANCIAL ASSISTANCE			
Tuition Aid Grants	202.6	211.9	9.3
Part-time TAG for County Colleges	4.2	4.5	0.3
NJ STARS	10.0	8.0	(2.0)
EOF Grants and Scholarships	37.1	37.1	0.0
Loan Forgiveness for Mental Health Workers	0.0	3.5	3.5
Other Student Aid Programs	23.2	23.2	(0.0)
TOTAL, STUDENT FINANCIAL ASSIST.	**$277.1**	**$288.1**	**$11.1**
OTHER PROGRAMS			
Capital Grants and Facilities Support [c]	87.3	81.2	(6.2)
New Jersey Stem Cell Research Institute [d]	5.5	5.5	0.0
All other programs	17.6	16.0	(1.6)
TOTAL, OTHER PROGRAMS	**$110.5**	**$102.7**	**($7.8)**
GRAND TOTAL, HIGHER EDUCATION	**$2,005.8**	**$2,055.2**	**$49.4**

[a] All reductions represent FY 2005 legislative adds not continued in FY 2006. Base budgets have not been reduced.
[b] Includes funding from Supplemental Workforce Fund for Basic Skills of $8.0 million in FY 2005 and $14.0 million in FY 2006.
[c] Includes use of off-budget fund balances totaling $2.5 million in FY 2005.
[d] FY 2005 Funding for the Stem Cell Research Institute was supplemented by $4.0 million in prior year balances.

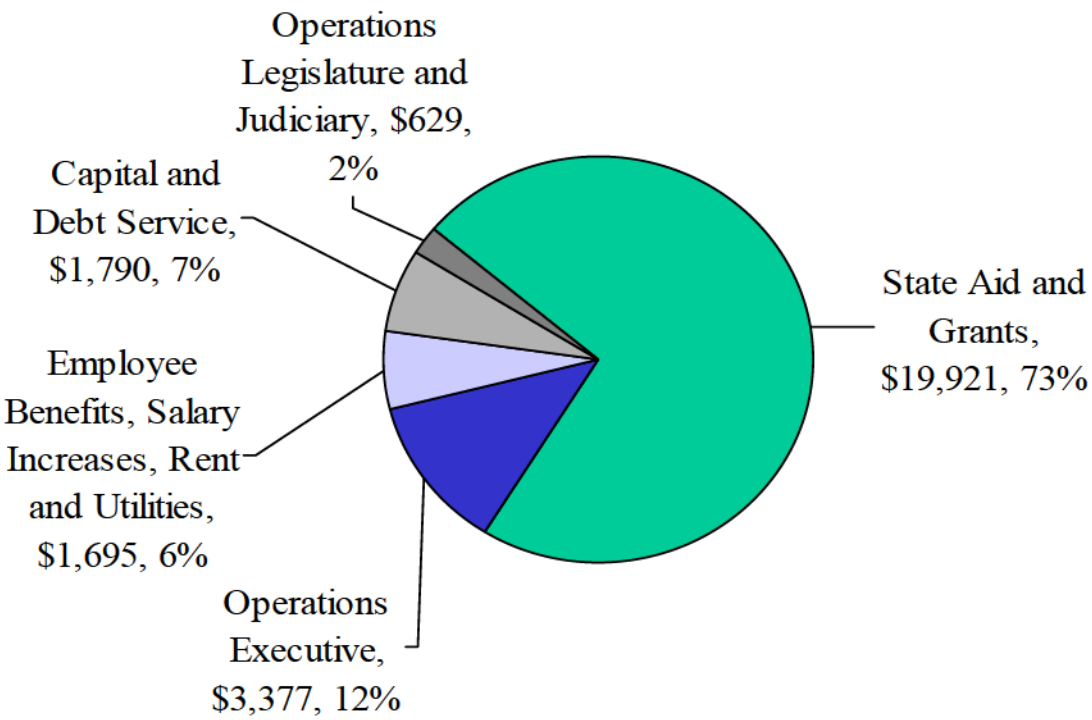
Significant Reductions

(In Thousands)

Homestead Rebate / SAVER Eligibility and Benefit Level Savings	$1,070,800
Refinancing Savings	282,400
Legislative Additions to Fiscal Year 2005 Budget	253,371
Homestead Rebate / SAVER Under Spending	140,000
Employee Actions	50,000
Cancer Programs (Legislative Additions)	28,000
Nursing Home no Inflation in Rates	23,000
Outpatient Hospital Cost Monitoring	20,000
Departmental Efficiencies	17,659
High Expectations for Learning Proficiency	17,000
Above Average Enrollment Growth Aid	12,000
Change in Drug Manufacturer Price Updates	11,387
Early Launch to Learning (under spending)	11,000
Medicaid Co-payments	9,500
New Jersey After 3	7,500
Change in Prescription Refill Requirements	7,300
Nursing Home Change in Bed Hold Formula	6,400
AIDS Drug Distribution Program Formulary	5,000
Taxpayer Hero Grants (program never started in 05)	2,500
Positive Achievement and Cost Effectiveness (program never started in 05)	2,500

Where Does the Money Go – State Aid and Grants Represent 73% of Budget

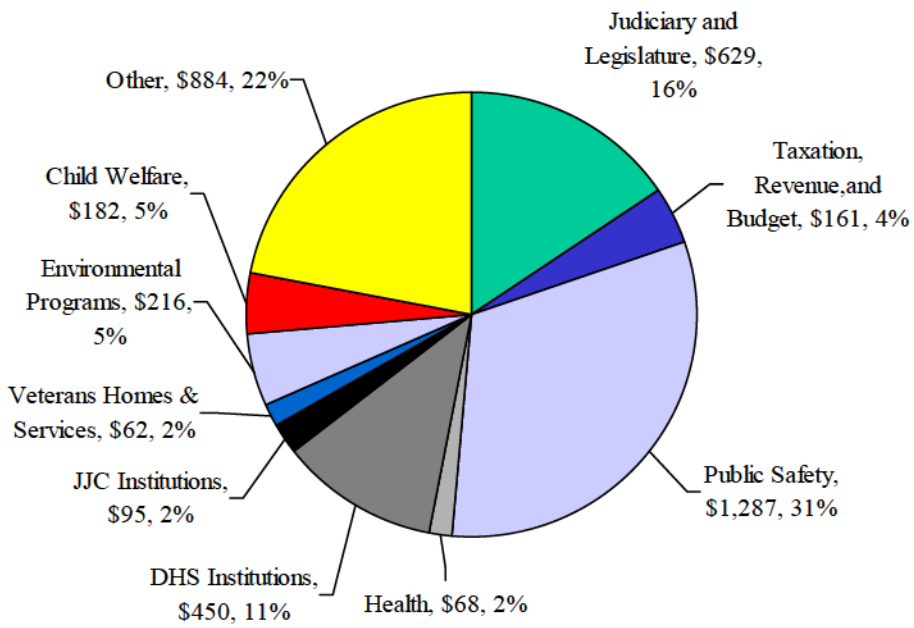
(In Millions)



$.73 cents of every dollar goes to Property Tax Relief and Grants in Aid

Components of Operating Budget

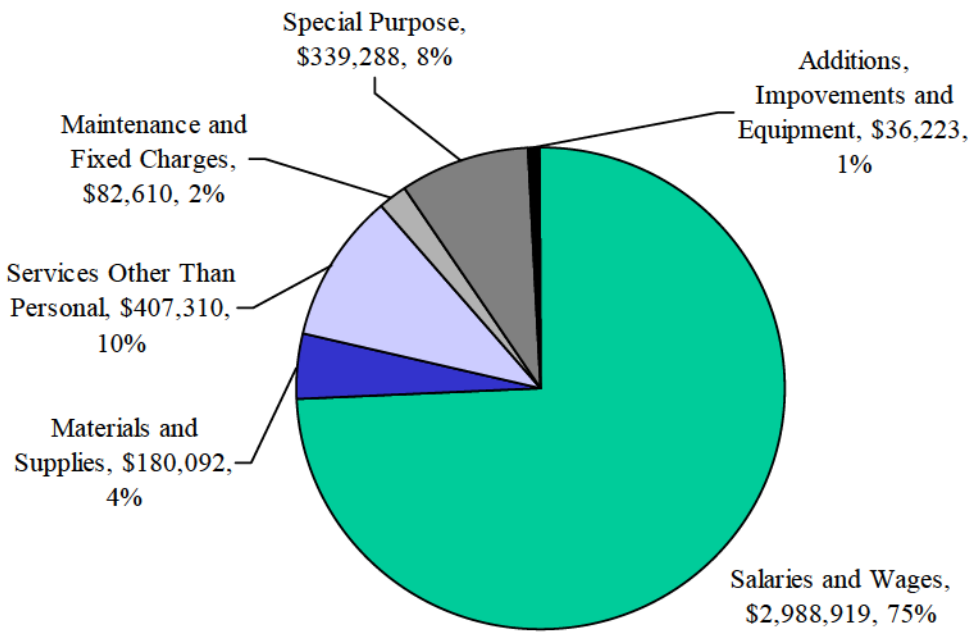
(In Millions)



Total State funded, $4.0 billion

Operating Split between Salaries and Other Costs

(In Thousands)



COMPARISON OF BUDGET MESSAGE TO PRIOR FISCAL YEAR APPROPRIATIONS ACT

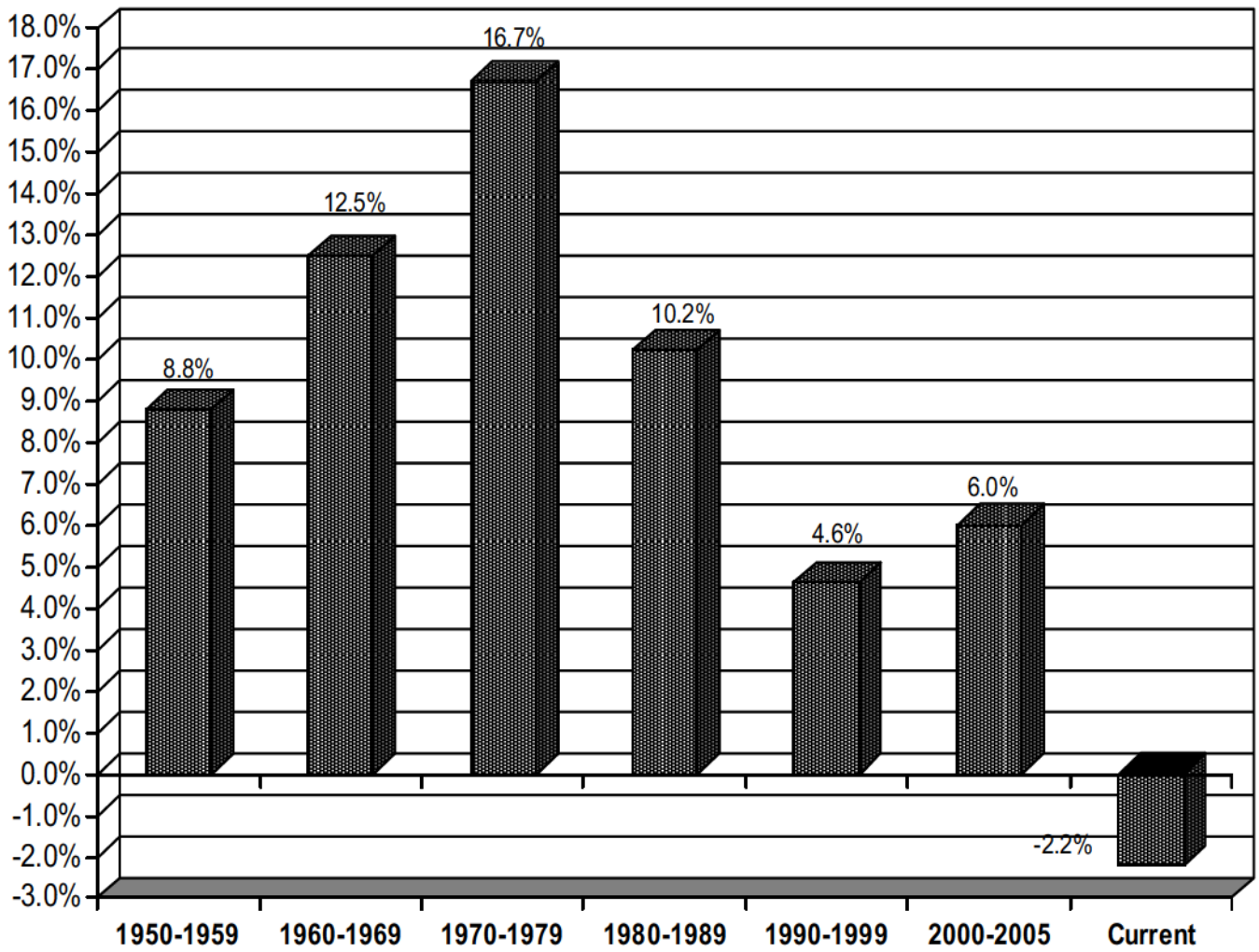
Budget Year	ORIGINAL BUDGET RECOMMENDATIONS	PRIOR YEAR APPROPRIATIONS ACT	$$ CHANGE	%% CHANGE
2005 - 2006	$ 27,412.8	$ 28,027.3	$ (614.5)	-2.19%
2004 - 2005	$ 26,259.8	$ 24,003.2	$ 2,256.6	9.40%
2003 - 2004	$ 23,701.8	$ 23,401.7	$ 300.1	1.28%
2002 - 2003	$ 23,663.2	$ 22,920.7	$ 742.5	3.24%
2001 - 2002	$ 23,153.4	$ 21,419.7	$ 1,733.7	8.09%
2000 - 2001	$ 21,252.8	$ 19,514.4	$ 1,738.4	8.91%
1999 - 2000	$ 19,160.5	$ 18,123.8	$ 1,036.8	5.72%
1998 - 1999	$ 17,953.3	$ 16,786.6	$ 1,166.7	6.95%
1997 - 1998	$ 16,420.9	$ 15,977.8	$ 443.0	2.77%
1996 - 1997	$ 15,984.7	$ 15,994.6	$ (9.9)	-0.06%
1995 - 1996	$ 15,987.4	$ 15,280.7	$ 706.7	4.63%
1994 - 1995	$ 15,377.4	$ 15,466.9	$ (89.6)	-0.58%
1993 - 1994	$ 15,649.6	$ 14,625.5	$ 1,024.1	7.00%
1992 - 1993	$ 15,706.7	$ 14,651.5	$ 1,055.2	7.20%
1991 - 1992	$ 14,310.5	$ 12,423.8	$ 1,886.7	15.19%
1990 - 1991	$ 12,145.6	$ 11,995.0	$ 150.6	1.26%
1989 - 1990	$ 12,090.0	$ 11,775.1	$ 314.9	2.67%
1988 - 1989	$ 11,806.2	$ 10,396.5	$ 1,409.7	13.56%
1987 - 1988	$ 10,179.9	$ 9,279.4	$ 900.5	9.70%
1986 - 1987	$ 9,281.5	$ 8,681.2	$ 600.3	6.92%
1985 - 1986	$ 8,824.5	$ 7,693.3	$ 1,131.2	14.70%
1984 - 1985	$ 7,574.6	$ 6,771.8	$ 802.8	11.86%
1983 -1984	$ 6,799.6	$ 6,181.7	$ 617.9	10.00%
1982 - 1983	$ 6,373.4	$ 5,691.3	$ 682.1	11.99%
1981 - 1982	$ 5,635.1	$ 5,107.1	$ 528.0	10.34%
1980 - 1981	$ 4,736.4	$ 4,652.1	$ 84.4	1.81%
1979 - 1980	$ 4,655.5	$ 4,394.4	$ 261.2	5.94%
1978 - 1979	$ 4,407.3	$ 4,010.6	$ 396.6	9.89%
1977 - 1978	$ 4,001.7	$ 2,853.3	$ 1,148.4	40.25%
1976 - 1977	$ 2,762.8	$ 2,698.1	$ 64.7	2.40%
1975 - 1976	$ 2,816.1	$ 2,756.1	$ 60.0	2.18%
1974 - 1975	$ 2,753.0	$ 2,385.7	$ 367.3	15.40%
1973 - 1974	$ 2,380.6	$ 2,047.7	$ 332.9	16.26%
1972 - 1973	$ 2,406.8	$ 1,779.3	$ 627.5	35.27%
1971 - 1972	$ 1,784.0	$ 1,557.5	$ 226.5	14.54%
1970 - 1971	$ 1,590.1	$ 1,334.4	$ 255.7	19.16%
1969 - 1970	$ 1,361.9	$ 1,088.5	$ 273.4	25.12%
1968 - 1969	$ 1,064.2	$ 992.7	$ 71.5	7.20%
1967 - 1968	$ 998.8	$ 876.6	$ 122.2	13.94%
1966 - 1967	$ 906.1	$ 639.4	$ 266.8	41.72%
1965 - 1966	$ 646.8	$ 584.1	$ 62.7	10.73%
1964 - 1965	$ 589.9	$ 543.8	$ 46.1	8.48%
1963 - 1964	$ 547.5	$ 499.4	$ 48.1	9.63%
1962 - 1963	$ 500.0	$ 467.2	$ 32.7	7.01%
1961 - 1962	$ 467.4	$ 431.8	$ 35.6	8.24%
1960 - 1961	$ 431.4	$ 405.1	$ 26.2	6.47%
1959 - 1960	$ 403.3	$ 388.6	$ 14.7	3.78%
1958 - 1959	$ 399.7	$ 342.5	$ 57.2	16.71%
1957 - 1958	$ 342.5	$ 320.8	$ 21.6	6.74%
1956 - 1957	$ 315.5	$ 284.4	$ 31.1	10.92%
1955 - 1956	$ 257.3	$ 234.8	$ 22.5	9.58%
1954 - 1955	$ 235.4	$ 219.7	$ 15.8	7.18%
1953 - 1954	$ 219.3	$ 210.7	$ 8.6	4.10%
1952 - 1953	$ 196.4	$ 176.8	$ 19.6	11.09%
1951 - 1952	$ 169.7	$ 164.1	$ 5.6	3.43%
1950 - 1951	$ 164.1	$ 159.5	$ 4.6	2.88%

COMPARISON OF BUDGET MESSAGE TO ADJUSTED APPROPRIATION

FY06 Budget represents the largest Budget reduction in State history.

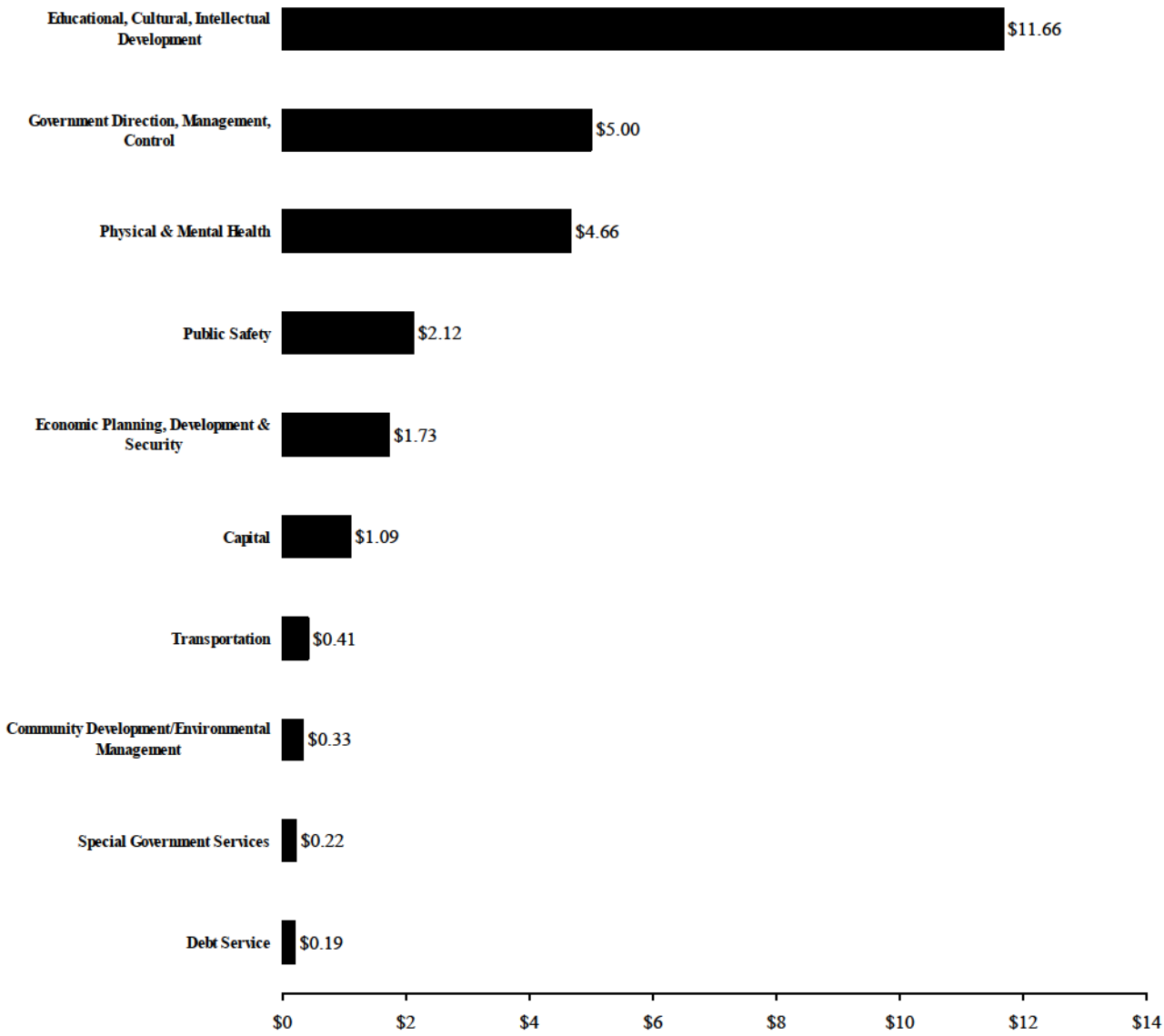
Budget Year	ORIGINAL BUDGET RECOMMENDATIONS	PRIOR YEAR ADJUSTED APPROPRIATION	$$ CHANGE	%% CHANGE
2005 - 2006	$ 27,412.8	$ 28,400.4	$ (987.6)	-3.48%
2004 - 2005	$ 26,259.8	$ 24,542.3	$ 1,717.5	7.00%
2003 - 2004	$ 23,701.8	$ 24,042.8	$ (341.0)	-1.42%
2002 - 2003	$ 23,663.2	$ 23,319.6	$ 343.6	1.47%
2001 - 2002	$ 23,153.4	$ 21,733.6	$ 1,419.7	6.53%
2000 - 2001	$ 21,252.8	$ 19,974.8	$ 1,278.0	6.40%
1999 - 2000	$ 19,160.5	$ 18,363.5	$ 797.1	4.34%
1998 - 1999	$ 17,953.3	$ 17,039.1	$ 914.2	5.37%
1997 - 1998	$ 16,420.9	$ 16,217.8	$ 203.1	1.25%
1996 - 1997	$ 15,984.7	$ 16,109.1	$ (124.4)	-0.77%
1995 - 1996	$ 15,987.4	$ 15,503.6	$ 483.8	3.12%
1994 - 1995	$ 15,377.4	$ 15,499.9	$ (122.5)	-0.79%
1993 - 1994	$ 15,649.6	$ 14,745.4	$ 904.3	6.13%
1992 - 1993	$ 15,706.7	$ 15,003.7	$ 703.0	4.69%
1991 - 1992	$ 14,310.5	$ 12,577.1	$ 1,733.5	13.78%
1990 - 1991	$ 12,145.6	$ 12,148.0	$ (2.5)	-0.02%
1989 - 1990	$ 12,090.0	$ 11,877.0	$ 213.0	1.79%
1988 - 1989	$ 11,806.2	$ 10,497.3	$ 1,308.9	12.47%
1987 - 1988	$ 10,179.9	$ 9,289.6	$ 890.2	9.58%
1986 - 1987	$ 9,281.5	$ 8,996.9	$ 284.6	3.16%
1985 - 1986	$ 8,824.5	$ 7,923.0	$ 901.5	11.38%
1984 - 1985	$ 7,574.6	$ 6,886.1	$ 688.5	10.00%
1983 - 1984	$ 6,799.6	$ 6,288.6	$ 511.0	8.13%
1982 - 1983	$ 6,373.4	$ 5,743.5	$ 630.0	10.97%
1981 - 1982	$ 5,635.1	$ 5,124.7	$ 510.4	9.96%
1980 - 1981	$ 5,114.2	$ 4,736.4	$ 377.7	7.97%
1979 - 1980	$ 4,655.5	$ 4,413.0	$ 242.6	5.50%
1978 - 1979	$ 4,407.3	$ 4,062.4	$ 344.9	8.49%
1977 - 1978	$ 4,001.7	$ 3,381.0	$ 620.7	18.36%
1976 - 1977	$ 2,762.8	$ 2,704.5	$ 58.4	2.16%
1975 - 1976	$ 2,816.1	$ 2,765.5	$ 50.6	1.83%
1974 - 1975	$ 2,753.0	$ 2,402.1	$ 350.9	14.61%
1973 - 1974	$ 2,380.6	$ 2,072.1	$ 308.5	14.89%
1972 - 1973	$ 2,406.8	$ 1,823.6	$ 583.2	31.98%
1971 - 1972	$ 1,784.0	$ 1,609.0	$ 175.0	10.87%
1970 - 1971	$ 1,590.1	$ 1,358.3	$ 231.8	20.40%
1969 - 1970	$ 1,361.9	$ 1,136.0	$ 225.9	22.47%
1968 - 1969	$ 1,064.2	$ 1,005.3	$ 58.9	6.61%
1967 - 1968	$ 998.8	$ 890.5	$ 108.4	16.72%
1966 - 1967	$ 906.1	$ 647.9	$ 258.2	43.74%
1965 - 1966	$ 646.8	$ 590.2	$ 56.6	10.30%
1964 - 1965	$ 589.9	$ 549.9	$ 40.0	7.83%
1963 - 1964	$ 547.5	$ 510.3	$ 37.1	7.89%
1962 - 1963	$ 500.0	$ 470.8	$ 29.2	6.68%
1961 - 1962	$ 467.4	$ 437.7	$ 29.7	7.29%
1960 - 1961	$ 431.4	$ 407.2	$ 24.2	5.95%
1959 - 1960	$ 403.3	$ 393.5	$ 9.8	2.49%
1958 - 1959	$ 399.7	$ 336.3	$ 63.3	18.84%
1957 - 1958	$ 342.5	$ 323.7	$ 18.8	5.80%
1956 - 1957	$ 315.5	$ 298.1	$ 17.3	5.81%
1955 - 1956	$ 257.3	$ 221.8	$ 35.5	16.03%
1954 - 1955	$ 235.4	$ 223.2	$ 12.2	5.46%
1953 - 1954	$ 219.3	$ 220.8	$ (1.4)	-0.65%
1952 - 1953	$ 196.4	$ 183.7	$ 12.7	6.90%
1951 - 1952	$ 169.7	$ 168.9	$ 0.8	0.50%
1950 - 1951	$ 164.1	$ 164.3	$ (0.2)	-0.13%

Average Change in Budgets Over the Past 5 ½ Decades



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

Fiscal 2006
Summary of Recommendations by Statewide Program
(In Billions)



Summaries of Revenues, Expenditures and Fund Balances

This section provides an overview of the major revenue assumptions incorporated in the Governor's Budget recommendations. The tables included in this section highlight the State's major revenue sources, such as the income tax, sales tax, corporate tax, etc. and provide projections for the upcoming fiscal year.



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. 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.

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

	Fiscal Years Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Beginning Balances July 1			
General State Funds	$1,243,903	$2,006,106	$1,542,979
Special Revenue, Capital Projects, Proprietary, and Private Purpose Trust Funds	6,948,829	4,952,490	4,565,014
Total Beginning Balances	*8,192,732*	*6,958,596*	*6,107,993*
Revenues			
General State Funds	37,471,743	40,114,708	40,756,015
Special Revenue, Capital Projects, Proprietary, and Private Purpose Trust Funds	6,073,905	5,975,795	6,421,475
Total	*43,545,648*	*46,090,503*	*47,177,490*
Less: Interfund Transfers	*3,286,938*	*3,839,599*	*1,945,432*
Net Revenues	40,258,710	42,250,904	45,232,058
Other Adjustments			
General State Funds	2,432	640,710	---
Special Revenue, Capital Projects, Proprietary, and Private Purpose Trust Funds	221,688	2,391,268	127,200
Total Other Adjustments	*224,120*	*3,031,978*	*127,200*
Net Available	48,675,562	52,241,478	51,467,251
Expenditures			
General State Funds	36,711,972	41,218,545	40,755,240
Special Revenue, Capital Projects, Proprietary, and Private Purpose Trust Funds	5,151,585	5,343,948	5,052,303
Total	41,863,557	46,562,493	45,807,543
Less: Interfund Transfers	*146,591*	*429,008*	*932,052*
Net Expenditures	41,716,966	46,133,485	44,875,491
Ending Balances June 30			
General State Funds	2,006,106	1,542,979	1,543,754
Special Revenue, Capital Projects, Proprietary, and Private Purpose Trust Funds	4,952,490	4,565,014	5,048,006
Total Ending Balances	*$6,958,596*	*$6,107,993*	*$6,591,760*

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

	Fiscal Year Ending June 30	
	2005 Estimated	2006 Estimated
Beginning Balances July 1		
Undesignated Fund Balances		
General Fund	$ 376,502	$ 111,584
Surplus Revenue Fund	282,416	288,416
Property Tax Relief Fund	175,264	---
Gubernatorial Elections Fund	1,310	---
Casino Control Fund	4,888	---
Casino Revenue Fund	22,747	---
Total Undesignated Fund Balances	***863,127***	***400,000***
State Revenues		
General Fund	17,688,357	17,204,752
Property Tax Relief Fund	9,055,000	9,650,000
Gubernatorial Elections Fund	1,500	1,500
Casino Control Fund	69,585	69,585
Casino Revenue Fund	482,150	487,204
Total State Revenues	***27,296,592***	***27,413,041***
Other Adjustments		
General Fund		
Balances lapsed	479,533	---
From/(To) Property Tax Relief Fund	422,189	---
From/(To) Gubernatorial Elections Fund	(6,060)	---
From/(To) Casino Revenue Fund	---	---
From/(To) Casino Control Fund	5,188	---
From/(To) Surplus Revenue Fund	(6,000)	---
Property Tax Relief Fund		
From/(To) General Fund	(422,189)	---
Balances lapsed	161,177	---
Gubernatorial Elections Fund		
From/(To) General Fund	6,060	---
Casino Revenue Fund		
From/(To) General Fund	---	---
Casino Control Fund		
From/(To) General Fund	(5,188)	---
Surplus Revenue Fund		
From/(To) General Fund	6,000	---
Total Other Adjustments	***640,710***	***---***
Total Available	***28,800,429***	***27,813,041***
Appropriations		
General Fund	18,848,125	17,204,752
Property Tax Relief Fund	8,969,252	9,650,000
Gubernatorial Elections Fund	8,870	1,025
Casino Control Fund	69,285	69,285
Casino Revenue Fund	504,897	487,204
Total Appropriations	***28,400,429***	***27,412,266***
Ending Balances June 30		
Undesignated Fund Balances		
General Fund	111,584	111,584
Surplus Revenue Fund	288,416	288,416
Property Tax Relief Fund	---	---
Gubernatorial Elections Fund	---	475
Casino Control Fund	---	300
Casino Revenue Fund	---	---
Total Undesignated Fund Balances	***$ 400,000***	***$ 400,775***

FISCAL 2005 ANTICIPATED REVENUE

The current estimate of $27.3 billion in total fiscal 2005 revenue is $304.1 million less than when the Governor certified revenues in June 2004.

The three largest taxes, Gross Income, Sales and Use, and Corporation Business account for about 65% of total State revenues and are now forecast to yield $17.7 billion. This represents a decrease of $218.0 million over certified revenues, reflecting the following revisions (+/-) in the estimates for: the Gross Income Tax (+$200 million), due to strong estimated payment collections in association with the millionaires' tax and more favorable wage growth in the economic assumptions; the Sales Tax (-$80 million) since year-to-date collections are down, which may reflect the slowing down in business purchase of capital goods due to the end of the acceleration provision in 2004; and the Corporation Business Tax (-$338 million), based on declining year-to-date collections, which is probably being driven by the phase-in of net operating loss deductions.

The Gross Income Tax forecast for fiscal 2005 is revised up to $9.1 billion, an increase of $200 million compared to the June 2004 certified revenue estimate. This represents an increase in growth of 22.4% rather than the 19.7% growth anticipated in June 2004. This was mainly driven by solid double-digit growth of over 48%, compared to the 41% anticipated rate, in year-to-date estimated payments associated with the millionaires' tax and the generally improving stock market conditions. Employer withholdings grew by 8.6% in calendar year 2004, above the 5.3% growth in 2003. The overall momentum of economic recovery during calendar year 2004 when New Jersey added 75,400 jobs along with maintaining a state unemployment rate consistently below the national rate has helped the growth in income tax collections. Fiscal 2005 marks the first time that the Gross Income Tax base revenue will exceed the fiscal 2001 revenue level.

The Sales and Use Tax is estimated to generate $6.5 billion in fiscal 2005, a 4.6% growth compared to the 5.9% rate originally projected. The estimate was decreased with mixed reports of 2004 holiday sales, reflecting the influence of Internet sales and gift card purchases. Consumer confidence remained mixed in 2004 with the index increasing by only 5 points between January and December of last year, after an impressive 13 point gain during the same period in 2003.

The Corporation Business Tax (CBT) is estimated to generate $2.2 billion in fiscal 2005, which is $338 million below the original estimate of $2.5 billion. The downward revision in the CBT estimate is in line with the declining year-to-date collections trend. The phase in of the net operating loss deductions, which began in 2004, and the presence of alternative minimum assessment credits against CBT liability are forces offsetting any growth potential in CBT revenues due to business recovery.

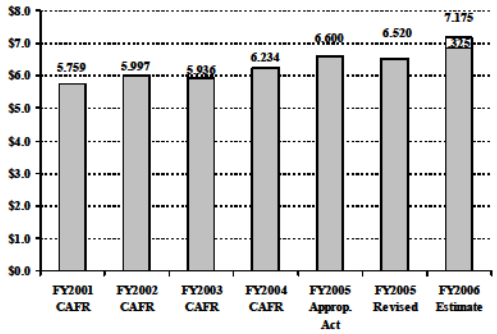
FISCAL 2006 REVENUE PROJECTIONS

Total revenues for fiscal 2006 are expected to be $27.4 billion, $116.4 million above the revised fiscal 2005 anticipation, and include new revenue actions of $1.3 billion. Revenues are expected to grow moderately in fiscal 2006 as the economic recovery nationwide and in New Jersey continues to firm up. Absent any of the revenue actions that have been proposed by the Acting Governor, base revenue for fiscal 2006 would have been only $26.1 billion which is $1.2 billion less than the total revenue in the current budget.

Sales Tax

The forecast of $7.2 billion for fiscal 2006 Sales Tax revenues is an increase of $655 million, which includes $275 million for Sales Tax Modernization and $50 million for Urban Enterprise Zone Sales. The basic underlying growth of 5.1%, compared to the revised fiscal 2005 revenues is an improvement, reflecting consistent strength in the underlying economic fundamentals. With an improving outlook for payroll employment and personal income growth, consumer

SALES TAX
(In Billions)



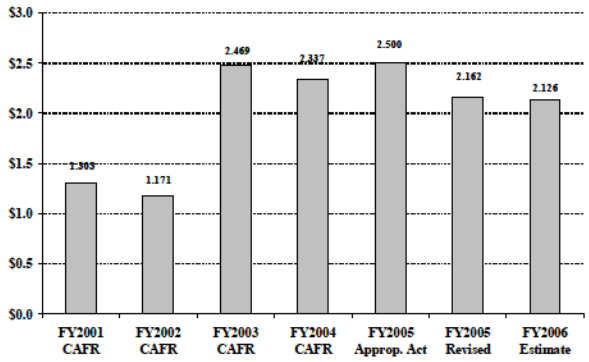
FY06 includes $325 million in initiatives.

confidence and spending should keep growing at a moderate pace in 2006.

Corporation Business Tax

The fiscal 2006 CBT revenue forecast of $2.1 billion represents a decrease of $36 million (or 1.7%), compared with revised fiscal 2005. This downward revision assumes an increase in estimated net operating loss deductions as the phase-in is completed. Growth in refunds of 15% is also assumed in fiscal 2006.

CORPORATE BUSINESS TAX
(In Billions)

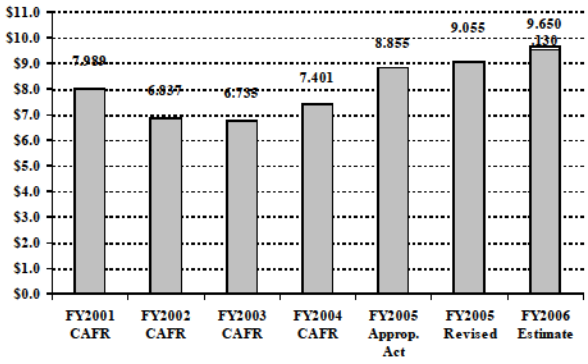


CBT excludes Energy

Gross Income Tax

The fiscal 2006 forecast of $9.7 billion is an increase of $595 million, including $130 million in new initiatives. The basic underlying growth of 5.1% over revised fiscal 2005 is a reflection of the continuation of the economic turnaround that started in 2003. New Jersey Total Income, which is the tax base, is expected to increase by 5.7% in 2004, one percentage point above the year ago pace. In 2005 and 2006, the tax base is projected to grow at 6.2% and 5.9%, respectively. The growth in income for households reporting over $100,000 in total income is expected to rebound at a 7.8% average annual rate (2003-2005) after declining at a –6.3% average annual rate during the 2001-2002 recessionary period.

GROSS INCOME TAX
(In Billions)



FY06 includes $130 million in initiatives.

REVENUE ENHANCEMENTS

Descriptions of the major revenue enhancements proposed in the Fiscal 2006 Budget are listed below.

Asset Sales ($500 million)

While revenue growth and spending restraints will provide significant budget relief in fiscal 2006, additional steps are necessary to bolster State revenues and close a multi-billion dollar shortfall. Just as a business does in strained budgetary circumstances, the State will examine all of its assets to determine which are still useful and productive and which assets could be sold. The State currently has $19.4 billion in assets, including buildings, infrastructure, and land. The Fiscal 2006 Budget anticipates that various actions such as the actual sale or transfer of assets to other private entities will generate $500 million.

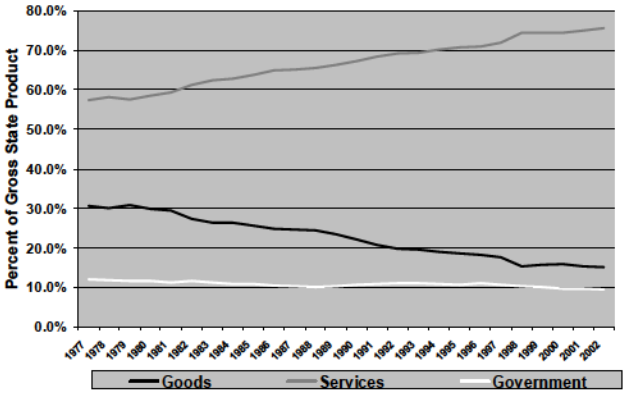
Sales Tax Modernization ($275 million)

The Fiscal 2006 Budget proposes to modify the State sales tax to provide a more equitable tax treatment of similar products and to recognize the erosion of the sales tax base due to the impact of technology and a movement to a service economy. The proposed changes are projected to generate $275 million in new revenue in fiscal 2006.

Since the enactment of the Sales and Use Tax Act in 1966, the nature of the State's economy has changed dramatically. Reflecting similar trends across the country, the New Jersey economy is now largely service-based. The production of goods, which formed the original foundation for the sales tax, has long since shrunken as a percentage of the economy due in large part to the gradual decline in the manufacturing sector.

This point is clearly outlined in the attached chart entitled "Gross New Jersey State Product by Industry, 1977-2002". As a percent of the total State economy, the service sector increased by 18 percentage points, from 57% in 1977 to 75% in 2002, while the manufacturing sector declined by 15 percentage points, from 30% to 15% during those years.

Gross New Jersey State Product by Industry 1977-2002



The rapid absorption of new technology in society has also given rise to an inequitable and inconsistent application of the sales tax. Simply, similar products are now treated much differently in a tax sense. The revenue fallout associated with these inequities has been exacerbated by the enactment of 52 sales tax exemptions.

In general, there has been relatively little expansion of the sales tax base despite fundamental changes to the underlying economy. Since the sales tax represents nearly one-quarter of the revenue used to support the State Budget (and 40% of the annual amount raised by major taxes and fees), this phenomenon is key to understanding New Jersey's ongoing structural problem. Specifically, while normal increases in population have placed greater demands on State services, the mounting, inflation-driven costs to satisfy these needs have outstripped the growth of New Jersey's primary revenue resources.

As part of the budget process, the Acting Governor proposes that an existing entity, possibly the Sales Tax Review Commission, analyze the changes in the revenue base since 1966 as well as the effect that new technology and the shift to a service economy has had on the potential for future revenue and inequity in the treatment of similar products and services. Based on this review, recommendations will be made for changes to the sales tax law. Possible items that could be subject to tax under these reforms include shipping and handling, limousine services, luxury box rentals, charter airplane services, tanning, massages, and landscaping.

Video Lottery Terminals ($150 million)

The Video Lottery Terminal Program represents a continuing revenue source that may generate $150 million in additional State revenue in fiscal 2006 alone, when only 6 months of revenues are expected. A temporary facility will be established in the Meadowlands in early 2006.

Property Tax Deduction Change ($85 million)

The existing property tax deduction for those taxpayers with income above $200,000 will be discontinued due to budgetary constraints. As a matter of tax equity, Homestead Rebates for non-senior taxpayers earning less than $200,000 served to offset the disproportionate benefit of the property tax deduction enjoyed by high income earners. As the Fiscal 2006 Budget proposal would suspend Homestead Rebates for non-seniors, discontinuing the property tax deduction benefit for high income New Jerseyans would maintain a measure of equity among these brackets of taxpayers. Over 1.28 million taxpayers will still be able to fully deduct their property taxes. This change, which will only impact 9.4% of those taxpayers that currently claim the deduction, will increase income tax revenues by a projected $85 million.

Pension Exclusion Change ($45 million)

The exclusion for up to $20,000 in retirement income for taxpayers with over $100,000 in income will be eliminated. Over 113,600 taxpayers will still be able to exclude this income. The change will only impact 5.7% of those taxpayers that currently use the exclusion. This change will increase income tax revenues by an estimated $45 million.

Cable Industry – Equity Fee ($50 million)

A 2% gross receipts tax on the cable television industry is proposed for fiscal 2006. This tax will be structured to achieve equity in consumer services offered by the telecommunications industry, which is currently subject to a patchwork of taxes that have evolved over many years.

Urban Enterprise Zone Sales ($50 million)

The State's Urban Enterprise Zone program, which was created in 1983, has successfully enabled local governments to revive dormant areas by providing a key economic stimulus. Specifically, the State sales tax is lowered within the zones from 6% to 3% and retained by the affected locality. The program now operates 32 zones in 37 municipalities, employing 155,000 people in the 7,750 businesses that participate. Collectively, the program generates more than $18 billion in private investment. Over the past 20 years, 1,629 economic development projects totaling nearly $525 million in Zone Assistance funds have been approved for implementation.

The Urban Enterprise Zones (UEZ) Act also allows businesses that satisfy the related statutory qualifications to make tax exempt purchases for exclusive use or consumption within the zone. In some cases, however, businesses are granted temporary status and make tax-free purchases but never comply with the statutory qualifications. Others make large, tax-free purchases and then leave the program or the zone itself, taking the assets with them.

From 1995 through 2004, the State has foregone a total of $869 million in revenue from this provision. In fiscal 2006, it is estimated that this loophole will reduce potential revenue to the State by at least $100 million.

The Fiscal 2006 Budget proposes to reduce this revenue loss through the following changes:

- Lower the UEZ purchase exemption from 6% to 3%;
- Require businesses to pay the full 6% tax upfront and apply to the Division of Taxation for a rebate of 3%;
- Require businesses to repay a portion of the lost revenue if they fail to meet the statutory qualifications or leave the UEZ program.

These changes will yield an estimated $50 million in additional sales tax revenue for the Fiscal 2006 Budget.

It is important to note that these changes will not affect the municipalities' receipt of revenue from the existing 3% sales tax in any way. That revenue stream, which totals approximately $62 million per year, will continue unabated.

Simplified Sales Tax Implementation/Amnesty ($40 million)

Consistent with the effort of over 40 other states, it is proposed that New Jersey enact legislation establishing a simplified, streamlined sales tax structure that provides numerous benefits for both the State and the business community. The agreement includes a one year voluntary amnesty, beginning with the date that New Jersey formally joins the multi-state compact, for companies that have nexus in New Jersey but are not yet registered. Based on prior studies, this initiative is expected to generate $40 million in new revenue in fiscal 2006.

Transfer Inheritance Tax ($25 million)

The Fiscal 2006 Budget proposes changes in the estate tax that will generate $25 million. These changes will be confined to those taxpayers that have received the most benefit under the federal tax changes.

Realty Transfer ($25 million)

The Fiscal 2006 Budget proposes an increase in the realty transfer fee rate structure that adds approximately $25 million in new revenue. The new rates will affect realty sales exempted from the fiscal 2005 fee increase. For fiscal 2005, P.L.2004, c.66, introduced a new realty transfer "general purpose" fee for all realty sales valued at $350,000 and over, exempting sales less than $350,000. This Budget proposes to extend that general purpose fee to sales between $150,000 and $350,000. Realty sales less than $150,000 would continue to be exempt from the general purpose fee.

Specifically, the proposed fiscal 2006 rate increase would extend a general purpose fee of $0.75/$500 of sale value for the first $150,000 of sale price on realty ranging from $150,000 - $350,000, $0.90/$500 of sale value for the next $50,000 of such sales, and $0.85/$500 of sale value for the last $150,000 of such sales. This proposed rate structure is less than the current general purpose fee structure for sales of $350,000 or more.

Realty transfer fees have several components. Portions of realty transfer fees are retained by counties, portions support the Neighborhood Preservation Fair Housing Fund and the Shore Protection Fund, and a portion, including the general purpose fee component, is deposited in the General Fund. Currently, a $250,000 home sale pays about $1,300 total in realty transfer fees. A $500,000 home sale pays nearly $4,200 in total realty transfer fees. The proposed fiscal 2006 change would increase the fees paid on the $250,000 home by $400, to

$1,700. It would have no impact on the $500,000 sale, or on any sales $350,000 and higher.

Fines Amnesty ($15 million)

Similar to the successful tax amnesty program in 2002, the Fiscal 2006 Budget assumes $15 million from an amnesty program for delinquent fines, fees and assessments. Individuals and business have significant balances due to the State for various fees, fines and assessments throughout all departments of State government. This amnesty program will allow for the waiving of interest for those delinquent individual and businesses that satisfy their obligations during a certain time period.

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 at the rate of 6 percent 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.

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.

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 Division of Motor Vehicles.

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.

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 five other taxes/fees imposed as follows: Casino Net Income Tax, 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.

SCHEDULE 1
STATE REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Major Taxes			
Sales	6,261,700	6,520,000	7,175,000
Corporation Business	2,358,258	2,162,000	2,155,100
Cigarette	612,167	636,000	612,000
Motor Fuels	566,831	565,000	580,000
Transfer Inheritance	516,008	500,000	545,000
Insurance Premium	417,873	432,000	443,000
Realty Transfer	227,064	345,000	405,000
Motor Vehicle Fees	235,254	272,000	294,320
Petroleum Products Gross Receipts	216,247	250,000	255,000
Alcoholic Beverage Excise	87,357	87,000	91,000
Corporation Banks and Financial Institutions	141,432	85,000	85,000
Tobacco Products Wholesale Sales	10,345	12,000	12,000
Public Utility Excise (Reform)	9,321	9,000	9,000
Total Major Taxes	*11,659,857*	*11,875,000*	*12,661,420*
Miscellaneous Taxes, Fees, Revenues			
Executive Branch--			
Department of Agriculture:			
Animal Health - Laboratory Test Fees	154	---	---
Environmental Services	289	---	---
Fertilizer Inspection Fees	506	291	366
Milk Control Licenses and Fees	710	---	---
Miscellaneous Revenue	353	4	4
	2,012	295	370
Department of Banking and Insurance:			
Actuarial Services	46	54	54
Bank Assessments	3,685	3,800	3,700
Banking - Examination Fees	2,300	2,260	2,300
Banking - Licenses and Other Fees	12,265	6,600	7,200
FAIR Act Administration	16,863	15,000	15,000
Fraud Fines	1,955	2,000	2,000
Insurance - Special Purpose Assessment	14,969	16,500	16,500
Insurance Examination Billings	1,750	2,200	2,300
Insurance Fraud Prevention	33,240	35,000	34,000
Insurance Licenses and Other Fees	12,087	12,530	12,530
Public Adjusters Licenses	46	---	---
Real Estate Commission	10,318	6,500	6,500
	109,524	102,444	102,084
Department of Community Affairs:			
Affordable Housing and Neighborhood Preservation - Fair Housing	19,439	20,003	20,003
Boarding Home Fees	515	---	---
Construction Fees	18,191	12,766	12,766
Divorce Filing Fees	1,265	1,276	1,276
Fire Safety	23,232	15,039	15,039
Housing Inspection Fees	9,599	7,806	7,806
Miscellaneous Revenue	82	---	---
NJ Meadowlands Commission	3,637	---	---
Planned Real Estate Development Fees	2,339	828	828
Truth In Renting	180	---	---
	78,479	57,718	57,718
Department of Corrections:			
Miscellaneous Revenue	5	---	---

SCHEDULE 1
STATE REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Department of Education:			
Audit Recoveries	690	775	775
Audit of Enrollments	1,288	1,400	1,000
Local School District Loan Recoveries–NJ Economic Development Authority	9,186	9,100	8,380
Miscellaneous Revenue	116	50	50
Nonpublic Schools Handicapped and Auxiliary Recoveries	12,809	---	---
Nonpublic Schools Textbook Recoveries	1,523	1,450	1,500
School Construction Inspection Fees	3,519	3,246	3,246
State Board of Examiners	3,344	3,971	3,125
	32,475	19,992	18,076
Department of Environmental Protection:			
Air Pollution Fees – Minor Sources	3,784	4,000	4,000
Air Pollution Fees – Title V Operating Permits	13,501	11,650	14,750
Air Pollution Fines	5,628	3,500	3,500
Clean Water Enforcement Act	2,157	2,000	2,300
Coastal Area Development Review Act	1,667	1,750	1,750
Endangered Species Tax Checkoff	258	279	235
Environmental Infrastructure Financing Program–Administrative Fee	5,000	5,000	5,000
Excess Diversion	328	283	283
Freshwater Wetlands Fees	3,568	3,060	3,060
Freshwater Wetlands Fines	97	300	300
Hazardous Discharge Site Cleanup	8,843	---	---
Hazardous Waste Fees	2,437	2,107	2,580
Hazardous Waste Fines	984	400	400
Highlands Permitting	---	1,558	2,166
Hunters' and Anglers' Licenses	12,162	12,500	12,500
Industrial Site Recovery Act	1,209	1,000	1,000
Laboratory Certification Fees	791	780	780
Laboratory Certification Fines	13	20	20
Marina Rentals	1,335	885	885
Marine Lands – Preparation and Filing Fees	1,871	170	170
Medical Waste	4,080	3,800	3,800
Miscellaneous Revenue	2	11	11
New Jersey Pollutant Discharge Elimination System/Stormwater Permits	12,156	12,100	12,100
New Jersey Spill Compensation Fund	2,955	---	---
Parks Management Fees and Permits	5,249	4,300	4,300
Parks Management Fines	161	160	160
Pesticide Control Fees	4,278	4,200	4,200
Pesticide Control Fines	59	50	50
Pollution Prevention Fund	263	---	---
Radiation Protection Fees	3,326	4,400	3,700
Radiation Protection Fines	88	88	88
Radon Testers Certification	238	240	240
Safe Drinking Water Fund	864	---	---
Shellfish and Marine Fisheries	10	7	7
Solid Waste – Utility Regulation Assessments	3,207	3,100	3,100
Solid Waste Fines – DEP	578	500	700
Solid Waste Management Fees – DEP	4,569	11,697	8,212
Solid and Hazardous Waste Disclosure	2,979	---	---
Spring Meadow Golf Course	300	300	300
Stormwater Permits	2,995	4,800	4,800
Stream Encroachment	1,717	1,720	1,720
Toxic Catastrophe Prevention Fees	1,237	1,550	1,550
Toxic Catastrophe Prevention Fines	69	40	40
Treatment Works Approval	1,629	1,969	2,073
Underground Storage Tanks Fees	1,062	1,000	1,000
Water Allocation	3,197	2,050	2,050
Water Supply Fund	20	---	---
Water Supply Management Regulations	1,530	1,387	1,390
Water/Wastewater Operators Licenses	215	215	215
Waterfront Development Fees	2,017	2,200	2,200
Waterfront Development Fines	116	10	10
Well Permits/Well Drillers/Pump Installers Licenses	982	1,100	1,080
Wetlands	24	24	24
Worker Community Right to Know – Fines	15	20	20
	127,820	114,280	114,819

SCHEDULE 1
STATE REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Department of Health and Senior Services:			
Admission Charge Hospital Assessment	6,000	6,000	6,000
Clinical Laboratory	563	---	---
Consumer Health Penalties	4,287	---	---
HMO Covered Lives	1,739	2,600	2,600
Health Care Reform	1,200	1,200	1,200
Licenses, Fines, Permits, Penalties & Fees	3,491	790	790
Miscellaneous Revenue	1,197	400	400
Pharmaceutical Assistance to the Aged – Recoveries	4,029	---	---
	22,506	10,990	10,990
Department of Human Services:			
Child Care Licensing/Adoption Law	337	350	350
Commission for the Blind – Miscellaneous	594	---	---
Early Periodic Screening, Diagnosis and Treatment	16,208	4,000	4,000
Interim Assistance	385	---	---
Marriage License Fees	1,266	1,450	1,450
Medicaid Uncompensated Care – Acute	305,035	223,650	254,355
Medicaid Uncompensated Care – Mental Health	32,414	34,186	33,055
Medicaid Uncompensated Care – Psychiatric	171,088	182,446	178,685
Medical Assistance – Recoveries	19,748	---	---
Medical Assistance–Federal Match on PAAD/Medicaid Dual Eligibles	228	2,200	2,200
Miscellaneous Revenue	787	48,500	5,500
Patients' and Residents' Cost Recovery – Developmental Disability	14,779	16,221	16,221
Patients' and Residents' Cost Recovery – Psychiatric Hospitals	74,832	58,767	59,600
Payments for Medical Assistance Recipients – Prescription Drugs	197,038	---	---
Purchased Institutional Care	3,828	---	---
School Based Medicaid	17,564	19,000	16,126
	856,131	590,770	571,542
Department of Labor and Workforce Development:			
Special Compensation Fund	2,012	1,685	1,685
State Disability Benefits Fund	6,898	---	---
Urban Enterprise Zone Administration Cost	25	---	---
Workers' Compensation Assessment	18,159	12,130	12,130
Workforce Development	16,651	---	---
Workplace Standards – Licenses, Permits and Fines	8,895	2,820	2,820
	52,640	16,635	16,635
Department of Law and Public Safety:			
Authorities Recruit Class Reimbursement	---	2,500	2,500
Beverage Licenses	8,736	3,960	3,960
Charities Registration Section	1,355	695	695
Consumer Affairs	7,524	---	---
Controlled Dangerous Substances	789	100	100
Criminal Disposition	465	---	---
EDA School Construction Recoveries	823	800	800
General Client Services	29,424	---	---
Legal Services	22,228	---	---
Legalized Games of Chance Control	1,216	1,200	1,200
Miscellaneous Revenue	419	---	400
New Jersey Cemetery Board	203	132	120
Pleasure Boat Licenses	3,028	3,000	3,000
Private Employment Agencies	687	258	258
Retired Officer Handgun Permit	215	---	---
Safe & Secure Receipts	276	---	---
Securities Enforcement	19,778	8,994	7,794
State Board of Architects	841	480	450
State Board of Audiology and Speech–Language Pathology Advisory	422	25	270
State Board of Certified Psychoanalysts	---	50	50
State Board of Certified Public Accountants	575	176	1,425
State Board of Chiropractors	1,025	240	675
State Board of Cosmetology and Hairstyling	2,877	2,680	625
State Board of Dentistry	3,182	280	1,415
State Board of Electrical Contractors	437	40	1,200

SCHEDULE 1
STATE REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
State Board of Marriage Counselor Examiners	338	400	150
State Board of Master Plumbers	181	640	75
State Board of Medical Examiners	3,741	4,400	2,125
State Board of Mortuary Science	572	320	300
State Board of Nursing	6,804	3,900	3,750
State Board of Occupational Therapists and Assistants	639	60	375
State Board of Ophthalmic Dispensers and Ophthalmic Technicians	441	48	270
State Board of Optometrists	76	400	30
State Board of Orthotics and Prosthetics	51	80	31
State Board of Pharmacy	1,136	760	300
State Board of Physical Therapy	1,051	120	600
State Board of Professional Engineers and Land Surveyors	1,857	360	1,050
State Board of Professional Planners	456	40	45
State Board of Psychological Examiners	217	180	75
State Board of Real Estate Appraisers	1,623	120	1,050
State Board of Respiratory Care	420	25	150
State Board of Shorthand Reporting	130	25	75
State Board of Social Workers	740	700	300
State Board of Veterinary Medical Examiners	183	360	60
State Police – Fingerprint Fees	11,871	2,694	2,694
State Police – Other Licenses	229	230	230
State Police – Private Detective Licenses	472	220	220
State Police Recruit Training	77	---	---
Victim and Witness Advocacy Fund	1,267	---	---
Violent Crime Compensation	8,619	3,930	3,930
Weights and Measures – General	3,647	2,612	2,612
	153,363	48,234	47,434
Department of Military and Veterans' Affairs:			
Miscellaneous Revenue	2,173	---	---
Soldiers' Homes	29,542	29,739	29,690
	31,715	29,739	29,690
Department of Personnel:			
Examination Fees	2,040	---	---
Human Resource Development Institute	3,167	---	---
	5,207	---	---
Department of State:			
Autism Medical Research	1,387	---	---
Miscellaneous Revenue	42	---	---
	1,429	---	---
Department of Transportation:			
Air Safety Fund	1,841	965	965
Applications and Highway Permits	2,125	1,300	1,300
Auto Body Repair Shop Licensing	30	598	18
Autonomous Transportation Authorities	24,708	2,500	2,500
Drunk Driving Fines	369	350	350
Good Driver	76,259	71,500	71,500
Graduated Driver's License	1,381	1,385	1,390
Heavy Duty Diesel Fines	427	430	450
Interest on Purchase of Right of Way	---	5	5
Logo Sign Program Fees	443	300	300
Miscellaneous Revenue	50	200	200
Motor Vehicle Database–Automated Access	49,596	49,800	50,000
Motor Vehicle Fees	114	---	---
Motor Vehicle Inspection Fund	77,702	76,700	76,700
Outdoor Advertising	7,417	6,740	6,740
Parking Offenses	426	408	410
Photo Licensing	47	---	---
Placarded Railcar	85	---	---
Rental Receipts – Tenant Relocation Program	359	---	---

SCHEDULE 1
STATE REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Salvage Title Program	1,071	1,100	1,100
Special Plate Fees	1,025	750	750
Uninsured Motorists Program	5,337	3,400	3,400
	250,812	218,431	218,078
Department of the Treasury:			
Assessment on Houses Greater Than $1 Million	---	44,000	48,000
Assessments – Cable TV	3,984	4,241	4,241
Assessments – Public Utility	24,874	26,058	26,058
Asset Sales	---	---	500,000
Cable Industry Equity Fee	---	---	50,000
Casino Fines	577	---	---
Coin Operated Telephones	3,829	3,200	2,800
Commercial Recording – Expedited	3,430	2,853	2,853
Communication Fee – Lottery	438	---	---
Cost Assessment	3,881	---	---
DMV Securitization	144	---	---
Dormitory Safety Trust Fund – Debt Service Recovery	---	5,731	5,796
Equipment Leasing Fund – Debt Service Recovery	4,084	4,642	4,642
Escrow Interest – Construction Accounts	15	22	24
Fines Amnesty	---	---	15,000
General Revenue – Fees (Commercial Recording and UCC)	42,665	35,685	35,685
Higher Education Capital Improvement Fund – Debt Service Recovery	---	11,250	12,237
Hotel/Motel Occupancy Tax	80,972	65,118	65,118
Investment Earnings	18,389	---	---
Miscellaneous Revenue	3,011	853	853
NJ Economic Development Authority	22,025	2,200	1,973
NJ Public Records Preservation	---	39,000	39,000
Notary Commissions	1,314	1,100	1,100
Nuclear Emergency Response Assessment	4,011	5,067	4,139
Office of Dispute Settlement (ODS) Mediation Fees	170	158	158
Public Defender Client Receipts	4,499	4,900	4,900
Public Utility – Customer Specific Tax	1,868	1,868	1,868
Public Utility Fines	5,840	---	3,000
Public Utility Gross Receipts and Franchise Taxes (Water/Sewer)	76,849	75,000	75,000
Railroad Tax – Class II	3,660	3,100	3,100
Railroad Tax – Franchise	621	590	590
Rate Payer Advocate	6,769	6,297	6,297
Sale of Real Property	6,249	---	---
Simplified Sales Tax Implementation/Amnesty	---	---	40,000
State Disability Benefits Fund	30	---	---
Stormwater Management–Combined Sewer Overflow	1,075	---	---
Surplus Property	950	950	950
Tax Audit Services – Uncollected Revenue Recovery	266	---	---
Tax Referral Cost Recovery Fee	3,210	6,000	6,700
Telephone Assessment	---	115,000	119,000
Tire Clean–Up Surcharge	---	8,300	9,000
Transitional Energy Facilities Assessment	249,522	221,900	235,000
	579,221	695,083	1,325,082
Other Sources:			
Miscellaneous Revenue	725	500	500
Interdepartmental Accounts:			
Administration and Investment of Pension & Health Benefit Funds – Recoveries	47,031	61,300	49,500
Employee Maintenance Deductions	300	300	300
Fringe Benefit Recoveries from Colleges and Universities	104,352	118,000	120,000
Fringe Benefit Recoveries from Federal and Other Funds	156,869	194,000	198,000
Fringe Benefit Recoveries from School Districts	34,755	34,300	35,900
Indirect Cost Recoveries – DEP Other Funds	9,803	10,223	10,500
MTF Revenue Fund	90,551	86,500	87,500
Miscellaneous Revenue	30	---	---
Rent of State Building Space	1,913	1,900	1,900
Social Security Recoveries from Federal and Other Funds	52,357	55,000	56,000
Standard Offer Payments – Utilities	789	---	---
	498,750	561,523	559,600

SCHEDULE 1
STATE REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Judicial Branch--			
The Judiciary:			
Civil Arbitration Program	3,089	---	---
Court Fees	65,278	67,515	66,670
Court Unification County Reimbursements	2,200	---	---
Miscellaneous Revenue	337	---	---
	70,904	67,515	66,670
Total Miscellaneous Taxes, Fees, Revenues	*2,873,718*	*2,534,149*	*3,139,288*
Interfund Transfers			
Beaches and Harbor Fund	14	15	15
Cigarette Tax Securitization Fund	---	1,190,000	---
Clean Waters Fund	22	15	10
Correctional Facilities Construction Fund	6	9	8
Correctional Facilities Construction Fund of 1987	30	22	9
Cultural Centers and Historic Preservation Fund	48	50	30
Dam, Lake, Stream and Flood Control Project Fund - 2003	---	---	150
Developmental Disabilities Waiting List Reduction Fund	354	384	166
Dredging and Containment Facility Fund	269	338	338
Emergency Flood Control Fund	4	5	5
Energy Conservation Fund	1	4	15
Enterprise Zone Assistance Fund	2,505	3,164	3,673
Fund for the Support of Free Public Schools	---	890	1,680
Garden State Farmland Preservation Trust Fund	1,650	1,762	1,762
Garden State Green Acres Preservation Trust Fund	4,562	5,000	5,000
Garden State Historic Preservation Trust Fund	311	617	617
Hazardous Discharge Fund	2	3	3
Hazardous Discharge Site Cleanup Fund	2,718	12,537	9,638
Human Services Facilities Construction Fund	2	2	---
Institutional Construction Fund	7	---	---
Institutions Construction Fund	4	---	---
Jobs, Education and Competitiveness Fund	139	94	27
Judiciary Bail Fund	278	375	375
Judiciary Child Support and Paternity Fund	261	315	315
Judiciary Probation Fund	105	195	195
Judiciary Special Civil Fund	26	40	40
Judiciary Superior Court Miscellaneous Fund	59	65	65
Legal Services Fund	10,409	10,410	10,410
Medical Education Facilities Fund	520	---	---
Mortgage Assistance Fund	696	722	711
Motor Vehicle Security Responsibility Fund	3	3	3
Motor Vehicle Surcharge Securitization Fund	---	740,000	---
Mutual Workers' Compensation Security Fund	---	5,000	---
NJ Bridge Rehab. and Improvement and R.R. Right-of-Way Preservation Fund	155	98	85
Natural Resources Fund	32	46	28
New Jersey Green Acres Fund - 1983	221	250	250
New Jersey Insolvent Health Maintenance Organization Assistance Fund	273	---	---
New Jersey Spill Compensation Fund	14,522	14,037	15,037
New Jersey Workforce Development Partnership Fund	40,333	17,159	17,159
Pollution Prevention Fund	2,347	2,380	1,803
Public Buildings Construction Fund	5	---	---
Public Purpose Buildings Construction Fund	2	2	1
Public Purpose and Community Based Facilities Construction Fund	135	74	71
Real Estate Guaranty Fund	1,000	---	---
Safe Drinking Water Fund	2,251	2,339	2,339
School Fund Investment Account	1,516	3,532	3,532
Shore Protection Fund	190	227	223
Solid Waste Service Tax Fund	2	2	2
State Disability Benefit Fund	55,219	136,654	26,685
State Land Acquisition and Development Fund	11	6	5
State Lottery Fund	794,972	800,000	970,000
State Lottery Fund - Administration	20,614	30,400	22,400
State Recreation and Conservation Land Acquisition and Development Fund	12	13	11
State Recycling Fund	949	1,046	---
State of New Jersey Cash Management Fund	3,034	3,034	3,034
Statewide Transportation and Local Bridge Fund	3,400	2,100	---

SCHEDULE 1
STATE REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Supplemental Workforce Fund for Basic Skills	1,667	2,000	2,000
Tobacco Settlement Fund/Securitization	1,610,782	---	12,416
Transportation Rehabilitation and Improvement Fund	3	3	3
Unclaimed Insurance Payments on Deposits Trust Fund	22	30	27
Unclaimed Personal Property Trust Fund	164,760	194,075	194,075
Unclaimed Utility Deposits Trust Fund	21	25	23
Unemployment Compensation Auxiliary Fund	17,530	17,663	17,607
Universal Services Fund	72,431	72,468	72,468
Unsatisfied Claim and Judgment Fund	1,337	---	---
Wage and Hour Trust Fund	11	75	75
Water Conservation Fund	25	26	17
Water Supply Fund	3,486	3,865	3,865
Worker and Community Right to Know Fund	3,141	3,543	3,543
Total Interfund Transfers	*2,841,416*	*3,279,208*	*1,404,044*
Total State Revenues General Fund	***17,374,991***	***17,688,357***	***17,204,752***
PROPERTY TAX RELIEF FUND			
Gross Income Tax	7,400,733	9,055,000	9,650,000
CASINO CONTROL FUND			
Investment Earnings	185	300	300
License Fees	64,461	69,285	69,285
Total Casino Control Fund	*64,646*	*69,585*	*69,585*
CASINO REVENUE FUND			
Casino Simulcasting Fund	700	600	800
Gross Revenue Tax	377,555	392,000	400,000
Investment Earnings	79	780	780
Other Casino Taxes and Fees	89,737	88,770	85,624
PAAD Recoveries	127,920	---	---
Total Casino Revenue Fund	*595,991*	*482,150*	*487,204*
GUBERNATORIAL ELECTIONS FUND			
Taxpayers' Designations	603	1,500	1,500
TOTAL STATE REVENUES	***25,436,964***	***27,296,592***	***27,413,041***

SCHEDULE 2
OTHER REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Dedicated:			
Executive Branch--			
Chief Executive:			
State Authority Review and Oversight	1,273	1,100	1,100
Department of Agriculture:			
Administration - Development Potential Transfer Bank	74	240	400
Administrative Costs - Farmland Preservation	500	651	700
Agro-Terrorism	---	278	278
Animal Disease Control	---	153	153
Commodity Distribution	2,242	1,501	1,501
Fruit and Vegetable Grading Service	361	162	162
Future Farmers of America - Student Loans from Department of Education	100	75	75
Horse Breeding and Development Fund	407	380	380
Marketing and Development Services	---	724	724
Nursery Inspection Program	---	265	265
Organic Certification	110	300	300
Plant Pest and Disease Control	---	23	23
Poultry Service	965	810	810
Promotion/Market Development	107	---	---
Sire Stakes	4,354	4,300	5,000
Soil and Water Conservation Grants	---	---	700
Standardbred Breeder Awards	253	220	240
Stormwater Discharge Permit Fees	---	600	600
Wine Promotion Program	---	90	90
Miscellaneous	316	232	227
	9,789	11,004	12,628
Department of Banking and Insurance:			
Individual Health Care Program Assessments	1,258	7,500	6,600
Public Adjusters Licensing	---	52	52
Small Employer Health Benefits	242	380	380
Supervision and Examination of Financial Institutions	---	400	400
Miscellaneous	64	64	64
	1,564	8,396	7,496
Department of Community Affairs:			
Boarding Home Regulation and Assistance	---	750	926
Emergency Lead Poisoning Relocation Fund	1,000	---	---
Fire Certification Program	337	318	364
Grants to Displaced Homemaker Centers	697	688	688
Historic Preservation License	27	25	25
Housing Code Enforcement	---	2,824	3,458
Housing Opportunities for Persons with AIDS	974	923	923
Housing Services	51,667	51,182	51,001
Lead Hazard Control Assistance Fund Administration	---	500	500
New Home Warranty Program	3,816	4,316	4,816
New Jersey Meadowlands Commission - Operations	---	3,205	3,205
New Jersey Meadowlands Tax Sharing Stabilization Fund	---	165	279
Nine West Anti-Trust Settlement	150	---	---
Paterson Housing Opportunities for Persons with AIDS Program	476	600	600
Prevention of Homelessness	343	243	243
Truth in Renting	---	143	150
Uniform Construction Code	---	6,664	8,933
Uniform Fire Code	---	9,548	10,757
Miscellaneous	930	1,125	1,125
	60,417	83,219	87,993
Department of Corrections:			
Administration and Support Services	23,607	22,880	22,553
New Medium Security Facility	6	---	---
Workplace Literacy - Learning Lab Program	16	---	---
Miscellaneous	550	419	464
	24,179	23,299	23,017

SCHEDULE 2
OTHER REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Department of Education:			
Abbott Implementation	---	11,892	11,586
Compliance and Auditing	38	30	30
Drug Abuse Education Fund	---	250	250
Early Childhood	---	2,280	2,610
Facilities Planning and School Building Aid	---	698	906
Katzenbach PLUS Program	865	1,122	1,090
Marie H Katzenbach School for the Deaf:Tuition-Local Boards	7,561	8,295	8,766
NJ ELITE Grant Program	76	---	---
Office of Compliance-Early Childhood Abbott Audits	---	293	272
Professional Development and Licensure	921	523	1,400
Rental of Vacant Building Space	255	489	528
State Action for Education Leadership Project	50	50	50
Utility Settlements Receipts	828	---	---
Vocational Technology Upgrade	200	200	200
Whole School Reform Finance	---	221	218
Miscellaneous	159	264	264
	10,953	26,607	28,170
Department of Environmental Protection:			
Administrative Costs - Natural Resources Damages	2,316	2,316	2,316
Administrative Costs Water Supply Bond Act of 1981 - Management	---	325	330
Administrative Costs Water Supply Bond Act of 1981 - Planning and Standards	---	28	37
Administrative Costs Water Supply Bond Act of 1981 - Watershed and Aquifer	---	50	60
Aeroflex Foundation - Kittatinny Valley State Park	20	25	25
Air Pollution Control	---	150	150
Air Pollution Fines	---	---	600
Artificial Reef Program-PSE&G/NJPDES Permit Fees	228	---	---
Battleship New Jersey Memorial Fund	247	160	160
Battleship New Jersey Tax Check-Off	50	90	50
Division of Smart Growth	---	---	20,000
Drinking Water State Revolving Fund - Capacity Development	415	452	379
Drinking Water State Revolving Fund - Delineation and Assessments	567	---	---
Drinking Water State Revolving Fund - Operator Certification	237	147	250
Drinking Water State Revolving Fund - Program Administration	1,270	1,159	679
Drinking Water State Revolving Fund - Small System Technical Assistance	584	608	297
Drinking Water State Revolving Fund - Source Water Program Administration	650	500	530
Endangered and Nongame Species of Wildlife Fund	178	235	128
Exotic and Nongame Species Inspection Fund	133	132	132
Farley Marina Escrow	257	257	257
Fish & Wildlife Field Office Projects	9	1	---
Forest Resource Management Special Revenue	239	200	200
Geraldine R. Dodge Foundation	150	---	---
Hazardous Discharge Site Cleanup Fund- Responsible Party	---	10,496	9,362
Hudson Walkway Settlement - Clermont Cove	168	---	---
Land Use Fines	---	---	600
Landscape Irrigation Contractor Certification	63	45	51
Liberty State Park - Central Parking	502	457	457
Liberty State Park EDA	3,500	---	---
Liberty State Park License Plates	82	75	75
Mammography Quality Standards Act	280	287	268
New Jersey Waterfowl Stamp Act	132	131	100
Nuclear Emergency Response	---	---	1,094
Office of Dredging and Sediment Technology	---	225	247
Oil Spill Prevention	---	1,144	1,248
PSE&G Delaware River Striped Bass Recruitment Study	62	27	20
Palisades Interstate Park Commission (PIPC) - Court Fund Revenue	---	497	498
Palisades Interstate Park Commission (PIPC) - Gas Station Revenue	---	2,240	2,230
Palisades Interstate Park Commission (PIPC) - Operating Fund Revenue	---	990	1,000
Parks Management Fees	---	1,100	1,200
Parks Management Revolving Fund	1,939	693	800
Private Well Testing - Safe Drinking Water Fund	387	800	800
Recycling of Solid Waste	---	266	---
Remediation Management and Response	---	5,885	6,539
Safe Drinking Water Fund	---	1,298	---
Sedge Island	25	10	13
Shellfish Enforcement	187	130	130

SCHEDULE 2
OTHER REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Shellfish Management	83	72	18
Shore Protection Fund Projects	1,390	6,250	6,250
Shore Protection License Plates	1,131	1,000	985
Solid Waste Utility Regulation Excess Receipts	---	600	600
Spring Meadow Golf Course	915	950	1,042
State Public Water System Supervision Program	315	312	717
State Revolving Fund – Administrative Costs	2,675	2,400	2,363
Teterboro Airport Air Quality Study	150	---	---
Tidelands Peak Demands	---	2,265	2,495
Urban Forest Energy Efficiency Initiative	3,900	1,986	4,957
Water Allocation	---	2,900	4,700
Water Pollution Fines	---	---	300
William Penn Foundation	50	---	---
Worker and Community Right to Know Act	---	210	245
Miscellaneous	1,461	1,105	1,134
	26,947	53,681	79,118
Department of Health and Senior Services:			
AIDS Drug Distribution Program Rebates	13,599	8,000	22,600
Administrative Overhead – Non State Program	1,162	1,300	1,300
Animal Population Control Program – License	288	300	300
Brain Injury Research Fund	---	3,600	3,600
Certificate of Need Program	1,311	537	537
Clinical Laboratory Improvement Services	332	350	330
Community Partnership for CDSM	---	16	---
Early Intervention Program (EIP) Copays	4,344	3,500	3,500
Electronic Death Registration Support Fund	15	600	600
Emergency Medical Services	---	79	79
Emergency Medical Technician Training Fund	107	1,800	1,800
Estrogen, Diet, Genetics and Endometrial Cancer	30	110	110
Evaluation of California Initiatives to Reduce Violence in Health Care Setting	67	---	105
First Response EMT Cardiac Training Program	---	125	125
Health Care Cost Reduction Fund	23,965	45,237	32,599
Health Care Planning	12,441	7,200	7,200
Intergovernmental Transfer Program (IGT) Payments	33,925	---	---
Live Long Live Well	145	150	150
Managed Care Oversight	100	---	---
Medical Emergency Disaster Preparedness for Bioterrorism	---	7,500	4,722
NJ – AIDS Services Fund	17	---	---
NJ Emergency Medical Services Helicopter Response Program	---	1,894	2,764
NJ Prostate Cancer Research Fund	21	---	---
NJ Turnpike Authority / Garden State Parkway Inspections	96	---	228
Newborn Screening, Follow-up and Treatment	---	3,300	3,306
Office of the Public Guardian	265	600	600
Organ and Tissue Awareness Program	65	---	---
Ovarian Cancer Study	7	---	82
Rabies Control Program	473	475	465
Women, Infants, and Children (WIC) Rebates	21,711	24,000	24,000
Worker and Community Right to Know	---	763	---
Miscellaneous	6,690	9,529	9,443
	121,176	120,965	120,545
Department of Human Services:			
Administration and Support Services	47,657	27,521	30,613
Adopt U.S. Kids	54	---	---
Alcohol Education Rehabilitation and Enforcement Fund	1,657	1,701	1,750
Alcohol Treatment Fund Program	4,500	6,000	6,000
Catastrophic Illness in Children Relief Fund	1,125	925	925
Children's Trust Fund	265	519	519
Client Co-Payments-Developmental Disabilities	33,919	38,630	38,630
Criminal History Record Checks	268	120	120
Domestic Violence Victims Fund	523	---	---
Drug Enforcement Demand Reduction Fund	---	350	350
Food Stamp Enhanced Funding	14,453	---	---
Legally Responsible Relatives-Probation-Supplement	2,791	2,054	2,054
Management and Administrative Services	---	475	475
Mental Health Contract Fees	281	316	316

SCHEDULE 2
OTHER REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
NJ KidCare	45,149	49,851	56,911
New Jersey Health Care Hospital Payments	466,072	525,293	520,476
Old Age Survivors Insurance	1,089	1,492	1,492
Olmstead Grant	20	---	---
Parents Association Vehicle Purchase	49	---	---
Partnership for a Drug Free New Jersey	---	700	700
Personal Needs Allowance	---	600	600
SSA Reimbursement to Enhance the Vocational Rehabilitation	583	300	300
Traumatic Brain Injury	3,596	---	---
Universal Services Fund	1,564	---	---
Work First New Jersey - Work Activities	---	---	10,000
Work First New Jersey Technology Investment - Child Support Incentives	---	---	12,502
Miscellaneous	486	---	---
	626,101	656,847	684,733
Department of Labor and Workforce Development:			
Division of Workers Compensation Uninsured Employers	974	---	---
Enforcement of Workplace Standards - Receipts	---	4,218	4,253
Health Care Tax Collection	5,380	5,700	5,700
Private Disability Insurance Plan	---	1,000	1,000
Public Works Contractor Registration	---	1,925	1,980
Reimbursement to Unemployment Insurance for Joint Tax Functions	---	2,600	2,700
Special Compensation Fund	155,642	126,400	126,530
State Disability Insurance Plan	---	3,750	3,850
State School Construction	2,788	---	---
Urban Enterprise Zones - Employer Rebate Awards	80	---	---
Work First New Jersey Work Activities	---	25,500	25,500
Workers' Compensation	---	6,300	6,700
Workforce Development Partnership - Counselors	---	740	770
Workforce Development Partnership Program	---	1,330	1,384
Workforce Literacy and Basic Skills Program	---	265	276
Miscellaneous	34	30	---
	164,898	179,758	180,643
Department of Law and Public Safety:			
Atlantic County Detention Center	1,739	1,962	1,962
Backstretch Benevolence	199	210	210
Body Armor Replacement Fund - Administrative Costs	75	75	75
Charity Racing Day for the Developmentally Disabled	120	---	---
Claims - Victims of Crime	---	3,870	3,870
Commercial Vehicle Enforcement Program	---	8,500	8,500
Commissions Award Program	2,323	2,500	2,500
Consumer Affairs	113	---	---
Consumer Affairs Charitable Registrations Program	---	670	670
Consumer Affairs Weights and Measures Program	---	900	900
Controlled Dangerous Substance Registration Program	---	650	650
Criminal Disposition and Revenue Collection Fund	---	375	375
Criminal Justice Cost Recovery	---	243	243
D.O.T./State Police Construction Detail	---	6,353	6,353
Division of Consumer Affairs-Appropriated Receipts	---	4,720	4,720
Election Law Enforcement	---	300	300
FBI Mitochondrial DNA Testing	---	810	810
Fines Account - Miscellaneous Settlements	81	---	---
Forfeiture Program	2,758	2,255	2,255
Insurance Fraud Operations	29,771	30,771	29,771
Investigative Unit	502	650	650
Law Enforcement Officers Training and Equipment Fund	762	---	---
Medical Examiner Services	6,775	8,624	8,624
Motorcycle Safety Education Fund	586	---	---
New Jersey Emergency Medical Service Helicopter Program	---	5,495	5,495
New Jersey Expressway Authority	5,053	6,432	6,432
New Jersey Parkway Authority	21,986	26,047	26,047
New Jersey Turnpike Authority	23,887	24,842	24,842
Noncriminal Records Checks	---	11,879	11,879
Northeast Hazardous Waste Project-RCRA	155	274	274
Office of Counter-Terrorism	---	7,200	7,200
Pari-Mutuel Racing in Accordance with N.J.S.A. 5:5-37	609	738	738

SCHEDULE 2
OTHER REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Pre-Race Blood Testing and Chemical Testing Program	2,564	3,317	3,317
Private Employment Agencies	---	420	420
Racing Officials	1,026	1,193	1,193
Regulation of Alcoholic Beverages	---	4,804	4,804
Regulation of Racing Activities	3,143	3,694	3,694
Retired Officers Handgun Permits	---	140	140
Safe and Secure Neighborhoods Program	7,423	7,100	7,100
Securities Enforcement Fund	---	5,920	5,920
Sexual Assault Nurse Examiner Program	44	---	---
State Athletic Control	414	500	500
State Facilities Education Act	28,692	36,013	36,013
State Forensic Laboratory Fund Program	977	800	800
State Police Central Lab Operations	---	934	934
State Police DNA Laboratory Enhancement	2,871	8,200	8,200
State Police Equine Lab Unit	---	1,362	1,362
State Police Recruit Training	---	77	77
State Police-Private Detective Receipts	---	230	230
State Veterinarians--New Jersey Racing Commission	704	686	686
Vehicle Rental Surcharge State Police Salaries	---	1,900	13,855
Victim and Witness Advocacy Fund	---	1,344	1,344
Miscellaneous	1,777	2,316	2,316
	147,129	238,295	249,250
Department of Military and Veterans' Affairs:			
Burial Services	---	595	595
Distance Learning Center	9	15	15
New Jersey National Guard Support Services	---	1,100	1,100
Transitional Housing	---	550	550
Miscellaneous	220	25	25
	229	2,285	2,285
Department of Personnel:			
Human Resource Development Institute	---	1,700	2,000
Shared Services Agriculture	---	245	245
Shared Services Center - State Parole Board/Motor Vehicle Commission	---	1,912	1,912
Shared Services Pilot Program	---	1,236	1,236
State and Local Government Operations	---	1,500	1,300
	---	6,593	6,693
Department of State:			
CableVision Rental	188	---	---
Crossroads of American History- Historical Commission of Montville and Kean	113	---	---
Extraordinary Programming	368	400	400
Law Enforcement Officers Memorial Fund	468	325	325
Leasing of Space on Transmitter Towers	944	980	980
Lila Wallace Readers Digest Fund	---	300	300
New Jersey College Loans to Assist State Students (NJCLASS)	5,100	5,775	6,369
New Jersey Workforce Development Coalition Initiative	593	1,250	1,250
Preservation Records Grants	---	28,000	28,000
Primary Care Physician/Dentist Loan Redemption Program	1,000	1,000	1,000
Public Broadcasting Services	7,539	6,841	6,841
Records Management	---	1,472	2,300
Rental of Studio and Production Facilities	1,695	1,664	1,664
Sale or Rental of NJN Productions	105	1,211	1,211
TV Food Network/Time Warner Capital Project	1,050	1,200	1,200
War Memorial	595	527	527
Miscellaneous	678	330	330
	20,436	51,275	52,697
Department of Transportation:			
Airport Safety Fund	---	876	876
Applications and Highway Permits	---	1,050	1,050
Board of New Jersey Pilot Commissioners	284	270	270
Commercial Vehicle Enforcement Program	19,811	8,127	8,145
Cost of "Cause" Plates	374	---	---
County and Other Shared Projects	25,258	---	---

SCHEDULE 2
OTHER REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Greenwood Lake Airport	107	---	---
Highway Safety Fund	446	---	---
In-Terminal School Bus Inspection Program	1,215	1,228	1,232
Inspection Fund Fees	---	28,922	28,957
Logo Sign Program	---	140	140
Maritime Industry Fund	1,916	---	---
Motor Vehicle Services	199,606	196,426	197,716
Motorbus Regulation	742	778	780
NJ Medical Service Helicopter Response Act	7,193	---	---
New Jersey Motor Vehicle Commission New Revenues	54,698	4,111	4,085
Office of Maritime Resources	---	2,375	2,500
Outdoor Advertising Program	---	880	880
Parking Offenses	---	153	153
Placarded Railcar Program	---	76	80
Rental Receipts, Tenant Relocation Program	---	350	350
Sale of DMV Database Items	---	18,629	18,704
Salvage Titles	---	411	411
Security Responsibility	13,668	14,683	14,700
Special Plates	---	378	380
Uninsured Motorist	---	2,001	2,001
	325,318	281,864	283,410
Department of the Treasury:			
Administration of State Lottery	---	260	260
Annual Licensing Fee - Office of Administrative Law Publications	867	860	586
Board of Public Utilities Fines, Penalties and Settlements	---	3,000	---
Business Services Bureau	---	560	560
Capital City Redevelopment Corporation	111	378	378
Clean Energy Program	2,015	820	820
Confiscations from the Cigarette Tax Act	---	20	20
Division of Developmental Disabilities Community Placement and Services	24,994	24,994	24,994
Domestic Security	22,492	---	---
Economic Recovery Fund	17,607	17,605	17,606
Energy Tax Receipts	762,700	787,739	788,492
Federal Recoveries	---	8,700	8,700
Governor's Council on Alcoholism and Drug Abuse	14,733	14,700	14,700
Judicial Hearings Receipts	1,803	2,305	3,667
Management of DEP Properties	---	562	579
New Jersey Commerce, Economic Growth and Tourism Commission	1,850	---	---
New Jersey Geographic Information Network (NJGIN) Property Investigator	15	---	---
New Jersey Public Records Preservation	67,455	---	---
Office of Information Technology-Availability and Recovery Site (OARS)	---	7,182	1,400
Office of Management and Budget	22,134	250	250
Other Capital Building Services	2,410	2,327	2,327
Other Distributed Taxes	3,363	3,363	3,363
Property Management and Construction - Property Management Services	312	310	310
Public Finance Activities	---	700	700
Purchasing and Inventory Management	---	90	90
Real Property Leasing Out Program	---	645	664
Residential Warranty Corporation	105	158	158
Royalties - Office of Administrative Law Publications	164	67	40
Small Business Registration	---	500	500
Taxation Compliance and Enforcement Activities	---	3,539	3,539
Third Party Subrogation - Property Damage	---	500	500
Unclaimed Property Trust Fund	5,578	6,162	6,431
Urban Enterprise Zone (UEZ) Authority Administrative Expenses	2,543	2,754	2,919
Vendor Surcharge Collection - Motor Vehicle Commission	12,100	11,600	12,000
Miscellaneous	999	309	309
	966,350	902,959	896,862
Interdepartmental Accounts--			
Interdepartmental Accounts:			
Statewide Security Projects	---	3,000	---

SCHEDULE 2
OTHER REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Judicial Branch—			
The Judiciary:			
Automated Traffic System for Municipal Courts	10,220	9,551	23,100
Civil Courts	499	462	540
Comprehensive Enforcement Program	2,579	2,004	2,300
Court Adult Probation System	486	500	500
Court Technology Improvement Fund	12,711	12,700	12,900
Electronic Access To Court Records	1,877	408	408
Family Courts	407	400	400
Information Services	272	304	516
JAIBG – Juvenile Assessment	41	—	—
JAIBG Essex– Substance Abuse Evaluator Program	8	—	—
JAIBG School Probation	9	—	—
Juvenile Accountability Incentive Block Grant (JAIBG)	24	—	—
Mercer Welfare Fraud Grant	—	54	—
Middlesex Courthouse Artwork	5	—	—
Monmouth Juvenile Accountability Incentive Block Grant	65	—	—
Special Civil Part Certified Mailers	1,571	1,340	1,450
State Incentive Program	39	—	—
State Incentive Program – Juvenile Justice Commission	409	—	—
Supreme Court	10,792	12,025	13,665
Miscellaneous	805	13	13
	42,819	39,761	55,792
Total Dedicated	*2,549,578*	*2,690,908*	*2,772,432*
Federal:			
Executive Branch—			
Department of Agriculture:			
Child Care Food	42,394	48,000	52,320
Child Nutrition – School Breakfast	23,316	30,000	36,000
Child Nutrition – School Lunch	136,610	154,356	162,595
Child Nutrition – Special Milk	812	1,400	1,500
Child Nutrition – Summer Programs	6,214	9,247	10,017
Child Nutrition Administration	2,639	3,555	3,677
Cooperative Gypsy Moth Suppression	69	235	75
Farm Risk Management Education Program	93	307	301
Farmland Preservation	149	6,000	10,200
Federal Organic Certification Cost Share Program	35	—	10
Fish Inspection Service	158	160	320
Jobs Bill – Temporary Emergency Food Assistance Program (TEFAP)	1,079	1,434	1,278
Team Nutrition Training	136	225	225
Various Federal Programs and Accruals	3,894	1,070	2,545
	217,598	255,989	281,063
Department of Community Affairs:			
Community Food and Nutrition Program	3,453	86	86
Community Services Block Grant	18,357	17,699	17,699
Emergency Shelter Grants Program	1,017	1,600	1,600
Fair Housing Initiatives Grant	19	85	85
HUD Disaster Recovery Initiative	700	—	—
Lead–Based Paint Abatement in Low and Moderate Income Housing	—	3,000	3,000
Moderate Rehabilitation Housing Assistance	6,951	11,925	12,595
National Affordable Housing–HOME Investment Partnerships	7,524	8,167	9,073
National Fire Academy Training Program	—	30	30
Section 8 Housing Voucher Program	161,745	173,000	173,200
Shelter Plus Care Program	274	5,950	4,500
Small Cities Block Grant Program	8,013	9,746	9,746
Transitional Housing – Homeless	89	—	—
Weatherization Assistance Program	5,651	5,169	5,169
Various Federal Programs and Accruals	125	155	80
	213,918	236,612	236,863

SCHEDULE 2
OTHER REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Department of Corrections:			
Correctional Officer Stress Management Program	196	—	—
Digital Radio Technology and Ruggedized Personal Computers	—	—	1,100
Prison Rape Elimination Grant	—	151	452
Project In–Side	570	602	602
Serious and Violent Offender Reentry Initiative	—	—	1,000
State Criminal Alien Assistance Program	3,831	4,062	5,000
Various Federal Programs and Accruals	2,912	50	50
	7,509	4,865	8,204
Department of Education:			
21st Century Schools	7,664	21,898	19,898
AIDS Prevention Education	238	217	217
Adult Basic Education – Administration/Discretionary	17,983	—	—
Bilingual and Compensatory Education – Homeless Children and Youth	1,358	1,210	1,210
Byrd Scholarship Program	1,098	1,200	1,200
Character Education Partnership	465	539	539
Class Size Reduction	473	—	—
Drug–Free Schools and Communities – Administration	2,311	2,092	2,092
Drug–Free Schools and Communities – Discretionary	7,996	8,514	8,514
Educational Technology	12,189	13,670	13,670
Even Start Family Literacy Grant – Discretionary	4,424	4,593	4,593
Grants Management	—	2,477	2,477
Improving America's Schools Act–Consolidated Administration	5,299	5,552	5,552
Individuals with Disabilities Education Act–Basic State Grant	277,307	320,056	334,650
Individuals with Disabilities Education Act–Preschool Grants	11,336	11,642	11,642
Language Acquisition State Grants	12,759	15,869	19,879
Mathematics and Science Partnerships Grants	7	2,504	2,504
Migrant Education – Administration/Discretionary	2,162	2,117	2,117
Public Charter Schools	1,613	4,017	4,017
Refugee Children School Impact Program	737	618	618
School Renovation Grants	9,304	—	—
State Assessments	8,949	9,671	9,671
State Grants for Improving Teacher Quality	62,926	70,469	70,469
State Improvement Grant, Administration	859	1,273	1,273
Title I – Accountability Grants	177	—	—
Title I – Comprehensive School Reform	7,225	7,350	5,832
Title I – Grants to Local Educational Agencies	263,448	265,175	272,775
Title I – Part D, Neglected and Delinquent	2,193	2,340	2,382
Title I – Reading First State Grant	15,684	18,115	19,705
Title II – Math/Science Training, Exemplary	351	—	—
Title V – Innovative Program Strategies	11,009	8,141	6,041
Vocational Education – Basic Grants, Administration	23,677	24,519	24,431
Vocational Education Technical Preparation	2,517	2,263	2,263
Various Federal Programs and Accruals	–49	988	988
	775,689	829,089	851,219
Department of Environmental Protection:			
Air Pollution Maintenance Program	—	5,293	5,218
Americorps	—	300	300
Artificial Reef Program–PSE&G/NJPDES Permit Fees	729	1,125	825
Asian Longhorned Beetle Project	206	100	800
Atlantic Coastal Cooperative Program	68	150	200
Boat Access (Fish and Wildlife)	—	1,000	1,000
Brownfields	—	5,000	2,000
Cape May Peninsula Project (Sandritter Property)	107	300	1,000
Cheesequake Marshland Acquisition	—	1,000	1,000
Clean Lakes Program	—	500	500
Clean Vessels	128	1,000	1,000
Coastal Estuarine Land Program	—	6,000	6,000
Coastal Zone Management Implementation	3,364	2,763	2,431
Communication of Fish Advisories	13,613	—	—
Community Assistance Program	165	200	200
Community and Public Water Supply Operators – Expense Reimbursement	124	1,500	—
Comprehensive Wildfire Conservation Plan Coordination Federal Share	—	32	—
Consolidated Forest Management	1,554	1,374	1,070
Construction Grants Program	—	57,600	57,600

SCHEDULE 2
OTHER REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Construction Grants Program	---	57,600	57,600
County-wide Wildfire Defense	10	50	---
Defensible Space	46	350	400
Delaware Bay	---	1,000	---
Delaware Bay and Great Egg Harbor Corridor Project (SV Farming) Federal Share	---	---	1,000
Domestic Preparedness DEP- Supplemental Training	---	---	80
Endangered Species	43	75	205
Endangered and Nongame Species Program State Wildlife Grants	565	1,200	1,500
Environmental Justice	---	100	100
Estuary Program	1,179	---	---
Firewise in the Pines	---	200	200
Fish and Wildlife Health	58	190	100
Forest Legacy	---	10,040	10,040
Forest Resource Management-Cooperative Forest Fire Control	2,264	1,725	1,725
Grassland Habitat Project	---	200	200
Hazardous Waste - Resource Conservation Recovery Act	---	4,281	4,281
Historic Preservation Survey & Planning	675	647	650
Hunters' and Anglers' License Fund	3,497	6,365	5,925
Intermodal Surface Transportation Efficiency Act	1,000	10,320	10,320
Investigation and Management of NJ's Nongame Freshwater Fisheries Resources	14	150	150
Land and Water Conservation Fund	---	5,000	5,000
Lower Cohansey Watershed	---	1,000	1,000
Marine Fisheries Investigation and Management	1,280	1,150	1,150
Multi-Media	120	750	750
Multi-Media Enforcement Grant	---	1,000	1,000
NJ Field Office Bog Turtle Cooperative Agreement	---	50	50
NJ Landowners Incentive	43	1,450	1,450
National Coastal Wetlands Conservation	391	2,215	2,215
National Dam Safety Program (FEMA)	253	90	90
National Geologic Mapping Program	150	200	200
National Pollutant Discharge Elimination System Implementation Support Program	---	600	600
National Recreational Trails	582	1,500	1,500
New Jersey Commercial Blue Crab Fishery Economic Assistance Federal Share	---	230	---
Non-Point Source Implementation (319H)	---	4,193	3,851
Particulate Monitoring Grant	349	1,500	1,499
Pennsauken Boat Access Renovation	248	---	---
Pesticide Recording Program	60	20	20
Pesticide Technology	160	780	670
Pinelands Grant - Acquisition	---	6,000	6,000
Preliminary Assessments/Site Inspections	63	3,000	3,000
Radon Program	---	500	500
Regional Climate and Fire Damage Modeling - Pinelands	---	100	---
Safe Drinking Water Act	31	22,200	22,200
Shortnose Sturgeon Research	---	150	150
Southern New Jersey Drinking Water Sampling Project	46	50	50
Southern Pine Beetle	14	100	100
State Wetlands Conservation Plan	65	492	492
State Wildlife Grant Projects	---	1,200	1,500
State/EPA Data Management Grant	432	3,050	2,300
Superfund Grants	25,876	30,450	30,450
Telemetry Study of Red Knots and Atlantic Brant	21	80	65
US Army Corps of Engineers Beachnesters	---	80	80
Underground Storage Tanks	2,049	2,055	2,055
Water Monitoring and Planning	328	1,000	547
Water Pollution Control Program	---	4,250	4,021
Wildland/Urban Interface II	---	250	500
Wildlife Education	118	285	285
Wildlife Management Area Planning	14	300	300
Various Federal Programs and Accruals	960	2,060	2,670
	63,062	221,510	216,330
Department of Health and Senior Services:			
AIDS Incarcerated Individuals in Corrections	949	900	900
Abstinence Education - Family Health Services (FHS)	969	1,122	1,122
Asthma Surveillance and Coalition Building	213	356	356
Asthma and Hazardous Substances Applied Research	131	100	108
Behavioral Risk Factor Surveillance Survey	151	261	261

SCHEDULE 2
OTHER REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Bioterrorism Hospital Emergency Preparedness	490	14,000	14,000
Birth Defects Surveillance Program	---	250	250
Blood Borne Pathogen Exposure Study	---	253	---
Center For Birth Defects Research & Prevention	313	1,600	1,600
Childhood Lead Poisoning	727	1,426	1,400
Chronic Disease Prevention and Health Promotion - Family Health Services	1,291	1,011	1,011
Chronic Disease Prevention and Health Promotion Programs - Public Health	---	1,246	1,525
Clinical Laboratory Improvement Amendments Program	450	497	526
Comprehensive AIDS Resources Grant	54,460	50,850	50,400
Comprehensive Breast and Cervical Cancer	3	---	---
Comprehensive State Based Tobacco Use Prevention Programs	134	---	---
Demonstration Program to Conduct Health Assessments	407	578	634
Early Hearing Detection and Intervention (EHDI) Tracking, Research	131	334	334
Early Intervention for Infants & Toddlers with Disabilities (Part H)	10,798	13,000	13,000
Electronic Benefits Transfer (EBT) Infrastructure (EDS) Special Grant	41	---	---
Eliminating Disparities in Perinatal Health	400	3,430	3,430
Emergency Preparedness For Bioterrorism	20,640	21,898	18,800
Evaluation of Lead Dust Study	47	---	---
Evaluation of the Performance of Integrated HIV/AIDS Surveillance	169	116	116
Exposure - Tremolite Asbestos - Vermiculite	179	220	220
Family Planning Program-Title X	3,549	8,640	8,640
Federal Lead Abatement Program	123	420	461
Federal Medicare Reimbursement	---	994	994
Federal Medicare Relief	---	90,000	90,000
Food Inspection	331	350	387
HIV/AIDS Prevention and Education Grant	16,574	18,000	18,000
HIV/AIDS Surveillance Grant	4,859	7,214	4,812
Housing Opportunities For Persons With AIDS	668	8,163	8,167
Housing Opportunities for Incarcerated Persons with AIDS	---	900	900
Immunization Project	7,081	7,866	8,810
Job & Growth Tax Stimulus	143,065	---	---
Lead Training & Certification (Enforcement) Program	72	82	85
Lyme Disease Research	270	---	---
Maternal and Child Health (MCH) Early Childhood Comprehensive System	70	100	100
Maternal and Child Health Block Grant	13,033	13,000	13,000
Medicare/Medicaid Inspections of Nursing Facilities	9,167	14,150	16,660
Memorandum of Agreement with Emory University-National Down Syndrome Study	---	150	150
Minority AIDS Demo	68	150	150
Morbidity & Mortality Review Program	105	150	150
NJ Ease For Caregivers - Building Support Systems	266	250	250
National Cancer Prevention and Control-Public Health	3,818	6,210	6,574
National Family Caregiver Program	4,720	4,100	4,800
National Violent Death Reporting System	---	---	208
Nurse Aide Certification Program	---	1,958	1,000
Nursing Facilities Transition Grant	---	600	600
Older Americans Act - Title III	29,623	33,248	33,450
Pediatric AIDS Health Care Demonstration Project	2,653	2,850	2,850
Pregnancy Risk Assessment Monitoring System	12	750	750
Preparedness and Response for Bioterrorism	370	---	---
Preventative Health and Health Services Block Grant	3,601	3,896	3,975
Public Employees Occupational Safety & Health - State Plan	---	---	900
Public Health Laboratory Biomonitoring Planning	137	210	210
Rape Prevention and Education Program	2,398	1,237	1,237
Research on Ecology of Lyme Disease in US	150	300	325
Senior Farmers Market Nutrition Program	464	1,000	1,000
State Pharmacy Assistance Program Payments - Federally Funded Grant	---	11,366	11,366
State Regulation on Immunization Rates of Older Adults	-4	---	---
Supplemental Food Program-Women, Infants, and Children	89,473	90,000	94,000
Surveillance, Epidemiology and End Results (SEER)	668	1,200	1,800
Tools For School Implementation Project	-11	80	---
Traumatic Brain Injury Surveillance	---	105	105
Tuberculosis Control Program	5,075	6,069	6,000
United States Department of Agriculture (USDA) Older Americans Act - Title III	3,347	3,900	3,900
Universal Newborn Hearing Screening	219	250	250
Venereal Disease Project	3,268	3,800	3,882
Violence Related Injury Prevention	---	160	160
Viral Hepatitis Integration Study	---	365	---
Vital Statistics Component	549	850	850

SCHEDULE 2
OTHER REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
WIC Farmer's Market Nutrition Program	810	2,000	2,000
West Nile Virus – Laboratory	---	200	242
West Nile Virus – Public Health	2,182	2,300	2,258
Various Federal Programs and Accruals	-144,705	4,351	4,614
	301,211	467,382	471,015
Department of Human Services:			
Access to Recovery	---	8,000	8,000
Block Grant Mental Health Services	10,872	12,496	12,496
Child Care Block Grant	121,157	108,959	109,778
Child Support Enforcement Program	102,948	142,356	171,237
Community Based Residential Program Grant	633	1,000	1,000
Developmental Disabilities Council	1,454	1,590	1,598
Federal Independent Living	942	1,116	1,116
Food Stamp Program	72,789	88,047	96,476
Foster Grandparents Program	1,149	1,051	1,080
Low Income Energy Assistance Block Grant	80,095	75,770	75,951
Projects for Assistance in Transition from Homelessness (PATH)	2,533	1,745	1,745
Refugee Resettlement Program	5,860	5,705	5,705
Restricted Federal Grants	13,818	12,202	12,202
Social Service Block Grant	50,359	51,432	53,308
State Data Infrastructure Project	39	100	100
Substance Abuse Block Grant	56,731	53,385	53,606
Temporary Assistance to Needy Families Block Grant	429,400	500,865	458,888
Title IV-B Child Welfare Services	2,543	6,120	6,120
Title IV-E Foster Care	89,672	111,696	135,580
Title XIX – Child Residential	34,004	74,055	77,983
Title XIX Community Care Waiver	188,373	203,980	228,655
Title XIX ICF/MR	237,878	237,833	278,905
Title XIX Medical Assistance	3,142,947	3,190,529	3,475,298
Title XX Urban Empowerment Zone	1,243	---	---
Title XXI Children's Health Insurance Program	241,934	236,665	221,014
Vocational Rehabilitation Act Section 120	10,682	10,631	10,961
Young Offender Reentry Program	---	490	490
Various Federal Programs and Accruals	148,355	5,869	5,003
	5,048,410	5,143,687	5,504,295
Department of Labor and Workforce Development:			
Adult & Continuing Education – Workforce Investment Act	---	18,222	18,343
Comprehensive Services for Independent Living	119	700	1,012
Current Employment Statistics	2,930	2,591	2,764
Disability Determination Services	50,001	46,020	48,000
Disabled Veterans' Outreach Program	2,244	2,500	2,500
Employment Services	19,882	23,859	22,930
Employment Services – One Stop Shopping	313	325	325
Employment Services Cost Reimbursable Grants – Migrant Housing	100	50	50
Employment Services Grants-Alien Labor Certification	2,583	2,419	2,321
Employment Services Reemployment Services	1,528	1,100	1,100
Federal Public Employees Occupational Safety and Health Act	1,795	1,900	1,900
Local Veterans' Employment Representatives	1,449	1,700	1,700
National Council on Aging – Senior Community Services Employment Project	2,602	3,025	3,000
Occupational Informational Coordinating Program	169	159	159
Occupational Safety Health Act, On-Site Consultation	1,771	2,012	2,002
Occupational Safety and Health Administration Data Collection Survey	75	81	74
Old Age & Survivor Insurance Disability Determination Services	---	1,000	1,000
One Stop Labor Market Information	944	980	940
Redesigned Occupational Safety and Health (ROSH)	233	230	233
Reed Act Funds	8,972	---	---
Rehabilitation of Supplemental Security Income Beneficiaries	654	2,000	2,000
Supported Employment	---	1,200	1,200
Technical Assistance Training	212	1,700	1,700
Technology Related Assistance Project	179	700	350
Trade Adjustment Assistance Project	4,326	7,000	4,000
Unemployment Insurance	112,493	140,900	135,500
Vocational Rehabilitation Act of 1973	31,823	44,650	45,325
Welfare to Work	1,319	---	---
Work Incentive – Project Access	39	700	700

SCHEDULE 2
OTHER REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Work Opportunity Tax Credit	438	750	750
Workforce Investment Act	73,841	56,830	57,947
Workforce Investment Act - Toll Free Helpline	177	---	---
Workforce Investment Act Title IIID Discretionary Funding	2,957	6,000	4,000
Workforce Investment Act-Title III Dislocated Workers	1,058	19,000	22,000
Various Federal Programs and Accruals	-6,790	145	145
	320,436	390,448	385,970
Department of Law and Public Safety:			
Buffer Zone Protection	---	2,500	1,400
Bulletproof Vest Partnership	77	700	700
Bureau of Justice State Police Communications Grant	8,848	---	---
Casework DNA Backlog Reduction Program	174	1,300	1,300
Challenge Grant	330	300	300
Child Passenger Protection Education	1	500	500
Citizen Corps Program	100	---	---
Combating Underage Drinking	254	360	360
Community Emergency Response Team Program	409	550	550
Community Prosecutors Block Grant	---	1,000	1,000
Computer Aided Dispatch Maintenance	22,970	---	---
Convicted Offender In-House (DNA)	---	1,500	1,500
Cops In Schools	177	1,000	1,000
Criminal Justice Information Services Digitized Mugshot	---	129	129
Criminal Justice Victims of Crime Act 9/11 Attack on America	546	---	---
Declared Counties For New Jersey Power Outage	1,339	---	---
Disaster Relief	2,083	---	---
Domestic Marijuana Eradication Suppression Program	177	200	200
Domestic Preparedness Equipment Grant	6,765	---	---
Domestic Preparedness Training	6,203	---	---
Drunk Driver Prevention	79	---	---
Edward Byrne Memorial Grant	12,365	---	---
Emergency Management Performance Grant - Non Terrorism	2,829	4,500	4,500
Emergency Operations Center - Phase I Risk Assessment	50	---	---
Equal Employment Opportunity Commission	592	600	600
FEMA Pre-Disaster Mitigation Grant	---	300	300
Financial Investigations & Money Laundering Initiative	---	5,000	5,000
Flood Mitigation Assistance	52	946	946
Forensic Crime Laboratory Improvement Program	---	2,000	2,000
Forensic DNA Testing Program	---	1,000	1,000
Hazardous Materials Transportation	---	350	350
Help America Vote Act	---	42,000	1,040
High Intensity Drug Trafficking Area (HIDTA)	---	50	50
Highway Safety Data Improvement Grant	---	1,500	1,500
Highway Safety Programs	4,291	4,550	5,275
Incident Command	141	750	750
Innovative Seat Belt Use	---	2,500	2,500
Internet Crimes Against Children	12	300	300
Justice Assistance Grant (JAG)	---	9,000	9,000
Juvenile Accountability Incentive Block Grant	4,543	5,900	1,200
Juvenile Justice Delinquency Prevention	2,863	2,457	2,476
Law Enforcement Training Academy	490	---	---
Local Law Enforcement Block Grant	1,024	1,400	1,400
Marine Police Boat	251	---	---
Medicaid Fraud Unit	1,830	3,000	3,000
National Criminal History Program-OAG	2,320	2,000	2,000
National Forensic Sciences Improvement Act Program	96	110	110
New Jersey Anti-Money Laundering Initiative	---	750	750
Northeast Hazardous Waste Project-RCRA	309	250	250
Occupant Protection Grant	614	1,500	1,750
Protecting Our Urban Areas	---	19,300	19,300
Public Safety Wireless Coordination Council - Initiative	---	244	244
Recreational Boating Safety	2,275	2,000	2,000
Residential Treatment for Substance Abuse	1,219	1,600	1,600
Safety Incentive Grants	4,252	5,000	5,000
Section 163 Prevent Operations of Motor Vehicles By Intoxicated Persons	---	3,000	3,000
State Homeland Security Grant Program	---	36,600	36,600
State Police In-Car Camera Technology Grant	8	200	200

SCHEDULE 2
OTHER REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
State and Local All Hazards Emergency Operation Planning	2,158	---	---
Title V Funding	1,235	1,500	1,500
Truth In Sentencing Incentive Grant	36,260	---	---
Unemployment Fraud	---	643	643
Victim Assistance Grants	8,844	12,000	12,000
Victim Compensation Award	2,283	7,000	7,000
Victims of Crime Act Compensation for 9/11 Attack	2,007	---	---
Violence Against Women Act	2,790	4,000	4,000
Various Federal Programs and Accruals	-16,884	1,295	1,515
	131,651	197,134	151,588
Department of Military and Veterans' Affairs:			
Armory Renovations and Improvements	776	1,500	1,500
Army Facilities Service Contracts	2,002	1,400	1,400
Army National Guard Statewide Security Agreement	558	500	500
Army National Guard Transportation	---	125	125
Army Training and Technology Lab	453	500	500
Atlantic City Air Base - Service Contracts	2,193	2,200	2,200
Atlantic City Environmental	90	50	50
Atlantic City Operations and Maintenance	55	65	65
Brigadier General Doyle Memorial Cemetery Building Project	1,421	6,900	8,500
Design and Construction of the Vineland Memorial Veterans' Home	12,873	---	---
Dining Facility Operations	---	700	700
Facilities Support Contract	4,231	6,000	6,000
Federal Distance Learning Program	189	200	200
Fire Fighter/Crash Rescue Service Cooperative Funding Agreement	1,169	1,350	1,500
Hazardous Waste Environmental Protection Program	415	500	500
McGuire AFB Environmental	94	50	50
McGuire Air Force Base - Service Contracts	1,415	1,995	2,095
McGuire Operations and Maintenance	68	70	70
Medicare Part A Receipts for Resident Care and Operational Costs	3,460	3,870	4,492
National Guard Communications Agreement	807	650	650
New Jersey National Guard Challenge Youth Program	1,637	2,000	2,000
New Jersey National Guard Counter Drug Program Interservice State-Federal	33	12	12
Training and Equipment - Pool Sites	318	250	250
Transitional Housing	371	360	360
Veterans' Education Monitoring	498	565	565
Various Federal Programs and Accruals	1,841	55	55
	36,967	31,867	34,339
Department of State:			
Americorps Grants	---	5,739	5,739
Leveraging Educational Assistance Partnership	3,376	2,148	2,148
NJ GEAR UP	1,900	2,730	2,730
National Endowment for the Arts Partnership	---	750	750
National Health Service Corps - Student Loan Repayment Program	178	240	240
National Telecommunications Information Agency	---	625	625
Student Loan Administrative Cost Deduction and Allowance	16,419	20,344	22,056
Various Federal Programs and Accruals	2,335	202	202
	24,208	32,778	34,490
Department of Transportation:			
Airport Fund	5,096	10,000	10,000
Highway Planning and Research	25,755	15,180	15,180
Metropolitan Planning Funds	15,814	11,015	11,015
Motor Carrier Safety Assistance Program	2,348	9,808	9,808
New Jersey Transportation Planning Assistance	201	---	---
Supportive Services Highway Construction Training Program	---	500	500
	49,214	46,503	46,503
Department of the Treasury:			
Diamond Shamrock Oil Overcharge Settlement	---	617	717
Division of Gas Expansion	---	600	600

SCHEDULE 2
OTHER REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
State Energy Conservation Program	685	2,270	2,602
Various Federal Programs and Accruals	2,038	700	700
	2,723	4,187	4,619
Judicial Branch--			
The Judiciary:			
Drug Court Direct	301	200	200
Juvenile Drug Court Grant	440	1,478	---
NJ Child Support Early Intervention Project	---	100	100
Various Federal Programs and Accruals	285	800	835
	1,026	2,578	1,135
Total Federal	*7,193,622*	*7,864,629*	*8,227,633*
Revolving:			
Legislature:			
Various Revolving Funds	17	---	---
Department of Community Affairs:			
Administration and Support Services	464	---	---
Housing Services	---	495	495
Liquid Petroleum Gas Ed. & Safety Board	143	308	360
Uniform Construction Code	8,526	6,800	6,800
Various Revolving Funds	79	---	---
	9,212	7,603	7,655
Department of Corrections:			
Culinary Arts Vocational Program	73	185	186
Farm Operations	10,840	10,318	10,500
Institutional Care and Treatment	474	470	470
State Use	21,897	18,879	18,879
	33,284	29,852	30,035
Department of Education:			
Administration and Support Services	3,582	3,999	3,999
Adult and Continuing Education	311	350	350
Professional Development and Licensure	140	199	199
	4,033	4,548	4,548
Department of Environmental Protection:			
Administration and Support Services	90	135	100
Pesticide Control	246	---	225
Publicly-Funded Site Remediation	51	---	---
	387	135	325
Department of Health and Senior Services:			
Administration and Support Services	5,679	5,497	5,497
Laboratory Services	13,008	9,200	10,530
	18,687	14,697	16,027
Department of Human Services:			
Administration and Support Services	909	861	861
Income Maintenance Management	6,645	7,174	6,825
	7,554	8,035	7,686
Department of Labor and Workforce Development:			
Administration and Support Services	1,181	---	---
Planning and Analysis	143	---	---
	1,324	---	---
Department of Law and Public Safety:			
Criminal Justice	411	300	300
State Police Operations	36	553	553
	447	853	853

SCHEDULE 2
OTHER REVENUES
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Department of State:			
Records Management	970	1,293	200
Department of Transportation:			
Administration and Support Services	651	---	---
Department of the Treasury:			
Adjudication of Administrative Appeals	897	895	895
Automotive Services	16,711	19,558	19,558
Capitol Post Office	1,564	1,648	1,648
Escrow – Construction Management Services	796	3,000	3,000
Office of Information Technology	104,266	98,178	99,010
Printing Services	1,911	2,324	2,324
Property Management and Construction – Construction Management Services	2,703	3,738	3,738
Public Information Services	1,430	1,293	1,293
Purchasing and Inventory Management	53,678	55,941	55,941
	183,956	186,575	187,407
Total Revolving	*260,522*	*253,591*	*254,736*
Total Other Revenues General Fund	***10,003,722***	***10,809,128***	***11,254,801***
SPECIAL TRANSPORTATION FUND			
General:			
County and Other Shared Projects	765	---	---
Transportation Trust Fund – Local Highway Funds	145,876	145,000	150,000
Transportation Trust Fund – Public Transportation Projects	709,839	606,597	534,000
Transportation Trust Fund – State Highway Funds	417,147	541,000	521,000
	1,273,627	1,292,597	1,205,000
Federal:			
Federal Highway Administration	757,430	716,391	888,173
Total Special Transportation Fund	*2,031,057*	*2,008,988*	*2,088,173*
TOTAL OTHER REVENUES	***12,034,779***	***12,818,116***	***13,342,974***

SCHEDULE 3
EXPENDITURES BUDGETED
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
GENERAL FUND			
Legislative Branch			
Senate	11,326	11,644	11,644
General Assembly	18,623	19,155	19,155
Office of Legislative Services	30,969	29,038	29,038
Legislative Commissions	4,966	5,585	6,124
State Capitol Joint Management Commission	8,045	9,001	9,001
Clean Ocean and Shore Trust Committee	144	144	144
	74,073	74,567	75,106
Executive Branch			
Chief Executive	5,141	5,537	4,972
Department of Agriculture	26,873	23,353	22,717
Department of Banking and Insurance	66,696	68,837	67,837
Department of Community Affairs	118,212	209,557	180,852
Department of Corrections	941,961	1,018,645	1,033,444
Department of Education	3,003,930	2,975,455	1,409,544
Department of Environmental Protection	411,940	433,839	338,114
Department of Health and Senior Services	790,595	1,505,154	1,286,284
Department of Human Services	4,603,428	4,751,965	5,114,775
Department of Labor and Workforce Development	131,261	106,890	106,722
Department of Law and Public Safety	568,255	550,755	551,999
Department of Military and Veterans' Affairs	82,021	87,702	86,730
Department of Personnel	30,414	26,307	25,701
Department of State	1,086,462	1,248,019	1,230,250
Department of Transportation	1,104,589	1,189,357	1,175,875
Department of the Treasury	1,237,044	1,329,345	1,067,438
Miscellaneous Commissions	1,404	1,395	1,403
	14,210,226	15,532,112	13,704,657
Interdepartmental Accounts			
Interdepartmental Services	520,328	547,547	549,665
Employee Benefits	1,788,034	1,974,179	2,135,255
Other Interdepartmental Accounts	26,122	159,894	70,646
Salary Increases and Other Benefits	6,941	7,500	115,397
	2,341,425	2,689,120	2,870,963
Judicial Branch			
The Judiciary	518,467	552,326	554,026
	518,467	552,326	554,026
Total General Fund	***17,144,191***	***18,848,125***	***17,204,752***
CASINO CONTROL FUND – DIRECT STATE SERVICES			
Department of Law and Public Safety	37,266	40,599	40,599
Department of the Treasury	28,074	28,686	28,686
Total Casino Control Fund – Direct State Services	*65,340*	*69,285*	*69,285*

SCHEDULE 3
EXPENDITURES BUDGETED
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
CASINO REVENUE FUND			
Department of Health and Senior Services	426,849	358,341	331,583
Department of Human Services	118,636	118,737	118,737
Department of Labor and Workforce Development	2,440	2,440	2,440
Department of Law and Public Safety	93	92	92
Department of Transportation	25,458	25,287	34,352
Total Casino Revenue Fund	*573,476*	*504,897*	*487,204*
GUBERNATORIAL ELECTIONS FUND – GRANTS–IN–AID			
Department of Law and Public Safety	---	8,870	1,025
PROPERTY TAX RELIEF FUND			
Department of Community Affairs	941,195	929,569	921,069
Department of Education	5,285,138	6,104,138	7,976,023
Department of Environmental Protection	10,129	8,500	9,000
Department of the Treasury	983,260	1,927,045	743,908
Total Property Tax Relief Fund	*7,219,722*	*8,969,252*	*9,650,000*
GRAND TOTAL EXPENDITURES BUDGETED	***25,002,729***	***28,400,429***	***27,412,266***

SCHEDULE 4
EXPENDITURES NOT BUDGETED
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
GENERAL FUNDS			
Dedicated Funds			
Chief Executive	1,172	1,100	1,100
Department of Agriculture	8,899	11,004	12,628
Department of Banking and Insurance	2,053	8,396	7,496
Department of Community Affairs	42,205	83,219	87,993
Department of Corrections	24,466	23,299	23,017
Department of Education	21,526	26,607	28,170
Department of Environmental Protection	22,519	53,681	79,118
Department of Health and Senior Services	127,883	120,965	120,545
Department of Human Services	580,511	656,847	684,733
Department of Labor and Workforce Development	148,068	179,758	180,643
Department of Law and Public Safety	180,065	238,295	249,250
Department of Military and Veterans' Affairs	37	2,285	2,285
Department of Personnel	22	6,593	6,693
Department of State	19,481	51,275	52,697
Department of Transportation	257,017	281,864	283,410
Department of the Treasury	844,562	902,959	896,862
Interdepartmental Accounts	---	3,000	---
The Judiciary	42,086	39,761	55,792
Total Dedicated Funds	*2,322,572*	*2,690,908*	*2,772,432*
Federal Funds			
Department of Agriculture	239,014	255,911	280,985
Department of Community Affairs	274,887	279,428	279,657
Department of Corrections	25,583	6,845	10,265
Department of Education	766,519	824,040	846,117
Department of Environmental Protection	63,571	221,510	216,330
Department of Health and Senior Services	1,625,281	1,470,737	1,615,305
Department of Human Services	3,574,700	3,995,534	4,211,126
Department of Labor and Workforce Development	356,433	415,577	412,289
Department of Law and Public Safety	142,766	201,629	156,154
Department of Military and Veterans' Affairs	24,594	31,867	34,339
Department of Personnel	314	---	---
Department of State	27,699	33,352	35,064
Department of Transportation	53,829	44,003	44,003
Department of the Treasury	3,786	5,638	6,070
The Judiciary	70,014	78,558	79,929
Total Federal Funds	*7,248,990*	*7,864,629*	*8,227,633*
Revolving Funds			
Legislature	17	---	---
Department of Community Affairs	9,975	7,603	7,655
Department of Corrections	33,286	29,852	30,035
Department of Education	4,396	4,548	4,548
Department of Environmental Protection	798	135	325
Department of Health and Senior Services	18,305	14,697	16,027
Department of Human Services	7,052	8,035	7,686
Department of Labor and Workforce Development	1,500	---	---
Department of Law and Public Safety	260	853	853
Department of State	1,317	1,293	200
Department of Transportation	632	---	---
Department of the Treasury	182,222	186,575	187,407
Total Revolving Funds	*259,760*	*253,591*	*254,736*
Total Expenditures General Fund	***9,831,322***	***10,809,128***	***11,254,801***
SPECIAL TRANSPORTATION TRUST FUND			
General	1,877,921	2,008,988	2,088,173
GRAND TOTAL EXPENDITURES NOT BUDGETED	***11,709,243***	***12,818,116***	***13,342,974***

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

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Beginning Balances July 1			
Undesignated Fund Balances			
General Fund	372,982	376,502	111,584
Surplus Revenue Fund	--	282,416	288,416
Property Tax Relief Fund	--	175,264	--
Gubernatorial Elections Fund	706	1,310	--
Casino Control Fund	4,330	4,888	--
Casino Revenue Fund	--	22,747	--
Total Undesignated Fund Balances	**378,018**	**863,127**	**400,000**
Designated Fund Balances			
General Fund	863,940	1,105,427	1,105,427
Property Tax Relief Fund	--	5,765	5,765
Casino Control Fund	1,945	947	947
Casino Revenue Fund	--	30,840	30,840
Special Transportation Fund	--	--	--
Total Designated Fund Balances	**865,885**	**1,142,979**	**1,142,979**
Total Beginning Balances	***1,243,903***	***2,006,106***	***1,542,979***
Revenues			
General Fund			
State Revenues (Schedule I)	17,374,991	17,688,357	17,204,752
Other Revenues (Schedule II)	10,003,722	10,809,128	11,254,801
Property Tax Relief Fund (Schedule I)	7,400,733	9,055,000	9,650,000
Gubernatorial Elections Fund (Schedule I)	603	1,500	1,500
Casino Control Fund (Schedule I)	64,646	69,585	69,585
Casino Revenue Fund (Schedule I)	595,991	482,150	487,204
Special Transportation Fund (Schedule II)	2,031,057	2,008,988	2,088,173
Total Revenues	***37,471,743***	***40,114,708***	***40,756,015***
Other Adjustments			
General Fund			
Balances lapsed	--	479,533	--
From (To) Casino Revenue Fund	--	--	--
From (To) Property Tax Relief Fund	--	422,189	--
From (To) Gubernatorial Elections Fund	--	(6,060)	--
From (To) Casino Control Fund	--	5,188	--
Reversal of CBT	33,939	--	--
From (To) Surplus Revenue	(282,416)	(6,000)	--
Budget vs GAAP adjustment	21,197	--	--
Miscellaneous	69,087	--	--
Property Tax Relief Fund			
From (To) General Fund	--	(422,189)	--
Balances lapsed	--	161,177	--
Budget vs GAAP adjustment	(5,747)	--	--
Miscellaneous	5,765	--	--
Gubernatorial Elections Fund			
From (To) General Fund	--	6,060	--
Budget vs GAAP adjustment	1	--	--
Casino Control Fund			
From (To) General Fund	--	(5,188)	--
Budget vs GAAP adjustment	1,252	--	--
Miscellaneous	(998)	--	--
Casino Revenue Fund			
From (To) General Fund	--	--	--
Budget vs GAAP adjustment	232	--	--
Miscellaneous	30,840	--	--
Surplus Revenue Fund			
From (To) General Fund	282,416	6,000	--
Special Transportation Fund			
Budget vs GAAP adjustment	(153,136)	--	--
Total Other Adjustments	***2,432***	***640,710***	***--***
Total Available	**38,718,078**	**42,761,524**	**42,298,994**

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

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Expenditures			
General Fund			
Expenditures Budgeted (Schedule III)	17,144,191	18,848,125	17,204,752
Expenditures Not Budgeted (Schedule IV)	9,831,322	10,809,128	11,254,801
Property Tax Relief Fund (Schedule III)	7,219,722	8,969,252	9,650,000
Gubernatorial Elections Fund (Schedule III)	--	8,870	1,025
Casino Control Fund (Schedule III)	65,340	69,285	69,285
Casino Revenue Fund (Schedule III)	573,476	504,897	487,204
Special Transportation Fund (Schedule IV)	1,877,921	2,008,988	2,088,173
Total Expenditures	***36,711,972***	***41,218,545***	***40,755,240***
Ending Balances June 30			
Undesignated Fund Balances			
General Fund	376,502	111,584	111,584
Surplus Revenue Fund	282,416	288,416	288,416
Property Tax Relief Fund	175,264	--	--
Gubernatorial Elections Fund	1,310	--	475
Casino Control Fund	4,888	--	300
Casino Revenue Fund	22,747	--	--
Total Undesignated Fund Balances	*863,127*	*400,000*	*400,775*
Designated Fund Balances			
General Fund	1,105,427	1,105,427	1,105,427
Property Tax Relief Fund	5,765	5,765	5,765
Casino Control Fund	947	947	947
Casino Revenue Fund	30,840	30,840	30,840
Special Transportation Fund	--	--	--
Total Designated Fund Balances	*1,142,979*	*1,142,979*	*1,142,979*
Total Ending Balances	***2,006,106***	***1,542,979***	***1,543,754***

NOTES

Revenues
FY 2005

(In Millions)

	FY2005 Approp. Act Revenues	FY2005 Adjusted Revenues	Change $	Change %
Income	$ 8,855	$ 9,055	$ 200	2.3
Sales	6,600	6,520	(80)	(1.2)
Corporate	2,500	2,162	(338)	(13.5)
Other*	9,646	9,560	(86)	(0.9)
Total	**$ 27,601**	**$ 27,297**	**$ (304)**	(1.1)

* Includes CBT - Energy

Revenues
FY2006

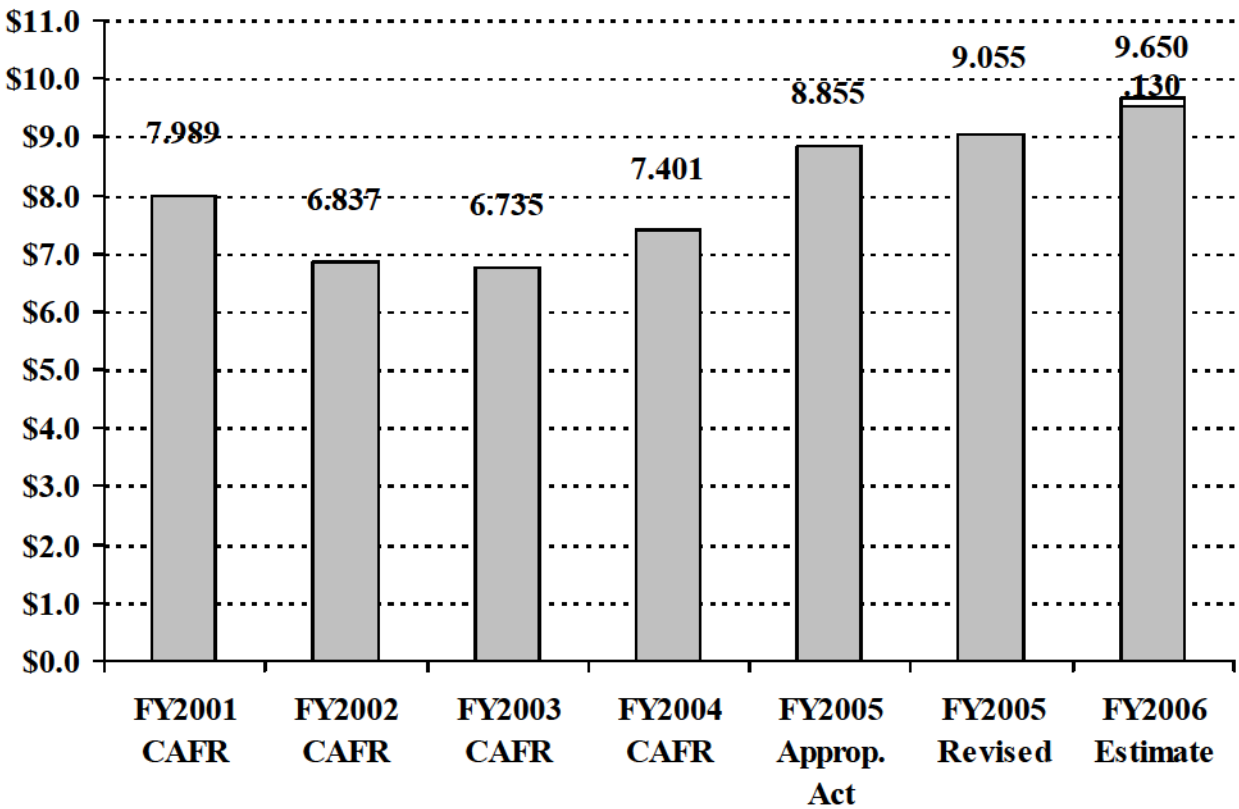
(In Millions)

	FY2005 Adjusted Revenues	FY2006 Revenues	Change $	Change %
Income				
Base	$ 9,055	$ 9,520	$ 465	5.1
Initiatives		130	130	
Sales				
Base	6,520	6,850	330	5.1
Initiatives		325	325	
Corporate	2,162	2,126	(36)	(1.7)
Other*				
Base	9,560	7,654	(1,906)	(19.9)
Initiatives		808	808	
Total	**$ 27,297**	**$ 27,413**	**$ 116**	**0.4**

* Includes CBT - Energy

GROSS INCOME TAX

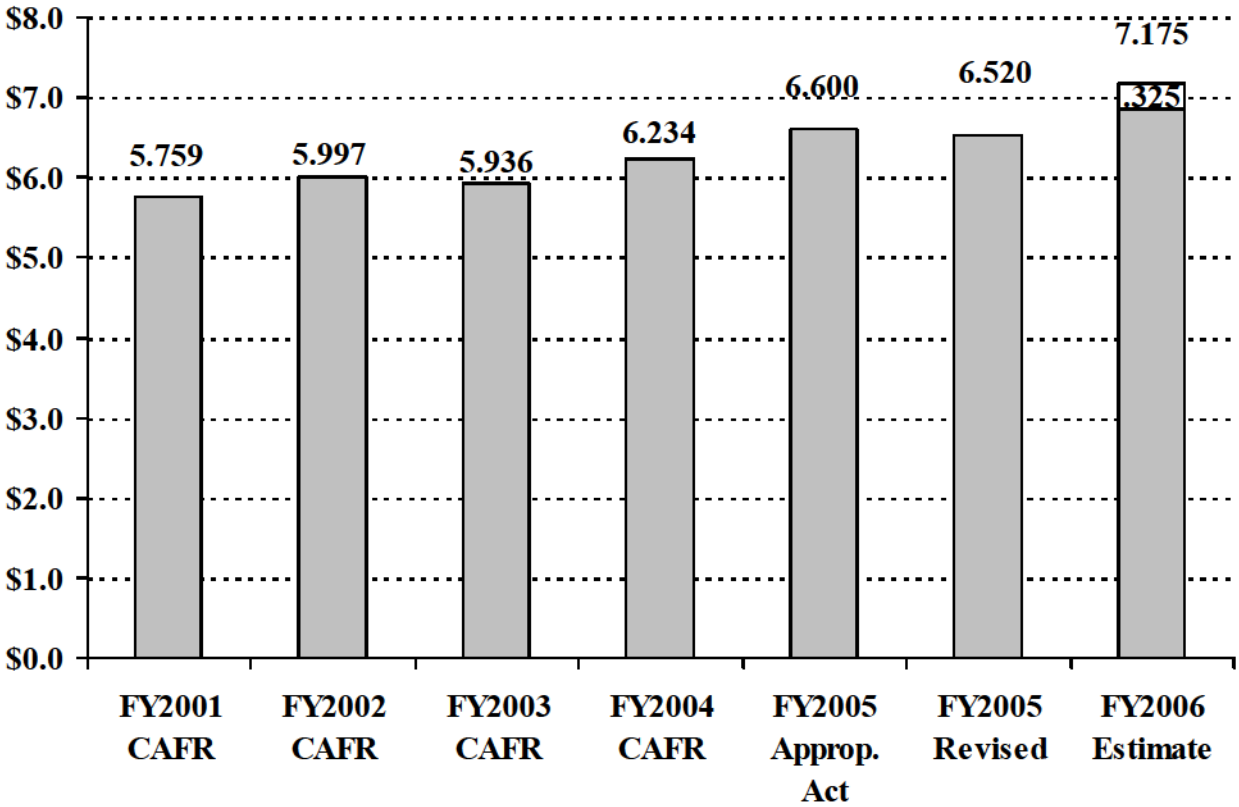
(In Billions)



FY06 includes $130 million in initiatives.

SALES TAX

(In Billions)

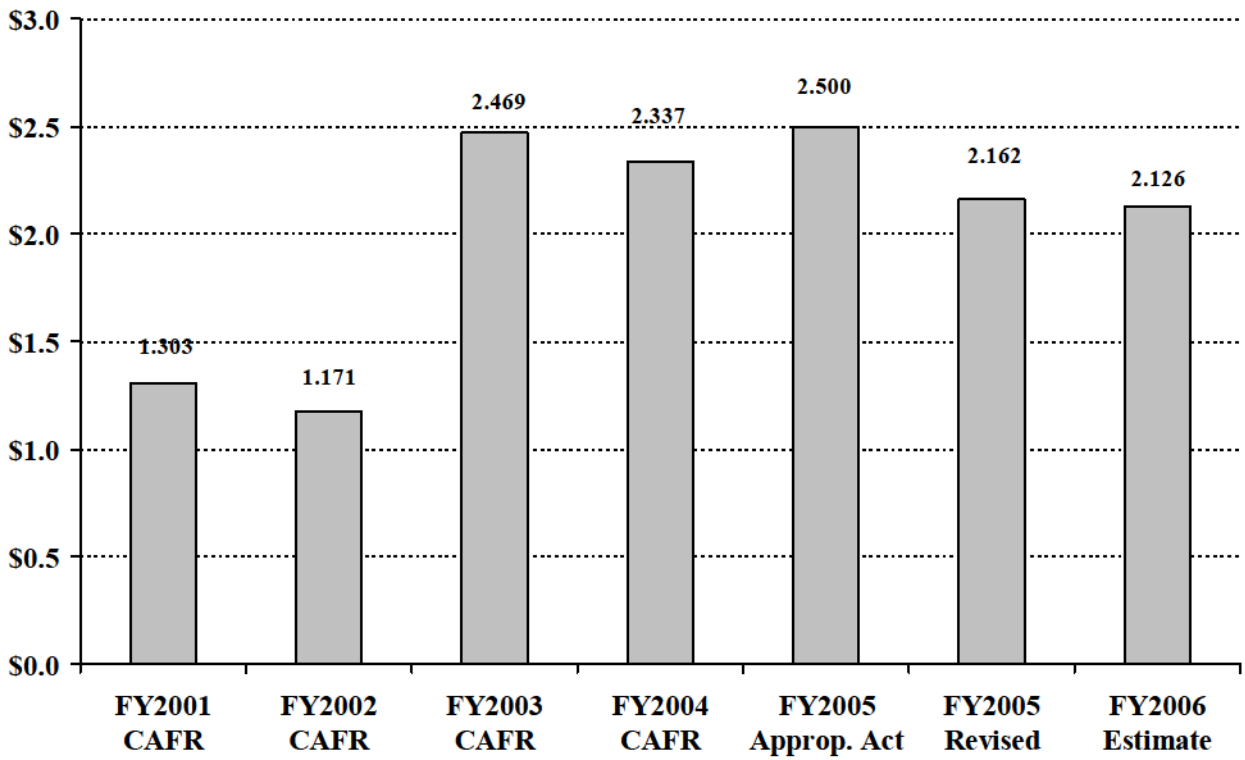


FY06 includes $325 million in initiatives.

Sales excludes Energy

CORPORATE BUSINESS TAX

(In Billions)



CBT excludes Energy

Nonrecurring Resources Down by 70%

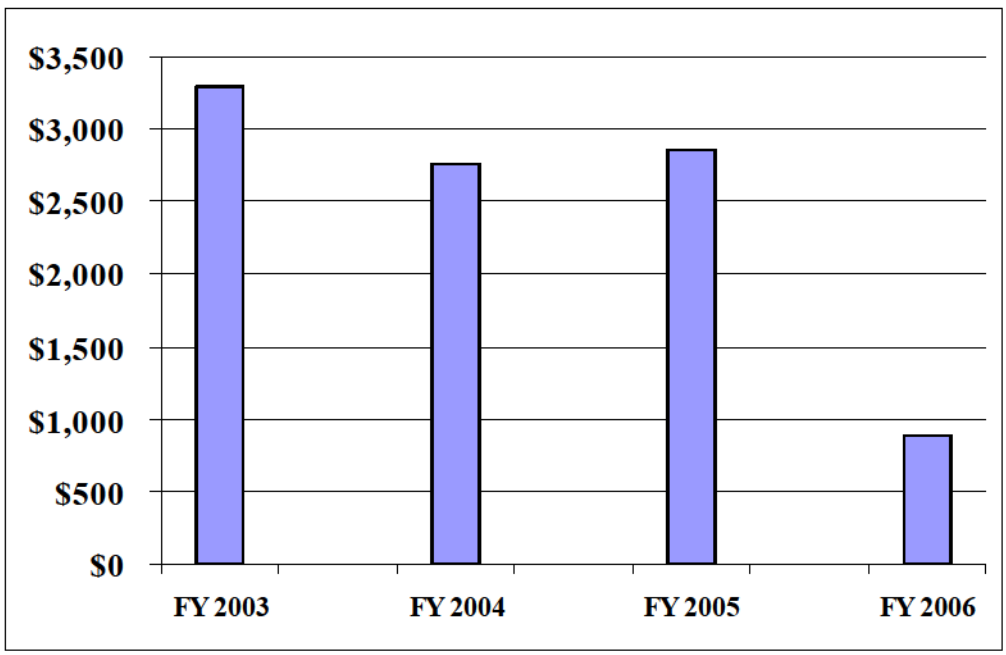
(In Millions)

	FY 2003	FY 2004	FY 2005	FY 2006
Tobacco Securitization	$1,557	$1,612	$-	$-
Cigarette/MV Surcharge Securitizations	-	-	1,930	-
General Fund Surplus	15	-	463	-
Unemployment Insurance Fund	325	325	100	250
Millionaires' Tax - Retroactive Impact	-	-	156	-
Federal Stimulus	106	433	-	-
PAAD Waiver	147	148	-	-
PAAD Rebate Receivable	-	-	-	50
CBT Revenue	651	-	-	-
HMO Tax	-	-	55	-
Car Registration Acceleration	-	-	16	22
Unclaimed Property	100	-	-	-
State Disability Fund	-	30	110	-
Securities Enforcement Collections	-	10	2	-
Real Estate Guarantee	-	1	-	-
NJ Redevelopment Authority	-	9	-	-
Hotel Revenue-State Share	-	25	-	-
Asset Sales	-	-	-	500
Fines Amnesty	-	-	-	15
AIDS Drug Distribution Program Receivable	-	-	-	6
Miscellaneous Revenue-Human Services	-	-	-	4
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
Educational Facilities Authority	-	-	2	-
Federal TANF Balances	70	86	18	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	-	-	-
Surplus Lines	43	-	-	-
UMDNJ Self Insurance Fund	77	-	-	-
UEZ Balances	37	-	-	-
Tobacco Settlement Fund	-	-	-	10
Mutual Workers' Compensation Fund	-	-	5	-
Total	$3,299	$2,757	$2,860	$891

Based on planned revenue actions.

Nonrecurring Resources Down by 70%

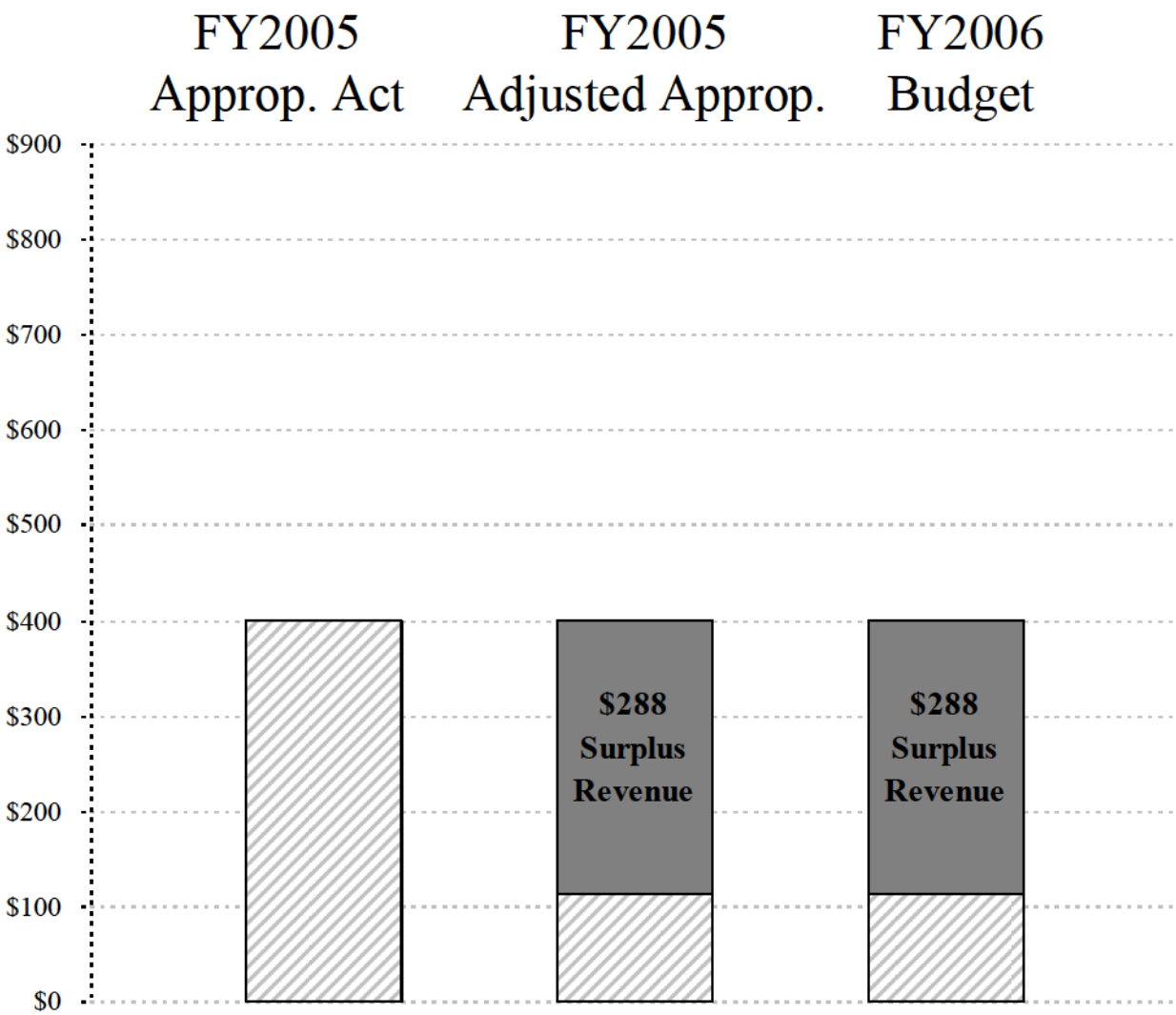
(In Millions)



Based on planned revenue actions.

Surplus

(In Millions)



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 and Acting Governor Codey's major budget recommendations for each program.



LEGISLATURE

OVERVIEW

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 2006 recommendation for the Legislature is $75.1 million. It provides $11.6 million to the Senate and $19.2 million to the Assembly. The recommendation also provides $29.0 million to the Office of Legislative Services and $15.3 million to the various legislative commissions.

The fiscal 2006 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 in the Public Schools studies and recommends improvements that will result in greater efficiency in the operation of public schools.

The State Commission of Investigation (SCI) has received a fiscal 2006 appropriation of $4.9 million, which is an increase of $522,000 or 11.8% over its fiscal 2005 appropriation of $4.4 million. SCI probes organized crime and improprieties in the conduct of public–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 New Jersey Law Revision Commission promotes and encourages the clarification and simplification of New Jersey laws.

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 the adjacent environs, and manages the capitol complex, including the security and janitorial services.

The Clean Ocean And Shore Trust Committee studies strategies to enhance coastal tourism and 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. 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, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
69,051	14,951	2,400	86,402	73,999	Direct State Services	74,567	75,106	75,106
—	108	—	108	74	Capital Construction	—	—	—
69,051	15,059	2,400	86,510	74,073	Total General Fund	74,567	75,106	75,106
69,051	***15,059***	***2,400***	***86,510***	***74,073***	***GRAND TOTAL***	***74,567***	***75,106***	***75,106***

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES – GENERAL FUND			
					Legislative Activities			
10,694	2,162	800	13,656	11,326	Senate	11,644	11,644	11,644
17,305	2,260	1,600	21,165	18,623	General Assembly	19,155	19,155	19,155
26,933	5,000	—	31,933	30,895	Legislative Support Services	29,038	29,038	29,038
54,932	*9,422*	*2,400*	*66,754*	*60,844*	*Subtotal*	*59,837*	*59,837*	*59,837*
					Legislative Commissions and Committees			
14,119	5,529	—	19,648	13,155	Legislative Commission	14,730	15,269	15,269
69,051	***14,951***	***2,400***	***86,402***	***73,999***	***Subtotal Direct State Services – General Fund***	***74,567***	***75,106***	***75,106***
69,051	***14,951***	***2,400***	***86,402***	***73,999***	***TOTAL DIRECT STATE SERVICES***	***74,567***	***75,106***	***75,106***
					CAPITAL CONSTRUCTION			
					Legislative Activities			
—	108	—	108	74	Legislative Support Services	—	—	—
—	***108***	—	***108***	***74***	***Subtotal Capital Construction***	—	—	—
69,051	***15,059***	***2,400***	***86,510***	***74,073***	***TOTAL APPROPRIATION***	***74,567***	***75,106***	***75,106***

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 the Assembly were elected in November 2003. 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	52	49	46	—
Total Positions	52	49	46	—
Filled Positions by Program Class				
Senate	52	49	46	—
Total Positions	52	49	46	—

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. Not included are the 40 Senators and part–time positions. The funded position count for fiscal year 2006 will be determined by the Legislature.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
10,694	2,162	800	13,656	11,326	Senate	01	11,644	11,644	11,644
10,694	***2,162***	***800***	***13,656***	***11,326***	*Total Direct State Services*		***11,644***[a]	***11,644***	***11,644***
					Distribution by Fund and Object				
					Personal Services:				
—	—	—	—	1,984	Senators (40)		1,990	1,990	1,990
9,894	462	800	11,156	4,288	Salaries and Wages		4,454	4,454	4,454
—	—	—	—	4,320	Members' Staff Services		4,400	4,400	4,400
9,894	*462*	*800*	*11,156*	*10,592*	*Total Personal Services*		*10,844*	*10,844*	*10,844*
150	292	—	442	70	Materials and Supplies		150	150	150
540	980	—	1,520	654	Services Other Than Personal		540	540	540
80	399	—	479	9	Maintenance and Fixed Charges		80	80	80
30	29	—	59	1	Additions, Improvements and Equipment		30	30	30
10,694	***2,162***	***800***	***13,656***	***11,326***	*Grand Total State Appropriation*		***11,644***	***11,644***	***11,644***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	71	72	61	—
Total Positions	71	72	61	—
Filled Positions by Program Class				
General Assembly	71	72	61	—
Total Positions	71	72	61	—

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. Not included are the 80 State Assemblypersons and part–time positions. The funded position count for fiscal year 2006 will be determined by the Legislature.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004 Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006 Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
17,305	2,260	1,600	21,165	18,623	General Assembly	02	19,155	19,155	19,155
17,305	***2,260***	***1,600***	***21,165***	***18,623***	***Total Direct State Services***		***19,155*** [a]	***19,155***	***19,155***
					Distribution by Fund and Object				
					Personal Services:				
—	—	—	—	3,932	Assemblypersons (80)		3,937	3,937	3,937
16,440	306	1,600	18,346	5,135	Salaries and Wages		5,553	5,553	5,553
—	—	—	—	8,848	Members' Staff Services		8,800	8,800	8,800
16,440	*306*	*1,600*	*18,346*	*17,915*	*Total Personal Services*		*18,290*	*18,290*	*18,290*
120	159	—	279	133	Materials and Supplies		120	120	120
640	1,404	—	2,044	485	Services Other Than Personal		640	640	640
100	107	—	207	89	Maintenance and Fixed Charges		100	100	100
					Special Purpose:				
—	100	—	100	—	Transition Expense	02	—	—	—
5	184	—	189	1	Additions, Improvements and Equipment		5	5	5
17,305	***2,260***	***1,600***	***21,165***	***18,623***	***Grand Total State Appropriation***		***19,155***	***19,155***	***19,155***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	336	347	348	___
Total Positions	336	347	348	___
Filled Positions by Program Class				
Legislative Support Services	336	347	348	___
Total Positions	336	347	348	___

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The funded position count for fiscal year 2006 will be determined by the Legislature.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
26,933	5,000	___	31,933	30,895	Legislative Support Services	03	29,038	29,038	29,038
26,933	***5,000***	___	***31,933***	***30,895***	*Total Direct State Services*		***29,038***[a]	***29,038***	***29,038***
					Distribution by Fund and Object				
					Personal Services:				
18,232	517	1,050	19,799	19,737	Salaries and Wages		20,261	20,261	20,261
18,232	*517*	*1,050*	*19,799*	*19,737*	*Total Personal Services*		*20,261*	*20,261*	*20,261*
1,065	853	–850	1,068	993	Materials and Supplies		1,065	1,065	1,065
2,527	1,262	–920	2,869	2,672	Services Other Than Personal		2,527	2,527	2,527
3,717	568	400	4,685	4,519	Maintenance and Fixed Charges		3,681	3,681	3,681
					Special Purpose:				
29	___	___	29	29	Affirmative Action and Equal Employment Opportunity	03	29	29	29
759 S	1,064	___	1,823	1,354	Continuation and Expansion of Data Processing Systems	03	657 S	657	657
___	5	___	5	___	Statute Challenges Fund	03	___	___	___

LEGISLATURE

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
—	—	—	—	—	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
22 513 S	731	320	1,586	1,522	Additions, Improvements and Equipment		649	649	649
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	108	—	108	74	Legislative Support Services	03	—	—	—
—	*108*	—	*108*	*74*	*Total Capital Construction*		—	—	—
					Distribution by Fund and Object				
					Office of Legislative Services				
—	108	—	108	74	Space Planning, Restore and Renovate Historical State House & Annex	03	—	—	—
26,933	*5,108*	—	*32,041*	*30,969*	*Grand Total State Appropriation*		*29,038*	*29,038*	*29,038*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 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 Computer Executive Group of the Legislative Information Systems Committee of the Legislative Services Commission, for the continuation and expansion of data processing systems for the Legislature in order to plan, acquire and install a comprehensive electronic data processing system, including software acquisition and training in connection with the system 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.

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.

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

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 particular reference to 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 conducts a continuous examination of the general and permanent statutory law and related judicial decisions for the purpose of discovering 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 represented by 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	43	50	50	—
Total Positions	43	50	50	—
Filled Positions by Program Class				
Legislative Commission	43	50	50	—
Total Positions	43	50	50	—

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal 2005 as of September. The funded position count for fiscal 2006 will be determined by the Legislature.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Organization				
396	99	—	495	373	Intergovernmental Relations Commission		419	436	436
335	448	—	783	101	Joint Committee on Public Schools		335	335	335
3,812	2,363	—	6,175	4,039	State Commission of Investigation		4,400	4,922	4,922
110	31	—	141	122	Commission on Business Efficiency In the Public Schools		110	110	110
—	78	—	78	51	Apportionment Commission		—	—	—
321	190	—	511	280	New Jersey Law Revision Commission		321	321	321
—	12	—	12	—	New Jersey Redistricting Commission		—	—	—
9,001	2,199	—	11,200	8,045	State Capitol Joint Management Commission		9,001	9,001	9,001
144	109	—	253	144	Clean Ocean and Shore Trust Committee		144	144	144

LEGISLATURE

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
14,119	5,529	—	19,648	13,155	Legislative Commission	09	14,730	15,269	15,269
14,119	***5,529***	—	***19,648***	***13,155***	*Total Direct State Services*		***14,730***	***15,269***	***15,269***
					Distribution by Fund and Object				
					Intergovernmental Relations Commission				
29	87	—	116	6	Expenses of Commission	09	36	36	36
145	4	—	149	145	The Council of State Governments	09	151	155	155
164	4	—	168	164	National Conference of State Legislatures	09	171	184	184
34	4	—	38	34	Eastern Trade Council – The Council of State Governments	09	36	36	36
24	—	—	24	24	Northeast States Association for Agriculture Steward–ship—The Council of State Governments	09	25	25	25
					Joint Committee on Public Schools				
335	448	—	783	101	Expenses of Commission	09	335	335	335
					State Commission of Investigation				
3,812	2,363	—	6,175	4,039	Expenses of Commission	09	4,400	4,922	4,922
					Commission on Business Efficiency In the Public Schools				
110	31	—	141	122	Expenses of Commission	09	110	110	110
					Apportionment Commission				
—	78	—	78	51	Expenses of Commission	09	—	—	—
					New Jersey Law Revision Commission				
321	190	—	511	280	Expenses of Commission	09	321	321	321
					New Jersey Redistricting Commission				
—	12	—	12	—	Expenses of Commission	09	—	—	—
					State Capitol Joint Management Commission				
9,001	2,199	—	11,200	8,045	Expenses of Commission	09	9,001	9,001	9,001
					Clean Ocean and Shore Trust Committee				
144	109	—	253	144	Expenses of Commission	09	144	144	144
14,119	***5,529***	—	***19,648***	***13,155***	*Grand Total State Appropriation*		***14,730***	***15,269***	***15,269***

Language Recommendations — Direct State Services – General Fund

The unexpended balances at the end of the preceding fiscal year in these accounts are appropriated.

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

In the State of New Jersey, the Office of the Chief Executive, also referred to as the Governor's Office, includes the Governor and staff that assist in the execution of the Governor's constitutional powers and duties.

The Governor is the State's chief operating officer, and the Governor's Office assists in directing and coordinating 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 is active in the review and formulation of proposals of law that are ultimately submitted to the State Legislature. Staff assist in the development of public policy affecting the citizens of the State, and in the implementation of the State's fiscal plan once it is adopted.

The fiscal 2006 budget for the Office of the Chief Executive totals $5.0 million, a decrease of $565,000, or 10.2% under the fiscal 2005 adjusted appropriation of $5.5 million. This savings is a result of budget reductions in fiscal 2006 for salaries, membership dues and a line of credit payment.

CHIEF EXECUTIVE

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
5,351	766	17	6,134	5,141	Direct State Services	5,537	4,972	4,972
5,351	766	17	6,134	5,141	Total General Fund	5,537	4,972	4,972
5,351	***766***	***17***	***6,134***	***5,141***	***GRAND TOTAL***	***5,537***	***4,972***	***4,972***

SUMMARY OF APPROPRIATIONS BY PROGRAM

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES – GENERAL FUND			
					Management and Administration			
5,351	766	17	6,134	5,141	Executive Management	5,537	4,972	4,972
5,351	***766***	***17***	***6,134***	***5,141***	***Subtotal Direct State Services – General Fund***	***5,537***	***4,972***	***4,972***
5,351	***766***	***17***	***6,134***	***5,141***	***TOTAL DIRECT STATE SERVICES***	***5,537***	***4,972***	***4,972***
5,351	***766***	***17***	***6,134***	***5,141***	***TOTAL APPROPRIATION***	***5,537***	***4,972***	***4,972***

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
76. MANAGEMENT AND ADMINISTRATION

OBJECTIVES

1. To administer affairs of the State so that public needs are met and maximum benefit is effected from available public resources.
2. To assure that the laws of the State are faithfully executed.
3. To serve as Commander–In–Chief of all military and naval forces of the State.
4. To make appointments and fill vacancies in accordance with legal requirements.
5. To approve or disapprove legislation.
6. To grant pardons and reprieves in all cases other than impeachment and treason.
7. To supervise each department and agency of the State.
8. To represent the State in relations with other governments and the public.

PROGRAM CLASSIFICATIONS

01. **Executive Management.** In accordance with provisions of the State Constitution, the Governor is elected by the legally qualified voters of this State 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	115	115	99	108
Total Positions	115	115	99	108
Filled Positions by Program Class				
Executive Management	115	115	99	108
Total Positions	115	115	99	108

Notes:

(a) Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Organization				
5,351	766	17	6,134	5,141	Chief Executive's Office		5,537	4,972	4,972
					Distribution by Fund and Program				
5,351	766	17	6,134	5,141	Executive Management	01	5,537	4,972	4,972
5,351	***766***	***17***	***6,134***	***5,141***	***Total Direct State Services***		***5,537*** (a)	***4,972***	***4,972***
					Distribution by Fund and Object				
					Personal Services:				
4,408	394	–536	4,266	3,607	Salaries and Wages		4,594	4,044	4,044
4,408	*394*	*–536*	*4,266*	*3,607*	*Total Personal Services*		*4,594*	*4,044*	*4,044*
89	13	150	252	243	Materials and Supplies		89	89	89
308	116	340	764	728	Services Other Than Personal		284	284	284
85	4	30	119	103	Maintenance and Fixed Charges		85	85	85
					Chief Executive's Office				
175	53	–16	212	171	National Governors' Association	01	158	158	158
48	163	——	211	——	Coalition of Northeastern Governors	01	48	37	37
91	——	16	107	107	Education Commission of the States	01	108	108	108
42	6	——	48	47	National Conference of Commissioners On Uniform State Laws	01	42	42	42
10	1	1	12	11	Brian Stack Intern Program	01	10	10	10
95	——	——	95	90	Allowance to the Governor of Funds Not Otherwise Appropriated, For Official Reception on behalf of the State, Operation of an Official Residence and Other Expenses.	01	95	95	95
——	16	32	48	34	Additions, Improvements and Equipment		24	20	20
5,351	***766***	***17***	***6,134***	***5,141***	***Grand Total State Appropriation***		***5,537***	***4,972***	***4,972***
					OTHER RELATED APPROPRIATIONS				
					All Other Funds				
——	360 1,273 R	——	1,633	1,172	Executive Management	01	1,100	1,100	1,100
——	***1,633***	——	***1,633***	***1,172***	***Total All Other Funds***		***1,100***	***1,100***	***1,100***
5,351	***2,399***	***17***	***7,767***	***6,313***	***GRAND TOTAL ALL FUNDS***		***6,637***	***6,072***	***6,072***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 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.

DEPARTMENT OF AGRICULTURE

OVERVIEW

The mission of the Department of Agriculture is to promote and provide high–quality, nutritious, abundant, safe and affordable food and other agricultural products, to improve the economic viability of the agriculture industry and foster opportunities for farm profitability, to preserve and protect agricultural and natural resources, and to provide leadership and excellence in services to New Jersey agriculture and the general public.

The Department's goals are to preserve farms; protect and conserve natural and agricultural resources; protect producers and consumers by ensuring safe, high–quality agricultural products and services; support and expand profitable, innovative agricultural and food industry development; 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 by a well–trained and motivated workforce. The State Agriculture Development Committee, which is in but not of the Department, administers the Farmland Preservation Program.

Budget Highlights

The fiscal 2006 budget for the Department of Agriculture totals $22.7 million, a decrease of $700,000, or 3%, from the fiscal 2005 adjusted appropriation of $23.4 million.

Preservation and Conservation

The Farmland Preservation Program purchases development easements on farms and purchases farmland outright for permanent preservation, helping to ensure a stable land base for agriculture and protecting the quality of life in communities throughout the State. Since its inception, the Garden State Preservation Trust Act has provided a total of $538 million for farmland preservation, including $127 million in fiscal 2005. Through December of 2004, a total of 1,222 farms covering 132,965 acres will have been preserved since the program began in 1983. To date, New Jersey has preserved approximately 16 percent of its estimated 820,000 acres of available farmland – a higher percentage than any other state. The State's farmland preservation program helps meet the goal for smart growth by keeping communities green, open and productive.

The current Garden State Preservation Trust financing structure allows the State to minimize interest and debt service costs to taxpayers while maximizing the proceeds generated for the open space program. The current plan enables the Garden State Preservation Trust to use current interest and zero coupon bonds to expedite the preservation of New Jersey's critical open space.

The Conservation Cost Share Program helps to improve the quality of New Jersey's waterways and groundwater by providing financial and technical assistance to farmers who implement conservation practices that control non–point source pollution. To maximize program assistance to farmers and provide increased environmental benefits to the State, this funding is combined with the federal Environmental Quality Incentive Program. In fiscal 2006, the Conservation Cost Share Program's funding of $540,000 will be provided through the Corporate Business Tax (CBT) dedication for Watershed Management, which funds similar non–point source pollution projects in the Department of Environmental Protection.

Continuing Programs

To maximize the impact of the Jersey Fresh marketing campaign, the Department coordinates with the New Jersey Commerce, Economic Growth and Tourism Commission's fall advertising for travel and tourism as well as with the New Jersey State Lottery. In addition, funding of $75,000 is provided in fiscal 2006 for Promotional Marketing Development matching grants to enable agricultural organizations to carve out their own Jersey Fresh niche through such efforts as festivals and farm market promotional events.

The School Breakfast Program reimburses school districts that provide breakfast to students. The program received approximately $3.2 million in fiscal 2005. This number is expected to rise to $3.9 million in fiscal 2006. The program is intended to augment an existing breakfast program by mandating participation by schools in which 20 percent or more of the students enrolled are eligible for a free or reduced price meal under the federal School Lunch Program. Phase I of this mandate began in September 2004 for 318 targeted schools with Pre–K to sixth grade students. Phase II is scheduled for September 2005 for all other targeted schools with grades seven through twelve. The State Aid appropriations for the School Lunch Program will continue at $7.4 million.

State Agriculture Development Committee (SADC)

The SADC leads in the preservation of New Jersey's farmland and promotes innovative approaches to maintaining the viability of agriculture. The SADC administers the Farmland Preservation Program, providing grants to counties, municipalities and nonprofit groups to fund the purchase of development easements on farmland; directly purchasing farms and development easements from landowners; and offering grants to landowners in the program to fund up to 50 percent of the cost of soil and water conservation projects. It also administers the Right to Farm Program, oversees the Transfer of Development Rights Bank, and operates the Farm Link Program, which helps match farm owners with farmers seeking access to farmland and farming opportunities.

Department Accomplishments

A proposed rule affecting the Child Nutrition Program was published in the New Jersey Register on September 15, 2004. The rule would require school districts to improve the nutritional value of food offered in cafeteria lines, vending machines, school stores and fundraisers through development of a local level school nutrition policy in compliance with the Department's Model School Nutrition Policy.

Marketing efforts were stepped up for additional New Jersey harvested products. During 2004, the Jersey Grown and Jersey Seafood brands were launched to highlight New Jersey's ornamental horticultural products and the seafood and aquaculture industries. New websites were established to market the benefits of each label.

An Aquatic Farmer License Program was developed and implemented in 2004 to protect the ownership of aqua cultured stock and establish safeguards to protect wild stocks, the industry, and the environment.

In conjunction with community leaders, counties, and municipalities, implementation of the smart growth plan – which reinforces our planning for agriculture to help keep our farmland open, green and productive – continued with establishment of a Planners Tool Kit, establishment of new markets, and implementation of economic development strategies.

DEPARTMENT OF AGRICULTURE

SUMMARY OF APPROPRIATIONS BY FUND
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
9,384	2,090	352	11,826	11,266	Direct State Services	9,513	9,415	9,415
436	220	469	1,125	930	Grants–In–Aid	2,755	1,575	1,575
11,015	—	—	11,015	10,678	State Aid	11,085	11,727	11,727
—	5,141	—	5,141	3,999	Capital Construction	—	—	—
20,835	7,451	821	29,107	26,873	Total General Fund	23,353	22,717	22,717
20,835	***7,451***	***821***	***29,107***	***26,873***	***GRAND TOTAL***	***23,353***	***22,717***	***22,717***

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES – GENERAL FUND			
					Agricultural Resources, Planning, and Regulation			
1,170	306	179	1,655	1,568	Animal Disease Control	1,254	1,254	1,254
1,872	507	–403	1,976	1,767	Plant Pest and Disease Control	2,009	2,124	2,124
1,014	352	–29	1,337	1,191	Agriculture and Natural Resources	1,092	879	879
338	—	30	368	368	Food and Nutrition Services	338	338	338
2,484	925	–277	3,132	3,014	Marketing and Development Services	2,401	2,401	2,401
1,740	—	—	1,740	1,740	Farmland Preservation	1,740	1,740	1,740
766	—	852	1,618	1,618	Administration and Support Services	679	679	679
9,384	*2,090*	*352*	*11,826*	*11,266*	*Subtotal*	*9,513*	*9,415*	*9,415*
9,384	***2,090***	***352***	***11,826***	***11,266***	***Subtotal Direct State Services – General Fund***	***9,513***	***9,415***	***9,415***
9,384	***2,090***	***352***	***11,826***	***11,266***	***TOTAL DIRECT STATE SERVICES***	***9,513***	***9,415***	***9,415***
					GRANTS–IN–AID – GENERAL FUND			
					Agricultural Resources, Planning, and Regulation			
—	220	380	600	405	Agriculture and Natural Resources	1,500	1,200	1,200
75	—	89	164	164	Marketing and Development Services	75	75	75
361	—	—	361	361	Farmland Preservation	1,180	300	300
436	*220*	*469*	*1,125*	*930*	*Subtotal*	*2,755*	*1,575*	*1,575*
436	***220***	***469***	***1,125***	***930***	***Subtotal Grants–In–Aid – General Fund***	***2,755***	***1,575***	***1,575***
436	***220***	***469***	***1,125***	***930***	***TOTAL GRANTS–IN–AID***	***2,755***	***1,575***	***1,575***

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					STATE AID – GENERAL FUND			
					Agricultural Resources, Planning, and Regulation			
10,965	—	—	10,965	10,634	Food and Nutrition Services	11,035	11,677	11,677
50	—	—	50	44	Farmland Preservation	50	50	50
11,015	—	—	*11,015*	*10,678*	*Subtotal*	*11,085*	*11,727*	*11,727*
11,015	—	—	***11,015***	***10,678***	***Subtotal State Aid – General Fund***	***11,085***	***11,727***	***11,727***
11,015	—	—	***11,015***	***10,678***	***TOTAL STATE AID***	***11,085***	***11,727***	***11,727***
					CAPITAL CONSTRUCTION			
					Agricultural Resources, Planning, and Regulation			
—	2	—	2	—	Plant Pest and Disease Control	—	—	—
—	5,139	—	5,139	3,999	Agriculture and Natural Resources	—	—	—
—	*5,141*	—	*5,141*	*3,999*	*Subtotal*	—	—	—
—	***5,141***	—	***5,141***	***3,999***	***Subtotal Capital Construction***	—	—	—
20,835	***7,451***	***821***	***29,107***	***26,873***	***TOTAL APPROPRIATION***	***23,353***	***22,717***	***22,717***

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 promote smart growth and a high quality of life for New Jersey citizens.
2. To encourage and support stewardship of agricultural and open land and other natural resources 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 by 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

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 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 State Department of Agriculture (USDA)'s 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. In addition, 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.

    The Division of Animal Health also 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 non–point sources of water pollution and storm water damage. The primary objectives of this program are 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 newly established 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 for distribution 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 of 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 as directed by the reorganization plan submitted by the Department to accurately reflect the intent of the organizational unit. The program conducts advertising, market development and promotion 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, and 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 those programs, regulations, and policies it deems essential to accomplish responsibilities assigned to the Department. 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 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Animal and Plant Disease Control				
Animal Disease Control:				
Regulatory, inspections and field testing	645	645	645	645
General, special, and other laboratory exams	48,000	48,000	48,000	48,000
Plant Disease Control:				
Nurseries and dealers certified free of plant pests	1,600	1,600	1,600	1,684
Nursery acreage certified free of plant pests	16,500	17,000	17,000	18,000
Percent of bee colonies found disease free (%)	99	99	99	98
Percent of seed meeting truth in labeling requirements (%)	95	95	95	95
Pounds of pesticide not applied	1,290,000	1,300,000	1,280,000	1,280,000
Forest and crop acreage stabilized biologically	995,000	995,000	992,000	992,000
Forested acres protected from gypsy moth infestations	13,000	20,000	5,000	3,000
Major exotic insect & plant disease field surveys	8	9	9	11
Agriculture and Natural Resources				
Aquaculture Production (lbs.)	42,000,000	43,000,000	43,000,000	44,000,000
Soil and Water Conservation Programs:				
Land protected from soil erosion and sedimentation during development (acres)	35,000	36,000	34,000	34,000
Farm acreage subject to non–point source pollution control efforts	430,000	445,000	448,000	455,000
Marketing and Development Services				
Percent agricultural inputs meeting label guarantees:				
Fertilizer (%)	89	88	90	90
Lime (%)	80	90	90	90
Feed (%)	91	92	90	90
Milk license financial disputes settled	73	111	150	150
Producers licensed to pack Jersey Fresh logo	189	258	275	285
Agricultural commodities inspected and graded (lbs.)	693,000,000	726,000,000	650,000,000	650,000,000
Impressions from Jersey Fresh advertising	160,000,000	150,000,000	200,000,000	200,000,000
Individual store outlets featuring New Jersey agricultural products	3,275	3,300	3,300	3,500
Racing mares bred	2,356	2,560	2,500	2,527
Food and Nutrition Services				
Temporary emergency food assistance program (lbs. delivered)	12,750,000	10,500,000	11,250,000	11,500,000
School lunch (lbs. delivered)	28,500,000	30,483,000	30,500,000	30,500,000
Farmland Preservation				
Cumulative acres permanently preserved	110,476	127,038	147,000	164,000
Cumulative farms permanently preserved	918	1,147	1,360	1,570
Eight year program (acres)	29,805	28,327	28,000	29,000
County/Municipal participation ($)	20,164,032	37,439,567	35,000,000	35,000,000
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	20	20	19	20
Male Minority %	8.1	7.8	7.3	7.7
Female Minority	31	33	33	37
Female Minority %	12.6	12.9	12.7	14.2
Total Minority	51	53	52	57
Total Minority %	20.7	20.7	20.0	21.9

AGRICULTURE

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Position Data				
Filled Positions by Funding Source				
State Supported	152	150	146	153
Federal	47	54	51	72
All Other	47	50	54	61
Total Positions	246	254	251	286
Filled Positions by Program Class				
Animal Disease Control	22	22	22	32
Plant Pest and Disease Control	35	38	39	45
Agriculture and Natural Resources	24	26	25	26
Food and Nutrition Services	60	66	66	64
Marketing and Development Services	54	46	47	65
Administration and Support Services	27	25	22	21
Farmland Preservation	24	31	30	33
Total Positions	246	254	251	286

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimates for fiscal year 2006 reflect the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
1,170	306	179	1,655	1,568	Animal Disease Control	01	1,254	1,254	1,254
1,872	507	–403	1,976	1,767	Plant Pest and Disease Control	02	2,009	2,124	2,124
1,014	352	–29	1,337	1,191	Agriculture and Natural Resources	03	1,092	879	879
338	——	30	368	368	Food and Nutrition Services	05	338	338	338
2,484	925	–277	3,132	3,014	Marketing and Development Services	06	2,401	2,401	2,401
1,740	——	——	1,740	1,740	Farmland Preservation	08	1,740	1,740	1,740
766	——	852	1,618	1,618	Administration and Support Services	99	679	679	679
9,384	***2,090***	***352***	***11,826***	***11,266***	***Total Direct State Services***		***9,513*** [a]	***9,415***	***9,415***
					Distribution by Fund and Object				
					Personal Services:				
5,669	737 265 R	295	6,966	6,907	Salaries and Wages		5,822	5,524	5,524
5,669	*1,002*	*295*	*6,966*	*6,907*	*Total Personal Services*		*5,822*	*5,524*	*5,524*
189	7	——	196	194	Materials and Supplies		189	189	189
314	7	434	755	748	Services Other Than Personal		296	296	296
262	——	–27	235	235	Maintenance and Fixed Charges		195	195	195
					Special Purpose:				
——	140 154 R	–215	79	——	Animal Disease Control	01	——	——	——
——	25 26 R	–31	20	——	Plant Pest and Disease Control	02	——	——	——
——	——	——	——	——	Asian Longhorned Beetle Monitoring	02	——	200	200
——	80 57 R	——	137	22	Beneficial Insect Laboratory	02	——	——	——
——	63 289 R	–20	332	186	Stormwater Discharge Permit Fees	03	——	——	——

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					DIRECT STATE SERVICES				
338	—	30	368	368	Temporary Emergency Food Assistance Program	05	338	338	338
826	—	—	826	707	Promotion/Market Develop-ment	06	826	826	826
—	215 R	–215	—	—	Marketing and Development Services	06	—	—	—
90	—	—	90	90	Agricultural Right–to–Farm Program	08	90	90	90
1,650	—	—	1,650	1,650	Open Space Administrative Costs	08	1,650	1,650	1,650
18	—	—	18	18	Expenses of State Board of Agriculture	99	18	18	18
28	—	—	28	28	Affirmative Action and Equal Employment Opportunity	99	28	28	28
—	25	101	126	113	Additions, Improvements and Equipment		61	61	61
					GRANTS–IN–AID				
					Distribution by Fund and Program				
—	220	380	600	405	Agriculture and Natural Resources	03	1,500	1,200	1,200
75	—	89	164	164	Marketing and Development Services	06	75	75	75
361	—	—	361	361	Farmland Preservation	08	1,180	300	300
436	***220***	***469***	***1,125***	***930***	***Total Grants–in–Aid***		***2,755***	***1,575***	***1,575***
					Distribution by Fund and Object				
					Grants:				
—	—	—	—	—	Conservation Assistance Program	03	1,500	1,200	1,200
—	220	380	600	405	Conservation Cost Share Program	03	—	—	—
75	—	–1	74	74	Promotion/Market Develop-ment	06	75	75	75
—	—	90	90	90	New Jersey Museum of Agriculture	06	—	—	—
361	—	—	361	361	Soil and Water Conservation Grants	08	1,180	300	300
					STATE AID				
					Distribution by Fund and Program				
10,965	—	—	10,965	10,634	Food and Nutrition Services	05	11,035	11,677	11,677
50	—	—	50	44	Farmland Preservation	08	50	50	50
11,015	—	—	***11,015***	***10,678***	***Total State Aid***		***11,085***	***11,727***	***11,727***
					Distribution by Fund and Object				
					State Aid:				
1,588 657 S	—	—	2,245	2,191	School Breakfast – State Aid Grants	05	3,212	3,854	3,854
439	—	—	439	439	Non–Public Nutrition Aid – State Aid Grants	05	439	439	439
6,565 1,716 S	—	—	8,281	8,004	School Lunch Aid – State Aid Grants	05	7,384	7,384	7,384
50	—	—	50	44	Payments in Lieu of Taxes	08	50	50	50

AGRICULTURE

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	2	—	2	—	Plant Pest and Disease Control	02	—	—	—
—	5,139	—	5,139	3,999	Agriculture and Natural Resources	03	—	—	—
—	*5,141*	—	*5,141*	*3,999*	*Total Capital Construction*		—	—	—
					Distribution by Fund and Object				
					Division of Plant Industry				
—	2	—	2	—	Renovations to Phillip Alampi Beneficial Insect Laboratory	02	—	—	—
					State Agriculture Development Commission				
—	5,139	—	5,139	3,999	Direct Easement	03	—	—	—
20,835	*7,451*	*821*	*29,107*	*26,873*	*Grand Total State Appropriation*		*23,353*	*22,717*	*22,717*
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
18 324 S	63	—	405	135	Animal Disease Control	01	18	718	718
750 514 S	653	—	1,917	1,068	Plant Pest and Disease Control	02	1,270	1,865	1,865
117 166 S	322	—	605	479	Agriculture and Natural Resources	03	25	—	—
232,029 230 S	26,349	—	258,608	237,057	Food and Nutrition Services	05	248,139	267,534	267,534
168 41 S	143	32	384	250	Marketing and Development Services	06	459	668	668
1,726	25	—	1,751	25	Farmland Preservation	08	6,000	10,200	10,200
236,083	*27,555*	*32*	*263,670*	*239,014*	*Total Federal Funds*		*255,911*	*280,985*	*280,985*
					All Other Funds				
—	—	—	—	—	Animal Disease Control	01	153	153	153
—	10 10 R	—	20	10	Plant Pest and Disease Control	02	328	323	323
—	7 100 R	—	107	86	Agriculture and Natural Resources	03	675	675	675
—	225 2,287 R	—	2,512	1,775	Food and Nutrition Services	05	1,516	1,516	1,516
—	2,501 6,821 R	–71	9,251	6,441	Marketing and Development Services	06	7,163	7,883	7,883
—	574 R	—	574	574	Farmland Preservation	08	891	1,800	1,800
—	27	—	27	13	Administration and Support Services	99	278	278	278
—	*12,562*	*–71*	*12,491*	*8,899*	*Total All Other Funds*		*11,004*	*12,628*	*12,628*
256,918	*47,568*	*782*	*305,268*	*274,786*	*GRAND TOTAL ALL FUNDS*		*290,268*	*316,330*	*316,330*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of the salary program.

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 program costs. 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 Nursery Inspection program costs. 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 program costs. 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 program costs.

Receipts in excess of the amount anticipated from feed, fertilizer, and liming material registrations and inspections are appropriated for program costs.

Receipts from agriculture chemistry fees not to exceed $75,000 shall be available to support the organic certification 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, 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 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 any other law to the contrary, an amount not to exceed $1,650,000 shall be transferred from the Garden State Farmland Preservation Trust Fund to the General Fund and is appropriated to the State Agriculture Development Committee for Open Space Administrative Costs.

The unexpended balance at the end of the preceding fiscal year in the Promotion/Market Development Account is appropriated for the same purpose.

Notwithstanding any other law 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 Bank account and is appropriated to the State Agriculture Development Committee for Transfer of Development Rights administrative costs.

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.

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 any law 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 to support the Conservation Cost Share program in the Department of Agriculture on or before September 1, 2005. Further additional sums may be transferred pursuant to a Memorandum of Understanding between the Department of Environmental Protection and the Department of Agriculture, 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, 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 this program is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amounts hereinabove appropriated for Farmland Preservation – Soil and Water Conservation Grants, an amount not to exceed $700,000 shall be transferred from the 1992 Farmland Preservation Fund (P.L. 1992, c.88) and the 1995 Farmland Preservation Fund (P.L. 1995, c.204) to provide matching grants for Soil and Water Conservation projects on farms enrolled in the Farmland Preservation program, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any other law to the contrary, the State Agriculture Development Committee, in determining eligibility for funding from the amount hereinabove appropriated for Soil and Water Conservation projects, shall give consideration to applications pursuant to the following priority: a. lands from which a development easement has been permanently conveyed pursuant to section 17 of P.L.1983, c.32 (C.4:1C–24), section 5 of P.L.1988, c.4 (C.4:1C–31.1), section 39 of P.L.1999, c.152 (C.13:8C–39), section 40 of P.L.1999, c.152 (C.13:8C–40) or section 1 of P.L.1999, c.180 (C.4:1C–43.1); b. lands certified by the State Agriculture Development Committee to be within a municipally approved program or other farmland preservation program on or before January 1, 2005 pursuant to P.L.1983, c.32; c. lands certified by the State Agriculture Development Committee to be within a municipally approved program or other farmland preservation program subsequent to January 1, 2005 pursuant to P.L.1983, c.32.

Of the amounts appropriated hereinabove for the Conservation Assistance Program, an amount not to exceed $750,000 is allocated for the administrative expenses of the Conservation Assistance Program, 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.

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 amount hereinabove appropriated for the Department of Agriculture, 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 Fiscal Year 2006 Governor's Budget Message, first shall be charged to the State Lottery Fund.

The unexpended balances at the end of the preceding fiscal year in the School Lunch – State Aid Grants Account are appropriated for the same purpose.

DEPARTMENT OF BANKING AND INSURANCE

OVERVIEW

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, and 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; 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.

Budget Highlights

The fiscal 2006 Budget for the Department of Banking and Insurance totals $67.8 million, a decrease of $1 million or 1.5% from the fiscal 2005 adjusted appropriation of $68.8 million. This reduction represents the elimination of one–time costs incurred by the Office of Insurance Fraud Prosecutor within the Department of Law & Public Safety. 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 the Insurance Fraud Prosecutor in the Department of Law & Public Safety.

Consumer Protection

Both the Enforcement Unit and the Ombudsman's Office answer and investigate complaints about insurance issues from consumers and take action against companies that have behaved improperly. During the first five months of fiscal 2005, these units have garnered over $4.1 million in recoveries for consumers and collected $450,000 in fines. In this same period, the Office of Consumer Finance in the Banking Division was responsible for borrowers receiving refunds of over $1 million in impermissible fees from New Jersey licensed lenders, and collected $311,000 in fines. Similarly, the Real Estate Commission collected over $119,000 through sanctions and monetary fines on violators.

Department Accomplishments

As a result of the auto insurance reform initiative codified in P.L.2003, c.89, GEICO, the fifth largest private passenger auto insurer, has begun writing auto insurance in New Jersey. As the country's largest direct marketer, GEICO becomes the first insurer in New Jersey to provide immediate binding policies sold electronically over the Internet.

Improvements in the insurance marketplace prompted State Farm Indemnity to re–enter the New Jersey auto market and grant voluntary rate reductions during 2004. This will save New Jersey drivers over $85 million for the period October 2003 through January 2005. Due to the changing marketplace, this decision was made one year ahead of schedule.

The Department has launched a consumer protection and financial education initiative entitled the Consumer Credit Bill of Rights. This program advocates fair and equal treatment to those applying for credit and strengthens protections with regards to a consumer's credit information. New Jersey, with a long history of providing consumers with the best safeguards in the nation, is the first state to issue this type of additional protection. The Department also launched the New Jersey Financial Literacy Awareness Network (NJFLAN), an initiative to help consumers of all ages better understand and manage their finances. NJFLAN will distribute financial education materials, in both English and Spanish, to community organizations, schools, financial institutions and corporations throughout the state.

DEPARTMENT OF BANKING AND INSURANCE

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
68,018	8,646	–2,500	74,164	66,696	Direct State Services	68,837	67,837	67,837
68,018	8,646	–2,500	74,164	66,696	Total General Fund	68,837	67,837	67,837
68,018	***8,646***	***–2,500***	***74,164***	***66,696***	***GRAND TOTAL***	***68,837***	***67,837***	***67,837***

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES – GENERAL FUND			
					Economic Regulation			
15,723	193	8	15,924	15,717	Consumer Protection Services and Solvency Regulation	16,547	16,547	16,547
5,656	4	–5	5,655	5,251	Actuarial Services	6,035	6,035	6,035
3,100	18	—	3,118	3,041	Regulation of the Real Estate Industry	3,151	3,151	3,151
1,810	—	—	1,810	1,800	Public Affairs, Legislative and Regulatory Services	1,923	1,923	1,923
1,958	3	—	1,961	1,017	Unsatisfied Claims	—	—	—
31,976	33	—	32,009	31,701	Insurance Fraud Prevention	32,976	31,976	31,976
3,549	7,214	–2,707	8,056	3,559	Supervision and Examination of Financial Institutions	3,747	3,747	3,747
—	1,113	—	1,113	126	Pinelands Development Credit Bank	—	—	—
4,246	68	204	4,518	4,484	Administration and Support Services	4,458	4,458	4,458
68,018	*8,646*	*–2,500*	*74,164*	*66,696*	*Subtotal*	*68,837*	*67,837*	*67,837*
68,018	***8,646***	***–2,500***	***74,164***	***66,696***	***Subtotal Direct State Services – General Fund***	***68,837***	***67,837***	***67,837***
68,018	***8,646***	***–2,500***	***74,164***	***66,696***	***TOTAL DIRECT STATE SERVICES***	***68,837***	***67,837***	***67,837***
68,018	***8,646***	***–2,500***	***74,164***	***66,696***	***TOTAL APPROPRIATION***	***68,837***	***67,837***	***67,837***

50. ECONOMIC PLANNING, DEVELOPMENT AND SECURITY
52. ECONOMIC REGULATION

OBJECTIVES

1. To assure the public of fair and equitable treatment by financial institutions.
2. To inform and educate the public concerning financial matters.
3. To protect the public from financial loss resulting from the failure of financial and consumer credit institutions.
4. To ensure that fair and equitable insurance markets exist to provide full availability of reliable insurance coverage.
5. To improve the efficiency and responsiveness of the prior approval rate making process.
6. To protect the public from unlawful or unfair practices by insurance or real estate agents, brokers, solicitors and salespersons.
7. To provide research and legislative support for new or revised legislation and regulations which will insure equitable pricing and reasonable underwriting standards.
8. To examine, monitor and investigate the affairs of insurance companies, banks and consumer finance companies authorized to do business in New Jersey.
9. To aggressively combat insurance fraud through prevention, investigations and prosecution.

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 with recommendations for their determination and performs the necessary statistical, economic and demographic research to determine the merits of these applications. Responsible for review and development of regulations.

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 and 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 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.

05. **Unsatisfied Claims.** Pays eligible persons for hit–and–run injuries and for injuries and property damage caused by uninsured motorists. The Unsatisfied Claim and Judgment Fund Board processes claims against the Fund; makes justified payments; processes installment repayments required by settlement agreements and court orders; and secures debtor repayments to the Fund. Pursuant to P.L.2003, c.89, all balances and interest earnings in the Unsatisfied Claims and Judgment Fund were transferred to the New Jersey Property Liability Insurance Guaranty Association in fiscal 2004.

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 and evidence of each case so the State can make a reasoned decision how best to address each case of insurance fraud whether by criminal prosecution, civil fraud enforcement, or administrative professional licensing enforcement. 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; and serve as a liaison among state and local government and law enforcement agencies. Information is collected and analyzed about persons and entities engaging in insurance fraud related conduct in order to assist the prosecution in criminal, civil, or administrative forums. Fines are assessed with restitution made to insurance carriers. Within the Department of Banking and Insurance, activities related to Fraud Prevention are handled as part of a company's market conduct exam and consist of 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 on various aspects of insurance fraud 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 which operate in New Jersey. Responsible for the supervision and examination of 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 operating (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 a program included in the Comprehensive Management Plan for the Pinelands. Provides a mechanism to facilitate both the preservation of the resources of this area and the accommodation of regional growth influences in an orderly fashion.

99. **Administration and Support Services.** Directs the activities of the Department and provides administrative and support services to all of the Department's program classifications and project activities. The Office of the Commissioner disseminates legislative and policy guidance to programs and project activities within the Department and coordinates all regulatory and legislative initiatives with the Legislature, Executive Branch and the financial community.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Consumer Protection Services and Solvency Regulation				
Consumer Credit Associations – Banking				
Licenses issued	6,640	6,732	6,500	6,500
Associations subject to examination	1,689	2,262	2,200	2,200
Examinations conducted	348	384	385	385
Consumer Complaints				
Received	4,159	4,337	4,400	4,400
Completed	2,081	2,430	2,500	2,500
Inquiries and Referrals	752	732	750	750
Insurance Licensing				
Licenses issued	30,628	37,778	34,200	35,000
Candidates examined	13,333	18,480	17,000	17,500
Phone inquiries handled	41,201	38,111	39,000	39,000
Number of Insurance Companies and Regulated Entities	1,869	1,827	1,830	1,840
Field financial exams	20	27	28	30
Office analysis of companies – exams	520	554	554	554
Insurance Consumer Complaints				
Received	10,348	12,035	12,000	12,500
Resolved	9,484	10,714	11,000	11,500
Phone inquiries handled	50,760	58,760	60,000	63,000
Inquiries handled	4,115	4,220	4,250	4,500
Funds recovered on behalf of complainants	$4,214,448	$5,486,152	$5,000,000	$5,250,000
Actuarial Services				
Property and Casualty				
Commercial lines filings	2,438	1,871	2,000	2,200
Personal lines filings	620	857	900	1,100
Individual risk filings	5	14	15	20
Consent–to–rate filings	39	12	30	35
Authorization filings	82	115	120	125
Excess profits filings	48	49	49	49
Statistical filings	175	175	175	175
Surveys	598	598	598	588
Record requests	251	360	325	400
Life and Health				
Policyforms – new	16,751	12,976	14,000	15,000
Policyforms – processed	16,751	12,976	14,000	15,000
Regulation of the Real Estate Industry				
Licensed brokers	16,007	15,300	15,800	16,000
Licensed salespersons	71,537	70,959	71,250	71,500
Candidates examined	16,876	20,297	20,500	20,775
Broker offices	637	660	675	690
Inspected	261	280	290	300
Complaints investigated	3,102	2,935	3,000	3,100
Licensed schools	57	56	58	60
Licensed satellite sites of school	57	65	65	65
Licensed instructors	197	220	235	250

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Public Affairs, Legislative and Regulatory Services				
OAL submissions	94	119	150	175
Bulletins and orders issued	131	127	150	175
Written inquiries handled	902	926	1,000	1,100
Services of process handled	820	953	1,100	1,250
Booklets published	22	26	29	30
Newsletters published	19	22	25	26
Insurance Fraud Prevention				
Market Conduct Examinations	9	15	15	15
Civil penalties collected	$1,898,421	$2,133,250	$4,000,000	$4,000,000
Education programs	299	253	250	250
Restitution of fraudulently obtained dollars	$20,922	$88,071	$50,000	$50,000
Type of cases investigated (%)				
Auto	80%	77%	78%	78%
Health	7%	8%	8%	8%
Workers' compensation	2%	3%	3%	3%
Homeowners	3%	2%	3%	3%
All other	8%	10%	8%	8%
New investigations referred	10,350	8,821	9,500	10,000
Pending investigations	7,650	6,536	7,125	7,500
Total investigations	18,000	15,357	16,625	17,500
Supervision and Examination of Financial Institutions				
State Chartered Institutions				
Banks and Savings and Loans	102	98	105	112
Examinations conducted	37	39	32	38
Bank Holding Companies	10	15	12	17
Specialty examinations	39	56	33	28
Office of Insurance Ombudsman				
Insurance consumer complaints				
Received	1,939	1,475	650	700
Resolved	1,323	1,221	700	700
Inquiries handled	12,277	11,601	2,000	2,100
Funds recovered on behalf of consumers	$6,517,158	$2,592,036	$2,000,000	$2,100,000
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	48	48	48	48
Male Minority %	10.0	9.6	9.6	9.4
Female Minority	94	97	98	98
Female Minority %	19.6	19.4	19.4	19.2
Total Minority	142	145	146	146
Total Minority %	29.6	29.0	29.0	28.6
Position Data				
Filled Positions by Funding Source				
State Supported	476	478	486	506
All Other	3	4	4	4
Total Positions	479	482	490	510
Filled Positions by Program Class				
Consumer Protection Services and Solvency Regulation	201	206	218	226
Actuarial Services	68	69	72	71
Regulation of the Real Estate Industry	44	44	46	45
Public Affairs, Legislative and Regulatory Services	24	26	27	25
Unsatisfied Claims	21	14	—	—
Insurance Fraud Prevention	27	27	27	27
Supervision and Examination of Financial Institutions	40	41	41	54
Administration and Support Services	54	55	59	62
Total Positions	479	482	490	510

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
15,723	193	8	15,924	15,717	Consumer Protection Services and Solvency Regulation	01	16,547	16,547	16,547
5,656	4	–5	5,655	5,251	Actuarial Services	02	6,035	6,035	6,035
3,100	18	—	3,118	3,041	Regulation of the Real Estate Industry	03	3,151	3,151	3,151
1,810	—	—	1,810	1,800	Public Affairs, Legislative and Regulatory Services	04	1,923	1,923	1,923
1,958	3	—	1,961	1,017	Unsatisfied Claims	05	—	—	—
31,976	33	—	32,009	31,701	Insurance Fraud Prevention	06	32,976	31,976	31,976
3,549	7,214	–2,707	8,056	3,559	Supervision and Examination of Financial Institutions	07	3,747	3,747	3,747
—	1,113	—	1,113	126	Pinelands Development Credit Bank	08	—	—	—
4,246	68	204	4,518	4,484	Administration and Support Services	99	4,458	4,458	4,458
68,018	***8,646***	***–2,500***	***74,164***	***66,696***	***Total Direct State Services***		***68,837*** (a)	***67,837***	***67,837***
					Distribution by Fund and Object				
					Personal Services:				
28,333	—	139	28,472	28,128	Salaries and Wages		30,666	30,666	30,666
28,333	—	***139***	***28,472***	***28,128***	***Total Personal Services***		***30,666***	***30,666***	***30,666***
342	—	–11	331	280	Materials and Supplies		317	330	330
7,484	—	22	7,506	6,675	Services Other Than Personal		5,433	5,412	5,412
208	—	19	227	206	Maintenance and Fixed Charges		203	211	211
					Special Purpose:				
—	136 45 R	—	181	2	Public Adjusters Licensing	01	—	—	—
700	—	—	700	700	Ombudsman Program	01	711	711	711
600	—	—	600	244	Actuarial Services	02	600	600	600
29,877	—	—	29,877	29,816	Insurance Fraud Prosecution Services	06	29,877 1,000 S	29,877	29,877
—	250 6,964 R	–2,750	4,464	—	Supervision and Examination of Financial Institutions	07	—	—	—
—	1,113	—	1,113	126	Pinelands Development Credit Bank	08	—	—	—
30	—	—	30	23	Affirmative Action and Equal Employment Opportunity	99	30	30	30
444	138	81	663	496	Additions, Improvements and Equipment		—	—	—
68,018	***8,646***	***–2,500***	***74,164***	***66,696***	***Grand Total State Appropriation***		***68,837***	***67,837***	***67,837***
					OTHER RELATED APPROPRIATIONS				
					All Other Funds				
—	1,580 1,512 R	–912	2,180	2,021	Consumer Protection Services and Solvency Regulation	01	7,945	7,045	7,045
—	148 52 R	—	200	32	Regulation of the Real Estate Industry	03	51	51	51
—	—	—	—	—	Supervision and Examination of Financial Institutions	07	400	400	400
—	***3,292***	***–912***	***2,380***	***2,053***	***Total All Other Funds***		***8,396***	***7,496***	***7,496***

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					OTHER RELATED APPROPRIATIONS				
68,018	*11,938*	*–3,412*	*76,544*	*68,749*	*GRAND TOTAL ALL FUNDS*		*77,233*	*75,333*	*75,333*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 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 the "Individual Health Insurance Reform Act," 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.), such 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.

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.) shall be 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 sum hereinabove, 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.).

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 herein 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 appropriated hereinabove 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 provision of any other law 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 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 Inter–Departmental Accounts, Unemployment Insurance Liability account for deposit in 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 P.L.2004, c.17.

DEPARTMENT OF COMMUNITY AFFAIRS

OVERVIEW

The Department of Community Affairs (DCA) has many responsibilities, but one common mission – to help people and communities to help themselves. Through its divisions and agencies, in partnership with public, private, and nonprofit entities, the Department provides a variety of services and programs to improve the quality of life in New Jersey. Departmental activities are designed to assist local governments, improve communities, revitalize cities, create housing opportunities, ensure fire and building safety, promote smart growth, empower women, and advocate on behalf of the state's Latino community. Organizationally, DCA also includes the following in–but–not–of agencies that receive funding through the State Budget: the Council on Affordable Housing (COAH); the Historic Trust, which provides grants for capital preservation and historic site management and planning; the Government Records Council, which provides assistance and guidance concerning the Open Public Records Act; and the State Planning Commission.

Budget Highlights

The Fiscal 2006 Budget for the Department of Community Affairs totals $1.102 billion, a decrease of $37.2 million or 3.3% under the fiscal 2005 adjusted appropriation of $1.139 billion. The majority of this reduction is taken in municipal grants and aid. Virtually all of the balance of this decrease is due to the elimination of one time special purpose grants for specific projects or entities.

Municipal Aid

Municipal aid programs that are budgeted through the Department of Community Affairs total $997.3 million, including $835.4 million for Consolidated Municipal Property Tax Relief Aid (CMPTRA), the single largest municipal aid program in the State Budget. This is a reduction of $18.5 million from the fiscal 2005 appropriation of $1,015.8 million. The fiscal 2006 CMPTRA appropriation continues at the fiscal 2005 level but a portion of the appropriation will be diverted to provide for mandatory increases in municipal aid from the Energy Tax Receipts Fund. As municipalities have improved their fiscal health, less State aid is required to be provided in the Special Municipal Aid and Extraordinary Aid programs, which are reduced by $5 million and $10 million, respectively, in fiscal 2006. The Regional Efficiency Aid Program (REAP) is funded at $10 million, a $1 million reduction from the fiscal 2005 appropriation. One time grants valued at $10 million have been discontinued in fiscal 2005 as well as the Taxpayer Hero Grants program which was funded at $2.5 million in fiscal 2005. Other municipal aid programs such as the Legislative Initiative Municipal Block Grant Program, the Trenton Capitol City Aid program and the Regional Efficiency Development Incentive (REDI) program continue to be funded at the fiscal 2005 level and total over $55 million.

The Municipal Homeland Security Assistance Aid program, a new program in fiscal 2005, continues to be funded at $32 million. This program provides grants ranging from $25k to $140k to municipal police departments to help offset growing and sudden costs associated with homeland security in the absence of federal aid.

Together with dedicated municipal aid funding of $788.5 million from Energy Tax Receipts, which is provided through the Department of Treasury, the State is providing more than $1.8 billion of aid during fiscal 2006, reflecting the State's continuing commitment to provide municipal governments with a stable base of revenue to address their needs for local public services.

Department Accomplishments

In 2004, DCA provided approximately $1 billion in grants, loans, financing and federal funds to local entities for the promotion of jobs, housing and economic growth. DCA has financed more than 19,400 affordable housing units across the state – well ahead of the goal of creating 20,000 units by 2006. In addition, programs such as the Neighborhood Revitalization Tax Credit program, Smart Start, the Home Buyer Mortgage program, At Home Downtown, the Market Oriented Neighborhood Investment program, and Close to Home New Jersey, have boosted the economic outlook of communities across the State.

During 2004, the Department designated nine of New Jersey's traditional downtowns to the Main Street New Jersey Program (MSNJ) and awarded nine Neighborhood Preservation Program (NPP) grants to municipalities throughout the state.

As an effort to promote state and local coordination, four of the Main Street designations are in existing Neighborhood Preservation target areas. Also, four of the NPP awards were made in current Main Street New Jersey districts. These collaborations directly boost local revitalization initiatives and result in increased leveraging, reinvestment and impact in the communities. This year was a landmark year for both programs as MSNJ and NPP only make designations and awards available every two to three years.

Funded by Neighborhood Preservation, Main Street New Jersey provides valuable technical assistance to local revitalization groups made up of each community's stakeholders. The recent Main Street designations increased the state total by 31% to 26 cities. They are located throughout the entire state, representing 14 counties.

The number of Neighborhood Preservation grantees now totals 40, the highest number of active programs in the program's 28–year history. The recent awards increased the NPP program total by 23%.

Through the Sharing Available Resources Efficiently (SHARE) Program, the Department continues its commitment to help municipalities streamline government operations and reduce municipal costs and property taxes. SHARE provides assistance for the study or implementation of any regional service agreement or for the coordination of programs and services authorized under the Interlocal Services Act, the Municipal Consolidation Act and the Consolidated Municipal Services Act.

The State Planning Commission released the Preliminary State Development and Redevelopment Plan in April 2004. In July and August, staff from the Office of Smart Growth and other state agencies held public meetings in each county to explain the proposed changes and the cross–acceptance process. Since that time, the counties have been working with their municipalities to prepare cross–acceptance reports. The county planning offices have begun to submit draft reports to this office. Final reports will be received from the counties in January and February. The next step will be to hold negotiating sessions between the State Planning Commission and counties in the spring, with the Draft Final Plan expected to be released in June 2005.

On an annual basis, DCA funds 28 organizations and more than 70 diverse programs that benefit more than 100,000 Hispanic families.

DEPARTMENT OF COMMUNITY AFFAIRS

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
34,771	20,874	–5,542	50,103	45,644	Direct State Services	37,356	36,491	36,491
36,865	7,044	5,407	49,316	42,743	Grants–In–Aid	69,005	51,165	51,165
19,996	35,581	—	55,577	29,825	State Aid	103,196	93,196	93,196
91,632	63,499	–135	154,996	118,212	Total General Fund	209,557	180,852	180,852
960,069	—	–18,808	941,261	941,195	Total Property Tax Relief Fund	929,569	921,069	921,069
1,051,701	***63,499***	***–18,943***	***1,096,257***	***1,059,407***	***GRAND TOTAL***	***1,139,126***	***1,101,921***	***1,101,921***

SUMMARY OF APPROPRIATIONS BY PROGRAM

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES – GENERAL FUND			
					Community Development Management			
5,267	2,342	—	7,609	7,269	Housing Code Enforcement	5,817	5,817	5,817
4,062	420	98	4,580	3,588	Housing Services	4,638	4,586	4,586
6,166	7,379	—	13,545	13,543	Uniform Construction Code	6,969	6,969	6,969
1,066	—	–35	1,031	1,031	Boarding Home Regulation and Assistance	—	—	—
251	179	—	430	430	Codes and Standards	280	280	280
5,448	10,462	–5,317	10,593	7,782	Uniform Fire Code	6,082	6,082	6,082
22,260	*20,782*	*–5,254*	*37,788*	*33,643*	*Subtotal*	*23,786*	*23,734*	*23,734*
					Economic Planning and Development			
2,000	5	–57	1,948	1,800	Office of Smart Growth	2,968	2,510	2,510
					Social Services Programs			
420	—	101	521	521	Community Resources	505	505	505
1,227	—	–53	1,174	1,153	Women's Programs	1,255	1,171	1,171
1,647	—	*48*	*1,695*	*1,674*	*Subtotal*	*1,760*	*1,676*	*1,676*
					State Subsidies and Financial Aid			
4,718	87	–475	4,330	4,185	Local Government Services	4,590	4,472	4,472
					Management and Administration			
4,146	—	196	4,342	4,342	Administration and Support Services	4,252	4,099	4,099
34,771	***20,874***	***–5,542***	***50,103***	***45,644***	***Subtotal Direct State Services – General Fund***	***37,356***	***36,491***	***36,491***
34,771	***20,874***	***–5,542***	***50,103***	***45,644***	***TOTAL DIRECT STATE SERVICES***	***37,356***	***36,491***	***36,491***
					GRANTS–IN–AID – GENERAL FUND			
					Community Development Management			
919	74	—	993	993	Housing Code Enforcement	919	919	919
6,360	2,801	708	9,869	7,624	Housing Services	21,660	21,660	21,660
8,571	484	5,317	14,372	13,817	Uniform Fire Code	8,571	8,571	8,571
—	3,637	—	3,637	3,637	New Jersey Meadowlands Commission	—	—	—

Year Ending June 30, 2004						2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended			Requested	Recom–mended
15,850	*6,996*	*6,025*	*28,871*	*26,071*	*Subtotal*	*31,150*	*31,150*	*31,150*
					Economic Planning and Development			
2,700	—	—	2,700	2,700	Office of Smart Growth	2,700	2,700	2,700
					Social Services Programs			
4,825	6	—	4,831	4,825	Community Resources	22,040	14,200	14,200
2,990	—	—	2,990	2,240	Women's Programs	3,115	3,115	3,115
7,815	*6*	—	*7,821*	*7,065*	*Subtotal*	*25,155*	*17,315*	*17,315*
					State Subsidies and Financial Aid			
10,500	42	–618	9,924	6,907	Local Government Services	10,000	—	—
36,865	***7,044***	***5,407***	***49,316***	***42,743***	***Subtotal Grants–In–Aid – General Fund***	***69,005***	***51,165***	***51,165***
36,865	***7,044***	***5,407***	***49,316***	***42,743***	***TOTAL GRANTS–IN–AID***	***69,005***	***51,165***	***51,165***
					STATE AID – GENERAL FUND			
					Community Development Management			
16,925	35,581	—	52,506	28,756	Housing Services	16,925	16,925	16,925
					State Subsidies and Financial Aid			
3,071	—	—	3,071	1,069	Local Government Services	86,271	76,271	76,271
19,996	***35,581***	—	***55,577***	***29,825***	***Subtotal State Aid – General Fund***	***103,196***	***93,196***	***93,196***
					STATE AID – PROPERTY TAX RELIEF FUND			
					State Subsidies and Financial Aid			
960,069	—	–18,808	941,261	941,195	Local Government Services	929,569	921,069	921,069
960,069	—	***–18,808***	***941,261***	***941,195***	***Subtotal State Aid – Property Tax Relief Fund***	***929,569***	***921,069***	***921,069***
980,065	***35,581***	***–18,808***	***996,838***	***971,020***	***TOTAL STATE AID***	***1,032,765***	***1,014,265***	***1,014,265***
1,051,701	***63,499***	***–18,943***	***1,096,257***	***1,059,407***	***TOTAL APPROPRIATION***	***1,139,126***	***1,101,921***	***1,101,921***

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.
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 Relocation Assistance program (C52:31B–1), the Neighborhood Preservation program (P.L. 1975, c.248 and c.249), the Balanced Housing program (Fair Housing Act of 1985, C52:27D–10), the regulation of limited dividend and non–profit housing agencies (C55:16–1 et seq.), assistance to established housing authorities (C55:14A–1) and redevelopment agencies (C40:55C–1), and administers a housing assistance program, the Small Cities Community Development Block Grant program, and the HOME Investment Partnerships program. The Prevention of Homelessness program provides assistance for 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 that all local construction code officials are competent through a licensing program and that all pre–manufactured buildings shipped into the state conform to the code (C55:13A–1, C52:27B–119); administers the New Home Warranty program (C46:3B–1 et seq.); and enforces the Planned Real Estate Full Disclosure Act (C45:22A–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 (C52:27D–192 et seq. and C52:27D–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 as well as responds to all emergency incidents requiring mutual aid. Conducts fire cause determination investigations in coordination with the NJ State Police Arson/Bomb Unit as well as investigates serious firefighter injuries or fatalities. 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 (C13:17–1 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Housing Code Enforcement				
Buildings registered	81,306	82,130	82,130	82,130
Dwelling units registered	910,000	919,620	919,620	919,620
Dwelling units requiring inspection	190,292	181,833	193,723	198,848
Dwelling units inspected	183,450	171,781	193,723	198,848
Percentage of dwelling units inspected	96%	94%	100%	100%
Cost per unit inspected, State	$32.99	$43.10	$39.41	$37.80
Cost per unit inspected, local	$23.88	$25.45	$22.62	$22.78
Penalties issued	8,076	11,754	11,754	11,755
Housing Services				
Neighborhood Preservation				
Neighborhood improvement projects	31	28	30	30
Housing units produced	899	2,300	2,200	2,400
Technical assistance to non–profit housing developers	58	45	40	45
Homelessness Prevention				
Households assisted	2,200	2,300	2,300	2,300
Shelter beds funded	150	150	150	150
Relocation Assistance				
Families receiving State relocation funds	168	100	100	100
Relocation assistance programs approved	35	35	45	45
Complaints resolved	9	9	9	9
Uniform Construction Code				
Permits issued	4,385	4,527	4,525	4,530
Inspections	22,355	29,924	29,925	27,845
Officials licensed	4,376	4,417	4,450	4,450
Plans reviewed	1,989	2,198	2,204	2,213
State Building Unit				
Annual permits	40	39	40	40
Construction permits issued	774	948	980	980
Certificates of occupancy and approvals issued	427	338	445	445
Continuing education and training programs offered	251	300	300	300
Elevator Safety Unit				
Devices registered	27,605	28,418	28,420	28,420
State–administered municipalities	435	435	435	435
Liquified petroleum gas inspections	1,867	1,155	1,500	1,500
Amusement ride inspections	4,594	5,166	5,170	5,170
Ski lift inspections	94	111	111	111
Boarding Home Regulation and Assistance				
Evaluations	1,144	1,665	1,665	1,665
Reevaluations	1,014	1,340	1,340	1,340
Closings–imminent hazard	4	4	4	4
Permanent licenses	1,300	1,325	1,325	1,325
Penalties issued	298	361	360	360
Complaints filed	199	157	160	160
Uniform Fire Code				
Life hazards registered	63,683	68,459	88,970	95,000
State inspections or reinspections performed	13,489	14,868	16,689	18,000
Fire officials and inspectors certified	4,133	3,926	4,070	4,219
State owned and maintained buildings inspected or reinspected	7,137	7,200	7,560	7,600
National fire incident reporting – participating organizations	568	530	535	575
Local enforcement monitoring	120	120	90 [a]	125
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	471	528	553	658
Federal	227	220	215	246
All Other	83	92	103	128
Total Positions	781	840	871	1,032

COMMUNITY AFFAIRS

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Filled Positions by Program Class				
Housing Code Enforcement	112	119	136	149
Special Urban Services	1	1	—	—
Housing Services	304	298	287	340
Uniform Construction Code	254	304	327	370
Boarding Home Regulation and Assistance	18	19	19	23
Codes and Standards	7	9	9	13
Uniform Fire Code	85	90	93	137
Total Positions	781	840	871	1,032

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) Impact of reduced staff.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
5,267	2,342	—	7,609	7,269	Housing Code Enforcement	01	5,817	5,817	5,817
4,062	420	98	4,580	3,588	Housing Services	02	4,638	4,586	4,586
6,166	7,379	—	13,545	13,543	Uniform Construction Code	06	6,969	6,969	6,969
1,066	—	–35	1,031	1,031	Boarding Home Regulation and Assistance	12	—	—	—
251	179	—	430	430	Codes and Standards	13	280	280	280
5,448	10,462	–5,317	10,593	7,782	Uniform Fire Code	18	6,082	6,082	6,082
22,260	***20,782***	***–5,254***	***37,788***	***33,643***	***Total Direct State Services***		***23,786*** (a)	***23,734***	***23,734***
					Distribution by Fund and Object				
					Personal Services:				
15,478	1,441 18,477 R	–6,525	28,871	23,324	Salaries and Wages		17,506	17,454	17,454
—	—	—	—	2,653	Employee Benefits		—	—	—
15,478	*19,918*	*–6,525*	*28,871*	*25,977*	*Total Personal Services*		*17,506*	*17,454*	*17,454*
86	73	198	357	268	Materials and Supplies		86	86	86
872	111	554	1,537	1,521	Services Other Than Personal		872	872	872
626	30	–153	503	371	Maintenance and Fixed Charges		626	626	626
					Special Purpose:				
243	—	—	243	243	Prevention of Homelessness	02	243	243	243
1,667	12	—	1,679	1,317	Neighborhood Preservation–Fair Housing (P.L. 1985, c.222)	02	1,950	1,950	1,950
1,847	408	—	2,255	1,626	Council on Affordable Housing	02	2,128	2,128	2,128
1,066	—	–35	1,031	1,031	Boarding Home Regulation and Assistance	12	—	—	—
—	179 R	—	179	179	Truth in Renting	13	—	—	—
375	—	—	375	375	Local Fire Fighters' Training	18	375	375	375
—	51	707	758	735	Additions, Improvements and Equipment		—	—	—

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
919	74	—	993	993	Housing Code Enforcement	01	919	919	919
6,360	2,801	708	9,869	7,624	Housing Services	02	21,660	21,660	21,660
8,571	484	5,317	14,372	13,817	Uniform Fire Code	18	8,571	8,571	8,571
—	3,637	—	3,637	3,637	New Jersey Meadowlands Commission	20	—	—	—
15,850	***6,996***	***6,025***	***28,871***	***26,071***	***Total Grants–in–Aid***		***31,150***	***31,150***	***31,150***
					Distribution by Fund and Object				
					Grants:				
919	74	—	993	993	Cooperative Housing Inspection	01	919	919	919
2,000	1,904	—	3,904	2,174	Shelter Assistance	02	2,300	2,300	2,300
4,360	—	—	4,360	4,360	Prevention of Homelessness	02	4,360	4,360	4,360
—	897	32	929	414	Downtown Business Improvement Loan Fund	02	—	—	—
—	—	—	—	—	State Rental Assistance Program	02	15,000 S	15,000	15,000
—	—	676	676	676	Long Term Support Program	02	—	—	—
8,425	368	5,200	13,993	13,438	Uniform Fire Code–Local Enforcement Agency Rebates	18	8,425	8,425	8,425
146	116	117	379	379	Uniform Fire Code–Continuing Education	18	146	146	146
—	3,205 R	—	3,205	3,205	New Jersey Meadowlands Commission	20	—	—	—
—	432 R	—	432	432	New Jersey Meadowlands Tax Sharing Stabilization Fund	20	—	—	—
					STATE AID				
					Distribution by Fund and Program				
16,925	35,581	—	52,506	28,756	Housing Services	02	16,925	16,925	16,925
16,925	***35,581***	—	***52,506***	***28,756***	***Total State Aid***		***16,925***	***16,925***	***16,925***
					Distribution by Fund and Object				
					State Aid:				
250	—	—	250	250	Relocation Assistance	02	250	250	250
2,750	—	—	2,750	2,750	Neighborhood Preservation (P.L. 1975, c.248 and c.249)	02	2,750	2,750	2,750
13,925	35,581	—	49,506	25,756	Neighborhood Preservation–Fair Housing (P.L. 1985, c.222)	02	13,925	13,925	13,925
55,035	***63,359***	***771***	***119,165***	***88,470***	***Grand Total State Appropriation***		***71,861***	***71,809***	***71,809***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
196,663 3,023 S	8,166	797	208,649	197,672	Housing Services	02	215,736	216,062	216,062
110	530	350	990	771	Uniform Fire Code	18	110	110	110
199,796	***8,696***	***1,147***	***209,639***	***198,443***	***Total Federal Funds***		***215,846***	***216,172***	***216,172***
					All Other Funds				
—	—	—	—	—	Housing Code Enforcement	01	2,824	3,458	3,458
—	46,583 53,220 R	241	100,044	35,587	Housing Services	02	52,948	52,767	52,767
—	35 3,816 R	—	3,851	3,851	Uniform Construction Code	06	10,980	13,749	13,749
—	—	—	—	—	Boarding Home Regulation and Assistance	12	750	926	926
—	—	—	—	—	Codes and Standards	13	143	150	150

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					OTHER RELATED APPROPRIATIONS				
—	25 343 R	—	368	341	Uniform Fire Code	18	9,866	11,121	11,121
—	—	—	—	—	New Jersey Meadowlands Commission	20	3,370	3,484	3,484
—	*104,022*	*241*	*104,263*	*39,779*	*Total All Other Funds*		*80,881*	*85,655*	*85,655*
254,831	*176,077*	*2,159*	*433,067*	*326,692*	*GRAND TOTAL ALL FUNDS*		*368,588*	*373,636*	*373,636*

Notes — Direct State Services – General Fund

(a) The fiscal 2005 appropriation has been adjusted for the allocation of salary program, which includes $298,000 in appropriated receipts from Housing Code Enforcement fees, $381,000 in appropriated receipts from Uniform Construction Code fees, $13,000 in appropriated receipts from Codes and Standards, $236,000 in appropriated receipts from Affordable Housing and Neighborhood Preservation fees, and $294,000 in appropriated receipts from Uniform Fire Code fees.

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 balance 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, is 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 $1000 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 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, necessary to operate the program subject to the approval of the Director of the Division of Budget and Accounting.

The amount appropriated hereinabove 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 tax 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 tax 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.

Receipts from the New Jersey Housing and Mortgage Finance Agency charges for Housing Affordability Service to municipalities and the unexpended balance at the end of the preceding fiscal year are appropriated for the operation of the Housing Affordability Service within the Division of Housing.

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 any provision 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.

Any receipts from the sale of truth in renting statements, including fees, fines, and penalties, are appropriated.

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 and Community Resources, subject to the approval of the Director of the Division of Budget and Accounting.

Any receipts from the Boarding Home Regulation and Assistance program, including fees, fines, and penalties, are appropriated.

Language Recommendations — Grants–In–Aid – General Fund

The amount hereinabove 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 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.

The amount hereinabove for Shelter Assistance is payable from the receipts of the portion of the realty transfer tax 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 tax 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 tax 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 (C40:56–71.1 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 $3,205,000 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 for operational costs. Of the amount so deposited and appropriated to the New Jersey Meadowlands Commission, $110,000 shall be made available to the Hackensack Meadowlands Municipal Committee for operational costs.

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 $279,313 shall be withdrawn from the escrow accounts by the commission and paid to the State Treasurer for deposit in the General Fund, and the amount so deposited is appropriated for payment to the New Jersey Meadowlands Tax Sharing Stabilization Fund and paid to the commission in accordance with the certification of the fund's requirements, for distribution by the commission to municipalities entitled to payments from the fund for 2005.

Notwithstanding any law to the contrary, Revolving Housing Development and Demonstration Grant funds may be used to support loans and grants to non–profit entities for the purpose of economic development and historic preservation.

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.

Of the sum hereinabove 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.

The amount hereinabove for Neighborhood Preservation–Fair Housing is payable from the receipts of the portion of the realty transfer tax 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 tax 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.

Of the amount hereinabove appropriated for Neighborhood Preservation–Fair Housing, an amount not to exceed $5,500,000 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 any law 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.

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 Governor's Smart Growth Policy Council and the State Planning Commission.

PROGRAM CLASSIFICATIONS

49. **Office of Smart Growth.** This office incorporates the Office of State Planning, and provides support to the State Planning Commission and the Governor's Smart Growth Policy Council. 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 insures 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 Historic Trust and associated administrative costs (formerly in Department of State) are now affiliated with the Department of Community Affairs. The Historic Trust, through the Garden State Historic Preservation Trust Fund, provides for the awarding and administration of grant funded historic preservation planning and capital projects.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Office of Smart Growth				
Smart Future Planning Grants Awarded	43	42	40	40
Endorsed County and Municipal Plans (Including Center Designations)	20	6	7	11
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	22	24	31	38
Total Positions	22	24	31	38

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
2,000	5	–57	1,948	1,800	Office of Smart Growth	49	2,968	2,510	2,510

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
2,000	***5***	***–57***	***1,948***	***1,800***	***Total Direct State Services***		***2,968*** (a)	***2,510***	***2,510***
					Distribution by Fund and Object				
					Personal Services:				
1,211	—	–29	1,182	1,182	Salaries and Wages		1,734	1,601	1,601
1,211	—	*–29*	*1,182*	*1,182*	*Total Personal Services*		*1,734*	*1,601*	*1,601*
55	—	–22	33	33	Materials and Supplies		55	55	55
245	—	–8	237	236	Services Other Than Personal		245	245	245
6	—	2	8	7	Maintenance and Fixed Charges		6	6	6
					Special Purpose:				
25	—	—	25	24	Governor's Smart Growth Policy Council	49	25	25	25
—	—	—	—	—	State Planning Commission	49	325	—	—
458	—	—	458	313	Historic Trust/Open Space Administrative Costs	49	578	578	578
—	5	—	5	5	Additions, Improvements and Equipment		—	—	—
					GRANTS–IN–AID				
					Distribution by Fund and Program				
2,700	—	—	2,700	2,700	Office of Smart Growth	49	2,700	2,700	2,700
2,700	—	—	***2,700***	***2,700***	***Total Grants–in–Aid*** (b)		***2,700***	***2,700***	***2,700***
					Distribution by Fund and Object				
					Grants:				
2,700	—	—	2,700	2,700	Smart Future Planning Grants	49	2,700	2,700	2,700
4,700	***5***	***–57***	***4,648***	***4,500***	***Grand Total State Appropriation***		***5,668***	***5,210***	***5,210***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
—	—	186	186	70	Office of Smart Growth	49	—	—	—
—	—	***186***	***186***	***70***	***Total Federal Funds***		—	—	—
					All Other Funds				
—	64 27 R	—	91	—	Office of Smart Growth	49	25	25	25
—	***91***	—	***91***	—	***Total All Other Funds***		***25***	***25***	***25***
4,700	***96***	***129***	***4,925***	***4,570***	***GRAND TOTAL ALL FUNDS***		***5,693***	***5,235***	***5,235***

Notes — Direct State Services – General Fund

(a) This fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Notes — Grants–In–Aid – General Fund

(b) The amount hereinabove for Smart Future Planning Grants is payable from receipts collected from Uniform Construction Fees.

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.

The amount hereinabove for the New Jersey Historic Trust 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.

Notwithstanding any other law 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 free.

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 (C52:27D–7), supports programs for disadvantaged groups, community action agencies, community development, community recreation (especially for the handicapped), 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.

15. **Women's Programs.** The Division on Women (C52:27D–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. 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Community Resources				
Hispanic population served	253,000	286,000	300,000	330,000
Community action agencies	27	27	27	27
Persons served by community action agencies	282,268	294,134	306,000	317,866
Recreation programs for individuals with disabilities	70	75	82	82
Units weatherized	2,717	2,680	2,680	2,680

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Women's Programs				
Clients served by Women's Referral Central Hot Line	9,852	7,360	10,000	10,000
Displaced homemakers served by funded programs	3,320	2,714	2,750	3,000
Number of rape victims served	17,500	8,264 (a)	8,000	8,000
Number of prevention and education programs for rape victims	800	2,859	2,000	2,000
Urban women served by grant programs	485	490	500	500
Hispanic women served by grant programs	490	518	500	500
Clients served by Women's Domestic Violence Hotline	5,250	4,448	4,500	4,500
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	21	18	23	22
Federal	34	30	35	40
All Other	—	—	—	13
Total Positions	55	48	58	75
Filled Positions by Program Class				
Community Resources	37	33	40	56
Women's Programs	18	15	18	19
Total Positions	55	48	58	75

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) Number adjusted to reflect individuals served rather than services accessed.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
420	—	101	521	521	Community Resources	05	505	505	505
1,227	—	–53	1,174	1,153	Women's Programs	15	1,255	1,171	1,171
1,647	—	*48*	*1,695*	*1,674*	*Total Direct State Services*		*1,760* (a)	*1,676*	*1,676*
					Distribution by Fund and Object				
					Personal Services:				
828	—	51	879	879	Salaries and Wages		892	859	859
828	—	*51*	*879*	*879*	*Total Personal Services*		*892*	*859*	*859*
70 99 S	—	–31	138	118	Materials and Supplies		70 43 S	62	62
174 170 S	—	31	375	374	Services Other Than Personal		174	174	174
6	—	–3	3	3	Maintenance and Fixed Charges		6	6	6
					Special Purpose:				
—	—	—	—	—	Center for Hispanic Policy, Research and Development	05	75	75	75
93	—	—	93	93	Address Confidentiality Program	15	93	93	93
7	—	—	7	7	Expenses of the New Jersey Commission on Women	15	7	7	7
200	—	—	200	200	Office on the Prevention of Violence Against Women	15	400	400	400

COMMUNITY AFFAIRS

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
4,825	6	—	4,831	4,825	Community Resources	05	22,040	14,200	14,200
2,990	—	—	2,990	2,240	Women's Programs	15	3,115	3,115	3,115
7,815	***6***	—	***7,821***	***7,065***	***Total Grants–in–Aid***		***25,155***	***17,315***	***17,315***
					Distribution by Fund and Object				
					Grants:				
—	—	—	—	—	Ethnic Advisory Council	05	50	—	—
—	2	—	2	—	Bayshore Business Improvement District	05	—	—	—
—	—	—	—	—	Nutley Township – Park Development	05	840	—	—
—	—	—	—	—	Big Brothers / Big Sisters	05	750	—	—
—	—	—	—	—	Ewing Township – Municipal Purposes	05	1,500	—	—
2,625	—	—	2,625	2,625	Center for Hispanic Policy, Research and Development	05	3,000	3,000	3,000
650	—	—	650	650	Recreation for the Handicapped	05	650	650	650
—	—	—	—	—	Essex County – South Mountain Arena Renovations	05	1,800	—	—
—	—	—	—	—	Larc School – Bellmawr	05	1,000	—	—
450	—	—	450	450	Special Olympics	05	450	450	450
1,000	—	—	1,000	1,000	Boys and Girls Clubs of New Jersey	05	1,500	—	—
—	4	—	4	—	Special Olympics New Jersey Sports Research and Training Center	05	—	—	—
100	—	—	100	100	Grant to ASPIRA	05	500	100	100
—	—	—	—	—	Lead Hazard Control Assistance Fund Administration	05	10,000	10,000	10,000
400	—	—	400	400	Grants to Hispanic Women's Resource Centers	15	500	500	500
25	—	—	25	25	Women's Referral Central	15	25	25	25
500	—	—	500	500	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	25	Grants to Women's Shelters	15	25	25	25
975	—	—	975	975	Grants to Displaced Homemaker Centers	15	1,250	1,250	1,250
750	—	—	750	—	Women's Micro–Business Pilot Program	15	—	—	—
9,462	***6***	***48***	***9,516***	***8,739***	***Grand Total State Appropriation***		***26,915***	***18,991***	***18,991***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
62,103	18,314	3,888	84,305	74,713	Community Resources	05	62,106	62,038	62,038
1,476	393	—	1,869	1,661	Women's Programs	15	1,476	1,447	1,447
63,579	***18,707***	***3,888***	***86,174***	***76,374***	***Total Federal Funds***		***63,582***	***63,485***	***63,485***
					All Other Funds				
—	143 40 R	—	183	93	Community Resources	05	500	500	500
—	188 849 R	—	1,037	843	Women's Programs	15	688	688	688
—	***1,220***	—	***1,220***	***936***	***Total All Other Funds***		***1,188***	***1,188***	***1,188***
73,041	***19,933***	***3,936***	***96,910***	***86,049***	***GRAND TOTAL ALL FUNDS***		***91,685***	***83,664***	***83,664***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Language Recommendations — Direct State Services – General Fund

Notwithstanding the provision of any law 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 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.

There is appropriated from the Petroleum Overcharge Reimbursement Fund such amount as may be required to provide the State 25% cost share for the Low–Income Weatherization Assistance Program, subject to the approval of the Director of the Division of Budget and Accounting.

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 other 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 may be further appropriated from such receipts an amount not to exceed $4,000,000 after program expenditures reach $7,000,000, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of section 2 of P.L. 1979 c.396 (C.2C:43–3.1) or any other law to the contrary, of the amount appropriated hereinabove for Rape Prevention, $400,000 shall be provided from the Victims of Crime Compensation Board, 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 Women's Micro–Business Pilot Program account is appropriated.

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; provides administration of statutory and regulatory programs of oversight of local government financial activities and ethics programs; conducts research and generates reports on local unit fiscal and operational activities; administers property tax relief State aid 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 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Local Government Services				
Managerial Competence				
Requests for Local Public Contracts Law assistance processed	1,973	2,200	2,350	2,450
Deferred compensation plans approved	25	25	25	25
Cooperative purchasing plans approved	11	20	30	30
Municipalities receiving self insurance assistance	70	60	50	50
Municipalities approved to join existing joint insurance pools	12	17	21	25
Applications for professional certification exams (a)	378	410	475	525
Professional certifications issued (a)	135	164	180	200
Length Of Service Award Program plans approved	80	35	25	25
Qualified purchasing agents certificates issued	165	79	80	80
Continuing education programs approved	662	835	1,000	1,100

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Research and Technical Assistance				
Budget amendments reviewed	3,125	3,500	3,800	3,800
Legislative proposals reviewed	438	480	480	480
Single audit reviews conducted	57	60	50	50
Joint insurance pools supervised	40	41	41	41
Primary web pages maintained	952	1,167	1,500	1,575
State Aid Administration				
Municipalities applying for extraordinary aid	145	150	179	185
Municipalities receiving extraordinary aid	119	114	140	145
REDI (SHARE) applications received	——	—— (b)	50	60
REDI (SHARE) applications approved	——	—— (b)	35	45
Municipalities receiving REAP grants	14	14	14	14
Authority Regulation				
Authority budgets approved	485	548	550	555
Authority project financing proposals reviewed	188	170	180	190
Authorities assisted	455	470	490	500
Registered municipal accountants and certified public accountants assisted	263	302	325	325
Local Government Ethics Law				
Complaints filed against local officials	39	20	25	25
Local codes of ethics reviewed	1	3	3	3
Requests for advisory opinions	20	27	23	25

PERSONNEL DATA

Position Data

Filled Positions by Funding Source				
State Supported	55	51	50	53
Total Positions	55	51	50	53
Filled Positions by Program Class				
Local Government Services	55	51	50	53
Total Positions	55	51	50	53

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 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.

(b) The Sharing Available Resources Efficiently (SHARE) program was announced in April 2004 with funds from the fiscal year 2005 REDI appropriation. Applications were not processed until fiscal year 2005.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
4,718	87	–475	4,330	4,185	Local Government Services	04	4,590	4,472	4,472
4,718	*87*	*–475*	*4,330*	*4,185*	*Total Direct State Services*		*4,590* (a)	*4,472*	*4,472*
					Distribution by Fund and Object				
					Personal Services:				
——	——	——	——	79	Local Finance Board Members		84	84	84
2,784	82 R	–460	2,406	2,327	Salaries and Wages		2,572	2,604	2,604
2,784	*82*	*–460*	*2,406*	*2,406*	*Total Personal Services*		*2,656*	*2,688*	*2,688*
50	——	–12	38	38	Materials and Supplies		50	50	50

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
320	—	–3	317	315	Services Other Than Personal		320	320	320
18	—	—	18	18	Maintenance and Fixed Charges		18	18	18
					Special Purpose:				
1,138	5	—	1,143	1,142	Special Municipal Aid Act – Administration	04	1,138	988	988
408	—	—	408	266	Municipal Rehabilitation/ Recovery Act	04	408	408	408
					GRANTS–IN–AID				
					Distribution by Fund and Program				
10,500	42	–618	9,924	6,907	Local Government Services	04	10,000	—	—
10,500	***42***	***–618***	***9,924***	***6,907***	***Total Grants–in–Aid***		***10,000***	—	—
					Distribution by Fund and Object				
					Grants:				
—	6	—	6	—	Burlington City – Neighbor-hood Health Center Building	04	—	—	—
—	14	—	14	—	Clementon Borough — Municipal Historical Display	04	—	—	—
—	3	—	3	—	Clifton City – Geographical Information System	04	—	—	—
—	4	—	4	—	Howell Township – Recreational Facilities	04	—	—	—
—	1	—	1	—	Medford Township – Public Safety Equipment	04	—	—	—
—	8	—	8	—	Vineland City – City Parks Sanitary Facilities	04	—	—	—
—	1	—	1	—	Delran Township – ADA Compliance	04	—	—	—
—	5	—	5	—	Mansfield Township (Burlington) – Civic Club Replacement	04	—	—	—
6,000	—	–290	5,710	2,735	Local Library Grants	04	4,000	—	—
2,500	—	–328	2,172	2,172	Statewide Livable Communi-ties	04	6,000	—	—
1,500	—	—	1,500	1,500	Essex County Jail – Expansion	04	—	—	—
500	—	—	500	500	Hoboken 9/11 Memorial	04	—	—	—
					STATE AID				
					Distribution by Fund and Program				
963,140	—	–18,808	944,332	942,264	Local Government Services	04	1,015,840	997,340	997,340
3,071	—	—	*3,071*	*1,069*	*(From General Fund)*		*86,271*	*76,271*	*76,271*
960,069	—	*–18,808*	*941,261*	*941,195*	*(From Property Tax Relief Fund)*		*929,569*	*921,069*	*921,069*
963,140	—	***–18,808***	***944,332***	***942,264***	***Total State Aid***		***1,015,840***	***997,340***	***997,340***
3,071	—	—	*3,071*	*1,069*	*(From General Fund)*		*86,271*	*76,271*	*76,271*
960,069	—	*–18,808*	*941,261*	*941,195*	*(From Property Tax Relief Fund)*		*929,569*	*921,069*	*921,069*
					Distribution by Fund and Object				
					State Aid:				
—	—	—	—	—	Extraordinary Aid (C.52:27D–118.35)	04	41,000	31,000	31,000
35,000	—	—	35,000	35,000	Extraordinary Aid (C.52:27D–118.35) (PTRF)	04	—	—	—
835,447	—	–18,808	816,639	816,639	Consolidated Municipal Property Tax Relief Aid (PTRF)	04	835,447	835,447	835,447
821	—	—	821	819	County Prosecutors Salary Increase (P.L. 1996, c.99)	04	821	821	821

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					STATE AID				
—	—	—	—	—	County Prosecutor Funding Initiative Pilot Program	04	8,000	8,000	8,000
—	—	—	—	—	Municipal Homeland Security Assistance Aid	04	32,000	32,000	32,000
34,825	—	—	34,825	34,825	Legislative Initiative Municipal Block Grant Program (PTRF)	04	34,825	34,825	34,825
250	—	—	250	250	Domestic Violence Training Cost Reimbursement – Local Law Enforcement Agencies	04	250	250	250
16,500	—	—	16,500	16,500	Trenton Capitol City Aid (PTRF)	04	16,500	16,500	16,500
2,000	—	—	2,000	—	Regional Efficiency Development Incentive Grant Program	04	4,200	4,200	4,200
9,992	—	—	9,992	9,926	Regional Efficiency Aid Program (PTRF)	04	10,992	9,992	9,992
28,305	—	—	28,305	28,305	Special Municipal Aid Act (PTRF)	04	29,305	24,305	24,305
—	—	—	—	—	Taxpayer Hero Grants (PTRF)	04	2,500	—	—
978,358	***129***	***–19,901***	***958,586***	***953,356***	***Grand Total State Appropriation***		***1,030,430***	***1,001,812***	***1,001,812***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

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.

Language Recommendations — State Aid – General Fund

The amount hereinabove appropriated for Extraordinary 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 any provisions of that law to the contrary, the amount appropriated for municipal aid from receipts deposited in the Extraordinary Aid account shall not exceed the amount appropriated hereinabove.

Notwithstanding the provisions of any other law 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.

In addition to the amount hereinabove for the County Prosecutors Salary Increase, there is appropriated an amount not to exceed $40,000, subject to the approval of the Director of the Division of Budget and Accounting.

Loan repayments received in the Regional Efficiency Developmental Incentive Grant Program account, established pursuant to P.L. 2003, c.122, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding any provisions of the "Local Budget Law," N.J.S.40A:4–1 et seq., to the contrary, the Director of the Division of Local Government Services may require any municipality which is determined to be experiencing fiscal distress pursuant to the provisions of the "Special Municipal Aid Act," P.L. 1987, c.75 (C.52:27D–118.24 et seq.), to anticipate and include in its annual budget any additional item or amount of revenue as the director deems to be appropriate and fiscally prudent.

Notwithstanding any provision of law 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 any provision of law to the contrary, any qualified municipality as defined in section 1 of P.L. 1978, c.14 (C.52:27D–178) for fiscal year 2005 shall continue to be a qualified municipality thereunder for fiscal year 2006.

The unexpended balance at the end of the preceding fiscal year in the Regional Efficiency Development Incentive Grant Program 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

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 any law to the contrary, from the amount received from 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 any law 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 fiscal year 2005 annual appropriations act, P.L. 2004, c.71, provided further, however, that from the amount hereinabove there is transferred to the Energy Tax Receipts Property Tax Relief Fund account such sums as were determined for fiscal year 2003 and fiscal year 2006 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 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, 2005.

The amount appropriated hereinabove for the Legislative Initiative Municipal Block Grant Program (PTRF) shall be distributed to the same municipalities and in the same proportions as the distributions received therefrom during fiscal year 2005.

Notwithstanding the provisions of P.L. 1999, c.61 (C.54:4–8.76 et seq.) to the contrary, the amount appropriated hereinabove for the Regional Efficiency Aid Program (REAP) shall be distributed to the same municipalities and in the same proportion as was distributed in fiscal year 2005.

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 any law 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 from any State department to any other State department sums 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 a 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 maintain and continue 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 government 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 (C52:27D–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, as an "in–but–not–of" agency, 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.

COMMUNITY AFFAIRS

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Government Records Council				
Formal Complaints Received	200	200	280	280
Public Inquiries Received	1,500	1,300	1,300	1,300
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	80	85	94	96
Male Minority %	8.0	7.7	8.4	8.6
Female Minority	249	251	255	257
Female Minority %	23.0	22.7	22.9	23.1
Total Minority	329	336	349	353
Total Minority %	31.0	30.4	31.4	31.7
Position Data				
Filled Positions by Funding Source				
State Supported	45	50	53	59
All Other	23	21	22	24
Total Positions	68	71	75	83
Filled Positions by Program Class				
Management and Administrative Services	68	71	75	83
Total Positions	68	71	75	83

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
4,146	—	196	4,342	4,342	Administration and Support Services	99	4,252	4,099	4,099
4,146	—	***196***	***4,342***	***4,342***	***Total Direct State Services***		***4,252*** [a]	***4,099***	***4,099***
					Distribution by Fund and Object				
					Personal Services:				
2,764	—	196	2,960	2,960	Salaries and Wages		3,014	2,951	2,951
2,764	—	*196*	*2,960*	*2,960*	*Total Personal Services*		*3,014*	*2,951*	*2,951*
10	—	33	43	43	Materials and Supplies		10	10	10
281	—	–20	261	261	Services Other Than Personal		281	281	281
26	—	–13	13	13	Maintenance and Fixed Charges		26	26	26
					Special Purpose:				
467	—	—	467	467	Government Records Council	99	816	771	771
60	—	—	60	60	Affirmative Action and Equal Employment Opportunity	99	60	60	60
538	—	—	538	538	Additions, Improvements and Equipment		45	—	—
4,146	—	***196***	***4,342***	***4,342***	***Grand Total State Appropriation***		***4,252***	***4,099***	***4,099***

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					OTHER RELATED APPROPRIATIONS				
					All Other Funds				
—	701 1,110 R	444	2,255	1,490	Administration and Support Services	99	1,125	1,125	1,125
—	*1,811*	*444*	*2,255*	*1,490*	*Total All Other Funds*		*1,125*	*1,125*	*1,125*
4,146	*1,811*	*640*	*6,597*	*5,832*	*GRAND TOTAL ALL FUNDS*		*5,377*	*5,224*	*5,224*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Language Recommendations — Direct State Services – General Fund

Notwithstanding any provision of law to the contrary, from the amount appropriated hereinabove 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

Notwithstanding the provisions of any prior law 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.

DEPARTMENT OF CORRECTIONS

OVERVIEW

The mission of the New Jersey Department of Corrections 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; expanding inmate public service programs and outreach efforts; evaluating and measuring program effectiveness; enhancing departmental emergency response capabilities; and increasing inmate work programs.

Budget Highlights

The fiscal 2006 budget for the Department of Corrections (including State Parole Board) totals $1.033 billion, an increase of $15 million, or 1.5%, over the fiscal 2005 adjusted appropriation of $1.019 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 these facilities, which are diverse and unique in their operations, house approximately 27,000 inmates in minimum, medium, and maximum security levels. The maximum security New Jersey State Prison contains the State's Capital Sentence Unit. 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 2006, $834.4 million is recommended for State prison facilities and system–wide program support. This amount represents a net increase of $7.6 million from the fiscal 2005 adjusted appropriation. Components of the change are: increases of $7.8 million to fund operating cost increases; $300,000 to fund civilly committed sex offenders; and a net reduction of $500,000 in operating efficiencies.

The fiscal 2006 budget recommendation for Central Planning, Direction and General Support has no increase over the fiscal 2005 adjusted appropriation and totals $19.3 million.

Funding of $18 million is recommended for the purchase of services for approximately 983 inmates incarcerated in county penal facilities. This represents a net decrease of $2.5 million from the fiscal 2005 adjusted appropriation. This decrease is due to a sight decline in the overall inmate population and the continued effective use of parole alternative programs. Alternative parole programs are designed to allow certain offenders, who would not otherwise be released due to a lack of adequate post release services, an opportunity to be paroled. By using these programs, the State places a larger number of technical parole violators and/or new parolees in less costly and more appropriate alternative parole programs where they receive drug treatment and other services.

The fiscal 2006 budget recommendation includes $5 million in capital funding for high priority health and life safety issues. A total of $1 million is recommended for the repairs or replacement of locking systems at various correctional facilities. The balance, or $4 million, is recommended to replace existing modular trailer units which have exceeded their life expectancy. The replacement for the trailers will be brick–and–mortar housing units.

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 contracts with private and non–profit providers throughout the State to provide community–based residential treatment programs for offenders under community supervision. The fiscal 2006 appropriation continues at $61.5 million, providing for 2,629 slots.

Office of Transitional Services

More than 14,000 offenders are released from State prisons in New Jersey each year. Most recent data from 1998 with a three–year follow up period indicate a re–arrest rate of about 54%, reconviction of 43% and re–incarceration rate at 34%. In an effort to combat these serious problems, the New Jersey Department of Corrections created the Office of Transitional Services. This office is responsible for the coordination of the delivery 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.

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 2006 budget for the State Parole Board totals $93.7 million, an increase of $5.2 million, or 5.9%, over the fiscal 2005 adjusted appropriation of $88.5 million. The increase includes $3.4 million in Grants–In–Aid for the Halfway Back Program, Re–Entry Substance Abuse Program (RESAP) and Day Reporting Program as well as $673,000 for the Sex Offender Management Unit.

In fiscal 2006, funding for alternative programs supports Electronic Monitoring/Home confinement ($5.8 million), Intensive Supervision Surveillance Program ($3.4 million), and Intensive Parolee Drug Program ($2.3 million). The Mutual Agreement Program or MAP provides inpatient and outpatient substance abuse treatment to parolees in need of these services. The budget recommendation remains at $3.1 million for fiscal 2006.

The Re–Entry Substance Abuse Program (RESAP), a residential treatment program, was initiated in fiscal 2004 and expanded in fiscal 2005. The 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 Re–Entry Substance Abuse Program has a fiscal 2006 recommended budget of $4 million.

The Halfway Back Program was initiated in fiscal 2002 to reduce recidivism. It is designed for technical parole violators to provide 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 2005, the State Parole Board expanded the Halfway Back Program by 45 beds. The fiscal 2006 funding recommendation for the Halfway Back Program is $16.3 million.

The Day Reporting Centers provide services in the areas of the offenders' highest needs in a supervised environment. The services include anger and aggression management, job readiness skills, academic assistance and life skills development. In fiscal 2005, the State Parole Board expanded the Day Reporting Program by 100 slots and is recommended to expand again in fiscal 2006 by 50 additional slots. The fiscal 2006 funding recommendation for the Day Reporting Program is $10.4 million.

In fiscal 2005, the State Parole Board established the Sex Offender Management Unit. The staff in this unit are specifically trained to address the unique challenges faced in managing sexual offenders and sexually violent predator caseloads within the community supervision for life program. It has a fiscal 2006 recommended budget of $4.8 million.

Department Accomplishments

In fiscal 2005 the Department of Corrections successfully entered into performance–based contracts with service providers for the Residential Community Programs. These programs provide a wide range of community, academic, vocational, educational and substance abuse treatment programs for 2,629 inmates.

The Department of Corrections issued and awarded an RFP for medical/dental healthcare services during the fiscal 2005 year. The department also entered into an agreement with the University of Medicine and Dentistry to provide mental health services for state inmates.

In August 2004, the Department of Corrections OIT unit implemented a module to automate the process of tracking programs utilized by offenders, which will allow the department to evaluate the efficacy of programs and their effect on the offender recidivism rate.

In late FY 2005, all custody staff will receive CPR training for life safety of all staff and inmates.

The department has been selected to participate in a pilot accreditation project of its Therapeutic Community substance use disorder treatment program by the American Correctional Association. Participation in this pilot will allow the State to be among the first in the nation to receive accreditation.

For the last several years, the Division of Parole has initiated programs that provide alternatives to incarceration. These programs target various types of potential parolees and parolees who are at risk of violating their parole in an effort to break the cycle of crime/offending/incarceration that has contributed to the high rate of recidivism and failed reentry. The use of these programs has not only avoided growth in the prison population but has provided much needed and more appropriate alternative services in the areas of substance abuse, life skills development and other critical services. During fiscal 2005, 518 parolees are expected to be diverted to residential alternative parole programs rather than being returned to prison.

DEPARTMENT OF CORRECTIONS

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
845,325	214	2,744	848,283	845,531	Direct State Services	904,546	913,940	913,940
89,386	5,022	–32	94,376	92,161	Grants–In–Aid	113,599	114,504	114,504
—	10,372	3	10,375	4,269	Capital Construction	500	5,000	5,000
934,711	15,608	2,715	953,034	941,961	Total General Fund	1,018,645	1,033,444	1,033,444
934,711	***15,608***	***2,715***	***953,034***	***941,961***	***GRAND TOTAL***	***1,018,645***	***1,033,444***	***1,033,444***

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES – GENERAL FUND			
					Detention and Rehabilitation			
441,824	—	–1,347	440,477	440,444	Institutional Control and Supervision	471,149	471,219	471,219
189,787	—	2,891	192,678	192,352	Institutional Care and Treatment	213,898	219,100	219,100
59,098	188	–3,743	55,543	55,429	Institutional Program Support	59,020	60,324	60,324
80,977	—	4,156	85,133	84,525	Administration and Support Services	82,711	83,711	83,711
771,686	*188*	*1,957*	*773,831*	*772,750*	*Subtotal*	*826,778*	*834,354*	*834,354*
					Parole			
39,555	1	–440	39,116	37,584	Parole	42,037	43,405	43,405
11,916	24	230	12,170	12,119	State Parole Board	12,817	13,267	13,267
2,974	1	210	3,185	3,172	Administration and Support Services	3,630	3,630	3,630
54,445	*26*	—	*54,471*	*52,875*	*Subtotal*	*58,484*	*60,302*	*60,302*
					Central Planning, Direction and Management			
19,194	—	787	19,981	19,906	Administration and Support Services	19,284	19,284	19,284
845,325	***214***	***2,744***	***848,283***	***845,531***	***Subtotal Direct State Services – General Fund***	***904,546***	***913,940***	***913,940***
845,325	***214***	***2,744***	***848,283***	***845,531***	***TOTAL DIRECT STATE SERVICES***	***904,546***	***913,940***	***913,940***
					GRANTS–IN–AID – GENERAL FUND			
					Detention and Rehabilitation			
83,650	5,022	–32	88,640	87,065	Institutional Program Support	83,605	81,105	81,105
					Parole			
5,736	—	—	5,736	5,096	Parole	29,994	33,399	33,399
89,386	***5,022***	***–32***	***94,376***	***92,161***	***Subtotal Grants–In–Aid – General Fund***	***113,599***	***114,504***	***114,504***
89,386	***5,022***	***–32***	***94,376***	***92,161***	***TOTAL GRANTS–IN–AID***	***113,599***	***114,504***	***114,504***
					CAPITAL CONSTRUCTION			
					Detention and Rehabilitation			
—	3,100	–234	2,866	2,559	Administration and Support Services	500	—	—
					Central Planning, Direction and Management			
—	7,272	237	7,509	1,710	Administration and Support Services	—	5,000	5,000
—	***10,372***	***3***	***10,375***	***4,269***	***Subtotal Capital Construction***	***500***	***5,000***	***5,000***
934,711	***15,608***	***2,715***	***953,034***	***941,961***	***TOTAL APPROPRIATION***	***1,018,645***	***1,033,444***	***1,033,444***

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; and food service, which meets 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 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. Work opportunities are provided by five State Use Industries shops within the prison for the production of materials and products to be used by various State agencies and local governments.

Educational opportunities are comprehensive, covering adult basic education through college and include a five cluster vocational education program. An Administration 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 Center 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 five State Use Industries shops. 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 bedspace 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, and the second in October 1997. The remaining beds opened in the spring of 1998.

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 milk for State 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.

Mid–State Correctional Facility

The medium security facility, which opened in May, 1982, is located on 13 acres of federal government property in Burlington County. The Department of Corrections has a leasing agreement with the federal government which requires unique operating procedures. In compliance with the basic agreement, there are no programs involving work release, furloughs, or community activities. All inmates are assigned to work details and have the opportunity to participate in programs as developed within the guidelines established in the lease agreement.

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 in 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 aide, 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 year 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 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 (NJS 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. 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 in Yardville, in Burlington County, is part of the State's youth correctional institution complex. It consists of eight housing units (RS 30:4–146). The Prison Reception Unit previously located at Garden State, was transferred to the Central Reception and Assignment Facility effective July 1, 1997.

A number of programs, such as academic education, vocational training, and the supportive education team program, are offered. In addition, two therapeutic community programs have been established.

Albert C. Wagner Youth Correctional Facility

The Youth Correctional Institution (RS 30:4–146), located in Bordentown, 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. The Bureau of State Use Industries operates a metal fabrication shop in this facility. A 120 bed residential Adult Offender Boot Camp program was initiated in fiscal 1997.

Mountainview Youth Correctional Facility

This medium security, cottage–type institution, located in 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 various work release projects for all offenders.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
New Jersey State Prison				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	98	371	374	375
General Educational Development	147	155	40	41
Vocational Education	21	26	28	29
OPERATING DATA				
Design Capacity	1,811	1,811	1,811	1,811
Average daily population	1,918	1,932	1,999	1,999
Vroom Central Reception and Assignment Facility				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	32	104	104	106
General Educational Development	43	54	57	58
Vocational Education	37	41	43	44
OPERATING DATA				
Design Capacity	631	631	631	631
Average daily population	1,033	1,061	1,152	1,152
East Jersey State Prison				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	146	393	395	395
General Educational Development	197	169	172	173
Vocational Education	177	128	130	131
OPERATING DATA				
Design Capacity	1,735	1,735	1,735	1,735
Average daily population	2,099	2,032	1,934	1,934
Main institution	1,481	1,417	1,288	1,288
Satellite units	266	255	210	210
Administrative Segregation	352	360	436	436
South Woods State Prison				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	459	709	710	711
General Educational Development	412	322	325	326
Vocational Education	1,095	941	943	944
OPERATING DATA				
Design Capacity	3,188	3,188	3,188	3,188
Average daily population	3,342	3,352	3,342	3,342
Bayside State Prison				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	142	281	275	276
General Educational Development	451	122	125	127
Vocational Education	327	241	240	242

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Design capacity	1,465	1,465	1,465	1,465
Average daily population	2,372	2,170	2,390	2,390
Main institution	927	744	1,066	1,066
Modular units	480	378	276	274
Satellite units	965	1,048	1,048	1,048
Southern State Correctional Facility				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	251	419	420	421
General Educational Development	138	114	116	117
Vocational Education	338	361	365	366
OPERATING DATA				
Design Capacity	1,080	1,312	1,312	1,312
Average daily population	1,685	1,924	1,942	1,942
Mid–State Correctional Facility				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	205	175	174	174
General Educational Development	188	78	75	76
Vocational Education	31	85	88	90
OPERATING DATA				
Design Capacity	604	604	604	604
Average daily population	622	627	625	625
Riverfront State Prison				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	177	304	307	309
General Educational Development	96	46	48	49
Vocational Education	265	518	520	521
OPERATING DATA				
Design Capacity	631	631	631	631
Average daily population	1,139	1,083	1,037	1,037
Edna Mahan Correctional Facility for Women				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	123	413	415	416
General Educational Development	198	65	66	68
Vocational Education	823	505	510	511
OPERATING DATA				
Design Capacity	694	694	694	694
Average daily population	1,148	1,146	1,140	1,140

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Northern State Prison				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	287	445	448	450
General Educational Development	143	105	107	110
Vocational Education	129	162	165	168
OPERATING DATA				
Design Capacity	1,690	1,690	1,690	1,690
Average daily population	2,529	2,656	2,706	2,706
Adult Diagnostic and Treatment Center, Avenel				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	41	138	138	139
General Educational Development	23	46	48	49
Vocational Education	61	188	185	187
OPERATING DATA				
Design Capacity	512	512	512	512
Average daily population	626	656	685	685
Main institution	626	656	685	685
Residents—Civilly Committed Sexual Offender Facility	147	155	150	150
Residents—Civilly Committed Sexual Offender Facility – Annex	101	142	167	209
Garden State Youth Correctional Facility				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	1,799	2,122	2,125	2,126
General Educational Development	442	102	104	105
Vocational Education	1,259	2,220	2,225	2,230
OPERATING DATA				
Design Capacity	1,168	1,168	1,168	1,168
Average daily population	1,733	1,754	1,809	1,809
Albert C. Wagner Youth Correctional Facility				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	273	820	821	822
General Educational Development	351	190	192	193
Vocational Education	282	299	301	302
OPERATING DATA				
Design Capacity	1,080	1,080	1,080	1,080
Average daily population	1,386	1,362	1,433	1,433
Main institution	862	875	875	875
Close–custody unit	185	185	185	185
Modular units	220	243	243	243
Satellite Units/Boot Camp	119	130	130	130

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Mountainview Youth Correctional Facility				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	1,359	2,922	2,925	2,928
General Educational Development	506	380	375	373
Vocational Education	875	716	714	712
OPERATING DATA				
Design Capacity	803	803	803	803
Average daily population	1,235	1,251	1,265	1,265
Main institution	1,127	1,166	1,157	1,157
Satellite Units	108	85	108	108
Institutional Total				
PROGRAM DATA				
Education Program				
Participants				
Adult Basic Education	5,392	9,616	9,631	9,648
General Educational Development	3,335	1,948	1,850	1,865
Vocational Education	5,720	6,431	6,457	6,477
OPERATING DATA				
Design Capacity	17,092	17,324	17,324	17,324
Average daily population	22,867	23,006	23,459	23,459
Main institution	5,023	4,858	5,071	5,071
Modular units	700	621	519	517
Close–custody unit	185	185	185	185
Administrative Segregation	352	360	436	436
Satellite Units/Boot Camp	1,458	1,518	1,496	1,496
Ratio: Population/positions	2.7/1	2.8/1	2.8/1	2.8/1
Residents—Civilly Committed Sexual Offender Facility	147	155	150	150
Residents—Civilly Committed Sexual Offender Facility – Annex	101	142	167	209
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	8,197	8,030	8,149	8,153
Federal	25	25	23	25
All Other	137	141	138	144
Total Positions	8,359	8,196	8,310	8,322
Filled Positions by Program Class				
Institutional Control and Supervision	6,732	6,555	6,691	6,637
Institutional Care and Treatment	978	1,000	991	1,013
Administration and Support Services	649	641	628	672
Total Positions	8,359	8,196	8,310	8,322

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded. Position Ratios and per capita costs do not include the Civilly Committed Sexual Offender Facility and the Civilly Committed Sexual Offender 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 2004 actual daily per capita data of $69.52 for Bayside State Prison, $86.32 for East Jersey State Prison, and $95.36 for New Jersey State Prison.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
413,479	—	6,002	419,481	419,448	Institutional Control and Supervision	07	449,625	450,695	450,695
189,787	—	2,891	192,678	192,352	Institutional Care and Treatment	08	213,898	219,100	219,100
80,977	—	4,156	85,133	84,525	Administration and Support Services	99	82,711	83,711	83,711
684,243	—	***13,049***	***697,292***	***696,325***	***Total Direct State Services***		***746,234*** (a)	***753,506***	***753,506***
					Distribution by Fund and Object				
					Personal Services:				
443,671 6,360 S	—	8,272	458,303	456,330	Salaries and Wages		477,272 14,380 S	492,424	492,424
—	—	—	—	1,965	Food In Lieu of Cash		2,010	2,010	2,010
450,031	—	*8,272*	*458,303*	*458,295*	*Total Personal Services*		*493,662*	*494,434*	*494,434*
69,334 7,399 S	—	1,124	77,857	77,255	Materials and Supplies		75,860	75,860	75,860
106,855 2,340 S	—	296	109,491	109,309	Services Other Than Personal		127,935	133,137	133,137
12,398 66 S	—	3,051	15,515	15,428	Maintenance and Fixed Charges		12,471	12,471	12,471
					Special Purpose:				
3,625	—	—	3,625	3,624	Adult Offender Boot Camp at Albert C. Wagner YCF	07	3,416	3,416	3,416
929	—	–31	898	898	Jones Farm – Repopulation	07	1,536	1,536	1,536
7,462	—	–400	7,062	7,062	Southern State Correctional Facility – New Unit Expansion	07	6,843	6,843	6,843
746	—	31	777	777	Gang Management Unit	07	757	757	757
8,538	—	–4	8,534	8,532	Civilly Committed Sexual Offender Facility	07	8,338	8,338	8,338
11,882	—	–133	11,749	11,749	Civilly Committed Sexual Offender Facility – Annex	07	12,687	12,985	12,985
82	—	—	82	82	Byrne Grant – Therapeutic Community Program	08	82	82	82
53	—	–53	—	—	Northern Therapeutic Community – State Match	08	—	—	—
268	—	–98	170	143	State Match – Residential Substance Abuse Treatment Grant	08	268	268	268
41	—	—	41	34	State Match – Social Services Block Grant	08	33	33	33
900	—	—	900	900	Nuway Drug Treatment Program	08	—	—	—
23	—	—	23	22	Violence Against Women Grant – State Match	08	—	—	—
145	—	—	145	145	Sewage Hauling and Disposal Costs	99	145	145	145
—	—	974	974	972	Other Special Purpose		—	—	—
1,126	—	20	1,146	1,098	Additions, Improvements and Equipment		2,201	3,201	3,201

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	3,100	–234	2,866	2,559	Administration and Support Services	99	500	—	—
—	*3,100*	*–234*	*2,866*	*2,559*	*Total Capital Construction*		*500*	—	—
					Distribution by Fund and Object				
					East Jersey State Prison				
—	95	–22	73	73	Replace Heating System, Rahway Camp	99	—	—	—
—	82	—	82	6	Rotunda/Dome Repair	99	—	—	—
—	2	—	2	—	Sewer Line Repair/Replacement	99	—	—	—
					Bayside State Prison				
—	37	–37	—	—	Kitchen Refurbishing	99	—	—	—
—	—	—	—	—	Bayside Locking System	99	500	—	—
—	2	–2	—	—	Improvement to Water Supply System	99	—	—	—
—	131	–127	4	3	Sewage Treatment Plant, Bayside State Prison	99	—	—	—
					Riverfront State Prison				
—	32	–32	—	—	Locking System Upgrade	99	—	—	—
—	30	—	30	—	Perimeter Road Drainage and Beach Erosion Abatement	99	—	—	—
—	1	—	1	—	Sewer Line Grinder	99	—	—	—
					Northern State Prison				
—	48	—	48	—	Water Line Replacement	99	—	—	—
					Albert C. Wagner Youth Correctional Facility				
—	2,625	—	2,625	2,477	Sewage Treatment Plant Expansion	99	—	—	—
—	1	—	1	—	Upgrade Water Treatment Plant	99	—	—	—
					Mountainview Youth Correctional Facility				
—	14	–14	—	—	Mountainview – Pistol Range	99	—	—	—
684,243	*3,100*	*12,815*	*700,158*	*698,884*	*Grand Total State Appropriation*		*746,734*	*753,506*	*753,506*
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
1,663	845	32	2,540	2,153	Institutional Care and Treatment	08	1,807	1,881	1,881
1,663	*845*	*32*	*2,540*	*2,153*	*Total Federal Funds*		*1,807*	*1,881*	*1,881*
					All Other Funds				
—	2,623 106 R	7,901	10,630	8,393	Institutional Care and Treatment	08	7,273	7,228	7,228
—	1,522 14,504 R	–341	15,685	14,252	Administration and Support Services	99	14,488	14,206	14,206
—	*18,755*	*7,560*	*26,315*	*22,645*	*Total All Other Funds*		*21,761*	*21,434*	*21,434*
685,906	*22,700*	*20,407*	*729,013*	*723,682*	*GRAND TOTAL ALL FUNDS*		*770,302*	*776,821*	*776,821*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 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, 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.

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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Institutional Control and Supervision				
Average Number of State Inmates in County Penal Facilities	1,622	1,506	1,306	983
County assistance and county contract	3,002	2,762	2,762	2,762
Funded Community Bed Spaces	2,700	2,629	2,629	2,629
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	593	755	671	607
Federal	10	10	11	16
All Other	21	20	25	27
Total Positions	624	785	707	650
Filled Positions by Program Class				
Institutional Control and Supervision	274	435	345	288
Institutional Program Support	350	350	362	362
Total Positions	624	785	707	650

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

Payroll counts for fiscal year 2004 include 157 Correction Officer Trainees and for fiscal year 2005 include 72 Correction Officer Trainees.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
28,345	——	–7,349	20,996	20,996	Institutional Control and Supervision	07	21,524	20,524	20,524
59,098	188	–3,743	55,543	55,429	Institutional Program Support	13	59,020	60,324	60,324
87,443	***188***	***–11,092***	***76,539***	***76,425***	***Total Direct State Services***		***80,544*** [a]	***80,848***	***80,848***

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Object				
					Personal Services:				
41,265	——	–7,468	33,797	33,797	Salaries and Wages		34,371 1,692 S	33,841	33,841
41,265	——	*–7,468*	*33,797*	*33,797*	*Total Personal Services*		*36,063*	*33,841*	*33,841*
203	——	110	313	303	Materials and Supplies		203	203	203
7,636	156	–5,833	1,959	1,958	Services Other Than Personal		4,488	7,128	7,128
					Special Purpose:				
273	——	——	273	273	Central Office Transportation Unit	07	273	273	273
75	——	——	75	75	Special Operations Group	07	75	75	75
7,758	32	——	7,790	7,720	Integrated Information Systems	13	8,076	8,076	8,076
862	——	212	1,074	1,072	Augment Medical Testing	13	862	862	862
49	——	——	49	49	State Match – Gang Prevention and Awareness Program	13	49	49	49
27	——	——	27	26	State Match – Discharge Planning Unit	13	27	27	27
44	——	–44	——	——	Drug Interdiction Unit – State Match	13	44	44	44
——	——	——	——	——	Prison Rape Elimination Grant – State Match	13	——	200	200
1,590	——	–42	1,548	1,547	Inmate Work Details Program	13	1,590	1,590	1,590
223	——	30	253	244	Return of Escapees and Absconders	13	223	223	223
1,168	——	——	1,168	1,167	Mutual Agreement Program	13	1,141	1,141	1,141
180	——	–62	118	118	Recruit Screening Program	13	180	180	180
340	——	–26	314	314	Bulletproof Vests	13	340	340	340
537	——	——	537	537	DOC/DOT Work Details	13	537	537	537
300	——	——	300	299	Video Teleconferencing	13	300	300	300
24,478	——	2,196	26,674	26,674	Additional Mental Health Treatment Services	13	25,638	25,638	25,638
314	——	–314	——	——	Drug Testing – Assumption of Federal Funding	13	314	——	——
——	——	55	55	50	Other Special Purpose		——	——	——
121	——	94	215	202	Additions, Improvements and Equipment		121	121	121
					GRANTS–IN–AID				
					Distribution by Fund and Program				
83,650	5,022	–32	88,640	87,065	Institutional Program Support	13	83,605	81,105	81,105
83,650	***5,022***	***–32***	***88,640***	***87,065***	***Total Grants–in–Aid***		***83,605***	***81,105***	***81,105***
					Distribution by Fund and Object				
					Grants:				
21,082 2,273 S	2,805	6,216	32,376	30,885	Purchase of Service for Inmates Incarcerated In County Penal Facilities	13	20,510	18,010	18,010
100	——	–32	68	68	Purchase of Service for Inmates Incarcerated In Out–Of–State Facilities	13	100	100	100
58,695	2,217	–6,216	54,696	54,612	Purchase of Community Services	13	61,495	61,495	61,495
1,500	——	——	1,500	1,500	Life Skills Academy	13	1,500	1,500	1,500
171,093	***5,210***	***–11,124***	***165,179***	***163,490***	***Grand Total State Appropriation***		***164,149***	***161,953***	***161,953***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
7,564 26 S	4,239	505	12,334	8,578	Institutional Program Support	13	4,865	6,104	6,104

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					OTHER RELATED APPROPRIATIONS				
7,590	*4,239*	*505*	*12,334*	*8,578*	*Total Federal Funds*		*4,865*	*6,104*	*6,104*
					All Other Funds				
—	1,082 721 R	–54	1,749	14	Institutional Program Support	13	—	—	—
—	*1,803*	*–54*	*1,749*	*14*	*Total All Other Funds*		—	—	—
178,683	*11,252*	*–10,673*	*179,262*	*172,082*	*GRAND TOTAL ALL FUNDS*		*169,014*	*168,057*	*168,057*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 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 Integrated Information Systems account is appropriated to provide funding for the cost of replacing the Department of Corrections S/36 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 appropriated hereinabove 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, i.e. furlough, 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 for 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; 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

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Parole				
Parolees under supervision (beginning of year)	13,234	13,297	13,667	14,800
Added to Parole	10,639	10,780	9,628	9,800
Removed from Parole	10,576	10,410	8,495	8,600
Level of Parole Supervision				
General Supervision	8,866	8,567	9,541	10,145
Community Supervision for Life	1,343	2,112	2,273	2,673
Special Caseload Data				
Intensive Supervision and Surveillance (ISSP)	1,242	871	893	900
Electronic Monitoring	272	372	395	390
High Impact Diversion Program	560	178 (a)	—	—
Youth Offender Boot Camp	90 (a)	—	—	—
Parolee Drug Treatment	269	310	525	525
Day Reporting	318	389	395	615
Halfway Back Program	337	675	706	650
Re–Entry Substance Abuse Program (RESAP) (b)	—	102	72	152
Total special caseload	3,088	2,897	2,986	3,232
State Parole Board				
Hearings	39,910	42,377	44,338	44,800
State	25,481	26,902	29,007	29,000
Counties	6,437	7,039	6,800	7,000
Juvenile	3,246	3,999	3,872	4,000
Parole revocations considered	4,746	4,437	4,659	4,800
Reviews:				
Appeals	2,164	1,866	1,648	1,800
MAP Referral	765	518	540	540
Victim Input Registration	1,052	1,142	1,100	1,100
Special Investigations	175	206	250	250
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	87	85	85	85
Male Minority %	12.4	13.0	12.7	11.4
Female Minority	159	155	155	155
Female Minority %	22.7	23.7	23.2	20.7
Total Minority	246	240	240	240
Total Minority %	35.1	36.7	35.9	32.1

CORRECTIONS

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Position Data				
Filled Positions by Funding Source				
State Supported	695	654	668	747
Total Positions	695	654	668	747
Filled Positions by Program Class				
Parole	473	443	451	511
State Parole Board	177	166	174	188
Administration and Support Services	45	45	43	48
Total Positions	695	654	668	747

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) Discontinued data category.

(b) New program in fiscal year 2004.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
39,555	1	–440	39,116	37,584	Parole	03	42,037	43,405	43,405
11,916	24	230	12,170	12,119	State Parole Board	05	12,817	13,267	13,267
2,974	1	210	3,185	3,172	Administration and Support Services	99	3,630	3,630	3,630
54,445	***26***	—	***54,471***	***52,875***	***Total Direct State Services***		***58,484*** (a)	***60,302***	***60,302***
					Distribution by Fund and Object				
					Personal Services:				
31,770	—	125	31,895	31,294	Salaries and Wages		36,730	38,386	38,386
31,770	—	*125*	*31,895*	*31,294*	*Total Personal Services*		*36,730*	*38,386*	*38,386*
632	—	–92	540	540	Materials and Supplies		962	962	962
2,405	—	12	2,417	2,416	Services Other Than Personal		2,740	2,740	2,740
498	—	–28	470	469	Maintenance and Fixed Charges		1,560	1,110	1,110
					Special Purpose:				
100	—	—	100	100	Payments to Inmates Discharged From Facilities	03	120	120	120
5,034	—	—	5,034	4,966	Parolee Electronic Monitoring Program	03	5,777	5,777	5,777
5,073	—	–210	4,863	4,732	Intensive Supervision/Surveil-lance Program	03	3,656	3,356	3,356
3,497	—	—	3,497	3,006	High Impact Diversion Program	03	—	—	—
2,309	—	—	2,309	2,006	Parolee Drug Treatment	03	2,305	2,305	2,305
3,127	—	—	3,127	3,127	Mutual Agreement Program (MAP)	03	437	437	437
—	—	—	—	—	Sex Offender Management Unit	03	4,169	4,842	4,842
—	—	—	—	—	Ballistic Vest Replacement Initiative	03	—	239	239
—	—	85	85	85	Other Special Purposes	05	—	—	—
—	26	108	134	134	Additions, Improvements and Equipment		28	28	28

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
5,736	—	—	5,736	5,096	Parole	03	29,994	33,399	33,399
5,736	—	—	***5,736***	***5,096***	***Total Grants–in–Aid***		***29,994***	***33,399***	***33,399***
					Distribution by Fund and Object				
					Grants:				
2,145	—	—	2,145	2,145	Re–Entry Substance Abuse Program	03	3,714	3,997	3,997
2,830	—	—	2,830	2,190	Halfway Back Program	03	14,497	16,289	16,289
—	—	—	—	—	Mutual Agreement Program (MAP)	03	2,690	2,690	2,690
761	—	—	761	761	Day Reporting Program	03	9,093	10,423	10,423
60,181	***26***	—	***60,207***	***57,971***	***Grand Total State Appropriation***		***88,478***	***93,701***	***93,701***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
1,500 159 S	14,343	–847	15,155	14,372	Parole	03	—	2,100	2,100
1,659	***14,343***	***–847***	***15,155***	***14,372***	***Total Federal Funds***		—	***2,100***	***2,100***
61,840	***14,369***	***–847***	***75,362***	***72,343***	***GRAND TOTAL ALL FUNDS***		***88,478***	***95,801***	***95,801***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

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 fiscal year 2006.

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.

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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	2,626	2,634	2,679	2,679
Male Minority %	27.4	27.7	27.7	27.7
Female Minority	1,239	1,287	1,334	1,334
Female Minority %	12.9	13.5	13.8	13.8
Total Minority	3,865	3,921	4,013	4,013
Total Minority %	40.3	41.2	41.5	41.5
Position Data				
Filled Positions by Funding Source				
State Supported	189	187	198	200
All Other	11	12	14	15
Total Positions	200	199	212	215
Filled Positions by Program Class				
Administration and Support Services	200	199	212	215
Total Positions	200	199	212	215

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
19,194	——	787	19,981	19,906	Administration and Support Services	99	19,284	19,284	19,284
19,194	——	***787***	***19,981***	***19,906***	***Total Direct State Services***		***19,284*** [a]	***19,284***	***19,284***
					Distribution by Fund and Object				
					Personal Services:				
14,399	——	–500	13,899	13,899	Salaries and Wages		15,024	15,024	15,024
14,399	——	*–500*	*13,899*	*13,899*	*Total Personal Services*		*15,024*	*15,024*	*15,024*
762 35 S	——	178	975	926	Materials and Supplies		662	662	662
2,332	——	231	2,563	2,543	Services Other Than Personal		2,132	2,132	2,132
915	——	665	1,580	1,580	Maintenance and Fixed Charges		715	715	715
					Special Purpose:				
——	——	207	207	201	Administration and Support Services	99	——	——	——
655	——	——	655	655	Affirmative Action and Equal Employment Opportunity	99	655	655	655
96	——	6	102	102	Additions, Improvements and Equipment		96	96	96
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
——	7,272	237	7,509	1,710	Administration and Support Services	99	——	5,000	5,000
——	***7,272***	***237***	***7,509***	***1,710***	***Total Capital Construction***		——	***5,000***	***5,000***

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Object				
					Division of Management and General Support				
—	479	–143	336	—	Deferred Maintenance–Various Institutions	99	—	—	—
—	1	—	1	—	Emergency Generators	99	—	—	—
—	585	–29	556	36	Additional Bed Spaces–Various Institutions	99	—	—	—
—	—	—	—	—	Locking System Upgrade	99	—	1,000	1,000
—	1,695	–4	1,691	636	Perimeter Security Enhancements, Various Facilities	99	—	—	—
—	1,805	–52	1,753	894	Fire Safety Code Compliance	99	—	—	—
—	641	535	1,176	—	Critical Repairs	99	—	—	—
—	1,121	–65	1,056	144	Roof Replacements/Repairs	99	—	—	—
—	155	–55	100	—	Repairs and Renovations, Various Institutions	99	—	—	—
—	48	50	98	—	Sewage Separators & System Upgrades	99	—	—	—
—	248	—	248	—	Replace Facility Systems Computer	99	—	—	—
—	5	—	5	—	Network Infrastructure	99	—	—	—
—	488	—	488	—	Security Improvements	99	—	—	—
—	1	—	1	—	Highpoint Cleanup	99	—	—	—
—	—	—	—	—	Replace Modular Units	99	—	4,000	4,000
19,194	***7,272***	***1,024***	***27,490***	***21,616***	***Grand Total State Appropriation***		***19,284***	***24,284***	***24,284***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
131	271	115	517	480	Administration and Support Services	99	173	180	180
131	***271***	***115***	***517***	***480***	***Total Federal Funds***		***173***	***180***	***180***
					All Other Funds				
—	1,398 8,769 R	–7,289	2,878	1,807	Administration and Support Services	99	1,538	1,583	1,583
—	***10,167***	***–7,289***	***2,878***	***1,807***	***Total All Other Funds***		***1,538***	***1,583***	***1,583***
19,325	***17,710***	***–6,150***	***30,885***	***23,903***	***GRAND TOTAL ALL FUNDS***		***20,995***	***26,047***	***26,047***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 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, are appropriated for the operation of the program, subject to the approval of the Director of the Division of Budget and Accounting.

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 use 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.).

DEPARTMENT OF EDUCATION

OVERVIEW

In its stated mission, "The New Jersey Department of Education will provide leadership for a superior education by utilizing multiple and diverse paths to success for all children in New Jersey."

Every initiative is dedicated to fulfilling the Department's mission that aims for excellence, but recognizes that there are many ways to achieve it. It is a mission that encourages flexibility, innovation and collaboration.

One major focus of the mission centers on early literacy. Research has shown that children who can read by the end of grade three have a greater chance for success in school from that point on. Once students have received an excellent start to education, the Department has ensured that from pre–K through grade 12, students will be required to meet rigorous standards in nine areas. The original standards adopted in 1996 by the State Board of Education in language arts literacy, math, science, social studies, world languages, comprehensive health and physical education, and the visual and performing arts have been revised to be more specific. In 2003–2004, the State Board adopted the revised standards in the original seven areas and also added two new areas – technology and career education and consumer, family and life skills. Once the standards were adopted, the Department aligned the state assessments in grades 4, 8 and 11 to the more rigorous standards. In accordance with requirements of the No Child Left Behind Act (NCLB), the State has added a third–grade test.

As students progress from pre–K to grade 12, in order to continue to achieve success, they must have access to excellent teachers. The Department has worked with the State Board on numerous aspects of the professional development and licensing codes. Teachers have newly adopted professional standards that upgrade the quality of college preparation, as well as the quality of professional development programs and activities.

As the Department has launched initiatives, it has worked with the school districts by offering technical assistance. It also rewards innovation and excellent performance in districts with numerous award programs. Sometimes incentives do not work to improve performance in low–performing districts, so the Legislature is working on passage of the New Jersey Quality Single Accountability Continuum (NJQSAC) proposed by the Department. This replaces the old monitoring system and shifts emphasis away from compliance and continuous oversight to that of targeted support and technical assistance. Districts must be held accountable, but the Department will emphasize measures to accomplish immediate improvement rather than impose long–term sanctions that have proven ineffective.

The Department continues to channel all of its efforts into helping school districts provide a superior education for our students. In addition to monitoring its own initiatives, the Department ensures that New Jersey schools are meeting the requirements of State and federal law in regard to school safety and student achievement.

Budget Highlights

The Fiscal 2006 Budget for the Department of Education totals $9.4 billion, an increase of $306 million, or 3.4%, over the fiscal 2005 adjusted appropriation of $9.1 billion.

School Aid

School Aid for fiscal 2006 is recommended at $9.3 billion, an increase of $305.4 million from fiscal 2005. This figure includes $7.4 billion in direct aid awards to school districts. It also provides $1.5 billion in State payments made on behalf of local school districts for pension and post–retirement medical benefits, debt service on pension bonds, and the employer's share of social security payments for teachers.

School Construction

Fiscal 2006 school aid also includes $267.8 million for the School Construction and Renovation Program and $119.7 million in School Building Aid. This funding will provide for State school construction debt service on new and existing bond issues, as well as aid for qualifying local debt issued for school construction. Under the Educational Facilities Construction and Financing Act (EFCFA), the State provides 100% of Abbott districts' approved construction/renovation project costs, while all other districts are guaranteed a minimum of 40% of approved project costs. This program makes funding for facilities available to approximately 250 districts that were not eligible under the prior debt service program and provides a significant increase in support to all other districts.

The Department's Office of Facilities provides extensive review of proposed facilities projects and ensures that districts are held strictly accountable for their use of these funds. The office works closely with the Schools Construction Corporation (SCC), which is responsible for constructing school facilities projects in the 31 Abbott districts, as well as in 28 other districts with State support ratios of more than 55% or heightened monitoring status. The SCC also approves school construction grants for the State's other operating school districts, and enters into construction contracts with those that wish to have the SCC build their projects.

Early Childhood Education

Under the Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA), all districts awarded Early Childhood Program Aid were required to provide full–day kindergarten and half–day preschool programs for four year–olds by the 2001–2002 school year. For Abbott districts, the preschool requirement was expanded to full–day, full–year programs for three and four year–olds. It is expected that the number of Abbott preschoolers served in fiscal 2006 will continue to grow as a result of the Department's efforts. The Budget provides $192.4 million for the expansion of preschool programs in these districts, an increase of $10 million from fiscal 2005.

In addition, $4 million is provided for the Early Launch to Learning Initiative (ELLI) to expand high quality preschool access for four year–olds in non–Abbott districts.

Statewide Assessment Program

The development and expansion of assessments to determine student achievement of the Core Curriculum Content Standards continues in the Fiscal 2006 Budget with an appropriation of $23.2 million for the Statewide Assessment Program, an increase of $7 million over fiscal 2005. This appropriation continues standards–based assessments in grades 3, 4 and 8 and a high school proficiency assessment in grade 11. The increase also provides funding for standards–based assessments in grades 5, 6 and 7. The addition of these three grade levels and the development of science assessments for grades 4, 8 and 11 will put New Jersey in compliance with federal mandates designed to ensure the success of every child.

Social Promotion Initiative

The Fiscal 2006 Budget recommendation includes an appropriation of $1.5 million for the Social Promotion Initiative, which will be distributed through a competitive grant process to districts in need of improvement. This appropriation will provide increased funding for reading coaches and summer school instruction. Research suggests that promoting unprepared students does little to increase their achievement or life chances and it also shows that retention often has negative educational consequences. However, the real issue is not whether to retain or promote a student, but rather to determine how to identify struggling students using objective criteria and provide the needed support so they can succeed.

Continuing Programs

The Budget recommends $350,000 for grants to help teachers seeking National Board of Professional Teaching Standards certification. A fiscal 2006 appropriation of $2.5 million is also recommended to support the Teacher Mentoring program. This program reimburses districts for stipends paid to experienced teachers serving as mentors to new teachers with the goal of increasing the rate of retention.

The Fiscal 2006 Budget recommends $1.5 million in funding to establish a comprehensive web–based education data warehouse that will enable the State to determine the effectiveness and efficiency of its public education system by providing essential information about the educational performance of individual students.

The Budget continues to support the Marie H. Katzenbach School for the Deaf, providing $2.9 million in fiscal 2006.

An appropriation of $6.1 million for the Liberty Science Center will continue to provide science educational services for students in the Abbott districts in fiscal 2006.

The Budget provides continued funding of $1.9 million for grants to seven higher education institutions to implement 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 Budget provides $7.4 million for reading coaches and other forms of reading assistance to schools, children and communities. In the coming year, the assistance will be expanded to include mathematics education. These efforts will help achieve the goal that every student will be able to read and perform basic mathematical functions at or above grade level by the third grade.

The Fiscal 2006 Budget recommends $7.5 million for the second year of New Jersey After 3, which promotes and partially funds after–school programs for New Jersey school children in grades K–8. The program combines the efforts of school districts, local community groups, and the State to administer after–school programs, which offer a variety of academic, recreational, and arts activities to students on–site at elementary and middle schools.

Department Accomplishments

To carry out its mission and support the Administration's education agenda, the Department of Education has identified five areas of focus for all of its actions and initiatives: teacher and administrator quality; raising student achievement; diverse and multiple paths for student success; innovative and outstanding practices and programs; and public communication, engagement, and accountability.

Teacher and administrator quality: One major accomplishment in this area of focus includes the State Board's adoption of the Department's new, revised Professional Licensure and Standards regulations that are aligned to the Core Curriculum Content Standards. The code contains the following: the new professional standards; national accreditation requirements for standards–based teacher preparation programs; a continuous path of teacher training from college preparation to ongoing professional development; and certification requirements that result in highly qualified teachers. Another major accomplishment was the implementation of two sizable national grant awards from the Wallace Foundation to develop national standards for school leaders in conjunction with the State Action for Educational Leadership Project (SAELP). The Department, working with the State Board, has raised standards for prospective teachers, including a higher grade point average and higher Praxis scores.

Raising student achievement: The major initiative in regard to long–term results in raising student achievement has been the emphasis on high–quality early childhood education. The Department's goal is to have every child able to read, at or above grade level, by the end of grade three. The Department has increased participation in the Abbott preschool program, and it has raised the quality of the programs through preschool teaching and learning expectations aligned with the Core Curriculum Content Standards, P–3 certification of teachers and self–evaluation tools to monitor progress. The Department has conducted the revision process for the original Core Curriculum Content Standards, resulting in standards that are more rigorous and specific, and the state assessments have been aligned to the new standards. In concentrating on the achievement gap at the high school level, the Department conducted an intensive summer pilot program with 250 selected students who had not passed the High School Proficiency Assessment (HSPA). The results have triggered a task force on math instruction to identify ways to improve teaching techniques to overcome this persistent achievement gap.

Diverse and multiple paths for student success: Several of the major initiatives in this area involve the high school population. The Department worked with the State Board of Education to develop and adopt new high school graduation requirements that permit greater flexibility in teaching and learning the skills and knowledge required for graduation. The new regulations represent a shift away from seat time to optional ways for students to demonstrate proficiency in required subject matter. In conjunction with the more flexible rules, the Department has been conducting a pilot project to encourage high school seniors who have finished all graduation requirements to participate in a variety of out–of–school options to finish out their high school requirements, such as internships, community service and college or online courses.

Innovative and outstanding programs and practices: Through the use of a variety of incentives and awards, the Department has opened up possibilities for districts to share their successful educational practices with each other. In many of the programs, one of the requirements is to help other districts replicate the successful program or practice. The Department has held numerous events showcasing best practices in many areas including vocational–technical and second language learners.

Public communication, engagement, and accountability: Through the Department's restructuring in 2002 into regional offices with greater accessibility to the local districts, it has been better able to communicate with districts and involve them in the development of policy. The Department has utilized task forces in early and middle school literacy, as well as teacher town meetings. It is currently working with the Legislature on the most comprehensive accountability initiative in this administration – New Jersey Quality Single Accountability Continuum. The project involved five work groups with local school board and district representation to assist in developing recommendations for regulations, transitioning districts, operational procedures, training and evaluation criteria. The Department piloted the new monitoring system in 18 districts in 2003–2004, including the three state–operated districts. The emphasis of the system is more on early intervention and technical assistance, rather than takeover and long–term oversight. Once it becomes law, it will be implemented immediately.

DEPARTMENT OF EDUCATION

SUMMARY OF APPROPRIATIONS BY FUND
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
61,646	2,817	–2,537	61,926	56,855	Direct State Services	63,206	69,374	69,374
9,443	—	–270	9,173	8,860	Grants–In–Aid	25,544	18,879	18,879
2,971,208	288	–18,601	2,952,895	2,937,891	State Aid	2,886,705	1,320,241	1,320,241
—	1,465	—	1,465	324	Capital Construction	—	1,050	1,050
3,042,297	4,570	–21,408	3,025,459	3,003,930	Total General Fund	2,975,455	1,409,544	1,409,544
5,158,094	6,458	129,409	5,293,961	5,285,138	Total Property Tax Relief Fund	6,104,138	7,976,023	7,976,023
8,200,391	***11,028***	***108,001***	***8,319,420***	***8,289,068***	***GRAND TOTAL***	***9,079,593***	***9,385,567***	***9,385,567***

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES – GENERAL FUND			
					Direct Educational Services and Assistance			
395	—	–57	338	338	Adult and Continuing Education	1,538	1,538	1,538
205	—	—	205	205	Bilingual Education	218	218	218
48	—	—	48	48	Special Education	53	53	53
648	—	*–57*	*591*	*591*	*Subtotal*	*1,809*	*1,809*	*1,809*
					Operation and Support of Educational Institutions			
2,899	21	—	2,920	2,846	Marie H. Katzenbach School for the Deaf	2,899	2,899	2,899
					Supplemental Education and Training Programs			
359	—	—	359	359	General Vocational Education	250	250	250
					Educational Support Services			
231	—	10	241	241	Educational Technology	247	247	247
27,138	—	–2,585	24,553	22,011	Educational Programs and Assessment	25,872	32,317	32,317
445	—	150	595	595	Grants Management	627	627	627
2,064	1,109	20	3,193	2,887	Professional Development and Licensure	2,391	2,714	2,714
5,996	1	71	6,068	6,066	Service to Local Districts	6,294	6,294	6,294
844	—	–141	703	703	Office of School Choice	617	617	617
120	—	—	120	120	Early Childhood Education	123	123	123
401	—	14	415	415	Pupil Transportation	425	425	425
371	—	–371	—	—	Abbott Implementation	—	—	—
2,993	1,678	—	4,671	3,454	Facilities Planning and School Building Aid	3,246	3,246	3,246
1,361	—	—	1,361	1,356	Health, Safety, and Community Services	1,348	1,348	1,348
41,964	*2,788*	*–2,832*	*41,920*	*37,848*	*Subtotal*	*41,190*	*47,958*	*47,958*

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					Education Administration and Management			
3,150	4	——	3,154	3,153	School Finance	3,239	3,239	3,239
2,339	——	–45	2,294	2,294	Compliance and Auditing	2,223	1,623	1,623
10,287	4	397	10,688	9,764	Administration and Support Services	11,596	11,596	11,596
15,776	*8*	*352*	*16,136*	*15,211*	*Subtotal*	*17,058*	*16,458*	*16,458*
61,646	***2,817***	***–2,537***	***61,926***	***56,855***	***Subtotal Direct State Services – General Fund***	***63,206***	***69,374***	***69,374***
61,646	***2,817***	***–2,537***	***61,926***	***56,855***	***TOTAL DIRECT STATE SERVICES***	***63,206***	***69,374***	***69,374***
					GRANTS–IN–AID – GENERAL FUND			
					Educational Support Services			
9,443	——	–620	8,823	8,510	Educational Programs and Assessment	10,544	11,379	11,379
——	——	350	350	350	Health, Safety, and Community Services	15,000	7,500	7,500
9,443	——	*–270*	*9,173*	*8,860*	*Subtotal*	*25,544*	*18,879*	*18,879*
9,443	——	***–270***	***9,173***	***8,860***	***Subtotal Grants–In–Aid – General Fund***	***25,544***	***18,879***	***18,879***
9,443	——	***–270***	***9,173***	***8,860***	***TOTAL GRANTS–IN–AID***	***25,544***	***18,879***	***18,879***
					STATE AID – GENERAL FUND			
					Direct Educational Services and Assistance			
1,431,441	——	650	1,432,091	1,431,441	General Formula Aid	1,098,227	497,089	497,089
101,352	288	–249	101,391	100,266	Nonpublic School Aid	104,118	100,118	100,118
5,746	——	100	5,846	5,648	Miscellaneous Grants–In–Aid	10,505	730	730
1,424	——	——	1,424	1,419	Adult and Continuing Education	211	211	211
——	——	——	——	——	Special Education	52,000	52,000	52,000
1,539,963	*288*	*501*	*1,540,752*	*1,538,774*	*Subtotal*	*1,265,061*	*650,148*	*650,148*
					Supplemental Education and Training Programs			
4,860	——	——	4,860	4,846	General Vocational Education	4,860	4,860	4,860
					Educational Support Services			
242,310	——	–2,452	239,858	235,064	Facilities Planning and School Building Aid	305,263	387,459	387,459
1,184,075	——	–16,650	1,167,425	1,159,207	Teachers' Pension and Annuity Assistance	1,311,521	277,774	277,774
1,426,385	——	*–19,102*	*1,407,283*	*1,394,271*	*Subtotal*	*1,616,784*	*665,233*	*665,233*
2,971,208	***288***	***–18,601***	***2,952,895***	***2,937,891***	***Subtotal State Aid – General Fund***	***2,886,705***	***1,320,241***	***1,320,241***
					STATE AID – PROPERTY TAX RELIEF FUND			
					Direct Educational Services and Assistance			
3,522,325	3,186	132,167	3,657,678	3,649,299	General Formula Aid	4,508,278	5,137,995	5,137,995
58,423	——	–100	58,323	58,312	Miscellaneous Grants–In–Aid	61,991	59,471	59,471
65,578	——	——	65,578	65,578	Bilingual Education	65,578	65,578	65,578
199,512	——	——	199,512	199,512	Programs for Disadvantaged Youths	199,512	199,512	199,512
948,420	——	——	948,420	948,420	Special Education	896,420	896,420	896,420
4,794,258	*3,186*	*132,067*	*4,929,511*	*4,921,121*	*Subtotal*	*5,731,779*	*6,358,976*	*6,358,976*
					Supplemental Education and Training Programs			
38,948	——	——	38,948	38,948	General Vocational Education	38,948	38,948	38,948

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					Educational Support Services			
17,337	3,272	–2,458	18,151	17,750	Office of School Choice	25,169	25,169	25,169
305,952	—	–200	305,752	305,720	Pupil Transportation	307,287	307,287	307,287
1,599	—	—	1,599	1,599	Facilities Planning and School Building Aid	955	775	775
—	—	—	—	—	Teachers' Pension and Annuity Assistance	—	1,244,868	1,244,868
324,888	*3,272*	*–2,658*	*325,502*	*325,069*	*Subtotal*	*333,411*	*1,578,099*	*1,578,099*
5,158,094	***6,458***	***129,409***	***5,293,961***	***5,285,138***	***Subtotal State Aid – Property Tax Relief Fund***	***6,104,138***	***7,976,023***	***7,976,023***
8,129,302	***6,746***	***110,808***	***8,246,856***	***8,223,029***	***TOTAL STATE AID***	***8,990,843***	***9,296,264***	***9,296,264***
					CAPITAL CONSTRUCTION			
					Operation and Support of Educational Institutions			
—	957	—	957	204	Marie H. Katzenbach School for the Deaf	—	—	—
					Education Administration and Management			
—	508	—	508	120	Administration and Support Services	—	1,050	1,050
—	***1,465***	—	***1,465***	***324***	***Subtotal Capital Construction***	—	***1,050***	***1,050***
8,200,391	***11,028***	***108,001***	***8,319,420***	***8,289,068***	***TOTAL APPROPRIATION***	***9,079,593***	***9,385,567***	***9,385,567***

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 promote local programs to improve the English and citizenship skills of foreign born adults.
4. 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 established policy regarding school desegregation, affirmative action and equality of opportunity for minorities and women.
5. To aid, administer, evaluate, and monitor educational programs for children and adults with educational disabilities, including those served by State and federal projects.
6. 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.
7. 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; and to assure suitable educational programs to residents of state institutions.

PROGRAM CLASSIFICATIONS

Since fiscal 2003, the school aid calculations described below as modified by the fiscal 2002 Appropriations Act have been used to establish a minimum level of funding that would be provided to a school district and have been modified to provide increases in some categories as outlined in the provisions of the annual Appropriations Act.

01. **General Formula Aid.** The Comprehensive Educational Improvement and Financing Act of 1996 established the basis for the aid that ensures the provision of the regular education portion of a thorough and efficient (T&E) education. The Act specifies the amount of money per pupil—the T&E amount—appropriate for delivering the Core Curriculum Content Standards under certain delivery and efficiency assumptions. In recognition of legitimate local differences in cost, a flexible amount of 5% is added to and subtracted from the T&E amount to determine the T&E range, or range of spending on regular education that will be supported by the State. The T&E amount represents the cost of educating a student in the elementary school (grades 1–5). The cost of educating a kindergarten pupil is 50% of the T&E amount, as the delivery and efficiency assumptions include a half–day kindergarten program. The cost for a middle school student (grades 6–8) is 4% higher, and for a high school student (grades 9–12), 11% higher.

A district's T&E budget for regular education of its resident pupils is determined by inflating its prior year per–pupil net T&E budget by the consumer price index, provided that the increase in the consumer price index is not less than 3 percent, and multiplying that amount by the district's weighted enrollment, and then subtracting out categorical aid for the budget year. If the result falls outside the T&E range, the T&E budget is then the top or bottom of the range, as appropriate. For the 31 poor urban districts known as Abbott districts, the T&E budget is the top of the T&E range, notwithstanding prior year spending.

a. Core Curriculum Standards Aid—Aid is provided to a district whose T&E 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, adjusting the result by the position of the district's T&E budget within the T&E range. The local fair share represents the local resources a district would have to appropriate in order to spend at the level of its T&E budget. A district may spend above its T&E budget level under a variety of circumstances, but its Core Curriculum Standards Aid would not increase. A district may appropriate less than its fair share without its Core Curriculum Standards Aid being reduced. However, all districts are required to appropriate a minimum local share. The determination of this required local share varies by type of district.

b. Supplemental Core Curriculum Standards Aid—A first component of Supplemental Core Curriculum Standards Aid is provided to a district with a high concentration of low–income pupils and an excessive burden on its property tax base, and is intended to offset a portion of the required local share. An Abbott district or district that falls within the Department of Education's District Factor Group A designation receives additional Supplemental Core Curriculum Standards Aid in the amount required to offset any tax increase that would be required to meet its required local share after consideration of other regular education aids. A second component of Supplemental Core Curriculum Standards Aid is provided to districts with high T&E tax rates after considering the first component of Supplemental Core Curriculum Standards Aid.

c. Stabilization Aid and Supplemental Stabilization Aid—Stabilization 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 the greater of 10% or the district's projected rate of growth in resident enrollment over the prebudget year, experiences an aid reduction to reach the limit; this reduction is reflected in its aid allocations. A district that experiences a loss in selected aids from the prebudget year receives stabilization aid to offset the amount of the loss. Supplemental stabilization aid is also provided to large efficient districts and to districts in communities with high concentrations of senior citizens.

d. Early Childhood Aid—Aid is provided to districts with a 20% or greater concentration of students from low income families, with a larger amount provided to districts with a 40% or greater concentration of low income pupils, for the purpose of providing preschool, full–day kindergarten, and other early childhood programs and services.

e. Consolidated Aid—Represents the consolidation and redistribution of distance learning network aid, adult high school/post graduate aid, and academic achievement rewards which along with additional supplemental funds are provided to districts on a per–pupil basis.

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. 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 Juvenile Justice Commission, and for whom a local school district of residence has not been identified.

c. Distance Learning Network Aid—Provided to all districts on a per–pupil basis for the purchase of computers, software and supplies, equipment, wiring, access fees, professional development, staffing, maintenance, and other uses that may be necessary for the establishment of effective distance learning networks.

d. Adult, Post Graduate, and Postsecondary Vocational Aid—State aid is distributed for pupils enrolled in approved adult high schools, post graduate programs and approved full–time postsecondary programs of county vocational schools.

e. Rewards and Recognition—This program was established by the Comprehensive Educational Improvement and Financing Act of 1996 to provide grants to districts with schools demonstrating high levels of achievement or significant gains in achievement on statewide tests.

04. **Adult and Continuing Education.** The activities in this program classification ensure that persons aged 16 or older who are no longer enrolled in school are provided with the opportunity to earn a New Jersey high school diploma through the General Education Development (GED) assessment process. In addition, the appropriation for the Evening School for the Foreign Born provides financial assistance to school districts for classes in English and in citizenship, with the State matching local funds to a maximum of $5,000 per school district in any one year (N.J.S.A. 18A:49–1 et seq.).

05. **Bilingual Education.** Categorical aid is provided to local districts for the additional costs of educating students of limited English proficiency. Technical assistance and program support are provided (N.J.S.A. 18A:35–15). Funds are provided to school districts with 20 or more students of limited English proficiency in any one language classification who are enrolled in approved bilingual programs, to districts with fewer than 20 students of limited English proficiency who are enrolled in an approved English as a Second Language program, and to districts operating other programs approved by the State Board of Education.

The Bureau of Bilingual Education administers, monitors, and evaluates State and federal 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.

06. **Programs for Disadvantaged Youths.** Federal and State 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. The Comprehensive Educational Improvement and Financing Act of 1996 established specific State aid programs for this purpose. Demonstrably Effective Program Aid (DEPA) is provided to schools with a 20% or greater concentration of students from low income families, with a larger amount provided to schools with a 40% or greater concentration of low income students. DEPA is provided to districts to fund a constellation of instruction, governance, health and social services programs in qualified schools. Schools in the Abbott districts are also permitted to expend these funds for implementation of whole school reform. Aid is provided on a per–enrolled pupil basis in the qualifying school. Instructional Supplement aid is provided to districts with a concentration of low income pupils equal to or greater than 5% but less than 20% on a per–low–income pupil basis, for the purpose of providing supplemental services.

07. **Special Education.** The Comprehensive Educational Improvement and Financing Act of 1996 established a four–tier

system for funding the additional costs incurred by districts in providing individualized educational programs to special education pupils in public and private school settings, and to non–classified pupils in certain State facilities. Pupils are aided in their district of residence. Pupils classified solely for speech correction services are considered in the T&E amount and aided through general formula aid and thus do not generate special education aid. Tier I aid is paid for students receiving related services such as, but not limited to, occupational therapy, physical therapy, speech and counseling. A classified pupil may generate aid for up to four services covered by Tier I aid, and classified pupils generating aid under other tiers are eligible for Tier I aid as well. Tier II pupils are pupils resident in the district not receiving Tier IV intensive services meeting the criteria for specific learning disability, traumatic brain injury or cognitive impairment, mild or educable mentally retarded and preschool disabled and all classified pupils receiving services pursuant to Chapter 46 of Title 18A in shared time county vocational programs in a county vocational school which does not have a full child study team. Tier III pupils are pupils resident in the district not receiving Tier IV intensive services meeting the criteria for cognitive impairment–moderate, orthopedically impaired, auditorily impaired, communication impaired, emotionally disturbed, multiply disabled, other health impaired, and visually impaired. Tier IV pupils are pupils resident in the district meeting the classification definitions for autistic and cognitive impairment–severe and other pupils who receive one or more of the following nine services that must be specified in the pupil's individualized education program: Individual Instruction, Pupil:Teacher–Aide Ratio of 3:1 or Less, High Level Assistive Technology, Extended School Year, Intensive Related Services, Interpreter Services, Personal Aide, Residential Placement for Educational Purposes and Individual Nursing Services.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
General Formula Aid				
Resident Enrollment	1,424,773	1,441,748	1,447,065	1,458,354
Support Per Pupil (Per State Expenditure/Appropriation and District Budgets)	$12,505	$13,234	$13,726	$14,184
Local	$6,702	$7,103	$7,077	$7,374
State	$5,344	$5,628	$6,133	$6,291
Federal	$459	$503	$516	$519
Percent Support Per Pupil				
Local	53.6%	53.7%	51.5%	52.0%
State	42.7%	42.5%	44.7%	44.3%
Federal	3.7%	3.8%	3.8%	3.7%
Enrollment as of October 15 (Pre–Budget Year)				
All Districts, Total	1,395,131	1,424,773	1,441,748	1,447,065
Kindergarten/Preschool	126,180	134,731	137,722	138,718
Elementary School (Grades 1–5)	474,159	470,886	466,528	461,671
Middle School (Grades 6–8)	273,743	277,674	278,105	276,422
High School (Grades 9–12)	304,626	314,981	326,032	333,547
Evening School, Post Graduate	12,405	13,592	13,366	12,045
Special Education	180,082	187,989	195,020	198,805
County Vocational	20,244	21,081	21,234	22,316
Students in State Facilities	3,692	3,839	3,741	3,541
Nonpublic School Aid				
Textbook Aid – Pupils Enrolled	203,239	195,543	190,970	190,970
Auxiliary Services Aid – Students Served	40,104	38,424	37,298	37,856
Handicapped Aid – Students Served	31,682	30,888	32,618	33,914
Nursing Services Aid – Pupils Enrolled	204,354	197,114	191,761	191,761
Adult and Continuing Education				
Adult Literacy				
Adults Enrolled	37,704	40,000	41,000	41,500
High School Equivalency				
Adults Enrolled	15,500	15,500	15,800	16,000
Adults Earning State Diplomas	8,500	8,500	8,800	8,800
Evening School for the Foreign Born				
Number of Programs	48	48	61	60
Aliens Enrolled	3,942	3,688	4,318	4,500
Bilingual Education				
Limited English Speaking Students Served	56,712	57,548	58,365	55,394

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Programs for Disadvantaged Youths				
Federal Title I				
Migrant Children Served	3,488	3,488	3,488	3,488
Disadvantaged Children Served	287,741	300,000	300,000	300,000
Students Eligible for Free Lunch/Free Milk				
All Districts	293,324	280,281	276,951	285,445
Abbott Districts	179,439	171,741	164,970	168,258
Special Education				
Enrollments				
Local Districts	173,203	181,238	188,217	192,140
Regional Day Schools	1,197	1,076	1,051	1,038
County Vocational Special Education	5,682	5,675	5,752	5,627
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	6	5	9	9
Federal (a)	78	85	84	110
All Other	1	1	1	2
Total Positions	85	91	94	121
Filled Positions by Program Class				
Adult and Continuing Education (a)	3	5	11	7
Bilingual Education	6	7	7	8
Programs for Disadvantaged Youths	5	1	2	16
Special Education	71	78	74	90
Total Positions	85	91	94	121

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) Pursuant to Reorganization Plan #001–2004 entitled "A Plan For the Transfer, Consolidation and Reorganization of the State's Workforce Development System Into the Department of Labor", Adult Basic Education Position Data is now reflected in the Department of Labor and Workforce Development.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
395	—	–57	338	338	Adult and Continuing Education	04	1,538	1,538	1,538
205	—	—	205	205	Bilingual Education	05	218	218	218
48	—	—	48	48	Special Education	07	53	53	53
648	—	***–57***	***591***	***591***	*Total Direct State Services*		***1,809*** (a)	***1,809***	***1,809***
					Distribution by Fund and Object				
					Personal Services:				
303	—	–57	246	246	Salaries and Wages		251	251	251
303	—	*–57*	*246*	*246*	*Total Personal Services*		*251*	*251*	*251*
21	—	—	21	21	Materials and Supplies		21	21	21
62	—	—	62	62	Services Other Than Personal		62	62	62
1	—	—	1	1	Maintenance and Fixed Charges		1	1	1
					Special Purpose:				
261	—	—	261	261	General Education Develop-ment – GED	04	1,474 (b)	1,474	1,474

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					STATE AID				
					Distribution by Fund and Program				
5,032,342	3,186	142,067	5,177,595	5,168,566	General Formula Aid	01	5,694,581	5,711,110	5,711,110
1,431,441	—	*650*	*1,432,091*	*1,431,441*	*(From General Fund)*		*1,098,227*	*497,089*	*497,089*
3,600,901	*3,186*	*141,417*	*3,745,504*	*3,737,125*	*(From Property Tax Relief Fund)*		*4,596,354*	*5,214,021*	*5,214,021*
101,352	288	–249	101,391	100,266	Nonpublic School Aid	02	104,118	100,118	100,118
64,169	—	—	64,169	63,960	Miscellaneous Grants–In–Aid	03	72,496	60,201	60,201
5,746	—	*100*	*5,846*	*5,648*	*(From General Fund)*		*10,505*	*730*	*730*
58,423	—	*–100*	*58,323*	*58,312*	*(From Property Tax Relief Fund)*		*61,991*	*59,471*	*59,471*
1,424	—	—	1,424	1,419	Adult and Continuing Education	04	211	211	211
65,578	—	—	65,578	65,578	Bilingual Education	05	65,578	65,578	65,578
65,578	—	—	*65,578*	*65,578*	*(From Property Tax Relief Fund)*		*65,578*	*65,578*	*65,578*
199,512	—	—	199,512	199,512	Programs for Disadvantaged Youths	06	199,512	199,512	199,512
199,512	—	—	*199,512*	*199,512*	*(From Property Tax Relief Fund)*		*199,512*	*199,512*	*199,512*
948,420	—	—	948,420	948,420	Special Education	07	948,420	948,420	948,420
—	—	—	—	—	*(From General Fund)*		*52,000*	*52,000*	*52,000*
948,420	—	—	*948,420*	*948,420*	*(From Property Tax Relief Fund)*		*896,420*	*896,420*	*896,420*
6,412,797	***3,474***	***141,818***	***6,558,089***	***6,547,721***	***Total State Aid***		***7,084,916***	***7,085,150***	***7,085,150***
1,539,963	*288*	*501*	*1,540,752*	*1,538,774*	*(From General Fund)*		*1,265,061*	*650,148*	*650,148*
4,872,834	*3,186*	*141,317*	*5,017,337*	*5,008,947*	*(From Property Tax Relief Fund)*		*5,819,855*	*6,435,002*	*6,435,002*
					Less:				
(73,576)	—	—	(73,576)	(73,576)	Stabilization Growth Limitation		(73,576)	(73,576)	(73,576)
(5,000)	—	(9,250)	(14,250)	(14,250)	Growth Savings – Payment Changes		(14,500)	(2,450)	(2,450)
(78,576)	—	***(9,250)***	***(87,826)***	***(87,826)***	***Total Deductions***		***(88,076)***	***(76,026)***	***(76,026)***
6,334,221	***3,474***	***132,568***	***6,470,263***	***6,459,895***	***Total State Appropriation***		***6,996,840***	***7,009,124***	***7,009,124***
					Distribution by Fund and Object				
					State Aid:				
—	—	650	650	—	State Aid Supplemental Funding	01	—	—	—
1,431,128	—	—	1,431,128	1,431,128	Core Curriculum Standards Aid	01	1,098,227	497,089	497,089
1,649,190	—	–734	1,648,456	1,648,456	Core Curriculum Standards Aid (PTRF)	01	1,982,091	2,583,229	2,583,229
251,768	—	—	251,768	251,768	Supplemental Core Curriculum Standards Aid (PTRF)	01	251,768	251,768	251,768
—	—	—	—	—	Additional Formula Aid (PTRF)	01	90,000	90,000	90,000
—	—	—	—	—	High Expectations for Learning Proficiency (PTRF)	01	17,000	—	—
330,630	—	—	330,630	330,630	Early Childhood Aid (PTRF)	01	330,630	330,630	330,630
—	—	—	—	—	Positive Achievement and Cost Effectiveness (PTRF)	01	2,500	—	—
15,621	—	—	15,621	15,621	Instructional Supple-ment (PTRF)	01	15,621	15,621	15,621
111,626	—	—	111,626	111,626	Stabilization Aid (PTRF)	01	111,626	111,626	111,626
5,250	—	—	5,250	5,250	Large Efficient District Aid (PTRF)	01	5,250	5,250	5,250
1,231	—	—	1,231	1,231	Aid for Districts with High Senior Citizen Popula-tions (PTRF)	01	1,231	1,231	1,231
2,491	—	—	2,491	2,491	Stabilization Aid 2 (PTRF)	01	2,491	2,491	2,491
11,402	—	—	11,402	11,402	Stabilization Aid 3 (PTRF)	01	11,402	11,402	11,402

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					STATE AID				
18,295	—	—	18,295	18,295	Regionalization Incentive Aid (PTRF)	01	18,295	18,295	18,295
130,127	—	—	130,127	130,127	Consolidated Aid (PTRF)	01	130,127	130,127	130,127
914,414	3,186	142,109	1,059,709	1,051,330	Education Opportunity Aid (PTRF) (d)(e)	01	1,298,414 102,052 S	1,449,495	1,449,495
142,400	—	42	142,442	142,442	Abbott Preschool Expansion Aid (PTRF)	01	182,400	192,400	192,400
—	—	—	—	—	Early Launch to Learning Initiative (PTRF)	01	15,000	4,000	4,000
16,456	—	—	16,456	16,456	Aid for Enrollment Adjustments (PTRF)	01	16,456	16,456	16,456
313	—	—	313	313	Formula Entitlement Amelioration Aid	01	—	—	—
—	—	—	—	—	Above Average Enrollment Growth (PTRF)	01	12,000	—	—
11,652	—	–6	11,646	11,645	Nonpublic Textbook Aid	02	12,271	12,271	12,271
27,536	—	3,698	31,234	30,497	Nonpublic Handicapped Aid	02	26,789	26,789	26,789
32,506 3,650 S	288	–3,839	32,605	32,535	Nonpublic Auxiliary Services Aid	02	34,912	34,912	34,912
3,436	—	393	3,829	3,512	Nonpublic Auxiliary/Handicapped Transportation Aid	02	3,610	3,610	3,610
13,954	—	–24	13,930	13,930	Nonpublic Nursing Services Aid	02	14,636	14,636	14,636
8,118	—	–221	7,897	7,897	Nonpublic Technology Initiative	02	7,900	7,900	7,900
250	—	–250	—	—	Seton Hall Prep – Expansion	02	—	—	—
250	—	—	250	250	St. Peter's Prep – Field Remediation	02	—	—	—
—	—	—	—	—	Nonpublic Capital Projects Aid	02	3,000	—	—
—	—	—	—	—	Settlement Music School	02	1,000	—	—
200	—	—	200	75	Emergency Fund	03	200	200	200
—	—	—	—	—	EIRC – P20 Program	03	125	—	—
450	—	—	450	450	Educational Information and Resource Center	03	450	450	450
200	—	—	200	200	East Brunswick High School Renovation and Equipment	03	—	—	—
66	—	—	66	23	Bridge Loan Interest and Approved Borrowing Cost	03	50	50	50
500	—	—	500	500	Swedesboro/Woolwich School District – Extraordinary Enrollment Aid	03	—	—	—
500	—	—	500	500	Chad School Foundation	03	—	—	—
17,217 5,735 S	—	—	22,952	22,952	Payments for Institutionalized Children – Unknown District of Residence (PTRF)	03	21,400 4,500 S	23,500	23,500
30	—	—	30	—	Community Relations Committee of the United Jewish Federation of Metrowest	03	30	30	30
—	—	—	—	—	North Bergen School District – Facilities Leasing	03	1,900	—	—
—	—	—	—	—	Lawrence Township (Mercer) School District Extraordinary Aid	03	750	—	—
1,500	—	—	1,500	1,500	School District Of Trenton – Security	03	1,500	—	—
—	—	100	100	100	Character Education	03	—	—	—
4,750	—	–100	4,650	4,642	Character Education (PTRF)	03	4,750	4,750	4,750
2,000	—	—	2,000	1,997	Teacher Quality Mentoring (PTRF)	03	2,500	2,500	2,500

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					STATE AID				
28,721	—	—	28,721	28,721	Adult and Postsecondary Education Grants (PTRF)	03	28,721	28,721	28,721
—	—	—	—	—	County Special Services Restoration Aid (PTRF)	03	120	—	—
—	—	—	—	—	Montclair Board of Education – Desegregation Aid	03	500	—	—
1,000	—	—	1,000	1,000	Montclair Board of Education – Minority Student Achievement Network	03	1,000	—	—
1,300	—	—	1,300	1,300	Englewood Implementation Aid	03	4,000	—	—
211	—	—	211	206	Evening School for the Foreign Born	04	211	211	211
1,213	—	—	1,213	1,213	High School Equivalency	04	— (b)	—	—
—	—	—	—	—	Adult Literacy (c)	04	—	—	—
65,578	—	—	65,578	65,578	Bilingual Education Aid (PTRF)	05	65,578	65,578	65,578
199,512	—	—	199,512	199,512	Demonstrably Effective Program Aid (PTRF)	06	199,512	199,512	199,512
896,420	—	—	896,420	896,420	Special Education Aid (PTRF)	07	896,420	896,420	896,420
—	—	—	—	—	Extraordinary Special Education Costs Aid	07	52,000	52,000	52,000
52,000	—	—	52,000	52,000	Extraordinary Special Education Costs Aid (PTRF)	07	—	—	—
					Less:				
(78,576)	—	*(9,250)*	*(87,826)*	*(87,826)*	*Deductions*		*(88,076)*	*(76,026)*	*(76,026)*
6,334,869	***3,474***	***132,511***	***6,470,854***	***6,460,486***	***Grand Total State Appropriation***		***6,998,649***	***7,010,933***	***7,010,933***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
—	312	—	312	312	Miscellaneous Grants–In–Aid	03	—	—	—
17,205	1,271	45	18,521	13,740	Bilingual Education	05	16,738	20,748	20,748
327,523					Programs for Disadvantaged				
539 S	26,370	–195	354,237	300,262	Youths	06	298,560	306,232	306,232
296,358	39,321	–861	334,818	285,582	Special Education	07	324,723	339,306	339,306
641,625	***67,274***	***–1,011***	***707,888***	***599,896***	***Total Federal Funds***		***640,021***	***666,286***	***666,286***
6,976,494	***70,748***	***131,500***	***7,178,742***	***7,060,382***	***GRAND TOTAL ALL FUNDS***		***7,638,670***	***7,677,219***	***7,677,219***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The fiscal year 2005 appropriation has been adjusted for the transfer of High School Equivalency to General Education Development–GED.

Notes — State Aid – General Fund

(b) The fiscal year 2005 appropriation has been adjusted for the transfer of High School Equivalency to General Education Development–GED.

(c) The fiscal 2004 data and the fiscal 2005 appropriation have been adjusted to reflect the transfer of Adult Literacy to the Department of Labor and Workforce Development.

Notes — State Aid – Property Tax Relief Fund

(d) The fiscal 2004 data has been adjusted to reflect the consolidation of Abbott v. Burke Parity Remedy and Additional Abbott v. Burke State Aid.

(e) The fiscal 2005 appropriation has been adjusted to reflect the consolidation of Education Access Aid and Education Opportunity Aid.

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 2005–2006 school year shall be: $1,225.00 for an initial

evaluation or reevaluation for examination and classification; $380.00 for an annual review for examination and classification; $930.00 for speech correction; and $826.00 for supplementary instruction 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 2005–2006 school year for the purposes of computing Nonpublic Auxiliary Services Aid shall equal $856.25.

Notwithstanding the provisions of section 9 of P.L.1991, c.226 (C.18A:40–31), the amount appropriated hereinabove 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, 2004 and the rate per pupil shall be $74.25.

Nonpublic Technology Initiative aid shall be paid to school districts and allocated for nonpublic school pupils at the rate of $40.00 per pupil in a manner that is consistent with the provisions of the federal and State constitutions.

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 any 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 appropriated hereinabove.

Language Recommendations — State Aid – Property Tax Relief Fund

Notwithstanding any other law or regulation to the contrary, the amount provided to each district from the amounts hereinabove appropriated for Consolidated Aid and Additional Formula Aid shall be included in the calculation of the spending growth limitation pursuant to section 5 of P.L.1996, c.138 (C.18A:7F–5).

The Commissioner of Education shall not authorize the disbursement of funds to any "Abbott district" until the commissioner is satisfied that all educational expenditures in the district will be spent effectively and efficiently in order to enable those students to achieve the core curriculum content standards. The commissioner shall be authorized to take any necessary action to fulfill this responsibility, including but not limited to, the adoption of regulations related to the receipt and/or expenditure of State aid by the "Abbott districts" and the programs, services and positions supported thereby. Notwithstanding any provision of P.L.1968, c.410 (C.52:14B–1 et seq.), any such regulations adopted by the commissioner shall be deemed adopted immediately upon filing with the Office of Administrative Law. In order to expeditiously fulfill the responsibilities of the commissioner under Abbott v. Burke, determinations by the commissioner hereunder shall be considered to be final agency action and appeal of that action shall be directly to the Appellate Division of the Superior Court.

Of the amount hereinabove appropriated for Education Opportunity Aid, an amount not to exceed $14,686,000, shall be transferred to the Department of Education's operating budget, subject to the approval of the Director of the Division of Budget and Accounting, for the purpose of managing and supervising implementation of Abbott remedies. In addition, the unexpended balance at the end of the preceding fiscal year, in the Education Opportunity Aid account is appropriated for the same purpose and with the same conditions as are applied to the fiscal year 2005 appropriation for this purpose.

The amount hereinabove appropriated for Education Opportunity Aid will provide resources to equalize spending between "I" and "J" districts and "Abbott districts," and provide aid to fund additional needs of "Abbott districts". Notwithstanding any other law to the contrary, Education Opportunity Aid shall be provided to each "Abbott district" whose per pupil regular education expenditure for 2005–2006 under P.L.1996, c.138 is below the estimated per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2005–2006. The minimum amount of aid shall be determined as follows: funds shall be allocated in the amount of the difference between each "Abbott district's" per pupil regular education expenditure for 2005–2006 and the actual per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2004–2005 indexed by the actual percentage increase in the per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2004–2005 over the per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2003–2004. In calculating the per pupil regular education expenditure of each "Abbott district" for 2005–2006, regular education expenditure shall equal the sum of the general fund tax levy for 2004–2005, Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid and all forms of stabilization aid pursuant to section 10 of P.L.1996, c.138 (C.18A:7F–10); enrollments shall initially be those resident enrollments for preschool through grade 12 contained on the Application for State School Aid for 2005–2006 indexed by the district's enrollment growth rate used to determine the estimated enrollments of October 2005; enrollments shall be calculated at their full–time equivalent and reduced by preschool and one half of full–day kindergarten enrollments. State aid shall be adjusted upon receipt of resident enrollment for the "Abbott districts" as of October 14, 2005 as reflected on the Application for State School Aid for 2006–2007. State aid shall also be adjusted based on the actual per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2005–2006. In calculating the actual per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2005–2006, regular education expenditure shall equal the sum of the general fund tax levy for 2005–2006, Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid and all forms of stabilization aid pursuant to section 10 of P.L.1996, c.138 (C.18A:7F–10); enrollments shall be the resident enrollment for preschool through grade 12 as of October 14, 2005 as reflected on the Application for State School Aid for 2006–2007; enrollments shall be calculated at their full–time equivalent and reduced by preschool and one half of full–day kindergarten enrollments in districts receiving Early Childhood Program Aid.

Of the amount hereinabove appropriated for Education Opportunity Aid, each "Abbott district's" initial allocation shall be the greater of the amount calculated in accordance with the provisions hereinabove for equalized spending or the district's 2004–2005 Education Opportunity Aid allocation, including any supplemental award.

The amount hereinabove appropriated for Education Opportunity Aid shall also be used for the following purposes: ensuring that every "Abbott district" is at parity; the incremental cost of opening new facilities as approved by the Commissioner of Education; and other education priorities as established by the commissioner, to be distributed in the form of grants. Awards for new facilities and approved grants are considered restricted and must be spent for the approved purpose and accounted for in a special revenue fund. Any "Abbott district" that fails to submit the required documentation or fails to submit its annual audit by November 15, 2005 may have its State aid withheld upon the commissioner's request to the Director of the Division of Budget and Accounting.

Notwithstanding any other law to the contrary, as a condition of receiving Education Opportunity Aid, an "Abbott district" shall examine all available group options for every insurance policy held by the district, including any self–insurance plan administered by the New Jersey School Boards Association Insurance Group on behalf of districts, and shall participate in the most cost effective plans. As a further condition, all "Abbott districts" shall take steps to maximize the district's participation in the federal Universal Service Program (E–rate) and the ACT telecommunications program offered through the New Jersey Association of School Business Administrators, shall participate in the ACES energy program offered through the New Jersey School Boards Association unless a district can demonstrate that it receives the goods or services at a cost less than or equal to the cost achieved by participants, and shall take appropriate steps to maximize the district's participation in the Special Education Medicaid Initiative (SEMI) program, with maximum participation defined by the Commissioner of Education and shall refinance all outstanding debt for which a three percent net present value savings threshold is achievable. An "Abbott district" that fails to meet any of these requirements may have payment of Education Opportunity Aid withheld until such time as these requirements are met. The commissioner is authorized to establish any additional condition on the disbursement of Education Opportunity Aid that the commissioner deems appropriate to ensure effective and efficient spending in the "Abbott districts."

Notwithstanding any other law to the contrary, as a condition of receiving Education Opportunity Aid, an "Abbott district" shall raise a general fund tax levy which shall be no less than the general fund tax levy of the prior year.

The amount appropriated hereinabove as Abbott Preschool Expansion Aid is for the purpose of funding the increase in the approved budgeted costs from 2001–2002 to 2005–2006 for the projected expansion of preschool programs in "Abbott districts" with "Abbott" status in 2001–2002. For any district receiving "Abbott" status after 2001–2002, the increase in approved budgeted costs for the purpose of funding will be based on the year "Abbott" status was obtained. Payments of Abbott Preschool Expansion Aid shall be based on documented expansion of the preschool program. Upon the Commissioner of Education's request, "Abbott districts" shall be required to provide such supporting documentation as deemed necessary to verify that the actual expansion in the preschool program has occurred in the 2005–2006 fiscal year. Such documentation may include expenditure, enrollment and attendance data that may be subject to an audit. Appropriate adjustments to a district's Abbott Preschool Expansion Aid amount may be made by the commissioner based on actual need.

From the amount appropriated hereinabove for the Early Launch to Learning Initiative, an amount not to exceed $325,000 shall be transferred to the Office of Early Childhood Education in direct state services for the support of two staff persons and related operational costs to administer the program, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the New Jersey Character Education Partnership Initiative shall be made available to school districts according to a formula to be administered by the Commissioner of Education which will assure that each district that elects to participate shall receive funding for at least one school. Of the amount appropriated hereinabove, up to $100,000 may be used to fund the costs of operating this program, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding any other law to the contrary, the amount of State aid made available to the Department of Human Services pursuant to "The State Facilities Education Act of 1979," P.L.1979, c.207 (C.18A:7B–1 et al.), to defray the costs of educating eligible children in approved private schools under contract with the Department of Human Services shall not exceed the actual costs of the education of those children in such private schools.

Notwithstanding any other law to the contrary, Special Education Aid for pupils classified as severe cognitive impairment shall be paid directly to the resident school district; provided however, that for pupils under contract for service in a regional day school operated by or under contract with the Department of Human Services, tuition shall be withheld and paid to the Department of Human Services.

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 needs 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 52 percent of the school's 228 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 will continue for its ninth year with a projected enrollment of 12 students. Nine residential pupils will participate for ten months. 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Marie H. Katzenbach School for the Deaf				
Annual Enrollment	209	214	226	228
Day Pupils	118	121	126	110
Residential Pupils	91	93	100	118
Gross Annual Cost Per Student	$52,368	$51,238	$52,606	$54,382
Annual Payments From Local School Boards				
For Regular Day Pupils	$28,475	$29,329	$30,209	$31,115
For Residential Pupils	$34,982	$36,031	$37,112	$38,225
Direct Annual State Support Per Student	$13,871	$13,299	$12,827	$12,715
Annual Graduates	19	21	24	27
Annual Graduates Enrolled in College	6	9	8	5
Annual Graduates Employed	13	12	16	22
Regional Schools for the Handicapped				
Annual Enrollment in Schools Operated Under Contract	1,197	1,076	1,051	1,038
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	20	27	23	25
Federal	13	14	14	14
All Other	153	163	166	170
Total Positions	186	204	203	209
Filled Positions by Program Class				
Marie H. Katzenbach School for the Deaf	174	191	188	194
Positive Learning Understanding Support Program	12	13	15	15
Total Positions	186	204	203	209

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and Revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
2,899	8,389	—	11,288	10,965	Marie H. Katzenbach School for the Deaf	12	11,889	12,399	12,399
2,899	*21*	—	*2,920*	*2,846*	*(From General Fund)*		*2,899*	*2,899*	*2,899*
—	*8,368*	—	*8,368*	*8,119*	*(From All Other Funds)*		*8,990*	*9,500*	*9,500*
—	892	—	892	797	Positive Learning Understanding Support Program	13	1,122	1,090	1,090
—	*892*	—	*892*	*797*	*(From All Other Funds)*		*1,122*	*1,090*	*1,090*
2,899	***9,281***	—	***12,180***	***11,762***	***Total Direct State Services***		***13,011***	***13,489***	***13,489***
					Less:				
—	(9,260)	—	(9,260)	(8,916)	All Other Funds		(10,112)	(10,590)	(10,590)
2,899	***21***	—	***2,920***	***2,846***	***Total State Appropriation***		***2,899***	***2,899***	***2,899***
					Distribution by Fund and Object				
					Personal Services:				
1,425	187 8,082 R	39	9,733	9,553	Salaries and Wages		10,126	10,565	10,565
1,425	*8,269*	*39*	*9,733*	*9,553*	*Total Personal Services*		*10,126*	*10,565*	*10,565*
815	11 243 R	–27	1,042	1,010	Materials and Supplies		1,401	1,440	1,440
193	93 43 R	–12	317	292	Services Other Than Personal		344	344	344
295	19 321 R	—	635	613	Maintenance and Fixed Charges		742	742	742
					Special Purpose:				
40	—	—	40	40	Transportation Expenses for Students	12	40	40	40
131	54 228 R	—	413	254	Additions, Improvements and Equipment		358	358	358
					Less:				
—	(9,260)	—	(9,260)	(8,916)	All Other Funds		(10,112)	(10,590)	(10,590)
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	957	—	957	204	Marie H. Katzenbach School for the Deaf	12	—	—	—
—	***957***	—	***957***	***204***	***Total Capital Construction***		—	—	—
					Distribution by Fund and Object				
					Marie H. Katzenbach School for the Deaf				
—	11	—	11	1	Re–roofing of Various Buildings	12	—	—	—
—	204	—	204	41	Fire Protection	12	—	—	—
—	209	—	209	88	Bathroom Renovations	12	—	—	—
—	177	—	177	72	Small Capital Projects Contingency	12	—	—	—
—	5	—	5	—	Upgrade Campus Lighting	12	—	—	—
—	351	—	351	2	Sprinkler Systems	12	—	—	—
2,899	***978***	—	***3,877***	***3,050***	***Grand Total State Appropriation***		***2,899***	***2,899***	***2,899***

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					OTHER RELATED APPROPRIATIONS				
___	*9,260*	___	*9,260*	*8,916*	*Total All Other Funds*		*10,112*	*10,590*	*10,590*
					Federal Funds				
854	107	___	961	487	Marie H. Katzenbach School for the Deaf	12	702	702	702
854	*107*	___	*961*	*487*	*Total Federal Funds*		*702*	*702*	*702*
3,753	*10,345*	___	*14,098*	*12,453*	*GRAND TOTAL ALL FUNDS*		*13,713*	*14,191*	*14,191*

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 other statute, in addition to the amount appropriated hereinabove to the Marie H. Katzenbach School for the Deaf for the 2005–2006 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 any law 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, vocational, and technical skills of vocational–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 vocational–technical students to support linkages between secondary and postsecondary vocational, technical, and career 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 vocational 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 occupational program administrative activities. To be eligible for these monies under the Carl D. Perkins Vocational 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 monies under the Perkins Act, New Jersey is required to provide a maintenance of effort equal to, or greater than, the amount of effort in the prior fiscal year. Failure to provide such maintenance of effort disqualifies a state from receipt of Perkins monies.

These combined funds allow the State to maintain, in cooperation with business, industry and labor, quality vocational education programs, by providing consultation, technical assistance, and regulatory services to public and private educational agencies.

The Department also develops new and innovative vocational, technical, and career education programs; provides in–service training for vocational teachers; conducts program evaluations; develops occupational competencies; provides administrative services for the Office of Vocational–Technical Career and Adult Programs; maintains liaison with agencies and personnel on the local, State, and federal levels; and develops the annual revisions of the State Plan for Vocational Education. These activities maximize educational opportunities and minimize costly duplication of effort.

General vocational education is paid (N.J.S.A. 18A:58–34 et seq.) to local school districts according to 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 vocational programs conducted under Public Law 101–392, subject to federal mandates requiring that special populations be given full opportunity to participate in vocational programs.

County Vocational Program Aid—Categorical aid is paid to county vocational school districts on a per pupil basis for all pupils enrolled in the district.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA [a]				
General Vocational Education				
Secondary Vocational Education				
Annual Enrollments	158,317	167,374	173,467	178,827
Annual Graduates or Completions	46,229	48,371	50,132	51,525
Annual Grade 11–12 Occupational Program Enrollments	72,154	75,843	79,023	82,634
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	6	4	6	5
Federal	18	18	15	26
All Other	2	—	—	1
Total Positions	26	22	21	32
Filled Positions by Program Class				
General Vocational Education	26	22	21	32
Total Positions	26	22	21	32

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and Revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) Pursuant to Reorganization Plan #001–2004 entitled "A Plan For the Transfer, Consolidation and Reorganization of the State's Workforce Development System Into the Department of Labor", Adult Basic Education Program Data is now reflected in the Department of Labor and Workforce Development.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & [S]Supple–mental	Reapp. & [R]Recpts.	Transfers & [E]Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
359	—	—	359	359	General Vocational Education	20	250	250	250
359	—	—	***359***	***359***	***Total Direct State Services***		***250*** [a]	***250***	***250***
					Distribution by Fund and Object				
					Personal Services:				
308	—	—	308	308	Salaries and Wages		199	199	199
308	—	—	*308*	*308*	*Total Personal Services*		*199*	*199*	*199*
26	—	—	26	26	Materials and Supplies		26	26	26
25	—	—	25	25	Services Other Than Personal		25	25	25
					STATE AID				
					Distribution by Fund and Program				
43,808	—	—	43,808	43,794	General Vocational Education	20	43,808	43,808	43,808
4,860	—	—	*4,860*	*4,846*	*(From General Fund)*		*4,860*	*4,860*	*4,860*
38,948	—	—	*38,948*	*38,948*	*(From Property Tax Relief Fund)*		*38,948*	*38,948*	*38,948*
43,808	—	—	***43,808***	***43,794***	***Total State Aid***		***43,808***	***43,808***	***43,808***

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					STATE AID				
4,860	—	—	*4,860*	*4,846*	*(From General Fund)*		*4,860*	*4,860*	*4,860*
38,948	—	—	*38,948*	*38,948*	*(From Property Tax Relief Fund)*		*38,948*	*38,948*	*38,948*
					Distribution by Fund and Object				
					State Aid:				
4,860	—	—	4,860	4,846	Vocational Education (b)	20	4,860	4,860	4,860
38,948	—	—	38,948	38,948	County Vocational Program Aid (PTRF)	20	38,948	38,948	38,948
44,167	—	—	*44,167*	*44,153*	*Grand Total State Appropriation*		*44,058*	*44,058*	*44,058*
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
24,998	3,188	37	28,223	25,534	General Vocational Education	20	25,257	25,257	25,257
24,998	*3,188*	*37*	*28,223*	*25,534*	*Total Federal Funds*		*25,257*	*25,257*	*25,257*
					All Other Funds				
—	557	—	557	2	General Vocational Education	20	217	217	217
—	*557*	—	*557*	*2*	*Total All Other Funds*		*217*	*217*	*217*
69,165	*3,745*	*37*	*72,947*	*69,689*	*GRAND TOTAL ALL FUNDS*		*69,532*	*69,532*	*69,532*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Notes — State Aid – General Fund

(b) The fiscal 2004 data has been adjusted to reflect the transfer of the Vocational Education Apprenticeship Program to the Department of Labor and Workforce Development.

30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT
34. EDUCATIONAL SUPPORT SERVICES

OBJECTIVES

1. To provide statewide coordination for the effective and efficient use of technology to enhance instruction for student achievement of the Core Curriculum Content Standards.
2. To ensure that all schools and districts meet State standards for a thorough and efficient system of education, pursuant to the Comprehensive Educational Improvement and Financing Act of 1996 and other laws and regulations.
3. To provide educational improvement and technical assistance to local school districts in the areas of needs assessment, planning, dissemination, diffusion, development, evaluation, and staff in–service training.
4. To provide curriculum leadership for local school districts in various instructional areas.
5. To establish curriculum frameworks, which can guide the districts' instructional decisions for schools and teachers in designing programs to meet the content standards in all subject areas.
6. To create comprehensive assessments that will measure students' progress toward achieving the new content standards.
7. To design and implement mandated professional development for teachers and school leaders to enable them to accomplish these new educational initiatives in schools and districts throughout the state.
8. To approve college teacher training programs based on professional standards and issue educational certificates upon verification of eligibility.
9. To provide oversight and guide implementation of the Charter School Program Act of 1995.
10. To ensure that young children are ready to learn the Core Curriculum Content Standards in all districts receiving Early Childhood Program Aid, including districts that have contracted services from Department of Human Services–licensed child care providers.
11. To provide technical and financial assistance for transportation of public and nonpublic students at minimum expense to the State and local school districts.
12. To ensure provision of suitable educational facilities in local school districts through inspections and financial assistance.
13. To assist the schools in understanding the comprehensive and challenging K–12 curriculum content areas and communicate the depth and scope of the standards and frameworks.
14. To maximize resources to support the Department's mission and priorities; to assure accountability for use of the Department's grant resources.
15. 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.

PROGRAM CLASSIFICATIONS

29. **Educational Technology.** Directs a number of projects to accelerate infusion of technology and infrastructure for statewide connectivity so that all students will have access to resources needed to achieve the Core Curriculum Content Standards. Coordinates planning and collaborative efforts with State agencies, the 21 county coordinating councils for technology, the Abbott Consortium for Technology, State and national professional organizations, higher education institutions, business/industry, libraries and projects that include working with the Educational Technology Training Centers on major educational technology initiatives. Coordinates a cooperative effort with the Schools Construction Corporation to guide appropriate technology planning and implementation in projects funded through the Educational Facilities Construction and Financing Act.

30. **Educational Programs and Assessment.** Coordinates the standards–based reform initiatives, oversees the revision and implementation of the Core Curriculum Content Standards, develops general curriculum frameworks, provides technical assistance to teachers and administrators, and identifies and promotes research–based programs to assist school improvement efforts in such areas as mathematics, language arts literacy (to include 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. Provides support for programmatic initiatives such as No Child Left Behind, the Statewide Systemic Initiative to Reform Mathematics, Science and Technology aligned to the Core Curriculum Content Standards and the Title II A, Teacher Quality grant program.

    To ensure greater equity in the quality of instruction across the State, curriculum frameworks have been developed in eight areas: the arts, health/physical education, language arts literacy, mathematics, science, social studies, world languages, and cross content workplace readiness standards (now the technological literacy and career education and consumer, family and life skills). To assist all students in achieving the high expectations of the standards, teachers must 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. The division is also responsible for overseeing the development of standards for teachers and administrators, professional development initiatives, the National Board for Professional Teaching Standards subsidy program and the State Action for Education Leadership Project (SAELP).

    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, already in place for grades 4 and 8, will be included in the high school assessment beginning in 2006. 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.

    Additionally, the division has a quality preparation initiative unit that will provide 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 division also administers 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 division also administers a program intended to increase the number of teachers in New Jersey schools as well as to ensure that all new teachers in the state are highly qualified. The program employs several strategies, 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.

31. **Grants Management.** Establishes and maintains systems to acquire, manage and distribute approximately $730 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 are designed to ensure efficiency, accountability and integrity in the management of the Department's subgrant funds. The Office of Grants Management provides assistance to program units in the development of requests for proposals, guidelines and applications. Specifically, this office coordinates application receipt, evaluation/review, and notifications; award management, contract modification, and carryover approvals; and audit controls including central file maintenance and public records. The Office of Grant Appeals and Funding Acquisition facilitates the Department's efforts to identify and obtain new resources, to coordinate or consolidate existing resources to support educational priorities, and to resolve appeals related to the grants management process.

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.); accelerated intervention of Level II districts, including an external team review and report and review and approval of corrective action plans and quarterly progress reports; review and approval of school district budgets for all districts receiving early childhood and demonstrably effective program aid, audits and spending growth limitation increases; 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 and regional offices, which also maintain liaison between the local school districts and the Department.

34. **Office of School Choice.** Responsible for the implementation and oversight of the Charter School Program Act of 1995, which 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. In addition, the office administers the Inter–district Public School Choice Program.

35. **Early Childhood Education.** Responsible for the oversight of early childhood education statewide, including the development, administration and implementation of early childhood education and coordination with other K–12 initiatives. The Office of Early Childhood Education coordinates policy, program development, and evaluation for early childhood education in accordance with State mandates. The office has developed Abbott Preschool Program Implementation Guidelines that provide instructions for districts on developing their program plans to assure accountability and implementation of early childhood programs. The office 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. **Pupil 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 efficient costs are based on per–pupil allocations for pupils with and without special transportation requirements, and adjusted for the average distance pupils reside from school, and an incentive factor.
37. **Abbott Implementation.** Created to bring together the Department's activities supporting the implementation of the Abbott v. Burke decisions, the Abbott Implementation Division will focus on high quality early childhood education for 3 and 4 year–olds that will ensure that every child will be reading at or above grade level by the end of third grade; 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 a data–driven accountability system; 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 the Education Law Center, 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 to improve efficiency and effectiveness of Abbott spending.

    The Abbott Implementation Division also oversees the three State–operated school districts (Newark, Paterson, and Jersey City), as well as Abbott–related activities of the Office of Early Childhood Education.
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 will be 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 and increased aid for local debt for school construction projects approved under the provisions of EFCFA.
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's status or teacher status prior to specified dates. Janitorial employees of local boards of education also are covered.
40. **Health, Safety, and Community Services.** Provides statewide leadership to assist 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, comprehensive health education, suicide prevention, school health services, HIV/AIDS education, family life education, bilingual education, character education, equal education opportunities, adult literacy, and basic skills.

    Holocaust and Genocide Education was mandated 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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Grants Management				
Discretionary Contracts Awarded Annually	599	381	381	450
Entitlement Contracts Awarded Annually	5,042	5,067	5,067	5,067
Professional Development And Licensure				
Annual Evaluations (Non–Issuance)	8,320	8,000	10,500	12,000
Certificates Awarded Annually	16,640	16,500	16,800	17,500
Academic Credentials Issued Annually	416	400	450	500
County Substitute Certificate Applications Received Annually	15,004	10,000	23,000	25,000
Certificates of Eligibility Issued Annually	14,460	14,000	15,600	16,500
Training Contracts Approved Annually	7,241	8,000	6,846	7,000
Annual Induction Evaluations	21,723	24,000	20,538	21,000
Service To Local Districts				
Needs Identified				
Districts Monitored Annually	125	147	150	148
School Level Objectives Approved Annually	4,500	4,500	4,500	4,500
Level II and Level III Monitors of School Districts Annually	9	9	9	9
Assistance Rendered				
Districts Certified Annually	73	62	70	69
Districts Conditionally Certified for One Year Annually	52	85	80	80
District Objectives Achieved Annually	4,300	4,300	4,300	4,300
Curriculum Assistance				
Staff Time Spent on Compliance Assistance	25%	25%	25%	25%
Staff Time Spent on Regulatory Functions	25%	25%	25%	25%
Staff Time Spent on Curriculum Assistance	25%	25%	25%	25%
Staff Time Spent on Program Improvement Assistance	25%	25%	25%	25%
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	303	316	320	354
Federal	62	74	71	80
All Other	1	1	—	—
Total Positions	366	391	391	434
Filled Positions by Program Class				
Educational Technology	5	5	4	4
Educational Programs and Assessment	64	91	98	99
Grants Management	23	34	32	35
Professional Development and Licensure	29	31	31	44
Service to Local Districts	89	79	81	85
Office of School Choice	16	10	10	9
Early Childhood Education	14	14	15	21
Pupil Transportation	7	6	6	6
Abbott Implementation	67	66	66	79
Facilities Planning and School Building Aid	35	32	29	33
Health, Safety, and Community Services	17	23	19	19
Total Positions	366	391	391	434

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and Revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
231	—	10	241	241	Educational Technology	29	247	247	247
27,138	—	–2,585	24,553	22,011	Educational Programs and Assessment	30	25,872	32,317	32,317
445	—	150	595	595	Grants Management	31	627	627	627
2,064	1,109	20	3,193	2,887	Professional Development and Licensure	32	2,391	2,714	2,714
5,996	1	71	6,068	6,066	Service to Local Districts	33	6,294	6,294	6,294
844	—	–141	703	703	Office of School Choice	34	617	617	617
120	—	—	120	120	Early Childhood Education	35	123	123	123
401	—	14	415	415	Pupil Transportation	36	425	425	425
371	—	–371	—	—	Abbott Implementation	37	—	—	—
2,993	1,678	—	4,671	3,454	Facilities Planning and School Building Aid	38	3,246	3,246	3,246
1,361	—	—	1,361	1,356	Health, Safety, and Community Services	40	1,348	1,348	1,348
41,964	***2,788***	***–2,832***	***41,920***	***37,848***	***Total Direct State Services***		***41,190*** (a)	***47,958***	***47,958***
					Distribution by Fund and Object				
					Personal Services:				
14,924	1,078 1,395 R	–267	17,130	14,974	Salaries and Wages		14,573 709 S	15,605	15,605
—	—	—	—	1,129	Employee Benefits		—	—	—
14,924	*2,473*	*–267*	*17,130*	*16,103*	*Total Personal Services*		*15,282*	*15,605*	*15,605*
441	—	–64	377	311	Materials and Supplies		425	425	425
1,349 2,500 S	297	–46	4,100	3,727	Services Other Than Personal		1,335	1,335	1,335
54	7	–6	55	43	Maintenance and Fixed Charges		52	52	52
					Special Purpose:				
55	—	—	55	55	Improved Basic Skills/Special Review Assessment	30	55	—	—
13,225	—	—	13,225	12,405	Statewide Assessment Program	30	16,225	23,225	23,225
135	—	—	135	126	Professional Development – Recruitment	30	135	135	135
100	—	—	100	100	Virtual Academy	30	—	—	—
52	—	—	52	52	Continuing Education	30	152	152	152
8,250	—	–2,085	6,165	4,452	Governor's Literacy Initiative	30	6,650	6,650	6,650
500	—	–500	—	—	Teacher Preparation	30	500	—	—
244	—	—	244	244	New Jersey Commission on Holocaust Education	40	244	244	244
135	—	—	135	130	Commission on Italian American Heritage Cultural and Educational Programs	40	135	135	135
—	11	136	147	100	Additions, Improvements and Equipment		—	—	—
					GRANTS–IN–AID				
					Distribution by Fund and Program				
9,443	—	–620	8,823	8,510	Educational Programs and Assessment	30	10,544	11,379	11,379
—	—	350	350	350	Health, Safety, and Community Services	40	15,000	7,500	7,500
9,443	—	***–270***	***9,173***	***8,860***	***Total Grants–in–Aid***		***25,544***	***18,879***	***18,879***

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					GRANTS–IN–AID				
					Distribution by Fund and Object				
					Special Purpose:				
—	—	—	—	—	Social Promotion Initiative	30	—	1,500	1,500
1,654	—	—	1,654	1,654	Governor's School	30	1,929	1,929	1,929
6,100	—	—	6,100	6,100	Liberty Science Center – Educational Services	30	6,100	6,100	6,100
—	—	—	—	—	Summer Academy for Professional Development	30	1,000	750	750
589	—	–170	419	365	Teacher Recruitment	30	415	—	—
750	—	–275	475	342	Governor's Literacy Initiative	30	750	750	750
350	—	–175	175	49	Teacher Preparation	30	350	350	350
—	—	300	300	300	Child Care Centers	40	—	—	—
—	—	20	20	20	Chinese Language Programs	40	—	—	—
—	—	20	20	20	Environmental Educators	40	—	—	—
—	—	—	—	—	New Jersey After 3	40	15,000	7,500	7,500
—	—	10	10	10	Alliance for New Jersey Parent Teacher Association	40	—	—	—
					STATE AID				
					Distribution by Fund and Program				
17,337	3,272	–2,458	18,151	17,750	Office of School Choice	34	25,169	25,169	25,169
17,337	*3,272*	*–2,458*	*18,151*	*17,750*	*(From Property Tax Relief Fund)*		*25,169*	*25,169*	*25,169*
305,952	—	–200	305,752	305,720	Pupil Transportation	36	307,287	307,287	307,287
305,952	—	*–200*	*305,752*	*305,720*	*(From Property Tax Relief Fund)*		*307,287*	*307,287*	*307,287*
243,909	—	–2,452	241,457	236,663	Facilities Planning and School Building Aid	38	306,218	388,234	388,234
242,310	—	*–2,452*	*239,858*	*235,064*	*(From General Fund)*		*305,263*	*387,459*	*387,459*
1,599	—	—	*1,599*	*1,599*	*(From Property Tax Relief Fund)*		*955*	*775*	*775*
1,184,075	—	–16,650	1,167,425	1,159,207	Teachers' Pension and Annuity Assistance	39	1,311,521	1,522,642	1,522,642
1,184,075	—	*–16,650*	*1,167,425*	*1,159,207*	*(From General Fund)*		*1,311,521*	*277,774*	*277,774*
—	—	—	—	—	*(From Property Tax Relief Fund)*		—	*1,244,868*	*1,244,868*
1,751,273	***3,272***	***–21,760***	***1,732,785***	***1,719,340***	***Total State Aid***		***1,950,195***	***2,243,332***	***2,243,332***
1,426,385	—	*–19,102*	*1,407,283*	*1,394,271*	*(From General Fund)*		*1,616,784*	*665,233*	*665,233*
324,888	*3,272*	*–2,658*	*325,502*	*325,069*	*(From Property Tax Relief Fund)*		*333,411*	*1,578,099*	*1,578,099*
					Distribution by Fund and Object				
					State Aid:				
6,537	—	—	6,537	6,537	School Choice (PTRF)	34	7,969	7,969	7,969
5,500	3,272	–2,657	6,115	5,714	Charter School Aid (PTRF)	34	10,500 1,200 S	11,700	11,700
5,300	—	199	5,499	5,499	Charter Schools – Council on Local Mandates Decision Offset Aid (PTRF)	34	5,500	5,500	5,500
305,652	—	—	305,652	305,652	Transportation Aid (PTRF)	36	307,187	307,187	307,187
300	—	–200	100	68	School Bus Crossing Arms (PTRF)	36	100	100	100
1,599	—	—	1,599	1,599	School Building Aid Debt Service (PTRF)	38	955	775	775
129,101	—	–2,500	126,601	126,601	School Building Aid	38	121,272	119,679	119,679
107,350 5,859 S	—	48	113,257	108,463	School Construction & Renovation Fund	38	183,991	267,780	267,780
424,035	—	—	424,035	415,883	Teachers' Pension and Annuity Fund – Post Retirement Medical	39	524,979	—	—

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					STATE AID				
—	—	—	—	—	Teachers' Pension and Annuity Fund – Post Retirement Medical (PTRF)	39	—	589,118	589,118
—	—	—	—	—	Teachers' Pension and Annuity Fund	39	—	94,516	94,516
611,143	—	–16,650	594,493	594,427	Social Security Tax	39	624,750	—	—
—	—	—	—	—	Social Security Tax (PTRF)	39	—	655,750	655,750
1	—	—	1	1	Minimum Pension for Pre–1955 Retirees	39	1	1	1
65,384	—	—	65,384	65,384	Post Retirement Medical Other Than TPAF	39	82,012	96,317	96,317
83,512	—	—	83,512	83,512	Debt Service on Pension Obligation Bonds	39	79,779	86,940	86,940
1,802,680	***6,060***	***–24,862***	***1,783,878***	***1,766,048***	***Grand Total State Appropriation***		***2,016,929***	***2,310,169***	***2,310,169***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
15,000	3,231	—	18,231	15,614	Educational Technology	29	13,670	13,670	13,670
98,316 611 S	5,960	362	105,249	90,051	Educational Programs and Assessment	30	99,301	97,201	97,201
2,160	567	699	3,426	1,019	Grants Management	31	3,120	3,120	3,120
159 S	—	—	159	5	Professional Development and Licensure	32	—	—	—
2,003	264	–384	1,883	611	Service to Local Districts	33	1,736	1,736	1,736
240	10	—	250	123	Office of School Choice	34	207	207	207
—	1,752	—	1,752	1,752	Facilities Planning and School Building Aid	38	—	—	—
28,050	3,922	–143	31,829	25,088	Health, Safety, and Community Services	40	33,902	31,814	31,814
146,539	***15,706***	***534***	***162,779***	***134,263***	***Total Federal Funds***		***151,936***	***147,748***	***147,748***
					All Other Funds				
—	60 76 R	—	136	91	Educational Technology	29	—	—	—
—	4,215 769 R	—	4,984	1,111	Educational Programs and Assessment	30	51	51	51
—	2,716 921 R	—	3,637	3	Professional Development and Licensure	32	523	1,400	1,400
—	2,118 R	—	2,118	2,118	Early Childhood Education	35	2,280	2,610	2,610
—	8,506 R	—	8,506	8,506	Abbott Implementation	37	11,892	11,586	11,586
—	—	—	—	—	Facilities Planning and School Building Aid	38	698	906	906
—	77 107 R	250	434	361	Health, Safety, and Community Services	40	290	290	290
—	***19,565***	***250***	***19,815***	***12,190***	***Total All Other Funds***		***15,734***	***16,843***	***16,843***
1,949,219	***41,331***	***–24,078***	***1,966,472***	***1,912,501***	***GRAND TOTAL ALL FUNDS***		***2,184,599***	***2,474,760***	***2,474,760***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program, which includes $248,000 in appropriated receipts.

Language Recommendations — Direct State Services – General Fund

From the amount appropriated hereinabove for the Governor's Literacy Initiative, the sum of $300,000 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 appropriated hereinabove for the Governor's Literacy Initiative, such additional sums as are necessary to fund grant agreements with eligible school districts for the continuation of reading coach services may be transferred to the Governor's Literacy Initiative account in grants–in–aid, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts from the State Board of Examiners' fees in excess of those anticipated, and the unexpended balances of such receipts at the end of the preceding fiscal year, are appropriated for the operation of the Professional Development and Licensure programs.

The unexpended balance at the end of the preceding fiscal year, in the inspection of school construction account and receipts in excess of the amount anticipated, are appropriated for the operation of the school construction inspection program.

Language Recommendations — Grants–In–Aid – General Fund

The amount appropriated hereinabove for the Governor's School is payable to the seven Governor's Schools: The College of New Jersey – Governor's School of the Arts, The Richard Stockton College of New Jersey – Governor's School on the Environment, Monmouth University – Governor's School of Public Issues, Drew University – Governor's School in the Sciences, Ramapo College of New Jersey – Governor's School of International Studies, Rutgers, The State University, Camden – Governor's School for Business Education and Rutgers, The State University – Governor's School of Engineering and Technology.

The amount hereinabove appropriated for the Liberty Science Center—Educational Services shall be used to provide educational services to students in the "Abbott districts" in the science education component of the core curriculum content standards as established by law.

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 appropriated hereinabove 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 2005–2006 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 2003–2004 principal and interest amounts and the amounts allocated and paid in 2003–2004.

Notwithstanding the provisions of section 9 of P.L.2000, c.72 (C.18A:7G–9), for the purpose of calculating a district's State debt service aid, "DAP x 1.15" shall not be less than 40%. Notwithstanding the provisions of section 10 of P.L.2000, c.72 (C.18A:7G–10), for the purposes of calculating aid, CCSAID will be equal to the district's core curriculum standards aid calculated pursuant to section 15 of P.L.1996, c.138 (C.18A:7F–15) for fiscal 2002 and TEBUD shall be equal to the district's T&E budget calculated pursuant to subsection d. of section 13 of P.L.1996, c.138 (C.18A:7F–13) for fiscal 2002.

Of the amount hereinabove appropriated for School Construction and Renovation Fund, an amount equal to the total earnings of investments of the School Fund shall first be charged to such fund.

In addition to the sum hereinabove appropriated 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.

Notwithstanding any provision of law to the contrary, in addition to the amount hereinabove appropriated for the Teachers' Pension and Annuity Fund, there is hereby appropriated an amount as determined by the State Treasurer to fund the pension cost contribution by the State to the Teachers' Pension and Annuity Fund, payment for which shall be credited against amounts on deposit in the benefit enhancement fund created pursuant to N.J.S.18A:66–16.

Such additional sums as may be required for Post Retirement Medical Other Than TPAF are appropriated, as the Director of the Division of Budget and Accounting shall determine.

Language Recommendations — State Aid – Property Tax Relief Fund

Notwithstanding any law to the contrary, amounts appropriated hereinabove for Charter School aid shall be used to distribute aid to any charter school which operates a full–day kindergarten program and which is located in an "Abbott district" in accordance with the formula contained in section 1 of P.L.1999, c.385, except that "KPP" which is defined therein as the amount paid by the district to the charter school for each kindergarten pupil pursuant to section 12 of P.L.1995, c.426 (C.18A:36A–12), shall be the sum of the amount paid by the district and the State to the charter school for each kindergarten pupil; when a charter school's district of residence is an "Abbott district," to distribute an amount equal to the difference between the per pupil T&E amount for a given grade level and the program budget of an "Abbott district" when that "Abbott district's" program budget is below the T&E amount; to distribute $40 for each student enrolled in the charter school; and to distribute aid to charter schools pursuant to the provisions of subsection d. of section 12 of P.L.1995, c.426 (C.18A:36A–12).

Notwithstanding the provisions of section 12 of P.L.1995, c.426 (C.18A:36A–12) and any other provision to the contrary, if necessary, the State shall pay on behalf of a resident district an amount not to exceed the difference between the district's 2005–2006 total actual charter school payment and the estimated appropriations used in completing the school district's 2004–2005 budget as stated in the 2004–2005 Potential Charter School Aid notification letter.

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.

Notwithstanding the provisions of section 2 of P.L.1981, c.57 (C.18A:39–1a) and any other law or provision to the contrary, the maximum amount of nonpublic school transportation costs per pupil provided for in N.J.S.18A:39–1 shall equal $771.

For any school district receiving amounts from the amount appropriated hereinabove 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.

Notwithstanding the provisions of section 2 of P.L.1996, c.96 (C.39:3B–1.2) and section 3 of P.L.1996, c.96 (C.39:3B–1.3) or any other law or regulation to the contrary, the amount appropriated hereinabove for School Bus Crossing Arms shall be provided to the owners of newly manufactured vehicles equipped with a crossing control arm with a manufacture date of 2004 or later, as noted on the vehicle registration, upon submission to the Department of Education of a complete application for reimbursement within one year of the vehicle purchase date.

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.

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; and 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.

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 general administrative support services including printing, mail, personnel, administrative services, payroll, budget and accounting, and information processing.

    Additional responsibilities include providing support for the State Board of Education, monitoring public funds and programs designed to benefit pupils in nonpublic schools, and assisting the Commissioner in developing policy positions on legislative initiatives.

    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.

    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 and hears appeals from the Commissioner's decisions on controversies and disputes. Numerous citizens' councils are formally established to provide advice to the Department in specific areas of responsibility.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
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	50	50	50	50
Annual Monitoring of Private Schools for the Disabled	16	30	30	30
Annual Audits of Title I Funds	44	40	35	40
Annual Grant Audits	13	26	26	26

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	70	66	70	70
Male Minority %	7.3	7.0	7.4	7.4
Female Minority	190	192	195	195
Female Minority %	19.8	20.4	20.7	20.7
Total Minority	260	258	265	265
Total Minority %	27.0	27.4	28.1	28.1
Position Data				
Filled Positions by Funding Source				
State Supported	164	170	167	173
Federal	45	46	47	49
All Other	23	28	28	31
Total Positions	232	244	242	253
Filled Positions by Program Class				
School Finance	44	45	44	46
Compliance and Auditing	26	26	24	26
Administration and Support Services	162	173	174	181
Total Positions	232	244	242	253

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and Revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
3,150	4	—	3,154	3,153	School Finance	42	3,239	3,239	3,239
2,339	—	–45	2,294	2,294	Compliance and Auditing	43	2,223	1,623	1,623
10,287	4	397	10,688	9,764	Administration and Support Services	99	11,596	11,596	11,596
15,776	***8***	***352***	***16,136***	***15,211***	***Total Direct State Services***		***17,058*** [a]	***16,458***	***16,458***
					Distribution by Fund and Object				
					Personal Services:				
11,931	—	352	12,283	12,283	Salaries and Wages		13,131	13,131	13,131
11,931	—	*352*	*12,283*	*12,283*	*Total Personal Services*		*13,131*	*13,131*	*13,131*
300	—	–94	206	206	Materials and Supplies		300	300	300
1,092	—	66	1,158	1,158	Services Other Than Personal		1,092	1,092	1,092
67	—	—	67	67	Maintenance and Fixed Charges		67	67	67
					Special Purpose:				
74	—	—	74	74	Educational Facilities Construction – Finance	42	—	—	—
562 S	—	—	562	562	Internal Auditing	43	600 S	—	—
50	—	—	50	50	State Board of Education Expenses	99	50	50	50
1,500	—	—	1,500	578	Student Registration and Record System	99	1,500	1,500	1,500
68	—	—	68	68	Affirmative Action and Equal Employment Opportunity Program	99	68	68	68
—	—	—	—	—	Efficiency and Effectiveness Study	99	250	250	250

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					DIRECT STATE SERVICES				
132	—	—	132	132	Educational Facility Construction Financing – Technology Administration	99	—	—	—
—	8	28	36	33	Additions, Improvements and Equipment		—	—	—
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	508	—	508	120	Administration and Support Services	99	—	1,050	1,050
—	***508***	—	***508***	***120***	***Total Capital Construction***		—	***1,050***	***1,050***
					Distribution by Fund and Object				
					Division of Administration				
—	78	—	78	17	Roof Replacement and HVAC Repairs, Regional Day Schools	99	—	—	—
—	—	—	—	—	Health and Life Safety Projects	99	—	450	450
—	430	—	430	103	Fire Sprinkler Systems, Various Regional Day Schools	99	—	600	600
15,776	***516***	***352***	***16,644***	***15,331***	***Grand Total State Appropriation***		***17,058***	***17,508***	***17,508***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
—	196	240	436	244	School Finance	42	385	385	385
421	150	–1	570	202	Compliance and Auditing	43	187	187	187
5,881	1,631	61	7,573	5,893	Administration and Support Services	99	5,552	5,552	5,552
6,302	***1,977***	***300***	***8,579***	***6,339***	***Total Federal Funds***		***6,124***	***6,124***	***6,124***
					All Other Funds				
—	160 R	—	160	160	School Finance	42	221	218	218
—	9 194 R	45	248	240	Compliance and Auditing	43	323	302	302
—	18	—	18	18	Administration and Support Services	99	—	—	—
—	***381***	***45***	***426***	***418***	***Total All Other Funds***		***544***	***520***	***520***
22,078	***2,874***	***697***	***25,649***	***22,088***	***GRAND TOTAL ALL FUNDS***		***23,726***	***24,152***	***24,152***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

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 cost of operation.

In addition to the amount appropriated, such sums as may be necessary for the Department of Education to conduct comprehensive compliance investigations are appropriated, subject to the recommendation of the Commissioner of Education and the approval of the Director of the Division of Budget and Accounting.

Additional sums as may be necessary for the Department of Education in preparation for implementation of P.L.1987, c.399 (C.18A:7A–34 et seq.) are appropriated, subject to the recommendation of the Commissioner of Education and the approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee or its successor.

Additional sums as may be necessary for the Department of Education for the cost of the internal audit function in a State–operated school district pursuant to section 8 of P.L. 1987, c.399 (C.18A:7A–41) are appropriated, subject to the recommendation of the Commissioner of Education and the approval of the Director of the Division of Budget and Accounting.

DEPARTMENT OF EDUCATION

Language Recommendations — Direct State Services – General Fund

Of the amount appropriated hereinabove 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 — Grants–In–Aid – 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 Fiscal Year 2006 Governor's Budget Message first shall be charged to the State Lottery Fund.

Notwithstanding any other provision of law or this act 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 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 revenues into the Property Tax Relief Fund, providing unrestricted balances are available from the General Fund, as determined by the Director of the Division of Budget and Accounting.

Notwithstanding any other law or regulation to the contrary, each district shall receive no less of a total State aid amount payable for the 2005–2006 school year than the sum of the district's total State aid amount payable for the 2004–2005 school year for the following aid categories: Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid, Early Childhood Program Aid, Instructional Supplement Aid, Demonstrably Effective Program Aid, Stabilization Aid, Stabilization Aid 2, Stabilization Aid 3, Large Efficient District Aid, Aid for Districts with High Senior Citizen Populations, Regionalization Incentive Aid, Adult and Postsecondary Education Grants, Bilingual Education Aid, Special Education Aid, County Vocational Program Aid, Transportation Aid, School Choice, Consolidated Aid, Additional Formula Aid and Aid for Enrollment Adjustments, taking into consideration the June 2005 payment made in July 2005.

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), five percent of the total payments to local districts for Education Opportunity Aid, Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid, Special Education, Transportation, Early Childhood programs, Demonstrably Effective programs, Instructional Supplement, Bilingual, County Vocational Educational program, other aid pursuant to P.L.1996, c.138, School Choice, Consolidated Aid and Additional Formula Aid, as provided by the Department of Education to the local school districts for the 2005–2006 school year in the 2005–06 General Fund and Special Revenue Fund State Aid Payments Schedule, shall be paid on the 8th and 22nd of each month from September through June, with the last school aid payment being subject to the approval of the State Treasurer.

From the amounts hereinabove, such sums as are required to satisfy delayed June 2005 school aid payments are appropriated and the State Treasurer is hereby authorized to make such payment in July 2005.

Notwithstanding any other law 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.

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.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

OVERVIEW

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, sustain economic growth, and preserve and enhance the quality of life for all New Jersey citizens and future generations.

The Department strives toward its mission by: employing a decision–making process that is open, comprehensive, timely, predictable and efficient; developing and enforcing reasonable, clear, and scientifically based standards to protect human health, the environment, and natural resources; protecting the 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 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 five environmental areas: Natural Resource Management, Science and Technical Programs, 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 the following in–but–not–of agencies: the Palisades Interstate Park Commission, the Highlands Water Protection and Planning Council, and the Pinelands Commission.

Budget Highlights

The Fiscal 2006 Budget for the Department of Environmental Protection (DEP), excluding Debt Service, totals $318.2 million, a decrease of $60.9 million or 19.1% under the fiscal 2005 adjusted appropriation of $379.1 million. This is primarily attributable to the decrease in the Corporation Business Tax dedication of $32.8 million and the elimination of $18.6 million in grants to municipalities and other entities, which includes the appropriations for Stormwater Management Grants, Statewide Livable Communities, Local Tire Management and Waterloo Village. The remaining reductions in Direct State Services are due to the elimination of non–recurring supplementals and technical funding shifts. Funding for Payment in Lieu of Taxes (PILOT) increased $500,000 from the fiscal 2005 adjusted appropriation of $8.5 million.

Parks and Forestry

This Budget recommends a total of $33 million to maintain the 39 parks, eleven forests, three recreation areas, and 57 historic sites and districts overseen by the Division of Parks and Forestry. The Board of Public Utilities continues its commitment for the Urban Forest Energy Efficiency Initiative with $5 million in fiscal 2006, which will assist in planting over 100,000 trees across New Jersey.

Shore Protection, Flood Control, and Dam Repair

The Fiscal 2006 Budget continues to provide $25 million for shore protection projects from the Realty Transfer Fee dedication. These funds will leverage up to $56 million in federal funds and $7.2 million in local funds for beach replenishment projects. The projects planned for fiscal 2006 include beach fills at Belmar to Manasquan, Delaware Bay, Port Monmouth, Lower Cape May Meadows, Absecon Island, Townsend Inlet/Cape May Inlet, Brigantine Island, Asbury Park to Deal, Cape May City, Long Branch, and Keansburg.

Funding for flood control projects in fiscal 2006 will total $4.1 million. While this funding represents a decrease of $3.1 million from fiscal 2005, it is sufficient to fully leverage federal funds available for flood projects ($27.3 million). Projects planned include the Ramapo River, Green Brook, Mill Brook, Molly Ann Brook, Manish Park, South River, Harrison/Passaic River, Mahwah/Suffern River and Saddle River.

Although this Budget does not appropriate any funding for dam repairs, in 2003 voters approved a $200 million bond act that will provide up to $95 million for loans or other forms of assistance to owners of private dams to finance the costs of dam restoration and repair projects. A total of $15 million will be allocated to the Department to finance the restoration of State–owned dams. State flood control projects will receive $25 million, and $15 million will be available for dredging, restoration projects, and cleaning and desnagging projects for privately owned lakes and streams. This bond act also authorizes $50 million for water resource or wastewater treatment projects.

Corporation Business Tax

The constitutional dedication of 4% of the annual revenue raised from the State's Corporation Business Tax (CBT) continues to provide funds to finance the cleanup of privately owned underground storage tanks, remediation of contaminated sites, watershed monitoring and planning, and the Department's administrative costs.

According to current CBT revenue projections, the Department will receive $71.8 million from the CBT dedication in fiscal 2006. This is a decrease of $32.8 million from fiscal 2005 funding levels. For fiscal 2006, $29.4 million will be dedicated to the clean–up of hazardous waste sites, a decrease of $15.9 million from fiscal 2005. Funding for the remediation of private underground storage tanks and loans and grants for site remediation will total $23.9 million, a decrease of $10.9 million from fiscal 2005. Funding available for administrative costs associated with the clean–up of hazardous sites will decrease $500,000 from fiscal 2005 to $6.5 million in fiscal 2006. Watershed Management program funding will decrease from $17.4 million in fiscal 2005 to $12 million in fiscal 2006, a decrease of $5.5 million. Funding for stormwater grants will no longer be provided in fiscal 2006.

Department Accomplishments

This year, the Department worked to pass the landmark legislation that will preserve almost 400,000 environmentally sensitive acres in the Highlands region, a source of clean drinking water for more than five million of New Jersey's residents. Among the most significant environmental legacies in New Jersey in a generation, these protections will be managed by the Highlands Water Protection and Planning Council that will develop a master plan over the next two years to accommodate growth in the region while protecting critical water supplies and natural resources. In addition, the Department announced the creation of three new State parks in urban areas of Trenton, Paterson, and River Edge (Bergen County), along with plans for a national design competition to assist in the parks' development.

The Department began implementing several initiatives proposed the previous year, placing New Jersey at the national forefront of water policy. The Department adopted the most comprehensive stormwater control regulations in the country, including establishment of 300–foot buffers around more than 6,000 miles of the state's highest quality waterways. In addition, the Department also adopted a new standard, effective in 2006, for arsenic in drinking water that is half the contaminant level permitted by federal law. Finally, the Department adopted protections for another 600 miles of

high–quality waterways that provide drinking water and serve as critical wildlife habitat.

Continuing efforts to protect New Jersey's communities from toxics, the State developed an interdepartmental Environmental Justice Task Force to help State agencies address the disproportionate impacts of pollution on low–income areas and communities of color. In addition, the Department adopted new regulations reducing mercury emissions from New Jersey's coal–fired power plants, iron and steel melters, and waste incinerators by 90 percent by the end of 2007. The Department continued programs expediting cleanups of contaminated sites, certifying consultants to oversee cleanup at low–risk sites, thereby freeing departmental resources to focus on sites posing greater environmental concerns. In addition, the State boosted investment in brownfield remediation by almost 40 percent, providing $45 million up front with ongoing funding of $15 – 20 million a year for future investments in redevelopment.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
219,133	27,271	5,821	252,225	236,091	Direct State Services	225,524	216,636	216,636
9,250	4,416	3,468	17,134	7,818	Grants–In–Aid	16,250	—	—
4,255	4	—	4,259	4,237	State Aid	12,372	10,072	10,072
140,074	60,217	–5,780	194,511	100,614	Capital Construction	116,453	82,463	82,463
68,053	5	–3,840	64,218	63,180	Debt Service	63,240	28,943	28,943
440,765	91,913	–331	532,347	411,940	Total General Fund	433,839	338,114	338,114
10,453	—	–300	10,153	10,129	Total Property Tax Relief Fund	8,500	9,000	9,000
451,218	***91,913***	***–631***	***542,500***	***422,069***	***GRAND TOTAL***	***442,339***	***347,114***	***347,114***

SUMMARY OF APPROPRIATIONS BY PROGRAM

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES – GENERAL FUND			
					Natural Resource Management			
6,650	—	–2	6,648	6,645	Forest Resource Management	6,921	6,921	6,921
35,375	1,387	–22	36,740	36,247	Parks Management	37,789	37,822	37,822
13,045	688	1,904	15,637	14,908	Hunters' and Anglers' License Fund	13,177	12,500	12,500
1,310	—	55	1,365	1,364	Shellfish and Marine Fisheries Management	1,416	1,416	1,416
348	34	—	382	338	Wildlife Management	348	314	314
1,523	1	2,504	4,028	3,975	Natural Resources Engineering	1,597	1,597	1,597
2,214	—	—	2,214	2,212	Palisades Interstate Park Commission	2,414	2,414	2,414
60,465	*2,110*	*4,439*	*67,014*	*65,689*	*Subtotal*	*63,662*	*62,984*	*62,984*
					Science and Technical Programs			
6,733	886	–45	7,574	7,426	Water Supply	7,769	7,769	7,769
—	—	—	—	—	Smart Growth Permitting	4,500	—	—
—	—	7	7	5	Water Monitoring and Standards	—	—	—
8,450	1,086	–97	9,439	9,434	Land Use Regulation	12,123	12,174	12,174
2,986	66	–19	3,033	3,031	Science, Research and Technology	3,097	3,097	3,097
—	—	—	—	—	New Jersey Geological Survey	—	—	—
17,267	6,327	–540	23,054	18,492	Environmental Remediation and Monitoring	11,440	11,963	11,963
—	7	549	556	556	Watershed Management	—	—	—
35,436	*8,372*	*–145*	*43,663*	*38,944*	*Subtotal*	*38,929*	*35,003*	*35,003*
					Site Remediation and Waste Management			
8,700	1	–289	8,412	8,345	Solid and Hazardous Waste Management	9,128	8,064	8,064
30,164	12,216	—	42,380	41,338	Remediation Management and Response	30,489	30,489	30,489

Year Ending June 30, 2004						2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended			Requested	Recom–mended
12,560	2,163	—	14,723	8,079	Environmental Remediation and Monitoring	6,960	6,460	6,460
51,424	*14,380*	*–289*	*65,515*	*57,762*	*Subtotal*	*46,577*	*45,013*	*45,013*
					Environmental Regulation			
6,034	874	242	7,150	7,110	Radiation Protection	7,768	6,840	6,840
16,391	828	5	17,224	17,026	Air Pollution Control	17,046	17,230	17,230
7,586	2	20	7,608	7,595	Water Pollution Control	7,974	7,974	7,974
2,908	1	–318	2,591	2,591	Public Wastewater Facilities	3,082	3,082	3,082
32,919	*1,705*	*–51*	*34,573*	*34,322*	*Subtotal*	*35,870*	*35,126*	*35,126*
					Environmental Planning and Administration			
2,153	1	511	2,665	2,664	Regulatory and Governmental Affairs	2,275	2,275	2,275
17,705	1	520	18,226	18,185	Administration and Support Services	18,074	17,600	17,600
19,858	*2*	*1,031*	*20,891*	*20,849*	*Subtotal*	*20,349*	*19,875*	*19,875*
					Compliance and Enforcement			
5,371	—	–5	5,366	4,107	Air Pollution Control	5,039	4,439	4,439
2,232	—	60	2,292	2,287	Pesticide Control	2,357	2,357	2,357
5,868	3	87	5,958	5,958	Water Pollution Control	6,124	5,824	5,824
1,805	683	–112	2,376	2,340	Land Use Regulation	2,573	1,972	1,972
3,755	16	–194	3,577	3,577	Solid and Hazardous Waste Management	4,044	4,043	4,043
—	—	1,000	1,000	256	Environmental Remediation and Monitoring	—	—	—
19,031	*702*	*836*	*20,569*	*18,525*	*Subtotal*	*20,137*	*18,635*	*18,635*
219,133	***27,271***	***5,821***	***252,225***	***236,091***	***Subtotal Direct State Services – General Fund***	***225,524***	***216,636***	***216,636***
219,133	***27,271***	***5,821***	***252,225***	***236,091***	***TOTAL DIRECT STATE SERVICES***	***225,524***	***216,636***	***216,636***
					GRANTS–IN–AID – GENERAL FUND			
					Natural Resource Management			
—	3	—	3	—	Forest Resource Management	—	—	—
3,250	—	1,218	4,468	4,421	Parks Management	10,250	—	—
—	4,413	1,700	6,113	—	Natural Resources Engineering	—	—	—
3,250	*4,416*	*2,918*	*10,584*	*4,421*	*Subtotal*	*10,250*	—	—
					Science and Technical Programs			
—	—	300	300	300	Water Monitoring and Standards	—	—	—
6,000	—	—	6,000	2,847	Environmental Remediation and Monitoring	6,000	—	—
6,000	—	*300*	*6,300*	*3,147*	*Subtotal*	*6,000*	—	—
					Environmental Planning and Administration			
—	—	250	250	250	Administration and Support Services	—	—	—
9,250	***4,416***	***3,468***	***17,134***	***7,818***	***Subtotal Grants–In–Aid – General Fund***	***16,250***	—	—
9,250	***4,416***	***3,468***	***17,134***	***7,818***	***TOTAL GRANTS–IN–AID***	***16,250***	—	—
					STATE AID – GENERAL FUND			
					Site Remediation and Waste Management			
—	—	—	—	—	Solid and Hazardous Waste Management	2,300	—	—

Year Ending June 30, 2004						2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended			Requested	Recom–mended
					Environmental Planning and Administration			
4,255	4	—	4,259	4,237	Administration and Support Services	6,619	6,619	6,619
					Compliance and Enforcement			
—	—	—	—	—	Water Pollution Control	3,453	3,453	3,453
4,255	***4***	**—**	***4,259***	***4,237***	***Subtotal State Aid – General Fund***	***12,372***	***10,072***	***10,072***
					STATE AID – PROPERTY TAX RELIEF FUND			
					Environmental Planning and Administration			
8,000	—	–300	7,700	7,682	Administration and Support Services	8,500	9,000	9,000
					Compliance and Enforcement			
2,453	—	—	2,453	2,447	Water Pollution Control	—	—	—
10,453	—	***–300***	***10,153***	***10,129***	***Subtotal State Aid – Property Tax Relief Fund***	***8,500***	***9,000***	***9,000***
14,708	***4***	***–300***	***14,412***	***14,366***	***TOTAL STATE AID***	***20,872***	***19,072***	***19,072***
					CAPITAL CONSTRUCTION			
					Natural Resource Management			
—	9,539	—	9,539	6,587	Parks Management	4,000	—	—
—	2,389	—	2,389	731	Hunters' and Anglers' License Fund	—	—	—
—	11	—	11	—	Shellfish and Marine Fisheries Management	—	—	—
—	158	—	158	14	Wildlife Management	—	—	—
36,294	20,392	–5,280	51,406	35,570	Natural Resources Engineering	32,233	29,106	29,106
—	478	500	978	247	Palisades Interstate Park Commission	—	—	—
36,294	*32,967*	*–4,780*	*64,481*	*43,149*	*Subtotal*	*36,233*	*29,106*	*29,106*
					Site Remediation and Waste Management			
103,780	27,234	–1,000	130,014	57,465	Environmental Remediation and Monitoring	80,220	53,357	53,357
					Environmental Regulation			
—	3	—	3	—	Air Pollution Control	—	—	—
					Environmental Planning and Administration			
—	13	—	13	—	Administration and Support Services	—	—	—
140,074	***60,217***	***–5,780***	***194,511***	***100,614***	***Subtotal Capital Construction***	***116,453***	***82,463***	***82,463***
383,165	***91,908***	***3,209***	***478,282***	***358,889***	***TOTAL APPROPRIATION***	***379,099***	***318,171***	***318,171***

40. COMMUNITY DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT
42. NATURAL RESOURCE MANAGEMENT

OBJECTIVES

1. To provide recreational, historic, natural and interpretive facilities.
2. To develop recreational lands and facilities, located in balance with population distribution.
3. To regulate the recreational use of public lands and minimize natural resource damage.
4. To provide safe marina facilities, navigational aids, and other services to the boating public.
5. To provide the financial assistance and engineering technology that minimizes potential loss of life and property damage due to flooding.
6. 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.
7. To manage fish and wildlife resources of the state for long–term biological, economic and recreational viability.

8. 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 on or threatening 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 products 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 39 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.** Develops, maintains, dredges and marks navigation channels on 200 miles of tidal inland waterways and large State–controlled lakes for the safety and protection of the boating public and industries. Provides financial assistance to local governments with the construction of groins, jetties, bulkheads, sea walls, and beach replenishment under the shore protection program, carries out various dam safety inspections, and administers flood control and harbor cleanup programs.
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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Forest Resource Management				
Fires (annual)	1,180	1,800	1,800	1,800
Acres lost (annual)	3,893	10,500	10,500	10,500
Acres of prescribed burning	5,667	15,000	20,000	20,000
Parks Management				
State parks and forests				
Total visitors	14,800,000	15,000,000	15,200,000	15,300,000
Total revenue	4,216,000	5,300,000	5,350,000	5,400,000
Historic sites				
Visitors	390,000	380,000	390,000	400,000
Revenue	36,952	—— [a]	60,000	65,000

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Hunters' and Anglers' License Fund				
Trout propagated and distributed	770,000	770,000	770,000	770,000
Pheasants reared at game farms	55,000	55,000	60,000	60,000
Other fish propagated and distributed	1,250,000	1,900,000	1,900,000	1,900,000
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	988	992	985	1,023
Federal	6	4	4	5
All Other	17	18	18	18
Total Positions	1,011	1,014	1,007	1,046
Filled Positions by Program				
Forest Resource Management	107	110	110	121
Parks Management	594	579	572	586
Hunters' and Anglers' License Fund	197	206	203	204
Shellfish and Marine Fisheries Management	35	39	45	43
Wildlife Management	21	19	15	13
Natural Resources Engineering	57	61	62	79
Total Positions	1,011	1,014	1,007	1,046

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December, and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) The two revenue generating historic sites, Batsto Mansion and Barnegat Lighthouse, were closed for repairs during fiscal 2004.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
6,650	——	–2	6,648	6,645	Forest Resource Management	11	6,921	6,921	6,921
35,375	1,387	–22	36,740	36,247	Parks Management	12	37,789	37,822	37,822
13,045	688	1,904	15,637	14,908	Hunters' and Anglers' License Fund	13	13,177	12,500	12,500
1,310	——	55	1,365	1,364	Shellfish and Marine Fisheries Management	14	1,416	1,416	1,416
348	34	——	382	338	Wildlife Management	20	348	314	314
1,523	1	2,504	4,028	3,975	Natural Resources Engineering	21	1,597	1,597	1,597
2,214	——	——	2,214	2,212	Palisades Interstate Park Commission	24	2,414	2,414	2,414
60,465	***2,110***	***4,439***	***67,014***	***65,689***	***Total Direct State Services***		***63,662*** (a)	***62,984***	***62,984***
					Distribution by Fund and Object				
					Personal Services:				
40,064 245 S	571	6,426	47,306	43,913	Salaries and Wages		43,820 678 S	42,681	42,681
——	——	——	——	2,675	Employee Benefits		2,487	2,776	2,776
40,309	*571*	*6,426*	*47,306*	*46,588*	*Total Personal Services*		*46,985*	*45,457*	*45,457*
4,824	14	–561	4,277	4,277	Materials and Supplies		3,344	3,856	3,856
2,679	91	125	2,895	2,879	Services Other Than Personal		2,167	2,260	2,260
3,579	11	–597	2,993	2,991	Maintenance and Fixed Charges		2,823	3,156	3,156
					Special Purpose:				
1,759	——	–1	1,758	1,755	Fire Fighting Costs	11	1,759	1,759	1,759
——	1,363 R	–1,019	344	——	Parks Management	12	——	——	——

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
4,683	—	—	4,683	4,562	Green Acres / Open Space Administration	12	4,683	4,683	4,683
11	—	—	11	11	Liberty State Park Commission	12	11	11	11
108	—	68	176	176	Natural Lands Trust	12	114	114	114
3	—	–3	—	—	Natural Areas Council	12	3	3	3
79	—	—	79	79	Wildlife Monitoring – West Nile Virus	20	79	79	79
269	34 R	—	303	259	Endangered Species Tax Check–Off Donations	20	269	235	235
—	—	353	353	352	Bayshore Flood Control	21	—	—	—
1,254	—	–6	1,248	1,247	Dam Safety	21	1,319	1,319	1,319
908	26	–346	588	513	Additions, Improvements and Equipment		106	52	52
					GRANTS–IN–AID				
					Distribution by Fund and Program				
—	3	—	3	—	Forest Resource Management	11	—	—	—
3,250	—	1,218	4,468	4,421	Parks Management	12	10,250	—	—
—	4,413	1,700	6,113	—	Natural Resources Engineering	21	—	—	—
3,250	***4,416***	***2,918***	***10,584***	***4,421***	***Total Grants–in–Aid***		***10,250***	—	—
					Distribution by Fund and Object				
					Grants:				
—	3	—	3	—	Statewide Community Forestry Program	11	—	—	—
3,250	—	1,218	4,468	4,421	Statewide Livable Communities	12	10,000	—	—
—	—	—	—	—	Waterloo Village	12	250	—	—
—	3	—	3	—	Barnegat Bulkhead Project	21	—	—	—
—	2	—	2	—	Ocean Gate Bulkhead Project	21	—	—	—
—	1,283	600	1,883	—	High Hazard Dams Grant/Loan	21	—	—	—
—	1,195	—	1,195	—	Hurricane Floyd Damaged Dams Grant/Loans	21	—	—	—
—	1,914 16 R	1,100	3,030	—	Significant Hazard Dams Grants/Loans	21	—	—	—
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	9,539	—	9,539	6,587	Parks Management	12	4,000	—	—
—	2,389	—	2,389	731	Hunters' and Anglers' License Fund	13	—	—	—
—	11	—	11	—	Shellfish and Marine Fisheries Management	14	—	—	—
—	158	—	158	14	Wildlife Management	20	—	—	—
36,294	20,392	–5,280	51,406	35,570	Natural Resources Engineering	21	32,233	29,106	29,106
—	478	500	978	247	Palisades Interstate Park Commission	24	—	—	—
36,294	***32,967***	***–4,780***	***64,481***	***43,149***	***Total Capital Construction***		***36,233***	***29,106***	***29,106***
					Distribution by Fund and Object				
					Bureau of Parks				
—	—	—	—	—	Parks Improvements	12	2,000	—	—
—	—	—	—	—	Liberty Science Center	12	2,000	—	—
—	4,277	610	4,887	4,167	Historic Preservation/Renovation – Buildings, Structures and Monuments	12	—	—	—
—	214	–60	154	59	Sanitary Facilities	12	—	—	—
—	21	—	21	18	Picnic Area Rehabilitation – Various State Parks & Forests	12	—	—	—

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					CAPITAL CONSTRUCTION				
—	49	—	49	15	Barnegat Lighthouse Exterior Coating	12	—	—	—
—	260	—	260	198	Liberty State Park – Liberty Walkway	12	—	—	—
—	35	—	35	—	Delaware River Recreational Path, Frenchtown to Milford	12	—	—	—
—	27	—	27	—	Shore Stabilization – Cape May Point	12	—	—	—
—	43	—	43	—	Belleplain State Park – Water Supply Improvement	12	—	—	—
—	80	—	80	—	ADA Development – Statewide	12	—	—	—
—	197	—	197	95	Buildings – Rehabilitation and Renovation	12	—	—	—
—	550	–482	68	67	Site Areas/Facilities – Development, Rehabilitation and Repair	12	—	—	—
—	120	–68	52	31	Administrative/Maintenance Facilities–Renovation, Rehabilitation & Maintenance	12	—	—	—
—	27	—	27	27	Asbestos Removal	12	—	—	—
—	226	—	226	186	Overnight Facilities – Development, Rehabilitation, Improvement and Repair	12	—	—	—
—	22	—	22	2	Recreational Areas – Development, Rehabilitation, Improvement and Repair	12	—	—	—
—	8	—	8	—	Day Use Areas – Development, Rehabilitation, Improvement and Repair	12	—	—	—
—	11	—	11	2	Demolition of Unused Structures	12	—	—	—
—	2,008	—	2,008	726	Dam Repairs and Inspections	12	—	—	—
—	413	—	413	355	Health, Safety and Environmental Compliance	12	—	—	—
—	73	—	73	32	Road, Bridge and Parking Area Repairs	12	—	—	—
—	20	—	20	—	Open Space – Local Match	12	—	—	—
—	25	—	25	25	Waterloo Village Urgent Needs	12	—	—	—
—	652	—	652	557	Liberty State Park	12	—	—	—
—	71	—	71	—	Liberty State Park, Boring and Testing	12	—	—	—
—	29	—	29	25	Underground Storage Tanks	12	—	—	—
—	81	—	81	—	Liberty State Park, Caven Point Pier Renovations	12	—	—	—
					Palisades Interstate Park Commission				
—	134	—	134	61	Sanitary Facilities – Various Locations	24	—	—	—
—	2	—	2	2	Parkway Improvements	24	—	—	—
—	126	—	126	11	Bridge and Pedestrian Overpass Repairs	24	—	—	—
—	216	—	216	153	Building Life/Safety and Code Compliance – Repairs	24	—	—	—
—	—	500	500	20	Shore Protection Structures Repairs	24	—	—	—
					Division of Fish and Wildlife				
—	2,344	—	2,344	731	Dam Repair, Maintenance and Renovation	13	—	—	—
—	1	—	1	—	Pequest Road Repair	13	—	—	—
—	7	—	7	—	Dioxin Disposal – Freshwater Fisheries Lab	13	—	—	—
—	13	—	13	—	Pequest Hatchery Water Treatment	13	—	—	—
—	24	—	24	—	Roof Replacement – Fish Hatchery	13	—	—	—

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					CAPITAL CONSTRUCTION				
—	12	—	12	—	Wildlife Management Roof Replacement	20	—	—	—
—	98	—	98	—	Storage Buildings – Wildlife Management – Regional	20	—	—	—
—	48	—	48	14	Demolition of Unused Structures	20	—	—	—
					Shellfish and Marine Fisheries Management				
—	11	—	11	—	Marine Fisheries Field Office Improvements	14	—	—	—
					Natural Resources Engineering				
25,000	16,214	–2,705	38,509	26,138	Shore Protection Fund Projects	21	25,000	25,000	25,000
8,294	764	–325	8,733	7,947	HR–6 Flood Control	21	7,233	4,106	4,106
—	414	–300	114	—	High Hazard Dams	21	—	—	—
—	3,000	–1,550	1,450	—	Dam, Lake and Stream Project Fund	21	—	—	—
3,000	—	–400	2,600	1,485	Dam Repairs	21	—	—	—
100,009	***39,493***	***2,577***	***142,079***	***113,259***	***Grand Total State Appropriation***		***110,145***	***92,090***	***92,090***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
3,634 222 S	1,364	1	5,221	2,227	Forest Resource Management	11	4,529	5,055	5,055
36,237 246 S	–917	—	35,566	1,978	Parks Management	12	37,164	37,867	37,867
11,494 649 S	1,270	—	13,413	4,148	Hunters' and Anglers' License Fund	13	12,452	12,305	12,305
2,955 468 S	566	—	3,989	1,863	Shellfish and Marine Fisheries Management	14	3,985	3,505	3,505
1,331	—	—	1,331	743	Wildlife Management	20	1,330	1,630	1,630
290	189	—	479	232	Natural Resources Engineering	21	290	390	390
57,526	***2,472***	***1***	***59,999***	***11,191***	***Total Federal Funds***		***59,750***	***60,752***	***60,752***
					All Other Funds				
—	4,465 4,220 R	—	8,685	828	Forest Resource Management	11	2,236	5,307	5,307
—	1,803 7,748 R	9	9,560	2,936	Parks Management	12	4,056	4,317	4,317
—	10,037 186 R	–1,698	8,525	2,253	Hunters' and Anglers' License Fund	13	330	185	185
—	1,191 661 R	126	1,978	879	Shellfish and Marine Fisheries Management	14	345	320	320
—	449 380 R	32	861	682	Wildlife Management	20	439	338	338
—	733 1,390 R	—	2,123	—	Natural Resources Engineering	21	6,250	6,250	6,250
—	2,286 3,930 R	—	6,216	3,536	Palisades Interstate Park Commission	24	3,727	3,728	3,728
—	***39,479***	***–1,531***	***37,948***	***11,114***	***Total All Other Funds***		***17,383***	***20,445***	***20,445***
157,535	***81,444***	***1,047***	***240,026***	***135,564***	***GRAND TOTAL ALL FUNDS***		***187,278***	***173,287***	***173,287***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program, which includes $205,000 in appropriated receipts.

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 any other law 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 $205,000, 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.

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.

The amount hereinabove for the Hunters' and Anglers' License Fund is payable out of that Fund and any amount remaining therein and the unexpended balance at the end of the preceding fiscal year 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 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 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 at the end of the preceding fiscal year, in the Endangered Species Tax Check–Off Donations account, 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 $2,376,000 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 $436,000 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 $397,000 is allocated from the capital construction appropriation for Shore Protection Fund Projects for the operation and maintenance of the Bayshore Flood Control facility.

An amount not to exceed $161,000 is allocated from the Dam, Lake, Stream Bond Fund–Flood Control account in accordance with the Dam, Lake, Stream and Wastewater Treatment Project Bond Act of 2003, P.L 2003, c.162, for costs attributable to flood control, subject to the approval of the Director of the Division of Budget and Accounting.

An amount not to exceed $390,000 is allocated from the Dam, Lake, Stream Bond Fund–Dam Safety account in accordance with the Dam, Lake, Stream and Wastewater Treatment Project Bond Act of 2003, P.L. 2003, c.162, for costs attributable to dam safety, subject to the approval of the Director of the Division of Budget and Accounting.

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

Notwithstanding the provisions of P.L.1954, c.48 (C.52:34–6 et seq.), of the amounts appropriated for improvements in State parks, the Department of Environmental Protection may enter into a contract with the Waterloo Foundation for the Arts for improvements to existing State–owned structures or for the construction of new facilities at Waterloo Village.

The amount hereinabove appropriated for Shore Protection Fund Projects is payable from the receipts of the portion of the realty transfer tax 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.

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 DEP. To serve as 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, 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 water quality standards, wastewater management, point and nonpoint source pollution control and the restoration of aquatic habitats.

PROGRAM CLASSIFICATIONS

05. **Water Supply.** Administers 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.

06. **Smart Growth Permitting.** The Division of Smart Growth, created pursuant to P.L.2004, c.89, provides for the expediting of certain State permits in smart growth areas and provides for the creation of expedited permit mechanisms, such as permits–by–rule and general permits. The Department is required to determine the completeness of each application and take action on those permits on an expedited basis (generally within 45 days).

07. **Water Monitoring and Standards.** Conducts ambient statewide freshwater quality monitoring (rivers and streams, lake and ground water), ambient marine surface water quality monitoring, biological monitoring, and targeted assessments in support of Total Maximum Daily Load (TMDL) and New Jersey Pollutant Discharge Elimination System (NJPDES) permit issuance. 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. Manages the Lakes Grant Assistance program. Classifies shellfish growing area waters for shellfish harvesting, and conducts bacteriological and chemical analysis of shellfish for public health protection. 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, provisions of these programs have been established to protect lives and property from storm and flood damages throughout the state.

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 management strategies by performing environmental assessments and risk analyses, scientific investigations and technical assessments of toxic and carcinogenic contaminants, human health and ecological risk assessments, water quality 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 strategies and issues and develops them for departmental implementation. Provides technical expertise toward the development of human health criteria for toxic contaminant standards in potable water, ground water, surface water and soil. Fosters the growth and acceptance of innovative environmental and energy technology products and services in New Jersey by implementing the New Jersey Energy and Environmental Technology and Reciprocity Cooperation initiative. Serves as DEP's lead program for the implementation of the New Jersey Greenhouse Gas/Climate Change Action Plan, as primary liaison with New Jersey Board of Public Utilities regarding environmental implications of BPU's renewable energy and energy conservation programs in fulfillment of DEP's role as environmental consultant to the BPU, as established in the Electric Discount and Energy Competition Act, and provides expertise to 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) 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 Remediation and Monitoring.** 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 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Water Monitoring and Standards				
Ambient Marine Water:				
Water Samples Analyzed	20,000	19,000	18,000	18,000
Percent of shellfish bed acres open	78%	78%	78%	78%
Percent of shellfish bed acres seasonal	3%	4%	4%	3%
Percent of shellfish bed acres condemned	11%	10%	10%	10%
Percent of shellfish bed acres specially restricted	8%	8%	8%	8%
Land Use Regulation				
Tidelands:				
Tidelands appraisals	240	260	245	280
Tidelands inspections (inquiries–search)	320	280	280	300
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	390	410	455	518
Federal	51	58	57	53
All Other	16	12	13	177
Total Positions	457	480	525	748
Filled Positions by Program				
Water Supply	125	138	156	169
Smart Growth Permitting	—	—	—	165
Water Monitoring and Standards	40	48	48	49
Land Use Regulation	137	137	153	202
Science, Research and Technology	30	33	34	36
New Jersey Geological Survey	25	22	22	21
Environmental Remediation and Monitoring	38	60	66	70
Drinking Water State Revolving Fund	11	12	12	6
Watershed Management	51	30	34	30
Total Positions	457	480	525	748

Notes:

Actual payroll counts are reported in fiscal years 2003 and 2004 as of December, and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
6,733	886	–45	7,574	7,426	Water Supply	05	7,769	7,769	7,769
—	—	—	—	—	Smart Growth Permitting	06	4,500	—	—
—	—	7	7	5	Water Monitoring and Standards	07	—	—	—
8,450	1,086	–97	9,439	9,434	Land Use Regulation	15	12,123	12,174	12,174
2,986	66	–19	3,033	3,031	Science, Research and Technology	18	3,097	3,097	3,097
17,267	6,327	–540	23,054	18,492	Environmental Remediation and Monitoring	29	11,440	11,963	11,963
—	7	549	556	556	Watershed Management	90	—	—	—
35,436	***8,372***	***–145***	***43,663***	***38,944***	***Total Direct State Services***		***38,929*** [a]	***35,003***	***35,003***

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Object				
					Personal Services:				
6,391	——	698	7,089	7,089	Salaries and Wages		8,074	8,245	8,245
6,391	——	*698*	*7,089*	*7,089*	*Total Personal Services*		*8,074*	*8,245*	*8,245*
68	——	–25	43	43	Materials and Supplies		42	47	47
1,305	——	–81	1,224	1,222	Services Other Than Personal		1,582	1,410	1,410
85	——	–31	54	54	Maintenance and Fixed Charges		68	50	50
					Special Purpose:				
1,267	20 R	——	1,287	1,286	Administrative Costs Water Supply Bond Act of 1981 – Management	05	1,348	1,348	1,348
1,424	——	——	1,424	1,361	Administrative Costs Water Supply Bond Act of 1981 – Watershed and Aquifer	05	1,512	1,512	1,512
943	——	——	943	859	Administrative Costs Water Supply Bond Act of 1981 – Planning and Standards	05	1,005	1,005	1,005
43	——	–43	——	——	Water/Wastewater Operators Licenses	05	43	43	43
58	——	——	58	58	Office of the Rivermaster	05	58	58	58
2,251	865 R	——	3,116	3,116	Safe Drinking Water Fund	05	2,339	2,339	2,339
——	——	——	——	——	Division of Smart Growth	06	4,500 S	——	——
12	——	–8	4	4	Tidelands Resource Council	15	12	12	12
2,114	1,086 R	——	3,200	3,198	Tidelands Peak Demands	15	2,676	2,676	2,676
786	——	–167	619	618	Office of Permit Information and Assistance	15	632	632	632
——	——	——	——	——	Highlands Permitting	15	2,166 S	2,166	2,166
604	——	–2	602	602	Environmental Indicators and Monitoring	18	604	604	604
558	60 R	——	618	618	Greenhouse Gas Action Plan	18	577	577	577
250	——	——	250	248	Hazardous Waste Research	18	250	250	250
13,347 3,920 S	6,327	–540	23,054	18,492	Water Resources Monitoring and Planning – Constitutional Dedication	29	11,440	11,963	11,963
10	14	54	78	76	Additions, Improvements and Equipment		1	66	66
					GRANTS–IN–AID				
					Distribution by Fund and Program				
——	——	300	300	300	Water Monitoring and Standards	07	——	——	——
6,000	——	——	6,000	2,847	Environmental Remediation and Monitoring	29	6,000	——	——
6,000	——	*300*	*6,300*	*3,147*	*Total Grants–in–Aid*		*6,000*	——	——
					Distribution by Fund and Object				
					Grants:				
——	——	300	300	300	Lake Hopatcong Commission	07	——	——	——
6,000	——	——	6,000	2,847	Stormwater Management Grants	29	6,000	——	——
41,436	*8,372*	*155*	*49,963*	*42,091*	*Grand Total State Appropriation*		*44,929*	*35,003*	*35,003*
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
23,700	203	——	23,903	2,228	Water Supply (b)	05	23,700	22,200	22,200
3,500	236	——	3,736	2,832	Water Monitoring and Standards	07	4,250	4,750	4,750
6,850	1,841	–36	8,655	3,068	Land Use Regulation	15	8,413	8,081	8,081

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					OTHER RELATED APPROPRIATIONS				
1,100					Science, Research and				
10 S	—	—	1,110	421	Technology	18	1,250	1,280	1,280
325	—	—	325	164	New Jersey Geological Survey	22	350	350	350
10,610	1,867	150	12,627	6,403	Watershed Management	90	7,508	6,484	6,484
46,095	***4,147***	***114***	***50,356***	***15,116***	***Total Federal Funds***		***45,471***	***43,145***	***43,145***
					All Other Funds				
	347								
—	455 R	—	802	318	Water Supply	05	5,446	5,978	5,978
—	—	—	—	—	Smart Growth Permitting	06	—	20,000	20,000
—	28	—	28	—	Water Monitoring and Standards	07	—	—	—
	508								
—	209 R	—	717	—	Land Use Regulation	15	1,547	1,723	1,723
	1,587				Science, Research and				
—	350 R	—	1,937	251	Technology	18	—	—	—
—	21	—	21	21	New Jersey Geological Survey	22	—	—	—
—	4,038 R	—	4,038	4,038	Drinking Water State Revolving Fund	80	3,178	2,852	2,852
—	659	—	659	220	Watershed Management	90	—	—	—
—	***8,202***	—	***8,202***	***4,848***	***Total All Other Funds***		***10,171***	***30,553***	***30,553***
87,531	***20,721***	***269***	***108,521***	***62,055***	***GRAND TOTAL ALL FUNDS***		***100,571***	***108,701***	***108,701***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program, which includes $86,000 in appropriated receipts.

(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 for the Administrative Costs Water Supply Bond Act of 1981 – 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 $427,000, for costs attributable to administration of water supply programs, subject to the approval of the Director of the Division of Budget and Accounting.

There is appropriated from the Safe Drinking Water Fund an amount not to exceed $800,000 to administer the Private Well Testing Program.

The amount hereinabove 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.), 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 for the Environmental Remediation and Monitoring 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 any law to the contrary, funds 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, 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 $900,000 for Water Quality – Stormwater Management, and $540,000 transferred to support the Conservation Cost Share program in the Department of Agriculture on or before September 1, 2005.

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 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 are appropriated to the Department of Environmental Protection for expansion of the Water Supply 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.

Of the amount hereinabove appropriated for the Stormwater Management Grants program, such sums as are necessary or required may be transferred to the Water Resources Monitoring and Planning – Constitutional Dedication special purpose account, subject to the approval of the Director of the Division of Budget and Accounting.

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, and Resource Conservation and Recovery Act (RCRA) facilities, and rank such sites for cleanup and closure in accordance with applicable regulations.
3. To rank sites, in order of their imminent risk to human health and the environment, 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 major 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.

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. 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 the State's voluntary cleanup program and risk–based cleanup program and to remediate those sites for which a responsible party cannot be identified or is either unable or unwilling to voluntarily participate. 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. The program also provides management assistance and coordination of remedial activities at National Priority List Hazardous Site–Cleanups where the projects are led by the federal Environmental Protection Agency, Department of Defense, or Department of Energy.

29. **Environmental Remediation and Monitoring.** 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 is expanded to include the provision of loans and grants for site remediation redevelopment, pursuant to a November 2003 amendment to the State Constitution.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Solid and Hazardous Waste Management				
Annual tonnage of solid waste:				
Generated statewide	17,800,000	18,800,000	19,300,000	19,700,000
Generated per capita (lbs./person/day)	11.60	12.20	12.60	12.80
Recycled statewide	9,700,000	10,200,000	10,300,000	10,300,000
Recycled per capita (lbs./person/day)	6.30	6.60	6.71	6.71
% reduction in solid waste stream due to recycling	54.5%	54.2%	53.5%	52.3%
Annual tonnage of hazardous waste generated statewide	92,600	89,000	161,000	125,000
Disposed	54,014	71,000	107,000	89,000
Incinerated	38,586	18,000	54,000	36,000
Remediation Management and Response				
ISRA:				
Negative declarations	609	500	500	500
Remedial action workplan approvals	11	15	11	11
Remediations monitored	1,601	1,600	1,600	1,600
Remediations completed	609	500	500	500
Discharge Response Element:				
Emergency responses	964	1,000	1,000	1,000
Remediations monitored	3,311	3,000	3,000	3,000
Remediations completed	2,211	2,000	2,000	2,000
Responsible Party Cleanup Element:				
Remedial action workplan approvals	61	75	75	75
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	582	578	591	606
Federal	42	41	34	33
All Other	—	11	11	11 [a]
Total Positions	624	630	636	650
Filled Positions by Program				
Solid and Hazardous Waste Management	133	127	130	133
Remediation Management and Response	405	413	383	387
Environmental Remediation and Monitoring	86	90	123	130
Total Positions	624	630	636	650

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December, and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) Beginning in fiscal 2004 positions funded from Natural Resource Damage recoveries are displayed.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
8,700	1	–289	8,412	8,345	Solid and Hazardous Waste Management	23	9,128	8,064	8,064
30,164	12,216	—	42,380	41,338	Remediation Management and Response	27	30,489	30,489	30,489
12,560	2,163	—	14,723	8,079	Environmental Remediation and Monitoring	29	6,960	6,460	6,460
51,424	***14,380***	***–289***	***65,515***	***57,762***	***Total Direct State Services***		***46,577*** [a]	***45,013***	***45,013***

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Object				
					Personal Services:				
14,884	2,556 R	–3,184	14,256	14,256	Salaries and Wages		14,195	15,843	15,843
14,884	*2,556*	*–3,184*	*14,256*	*14,256*	*Total Personal Services*		*14,195*	*15,843*	*15,843*
251	—	–27	224	215	Materials and Supplies		302	274	274
3,526	—	65	3,591	3,428	Services Other Than Personal		3,861	3,613	3,613
353	—	–32	321	315	Maintenance and Fixed Charges		516	495	495
					Special Purpose:				
338	1 R	–69	270	270	Office of Dredging and Sediment Technology	23	348	348	348
1,014	—	—	1,014	949	Recycling of Solid Waste	23	1,064	—(b)	—(b)
—	—	2,945	2,945	2,779	Remediation Management and Response	27	—	—	—
17,385	8,581 R	—	25,966	25,966	Hazardous Discharge Site Cleanup Fund– Responsible Party	27	17,637	16,637	16,637
795	262 R	—	1,057	1,057	Underground Storage Tanks	27	868	868	868
6,740 5,820 S	2,163	—	14,723	8,079	Cleanup Projects Administrative Costs–Constitutional Dedication	29	6,960	6,460	6,460
318	817	13	1,148	448	Additions, Improvements and Equipment		826	475	475
					STATE AID				
					Distribution by Fund and Program				
—	—	—	—	—	Solid and Hazardous Waste Management	23	2,300	—	—
—	—	—	—	—	*Total State Aid*		*2,300*	—	—
					Distribution by Fund and Object				
					State Aid:				
—	—	—	—	—	Local Tire Management Program	23	2,300	—	—
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
103,780	27,234	–1,000	130,014	57,465	Environmental Remediation and Monitoring	29	80,220	53,357	53,357
103,780	*27,234*	*–1,000*	*130,014*	*57,465*	*Total Capital Construction*		*80,220*	*53,357*	*53,357*
					Distribution by Fund and Object				
					Site Remediation				
51,400 5,840 S	27,234	—	84,474	19,695	Hazardous Substance Discharge Remediation – Constitutional Dedication	29	45,350	29,431	29,431
38,770 3,885 S	—	–1,000	41,655	37,770	Private Underground Tank Remediation – Constitutional Dedication	29	17,435	11,963	11,963
3,885 S	—	—	3,885	—	Hazardous Substance Discharge Remediation Loans & Grants – Constitutional Dedication	29	17,435	11,963	11,963
155,204	*41,614*	*–1,289*	*195,529*	*115,227*	*Grand Total State Appropriation*		*129,097*	*98,370*	*98,370*

ENVIRONMENTAL PROTECTION

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
450 S	21,058	—	21,508	21,070	Publicly–Funded Site Remediation	19	30,500	30,450	30,450
2,395	3	—	2,398	2,050	Solid and Hazardous Waste Management	23	2,395	2,395	2,395
42,805 200 S	3,792	529	47,326	4,712	Remediation Management and Response	27	10,055	7,185	7,185
45,850	***24,853***	***529***	***71,232***	***27,832***	***Total Federal Funds***		***42,950***	***40,030***	***40,030***
					All Other Funds				
—	36 4 R	—	40	—	Publicly–Funded Site Remediation	19	—	—	—
255	74	—	329	19	Solid and Hazardous Waste Management	23	1,091	847	847
—	2,316 R	—	2,316	860	Remediation Management and Response	27	18,697	18,217	18,217
255	***2,430***	—	***2,685***	***879***	***Total All Other Funds***		***19,788***	***19,064***	***19,064***
201,309	***68,897***	***–760***	***269,446***	***143,938***	***GRAND TOTAL ALL FUNDS***		***191,835***	***157,464***	***157,464***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program, which includes $28,000 in appropriated receipts.

(b) Funding for administrative costs associated with the State recycling programs is provided in the base appropriation for Solid and Hazardous Waste Management beginning in fiscal 2006.

Language Recommendations — Direct State Services – General Fund

The amount hereinabove 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 Bond Act of 1996," together with an amount not to exceed $247,000 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 $6,539,000, 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 $9,362,000, 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, 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 Remediation and Monitoring 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, are appropriated to the Solid and Hazardous Waste Management program classification for costs incurred to develop an economic competition model, and to oversee the State's recycling efforts and other solid waste program activities.

There is appropriated from the Clean Communities Program Fund such sums as may be available to meet the following requirements: 1) 25% of the estimated annual balance up to $4,000,000, as determined by the Director of the Division of Budget and Accounting, to the State Recycling Fund established pursuant to section 5 of P.L.1981, c.278 (C.13:1E–96); 2) $300,000 of the estimated annual balance to the Department of Environmental Protection for an organization under contract with the department which meets the requirements pursuant to subsection d. of section 6 of P.L. 2002, c.128 (C.13:1E–218); and 3) the balance, as determined by the Director of the Division of Budget and Accounting, of the Clean Communities Program Fund established pursuant to section 5 of P.L. 2002, c.128 (C.13:1E–217) for the purposes set forth in subsections a., b., c. and d. of that section.

Receipts derived from the sale of salvaged materials are appropriated to offset costs incurred in the cleanup and removal of hazardous substances

Receipts deposited to the Resource Recovery Investment Tax Fund and the Solid Waste Services Tax Fund are appropriated.

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.

Language Recommendations — Capital Construction

The amounts hereinabove appropriated for Hazardous Substance Discharge Remediation – Constitutional Dedication, Private Underground Storage Tank 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.

All natural resource 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 the direct and indirect costs of restoration and associated consulting and legal services.

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 appropriated hereinabove, shall be allocated to the Economic Development Authority's Hazardous Discharge Site Remediation Fund and the Department of 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, as required by the United States Environmental Protection Agency (USEPA).
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. 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. 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. Implements and ensures 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.

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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Radiation Protection				
X–ray machines inspected	6,236	5,429	6,334	7,000
X–ray machine violations (% of inspected)	30%	30%	26%	29%
Homes tested for radon	40,000	40,000	55,000	55,000
Homes mitigated for radon	3,000	3,000	3,500	3,500
Lung cancers avoided	137	137	140	140
Release Prevention				
Toxic Catastrophe Prevention				
Inspections	120	130	150	150
Accident investigations	2	2	2	2
Right To Know				
Information requests	1,600	1,500	2,000	2,000
Audits for facilities	1,000	1,000	1,000	1,000
Notice of violations	200	80	200	200
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	473	495	518	533
All Other	41	37	36	38
Total Positions	514	532	554	571

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Filled Positions by Program				
Radiation Protection	83	89	93	93
Air Pollution Control	171	168	173	178
Release Prevention	49	64	65	70
Water Pollution Control	134	133	145	147
Public Wastewater Facilities	54	55	55	59
Clean Waters	23	23	23	24
Total Positions	514	532	554	571

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December, and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
6,034	874	242	7,150	7,110	Radiation Protection	01	7,768	6,840	6,840
16,391	828	5	17,224	17,026	Air Pollution Control	02	17,046	17,230	17,230
7,586	2	20	7,608	7,595	Water Pollution Control	08	7,974	7,974	7,974
2,908	1	–318	2,591	2,591	Public Wastewater Facilities	09	3,082	3,082	3,082
32,919	***1,705***	***–51***	***34,573***	***34,322***	***Total Direct State Services***		***35,870*** (a)	***35,126***	***35,126***
					Distribution by Fund and Object				
					Personal Services:				
18,423	—	208	18,631	18,631	Salaries and Wages		20,614	20,530	20,530
18,423	—	*208*	*18,631*	*18,631*	*Total Personal Services*		*20,614*	*20,530*	*20,530*
245	—	—	245	245	Materials and Supplies		198	218	218
3,841	—	–13	3,828	3,828	Services Other Than Personal		3,276	3,344	3,344
238	—	–46	192	191	Maintenance and Fixed Charges		232	250	250
					Special Purpose:				
1,317 838 S	874	—	3,029	2,997	Nuclear Emergency Response	01	2,283 928 S	2,283	2,283
1,658	—	–202	1,456	1,456	Quality Assurance – Lab Certification Programs	01	1,641	1,641	1,641
1,789	202 R	—	1,991	1,991	Pollution Prevention	02	1,803	1,803	1,803
827	—	–76	751	751	Toxic Catastrophe Prevention	02	1,128	1,128	1,128
1,051	—	—	1,051	966	Worker and Community Right to Know Act	02	1,087	1,087	1,087
2,516	400 R	—	2,916	2,916	Oil Spill Prevention	02	2,607	2,607	2,607
176	229	78	483	350	Additions, Improvements and Equipment		73	235	235
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	3	—	3	—	Air Pollution Control	02	—	—	—
—	*3*	—	*3*	—	***Total Capital Construction***		—	—	—
					Distribution by Fund and Object				
					Air Quality Regulation				
—	3	—	3	—	Air Pollution Monitoring Equipment	02	—	—	—
32,919	***1,708***	***–51***	***34,576***	***34,322***	***Grand Total State Appropriation***		***35,870***	***35,126***	***35,126***

ENVIRONMENTAL PROTECTION

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
500	75	—	575	423	Radiation Protection	01	500	500	500
6,217	156	—	6,373	3,595	Air Pollution Control	02	4,991	4,915	4,915
57,600	—	—	57,600	—	Public Wastewater Facilities (b)	09	57,600	57,600	57,600
705									
18 S	124	—	847	610	Water Monitoring and Planning	16	710	710	710
65,040	***355***	—	***65,395***	***4,628***	***Total Federal Funds***		***63,801***	***63,725***	***63,725***
					All Other Funds				
	393								
—	328 R	—	721	484	Radiation Protection	01	337	1,448	1,448
—	408	66	474	409	Air Pollution Control	02	1,504	1,643	1,643
—	29	4	33	33	Public Wastewater Facilities	09	—	—	—
	20								
—	2,675 R	—	2,695	2,695	Clean Waters	70	2,400	2,363	2,363
—	***3,853***	***70***	***3,923***	***3,621***	***Total All Other Funds***		***4,241***	***5,454***	***5,454***
97,959	***5,916***	***19***	***103,894***	***42,571***	***GRAND TOTAL ALL FUNDS***		***103,912***	***104,305***	***104,305***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program, which includes $66,000 in appropriated receipts.

(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 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 $1,094,000, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

There is allocated 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 for the Pollution Prevention account is appropriated from receipts received pursuant to the "Pollution Prevention Act," P.L.1991, c.235 (C.13:1D–35 et seq.), 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 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 $245,000, are appropriated. If receipts to that fund are less than anticipated, the appropriation shall be reduced proportionately.

The amount hereinabove 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 $1,248,000, 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.

Receipts in excess of the amount anticipated from fees and permit receipts from the Title V Operating Permits are appropriated.

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.

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.

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. Also 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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Administration and Support Services				
Male Minority	219	222	226	232
Male Minority %	6.6	6.7	6.8	7.0
Female Minority	266	271	279	288
Female Minority %	8.1	8.1	8.4	8.6
Total Minority	485	493	505	520
Total Minority %	14.7	14.8	15.2	15.6
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	306	310	304	349
All Other	5	5	6	6
Total Positions	311	315	310	355
Filled Positions by Program				
Regulatory and Governmental Affairs	39	42	42	46
Administration and Support Services	272	273	268	309
Total Positions	311	315	310	355

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December, and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
2,153	1	511	2,665	2,664	Regulatory and Governmental Affairs	26	2,275	2,275	2,275
17,705	1	520	18,226	18,185	Administration and Support Services	99	18,074	17,600	17,600

ENVIRONMENTAL PROTECTION

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
19,858	***2***	***1,031***	***20,891***	***20,849***	***Total Direct State Services***		***20,349*** [a]	***19,875***	***19,875***
					Distribution by Fund and Object				
					Personal Services:				
15,862	—	790	16,652	16,651	Salaries and Wages		16,844	16,867	16,867
15,862	—	*790*	*16,652*	*16,651*	*Total Personal Services*		*16,844*	*16,867*	*16,867*
152	—	–21	131	130	Materials and Supplies		117	100	100
975	—	408	1,383	1,383	Services Other Than Personal		1,000	1,003	1,003
258	—	–119	139	139	Maintenance and Fixed Charges		267	255	255
					Special Purpose:				
—	—	25	25	25	Hackensack Riverkeeper	26	—	—	—
—	—	25	25	25	NJ Audubon Society	26	—	—	—
1,500	—	—	1,500	1,500	New Jersey Environmental Management System	99	1,500	1,500	1,500
98	—	–98	—	—	Affirmative Action and Equal Employment Opportunity	99	98	98	98
1,013	2	21	1,036	996	Additions, Improvements and Equipment		523	52	52
					GRANTS–IN–AID				
					Distribution by Fund and Program				
—	—	250	250	250	Administration and Support Services	99	—	—	—
—	—	***250***	***250***	***250***	***Total Grants–in–Aid***		—	—	—
					Distribution by Fund and Object				
					Grants:				
—	—	250	250	250	Black Fly Treatment – Delaware River	99	—	—	—
					STATE AID				
					Distribution by Fund and Program				
12,255	4	–300	11,959	11,919	Administration and Support Services	99	15,119	15,619	15,619
4,255	*4*	—	*4,259*	*4,237*	*(From General Fund)*		*6,619*	*6,619*	*6,619*
8,000	—	*–300*	*7,700*	*7,682*	*(From Property Tax Relief Fund)*		*8,500*	*9,000*	*9,000*
12,255	***4***	***–300***	***11,959***	***11,919***	***Total State Aid***		***15,119***	***15,619***	***15,619***
4,255	*4*	—	*4,259*	*4,237*	*(From General Fund)*		*6,619*	*6,619*	*6,619*
8,000	—	*–300*	*7,700*	*7,682*	*(From Property Tax Relief Fund)*		*8,500*	*9,000*	*9,000*
					Distribution by Fund and Object				
					State Aid:				
1,301	—	—	1,301	1,283	Mosquito Control, Research, Administration and Operations	99	1,515	1,515	1,515
8,000	—	–300	7,700	7,682	Payment In Lieu of Taxes (PTRF)	99	8,000 500 S	9,000	9,000
—	—	—	—	—	Administration and Operations of the Highlands Council	99	2,000	2,000	2,000
2,954	—	—	2,954	2,954	Administration, Planning and Development Activities of the Pinelands Commission	99	3,104	3,104	3,104
—	4	—	4	—	Grants to Local Environmental Commissions	99	—	—	—

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & [S]Supplemental	Reapp. & [R]Recpts.	Transfers & [E]Emergencies	Total Available	Expended				Requested	Recommended
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	13	—	13	—	Administration and Support Services	99	—	—	—
—	*13*	—	*13*	—	*Total Capital Construction*		—	—	—
					Distribution by Fund and Object				
					Administrative Operations				
—	6	—	6	—	New Jersey Environmental Management System	99	—	—	—
—	7	—	7	—	Mosquito Control Equipment	99	—	—	—
32,113	*19*	*981*	*33,113*	*33,018*	*Grand Total State Appropriation*		*35,468*	*35,494*	*35,494*
					OTHER RELATED APPROPRIATIONS				
68,053	*5*	*–3,840*	*64,218*	*63,180*	*Total Debt Service*		*63,240*	*28,943*	*28,943*
					Federal Funds				
150	—	—	150	—	Regulatory and Governmental Affairs	26	150	150	150
3,250									
297 [S]	564	—	4,111	677	Administration and Support Services	99	3,250	2,500	2,500
3,697	*564*	—	*4,261*	*677*	*Total Federal Funds*		*3,400*	*2,650*	*2,650*
					All Other Funds				
—	149	—	149	60	Regulatory and Governmental Affairs	26	—	—	—
	1,407								
—	173 [R]	1,925	3,505	850	Administration and Support Services	99	175	175	175
—	*1,729*	*1,925*	*3,654*	*910*	*Total All Other Funds* [b]		*175*	*175*	*175*
103,863	*2,317*	*–934*	*105,246*	*97,785*	*GRAND TOTAL ALL FUNDS*		*102,283*	*67,262*	*67,262*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The funding and positions for the Board of Commissioners of Pilotage are transferred to the Department of Transportation, pursuant to P.L. 2004, c.72.

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 aid 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 appropriated herein for Payment in Lieu of Taxes is insufficient to compensate municipalities for land owned by the State for conservation and recreation 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 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 other law 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. 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 NJ. 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 (POTW's). 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 & 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 hazardous 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. Activities include such compliance assistance functions as environmental audits, grace periods, and supplemental environmental projects as well as conventional inspections and investigations, and when necessary, formal enforcement actions.

29. **Environmental Remediation and Monitoring.** 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 2004, the dedication is expanded to include the implementation of the Underground Storage Tank (UST) Inspection Program.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Air Pollution Control				
Investigations and inspections	5,600	6,500	6,500	6,500
Pesticide Control				
Investigations and inspections	800	800	800	800
Pesticide products regulated	12,266	11,800	11,800	11,800
Pesticide licenses and permits	17,056	17,000	17,000	17,000
Water Pollution Control				
Inspections	4,576	4,576	4,500	4,500
Clean Shores:				
Miles of beaches cleaned	145	145	125	135
Tons of debris removed	2,428	2,500	2,400	2,400
Land Use Regulation				
Investigations and inspections	1,218	1,800	2,000	2,100
Solid and Hazardous Waste Management				
Hazardous waste annual inspections	1,996	2,010	2,100	2,100
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	289	295	306	324
Federal	12	15	14	12
All Other	5	5	5	4
Total Positions	306	315	325	340
Filled Positions by Program				
Air Pollution Control	75	75	73	80
Pesticide Control	40	38	37	40
Water Pollution Control	93	97	104	101
Land Use Regulation	31	33	36	33
Solid and Hazardous Waste Management	67	72	73	74
Environmental Remediation and Monitoring	——	——	2	12
Total Positions	306	315	325	340

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December, and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
5,371	——	–5	5,366	4,107	Air Pollution Control	02	5,039	4,439	4,439
2,232	——	60	2,292	2,287	Pesticide Control	04	2,357	2,357	2,357
5,868	3	87	5,958	5,958	Water Pollution Control	08	6,124	5,824	5,824
1,805	683	–112	2,376	2,340	Land Use Regulation	15	2,573	1,972	1,972
3,755	16	–194	3,577	3,577	Solid and Hazardous Waste Management	23	4,044	4,043	4,043
——	——	1,000	1,000	256	Environmental Remediation and Monitoring	29	——	——	——
19,031	***702***	***836***	***20,569***	***18,525***	***Total Direct State Services***		***20,137*** [a]	***18,635***	***18,635***
					Distribution by Fund and Object				
					Personal Services:				
15,188	——	–605	14,583	14,583	Salaries and Wages		15,872	15,724	15,724

ENVIRONMENTAL PROTECTION

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
15,188	—	*–605*	*14,583*	*14,583*	*Total Personal Services*		*15,872*	*15,724*	*15,724*
90	—	14	104	104	Materials and Supplies		126	131	131
1,024 1,464 S	—	263	2,751	1,494	Services Other Than Personal		1,390 1,500 S	1,417	1,417
369	—	30	399	398	Maintenance and Fixed Charges		390	407	407
					Special Purpose:				
816	681 R	—	1,497	1,497	Tidelands Peak Demands	15	856	856	856
—	—	1,000	1,000	256	Underground Storage Tank Inspection Program – Constitutional Dedication	29	—	—	—
80	21	134	235	193	Additions, Improvements and Equipment		3	100	100
					STATE AID				
					Distribution by Fund and Program				
2,453	—	—	2,453	2,447	Water Pollution Control	08	3,453	3,453	3,453
—	—	—	—	—	*(From General Fund)*		*3,453*	*3,453*	*3,453*
2,453	—	—	*2,453*	*2,447*	*(From Property Tax Relief Fund)*		—	—	—
2,453	—	—	***2,453***	***2,447***	***Total State Aid***		***3,453***	***3,453***	***3,453***
—	—	—	—	—	*(From General Fund)*		*3,453*	*3,453*	*3,453*
2,453	—	—	*2,453*	*2,447*	*(From Property Tax Relief Fund)*		—	—	—
					Distribution by Fund and Object				
					State Aid:				
—	—	—	—	—	County Environmental Health Act	08	3,453	3,453	3,453
2,453	—	—	2,453	2,447	County Environmental Health Act (PTRF)	08	—	—	—
21,484	***702***	***836***	***23,022***	***20,972***	***Grand Total State Appropriation***		***23,590***	***22,088***	***22,088***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
1,802	14	—	1,816	1,316	Air Pollution Control	02	1,802	1,802	1,802
750 87 S	21	—	858	564	Pesticide Control	04	850	740	740
1,000	1	—	1,001	1	Water Pollution Control	08	1,000	1,000	1,000
500	487	36	1,023	527	Land Use Regulation	15	600	600	600
1,886	174	—	2,060	1,719	Solid and Hazardous Waste Management	23	1,886	1,886	1,886
6,025	***697***	***36***	***6,758***	***4,127***	***Total Federal Funds***		***6,138***	***6,028***	***6,028***
					All Other Funds				
—	15	—	15	—	Air Pollution Control	02	—	600	600
—	1,378 1,807 R	–126	3,059	1,147	Water Pollution Control	08	1,170	1,455	1,455
—	—	—	—	—	Land Use Regulation	15	753	1,372	1,372
—	***3,200***	***–126***	***3,074***	***1,147***	***Total All Other Funds***		***1,923***	***3,427***	***3,427***
27,509	***4,599***	***746***	***32,854***	***26,246***	***GRAND TOTAL ALL FUNDS***		***31,651***	***31,543***	***31,543***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

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 $600,000 for the cleanup or maintenance of beaches or shores, an amount not to exceed $200,000 for the cost of providing monitoring, surveillance and enforcement activities for the Cooperative Coastal Monitoring Program, an amount not to exceed $50,000 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 $150,000 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 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.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

The amounts hereinabove for the Tidelands Peak Demands account are appropriated from receipts derived from the sales, grants, leases, licensing, and rentals of State riparian lands, together with an amount not to exceed $2,361,000, 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 any other law, 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 dedicated herein, shall be deposited into the State General Fund without regard to their specific dedication.

Notwithstanding any other provisions in this act, of the Federal Fund amounts 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 other law 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 (SSC).

Notwithstanding any other law to the contrary, any grants awarded during the fiscal year ending June 30, 2005, or during any preceding fiscal year, by the Department of Environmental Protection, or its predecessors, from the proceeds of bonds issued pursuant to P.L.1969, c.127; P.L.1976, c.92; P.L.1980, c.70; P.L.1981, c.261; P.L.1985, c.329; P.L.1989 c.181 or P.L.1992, c.88 or other grants awarded pursuant to other grant programs administered by the Department, shall not be considered to be impaired by a structured financing transaction undertaken by a governmental entity which is authorized by section 10 of P.L.1999, c.157 (C.52:31C–10) as amended by section 1 of P.L.2000, c.54, to undertake such transactions, nor shall any State interest created by the award of any such grant be determined to be so impaired by a structured financing transaction undertaken by any local governmental entity pursuant to section 10 of P.L.1999, c.157. Any such grant, and any provisions, covenants and conditions contained in the award thereof, shall not (i) limit, restrict or impair the rights of the local governmental entity to transfer or encumber its facilities or assets for purposes of entering into a structured financing transaction pursuant to that section, (ii) be violated by the completion of a structured financing transaction undertaken pursuant to that section and (iii) cause the Department of Environmental Protection to rescind or annul any grant, or undertake any other enforcement actions, including the revocation of any permit or license granted, in response to a structured financing transaction undertaken pursuant to that section.

Receipts in excess of the amount anticipated for Air Pollution, Clean Water Enforcement, Land Use, Solid Waste, and Hazardous Waste fines, not to exceed $1,500,000, 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 those anticipated for the Stormwater Management Program are appropriated to the Department of Environmental Protection for expansion of the Stormwater Management Program to meet new federal mandates relating to the regulation of municipal stormwater management, 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 to the contrary, of the amounts 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.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

OVERVIEW

The mission of the Department of Health and Senior Services 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:

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.

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.

Implement scientific evidence–based primary and secondary prevention programs designed to decrease mortality rates of health conditions such as heart disease, cancer, and stroke, and promote longer and healthier lives.

Strengthen New Jersey's public health infrastructure by adopting and implementing best practice standards, 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.

Provide high quality services that promote independence, dignity, and choice for older adults in New Jersey.

Optimize access to the highest quality health care for the people of New Jersey.

Budget Highlights

The Fiscal 2006 Budget for the Department of Health and Senior Services totals $1.618 billion, a decrease of $245.6 million or 13.2% under the fiscal 2005 adjusted appropriation of $1.863 billion.

HEALTH SERVICES

The fiscal 2006 Budget provides funding for two new programs related to postpartum depression. Funding of $2.5 million for a postpartum education campaign is designed to educate the public on postpartum depression, its signs and symptoms, ways in which women can self–refer, and procedures for family members to assist in obtaining referrals for medical and behavioral assistance. Funding of $2 million for postpartum screening will cover the costs of services for uninsured women for care and treatment of postpartum depression.

Funding increases are also recommended for the Animal Welfare and Early Childhood Intervention programs.

Recognizing the fiscal constraints faced by the State, the Budget eliminates or reduces funding for Women's Health Awareness, St. Barnabas Medical Center–Cancer Center, Cardiovascular Program, AIDS Grants, Garden State Cancer Center, Hackensack Medical Center Stem Cell Research Institute, Stroke Centers, New Jersey Collaborating Center for Nursing, Camden Optometric Eye Center, Cord Blood Resource Center, and Nut and Food Allergies.

The Fiscal 2006 Budget reflects a continued commitment to eradicating cancer by providing $27.3 million for cancer research, prevention, and treatment. Of this amount, $18.3 million is targeted to support the Cancer Institute of New Jersey.

The Budget recommends funding of $9 million for the AIDS Drug Distribution Program (ADDP), which includes $6 million growth offset by a $6 million rebates receivable savings initiative.

The Budget recommends $26 million, an increase of $5 million, to increase the ability of existing Federally Qualified Health Centers (FQHC) to see more uninsured patients and to develop new access points throughout the state in areas designated as Medically Underserved Areas (MUA) by the U.S. Department of Health and Human Services/Health Resources and Services Administration. New Jersey currently has 20 community health centers that operate 67 facilities. The projected number of uninsured primary care visits to FQHC is expected to exceed 200,000 by the end of Fiscal Year 2005. With the increase in State funding of $5 million proposed for Fiscal Year 2006, the Department of Health and Senior Services will work to open several new centers, which will provide healthcare to approximately 30,000 additional New Jersey residents. This program has been transferred from Health Planning and Evaluation to Health Services within the Department.

SENIOR SERVICES

The Fiscal 2006 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 $20,989 if single and $25,735 if married. Clients are required to pay a $5.00 copayment for each prescription. The Budget also includes funding for the Senior Gold Program that provides pharmaceutical services to aged and disabled clients with incomes below $30,989 if single and $35,735 if married. Senior Gold clients pay a $15.00 copayment and 50% of the remaining cost of the drug.

Under the federal government's recently enacted Medicare Modernization Act of 2003, the PAAD program will receive federal transitional grant funding to help educate PAAD beneficiaries about Medicare Part D. The Medicare Transitional Assistance Grant will offset $5.3 million of PAAD State administrative costs. The PAAD program will continue to provide a seamless transition for current recipients who will be enrolling into Medicare so that no one will experience a loss of benefits.

The Budget includes changes to the PAAD program that are designed to reduce overall costs, including:

A savings initiative to include 18 months worth of drug manufacturer's rebates in one fiscal year. A receivable would be set up for 6 months worth of drug industry PAAD rebates to account for the 6–month lag in rebate claims. The Division of Medical Assistance has had a similar process in place for many years. Estimated savings is $50 million.

Reducing the frequency of pricing updates of prescription drugs. Prices paid to pharmacies are currently updated on a weekly basis; however, this initiative would change the frequency of these updates to a monthly basis. Estimated savings is $7.9 million.

Presently, the PAAD program allows a patient to refill their prescription when 75% of the prescription has been used. This initiative would change the refill percentage to 85%. Estimated savings is $4.5 million.

These initiatives offset $46.4 million of Fiscal 2006 Budget growth attributable to increased utilization and the rising cost of drugs in the PAAD/Senior Gold programs.

The Budget also includes a number of changes in Medicaid nursing home reimbursement as well as nursing home alternatives, including:

A uniform assessment on all nursing facilities providers has been implemented pursuant to P.L. 2004, c. 41, which will provide new Medicaid matching funds from the federal government. Estimated savings is $51.5 million.

Nursing home rates will be rebased in Fiscal Year 2006, however, no inflation factor adjustment will be provided. Estimated savings is $23.4 million.

Reducing the reimbursement for nursing home holding beds for residents who leave temporarily from 90% to 50% of the facility rate. Estimated savings are $6.4 million.

Additional staff has been added to increase the amount of audits and recoveries from overpayments to nursing homes. Estimated savings is $765,000.

Institute a $3.00 copayment on Medical Day Care Services. Estimated savings is $3.2 million.

Other reductions include eliminating funding for the Caring for Caregivers program and maximizing federal funding by claiming a Medicaid match on certain administrative costs associated with the State's County Offices on Aging program.

These initiatives offset $71.8 million of Fiscal 2006 Budget entitlement growth for nursing home and alternatives programs.

The Budget also includes $2.5 million for an additional 375 assisted living slots. The Assisted Living program provides a cost effective alternative to nursing home care for the Medicaid population.

In addition, this Budget recommends $2.2 million to improve Residential Health Care Facilities (RHCF), or "boarding homes." An increase of $50 per patient would be provided in the existing subsidy to RHF operators, along with an increase of $10 for the consumers' personal needs allowance. This investment will assist in improving the facilities and overall quality of life for those persons residing in the RHCF's.

HEALTH PLANNING and EVALUATION

The Fiscal 2006 Budget continues funding for Charity Care payments to hospitals. $42.1 million of the total general fund contribution to the Health Care Subsidy Fund (HCSF) will be used for Charity Care payments in Fiscal Year 2006. The remaining $77.6 million of the general fund appropriation to the HCSF will be used to fund Hospital Relief Subsidy Fund payments and the State share of the KidCare health insurance program. In addition to the general fund contribution, Charity Care will be funded by the following: $200 million from the Unemployment Compensation Fund diversion, $155 million from the tax on cigarettes, $55 million from an assessment on HMOs, $42.6 million in federal revenue, $25 million from an assessment on ambulatory medical facilities, $7 million from an assessment on cosmetic surgery procedures, and $5.7 million from other revenue sources. Total recommended Fiscal Year 2006 Charity Care funding from all sources will equal $532.4 million.

The Budget provides additional funding for staff to increase oversight at residential health care facilities, which house many former mental health care facility patients. The funds will also provide resources to study this population and determine the best methods to meet their needs.

The Budget also provides funding for the Patient Safety Act, signed into law in April, 2004. This funding will be used to implement a reporting system that collects comprehensive data on medical errors from hospitals, nursing homes and other health care facilities.

Department Accomplishments

Recent Departmental accomplishments include: facilitated the opening of 10 new Federally Qualified Health Centers (FQHCs) throughout the State and the expansion of the service capacity of 14 currently existing locations to serve approximately 100,000 new patients over the next two years; FQHCs experienced a 26% growth in patients served reaching almost 200,000 uninsured patient visits in fiscal 2004 with 225,000 anticipated in fiscal 2005; issued new Medicare approved drug discount card through the Pharmaceutical Assistance to the Aged and Disabled Program (PAAD) to approximately 81,000 PAAD beneficiaries offsetting State costs by $90 million; continued to implement the Rapid AIDS testing with 8,349 individuals being tested through this method since its inception in fiscal 2004, which has shortened time results in 99.8% of those taking the test and receiving post–test counseling; published New Jersey's first hospital performance report, measuring adherence to best practices in the treatment of heart attack and pneumonia, which makes New Jersey one of four states to publish such a comprehensive report on hospital quality; enacted the Patient Safety Act, which will improve the quality of health care in New Jersey health care facilities by providing for a systematic approach within each health care facility and across the State to reduce medical errors; published the eighth annual Health Maintenance Organization (HMO) performance report, which shows that incremental annual improvements in quality have translated into significant gains since the first report was published in 1997; published the sixth cardiac surgery performance report displaying a 45% decline in cardiac surgery mortality on a risk–adjusted basis since the first report was conducted in 1997; developed and released the report on the Task Force on Cancer Clusters in the State, which evaluated cancer cluster investigation policies, procedures and recommends best practices in cancer cluster investigations for New Jersey; created a new Office of Animal Welfare to improve the sanitary and humane conditions of the State's pet shops, kennels, shelters, and pounds; obtained legislative approval for the funding and construction of a new, state–of–the–art 275,000 square foot Public Health, Environmental, and Agricultural Laboratory; improved testing services at the State's Public Health and Environmental Laboratory to rapidly assist in the detection of acts of biological or chemical terrorism or naturally occurring emerging disease threats; and provided health services grants to the State's county and local public health departments, hospitals, and federally qualified health centers to expand capacity to more effectively manage the consequences of acts of terrorism and other emergencies.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

SUMMARY OF APPROPRIATIONS BY FUND
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
73,673	8,341	9,068	91,082	87,642	Direct State Services	78,187	67,036	67,036
731,365	4,081	–8,623	726,823	693,357	Grants–In–Aid	1,416,982	1,209,696	1,209,696
9,508	—	—	9,508	9,380	State Aid	9,985	9,552	9,552
620	312	—	932	216	Capital Construction	—	—	—
815,166	12,734	445	828,345	790,595	Total General Fund	1,505,154	1,286,284	1,286,284
300,473	127,944	—	428,417	426,849	Total Casino Revenue Fund	358,341	331,583	331,583
1,115,639	***140,678***	***445***	***1,256,762***	***1,217,444***	***GRAND TOTAL***	***1,863,495***	***1,617,867***	***1,617,867***

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES – GENERAL FUND			
					Health Services			
1,085	248	425	1,758	1,753	Vital Statistics	1,627	1,627	1,627
2,099	—	—	2,099	2,059	Family Health Services	7,079	2,079	2,079
31,351	1,211	301	32,863	32,018	Public Health Protection Services	32,545	30,395	30,395
8,089	563	–250	8,402	8,340	Laboratory Services	7,697	7,697	7,697
3,900	—	321	4,221	4,213	AIDS Services	1,890	1,890	1,890
46,524	*2,022*	*797*	*49,343*	*48,383*	*Subtotal*	*50,838*	*43,688*	*43,688*
					Health Planning and Evaluation			
3,949	1,843	–643	5,149	5,110	Long Term Care Systems	2,949	3,749	3,749
1,185	4,209	–3,295	2,099	2,088	Health Care Systems Analysis	2,125	1,125	1,125
5,134	*6,052*	*–3,938*	*7,248*	*7,198*	*Subtotal*	*5,074*	*4,874*	*4,874*
					Health Administration			
5,376	16	2,688	8,080	8,037	Administration and Support Services	6,013	6,013	6,013
					Senior Services			
5,016	203	4,665	9,884	8,632	Medical Services for the Aged	5,733	5,793	5,793
9,654	41	4,166	13,861	12,734	Pharmaceutical Assistance to the Aged and Disabled	8,560	4,699	4,699
462	7	191	660	655	Programs for the Aged	462	462	462
826	—	204	1,030	1,028	Office of the Ombudsman	826	826	826
681	—	295	976	975	Office of the Public Guardian	681	681	681
16,639	*251*	*9,521*	*26,411*	*24,024*	*Subtotal*	*16,262*	*12,461*	*12,461*
73,673	***8,341***	***9,068***	***91,082***	***87,642***	***Subtotal Direct State Services – General Fund***	***78,187***	***67,036***	***67,036***
					DIRECT STATE SERVICES – CASINO REVENUE FUND			
					Senior Services			
871	24	88	983	937	Programs for the Aged	871	871	871
871	***24***	***88***	***983***	***937***	***Subtotal Direct State Services – Casino Revenue Fund***	***871***	***871***	***871***

Year Ending June 30, 2004						2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended			Requested	Recom–mended
74,544	*8,365*	*9,156*	*92,065*	*88,579*	*TOTAL DIRECT STATE SERVICES*	*79,058*	*67,907*	*67,907*
					GRANTS–IN–AID – GENERAL FUND			
					Health Services			
62,706	21	10,240	72,967	72,760	Family Health Services	98,169	118,369	118,369
27,304	21	169	27,494	27,487	Public Health Protection Services	54,586	22,841	22,841
19,012	—	–241	18,771	16,770	AIDS Services	40,396	33,396	33,396
109,022	*42*	*10,168*	*119,232*	*117,017*	*Subtotal*	*193,151*	*174,606*	*174,606*
					Health Planning and Evaluation			
73,269	—	–9,975	63,294	63,294	Health Care Systems Analysis	300,725	119,725	119,725
					Senior Services			
327,009	10	1,040	328,059	318,501	Medical Services for the Aged	781,780	764,768	764,768
209,040	4,029	–9,700	203,369	181,676	Pharmaceutical Assistance to the Aged and Disabled	125,554	136,825	136,825
13,025	—	–156	12,869	12,869	Programs for the Aged	15,772	13,772	13,772
549,074	*4,039*	*–8,816*	*544,297*	*513,046*	*Subtotal*	*923,106*	*915,365*	*915,365*
731,365	***4,081***	***–8,623***	***726,823***	***693,357***	***Subtotal Grants–In–Aid – General Fund***	***1,416,982***	***1,209,696***	***1,209,696***
					GRANTS–IN–AID – CASINO REVENUE FUND			
					Health Services			
500	—	—	500	497	Family Health Services	529	529	529
					Senior Services			
29,558	—	500	30,058	28,502	Medical Services for the Aged	28,461	30,531	30,531
255,182	127,920	–500	382,602	382,643	Pharmaceutical Assistance to the Aged and Disabled	313,596	284,768	284,768
14,362	—	–88	14,274	14,270	Programs for the Aged	14,884	14,884	14,884
299,102	*127,920*	*–88*	*426,934*	*425,415*	*Subtotal*	*356,941*	*330,183*	*330,183*
299,602	***127,920***	***–88***	***427,434***	***425,912***	***Subtotal Grants–In–Aid – Casino Revenue Fund***	***357,470***	***330,712***	***330,712***
1,030,967	***132,001***	***–8,711***	***1,154,257***	***1,119,269***	***TOTAL GRANTS–IN–AID***	***1,774,452***	***1,540,408***	***1,540,408***
					STATE AID – GENERAL FUND			
					Health Services			
2,400	—	—	2,400	2,272	Public Health Protection Services	2,400	2,400	2,400
					Senior Services			
7,108	—	—	7,108	7,108	Programs for the Aged	7,585	7,152	7,152
9,508	—	—	***9,508***	***9,380***	***Subtotal State Aid – General Fund***	***9,985***	***9,552***	***9,552***
9,508	—	—	***9,508***	***9,380***	***TOTAL STATE AID***	***9,985***	***9,552***	***9,552***
					CAPITAL CONSTRUCTION			
					Health Services			
620	306	—	926	216	Laboratory Services	—	—	—
					Health Administration			
—	6	—	6	—	Administration and Support Services	—	—	—

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
620	*312*	—	*932*	*216*	*Subtotal Capital Construction*	—	—	—
1,115,639	*140,678*	*445*	*1,256,762*	*1,217,444*	*TOTAL APPROPRIATION*	*1,863,495*	*1,617,867*	*1,617,867*

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 departments, 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 immunohematology 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, testing, health and supportive services.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Vital Statistics				
Searches	72,000	84,500	84,500	84,500
Certified Copies Issued	55,400	65,000	65,000	65,000
Family Health Services				
Agencies receiving health services grants	290	305	430	450
Handicapped Children				
Physically disabled children receiving services	40,000	40,000	42,000	42,500
Children newly registered with Special Child Health Services	8,576	8,200	8,500	8,500
Maternal and Child Health				
Infant mortality rate/1,000 live births	6.2	6.2	6.2	6.1
Infant born to mothers with no prenatal care/1,000 live births	1.2	1.2	1.2	1.2
Newborns screened for metabolic and genetic disorders	113,032	113,404	133,000	133,000
Number of infants to be followed	5,977	7,110	7,250	7,250
Number of infants in early intervention	14,271	15,900	17,800	19,750
HealthStart (prenatal)	31,000	35,000	36,500	37,000
Women assessed for alcohol use/abuse during pregnancy	29,116	29,892	34,000	40,000
Women, Infants and Children (WIC) receiving services	248,203	248,149	260,000	265,000
Family Planning				
Women in reproductive years applying for and receiving services	109,984	118,579	120,000	120,000
Poison Control				
Children screened for lead poisoning	172,932	180,000	200,000	200,000
Number of lead poisoned children identified	5,320	5,300	5,200	5,000
Adult Health				
Adults served with Cystic Fibrosis	84	95	95	95
Health Promotion				
Persons screened and educated for breast and cervical cancer	11,049	12,322	16,750	16,750
Number of renal patients served	1,300	1,100	1,200	1,200
Public Health Protection Services				
Cancer and Epidemiological Services				
Number of new cancer cases reported	77,000	80,000	80,000	80,000
Number of cumulative cancer reports in master file	1,413,949	1,509,383	1,669,383	1,749,383
Tuberculosis Control				
TB cases on register as of June 30	535	493	500	500
Visits to chest clinics	62,100	67,000	65,000	67,000
Percent of TB patients completing chemotherapy	92.0%	82.5%	84.0%	87.0%

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Emergency Medical Services				
Mobile intensive care paramedics certified/recertified	789	789	790	790
Emergency Medical Technicians certified/recertified	7,500	7,500	8,000	8,000
Helicopter response missions	1,600	1,600	1,600	1,600
Mobile intensive care unit's patient charts audited	650	650	1,000	1,000
Ambulance/invalid services licensed	500	500	350	350
Ambulance/invalid vehicles licensed	3,000	3,000	2,500	2,500
EMT training agencies certified	64	64	64	64
Sexually Transmitted Diseases (STD)				
Percent of STD clinic patients receiving education about HIV infection	75%	75%	75%	75%
Reported cases of early syphilis	255	450	500	500
Syphilis cases (early and late) brought to treatment by Department of Health	790	1,100	1,150	1,150
Reported cases of gonorrhea	8,900	9,100	8,500	8,500
Gonorrhea cases brought to treatment by Department of Health	2,700	2,600	2,700	2,700
Visits to STD clinics	22,700	21,500	23,000	23,000
Patients receiving diagnostic services	12,000	11,300	12,200	12,200
Consumer Health				
Pet spay/neuter surgeries performed	10,000	6,000	6,000	6,000
Registration of dogs (rabies control)	490,000	490,000	490,000	490,000
Environmental and sanitary inspections and investigations conducted	7,000	5,600	6,500	7,000
Number of food, drug and cosmetic embargoes, destructions and recalls	20	16	25	50
Other Communicable Disease Control				
Number of disease cases reported	6,500	7,500	8,500	8,500
Number of investigations of outbreaks	100	100	100	100
Levels of protection for children entering school against:				
Rubella	98%	98%	98%	98%
Measles	98%	98%	98%	98%
Mumps	98%	98%	98%	98%
Polio	98%	98%	98%	98%
Diphtheria	98%	98%	98%	98%
Infectious disease consultations	19,000	20,000	21,000	21,000
Non–outbreak investigations	280	280	280	280
Lyme disease hotline calls	1,600	1,600	1,600	1,600
Public Employees Occupational Safety and Health				
Complaint inspections conducted	558	558	510	510
Telephone consultations	1,400	1,400	1,350	1,350
Educational seminars presented	162	130	160	160
Right to Know				
Factsheets written or revised	250	200	300	300
Public and private workplaces inspected	800	600	600	600
Telephone consultations	3,500	3,500	3,500	3,500
Occupational Health Surveillance				
Exposure and illness reports received	13,000	17,000	20,000	20,000
Educational materials mailed to public	3,000	3,000	4,000	4,000
In–depth industrial hygiene evaluations	45	45	50	50
Follow–up industrial hygiene evaluations	0	5	5	5
Work–related chronic disease and epidemiology studies	5	5	5	5
Worker interviews and mailings	500	500	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 on–going	16	12	12	12
Telephone consultations	4,100	4,250	4,300	4,300
Responses to acute environmental emergencies	9	4	15	25
Consultations provided to other agencies and to the public	10	6	20	30

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Local health consultations, evaluations, and training services	9,355	10,144	9,978	10,919
Laboratory Services				
Bacteriology				
Specimens analyzed	178,456	173,526	180,000	180,000
Inborn Errors of Metabolism				
Specimens performed	139,357	126,850	145,000	145,000
Chemistry				
Asbestos samples examined	256	344	200	200
Occupational health samples examined	5	5	5	5
Sewage, stream and trade waste samples examined	4,622	4,424	4,500	4,500
Narcotic samples examined	197,498	195,259	205,000	205,000
Potable water samples examined	2,423	2,563	2,500	2,500
Food and milk samples examined	5,562	5,101	6,000	6,000
Blood lead samples examined	8,333	7,399	8,000	8,000
Clinical Laboratory Services				
Clinical laboratories licensed	1,385	1,544	1,600	1,600
Proficiency test samples (percent acceptable)	95%	95%	95%	95%
Proficiency test samples reviewed	57,549	57,712	57,500	57,500
Blood banks inspected	27	49	75	85
Clinical laboratory inspections	335	298	365	380
Blood banks licensed	230	238	240	240
Serology				
Routine screen tests for syphilis	34,027	38,874	38,000	38,000
Virology				
Specimens analyzed	121,063	118,808	115,000	115,000
AIDS Services				
Number of clients tested and counseled	67,067	67,789	67,750	68,500
Contact tracing of individuals	391	300	400	400
Hotline network calls	7,373	8,000	8,000	8,000
Living AIDS clients	17,500	18,200	18,000	18,600
HIV positive clients	15,400	15,700	15,900	16,500
Clients receiving early intervention services	8,959	9,000	9,000	9,000
Individuals reached/HIV training	1,500	3,000	2,000	2,000
AIDS Drug Distribution Program clients served	6,800	7,200	7,200	7,500
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	373	380	373	404
Federal	413	523	569	624
All Other	35	32	71	74
Total Positions	821	935	1,013	1,102
Filled Positions by Program Class				
Vital Statistics	47	54	56	58
Family Health Services	203	203	206	228
Public Health Protection Services	324	398	468	522
AIDS Services	134	149	147	157
Laboratory Services	113	131	136	137
Total Positions	821	935	1,013	1,102

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

The Evaluation Data and Personnel Data related to the Division of Addiction Services are now displayed in the Department of Human Services, Division of Addiction Services.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
1,085	248	425	1,758	1,753	Vital Statistics	01	1,627	1,627	1,627
2,099	—	—	2,099	2,059	Family Health Services	02	7,079	2,079	2,079
31,351	1,211	301	32,863	32,018	Public Health Protection Services	03	32,545	30,395	30,395
8,089	563	–250	8,402	8,340	Laboratory Services	08	7,697	7,697	7,697
3,900	—	321	4,221	4,213	AIDS Services	12	1,890	1,890	1,890
46,524	***2,022***	***797***	***49,343***	***48,383***	***Total Direct State Services***		***50,838*** (a)	***43,688***	***43,688***
					Distribution by Fund and Object				
					Personal Services:				
14,992	1,499 R	386	16,877	16,804	Salaries and Wages		15,172	15,172	15,172
14,992	*1,499*	*386*	*16,877*	*16,804*	*Total Personal Services*		*15,172*	*15,172*	*15,172*
2,424	—	–56	2,368	2,354	Materials and Supplies		2,229	2,229	2,229
964 2,000 S	—	516	3,480	3,441	Services Other Than Personal		964	964	964
153	—	—	153	151	Maintenance and Fixed Charges		153	153	153
					Special Purpose:				
87	—	—	87	87	WIC Farmers Market Program	02	87	87	87
—	—	—	—	—	Women's Health Awareness	02	5,000	—	—
90	—	—	90	90	Breast Cancer Public Awareness Campaign	02	90	90	90
300	—	—	300	298	Identification System for Children's Health and Disabilities	02	300	300	300
500	—	—	500	499	Public Awareness Campaign for Black Infant Mortality	02	500	500	500
79	—	—	79	68	Emergency Medical Services (b)	03	—	—	—
—	—	—	—	—	Cardiovascular Program	03	2,000	—	—
1,450	—	—	1,450	1,449	New Jersey Domestic Security Preparedness	03	1,450	1,450	1,450
5,000	—	—	5,000	4,998	Medical Emergency Disaster Preparedness for Bioterrorism	03	4,000	4,000	4,000
400	—	—	400	399	Cancer Registry	03	400	400	400
500	—	–234	266	254	Cancer Investigation and Education	03	500	500	500
50	—	—	50	50	Emergency Medical Services for Children	03	50	50	50
900	—	—	900	900	South Jersey Regional Emergency Training Center	03	—	—	—
6,000	50	—	6,050	6,000	School Based Programs and Youth Anti–Smoking	03	7,000	7,000	7,000
4,000	—	—	4,000	3,999	Anti–Smoking Programs	03	4,000	4,000	4,000
125	—	—	125	83	First Response EMT Cardiac Training Program (b)	03	—	—	—
—	—	—	—	—	Nut and Food Allergies	03	250 S	—	—
1,000	67	185	1,252	1,004	New Jersey State Commission on Cancer Research	03	1,000	1,000	1,000
774	143	—	917	695	Medical Waste Management Program	03	720	720	720
—	—	—	—	—	Animal Welfare	03	200	300	300
—	179	—	179	179	Rabies Control Program (c)	03	—	—	—
—	84	—	84	84	Animal Population Control Program (c)	03	—	—	—

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
2,046	—	—	2,046	1,876	Worker and Community Right to Know	03	2,133	2,133	2,133
200	—	—	200	177	New Jersey Coalition to Promote Cancer Prevention, Early Detection & Treatment	03	200	200	200
1,800	—	—	1,800	1,754	New Jersey Domestic Security Preparedness	08	1,800	1,800	1,800
690	—	—	690	690	West Nile Virus – Laboratory	08	640	640	640
					GRANTS–IN–AID				
					Distribution by Fund and Program				
63,206	21	10,240	73,467	73,257	Family Health Services	02	98,698	118,898	118,898
62,706	*21*	*10,240*	*72,967*	*72,760*	*(From General Fund)*		*98,169*	*118,369*	*118,369*
500	—	—	*500*	*497*	*(From Casino Revenue Fund)*		*529*	*529*	*529*
27,304	21	169	27,494	27,487	Public Health Protection Services	03	54,586	22,841	22,841
19,012	—	–241	18,771	16,770	AIDS Services	12	40,396	33,396	33,396
109,522	***42***	***10,168***	***119,732***	***117,514***	***Total Grants–in–Aid***		***193,680***	***175,135***	***175,135***
109,022	*42*	*10,168*	*119,232*	*117,017*	*(From General Fund)*		*193,151*	*174,606*	*174,606*
500	—	—	*500*	*497*	*(From Casino Revenue Fund)*		*529*	*529*	*529*
					Distribution by Fund and Object				
					Grants:				
4,180	—	—	4,180	4,180	Family Planning Services	02	4,767	4,767	4,767
939	—	—	939	939	Hemophilia Services	02	1,105	1,105	1,105
2,059	—	—	2,059	2,039	Special Health Services for Handicapped Children	02	2,252	2,252	2,252
383	—	—	383	383	Chronic Renal Disease Services	02	459	459	459
308	—	—	308	308	Pharmaceutical Services for Adults With Cystic Fibrosis	02	339	339	339
25	—	—	25	25	Birth Defects Registry	02	31	31	31
500	—	—	500	497	Statewide Birth Defects Registry (CRF)	02	529	529	529
3,403	4	—	3,407	3,390	Maternal and Child Health Services	02	5,448	5,448	5,448
—	—	10	10	10	American Diabetes Association Research Foundation	02	—	—	—
—	—	—	—	—	Lead Testing Kits for Expectant Mothers	02	1,000	1,000	1,000
795	—	—	795	788	Lead Poisoning Program	02	883	883	883
490	—	—	490	490	Poison Control Center	02	525	525	525
42,946	—	—	42,946	42,946	Early Childhood Intervention Program (d)	02	56,965	59,965	59,965
—	17	—	17	—	School for Children with Hidden Intelligence – Early Intervention	02	—	—	—
565	—	—	565	565	Cleft Palate Programs	02	651	651	651
200	—	—	200	200	Tourette Syndrome Association of New Jersey	02	1,250	1,250	1,250
2,700	—	—	2,700	2,699	Cancer Screening – Early Detection and Education Program (e)	02	5,400	5,400	5,400
86	—	—	86	86	SIDS Assistance Act	02	197	197	197
138	—	—	138	138	Services to Victims of Huntington's Disease	02	297	297	297
—	—	25	25	25	Cerebral Palsy Association of Middlesex County	02	—	—	—
—	—	15	15	15	Three Doctors Foundation	02	—	—	—
—	—	10	10	10	Central Jersey Spinal Cord Association	02	—	—	—
250	—	—	250	250	St. Barnabas Medical Center	02	250	250	250

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
2,989	—	—	2,989	2,989	Robert Wood Johnson Medical School at Camden	02	—	—	—
—	—	10	10	10	Juvenile Diabetes Research Foundation, East Brunswick Chapter	02	—	—	—
—	—	10	10	10	Juvenile Diabetes Research Foundation, Greater Delaware Valley Chapter	02	—	—	—
—	—	10	10	10	Juvenile Diabetes Research Foundation, Northern New Jersey Chapter	02	—	—	—
—	—	10	10	10	Planned Parenthood of Central NJ / Your Body – Your Health Program	02	—	—	—
—	—	5	5	5	Planned Parenthood of Central NJ for the Picture Me Program	02	—	—	—
—	—	10	10	10	Planned Parenthood Association of Mercer County	02	—	—	—
—	—	10	10	10	Planned Parenthood of Greater Northern NJ	02	—	—	—
—	—	10	10	10	Planned Parenthood of Metropolitan NJ for HPV Testing	02	—	—	—
—	—	5	5	5	Planned Parenthood of Metropolitan NJ for Teen L.I.N.K.S	02	—	—	—
—	—	10	10	10	Women Aware	02	—	—	—
—	—	10	10	10	New Jersey American Parkinson Disease Association Chapter	02	—	—	—
—	—	20	20	20	New Jersey American Parkinson Disease Association, Information & Referral	02	—	—	—
—	—	20	20	20	Parkinson Alliance	02	—	—	—
—	—	10	10	10	Juvenile Diabetes Research Foundation, Shrewsbury Chapter	02	—	—	—
—	—	20	20	20	National Multiple Sclerosis Society, Mid NJ Chapter	02	—	—	—
—	—	10	10	10	Coalition for Brain Injury Research	02	—	—	—
—	—	—	—	—	Stroke Centers	02	3,000 3,000 S	3,000	3,000
—	—	—	—	—	Postpartum Education Campaign	02	—	2,500	2,500
—	—	—	—	—	Postpartum Screening	02	—	2,000	2,000
250	—	—	250	250	Camden Optometric Eye Center	02	300	—	—
—	—	—	—	—	New Jersey Council on Physical Fitness and Sports	02	50	50	50
—	—	10,000	10,000	9,855	Federally Qualified Health Centers – Services to Family Care Clients (f)	02	10,000	26,000	26,000
1,304	—	67	1,371	1,371	Tuberculosis Services	03	1,536	1,536	1,536
—	—	20	20	20	Women's Resource Center	03	—	—	—
—	—	10	10	10	Planned Parenthood of Southern New Jersey	03	—	—	—
—	—	10	10	10	South Jersey Breast Cancer Coalition	03	—	—	—
—	—	10	10	10	Gilda's Club South Jersey	03	—	—	—

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					GRANTS–IN–AID				
1,500	—	—	1,500	1,496	Implementation of Comprehensive Cancer Control Program (g)	03	1,500	1,500	1,500
795	—	—	795	795	Immunization Services	03	830	830	830
424	—	—	424	424	AIDS Communicable Disease Control	03	444	444	444
—	21	–18	3	—	Coriell Institute for Medical Research–NJ Cord Blood Resource Center	03	2,500 S	—	—
—	—	—	—	—	Garden State Cancer Center	03	1,000	—	—
18,000	—	—	18,000	18,000	Cancer Institute of New Jersey	03	36,000 6,000 S	18,250	18,250
5,000	—	—	5,000	5,000	Cancer Institute of New Jersey, South Jersey Program	03	—	—	—
—	—	—	—	—	St. Barnabas Medical Center – Cancer Center	03	3,250	—	—
—	—	—	—	—	Hackensack Medical Center Stem Cell Research Institute	03	900	—	—
—	—	—	—	—	New Jersey Collaborating Center for Nursing	03	345	—	—
—	—	10	10	10	Sisters Network of Central NJ	03	—	—	—
—	—	10	10	10	Sisters Network of Mercer County	03	—	—	—
—	—	20	20	20	Leukemia and Lymphoma Society, Northern NJ Chapter	03	—	—	—
—	—	20	20	20	Leukemia and Lymphoma Society, Southern NJ/Shore Region Chapter	03	—	—	—
281	—	—	281	281	Worker and Community Right to Know	03	281	281	281
—	—	10	10	10	Young Survivors Coalition	03	—	—	—
17,012 2,000 S	—	–321	18,691	16,690	AIDS Grants	12	20,696	18,696	18,696
—	—	—	—	—	Rapid AIDS Testing	12	3,000 2,700 S	5,700	5,700
—	—	—	—	—	AIDS Drug Distribution Program	12	11,700 2,300 S	9,000	9,000
—	—	25	25	25	New Hope Baptist Church of Newark	12	—	—	—
—	—	25	25	25	AIDS Resource Foundation for Children	12	—	—	—
—	—	10	10	10	The Eric Johnson House of Morristown	12	—	—	—
—	—	20	20	20	NJ Women and AIDS Network	12	—	—	—
					STATE AID				
					Distribution by Fund and Program				
2,400	—	—	2,400	2,272	Public Health Protection Services	03	2,400	2,400	2,400
2,400	—	—	***2,400***	***2,272***	***Total State Aid***		***2,400***	***2,400***	***2,400***
					Distribution by Fund and Object				
					State Aid:				
2,400	—	—	2,400	2,272	Public Health Priority Funding	03	2,400	2,400	2,400
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
620	306	—	926	216	Laboratory Services	08	—	—	—
620	***306***	—	***926***	***216***	***Total Capital Construction***		—	—	—

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Object				
					Division of Public Health and Environmental Laboratories				
150	200	—	350	99	Improvements to Laboratories and Installed Equipment	08	—	—	—
470	60	—	530	81	Laboratory Equipment	08	—	—	—
—	46	—	46	36	Clinical Laboratory Services – Automation	08	—	—	—
159,066	***2,370***	***10,965***	***172,401***	***168,385***	***Grand Total State Appropriation***		***246,918***	***221,223***	***221,223***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
850	555	—	1,405	828	Vital Statistics	01	850	850	850
144,954 5,719 S	24,139	–968	173,844	134,016	Family Health Services	02	156,146	160,946	160,946
72,811 6,863 S	9,402	–1,394	87,682	54,142	Public Health Protection Services	03	58,778	58,374	58,374
4,333	1,249	–229	5,353	3,596	Laboratory Services	08	5,121	4,773	4,773
92,755	24,265	–863	116,157	79,673	AIDS Services	12	83,781	80,933	80,933
328,285	***59,610***	***–3,454***	***384,441***	***272,255***	***Total Federal Funds***		***304,676***	***305,876***	***305,876***
					All Other Funds				
—	15 R	—	15	15	Vital Statistics	01	600	600	600
—	3,232 26,636 R	14,701	44,569	44,066	Family Health Services	02	38,000	38,006	38,006
—	5,760 3,998 R	9,553	19,311	13,377	Public Health Protection Services	03	15,708	13,350	13,350
—	122 332 R	—	454	440	Laboratory Services	08	350	330	330
—	33 16,114 R	—	16,147	16,147	AIDS Services	12	11,000	25,606	25,606
—	***56,242***	***24,254***	***80,496***	***74,045***	***Total All Other Funds***		***65,658***	***77,892***	***77,892***
487,351	***118,222***	***31,765***	***637,338***	***514,685***	***GRAND TOTAL ALL FUNDS***		***617,252***	***604,991***	***604,991***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The program is budgeted as a dedicated fund for fiscal years 2005 and 2006.

(c) The program is budgeted as a dedicated fund for fiscal years 2004, 2005 and 2006.

Notes — Grants–In–Aid – General Fund

(d) Program was previously budgeted in fiscal years 2004 and 2005 as a State Aid Program.

(e) Program was previously budgeted in fiscal years 2004 and 2005 as a Direct State Services Program.

(f) Program was previously budgeted under Health Planning and Evaluation of the Department of Health and Senior Services for fiscal years 2004 and 2005. For fiscal year 2006, the recommended amount includes $11,000,000, previously funded within the Health Care Subsidy Fund.

(g) Program was previously budgeted in fiscal years 2004 and 2005 as a Direct State Services Program.

The fiscal year 2004 Expenditure Data for all fund categories have been adjusted to reflect the transfer of the Addiction Services to the Department of Human Services, Division of Addiction Services.

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.

Notwithstanding the provisions of any other law 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.

In addition to the amount appropriated above for Emergency Medical Services for Children, $150,000 is appropriated 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), for the same purpose.

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.

The unexpended balance at the end of the preceding fiscal year, in the Comprehensive Regulated Medical Waste Management Act account, together with any receipts received by the Department of Health and Senior Services pursuant to the provisions of the "Comprehensive Regulated Medical Waste Management Act," P.L.1989, c.34 (C.13:1E–48.1 et seq.), is appropriated.

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 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.

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 to the contrary, the amounts appropriated hereinabove 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.

Of the amounts appropriated hereinabove for the two anti–smoking program accounts (School Based Programs and Youth Anti–Smoking Programs and Anti–Smoking Programs), such amounts shall be used to maintain the smoking cessation programs at the same operational level as fiscal year 2005 and shall maintain the most effective programs while those without direct contact or impact may be reduced/eliminated.

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 further, however, 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

In addition to the amount hereinabove, 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.

An amount not to exceed $1,830,000 is appropriated to the Department of Health and Senior Services 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), to fund the Infant Mortality Reduction Program.

Of the amount appropriated hereinabove 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 appropriated hereinabove 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.

The unexpended balance at the end of the preceding fiscal year, in the Coriell Institute for Medical Research – New Jersey Cord Blood Resource Center account is appropriated.

From the amount appropriated hereinabove 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 any law to the contrary, the Commissioner of the Department of Health and Senior Services shall establish guidelines to develop a formulary for the AIDS Drug Distribution Program subject to the requirements of the federal Ryan White Care Act and its amendments.

Language Recommendations — State Aid – General Fund

The capitation is set not to exceed 40 cents for the year ending June 30, 2006 for the purposes prescribed in P.L.1966, c.36 (C.26:2F–1 et seq.).

Notwithstanding any provision of law to the contrary, the amount appropriated hereinabove 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 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.
7. To oversee the provision of services by managed care organizations, develop analytical data on managed care quality and outcome measures for dissemination to the public, manage the system of external appeals of managed care denials of care as not medically necessary, and investigate consumer complaints.

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.

07. **Health Care Systems Analysis.** 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; 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; regulates managed care organizations, addressing consumer complaints and reviews the ongoing performance of HMO's through periodic site visits and review of annual reports; 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Long Term Care Systems				
Licensed health care facilities	880	883	873	890
Licensed nursing home administrators	980	1,050	1,100	1,050
Total licenses issued	992	991	986	1,000
Number of beds licensed	84,188	84,783	84,819	85,000
Total inspections	3,685	3,627	3,800	3,800
Total federally certified licensed facilities	9	9	9	9
Total federally certified licensed beds	3,646	3,646	3,627	3,627
Administrative actions/penalties	125	95	105	115
Federal Enforcement Actions	1,500	1,352	1,500	1,500
Nurse Aide applications processed	21,625	22,800	25,000	25,000

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Health Care Systems Analysis				
Inspections of acute care facilities	850	875	1,100	1,100
Complaints investigations	825	850	1,200	1,200
Hospital charity care audits	316	340	328	328
Certificate of need applications processed	137	160	60	60
Collection and analysis of hospital cost, financial, and utilization data				
By patient	1,500,000	3,000,000	4,500,000	4,500,000
By hospital	79	79	83	83
Managed Care publications distributed	27,000	27,000	25,000	25,000
Acute Health Care facilities licensed	912	975	1,000	1,000
External Health Maintenance Organization complaints processed	5,184	6,000	4,000	4,000
Acute Health Care facilities license applications processed	1,107	1,220	1,350	1,350
Acute Health Care facilities enforcement actions/penalties	32	37	40	40
Hospital Performance Report – Distribution	——	12,000	24,000	24,000
Cardiac Surgery Report – Consumer	1,000	2,000	500	500
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	91	84	84	73
Federal	87	92	99	106
All Other	88	120	119	117
Total Positions	266	296	302	296
Filled Positions by Program Class				
Long Term Care Systems Development & Quality Assurance	138	144	147	162
Health Care Systems Analysis	128	152	155	134
Total Positions	266	296	302	296

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
3,949	1,843	–643	5,149	5,110	Long Term Care Systems	06	2,949	3,749	3,749
1,185	4,209	–3,295	2,099	2,088	Health Care Systems Analysis	07	2,125	1,125	1,125
5,134	***6,052***	***–3,938***	***7,248***	***7,198***	***Total Direct State Services***		***5,074***	***4,874***	***4,874***
					Distribution by Fund and Object				
					Personal Services:				
3,847	4,209 R	–2,095	5,961	5,934	Salaries and Wages		3,787	2,787	2,787
3,847	*4,209*	*–2,095*	*5,961*	*5,934*	*Total Personal Services*		*3,787*	*2,787*	*2,787*
60	——	–11	49	42	Materials and Supplies		60	60	60
179	——	21	200	192	Services Other Than Personal		179	179	179
69	——	–10	59	55	Maintenance and Fixed Charges		69	69	69
					Special Purpose:				
——	1,843 R	–1,843	——	——	Long Term Care Systems	06	——	——	——
979	——	——	979	975	Nursing Home Background Checks/Nursing Aide Certification Program	06	979	1,179	1,179
——	——	——	——	——	Implement Patient Safety Act	06	——	600	600

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
73,269	—	–9,975	63,294	63,294	Health Care Systems Analysis	07	300,725	119,725	119,725
73,269	—	***–9,975***	***63,294***	***63,294***	***Total Grants–in–Aid***		***300,725***	***119,725***	***119,725***
					Distribution by Fund and Object				
					Grants:				
25,200	—	—	25,200	25,200	Health Care Subsidy Fund Payments [b]	07	280,725	119,725	119,725
19,953	—	—	19,953	19,953	Hospital Assistance Grants	07	20,000	—	—
18,116	—	—	18,116	18,116	Supplemental Charity Care	07	—	—	—
—	—	25	25	25	Dover Community Clinic	07	—	—	—
10,000	—	–10,000	—	—	Federally Qualified Health Centers – Services to Family Care Clients [a]	07	—	—	—
78,403	***6,052***	***–13,913***	***70,542***	***70,492***	***Grand Total State Appropriation***		***305,799***	***124,599***	***124,599***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
11,969	1,805	—	13,774	6,657	Long Term Care Systems	06	15,672	16,826	16,826
19,589	1,274	—	20,863	20,312	Health Care Systems Analysis	07	72,439	45,577	45,577
31,558	***3,079***	—	***34,637***	***26,969***	***Total Federal Funds***		***88,111***	***62,403***	***62,403***
					All Other Funds				
—	987 558 R	—	1,545	—	Long Term Care Systems	06	117	117	117
—	9,297 34,959 R	–17,602	26,654	13,127	Health Care Systems Analysis	07	52,974	40,336	40,336
—	***45,801***	***–17,602***	***28,199***	***13,127***	***Total All Other Funds***		***53,091***	***40,453***	***40,453***
109,961	***54,932***	***–31,515***	***133,378***	***110,588***	***GRAND TOTAL ALL FUNDS***		***447,001***	***227,455***	***227,455***

Notes — Grants–In–Aid – General Fund

(a) In fiscal years 2005 and 2006, program appropriation has been moved to the Health Services section of the Department of Health and Senior Services.

(b) In fiscal year 2006, $11,000,000 in funding for Federally Qualified Health Centers previously funded within the Health Care Subsidy Fund has been brought on–budget and is reflected as a line item appropriation within Health Services. This adjustment reduces the Health Care Subsidy Fund Payments account by $11,000,000.

Language Recommendations — Direct State Services – General Fund

Receipts from licenses, permits, fines, penalties and fees collected by the Department of Health and Senior Services in Health Planning and Evaluation, in excess of those anticipated, are appropriated subject to a plan approved by the Director of the Division of Budget and Accounting.

In addition to the amounts appropriated hereinabove, $1,000,000 is appropriated for the Implementation of Statewide Health Information Network, 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) for establishing HIPAA compliance. Of this amount, $250,000 shall be allocated to Thomas A. Edison State College.

Available funds are appropriated 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 other law 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 to the contrary, the amounts appropriated hereinabove for Health Care Subsidy Fund Payments shall be charged to the proceeds of the fiscal year 2005 increase in the cigarette tax and to the proceeds of the Second Referral Debt Collection–Hospitals revenue item.

Notwithstanding any provision of law to the contrary, the appropriation for Health Care Subsidy Fund Payments shall be conditioned upon the following provision: fiscal year 2006 charity care allocations will be based upon the fiscal year 2005 distribution as published by the Department of Health and Senior Services on August 6, 2004. Each hospital that received a 96% or greater subsidy in fiscal year 2005 shall receive the same subsidy amount in fiscal year 2006. The rank ordering of the remaining hospitals shall be maintained, but their subsidy shall be prorated so that the total amount distributed in fiscal year 2006 does not exceed $532,430,000. In the event that revenues from the assessment on cosmetic surgery procedures exceed current estimates, the total amount available for Charity Care may be increased by this excess amount, plus the associated federal revenue, not to exceed a total of $583,400,000, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding any law to the contrary, effective commencing with the start of the fiscal year, all revenues collected from the tax on cosmetic surgery procedures enacted by P.L. 2004, C.53 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)

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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	156	157	157	157
Male Minority %	7.4	7.3	7.3	7.3
Female Minority	544	564	564	564
Female Minority %	25.8	26.4	26.4	26.4
Total Minority	700	721	721	721
Total Minority %	33.2	33.7	33.7	33.7
Position Data				
Filled Positions by Funding Source				
State Supported	107	101	100	97
Federal	3	3	16	20
All Other	120	155	125	137
Total Positions	230	259	241	254
Filled Positions by Program Class				
Administration and Support Services	230	259	241	254
Total Positions	230	259	241	254

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The budget for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
5,376	16	2,688	8,080	8,037	Administration and Support Services	99	6,013	6,013	6,013
5,376	***16***	***2,688***	***8,080***	***8,037***	***Total Direct State Services***		***6,013*** (a)	***6,013***	***6,013***
					Distribution by Fund and Object				
					Personal Services:				
3,156	16 R	2,398	5,570	5,530	Salaries and Wages		3,793	3,793	3,793
3,156	*16*	*2,398*	*5,570*	*5,530*	*Total Personal Services*		*3,793*	*3,793*	*3,793*
49	—	—	49	49	Materials and Supplies		49	49	49
587	—	290	877	877	Services Other Than Personal		587	587	587
					Special Purpose:				
1,500	—	—	1,500	1,497	Office of Minority and Multicultural Health	99	1,500	1,500	1,500
84	—	—	84	84	Affirmative Action and Equal Employment Opportunity	99	84	84	84
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	6	—	6	—	Administration and Support Services	99	—	—	—
—	*6*	—	*6*	—	***Total Capital Construction***		—	—	—
					Distribution by Fund and Object				
					Division of Management and Administration				
—	1	—	1	—	Information Processing Network – Infrastructure Upgrade	99	—	—	—
—	3	—	3	—	Infrastructure Network	99	—	—	—
—	2	—	2	—	"E"Public Health	99	—	—	—
5,376	***22***	***2,688***	***8,086***	***8,037***	***Grand Total State Appropriation***		***6,013***	***6,013***	***6,013***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
1,296 189 S	103	2,980	4,568	2,403	Administration and Support Services	99	4,717	4,717	4,717
1,485	***103***	***2,980***	***4,568***	***2,403***	***Total Federal Funds***		***4,717***	***4,717***	***4,717***
					All Other Funds				
—	6,090 1,312 R	4,078	11,480	6,314	Administration and Support Services	99	1,300	1,300	1,300
—	***7,402***	***4,078***	***11,480***	***6,314***	***Total All Other Funds***		***1,300***	***1,300***	***1,300***
6,861	***7,527***	***9,746***	***24,134***	***16,754***	***GRAND TOTAL ALL FUNDS***		***12,030***	***12,030***	***12,030***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

20. PHYSICAL AND MENTAL HEALTH
26. SENIOR SERVICES

OBJECTIVES

1. To provide a variety of medical and health services to individuals in their own homes to avoid unnecessary institutional placement.
2. To provide prescription drugs, insulin and insulin syringes for State residents qualifying for the Pharmaceutical Assistance to the Aged and Disabled (PAA/D) and Senior Gold programs (C.30:4D–21 et seq.).
3. To promote and encourage advocacy for the aging population at the federal, State, county and municipal levels in order to ensure that the elderly will not be deprived of their rights, privileges, entitlements or benefits.
4. To promote, advocate and insure, as a whole and in particular cases, the adequacy of the care received, and the quality of life experienced, by elderly patients, residents and clients of institutional facilities within this State.
5. To assure through the County Offices on Aging that congregate and in–home nutrition services are provided on a daily basis to residents aged 60 years and older with emphasis on those in greatest need.
6. To continue to serve as an effective and visible advocate for the elderly through programs for the aging.
7. To provide assistance to elderly citizens who have been found by the court to need a guardian or conservator and to administer those services in order to provide a better quality of life for each individual represented.
8. To set nursing facility Medicaid reimbursement through the rate setting process.

PROGRAM CLASSIFICATIONS

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.

24. **Pharmaceutical Assistance to the Aged and Disabled (PAA/D).** The Pharmaceutical Assistance to the Aged (PAA) Program provides prescription drug benefits to persons over 65 years of age with an income of up to $9,000 if single or $12,000 if married. Eligible individuals above these income limits and the disabled are funded from the Casino Revenue Fund through the Pharmaceutical Assistance to the Aged and Disabled (PAAD) Program, which provides prescription drug benefits to persons over 65 years of age, or disabled as defined by the Federal Social Security Act, with an income of up to $20,989 if single or $25,735 if married. The Senior Gold program provides prescription drug benefits to everyone over 65 years of age or receiving Social Security Disability benefits, whose annual income is $10,000 above the applicable PAAD income eligibility limits for single and married persons, which amount is to be determined on the 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.

56. **Office of the Ombudsman.** The Ombudsman 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. The Office reviews requests for the withdrawal or withholding of life–sustaining treatment for persons without advance directives for health care.

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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Medical Services for the Aged				
Nursing Home Services:				
Per diem	$123.08	$131.67	$157.85	$161.51
Patient days	10,758,012	10,645,163	10,536,256	10,427,837
Gross annual cost (a)	$1,324,140,202	$1,401,648,612	$1,663,148,048	$1,684,200,000
Medical Day Care Services				
Per diem	$66.52	$73.01	$76.19	$79.05
Total days	1,353,096	1,513,416	1,722,710	1,784,972
Gross annual cost	$90,005,365	$110,499,536	$131,253,242	$141,102,000

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Community Care Programs:				
Community Care Program for the Elderly and Disabled clients served	5,200	5,200	5,200	5,200
Community Care Program for the Elderly and Disabled amount expended	$ 55,110,484 (b)	$ 56,257,208 (b)	$ 58,485,324 (b)	$ 60,282,000 (b)
Assisted Living/ Alternative Family Care Clients served	1,875	2,450	3,200	3,575
Pharmaceutical Assistance to the Aged and Disabled				
Pharmaceutical Assistance to the Aged (PAA) Only:				
Average monthly eligibles	17,766	16,657	15,934	15,456
Average monthly prescriptions per eligible	2.50	2.47	1.93	2.50
Annual prescriptions	532,980	493,713	368,381	463,679
Cost per prescription (excludes co–payment)	$63.01	$65.88	$62.05	$64.34
Gross Cost PAA Program	$33,580,622	$32,527,859	$22,857,000	$29,835,000
Recoveries (c)				
Annual Cost	$33,580,622	$32,527,859	$22,857,000	$29,835,000
Pharmaceutical Assistance to the Aged & Disabled (PAAD) Only:				
Aged				
Average monthly eligibles	147,841	148,349	148,971	149,597
Average monthly prescriptions per eligible	2.99	3.08	3.10	3.12
Annual prescriptions	5,304,535	5,477,045	5,538,742	5,600,900
Cost per prescription (excludes co–payment)	$67.19	$71.07	$68.08	$66.02
Gross Cost PAAD Program (Aged only)	$356,422,261	$389,266,584	$377,058,134	$369,783,000
Recoveries (c)	($6,832,818)	($5,638,260)	($6,857,250)	($6,857,250)
PAAD manufacturers' rebates (c)	($55,149,276)	($95,940,109)	($86,250,000)	($109,500,000)
Net Annual Cost	$294,440,167	$287,648,215	$283,950,884	$253,425,750
Disabled				
Average monthly eligibles	27,247	27,902	28,319	28,741
Average monthly prescriptions per eligible	3.85	3.99	3.94	3.99
Annual prescriptions	1,258,811	1,334,832	1,340,055	1,374,967
Cost per prescription (excludes co–payment)	$94.38	$97.20	$93.79	$89.65
Gross Cost PAAD Program (Disabled only)	$118,807,420	$129,742,195	$125,686,045	$123,261,000
Recoveries (c)	($2,277,606)	($1,879,420)	($2,285,750)	($2,285,750)
PAAD manufacturers' rebates (c)	($18,383,092)	($31,980,036)	($28,750,000)	($36,500,000)
Net Annual Cost	$98,146,722	$95,882,738	$94,650,295	$84,475,250
Total General Fund	$166,293,511	$161,411,859	$146,794,178	$82,968,000
Total Casino Revenue Fund	$259,874,000	$254,646,953	$254,664,000	$284,768,000
Senior Gold				
Aged				
Average monthly eligibles	28,133	28,257	28,591	28,750
Average monthly prescriptions per eligible	2.04	2.08	2.09	2.11
Annual prescriptions	688,696	705,295	717,062	727,950
Cost per prescription (excludes cost sharing)	$24.78	$27.13	$31.57	$31.97
Gross Cost Senior Gold Program (Aged only)	$17,063,778	$19,135,019	$22,638,412	$23,270,280
Senior Gold manufacturers' rebates	($2,036,375)	($4,028,510)	($3,500,000)	($4,000,000)
Net Annual Cost	$15,027,403	$15,106,509	$19,138,412	$19,270,280
Disabled				
Average monthly eligibles	1,259	1,461	1,672	1,839
Average monthly prescriptions per eligible	2.43	2.34	2.30	2.35
Annual prescriptions	36,712	41,025	46,080	51,865
Cost per prescription (excludes cost sharing)	$33.16	$38.00	$42.50	$45.92
Gross Cost Senior Gold Program (Disabled only)	$1,217,466	$1,558,839	$1,958,588	$2,381,720
Total General Fund	$16,244,869	$16,665,348	$21,097,000	$21,652,000 (e)

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Programs for the Aged				
Services and Service Units Provided:				
Congregate meals service	2,127,431	2,127,000	2,127,000	2,127,000
Home delivered meals service	3,589,384	3,589,000	3,589,000	3,589,000
Transportation service	1,039,220	1,039,000	1,039,000	1,039,000
Information and referral service	375,603	376,000	376,000	376,000
Telephone reassurance service	237,859	238,000	238,000	238,000
Outreach service	56,824	57,000	57,000	57,000
Personal care service	762,846	763,000	763,000	763,000
Legal service	26,226	26,000	26,000	26,000
Housekeeping and chore services	511,341	511,000	511,000	511,000
Education and training services	29,214	29,000	29,000	29,000
Case management service	160,668	161,000	161,000	161,000
Physical health services	103,370	103,000	103,000	103,000
Congregate Housing Services Program				
Persons served	2,994	3,000	3,000	3,000
Site locations	70	70	70	70
Adult Protective Services				
Persons served	5,322 (d)	5,300	5,300	5,300
Health Insurance Counseling				
Clients served	75,000	75,000	75,000	75,000
Security Housing and Transportation				
Clients served	9,342 (d)	9,300	9,300	9,300
Gerontology Services				
Geriatric Patients served	3,043	3,000	3,000	3,000
Alzheimer's Day Care Units provided	62,030	62,000	62,000	62,000
Persons Trained in Gerontology	3,592	3,600	3,600	3,600
Caregivers Receiving Respite Care	2,500	2,500	2,500	2,500
Office of the Ombudsman				
Office of the Ombudsman				
Institutionalized elderly	125,000	125,000	125,000	125,000
On–site investigations:				
Involving patient funds	697	770	880	880
Involving care/abuse/neglect	7,803	8,580	9,460	9,460
Nursing homes visited	3,854	4,290	4,730	4,730
Boarding homes visited	216	220	220	220
Residential health care/psychiatric and development centers visits	221	220	220	220
Cases referred to enforcement agencies	424	440	440	440
Office of the Public Guardian				
Office of the Public Guardian				
Number of inquiries	247	280	300	300
Number of cases handled	1,614	1,764	1,924	1,924
Number of court–appointed cases	114	150	160	160
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	301	303	318	317
Federal	120	114	119	123
All Other	21	25	25	27
Total Positions	442	442	462	467

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Filled Positions by Program Class				
Medical Services for the Aged	194	172	192	195
Pharmaceutical Assistance to the Aged & Disabled	130	146	151	147
Lifeline	17	22	21	19
Programs for the Aged	56	53	49	55
Ombudsman's Office	20	21	19	21
Office of the Public Guardian	25	28	30	30
Total Positions	442	442	462	467

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

Actual fiscal year 2003 and 2004 amounts have been restated to reflect accurate accounts.

The appropriation and evaluation data for the Lifeline Credits and Tenants Assistance Rebates Programs have been adjusted for all fiscal years to reflect the transfer of these programs to the Board of Public Utilities (BPU), in accordance with a Memorandum of Understanding (MOU) between the BPU and the Department of Health and Senior Services (DHSS). The administrative portion of Lifeline will remain in the Department of Health and Senior Services.

(a) Includes expenses for Medicaid High Occupancy, federal Peer Grouping, and SOBRA funded in the General Fund.

(b) Includes resources from the Casino Revenue Fund, Grants–in–Aid, the Health Care Subsidy Fund, and matching federal funds.

(c) Rebates and recoveries earned by all portions of the PAA/PAAD program; rebates are applied to the PAAD program only.

(d) Definition was changed to standardize reporting by Adult Protective Services agencies.

(e) Excludes $3,850,000 appropriated for administration.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
5,016	203	4,665	9,884	8,632	Medical Services for the Aged	22	5,733	5,793	5,793
9,654	41	4,166	13,861	12,734	Pharmaceutical Assistance to the Aged and Disabled	24	8,560	4,699	4,699
1,333	31	279	1,643	1,592	Programs for the Aged	55	1,333	1,333	1,333
462	*7*	*191*	*660*	*655*	*(From General Fund)*		*462*	*462*	*462*
871	*24*	*88*	*983*	*937*	*(From Casino Revenue Fund)*		*871*	*871*	*871*
826	—	204	1,030	1,028	Office of the Ombudsman	56	826	826	826
681	—	295	976	975	Office of the Public Guardian	57	681	681	681
17,510	***275***	***9,609***	***27,394***	***24,961***	***Total Direct State Services***		***17,133***	***13,332***	***13,332***
16,639	*251*	*9,521*	*26,411*	*24,024*	*(From General Fund)*		*16,262*	*12,461*	*12,461*
871	*24*	*88*	*983*	*937*	*(From Casino Revenue Fund)*		*871*	*871*	*871*
					Distribution by Fund and Object				
					Personal Services:				
8,735	—	619	9,354	8,332	Salaries and Wages		9,422	5,621	5,621
796	—	—	796	617	Salaries and Wages (CRF)		658	658	658
—	—	—	—	178	Employee Benefits (CRF)		138	138	138
9,531	—	*619*	*10,150*	*9,127*	*Total Personal Services*		*10,218*	*6,417*	*6,417*
8,735	—	*619*	*9,354*	*8,332*	*(From General Fund)*		*9,422*	*5,621*	*5,621*
796	—	—	*796*	*795*	*(From Casino Revenue Fund)*		*796*	*796*	*796*
170 70 S	—	—	240	123	Materials and Supplies		170	170	170
14	—	5	19	18	Materials and Supplies (CRF)		14	14	14
2,172	—	751	2,923	2,586	Services Other Than Personal		1,178	1,178	1,178
47	—	83	130	119	Services Other Than Personal (CRF)		47	47	47
450	—	—	450	448	Maintenance and Fixed Charges		450	450	450

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
2	—	—	2	—	Maintenance and Fixed Charges (CRF)		2	2	2
					Special Purpose:				
737	—	—	737	737	Fiscal Agent – Medical Services for the Aged	22	737	737	737
—	192	4,260	4,452	4,186	ElderCare Initiatives	22	—	—	—
4,134	41	—	4,175	3,607	Payments to Fiscal Agent – PAA	24	4,134	4,134	4,134
—	—	3,700	3,700	3,628	Senior Gold Prescription Assistance Program	24	—	—	—
—	—	191	191	189	ElderCare Advisory Commission Initiatives	55	—	—	—
—	7	—	7	7	Demonstration Adult Day Care Center Program–Alzheimer's Disease	55	—	—	—
143	—	—	143	143	Federal Programs for the Aging (State Share)	55	143	143	143
28	11	—	39	38	Additions, Improvements and Equipment		28	28	28
12	24	—	36	5	Additions, Improvements and Equipment (CRF)		12	12	12
					GRANTS–IN–AID				
					Distribution by Fund and Program				
356,567	10	1,540	358,117	347,003	Medical Services for the Aged	22	810,241	795,299	795,299
327,009	*10*	*1,040*	*328,059*	*318,501*	*(From General Fund)*		*781,780*	*764,768*	*764,768*
29,558	—	*500*	*30,058*	*28,502*	*(From Casino Revenue Fund)*		*28,461*	*30,531*	*30,531*
464,222	131,949	–10,200	585,971	564,319	Pharmaceutical Assistance to the Aged and Disabled	24	439,150	421,593	421,593
209,040	*4,029*	*–9,700*	*203,369*	*181,676*	*(From General Fund)*		*125,554*	*136,825*	*136,825*
255,182	*127,920*	*–500*	*382,602*	*382,643*	*(From Casino Revenue Fund)*		*313,596*	*284,768*	*284,768*
27,387	—	–244	27,143	27,139	Programs for the Aged	55	30,656	28,656	28,656
13,025	—	*–156*	*12,869*	*12,869*	*(From General Fund)*		*15,772*	*13,772*	*13,772*
14,362	—	*–88*	*14,274*	*14,270*	*(From Casino Revenue Fund)*		*14,884*	*14,884*	*14,884*
848,176	***131,959***	***–8,904***	***971,231***	***938,461***	***Total Grants–in–Aid***		***1,280,047***	***1,245,548***	***1,245,548***
549,074	*4,039*	*–8,816*	*544,297*	*513,046*	*(From General Fund)*		*923,106*	*915,365*	*915,365*
299,102	*127,920*	*–88*	*426,934*	*425,415*	*(From Casino Revenue Fund)*		*356,941*	*330,183*	*330,183*
					Distribution by Fund and Object				
					Grants:				
—	—	—	—	594	Assisted Living Residence	22	—	—	—
18,540	—	1,000	19,540	17,405	Assisted Living Program	22	23,540	26,040	26,040
29,123	—	450	29,573	28,130	Community Care Alterna-tives (CRF)	22	28,026	30,141	30,141
—	—	—	—	—	Residential Health Care Facilities	22	—	2,200	2,200
127,806 98,500 S	—	–1,000	225,306	221,360	Payments for Medical Assistance Recipients – Nursing Homes [a]	22	680,917	637,100	637,100
58,163	—	423	58,586	56,399	Medical Day Care Services	22	48,446	70,551	70,551
9,000	—	—	9,000	9,000	Medicaid High Occupancy – Nursing Homes	22	9,000	9,000	9,000
15,000	10	617	15,627	13,743	ElderCare Initiatives	22	19,877	19,877	19,877
235	—	50	285	228	Home Care Expansion (CRF)	22	235	190	190
200	—	—	200	144	Hearing Aid Assistance for the Aged and Disabled (CRF)	22	200	200	200
35,998	—	—	35,998	32,535	Pharmaceutical Assistance to the Aged – Claims	24	29,835	29,835	29,835
144,684 S	—	—	144,684	128,884	Pharmaceutical Assistance to the Aged and Disabled – Claims [b]	24	70,772	82,968	82,968

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					GRANTS–IN–AID				
255,182	127,920 R	–500	382,602	382,643	Pharmaceutical Assistance to the Aged and Disabled – Claims (CRF) (c)	24	313,596	284,768	284,768
28,358	4,029 R	–9,700	22,687	20,257	Senior Gold Prescription Assistance Program	24	24,947	24,022	24,022
232	—	—	232	232	Arthritis Quality of Life Initiative Act	55	620	620	620
8,673	—	—	8,673	8,673	Purchase of Social Services	55	8,976	8,976	8,976
2,500	—	–191	2,309	2,309	ElderCare Advisory Commission Initiatives	55	2,500	2,500	2,500
775	—	—	775	775	Alzheimer's Disease Program	55	802	802	802
2,632	—	–50	2,582	2,582	Demonstration Adult Day Care Center Program–Alzheimer's Disease (CRF)	55	2,724	2,724	2,724
—	—	10	10	10	The Armenian Home for the Aged	55	—	—	—
845	—	—	845	845	Adult Protective Services	55	874	874	874
1,780	—	–38	1,742	1,742	Adult Protective Services (CRF)	55	1,842	1,842	1,842
1,668	—	—	1,668	1,664	Senior Citizen Housing–Safe Housing and Transportation (CRF)	55	1,726	1,726	1,726
—	—	—	—	—	NJ Caring for Caregivers Initiative	55	2,000	—	—
—	—	25	25	25	Senior Adult League of Middlesex County	55	—	—	—
5,359	—	—	5,359	5,359	Respite Care for the Elderly (CRF)	55	5,566	5,566	5,566
1,938	—	—	1,938	1,938	Congregate Housing Support Services (CRF)	55	2,006	2,006	2,006
985	—	—	985	985	Home Delivered Meals Expansion (CRF)	55	1,020	1,020	1,020
					STATE AID				
					Distribution by Fund and Program				
7,108	—	—	7,108	7,108	Programs for the Aged	55	7,585	7,152	7,152
7,108	—	—	***7,108***	***7,108***	***Total State Aid***		***7,585***	***7,152***	***7,152***
					Distribution by Fund and Object				
					State Aid:				
2,832	—	—	2,832	2,832	County Offices on Aging	55	2,931	2,498	2,498
4,276	—	—	4,276	4,276	Older Americans Act–State Share	55	4,654	4,654	4,654
872,794	***132,234***	***705***	***1,005,733***	***970,530***	***Grand Total State Appropriation***		***1,304,765***	***1,266,032***	***1,266,032***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
1,484,246	37,166	–60,050	1,461,362	1,282,201	Medical Services for the Aged	22	924,800	1,092,916	1,092,916
148,625	—	—	148,625	—	Pharmaceutical Assistance to the Aged and Disabled	24	102,360	102,360	102,360
44,870 798 S	2,378	12	48,058	40,700	Programs for the Aged	55	44,472	45,432	45,432
600	44	—	644	124	Office of the Ombudsman	56	800	800	800
500	96	50	646	629	Office of the Public Guardian	57	801	801	801
1,679,639	***39,684***	***–59,988***	***1,659,335***	***1,323,654***	***Total Federal Funds***		***1,073,233***	***1,242,309***	***1,242,309***
					All Other Funds				
—	33,925 R	—	33,925	33,925	Medical Services for the Aged	22	—	—	—
—	2,859	—	2,859	—	Lifeline	28	—	—	—
—	186 193 R	—	379	208	Programs for the Aged	55	316	300	300

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					OTHER RELATED APPROPRIATIONS				
—	265 R	—	265	264	Office of the Public Guardian	57	600	600	600
—	*37,428*	—	*37,428*	*34,397*	*Total All Other Funds*		*916*	*900*	*900*
2,552,433	*209,346*	*–59,283*	*2,702,496*	*2,328,581*	*GRAND TOTAL ALL FUNDS*		*2,378,914*	*2,509,241*	*2,509,241*

Notes — Grants–In–Aid – General Fund

(a) The fiscal year 2004 actual amount reflects a $445 million federal revenues maximization offset for IGT/Stimulus Bill/other initiatives. The fiscal year 2005 adjusted appropriations amount reflects an $18 million offset, and the fiscal year 2006 recommended and requested amounts reflect a $24 million offset for a new federal initiative.

(b) Amounts represent partial costs of the Pharmaceutical Assistance to the Aged and Disabled program. The remainder is funded by the Casino Revenue Fund.

Notes — Grants–In–Aid – Casino Revenue Fund

(c) In fiscal year 2004, $144,684,000 has been shifted to the General Fund due to insufficient resources in the Casino Revenue Fund. In fiscal year 2005, $100,238,000 has been shifted to the General 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 other State law 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 $1,628,000, 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, 2006 are appropriated for payments to providers in the same program class from which the recovery originated.

Notwithstanding the provisions of any other law to the contrary, a sufficient portion of receipts generated or savings realized in the Medical Services for the Aged Grants–In–Aid accounts from initiatives included in the fiscal year 2006 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 Division of Medical Assistance and Health Services in the Department of Human Services and the Department of Health and Senior 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 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.

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 other law to the contrary, effective commencing with the start of this fiscal year, reimbursement for nursing facility services, which are funded hereinabove in the Payments for Medical Assistance Recipients – Nursing Homes account,

shall be 50% of the per diem rate when a Medicaid beneficiary is hospitalized. These payments shall be limited to the first 10 days of the hospitalization. Medicaid reimbursement for nursing facility services shall be discontinued beyond the 10th day of the hospitalization.

The funds appropriated hereinabove for Payments for Medical Assistance Recipients – 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 rate adjustment according to the following formula: E = A Medicaid days/ T Medicaid days x F; where E is the entitlement for a specific nursing home resulting from this allocation; A Medicaid days is an individual nursing home's reported Medicaid days on June 30, 2005; T Medicaid days is the total reported Medicaid days for all affected nursing homes; and F is the total amount of State and federal funds to be distributed. No nursing home shall receive a total allocation greater than the amount lost, due to adjustments in Medicaid reimbursement methodology, which became effective April 1, 1995. Any balances remaining undistributed, from the abovementioned amount, shall be deposited in a reserve account in the General Fund.

Notwithstanding the provisions of any other law or regulation to the contrary, effective commencing with the start of this fiscal year, each prescription order dispensed in the Pharmaceutical Assistance to the Aged and Disabled program and the Senior Gold Prescription Discount Program for Maximum Allowable Cost (MAC) drugs, which are appropriated hereinabove in the Pharmaceutical Assistance to the Aged and Disabled – Claims program and Senior Gold Prescription Discount Program, 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 each prescription order shall follow the requirements of P.L.1977, c.240 (C.24:6E–1 et seq.).

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 appropriated hereinabove 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 copayment in the Pharmaceutical Assistance to the Aged and Disabled program shall be $5.00.

Notwithstanding the provisions of any other 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 other law 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 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 fiscal year 2006, 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 fiscal year ending June 30, 2006 are appropriated for the PAAD program and the Senior Gold Prescription Discount Program.

Notwithstanding the provisions of any other law or regulation to the contrary, effective commencing with the start of this fiscal year, consistent with the notice provisions of 42 CFR 447.205 where applicable, 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 except under the following conditions: (a) reimbursement for prescription drugs, shall be based on the Average Wholesale Price less a 12.5% discount; (b) the current prescription drug dispensing fee structure set as a variable rate of $3.73 to $4.07 in effect on June 30, 2005 shall remain in effect through fiscal year 2006, including the current increments for patient consultation, impact allowances 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 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 other law 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 treatments 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.

In addition to the amount hereinabove, 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 other law 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 will not be required to bill Medicare directly, 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 copayment.

Notwithstanding the provisions of any other law to the contrary, the Commissioner of Health and Senior Services shall establish a retrospective Polypharmacy drug utilization review program to study the efficacy, necessity and safety of prescriptions in excess of 10 per month per PAAD or Senior Gold Prescription Discount Program client and shall approve or disallow future payments for clients whose prescriptions exceed 10 per client per month if the prescriptions have been proven inefficient, unnecessary or unsafe.

Notwithstanding the provisions of any law or regulation to the contrary, the Department of Health and Senior Services shall have the authority to establish a voluntary prescription drug mail–order program. The mail–order program may waive, discount or rebate the beneficiary copay 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 other 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 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 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 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 any law or regulation to the contrary, from the amount appropriated hereinabove for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program and Senior Gold Prescription Discount Program, the Commissioner of Health and Senior Services shall establish a disease management program to improve the quality of care for beneficiaries and reduce costs in the PAAD program and Senior Gold Prescription Discount Program.

From the amount appropriated hereinabove 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 other law 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.10:63–3.16 shall not apply to those facilities receiving enhanced rates of reimbursement pursuant to N.J.A.C.10:63–2.21. 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 Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

The rates to be paid to Adult and Pediatric Day Health Service providers, effective commencing with the start of the fiscal year, as appropriated hereinabove in the Medical Day Care Services account, shall be computed on the basis of the nursing home per diem data in effect as of July 1, 2004, in accordance with the existing methodology for adult and pediatric day health services.

Notwithstanding the provisions of any law to the contrary, effective January 1, 2005, no payment for Medicaid Adult or Pediatric Medical Day Care services, as appropriated hereinabove 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 appropriated hereinabove 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 State fiscal year 2006.

Such sums as may be necessary, not to exceed $70,840,000, for payments for the Lifeline Credit and Tenants' 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, as per P.L. 2004, c.41, "Nursing Home Quality of Care Improvement Fund Act", 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 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 other law or regulation to the contrary, the appropriations hereinabove to the Pharmaceutical Assistance to the Aged and Pharmaceutical Assistance to the Aged and Disabled (PAA/D) programs is conditioned upon the Department of Health and Senior Services having the authority to coordinate the benefits of the PAA/D programs with the prescription drug benefits of the federal Medicare Modernization Act of 2003 as the primary payer due to the current federal prohibition against State automatic enrollment of PAA/D recipients in the new federal program. The PAA/D benefit and reimbursement shall only be available to cover the beneficiary cost share to in network pharmacies.

Notwithstanding the provisions of any other 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 (PAA/D) accounts, shall be available as payment as a PAA/D benefit to any pharmacy that is not enrolled as a participating pharmacy in a pharmacy network under federal Medicare Part D.

Commencing with the start of the fiscal year, and consistent with the requirements of the federal Medicare Modernization Act (MMA) 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 (PAA/D) recipients, no funds appropriated hereinabove from the PAA/D accounts shall be expended unless any individual enrolled in the PAA/D programs provides all data that may be necessary to enroll them in the federal Medicare Part D drug program, 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, effective commencing with the start of this fiscal year, reimbursement for Special Nursing Facility (SCNF) Rates, as appropriated hereinabove in the Payments for Medical Assistance Recipients – Nursing Homes account, shall be limited to the rates in effect in fiscal year 2005.

Notwithstanding the provisions of any other law or regulation to the contrary, effective commencing with the start of the fiscal year, the appropriations hereinabove for the Pharmaceutical Assistance to the Aged, Pharmaceutical Assistance to the Aged and Disabled, and Senior Gold 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 other law or regulation to the contrary, effective commencing with the start of the fiscal year, the appropriations hereinabove for the Pharmaceutical Assistance to the Aged (PAA), Pharmaceutical Assistance to the Aged and Disabled (PAAD), and Senior Gold accounts shall be conditioned upon the following provision: the frequency of pricing updates to the reimbursement rates paid for PAA, PAAD, and Senior Gold prescription drugs shall be decreased from once a week to once a month.

Notwithstanding the provisions of any other law or regulation to the contrary, effective commencing with the start of the fiscal year, the appropriation hereinabove for Medical Day Care Services shall be conditioned upon the following provision: all Department of Health and Senior Services beneficiaries will be required to provide a $3.00 copayment for each Medical Day Care Services visit.

Language Recommendations — Grants–In–Aid – Casino Revenue Fund

In addition to the amount hereinabove, 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 fiscal year ending June 30, 2006, 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 other law 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 fiscal year 2006 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 appropriated hereinabove 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 copayment in the Pharmaceutical Assistance to the Aged and Disabled program shall be $5.00.

Notwithstanding the provisions of any other law or regulation to the contrary, effective commencing with the start of this fiscal year, each prescription order dispensed in the Pharmaceutical Assistance to the Aged and Disabled program and the Senior Gold Prescription Discount Program for Maximum Allowable Cost (MAC) drugs, which are appropriated hereinabove in the Pharmaceutical Assistance to the Aged and Disabled – Claims program and Senior Gold Prescription Discount Program, 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 each prescription order shall follow the requirements of P.L.1977, c.240 (C.24:6E–1 et seq.).

Notwithstanding the provisions of any other 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 other law 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 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 fiscal year 2006, 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 fiscal year ending June 30, 2006 are appropriated for the PAAD program and the Senior Gold Prescription Discount Program.

Notwithstanding the provisions of any other law 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 treatments 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.

Notwithstanding the provisions of any other law 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 will not be required to bill Medicare directly, 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 copayment.

Notwithstanding the provisions of any other law or regulation to the contrary, effective commencing with the start of this fiscal year, consistent with the notice provisions of 42 CFR 447.205 where applicable, 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 except under the following conditions: (a) reimbursement for prescription drugs, shall be based on the Average Wholesale Price less a 12.5% discount; (b) the current prescription drug dispensing fee structure set as a variable rate of $3.73 to $4.07 in effect on June 30, 2005 shall remain in effect through fiscal year 2006, including the current increments for patient consultation, impact allowances 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 Commissioner of Health and Senior Services shall establish a retrospective Polypharmacy drug utilization review program to study the efficacy, necessity and safety of prescriptions in excess of 10 per month per PAAD or Senior Gold Prescription Discount Program client and shall approve or disallow future payments for clients whose prescriptions exceed 10 per client per month if the prescriptions have been proven inefficient, unnecessary or unsafe.

Notwithstanding the provisions of any law or regulation to the contrary, the Department of Health and Senior Services shall have the authority to establish a voluntary prescription drug mail–order program. The mail–order program may waive, discount or rebate the beneficiary copay 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 other 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 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 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 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 any law or regulation to the contrary, from the amount appropriated hereinabove for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program, the Commissioner of Health and Senior Services shall establish a disease management program to improve the quality of care for beneficiaries and reduce costs in the PAAD program.

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 other law to the contrary, of the amount appropriated hereinabove for the Respite Care for the Elderly (CRF) account, $800,000 shall be charged to the Casino Simulcasting Fund.

Notwithstanding the provisions of any other law or regulation to the contrary, the appropriation hereinabove to the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program is conditioned upon the Department of Health and Senior Services having the authority to coordinate the benefits of the PAAD programs with the prescription drug benefits of the federal Medicare 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.

Notwithstanding the provisions of any other law or regulation to the contrary, effective January 1, 2006, no funds appropriated in the Pharmaceutical Assistance to the Aged and Disabled (PAAD) account, shall be available as payment as a PAAD benefit to any pharmacy that is not enrolled as a participating pharmacy in a pharmacy network under federal Medicare Part D.

Commencing with the start of the fiscal year, and consistent with the requirements of the federal Medicare Modernization Act (MMA) of 2003 and the current federal prohibition against State automatic enrollment of Pharmaceutical Assistance to the Aged and Disabled (PAAD) recipients, no funds appropriated hereinabove from the PAAD account shall be expended unless any individual enrolled in the PAAD program provides all data that may be necessary to enroll them in the federal Medicare Part D drug program, including data required for the subsidy assistance, as outlined by the Centers for Medicare and Medicaid Services.

Notwithstanding the provisions of any other law or regulation to the contrary, effective commencing with the start of the fiscal year, the appropriations hereinabove for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) and Senior Gold Prescription Discount Program accounts, shall be conditioned upon the following provision: the frequency of pricing updates to the reimbursement rates paid for PAAD and Senior Gold Prescription Discount Program prescription drugs shall be decreased from once a week to once a month.

Notwithstanding the provisions of any other law or regulation to the contrary, effective commencing with the start of the fiscal year, the appropriations hereinabove 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.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

Language Recommendations — Direct State Services – General Fund

Notwithstanding the provisions of any other law to the contrary, there is appropriated to the Department of Health and Senior Services from the Health Care Subsidy Fund, established pursuant to section 8 of P.L.1992, c.160 (C.26:2H–18.58), to continue to fund programs established pursuant to section 25 of P.L.1991, c.187 (C.26:2H–18.47), section 30 of P.L. 1997, c.192 and section 15 of P.L.1998, c.43, through the hospital and other health care initiatives account established pursuant to section 12 of P.L. 1992, c.160 (C.26:2H–18.62). However, available funding shall first provide for the Community Care Program for the Elderly and Disabled, the expansion of Medicaid to 185% of poverty and the Infant Mortality Reduction Program. Remaining amounts may be used to fund programs established pursuant to section 25 of P.L.1991, c.187 (C.26:2H–18.47), section 30 of P.L.1997, c.192 and section 15 of P.L.1998, c.43, as determined by the Commissioner of Health and Senior Services, subject to the approval of the Director of the Division of Budget and Accounting. 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 2005 is appropriated.

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 the approval of 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 other law 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 other law 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 other law 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 other law 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, 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 the ElderCare Initiatives 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.

Language Recommendations — State Aid – General Fund

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 departments, subject to the approval of the Director of the Division of Budget and Accounting.

DEPARTMENT OF HUMAN SERVICES

OVERVIEW

The New Jersey Department of Human Services (DHS) is the state's health and social services agency that serves more than one million of New Jersey's most vulnerable citizens or about one of every eight New Jersey residents. Among them are abused and neglected children; troubled youth and families; people with low income, and people who are mentally ill, developmentally disabled, blind, visually impaired, deaf and hard of hearing. DHS is one of the largest agencies in State Government. It comprises about one–quarter of the state's workforce, with more than 20,000 employees.

Budget Highlights

The Fiscal 2006 Budget for the Department of Human Services totals $5.2 billion, an increase of $362.8 million or 7.4% over the fiscal 2005 adjusted appropriation of $4.9 billion. Major increases include the following: $184.8 million due to increases in costs and caseloads in various Medicaid programs, $55.2 million to support various programs for economically disadvantaged families in lieu of federal block grant funds, $55.0 million to further improve the State's child welfare system, $38.6 million to provide cash assistance for the disabled and economically disadvantage singles and childless couples, $26.8 million to strengthen the State's mental health system, and $26 million to provide various services to the State's developmentally disabled population and support for their families.

Reforming Child Welfare

On June 9, 2004, the State of New Jersey reached final agreement with the Child Welfare Panel on a comprehensive child welfare reform plan entitled, "A New Beginning: The Future of Child Welfare in New Jersey." The plan was accepted by the federal judge overseeing the June 2003 settlement of the class action lawsuit filed against the state by Children's Rights, Inc. On July 19, 2004, the judge accepted Enforceable Elements of the New Jersey Child Welfare Plan as an additional part of the Settlement Agreement.

The Child Welfare Reform Plan creates a new "agency within an agency," the Office of Children's Services (OCS), to oversee the child welfare system in New Jersey. OCS, led by a Deputy Commissioner, will oversee the Division of Youth and Family Services (DYFS), the newly organized Division of Child Behavioral Health Services (formerly the Partnership for Children) and the newly created Division of Prevention and Community Partnerships. Also newly created under OCS is the New Jersey Child Welfare Training Academy. The Office of Education is shifted to OCS from the Division of Developmental Disabilities.

The Fiscal Year 2006 budget will support continuation of the services in the base budgets of DYFS and Child Behavioral Health and implementation of the comprehensive reforms set forth in the Child Welfare Reform Plan. Full implementation of the plan is expected to take five years.

The plan calls for a complete overhaul of the child welfare system in New Jersey focusing on the safety, permanency and well–being of children that require protective services with a new emphasis on the development of an array of community services to prevent abuse and neglect from occurring in the first place. The plan sets forth a number of strategies to achieve these goals:

– Reduction of caseload size;

– DYFS case practice management reforms;

– Reorganization of the geographic structure of DYFS offices across the state;

– Expansion of child behavioral health services with an emphasis on community access to services and "right–sizing" congregate care placements;

– Facilitation of a network of community–based prevention services to provide support and services to families before abuse and neglect occurs. Community case management will be developed to handle child welfare issues;

– Expansion of substance abuse, domestic violence, and housing programs.

The organizational and geographic structure of DYFS service delivery will be reorganized from four regions to 15 OCS Area Offices which will oversee 46 local DYFS offices. The local DYFS offices will locate caseworkers closer to the communities they serve. Personnel from the Divisions of Child Behavioral Health Services and Prevention and Community Partnerships will be co–located in the OCS Area Offices to facilitate collaboration and cooperation among these sister divisions.

With the Division of Child Behavioral Health Services providing services directly to children and families who need such services, and county community case management eventually taking over child welfare cases, DYFS will be able to refocus on its core mission of protection and permanency for children in cases of abuse and neglect.

The new Division of Child Behavioral Health Services (DCBHS, previously known as the Partnership for Children) was created as part of the Office of Children's Services because of the significance of child behavioral health services to children and the need to coordinate these services with other systems that serve children. DCBHS is designed to make mental and behavioral health services available along a single continuum for children involved in the child welfare, mental health, and juvenile justice systems. DCBHS brings together the traditional components of child mental health with more recent community–based strategies to form a single system of care for children with emotional or behavioral health needs and their families.

The Arthur Brisbane Child Treatment Center is currently part of DCBHS and provides psychiatric inpatient treatment, education, and rehabilitation for mentally ill pre–adolescent school age children and adolescents who are legally committed from across the state. The Child Welfare Reform Plan requires Brisbane to be closed by December 2005 and children and adolescents requiring inpatient psychiatric care to be placed in community–based residential settings.

The new Division of Prevention and Community Partnerships was created to develop the State's prevention and early intervention system into a locally based, user–friendly and culturally competent array of services and supports. This system is intended to enable families to get the help they need within their own communities.

Division of Medical Assistance and Health Services

Through the Medicaid, FamilyCare, and Kidcare 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 State cost of providing services through these programs is projected to increase from $2.0 billion in FY2005 to $2.2 billion in FY2006. This increase of 8.4% is attributable to medical inflation, increased utilization of services, and an increase in the cost of prescription drugs. While the total number of Medicaid eligible residents is projected to remain relatively stable at 940,000, the number of children receiving health insurance through the KidCare Program is expected to reach 110,000 by the end of fiscal year 2006, an increase of 10,000 over current enrollment. The FY06 budget continues support for the Kidcare program with $164 million in State and Federal funds. All New Jersey children with a family income up to 350% of the federal poverty level, or $65,975 for a family of four, will continue to be eligible for coverage under the program. To ensure that sufficient resources are available for the

State's children and lowest income adults, the FamilyCare program will continue to support only the 80,000 residents who are currently enrolled.

In an effort to provide the highest possible level of benefits to the Medicaid population in this challenging fiscal year, the following operational efficiencies and client cost–sharing measures saving $25.8 million are recommended:

– Savings of $1.5 million will be achieved by switching to electronic information transfer wherever practical in all programs within DMAHS. This change will reduce the costs incurred for both printing and postage within the Department. The bulk of savings will be obtained through a transition to electronic transmittal of provider manuals and newsletters.

– Savings of $1 million will be realized through continued efforts to identify individuals currently enrolled in Medicaid who have duplicate coverage through a commercial company or the Medicare program.

– Savings of $20 million will be achieved through the implementation of an enhanced system for the monitoring of payments made for outpatient hospital services provided through Medicaid. This new system will ensure that Medicaid does not overpay for outpatient hospital services.

– Savings of $3.3 million will be achieved by requiring individuals receiving Chiropractic, Home Health, and Physician services to share in the cost of their care. A nominal co–pay of $3 per visit will be required from adult beneficiaries, excluding pregnant women.

Medicaid plans to spend in excess of $1 billion in State and Federal funds on fee–for–service and long term care prescription drugs in FY2006. This does not include those drugs provided through a Medicaid managed care plan or the FamilyCare program. To lessen the budget pressure created by the rapid increase in the cost and utilization of prescription drugs, the State has implemented the following cost saving measures worth $13.1 million:

– In an effort to better control drug utilization and help offset cost increases, adult beneficiaries will begin to share the costs for their prescriptions in FY2006 for a savings of $4 million to the Medicaid Program. A nominal $1 co–pay will be required at the point–of–sale for each prescription filled.

– Savings of $330,000 will be achieved through changes in payments for injectable drugs dispensed in a physician's office and billed as a physician service. Currently, Medicaid reimbursement for these drugs is based on Average Wholesale Price (AWP) minus 5 percent. This initiative will reduce Medicaid reimbursement to the lower of a physician's acquisition cost or AWP minus 12.5 percent. This proposal will also maximize drug rebate revenue by including drugs administered by physicians in the federal Medicaid Drug Rebate Program.

– Savings of $500,000 will be realized through a new claims system edit that will not allow prescriptions for narcotic drugs to be dispensed to anyone taking methadone. The effects of a narcotic prescription are neutralized by methadone, rendering the pharmaceutical useless.

– Savings of $1 million will be realized through the implementation of a computer system edit that will screen for and deny any prescription claim that exceeds the maximum allowance for the number of pills per prescription.

– Savings of $3.4 million will be achieved by reducing the frequency of pricing updates. Currently, prices paid to pharmacies are updated on a weekly basis, this initiative would change these updates to once a month.

– Savings of $2.8 million will be realized by changing the refill requirements for prescription drugs. Currently, a prescription may be refilled once it is 75% finished; this initiative would increase that requirement to 85%.

– Savings of $1 million will be generated by reducing costs for the function of prior authorizing pharmacy claims. Currently, claims that require prior authorization are reviewed by a commercial contractor; this initiative would shift this function to the State's School of Pharmacy.

In addition to traditional fee–for–service medical coverage, 646,000 people, or 69% of all Medicaid 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, and is funded at $598.5 million in the FY2006 budget.

Community Services

The Division of Mental Health Services (DMHS) coordinates and provides community–based supports, such as counseling, emergency screening, case management and residential and day program services. To assist in this goal, a total of $29.4 million is added to the fiscal 2006 community services budget to strengthen the mental health system which includes increases for case management, mental health screening centers, psychiatric services, self–help centers, short term care facilities, the Community Health Law Project, and the Redirection II Initiative to continue supporting individuals placed and providing services.

DHS provides essential services to New Jersey residents with disabilities in order to meet every client's specific needs, serve families, and prevent institutionalization. The fiscal 2006 budget provides for professional treatment and services in the least restrictive and segregated environment possible and promotes the highest level of functioning for individuals with developmental disabilities.

The fiscal 2006 budget provides $12.6 million for various Community Services Waiting List (CSWL) and Community Transition (CT) initiatives, which place developmentally disabled individuals from the 7 state developmental centers and the division's waiting list for services in community settings, such as group homes and supervised apartments.

The Real Life Choices program enhances the lives of New Jersey's growing developmentally disabled population and defers the need for a community placement for as long as possible by serving the needs of the developmentally disabled living at home with their families who await placement from the CSWL or CT initiatives. Features of this new program include the following: an increase in community–based services including respite and day programming; an increase in federal Medicaid funding for these services under the State's federal Community Care Waiver; and an increase of consumer contributions. Funding of $1.5 million is recommended for the annualized costs of clients that were added in fiscal 2005.

The fiscal 2006 budget also includes $2.5 million to enhance services and reduce populations at Woodbridge Developmental Center. These improvements include new medical/adaptive equipment, additional training for physicians, community work programs, court monitoring, development of community placements, and nursing recruitment.

Each year the Division of Developmental Disabilities (DDD) has approximately 200 requests for immediate, emergency residential placements. These requests include people whose caregivers, usually elderly parents, are no longer able to provide care because of their own medical problems. The total costs provided for these placements, including annualized costs, in fiscal 2006 is $7 million.

The Division of Disability Services provides personal care assistance to serve New Jersey Medicaid beneficiaries who are experiencing some functional impairment and need an assistant to help them with

some aspects of daily living such as dressing or bathing. The Personal Care program will grow by $10.6 million to ensure the continuation of services to the neediest home–based individuals. Services are authorized prior to implementation to provide care to as many individuals as possible.

Supporting Economically Disadvantaged Individuals and Families

The Division of Family Development (DFD) administers the state's welfare program, Work First New Jersey, and offers public assistance to the poor and the homeless, as well as providing leadership and support to public agencies responsible for administering programs for New Jersey's needy individuals and families.

In this budget year, DFD continues to support the efforts of people who are leaving welfare for work or struggling economically by continuing to provide the following services: child care subsidies, child support enforcement, emergency housing assistance, payments to kinship caregivers, work readiness activities, mental health assessments, and transportation subsidies.

For fiscal year 2006, $1.6 million has been included to assist General Assistance recipients, whose benefits are fully State funded, in becoming eligible for Supplemental Security Income benefits, which are funded through a mix of State and federal funds. Recognizing increasing welfare caseloads, the budget increases funding for cash assistance for economically disadvantaged singles and childless couples by more than $30 million, funding for cash assistance for economically disadvantaged families by more than $20 million, and funding for cash grants for the disabled by more than $2 million.

DFD's budget also provides more than $350 million in combined State and federal funds to provide child care services for more than 75,000 economically disadvantaged children, including over $100 million for providing child care services before and after school and in the summer to approximately 30,000 children in Abbott school districts.

Institutional Care

The State maintains six psychiatric facilities to serve voluntarily admitted or legally committed persons with mental illness. This includes The Arthur Brisbane Child Treatment Center, a facility for pre–adolescent school age children and adolescents who have been legally committed. A settlement with Childrens Rights, Inc. and the Child Welfare Reform Plan, which is part of this settlement, requires that this facility be closed by December 31, 2005. The State maintains a forensic center on the grounds of Trenton Psychiatric Hospital. State Aid to counties provides funds for 90% of the maintenance costs of patients in six county psychiatric hospitals; in fiscal 2006, the amount of State Aid provided to these facilities will grow by $11.1 million, to a total of $104.6 million. The State also maintains seven developmental centers, which provide residential, habilitation, and educational services for the developmentally disabled.

To further improve quality and oversight of departmental services, the Department's Office of Program Integrity and Accountability continues the process of centralizing incident reporting and continues to centralize, streamline and standardize licensing and inspection functions that have historically operated in separate divisions independent of each other.

Plans to design and build a new, smaller hospital on the grounds of the Park Psychiatric Hospital continue to proceed on track. This redesign underscores the commitment to quality of care in our institutions and developmental centers.

Addiction Services

The Division of Addiction Services provides support to substance abuse clinics and treatment facilities which reduce drug abuse and treat and rehabilitate addicts. The division also provides counseling and detoxification services in clinics, institutions and schools, assists in development of employee assistance programs, coordinates with the Division of Mental Health Services to provide addiction services to the mentally ill, and provides counseling programs for compulsive gamblers.

Capital Recommendations

For a description of capital projects, see the Capital and Debt Service section of this chapter.

Department Accomplishments

In fiscal 2005, the Department of Human Services made substantial progress in carrying out the initial phases of the Child Welfare Reform Plan – the initiative to overhaul the state's system of child protective and permanency services. The department's Office of Children's Services (OCS) was able to reduce the caseload of the Division of Youth and Family Services by more than 10% (7,000 cases), from its high of over 68,000 in July 2004 to just over 61,000 in January 2005. As of December 2004, OCS had filled 260 new positions to reach a record number of 1,967 caseworkers. OCS also implemented a toll free telephone hotline to report child abuse and neglect. The hotline replaced a previous system of more than 30 different telephone numbers with one single, statewide telephone number. Since the hotline was implemented in June 2004, over 19,000 calls a month have been received.

The Real Life Choices Program, for families caring for their developmentally disabled children at home, has expanded and is now serving 200 families in 11 counties. This represents an increase of 127 families, or 174.0%, since the program was fully implemented in the latter part of fiscal 2004. An additional 150 people with developmental disabilities have been moved from institutions into community placements. Group home development also continued with the placement of an additional 264 people with developmental disabilities from the Community Services Waiting List, raising the total number of clients placed from 9,384 to 9,648, an increase of 2.8%.

The Department continued to enroll children in the popular NJ KidCare program enrollment has now reached over 100,000. Since fiscal 2003, more than 11,000 children have been added to this program, representing an increase of 12%. The Department has also initiated New Jersey Express Enrollment for Children's Health Care coverage, which has been successfully piloted in 36 schools and 6 hospitals in New Jersey and is expected to help increase enrollment in the NJ KidCare program.

The Division of Mental Health Services substantially completed its multi–year Redirection II Initiative, resulting in 491 new community residential spaces for hospital patients appropriate for discharge plus a range of admission–diversion programs for consumers for whom such services averted unnecessary hospitalizations. Those diversion services included crisis residential programs in five counties, expansion of Program for Assertive Community Treatment (PACT) and case management services, expanded services for persons with co–occurring mental illness and substance abuse, and criminal justice and mental health collaboration programs, among others. In addition, architectural design has been completed for the new Greystone Park Psychiatric Hospital and demolition of the old facility has begun. Construction is scheduled to be completed in fiscal 2007.

DEPARTMENT OF HUMAN SERVICES

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
678,738	16,461	87,055	782,254	768,455	Direct State Services	773,288	759,742	759,742
3,282,899	240,493	–19,407	3,503,985	3,490,381	Grants–In–Aid	3,597,201	3,877,000	3,877,000
314,222	12,161	15,345	341,728	332,714	State Aid	371,076	466,433	466,433
5,600	24,848	—	30,448	11,878	Capital Construction	10,400	11,600	11,600
4,281,459	293,963	82,993	4,658,415	4,603,428	Total General Fund	4,751,965	5,114,775	5,114,775
118,737	—	—	118,737	118,636	Total Casino Revenue Fund	118,737	118,737	118,737
4,400,196	***293,963***	***82,993***	***4,777,152***	***4,722,064***	***GRAND TOTAL***	***4,870,702***	***5,233,512***	***5,233,512***

SUMMARY OF APPROPRIATIONS BY ORGANIZATION

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES – GENERAL FUND			
					Mental Health Services			
10,444	—	–227	10,217	10,136	Division of Mental Health Services	11,050	9,825	9,825
57,437	157	8,195	65,789	65,689	Greystone Park Psychiatric Hospital	62,620	62,620	62,620
53,471	222	7,040	60,733	60,721	Trenton Psychiatric Hospital	57,463	57,463	57,463
20,679	9	4,845	25,533	25,533	Ann Klein Forensic Center	20,401	20,401	20,401
65,872	228	8,991	75,091	75,050	Ancora Psychiatric Hospital	70,543	70,543	70,543
10,435	14	1,311	11,760	11,758	Arthur Brisbane Child Treatment Center	11,085	5,542	5,542
31,325	56	1,891	33,272	33,079	Senator Garrett W. Hagedorn Gero–Psychiatric Hospital	33,676	33,676	33,676
249,663	*686*	*32,046*	*282,395*	*281,966*	*Subtotal*	*266,838*	*260,070*	*260,070*
					Special Health Services			
26,853	9,221	–879	35,195	27,045	Division of Medical Assistance and Health Services	24,599	26,989	26,989
					Disability Services			
984	—	–110	874	874	Division of Disability Services	1,071	1,071	1,071
					Operation and Support of Educational Institutions			
4,215	127	2,074	6,416	6,415	Division of Developmental Disabilities	4,433	4,433	4,433
11,921	—	292	12,213	12,202	Community Programs	5,975	6,365	6,365
1,392	6	55	1,453	1,449	Green Brook Regional Center	1,447	1,447	1,447
51,739	1	215	51,955	51,953	Vineland Developmental Center	47,953	37,364	37,364
23,776	1	–185	23,592	23,586	North Jersey Developmental Center	21,821	21,821	21,821
35,225	—	–400	34,825	34,819	Woodbine Developmental Center	33,559	33,559	33,559
35,331	—	200	35,531	35,522	New Lisbon Developmental Center	38,299	42,104	42,104
30,742	1	2,133	32,876	32,875	Woodbridge Developmental Center	33,165	33,165	33,165
32,552	3	65	32,620	32,586	Hunterdon Developmental Center	30,587	30,587	30,587
226,893	*139*	*4,449*	*231,481*	*231,407*	*Subtotal*	*217,239*	*210,845*	*210,845*
					Supplemental Education and Training Programs			
8,335	937	–1,000	8,272	8,135	Commission for the Blind and Visually Impaired	8,958	8,958	8,958

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					Economic Assistance and Security			
25,502	4,672	–2,563	27,611	23,071	Division of Family Development	27,162	27,162	27,162
					Social Services Programs			
487	2	17,236	17,725	17,686	Division of Addiction Services	482	482	482
9,405	—	—	9,405	9,328	Office of Children's Services	8,152	27,207	27,207
—	—	—	—	—	Child Behavioral Health Services	8,206	1,185	1,185
—	—	—	—	—	Prevention and Community Partnerships	—	5,335	5,335
98,274	—	31,722	129,996	129,930	Division of Youth and Family Services	174,640	145,483	145,483
714	—	91	805	805	Division of the Deaf and Hard of Hearing	740	740	740
108,880	*2*	*49,049*	*157,931*	*157,749*	*Subtotal*	*192,220*	*180,432*	*180,432*
					Management and Administration			
31,628	804	6,063	38,495	38,208	Division of Management and Budget	35,201	44,215	44,215
678,738	***16,461***	***87,055***	***782,254***	***768,455***	***Subtotal Direct State Services – General Fund***	***773,288***	***759,742***	***759,742***
678,738	***16,461***	***87,055***	***782,254***	***768,455***	***TOTAL DIRECT STATE SERVICES***	***773,288***	***759,742***	***759,742***
					GRANTS–IN–AID – GENERAL FUND			
					Mental Health Services			
234,751	—	1,600	236,351	235,760	Division of Mental Health Services	253,251	287,694	287,694
					Special Health Services			
1,883,555	228,521	–5,913	2,106,163	2,104,320	Division of Medical Assistance and Health Services	2,008,879	2,181,258	2,181,258
					Disability Services			
82,572	—	—	82,572	80,708	Division of Disability Services	90,792	103,213	103,213
					Operation and Support of Educational Institutions			
417,402	963	6,970	425,335	425,335	Community Programs	462,389	464,157	464,157
					Supplemental Education and Training Programs			
4,178	—	—	4,178	4,173	Commission for the Blind and Visually Impaired	4,226	4,226	4,226
					Economic Assistance and Security			
253,308	10,755	–28,034	236,029	229,188	Division of Family Development	259,766	241,672	241,672
					Social Services Programs			
25,672	254	4,500	30,426	28,416	Division of Addiction Services	29,304	49,275	49,275
128,914	—	—	128,914	128,583	Child Behavioral Health Services	168,910	223,141	223,141
—	—	—	—	—	Prevention and Community Partnerships	—	19,645	19,645
237,887	—	814	238,701	238,587	Division of Youth and Family Services	308,620	302,005	302,005
392,473	*254*	*5,314*	*398,041*	*395,586*	*Subtotal*	*506,834*	*594,066*	*594,066*
					Management and Administration			
14,660	—	656	15,316	15,311	Division of Management and Budget	11,064	714	714
3,282,899	***240,493***	***–19,407***	***3,503,985***	***3,490,381***	***Subtotal Grants–In–Aid – General Fund***	***3,597,201***	***3,877,000***	***3,877,000***

Year Ending June 30, 2004						Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID – CASINO REVENUE FUND			
					Disability Services			
80,328	—	—	80,328	80,328	Division of Disability Services	80,328	80,328	80,328
					Operation and Support of Educational Institutions			
38,409	—	—	38,409	38,308	Community Programs	38,409	38,409	38,409
118,737	—	—	*118,737*	*118,636*	*Subtotal Grants–In–Aid – Casino Revenue Fund*	*118,737*	*118,737*	*118,737*
3,401,636	*240,493*	*–19,407*	*3,622,722*	*3,609,017*	*TOTAL GRANTS–IN–AID*	*3,715,938*	*3,995,737*	*3,995,737*
					STATE AID – GENERAL FUND			
					Mental Health Services			
93,510	11,646	—	105,156	99,222	Division of Mental Health Services	93,510	104,575	104,575
					Economic Assistance and Security			
214,712	515	15,345	230,572	227,492	Division of Family Development	265,566	349,858	349,858
					Social Services Programs			
6,000	—	—	6,000	6,000	Division of Addiction Services	12,000	12,000	12,000
314,222	*12,161*	*15,345*	*341,728*	*332,714*	*Subtotal State Aid – General Fund*	*371,076*	*466,433*	*466,433*
314,222	*12,161*	*15,345*	*341,728*	*332,714*	*TOTAL STATE AID*	*371,076*	*466,433*	*466,433*
					CAPITAL CONSTRUCTION			
					Mental Health Services			
—	3,649	—	3,649	1,038	Greystone Park Psychiatric Hospital	—	—	—
—	4,035	—	4,035	207	Trenton Psychiatric Hospital	—	—	—
—	364	—	364	—	Ann Klein Forensic Center	—	—	—
—	2,572	—	2,572	1,500	Ancora Psychiatric Hospital	—	—	—
—	49	—	49	20	Arthur Brisbane Child Treatment Center	—	—	—
—	116	—	116	1	Senator Garrett W. Hagedorn Gero–Psychiatric Hospital	—	—	—
—	*10,785*	—	*10,785*	*2,766*	*Subtotal*	—	—	—
					Operation and Support of Educational Institutions			
—	6	—	6	—	Green Brook Regional Center	—	—	—
—	1,162	—	1,162	431	Vineland Developmental Center	—	—	—
—	45	—	45	—	North Jersey Developmental Center	—	—	—
—	2,678	—	2,678	1,572	Woodbine Developmental Center	—	—	—
—	684	—	684	427	New Lisbon Developmental Center	—	—	—
—	1,689	—	1,689	1,433	Woodbridge Developmental Center	—	—	—
—	365	—	365	124	Hunterdon Developmental Center	—	—	—
—	*6,629*	—	*6,629*	*3,987*	*Subtotal*	—	—	—
					Supplemental Education and Training Programs			
—	1,191	—	1,191	146	Commission for the Blind and Visually Impaired	—	—	—
					Management and Administration			
5,600	6,243	—	11,843	4,979	Division of Management and Budget	10,400	11,600	11,600
5,600	*24,848*	—	*30,448*	*11,878*	*Subtotal Capital Construction*	*10,400*	*11,600*	*11,600*
5,600	*24,848*	—	*30,448*	*11,878*	*TOTAL CAPITAL CONSTRUCTION*	*10,400*	*11,600*	*11,600*

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
4,400,196	*293,963*	*82,993*	*4,777,152*	*4,722,064*	*TOTAL APPROPRIATION*	*4,870,702*	*5,233,512*	*5,233,512*

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, child 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.

20. PHYSICAL AND MENTAL HEALTH
23. MENTAL HEALTH SERVICES
7700. DIVISION OF MENTAL HEALTH SERVICES

The Division of Mental Health Services (C30:1–9) is charged with the coordination and management responsibilities for those separate facilities, institutions and services involved in the comprehensive program of mental health in the State. These functions are essential for efficiency, sound planning and for growth to meet present and future needs. Research and training assure the use of modern methods and the availability of staff with the necessary training and skills. Although these functions are integral parts of the various operational units, there is need for leadership and coordination.

The Department of Human Services (C30:4–177.19b as amended), contracts with the University of Medicine and Dentistry of New Jersey to operate Community Mental Health Centers in Piscataway and Newark. Federal funds are used also for the development and expansion of community mental health services. Pursuant to N.J.S.A. 30:4–78 as amended by P.L. 1990, c.73, effective January 1, 1991, the State pays 90 percent of the maintenance of county patients and 100 percent of the maintenance of State patients in county psychiatric hospitals. These county hospitals are similar to the State psychiatric hospitals.

OBJECTIVES

1. To develop a comprehensive range of accessible, coordinated mental health services for all citizens of the State, with emphasis on the development of local mental health programs.
2. To provide leadership and management for the State psychiatric hospitals.
3. To provide support services for the operational program units through which the mental health programs are carried out.

PROGRAM CLASSIFICATIONS

08. **Community Services.** Carries out the responsibility for the planning and support for the Statewide network of community mental health services throughout all 21 counties, including two community mental health centers associated with the University of Medicine and Dentistry of New Jersey. The Division contracts with community agencies to provide screening services and a wide array of mental health service programs designed to serve clients in a setting that is the least restrictive, appropriate to their clinical needs and closest to their homes; to return hospitalized patients to the community as soon as appropriate; and reduce inappropriate admissions to State and County psychiatric hospitals. The Division is also responsible for overseeing the State Aid program in support of patients in county psychiatric hospitals and reimbursing allowable costs incurred by the counties under that program.

99. **Administration and Support Services.** Provides management and general support services necessary for overall control and supervision of the mental health program including planning, development, evaluation and control of mental health programming to assure compliance with statutory requirements; assures that operating programs meet public policies and professional treatment standards and are conducted in as effective a manner as possible; provides administration of State Aid for State and federally funded community mental health service programs.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Community Services				
Community Care Services				
Provider Agencies	114	115	116	114
Contracts	143	145	149	149
Total Cost to State (a)	$196,020,000	$193,936,000	$202,774,000	$228,924,000
Total Episodes of Care	322,217	326,396	328,971	329,070
Emergency Services				
Episodes of Care	102,228	101,452	103,359	103,359
Cost to State (a)	$30,221,000	$30,035,000	$31,698,000	$41,698,000
Outpatient Services				
Episodes of Care	156,946	161,467	161,467	161,467
Cost to State (a)	$35,910,000	$35,689,000	$37,664,000	$40,164,000
Partial Care				
Episodes of Care	15,098	15,414	15,414	15,414
Cost to State (a)	$17,853,000	$17,743,000	$18,725,000	$20,825,000
Residential				
Episodes of Care	4,790	5,012	5,269	5,349
Cost to State (a)	$52,959,000	$52,556,000	$55,464,000	$58,264,000
System Advocacy				
Episodes of Care	4,458	4,581	4,581	4,581
Cost to State (a)	$5,473,000	$5,439,000	$5,740,000	$6,340,000
Family Support, Supported Employment, et. al.				
Episodes of Care	22,317	22,047	22,386	22,386
Cost to State (a)	$15,852,000	$15,755,000	$16,416,000	$16,266,000
Integrated Case Management				
Episodes of Care	14,594	14,637	14,637	14,637
Cost to State (a)	$23,343,000	$22,399,000	$21,955,000	$29,455,000
Program for Assertive Community Treatment (PACT)				
Episodes of Care	1,786	1,786	1,858	1,877
Cost to State (a)	$14,409,000	$14,320,000	$15,112,000	$15,912,000
Redirection II Initiative	$12,750,000	$22,159,000	$29,975,000	$32,725,000
Community Placements	61	304	511	591
Total, State billable average daily population, county psychiatric hospitals	696	640	608	595
Bergen	167	169	177	177
Burlington	26	24	26	26
Camden	144	148	150	150
Essex	254	195	152	137
Hudson	72	71	72	72
Union	33	33	31	33
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	152	138	141	149
Federal	5	3	3	4
Total Positions	157	141	144	153
Filled Positions by Program Class				
Community Services	5	3	3	4
Administration and Support Services	152	138	141	149
Total Positions	157	141	144	153

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) "Cost to State" refers only to the State portion of the costs in each program incurred by the Community Care account. Additional funds for these programs are available from other divisions and funding sources.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
10,444	—	–227	10,217	10,136	Administration and Support Services	99	11,050	9,825	9,825
10,444	—	***–227***	***10,217***	***10,136***	***Total Direct State Services***		***11,050*** [a]	***9,825***	***9,825***
					Distribution by Fund and Object				
					Personal Services:				
8,847	—	–226	8,621	8,616	Salaries and Wages		9,340	7,865	7,865
8,847	—	*–226*	*8,621*	*8,616*	*Total Personal Services*		*9,340*	*7,865*	*7,865*
21	—	31	52	52	Materials and Supplies		21	21	21
496	—	–31	465	390	Services Other Than Personal		609	609	609
155	—	–1	154	153	Maintenance and Fixed Charges		155	155	155
					Special Purpose:				
300	—	—	300	300	Fraud and Abuse Initiative	99	300	300	300
625	—	—	625	625	Nursing Incentive Program	99	625	625	625
—	—	—	—	—	Governor's Council on Mental Health Stigma	99	—	250	250
					GRANTS–IN–AID				
					Distribution by Fund and Program				
234,751	—	1,600	236,351	235,760	Community Services	08	253,251	287,694	287,694
234,751	—	***1,600***	***236,351***	***235,760***	***Total Grants–in–Aid***		***253,251***	***287,694***	***287,694***
					Distribution by Fund and Object				
					Grants:				
22,750	—	—	22,750	22,159	Greystone Park Psychiatric Hospital Bridge Fund	08	29,975	32,725	32,725
—	—	—	—	—	Arthur Brisbane Child Treatment Center Bridge Fund	08	2,437 S	7,980	7,980
193,936	—	1,600	195,536	195,536	Community Care	08	202,774	228,924	228,924
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–Pis-cataway	08	11,860	11,860	11,860
					STATE AID				
					Distribution by Fund and Program				
93,510	11,646	—	105,156	99,222	Community Services	08	93,510	104,575	104,575
93,510	***11,646***	—	***105,156***	***99,222***	***Total State Aid***		***93,510***	***104,575***	***104,575***
					Distribution by Fund and Object				
					State Aid:				
93,510	11,646	—	105,156	99,222	Support of Patients in County Psychiatric Hospitals	08	93,510	104,575	104,575
338,705	***11,646***	***1,373***	***351,724***	***345,118***	***Grand Total State Appropriation***		***357,811***	***402,094***	***402,094***

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
15,018									
100 S	12,446	3,283	30,847	15,049	Community Services	08	15,262	14,396	14,396
719	—	—	719	719	Administration and Support Services	99	719	2,444	2,444
15,837	***12,446***	***3,283***	***31,566***	***15,768***	***Total Federal Funds***		***15,981***	***16,840***	***16,840***
					All Other Funds				
—	301 R	—	301	9	Community Services	08	316	316	316
—	***301***	—	***301***	***9***	***Total All Other Funds***		***316***	***316***	***316***
354,542	***24,393***	***4,656***	***383,591***	***360,895***	***GRAND TOTAL ALL FUNDS***		***374,108***	***419,250***	***419,250***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Language Recommendations — Direct State Services – General Fund

The amounts hereinabove appropriated for the Governor's Council on Mental Health Stigma 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 Salaries and Wages, $250,000 shall be expended consistent with the recommendations in the final report of the Governor's Task Force on Mental Health as follows: $250,000 for the Office of Disaster Mental Health.

Language Recommendations — Grants–In–Aid – General Fund

From the amount appropriated hereinabove for the Greystone Park Psychiatric Hospital Bridge Fund account, such funds as are necessary may be transferred to various accounts as required, including Direct State Services or State Aid accounts, subject to the approval of the Director of the Division of Budget and Accounting of a phase–in plan which relates to "Redirection II" as shall be submitted by the Commissioner of Human Services.

The amount appropriated hereinabove 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.

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 agencies as specified in N.J.A.C. 10:37–10.1 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, $26,300,000 shall be expended consistent with the recommendations in the final report of the Governor's Task Force on Mental Health as follows: $10,000,000 for Mental Health Screening Centers; $2,100,000 for Self–Help Centers; $2,500,000 for psychiatric services; $5,000,000 for support services for permanent supportive housing; $1,800,000 for jail diversion; $1,000,000 for bilingual and culturally competent services; $1,000,000 for Short–Term Care Facilities; $600,000 for Community Health Law Project; $1,500,000 for Special Case Management services; $800,000 for Pilot Re–entry Case Management services.

The Commissioner of Human Services shall provide the Governor's Task Force on Mental Health with quarterly reports, due within 60 days after the end of each quarter, containing written statistical and financial information on the Governor's Task Force on Mental Health's final recommendations.

Language Recommendations — State Aid – General Fund

The appropriation 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.

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 costs of maintaining patients in State and county psychiatric hospitals and facilities for the developmentally disabled shall be based on the same percent as costs are shared.

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.

The amount 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 first are charged to the federal disproportionate share hospital reimbursements anticipated as Medicaid Uncompensated Care.

20. PHYSICAL AND MENTAL HEALTH
23. MENTAL HEALTH SERVICES
7710. GREYSTONE PARK PSYCHIATRIC HOSPITAL

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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Patient Care and Health Services				
Average daily population	553	550	545	487
Total admissions	298	347	333	297
Readmissions	53	66	52	46
All other admissions, including transfers	245	281	281	251
Total terminations, including transfers	291	339	321	287
Ratio: Population/total positions	0.5 / 1	0.5 / 1	0.5 / 1	0.4 / 1
Annual per capita	$119,072	$119,727	$115,251	$128,977
Daily per capita	$326.22	$328.02	$315.76	$353.36
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	1,175	1,182	1,191	1,211
All Other	3	3	3	3
Total Positions	1,178	1,185	1,194	1,214
Filled Positions by Program Class				
Patient Care and Health Services	927	934	932	976
Administration and Support Services	251	251	262	238
Total Positions	1,178	1,185	1,194	1,214

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
45,147	100	5,685	50,932	50,887	Patient Care and Health Services	10	49,708	49,708	49,708
12,290	57	2,510	14,857	14,802	Administration and Support Services	99	12,912	12,912	12,912
57,437	*157*	*8,195*	*65,789*	*65,689*	*Total Direct State Services*		*62,620* [a]	*62,620*	*62,620*
					Distribution by Fund and Object				
					Personal Services:				
51,675	—	7,777	59,452	59,454	Salaries and Wages		56,488	56,488	56,488
51,675	—	*7,777*	*59,452*	*59,454*	*Total Personal Services*		*56,488*	*56,488*	*56,488*
3,306	—	–62	3,244	3,244	Materials and Supplies		3,306	3,306	3,306
1,346	—	–232	1,114	1,114	Services Other Than Personal		1,346	1,346	1,346

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					DIRECT STATE SERVICES				
948	—	292	1,240	1,240	Maintenance and Fixed Charges		898	898	898
					Special Purpose:				
50	25 68 R	—	143	132	Interim Assistance	10	50	50	50
112	64	420	596	505	Additions, Improvements and Equipment		532	532	532
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	3,649	—	3,649	1,038	Administration and Support Services	99	—	—	—
—	*3,649*	—	*3,649*	*1,038*	*Total Capital Construction*		—	—	—
					Distribution by Fund and Object				
					Greystone Park Psychiatric Hospital				
—	3,381	—	3,381	1,006	Infrastructure Improvements, Institutions and Community Facilities	99	—	—	—
—	5	—	5	—	Bathroom Renovations	99	—	—	—
—	215	—	215	4	Upgrade Security Systems	99	—	—	—
—	48	—	48	28	Renovate Residential Cottages	99	—	—	—
57,437	*3,806*	*8,195*	*69,438*	*66,727*	*Grand Total State Appropriation*		*62,620*	*62,620*	*62,620*
					OTHER RELATED APPROPRIATIONS				
					All Other Funds				
—	—	161	161	161	Patient Care and Health Services	10	192	192	192
—	—	*161*	*161*	*161*	*Total All Other Funds*		*192*	*192*	*192*
57,437	*3,806*	*8,356*	*69,599*	*66,888*	*GRAND TOTAL ALL FUNDS*		*62,812*	*62,812*	*62,812*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

20. PHYSICAL AND MENTAL HEALTH
23. MENTAL HEALTH SERVICES
7720. TRENTON PSYCHIATRIC HOSPITAL

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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Patient Care and Health Services				
Average daily population	499	489	493	493
Total admissions	1,151	1,107	1,121	1,121
Readmissions	345	383	408	408
All other admissions, including transfers	806	724	713	713
Total terminations, including transfers	1,108	1,109	1,067	1,067
Ratio: Population/total positions	0.5 / 1	0.5 / 1	0.5 / 1	0.5 / 1
Annual per capita	$119,451	$124,299	$116,641	$116,641
Daily per capita	$327.26	$340.55	$319.56	$319.56

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	1,006	1,064	1,019	1,022
All Other	1	1	1	2
Total Positions	1,007	1,065	1,020	1,024
Filled Positions by Program Class				
Patient Care and Health Services	829	871	841	845
Administration and Support Services	178	194	179	179
Total Positions	1,007	1,065	1,020	1,024

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
42,809	222	5,507	48,538	48,531	Patient Care and Health Services	10	46,374	46,374	46,374
10,662	—	1,533	12,195	12,190	Administration and Support Services	99	11,089	11,089	11,089
53,471	***222***	***7,040***	***60,733***	***60,721***	***Total Direct State Services***		***57,463*** [a]	***57,463***	***57,463***
					Distribution by Fund and Object				
					Personal Services:				
47,250	—	7,064	54,314	54,314	Salaries and Wages		51,262	51,262	51,262
47,250	—	*7,064*	*54,314*	*54,314*	*Total Personal Services*		*51,262*	*51,262*	*51,262*
2,954	—	—	2,954	2,954	Materials and Supplies		2,954	2,954	2,954
1,818	—	–4	1,814	1,809	Services Other Than Personal		1,818	1,818	1,818
799	—	—	799	799	Maintenance and Fixed Charges		799	799	799
					Special Purpose:				
150	83 138 R	—	371	364	Interim Assistance	10	150	150	150
500	1	–20	481	481	Additions, Improvements and Equipment		480	480	480
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	4,035	—	4,035	207	Administration and Support Services	99	—	—	—
—	***4,035***	—	***4,035***	***207***	***Total Capital Construction***		—	—	—
					Distribution by Fund and Object				
					Trenton Psychiatric Hospital				
—	2,990	—	2,990	207	Steam and Condensate Line Replacement	99	—	—	—
—	932	—	932	—	Fire Protection	99	—	—	—
—	113	—	113	—	Drake Building Ceiling	99	—	—	—
53,471	***4,257***	***7,040***	***64,768***	***60,928***	***Grand Total State Appropriation***		***57,463***	***57,463***	***57,463***

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					OTHER RELATED APPROPRIATIONS				
					All Other Funds				
—	—	61	61	61	Patient Care and Health Services	10	41	41	41
—	206	—	206	—	Administration and Support Services	99	—	—	—
—	*206*	*61*	*267*	*61*	*Total All Other Funds*		*41*	*41*	*41*
53,471	*4,463*	*7,101*	*65,035*	*60,989*	*GRAND TOTAL ALL FUNDS*		*57,504*	*57,504*	*57,504*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

20. PHYSICAL AND MENTAL HEALTH
23. MENTAL HEALTH SERVICES
7725. ANN KLEIN FORENSIC CENTER

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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Patient Care and Health Services				
Average daily population	188	194	200	200
Total admissions	613	623	616	616
Readmissions	142	151	138	138
All other admissions, including transfers	471	472	478	478
Total terminations, including transfers	616	625	641	641
Ratio: Population/total positions	0.4 / 1	0.4 / 1	0.4 / 1	0.4 / 1
Annual per capita	$113,676	$132,577	$102,935	$102,935
Daily per capita	$311.44	$363.22	$282.01	$282.01
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	488	500	508	521
All Other	3	3	3	2
Total Positions	491	503	511	523
Filled Positions by Program Class				
Patient Care and Health Services	422	437	445	468
Administration and Support Services	69	66	66	55
Total Positions	491	503	511	523

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
18,194	9	3,448	21,651	21,651	Patient Care and Health Services	10	17,787	17,787	17,787
2,485	—	1,397	3,882	3,882	Administration and Support Services	99	2,614	2,614	2,614
20,679	***9***	***4,845***	***25,533***	***25,533***	***Total Direct State Services***		***20,401*** [a]	***20,401***	***20,401***
					Distribution by Fund and Object				
					Personal Services:				
18,787	—	4,806	23,593	23,593	Salaries and Wages		18,469	18,469	18,469
18,787	—	*4,806*	*23,593*	*23,593*	*Total Personal Services*		*18,469*	*18,469*	*18,469*
1,214	—	–65	1,149	1,149	Materials and Supplies		1,214	1,214	1,214
520	—	—	520	520	Services Other Than Personal		520	520	520
98	—	64	162	162	Maintenance and Fixed Charges		98	98	98
60	9	40	109	109	Additions, Improvements and Equipment		100	100	100
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	364	—	364	—	Administration and Support Services	99	—	—	—
—	***364***	—	***364***	—	***Total Capital Construction***		—	—	—
					Distribution by Fund and Object				
					Ann Klein Forensic Center				
—	364	—	364	—	Construction of Residential Buildings	99	—	—	—
20,679	***373***	***4,845***	***25,897***	***25,533***	***Grand Total State Appropriation***		***20,401***	***20,401***	***20,401***
					OTHER RELATED APPROPRIATIONS				
					All Other Funds				
—	—	187	187	187	Patient Care and Health Services	10	186	186	186
—	—	***187***	***187***	***187***	***Total All Other Funds***		***186***	***186***	***186***
20,679	***373***	***5,032***	***26,084***	***25,720***	***GRAND TOTAL ALL FUNDS***		***20,587***	***20,587***	***20,587***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

20. PHYSICAL AND MENTAL HEALTH
23. MENTAL HEALTH SERVICES
7740. ANCORA PSYCHIATRIC HOSPITAL

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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Patient Care and Health Services				
Average daily population	738	728	722	722
Total admissions	1,232	1,233	1,128	1,128
Readmissions	387	338	352	352
All other admissions, including transfers	845	895	776	776
Total terminations, including transfers	1,253	1,177	1,249	1,249
Ratio: Population/total positions	0.6 / 1	0.5 / 1	0.5 / 1	0.5 / 1
Annual per capita	$98,081	$103,323	$98,010	$98,010
Daily per capita	$268.72	$283.08	$268.52	$268.52
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	1,304	1,373	1,321	1,323
All Other	8	8	7	7
Total Positions	1,312	1,381	1,328	1,330
Filled Positions by Program Class				
Patient Care and Health Services	997	1,051	1,008	1,011
Administration and Support Services	315	330	320	319
Total Positions	1,312	1,381	1,328	1,330

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
52,888	228	4,446	57,562	57,524	Patient Care and Health Services	10	57,016	57,016	57,016
12,984	——	4,545	17,529	17,526	Administration and Support Services	99	13,527	13,527	13,527
65,872	***228***	***8,991***	***75,091***	***75,050***	***Total Direct State Services***		***70,543*** [a]	***70,543***	***70,543***
					Distribution by Fund and Object				
					Personal Services:				
58,317	——	9,204	67,521	67,521	Salaries and Wages		63,306	63,306	63,306
58,317	——	*9,204*	*67,521*	*67,521*	*Total Personal Services*		*63,306*	*63,306*	*63,306*
3,670	——	——	3,670	3,670	Materials and Supplies		3,610	3,610	3,610
1,974	——	–5	1,969	1,968	Services Other Than Personal		1,974	1,974	1,974
967	——	——	967	967	Maintenance and Fixed Charges		917	917	917
					Special Purpose:				
120	45 167 R	——	332	294	Interim Assistance	10	120	120	120
824	16	–208	632	630	Additions, Improvements and Equipment		616	616	616
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
——	2,572	——	2,572	1,500	Administration and Support Services	99	——	——	——
——	***2,572***	——	***2,572***	***1,500***	***Total Capital Construction***		——	——	——

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Object				
					Ancora Psychiatric Hospital				
—	607	—	607	385	Correct Brick Veneer Problems	99	—	—	—
—	1,202	—	1,202	352	Sewage Treatment Plant	99	—	—	—
—	763	—	763	763	Elm Hall Renovations	99	—	—	—
65,872	*2,800*	*8,991*	*77,663*	*76,550*	***Grand Total State Appropriation***		*70,543*	*70,543*	*70,543*
					OTHER RELATED APPROPRIATIONS				
					All Other Funds				
—	—	169	169	169	Patient Care and Health Services	10	220	220	220
—	—	*169*	*169*	*169*	***Total All Other Funds***		*220*	*220*	*220*
65,872	*2,800*	*9,160*	*77,832*	*76,719*	***GRAND TOTAL ALL FUNDS***		*70,763*	*70,763*	*70,763*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

20. PHYSICAL AND MENTAL HEALTH
23. MENTAL HEALTH SERVICES
7750. ARTHUR BRISBANE CHILD TREATMENT CENTER

The Center (C30:4–177.1 et. Seq.) provides psychiatric inpatient treatment, education and rehabilitation for mentally ill pre–adolescent school age children and adolescents who are legally committed from the 21 counties.

The settlement with Childrens Rights, Inc. and the Child Welfare Reform Plan which is part of the settlement, require the Arthur Brisbane Child Treatment Center to be closed by December 31, 2005. The Child Welfare Reform Plan establishes interim milestones for terminating admissions. The Plan also requires the development of community programs to provide an appropriate level of care required by the population groups who otherwise would have been treated by Arthur Brisbane Child Treatment Center. The community programs must be operational prior to each target date. This is required as uninterrupted treatment for the affected populations must be assured.

After the Center is closed, the facility will continue to be used to provide children's services.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Patient Care and Health Services				
Average daily population	45	46	30	30 (a)
Total admissions	113	96	65	35
Readmissions	14	15	5	5
All other admissions, including transfers	99	81	60	30
Total terminations, including transfers	114	110	112	65
Ratio: Population/total positions	0.2 / 1	0.2 / 1	0.1 / 1	0.2 / 1
Annual per capita	$269,267	$276,717	$399,833	$399,833 (a)
Daily per capita	$737.72	$758.13	$1,095.43	$1,095.43
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	174	193	184	179
All Other	14	17	18	19
Total Positions	188	210	202	198

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Filled Positions by Program Class				
Patient Care and Health Services	146	166	160	160
Administration and Support Services	42	44	42	38
Total Positions	188	210	202	198

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) For July – December, 2005 only, per capita costs are adjusted accordingly.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
8,052	—	865	8,917	8,916	Patient Care and Health Services	10	8,749	4,374	4,374
2,383	14	446	2,843	2,842	Administration and Support Services	99	2,336	1,168	1,168
10,435	***14***	***1,311***	***11,760***	***11,758***	***Total Direct State Services***		***11,085*** (a)	***5,542***	***5,542***
					Distribution by Fund and Object				
					Personal Services:				
9,227	—	1,468	10,695	10,695	Salaries and Wages		10,031	5,015	5,015
9,227	—	*1,468*	*10,695*	*10,695*	*Total Personal Services*		*10,031*	*5,015*	*5,015*
456	—	—	456	456	Materials and Supplies		456	228	228
326	—	–3	323	322	Services Other Than Personal		326	163	163
132	—	—	132	132	Maintenance and Fixed Charges		132	66	66
294	14	–154	154	153	Additions, Improvements and Equipment		140	70	70
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	49	—	49	20	Administration and Support Services	99	—	—	—
—	***49***	—	***49***	***20***	***Total Capital Construction***		—	—	—
					Distribution by Fund and Object				
					Arthur Brisbane Child Treatment Center				
—	44	—	44	20	Various Preservation Projects	99	—	—	—
—	5	—	5	—	Boiler Replacement, Main House	99	—	—	—
10,435	***63***	***1,311***	***11,809***	***11,778***	***Grand Total State Appropriation***		***11,085***	***5,542***	***5,542***
					OTHER RELATED APPROPRIATIONS				
					All Other Funds				
—	—	971	971	971	Patient Care and Health Services	10	910	455	455
—	—	***971***	***971***	***971***	***Total All Other Funds***		***910***	***455***	***455***
10,435	***63***	***2,282***	***12,780***	***12,749***	***GRAND TOTAL ALL FUNDS***		***11,995***	***5,997***	***5,997***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Language Recommendations — Direct State Services – General Fund

Of the amounts appropriated hereinabove for the Arthur Brisbane Child Treatment Center, such sums as are necessary may be transferred to the Arthur Brisbane Child Treatment Center Bridge Fund account in the Division of Mental Health Services, subject to the approval of the Director of the Division of Budget and Accounting.

20. PHYSICAL AND MENTAL HEALTH
23. MENTAL HEALTH SERVICES
7760. SENATOR GARRETT W. HAGEDORN GERO–PSYCHIATRIC HOSPITAL

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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Patient Care and Health Services				
Average daily population	262	281	280	280
Total admissions	473	493	617	617
Readmissions	88	72	113	113
All other admissions, including transfers	385	421	504	504
Total terminations, including transfers	442	477	555	555
Ratio: Population/total positions	0.5 / 1	0.5 / 1	0.5 / 1	0.5 / 1
Annual per capita	$118,420	$117,964	$120,493	$120,493
Daily per capita	$324.44	$323.19	$330.12	$330.12
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	525	560	530	540
All Other	1	1	—	1
Total Positions	526	561	530	541
Filled Positions by Program Class				
Patient Care and Health Services	408	439	414	423
Administration and Support Services	118	122	116	118
Total Positions	526	561	530	541

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
23,376	56	1,836	25,268	25,227	Patient Care and Health Services	10	25,388	25,388	25,388
7,949	—	55	8,004	7,852	Administration and Support Services	99	8,288	8,288	8,288
31,325	***56***	***1,891***	***33,272***	***33,079***	***Total Direct State Services***		***33,676*** [a]	***33,676***	***33,676***
					Distribution by Fund and Object				
					Personal Services:				
27,152	—	1,970	29,122	29,122	Salaries and Wages		29,581	29,581	29,581

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					DIRECT STATE SERVICES				
27,152	—	*1,970*	*29,122*	*29,122*	*Total Personal Services*		*29,581*	*29,581*	*29,581*
1,941	—	–1	1,940	1,940	Materials and Supplies		1,941	1,941	1,941
1,052	—	—	1,052	1,051	Services Other Than Personal		1,052	1,052	1,052
426	—	—	426	426	Maintenance and Fixed Charges		426	426	426
					Special Purpose:				
14	44 12 R	—	70	30	Interim Assistance	10	14	14	14
740	—	–78	662	510	Additions, Improvements and Equipment		662	662	662
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	116	—	116	1	Administration and Support Services	99	—	—	—
—	*116*	—	*116*	*1*	*Total Capital Construction*		—	—	—
					Distribution by Fund and Object				
					Senator Garrett W. Hagedorn Gero–Psychiatric Hospital				
—	116	—	116	1	Sewage Treatment Plant	99	—	—	—
31,325	*172*	*1,891*	*33,388*	*33,080*	*Grand Total State Appropriation*		*33,676*	*33,676*	*33,676*
					OTHER RELATED APPROPRIATIONS				
					All Other Funds				
—	—	69	69	69	Patient Care and Health Services	10	62	62	62
—	—	*69*	*69*	*69*	*Total All Other Funds*		*62*	*62*	*62*
31,325	*172*	*1,960*	*33,457*	*33,149*	*GRAND TOTAL ALL FUNDS*		*33,738*	*33,738*	*33,738*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Language Recommendations — Direct State Services – General Fund

Receipts recovered from advances made under the Interim Assistance program in the mental health institutions during the fiscal year ending June 30, 2006 are appropriated for the same purpose.

The unexpended balances at the end of the preceding fiscal year, in the Interim Assistance program accounts in the mental health institutions are appropriated for the same purpose.

The amount 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 first are charged to the federal Disproportionate Share Hospital reimbursements anticipated as Medicaid Uncompensated Care.

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 a parent or caretaker relative of a child with gross family income up to 133% of the poverty level, a child whose gross family income does not exceed 350% of the poverty level, or a single adult eligible for General Assistance, without dependent children, whose gross income does not exceed 23% of the poverty level, some parents up to 200% of the poverty level, and childless adults up to 100% of the poverty level. Currently, adult enrollment into FamilyCare is frozen.

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

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Health Services Administration and Management				
General Medical Services:				
Population Data				
Average monthly eligibles	686,950	711,846	726,406	740,934
Personal Care Services (a)	$1,835,127	$273,748	$29,648,000	$31,090,000
Managed Care Initiative				
Gross annual capitation payments (b)	$972,632,798	$1,010,143,105	$1,099,561,737	$1,156,963,000
Hospital Relief Offset Payments	$57,624,000	$141,690,000	$141,690,000	$141,690,000
Hospital Health Care Subsidy Payments	$145,376,000	$61,310,000	$61,310,000	$61,310,000
Hospital Inpatient Services				
Patient admissions	68,572	67,643	69,174	69,993
Average cost per admission	$7,351	$7,572	$7,755	$7,853
Gross annual cost (c)	$504,043,714	$512,160,175	$536,443,166	$549,688,000
Prescription Drugs				
Prescriptions	11,601,098	14,042,225	14,569,588	15,339,032
Average cost per prescription	$67.55	$70.59	$78.07	$81.04
Gross annual cost	$783,654,138	$991,240,657	$1,137,484,747	$1,243,100,444
Less: Pharmaceutical manufacturer rebates	–$132,724,524	–$197,037,727	–$280,154,670	–$259,907,444
Total program cost	$650,929,614	$794,202,930	$857,330,077	$983,193,000
Hospital Outpatient Services				
Visits	1,975,387	1,877,692	2,054,304	2,063,798
Average cost per visit	$168.59	$152.15	$156.72	$163.10
Gross annual cost	$333,030,666	$285,695,707	$321,944,600	$336,610,000
Physician Services				
Visits	2,983,667	3,286,474	3,395,056	3,501,337
Average cost per visit	$15.46	$16.70	$17.25	$18.34
Gross annual cost	$46,126,266	$54,872,136	$58,555,667	$64,218,000

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Home Health Care				
Visits	1,850,516	2,022,000	1,799,580	1,835,572
Average cost per visit	$18.39	$17.75	$17.66	$18.83
Gross annual cost	$34,039,737	$35,887,273	$31,771,641	$34,567,000
Medicare Premiums (d)	$141,196,559	$152,736,267	$173,414,000	$183,166,000
Dental Services	$19,753,333	$22,003,661	$23,716,419	$26,283,000
Clinic Services	$110,659,206	$112,014,365	$116,033,063	$111,684,000
Transportation Services	$59,081,052	$65,959,242	$71,288,335	$88,493,000
All Other Services (Gross) (e)	$391,874,761	$237,395,938	$170,943,008	$174,152,394
Less: Recoveries and Adjustments	–$61,651,807	–$41,062,561	–$49,122,807	–$50,764,394
Unit Dose Contract Services	$6,636,748	$5,441,951	$5,176,025	$5,125,000
Consulting Pharmacy Services	$3,122,338	$3,619,676	$3,766,978	$3,704,000
Grand Total	$3,416,310,382	$3,454,343,613	$3,653,469,909	$3,901,172,000
State share (General Fund)	$1,695,071,433	$1,696,763,993	$1,834,203,696	$1,922,307,000
State share (Hospital Health Care Subsidy Fund)	$72,688,000	$30,655,000	$30,655,000	$30,655,000
State share (Hospital Health Care Subsidy Fund) (b)	$19,892,520	$19,776,550	$20,950,294	$21,950,294
Federal share	$1,628,658,429	$1,707,148,070	$1,767,660,919	$1,926,259,706
NJ KidCare—Childrens Health Insurance Program:				
Estimated year–end enrollment	92,279	100,729	104,565	109,883
Total costs	$104,018,001	$133,008,337	$154,271,602	$175,758,735
State share	$34,627,764	$45,160,607	$50,214,214	$56,910,624
Federal share	$62,575,496	$77,607,264	$93,100,111	$107,123,285
Individuals share	$6,814,741	$10,240,466	$10,957,277	$11,724,826
NJ FamilyCare—Health Coverage Benefits:				
Estimated year–end enrollment	156,482	94,152	69,505	53,117
Total costs	$350,042,398	$279,523,325	$237,394,467	$205,923,905
State share	$151,796,976	$135,869,497	$123,228,139	$107,161,000
Federal share	$193,700,565	$140,104,732	$112,633,744	$97,947,958
Employers/Individuals share	$4,544,856	$3,549,096	$1,532,584	$814,947
General Assistance Medical Services:				
Estimated year–end enrollment	33,299	36,045	39,592	43,139
Total costs	$89,928,489	$105,421,123	$130,523,387	$145,790,000
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	154	173	186	149
Federal	350	354	377	425
Total Positions	504	527	563	574
Filled Positions by Program Class				
Health Services Administration and Management	504	527	563	574
Total Positions	504	527	563	574

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) Beginning in fiscal year 2005, appropriations associated with Adult Mental Health Residential services are included in Payments for Medical Assistance Recipients – Personal Care.

(b) Includes payments for services to Pregnant Women and Infants between 133% and 185% of the federal poverty level, which are funded from the Health Care Subsidy Fund.

(c) Includes $48,385,000 in funding from the Health Care Subsidy Fund in fiscal years 2003 and 2004, and $50,000,000 in fiscal years 2005 and 2006.

(d) Includes enhanced federal funding for Specified Low–Income Medicare Beneficiary eligibility expansions and premium shifts, pursuant to the Federal Balanced Budget Act of 1997.

(e) All Other Services includes all Grants–in–Aid programs not displayed as a separate line item above.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
26,853	7,421	921	35,195	27,045	Health Services Administration and Management	21	24,599	26,989	26,989
—	1,800	–1,800	—	—	General Medical Services	22	—	—	—
26,853	***9,221***	***–879***	***35,195***	***27,045***	***Total Direct State Services***		***24,599*** (a)	***26,989***	***26,989***
					Distribution by Fund and Object				
					Personal Services:				
13,455	—	–1,583	11,872	11,649	Salaries and Wages		14,709	14,709	14,709
13,455	—	*–1,583*	*11,872*	*11,649*	*Total Personal Services*		*14,709*	*14,709*	*14,709*
180	—	30	210	210	Materials and Supplies		180	180	180
5,000	—	–298	4,702	4,702	Services Other Than Personal		5,000	3,480	3,480
308	—	–113	195	195	Maintenance and Fixed Charges		308	308	308
					Special Purpose:				
6,641	6,942	—	13,583	6,723	Payments to Fiscal Agent	21	3,043	7,043	7,043
1,179	—	—	1,179	1,019	Professional Standards Review Organization–Utilization Review	21	1,179	1,179	1,179
90	—	—	90	27	Drug Utilization Review Board—Administrative Costs	21	90	90	90
—	—	—	—	—	NJ Express Enrollment for Children's Health Coverage	21	90 S	—	—
—	—	2,215	2,215	2,215	NJ FamilyCare Affordable and Accessible Health Coverage — Administration	21	—	—	—
—	1,800 R	–1,800	—	—	General Medical Services	22	—	—	—
—	479	670	1,149	305	Additions, Improvements and Equipment		—	—	—
					GRANTS–IN–AID				
					Distribution by Fund and Program				
1,883,555	228,521	–5,913	2,106,163	2,104,320	General Medical Services	22	2,008,879	2,181,258	2,181,258
1,883,555	***228,521***	***–5,913***	***2,106,163***	***2,104,320***	***Total Grants–in–Aid***		***2,008,879***	***2,181,258***	***2,181,258***
					Distribution by Fund and Object				
					Grants:				
9,560	—	–9,395	165	165	Payments for Medical Assistance Recipients – Personal Care (b)	22	14,824	15,949	15,949
538,078	—	–31,703	506,375	506,375	Managed Care Initiative (c)	22	525,217	598,522	598,522
28,812	—	42,033	70,845	70,845	Hospital Relief Offset Payments (d)	22	70,845	70,845	70,845
11,290	—	3,713	15,003	15,003	Payments for Medical Assistance Recipients – Other Treatment Facilities	22	5,900	6,372	6,372
231,216	—	–19,497	211,719	211,719	Payments for Medical Assistance Recipients – Inpatient Hospital (e)	22	200,695	231,990	231,990
350,604	197,038 R	66,887	614,529	614,529	Payments for Medical Assistance Recipients – Prescription Drugs	22	468,449	505,378	505,378
183,305	—	–34,835	148,470	148,470	Payments for Medical Assistance Recipients – Outpatient Hospital	22	176,517	172,681	172,681

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					GRANTS–IN–AID				
28,884	—	–373	28,511	28,511	Payments for Medical Assistance Recipients – Physician Services	22	34,204	32,944	32,944
12,447	—	5,642	18,089	18,089	Payments for Medical Assistance Recipients – Home Health Care	22	17,728	17,733	17,733
74,368	—	902	75,270	75,270	Payments for Medical Assistance Recipients – Medicare Premiums	22	85,437	93,964	93,964
9,771	—	1,473	11,244	11,244	Payments for Medical Assistance Recipients – Dental Services	22	11,520	13,483	13,483
8,595	—	2,737	11,332	11,332	Payments for Medical Assistance Recipients – Psychiatric Hospital	22	13,956	13,634	13,634
12,123	—	6,178	18,301	18,301	Payments for Medical Assistance Recipients – Medical Supplies	22	15,996	21,236	21,236
51,882	—	–1,569	50,313	50,313	Payments for Medical Assistance Recipients – Clinic Services	22	41,445	57,294	57,294
37,401	—	2,664	40,065	40,065	Payments for Medical Assistance Recipients – Transportation Services	22	45,616	45,397	45,397
21,071	19,748 R	–34,484	6,335	6,335	Payments for Medical Assistance Recipients – Other Services	22	2,369	6,786	6,786
7,803	—	–2,361	5,442	5,442	Unit Dose Contract Services	22	6,000	5,125	5,125
3,200	—	420	3,620	3,620	Consulting Pharmacy Services	22	3,600	3,704	3,704
4,800	—	–810	3,990	3,990	Eligibility Determination Services	22	4,800	4,800	4,800
6,055	—	–2,740	3,315	3,315	Health Benefit Coordination Services	22	4,420	4,420	4,420
116,100	—	–10,679	105,421	105,421	General Assistance Medical Services	22	122,515	145,790	145,790
118,190 10,000 S	11,735	–4,427	135,498	133,655	NJ FamilyCare—Affordable and Accessible Health Coverage Benefits	22	130,776	107,161	107,161
3,500	—	2,948	6,448	6,448	Programs for Assertive Community Treatment	22	6,050	6,050	6,050
4,500	—	11,363	15,863	15,863	Adult Mental Health Residential (b)	22	—	—	—
1,910,408	***237,742***	***–6,792***	***2,141,358***	***2,131,365***	***Grand Total State Appropriation***		***2,033,478***	***2,208,247***	***2,208,247***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
57,085	17,983	5,488	80,556	55,953	Health Services Administration and Management	21	59,844	66,739	66,739
1,926,423	46,166	49,012	2,021,601	1,916,547	General Medical Services	22	2,025,489	2,121,098	2,121,098
1,983,508	***64,149***	***54,500***	***2,102,157***	***1,972,500***	***Total Federal Funds***		***2,085,333***	***2,187,837***	***2,187,837***
					All Other Funds				
—	172 4,210 R	–1,800	2,582	2,410	Health Services Administration and Management	21	4,762	3,350	3,350
—	507,012 R	–9,786	497,226	497,226	General Medical Services	22	570,382	574,037	574,037
—	***511,394***	***–11,586***	***499,808***	***499,636***	***Total All Other Funds***		***575,144***	***577,387***	***577,387***
3,893,916	***813,285***	***36,122***	***4,743,323***	***4,603,501***	***GRAND TOTAL ALL FUNDS***		***4,693,955***	***4,973,471***	***4,973,471***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Interdepartmental Salary and Other Benefits accounts.

Notes — Grants–In–Aid – General Fund

(b) Beginning in fiscal year 2005, appropriations associated with Adult Mental Health Residential services are included in Payments for Medical Assistance Recipients – Personal Care.

(c) State share expenditures on behalf of pregnant women and infants between 133% and 185% of the federal poverty standard are funded from the Health Care Subsidy Fund.

(d) The Hospital Relief Offset Payments account includes appropriations from the Department of Health and Senior Services through the Health Care Subsidy Fund.

(e) In addition to the amounts for Medical Assistance Recipients–Inpatient Hospital, $48.4 million is available in fiscal year 2004, and $50 million in fiscal years 2005 and 2006, from the Health Care Subsidy Fund.

The appropriation for Children's Behavioral Health Services has been moved to the Office of Children's Services.

Language Recommendations — Direct State Services – General Fund

The unexpended balances at the end of the preceding fiscal year, in the Payments to Fiscal Agents 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 al.), and for subsidized children's health insurance in the NJ KidCare program (Children's Health Care Coverage Program) established in P.L.1997, c.272 (C.30:4I–1 et seq.) 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 any State law 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, 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 Transitional Assistance Program coverage from the Medicare Prescription Drug Discount Card Program, and/or adjudicated claims file for the purpose of the coordination of benefits, utilizing, if necessary, social security numbers as common identifiers.

Notwithstanding the provisions of any law 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 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.

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–Personal Care and Payments for Medical Assistance Recipients–Other Services 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 item 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 Senior Services in the Department of Health and Senior Services, excluding the Children's Behavioral Health Services and Children's Behavioral Health Services–Residential accounts. 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 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 any law to the contrary, 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 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 KidCare program (Children's Health Care Coverage Program) as defined in P.L.1997, c.272 (C.30:4I–1 et seq.).

Notwithstanding the provisions of P.L.1962, c.222 (C.44:7–76 et seq.), the Medical Assistance for the Aged program is eliminated.

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 fiscal year ending June 30, 2006 are appropriated for payments to providers in the same program class from which the recovery originated.

The amount appropriated hereinabove 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 any other law 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 any law 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 any law 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 limited to no more than 25 hours per week.

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 which 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.

Such sums as may be necessary are available from the Health Care Subsidy Fund to supplement Payments for Medical Assistance Recipients–Inpatient Hospital, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding any other laws 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, copayment 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 appropriated hereunder.

Notwithstanding any provision 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 appropriated hereunder. 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 any other law to the contrary, those hospitals that are eligible to receive a Hospital Relief Subsidy Fund (HRSF) payment as appropriated hereinabove 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). Effective commencing with the start of this fiscal year, 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, will 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 any other law 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. Effective commencing with the start of this fiscal year, payments shall be made from and are appropriated hereinabove 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.

Of the amounts 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 fiscal year ending June 30, 2006 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 other law or regulation to the contrary, effective commencing with the start of this fiscal year, or at the earliest date thereafter consistent with 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 legend, and non–legend drugs, and nutritional supplements, shall not exceed their Average Wholesale Price (AWP) less a 12.5% discount; (b) the current prescription drug dispensing fee structure set as a variable rate of $3.73 to $4.07 in effect on June 30, 2005 shall remain in effect through fiscal year 2006, including the current increments for patient consultation, impact allowances, 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 multisource 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 any laws or regulations to the contrary, payments from the Payments for Medical Assistance Payments–Prescription Drugs account, the General Assistance drug program or the fee–for–service portion of NJ FamilyCare shall not cover quantities of erectile dysfunction drug therapies in excess of four treatments per month. Moreover, payments 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.

Notwithstanding any law to the contrary and subject to the notice provisions of 42 CFR 447.205, effective commencing with the start of this fiscal year, approved nutritional supplements which are funded hereinabove in the Payments for Medical Assistance Recipients–Prescription Drug program will be reimbursed in accordance with a fee schedule set by the Director of the Division of Medical Assistance and Health Services.

Effective commencing with the start of this fiscal year, 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 other law or regulation to the contrary, effective commencing with the start of this fiscal year, 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 other law or regulation to the contrary, effective commencing with the start of this fiscal year, the appropriations in the Payments for Medical Assistance Recipients – Prescription Drugs, General Assistance Medical Services, NJ FamilyCare, and NJ KidCare 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 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 which indicates that additional PDN hours are required and that the primary caregiver is not qualified to provide the additional PDN hours.

Of the amount hereinabove appropriated for Payments for Medical Assistance Recipients–Clinic, 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.

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.

Effective commencing with the start of this fiscal year, the amount appropriated hereinabove 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, NJ FamilyCare and NJ KidCare 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 any State law 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.

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.

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 KidCare program (Children's Health Care Coverage Program) established pursuant to P.L.1997, c.272 (C.30:4I–1 et seq.) are appropriated for NJ KidCare payments.

Premiums received from families enrolled in the NJ FamilyCare program (FamilyCare Health Coverage Program) established pursuant to P.L.2000, c.71 (C.30:4J–1 et seq.) 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 the Departments 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 appropriated hereinabove 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 other law to the contrary, no funds appropriated for the Medicaid program as appropriated hereinabove in the Payments for Medical Assistance Recipients–Prescription Drugs 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 other law 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 and shall be based upon the Medicare exhausted days, according to a plan designed by the Commissioner of Human Services and approved by the Director of the Division of Budget and Accounting.

No funds appropriated for personal care assistant or other personal care services shall be expended for payment after January 1, 2005 to a health care services firm for personal care services, as those terms are defined in P.L.2002, c.126 (C.34:8–45.1) unless the provider agrees to file the following cost reports with the Department of Human Services. The department shall develop annual calendar year cost reports, beginning with the calendar year 2005 report, which shall contain information on costs and revenues in comparable detail as that required of other providers that submit cost reports to the Medicaid program. The reports shall be filed on an annual basis using a format as shall be specified by the department.

Notwithstanding the provisions of N.J.A.C.10:49–7.3 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 other law or regulation to the contrary, effective commencing with the start of the fiscal year, or the earliest date thereafter consistent with 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 not exceed the lower of the physician's acquisition cost or the Average Wholesale Price (AWP) less a 12.5% discount; 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.

Notwithstanding the provisions of any law or regulation to the contrary, the appropriations hereinabove for Payments for Medical Assistance Recipients – Other Services, and NJ FamilyCare are conditioned upon rate increases for the provider tax not being included in the calculation of the hospice per diem room and board payment rates.

Notwithstanding the provisions of any other law or regulation to the contrary, commencing with the start of the fiscal year, the appropriation in the Payments for Medical Assistance Recipients – Clinic Services shall be conditioned upon the following provision: No funds shall be expended for partial care services to any provider who was not a Medicaid approved partial care provider prior to July 1, 2005 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 other law or regulation to the contrary, effective commencing with the start of the fiscal year, the appropriations hereinabove for Payments for Medical Assistance Recipients – Prescription Drugs and Managed Care Initiative shall be conditioned upon the following provision: all Division of Medical Assistance and Health Services beneficiaries, except pregnant women and children, consistent with 42 CFR 447.53, will be required to provide a $1.00 copayment at the point of sale for each prescription filled.

Notwithstanding the provisions of any other law or regulation to the contrary, effective commencing with the start of the fiscal year, the appropriation hereinabove for Payments for Medical Assistance Recipients – Physician Services and Payments for Medical Assistance Recipients – Home Health Care shall be conditioned upon the following provision: all Division of Medical Assistance and Health Services beneficiaries, except pregnant women and children, consistent with 42 CFR 447.53, will be required to provide a $3.00 copayment for each physician, chiropractor, and home health care visit.

Notwithstanding the provisions of any other law or regulation to the contrary, effective commencing with the start of the fiscal year, the appropriation hereinabove 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 other law or regulation to the contrary, effective commencing with the start of the fiscal year, the appropriation hereinabove for Payments for Medical Assistance Recipients – Prescription Drugs shall be conditioned upon the following provision: the frequency of pricing updates to the reimbursement rates paid for Medicaid prescription drugs shall be decreased from once a week to once a month.

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). 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 Demonstration 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Disability Services				
Personal Care Services	$238,858,000	$268,457,000	$273,406,000	$291,020,000
Waiver Initiatives	36,006,000	34,102,000	37,605,000	40,977,000
Personal Assistant Services Program				
Number of Clients	460	475	510	510
Total Program Cost	7,144,520	6,985,000	7,230,000	7,230,000
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	14	15	17	19
Federal	6	12	10	10
Total Positions	20	27	27	29
Filled Positions by Program Class				
Disability Services	20	27	27	29
Total Positions	20	27	27	29

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
984	—	–110	874	874	Division of Disabilities Services	27	1,071	1,071	1,071
984	—	***–110***	***874***	***874***	***Total Direct State Services***		***1,071*** [a]	***1,071***	***1,071***
					Distribution by Fund and Object				
					Personal Services:				
942	—	–110	832	832	Salaries and Wages		1,029	1,029	1,029
942	—	*–110*	*832*	*832*	*Total Personal Services*		*1,029*	*1,029*	*1,029*
4	—	—	4	4	Materials and Supplies		4	4	4
29	—	—	29	29	Services Other Than Personal		29	29	29
9	—	—	9	9	Maintenance and Fixed Charges		9	9	9
					GRANTS–IN–AID				
					Distribution by Fund and Program				
162,900	—	—	162,900	161,036	Division of Disabilities Services	27	171,120	183,541	183,541
82,572	—	—	*82,572*	*80,708*	*(From General Fund)*		*90,792*	*103,213*	*103,213*
80,328	—	—	*80,328*	*80,328*	*(From Casino Revenue Fund)*		*80,328*	*80,328*	*80,328*
162,900	—	—	***162,900***	***161,036***	***Total Grants–in–Aid***		***171,120***	***183,541***	***183,541***
82,572	—	—	*82,572*	*80,708*	*(From General Fund)*		*90,792*	*103,213*	*103,213*
80,328	—	—	*80,328*	*80,328*	*(From Casino Revenue Fund)*		*80,328*	*80,328*	*80,328*
					Distribution by Fund and Object				
					Grants:				
3,251	—	—	3,251	3,251	Personal Assistance Services Program	27	3,496	3,496	3,496
3,734	—	—	3,734	3,734	Personal Assistance Services Program (CRF)	27	3,734	3,734	3,734

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					GRANTS–IN–AID				
2,000	—	–2,000	—	—	Community Supports to Allow Discharge from Nursing Homes	27	2,000	2,000	2,000
72,352	—	2,700	75,052	74,990	Payments for Medical Assistance Recipients – Personal Care	27	81,030	89,837	89,837
60,092	—	—	60,092	60,092	Payments for Medical Assistance Recipients – Personal Care (CRF)	27	60,092	60,092	60,092
1,800 S	—	550	2,350	548	Payments for Medical Assistance Recipients – Waiver Initiatives	27	2,332	5,818	5,818
16,502	—	—	16,502	16,502	Payments for Medical Assistance Recipients – Waiver Initiatives (CRF)	27	16,502	16,502	16,502
3,169	—	–1,250	1,919	1,919	Payments for Medical Assistance Recipients – Other Services	27	1,934	2,062	2,062
163,884	—	***–110***	***163,774***	***161,910***	***Grand Total State Appropriation***		***172,191***	***184,612***	***184,612***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
150,719	845	5,500	157,064	153,629	Division of Disabilities Services	27	158,751	171,189	171,189
150,719	***845***	***5,500***	***157,064***	***153,629***	***Total Federal Funds***		***158,751***	***171,189***	***171,189***
					All Other Funds				
—	2,930 3,595 R	48	6,573	649	Division of Disabilities Services	27	—	—	—
—	***6,525***	***48***	***6,573***	***649***	***Total All Other Funds***		—	—	—
314,603	***7,370***	***5,438***	***327,411***	***316,188***	***GRAND TOTAL ALL FUNDS***		***330,942***	***355,801***	***355,801***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

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 the various items of appropriation within the Disability Services program classification. Amounts may also be transferred to and from Payments for Medical Assistance Recipients–Personal Care and Payments for Medical Assistance Recipients–Other Services 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 within the Department of Human 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 any law to the contrary and subject to the notice provisions of 42 CFR 447.205, of the amount appropriated hereinabove 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 weekend rate shall not exceed $16.00.

No funds appropriated for personal care assistant or other personal care services shall be expended for payment after January 1, 2005 to a health care services firm for personal care services, as those terms are defined in P.L. 2002, c.126 (C.34:8–45.1) unless the provider agrees to file the following cost reports with the Department of Human Services. The department shall develop annual calendar year cost reports, beginning with the calendar year 2005 report, which shall contain information on costs and revenues in comparable detail as that required of other providers that submit cost reports to the Medicaid program. The reports shall be filed on an annual basis using a format as shall be specified by the department.

Language Recommendations — Grants–In–Aid – Casino Revenue Fund

No funds appropriated for personal care assistant or other personal care services shall be expended for payment after January 1, 2005 to a health care services firm for personal care services, as those terms are defined in P.L. 2002, c.126 (C.34:8–45.1) unless the provider agrees to file the following cost reports with the Department of Human Services. The department shall develop annual calendar year cost reports, beginning with the calendar year 2005 report, which shall contain information on costs and revenues in comparable detail as that required of other providers that submit cost reports to the Medicaid program. The reports shall be filed on an annual basis using a format as shall be specified by the department.

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.

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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	59	56	62	50
Federal	130	146	148	144
Total Positions	189	202	210	194
Filled Positions by Program Class				
Administration and Support Services	189	202	210	194
Total Positions	189	202	210	194

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The budget estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
10,420	149	2,074	12,643	12,059	Administration and Support Services	99	10,934	11,307	11,307
4,215	*127*	*2,074*	*6,416*	*6,415*	*(From General Fund)*		*4,433*	*4,433*	*4,433*
6,205	*22*	——	*6,227*	*5,644*	*(From Federal Funds)*		*6,501*	*6,874*	*6,874*

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
10,420	***149***	***2,074***	***12,643***	***12,059***	***Total Direct State Services***		***10,934*** [a]	***11,307***	***11,307***
					Less:				
(6,205)	(22)	—	(6,227)	(5,644)	Federal Funds		(6,501)	(6,874)	(6,874)
4,215	***127***	***2,074***	***6,416***	***6,415***	***Total State Appropriation***		***4,433***	***4,433***	***4,433***
					Distribution by Fund and Object				
					Personal Services:				
8,380	—	2,074	10,454	9,922	Salaries and Wages		8,894	9,267	9,267
8,380	—	*2,074*	*10,454*	*9,922*	*Total Personal Services*		*8,894*	*9,267*	*9,267*
64	—	20	84	63	Materials and Supplies		64	64	64
252	—	20	272	258	Services Other Than Personal		252	252	252
99	—	–40	59	57	Maintenance and Fixed Charges		99	99	99
					Special Purpose:				
669	127 R	—	796	796	Foster Grandparents Program	99	669	669	669
306	—	—	306	306	Developmental Disabilities Council	99	306	306	306
625	—	—	625	625	Nursing Incentive Program	99	625	625	625
25	22	—	47	32	Additions, Improvements and Equipment		25	25	25
					Less:				
(6,205)	(22)	—	(6,227)	(5,644)	Federal Funds		(6,501)	(6,874)	(6,874)
4,215	***127***	***2,074***	***6,416***	***6,415***	***Grand Total State Appropriation***		***4,433***	***4,433***	***4,433***
					OTHER RELATED APPROPRIATIONS				
6,205	***22***	—	***6,227***	***5,644***	***Total Federal Funds***		***6,501***	***6,874***	***6,874***
10,420	***149***	***2,074***	***12,643***	***12,059***	***GRAND TOTAL ALL FUNDS***		***10,934***	***11,307***	***11,307***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 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 is the representative payee is appropriated for participation in the Foster Grandparents Program and Senior Companions program.

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 a substitute family situation in cases where an individual must be separated from his natural family, but does 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Purchased Residential Care				
Private Institutions				
Average daily population	597	597	615	637
Average cost/client/year	$57,251	$59,062	$81,330	$82,957
Family care				
Average daily population	145	145	145	145
Average cost/client/year (a)	$12,159	$12,159	$12,159	$12,459
Skill Development Homes				
Average daily population	1,811	1,503	1,549	1,568
Average cost/client/year (b)	$14,646	$17,830	$17,466	$17,599
Community Residential				
Average daily population	6,949	7,284	7,473	7,673
Average cost/client/year (b)	$57,019	$58,166	$55,360	$56,467
Social Supervision and Consultation				
Average number in community supervision (c)	28,084	29,584	31,151	32,651
Average number in guardianship services (c)	4,016	4,016	4,741	4,941
Average number receiving home assistance (c)	10,274	10,774	10,797	10,797
Real Life Choices				
Individuals Served	—	75	300	300
Average Cost of yearly Plan	—	$29,000	$29,000	$29,000
Adult Activities				
Average daily population – private facilities	8,105	8,282	8,361	8,561
Average cost/client/year (b)	$14,409	$14,732	$16,161	$16,500
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	239	243	244	216
Federal	330	337	335	338
Total Positions	569	580	579	554
Filled Positions by Program Class				
Purchased Residential Care	43	46	48	56
Social Supervision and Consultation	498	508	504	471
Adult Activities	28	26	27	27
Total Positions	569	580	579	554

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The budget estimate for fiscal year 2006 reflects the number of positions funded.

The evaluation data for the Education and Day Training Program classification has been adjusted for all fiscal years to reflect the transfer of this program to the Office of Children's Services within the Department of Human Services.

(a) Does not include cost of the Integrated Therapeutic Network initiative.

(b) Revised to reflect finalized data. These averages have been changed to include the cost of completed placements from the FY 1999, FY 2000, FY 2001 and FY 2002 Community Services Waiting List Initiatives, the FY 2001 and FY 2002 Community Transition Plans and the FY 2002 Community Nursing Care Initiative.

(c) Individuals may be in more than one category.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
2,183	39	322	2,544	2,541	Purchased Residential Care	01	7,468	7,717	7,717
538	——	*322*	*860*	*857*	*(From General Fund)*		*3,379*	*3,594*	*3,594*
1,645	*39*	——	*1,684*	*1,684*	*(From Federal Funds)*		*4,089*	*4,123*	*4,123*
21,814	——	110	21,924	21,916	Social Supervision and Consultation	02	23,371	24,318	24,318
10,328	——	*110*	*10,438*	*10,430*	*(From General Fund)*		*1,510*	*1,685*	*1,685*
11,486	——	——	*11,486*	*11,486*	*(From Federal Funds)*		*21,861*	*22,633*	*22,633*
1,894	——	–140	1,754	1,754	Adult Activities	03	1,942	1,981	1,981
1,055	——	*–140*	*915*	*915*	*(From General Fund)*		*1,086*	*1,086*	*1,086*
839	——	——	*839*	*839*	*(From Federal Funds)*		*856*	*895*	*895*
25,891	***39***	***292***	***26,222***	***26,211***	***Total Direct State Services***		***32,781*** [a]	***34,016***	***34,016***
					Less:				
(13,970)	(39)	——	(14,009)	(14,009)	Federal Funds		(26,806)	(27,651)	(27,651)
11,921	——	***292***	***12,213***	***12,202***	***Total State Appropriation***		***5,975***	***6,365***	***6,365***
					Distribution by Fund and Object				
					Personal Services:				
24,206	——	292	24,498	24,498	Salaries and Wages		25,930	27,858	27,858
24,206	——	*292*	*24,498*	*24,498*	*Total Personal Services*		*25,930*	*27,858*	*27,858*
76	——	40	116	116	Materials and Supplies		76	76	76
434	39	230	703	703	Services Other Than Personal		434	434	434
491	——	–270	221	221	Maintenance and Fixed Charges		491	491	491
					Special Purpose:				
——	——	——	——	——	Developmental Center Enhancement	01	5,166	4,298	4,298
285	——	——	285	285	Guardianship Program	02	285	285	285
167	——	——	167	167	Homemaker Services (State Share)	02	167	342	342
232	——	——	232	221	Additions, Improvements and Equipment		232	232	232
					Less:				
(13,970)	(39)	——	(14,009)	(14,009)	Federal Funds		(26,806)	(27,651)	(27,651)
					GRANTS–IN–AID				
					Distribution by Fund and Program				
488,605	39,461	6,970	535,036	482,037	Purchased Residential Care	01	542,751	562,881	562,881
298,012	*963*	*6,970*	*305,945*	*305,945*	*(From General Fund)*		*333,294*	*331,520*	*331,520*
28,827	——	——	*28,827*	*28,726*	*(From Casino Revenue Fund)*		*28,827*	*28,827*	*28,827*
161,766	*4,580*	——	*166,346*	*125,720*	*(From Federal Funds)*		*142,000*	*163,904*	*163,904*
——	*33,918*	——	*33,918*	*21,646*	*(From All Other Funds)*		*38,630*	*38,630*	*38,630*
48,008	706	——	48,714	47,521	Social Supervision and Consultation	02	49,756	57,102	57,102
40,243	——	——	*40,243*	*40,243*	*(From General Fund)*		*41,978*	*45,520*	*45,520*
2,208	——	——	*2,208*	*2,208*	*(From Casino Revenue Fund)*		*2,208*	*2,208*	*2,208*
5,557	*706*	——	*6,263*	*5,070*	*(From Federal Funds)*		*5,570*	*9,374*	*9,374*
122,013	——	——	122,013	118,454	Adult Activities	03	131,633	131,633	131,633
79,147	——	——	*79,147*	*79,147*	*(From General Fund)*		*87,117*	*87,117*	*87,117*
7,374	——	——	*7,374*	*7,374*	*(From Casino Revenue Fund)*		*7,374*	*7,374*	*7,374*
35,492	——	——	*35,492*	*31,933*	*(From Federal Funds)*		*37,142*	*37,142*	*37,142*

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					GRANTS–IN–AID				
658,626	***40,167***	***6,970***	***705,763***	***648,012***	***Total Grants–in–Aid***		***724,140***	***751,616***	***751,616***
					Less:				
(202,815)	(5,286)	—	(208,101)	(162,723)	Federal Funds		(184,712)	(210,420)	(210,420)
—	(33,918)	—	(33,918)	(21,646)	All Other Funds		(38,630)	(38,630)	(38,630)
455,811	***963***	***6,970***	***463,744***	***463,643***	***Total State Appropriation***		***500,798***	***502,566***	***502,566***
					Distribution by Fund and Object				
					Grants:				
814	—	—	814	814	Dental Program for Non–Institutionalized Children	01	814	814	814
33,949	—	—	33,949	33,949	Private Institutional Care	01	37,393	41,878	41,878
1,311	—	—	1,311	1,311	Private Institutional Care (CRF)	01	1,311	1,311	1,311
13,157	9,929 R	—	23,086	21,477	Skill Development Homes	01	25,657	27,646	27,646
1,141	—	—	1,141	1,141	Skill Development Homes (CRF)	01	1,141	1,141	1,141
341,383	4,580 23,989 R	6,970	376,922	325,633	Group Homes (b)	01	373,787 20,103 S	398,872	398,872
26,247	—	—	26,247	26,247	Group Homes (CRF)	01	26,247	26,247	26,247
5,135	—	—	5,135	5,135	Family Care	01	5,135	5,135	5,135
128	—	—	128	27	Family Care (CRF)	01	128	128	128
1,604	—	—	1,604	1,604	Community Nursing Care Initiative – FY2002	01	1,604	1,604	1,604
28,019 S	963	—	28,982	28,982	ICF/MR Provider Tax	01	—	—	—
27,068	—	—	27,068	27,068	Community Services Waiting List Reduction Initiative – FY2002	01	28,359	28,579	28,579
—	—	—	—	—	CSWL Initiative Development	01	7,243	16,713	16,713
—	—	—	—	—	Developmental Center Enhancement	01	3,910	2,894	2,894
8,649	—	—	8,649	8,649	Community Transition Initiative – FY2002	01	9,919	9,919	9,919
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
1,170	606	—	1,776	583	Developmental Disabilities Council	02	1,183	1,183	1,183
37,697	—	—	37,697	37,697	Home Assistance	02	39,432	37,268	37,268
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
—	100	—	100	100	DDD Family Support Urban Outreach Project	02	—	—	—
—	—	—	—	—	Real Life Choices	02	—	9,510	9,510
4,048	—	—	4,048	4,048	Social Services	02	4,048	4,048	4,048
471	—	—	471	471	Case Management	02	471	471	471
114,639	—	—	114,639	111,080	Purchase of Adult Activity Services	03	124,259	124,259	124,259
7,374	—	—	7,374	7,374	Purchase of Adult Activity Services (CRF)	03	7,374	7,374	7,374
					Less:				
(202,815)	(5,286)	—	(208,101)	(162,723)	Federal Funds		(184,712)	(210,420)	(210,420)
—	(33,918)	—	(33,918)	(21,646)	All Other Funds		(38,630)	(38,630)	(38,630)
467,732	***963***	***7,262***	***475,957***	***475,845***	***Grand Total State Appropriation***		***506,773***	***508,931***	***508,931***

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					OTHER RELATED APPROPRIATIONS				
216,785	*5,325*	—	*222,110*	*176,732*	*Total Federal Funds*		*211,518*	*238,071*	*238,071*
—	*33,918*	—	*33,918*	*21,646*	*Total All Other Funds*		*38,630*	*38,630*	*38,630*
684,517	*40,206*	*7,262*	*731,985*	*674,223*	*GRAND TOTAL ALL FUNDS*		*756,921*	*785,632*	*785,632*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Notes — Grants–In–Aid – General Fund

(b) The FY 2001 Community Service Waiting List Reduction Initiative and the FY 2003 Planning Initiative have been distributed to various maintenance accounts.

The appropriation data for the Education and Day Training Program classification has been adjusted for all fiscal years to reflect the transfer of this program to the Office of Children's Services within the Department of Human Services.

Language Recommendations — Direct State Services – General Fund

Of the amounts hereinabove appropriated for Developmental Center Enhancement, such sums as are necessary may be transferred to Grants–In–Aid for the Developmental Center Enhancement or to the Woodbridge Developmental Center, subject to the approval of the Director of the Division of Budget and Accounting.

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 required to return persons with mental retardation or developmental disabilities presently residing in out–of–State institutions to group homes within the State may be transferred from the Private Institutional Care account to the Group Homes account, subject to the approval of the Director of the Division of Budget and Accounting.

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 community and community support programs, subject to the approval of the Director of the Division of Budget and Accounting.

Skill development homes cost recoveries during the fiscal year ending June 30, 2006, not to exceed $12,500,000, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The total amount appropriated in the Community Services Waiting List Reduction Initiative – FY2002 and the Community Transition Initiative – FY2002 and the Community Nursing Care Initiative – FY2002 accounts are available for transfer to community support programs, 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 Director of the Division of Developmental Disabilities is authorized to waive statutory, regulatory, or licensing requirements in the use of funds appropriated hereinabove for the implementation of a self–determination pilot program including participants from the Community Services Waiting List Reduction Initiatives – FY 1997 through FY2002, subject to the approval of a plan by the Director of the Division of Developmental Disabilities, which will allow 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 choose self–determination.

Cost recoveries from developmentally disabled patients and residents collected during the fiscal year ending June 30, 2006, not to exceed $5,500,000, are appropriated for the continued operation of the Group Homes program, and an additional amount, not to exceed $20,630,000, is appropriated for Community Services Waiting List Reduction Initiatives, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding any law to the contrary, the State Treasurer, in consultation with the Commissioner of Human Services, may transfer pursuant to the terms and conditions the State Treasurer deems to be in the best interest of the State, the operation, care, custody, maintenance and control of State–owned buses utilized for transportation of clients of the Adult Activity Centers funded from appropriations in the Adult Activities program classification in the Division of Developmental Disabilities to any party under contract with the Department of Human Services to operate an Adult Activity Center. That transfer shall be for a time to run concurrent with the contract for the operation of the Adult Activity Center. That transfer as a non–cash award, and in conjunction with a cash appropriation, shall complete the terms of any contract with the Department of Human Services for the operation of the Adult Activity Center. Upon termination of any contract for the operation of an Adult Activity Center, the operation, care, custody, maintenance and control of the State–owned buses shall revert to the State. The State Treasurer shall execute any agreements necessary to effectuate the purpose of this provision.

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 any other law 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.).

From the amounts appropriated hereinabove for the Community Services Waiting List – FY2002 and the Community Transition Initiative – FY2002 accounts, such funds as are necessary may be transferred to various administrative accounts as required, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding any law to the contrary, expenditures of federal Community Care Waiver funds received for community–based programs in the Division of Developmental Disabilities are limited to $228,655,000. Federal funding received above this level must be approved by the Director of the Division of Budget and Accounting in accordance with a plan submitted by the Department of Human Services.

In order to permit flexibility in the handling of appropriations and assure timely payment of provider services, 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.

Language Recommendations — Grants–In–Aid – Casino Revenue Fund

Amounts required to return persons with mental retardation or developmental disabilities presently residing in out–of–State institutions to group homes within the State may be transferred from the Private Institutional Care account to the Group Homes account, subject to the approval of the Director of the Division of Budget and Accounting.

Cost recoveries from skill development homes during the fiscal year ending June 30, 2006, not to exceed $12,500,000, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Cost recoveries from developmentally disabled patients and residents, collected during the fiscal year ending June 30, 2006, not to exceed $5,500,000, are appropriated for the continued operation of the Group Homes program, and an additional amount, not to exceed $20,630,000, is appropriated for Community Services Waiting List Reduction Initiatives, subject to the approval of the Director of the Division of Budget and Accounting.

30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT
32. OPERATION AND SUPPORT OF EDUCATIONAL INSTITUTIONS
7610. GREEN BROOK REGIONAL CENTER

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 retarded. Green Brook is funded from a combination of State appropriations and Federal receipts.

Program classifications are described at the beginning of this Statewide Program.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Residential Care and Habilitation Services				
Average daily population	100	100	100	100
Ratio: Population/total positions	0.5 / 1	0.4 / 1	0.4 / 1	0.4 / 1
Gross Per Capitas				
Annual	$110,330	$112,730	$116,930	$121,600
Daily	$302.27	$308.85	$320.36	$333.15
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
Federal	220	232	235	235
Total Positions	220	232	235	235
Filled Positions by Program Class				
Residential Care and Habilitation	156	168	170	166
Administration and Support Services	64	64	65	69
Total Positions	220	232	235	235

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The budget estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
7,967	4	54	8,025	8,024	Residential Care and Habilitation Services	05	8,342	8,693	8,693
494	*6*	*54*	*554*	*553*	*(From General Fund)*		*549*	*549*	*549*
7,473	*–2*	—	*7,471*	*7,471*	*(From Federal Funds)*		*7,793*	*8,144*	*8,144*
3,251	—	1	3,252	3,249	Administration and Support Services	99	3,351	3,467	3,467
898	—	*1*	*899*	*896*	*(From General Fund)*		*898*	*898*	*898*
2,353	—	—	*2,353*	*2,353*	*(From Federal Funds)*		*2,453*	*2,569*	*2,569*
11,218	***4***	***55***	***11,277***	***11,273***	***Total Direct State Services***		***11,693***	***12,160***	***12,160***
					Less:				
(9,826)	2	—	(9,824)	(9,824)	Federal Funds		(10,246)	(10,713)	(10,713)
1,392	***6***	***55***	***1,453***	***1,449***	***Total State Appropriation***		***1,447***	***1,447***	***1,447***
					Distribution by Fund and Object				
					Personal Services:				
9,006	–2	—	9,004	9,004	Salaries and Wages		10,246	10,713	10,713
9,006	*–2*	—	*9,004*	*9,004*	*Total Personal Services*		*10,246*	*10,713*	*10,713*
1,251	—	–61	1,190	1,189	Materials and Supplies		875	875	875
609	—	60	669	667	Services Other Than Personal		262	262	262
304	—	1	305	304	Maintenance and Fixed Charges		210	210	210
48	6	55	109	109	Additions, Improvements and Equipment		100	100	100
					Less:				
(9,826)	2	—	(9,824)	(9,824)	Federal Funds		(10,246)	(10,713)	(10,713)
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	6	—	6	—	Administration and Support Services	99	—	—	—
—	*6*	—	*6*	—	***Total Capital Construction***		—	—	—
					Distribution by Fund and Object				
					Green Brook Regional Center				
—	6	—	6	—	Air Handlers, Chiller and Burner Replacement	99	—	—	—
1,392	***12***	***55***	***1,459***	***1,449***	***Grand Total State Appropriation***		***1,447***	***1,447***	***1,447***
					OTHER RELATED APPROPRIATIONS				
9,826	*–2*	—	*9,824*	*9,824*	*Total Federal Funds*		*10,246*	*10,713*	*10,713*
11,218	***10***	***55***	***11,283***	***11,273***	***GRAND TOTAL ALL FUNDS***		***11,693***	***12,160***	***12,160***

30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT
32. OPERATION AND SUPPORT OF EDUCATIONAL INSTITUTIONS
7620. VINELAND DEVELOPMENTAL CENTER

Vineland Developmental Center (C.30:4–165.1 et seq.), founded in 1888, provides services for all levels of mentally retarded 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.

Program classifications are described at the beginning of this Statewide program.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Residential Care and Habilitation Services				
Average daily population	501	492	486	486
Ratio: Population/total positions	0.3 / 1	0.3 / 1	0.3 / 1	0.3 / 1
Gross Per Capitas				
Annual	$151,892	$172,772	$163,241	$165,099
Daily	$416.14	$473.35	$447.23	$452.33
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	1,079	1,105	1,107	1,107
Federal	512	496	496	495
Total Positions	1,591	1,601	1,603	1,602
Filled Positions by Program Class				
Residential Care and Habilitation	1,328	1,350	1,333	1,332
Administration and Support Services	263	251	270	270
Total Positions	1,591	1,601	1,603	1,602

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The budget estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
68,121	2,739	–732	70,128	69,922	Residential Care and Habilitation Services	05	65,117	65,928	65,928
39,542	*1*	*–732*	*38,811*	*38,809*	*(From General Fund)*		*35,756*	*25,167*	*25,167*
28,579	*2,738*	——	*31,317*	*31,113*	*(From Federal Funds)*		*29,361*	*40,761*	*40,761*
14,135	——	947	15,082	15,082	Administration and Support Services	99	14,218	14,310	14,310
12,197	——	*947*	*13,144*	*13,144*	*(From General Fund)*		*12,197*	*12,197*	*12,197*
1,938	——	——	*1,938*	*1,938*	*(From Federal Funds)*		*2,021*	*2,113*	*2,113*
82,256	***2,739***	***215***	***85,210***	***85,004***	***Total Direct State Services***		***79,335***	***80,238***	***80,238***
					Less:				
(30,517)	(2,738)	——	(33,255)	(33,051)	Federal Funds		(31,382)	(42,874)	(42,874)
51,739	***1***	***215***	***51,955***	***51,953***	***Total State Appropriation***		***47,953***[a]	***37,364***	***37,364***

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Object				
					Personal Services:				
71,018									
3,403 S	28	2	74,451	74,298	Salaries and Wages		71,883	72,786	72,786
74,421	*28*	*2*	*74,451*	*74,298*	*Total Personal Services*		*71,883*	*72,786*	*72,786*
5,050									
598 S	422	–772	5,298	5,298	Materials and Supplies		5,050	5,050	5,050
1,467	—	–222	1,245	1,245	Services Other Than Personal		1,467	1,467	1,467
673	—	992	1,665	1,665	Maintenance and Fixed Charges		673	673	673
					Special Purpose:				
—	51	—	51	—	Foster Grandparents Program	05	—	—	—
6	—	—	6	6	Family Care	05	6	6	6
41	2,238	215	2,494	2,492	Additions, Improvements and Equipment		256	256	256
					Less:				
(30,517)	(2,738)	—	(33,255)	(33,051)	Federal Funds		(31,382)	(42,874)	(42,874)
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	1,162	—	1,162	431	Administration and Support Services	99	—	—	—
—	*1,162*	—	*1,162*	*431*	*Total Capital Construction*		—	—	—
					Distribution by Fund and Object				
					Vineland Developmental Center				
—	3	—	3	—	Renovations and Improvements	99	—	—	—
—	370	—	370	359	Fire Notification System	99	—	—	—
—	789	—	789	72	HVAC Improvements	99	—	—	—
51,739	*1,163*	*215*	*53,117*	*52,384*	*Grand Total State Appropriation*		*47,953*	*37,364*	*37,364*
					OTHER RELATED APPROPRIATIONS				
30,517	*2,738*	—	*33,255*	*33,051*	*Total Federal Funds*		*31,382*	*42,874*	*42,874*
82,256	*3,901*	*215*	*86,372*	*85,435*	*GRAND TOTAL ALL FUNDS*		*79,335*	*80,238*	*80,238*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted to reflect enhanced federal funds permitting the reallocation of State funds to the Division of Management and Budget.

30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT
32. OPERATION AND SUPPORT OF EDUCATIONAL INSTITUTIONS
7630. NORTH JERSEY DEVELOPMENTAL CENTER

The North Jersey Developmental Center (C.30:4–165.1 et seq.) provides residential services for mentally retarded 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.

Program classifications are described at the beginning of this Statewide program.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Residential Care and Habilitation Services				
Average daily population	390	389	386	386
Ratio: Population/total positions	0.4 / 1	0.4 / 1	0.4 / 1	0.4 / 1
Gross Per Capitas				
Annual	$113,962	$132,686	$125,236	$127,124
Daily	$312.22	$363.52	$343.11	$348.29
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	594	586	591	579
Federal	374	379	378	389
Total Positions	968	965	969	968
Filled Positions by Program Class				
Residential Care and Habilitation	805	807	808	802
Administration and Support Services	163	158	161	166
Total Positions	968	965	969	968

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The budget estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
40,319	2,273	–286	42,306	42,306	Residential Care and Habilitation Services	05	38,744	39,397	39,397
16,250	——	*–286*	*15,964*	*15,964*	*(From General Fund)*		*14,071*	*14,071*	*14,071*
24,069	*2,273*	——	*26,342*	*26,342*	*(From Federal Funds)*		*24,673*	*25,326*	*25,326*
9,300	14	101	9,415	9,309	Administration and Support Services	99	9,597	9,673	9,673
7,526	*1*	*101*	*7,628*	*7,622*	*(From General Fund)*		*7,750*	*7,750*	*7,750*
1,774	*13*	——	*1,787*	*1,687*	*(From Federal Funds)*		*1,847*	*1,923*	*1,923*
49,619	***2,287***	***–185***	***51,721***	***51,615***	***Total Direct State Services***		***48,341*** [a]	***49,070***	***49,070***
					Less:				
(25,843)	(2,286)	——	(28,129)	(28,029)	Federal Funds		(26,520)	(27,249)	(27,249)
23,776	***1***	***–185***	***23,592***	***23,586***	***Total State Appropriation***		***21,821*** [b]	***21,821***	***21,821***
					Distribution by Fund and Object				
					Personal Services:				
40,074 3,133 S	——	3	43,210	43,123	Salaries and Wages		42,368	43,097	43,097
43,207	——	*3*	*43,210*	*43,123*	*Total Personal Services*		*42,368*	*43,097*	*43,097*
3,069 254 S	709	–25	4,007	4,007	Materials and Supplies		3,069	3,069	3,069
2,058	745	–252	2,551	2,546	Services Other Than Personal		2,058	2,058	2,058
587	519	274	1,380	1,380	Maintenance and Fixed Charges		587	587	587
					Special Purpose:				
——	13	——	13	——	Foster Grandparents Program	99	——	——	——
444	301	–185	560	559	Additions, Improvements and Equipment		259	259	259

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Less:				
(25,843)	(2,286)	——	(28,129)	(28,029)	Federal Funds		(26,520)	(27,249)	(27,249)
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
——	45	——	45	——	Administration and Support Services	99	——	——	——
——	*45*	——	*45*	——	*Total Capital Construction*		——	——	——
					Distribution by Fund and Object				
					North Jersey Developmental Center				
——	45	——	45	——	HVAC Improvements	99	——	——	——
23,776	*46*	*–185*	*23,637*	*23,586*	*Grand Total State Appropriation*		*21,821*	*21,821*	*21,821*
					OTHER RELATED APPROPRIATIONS				
25,843	*2,286*	——	*28,129*	*28,029*	*Total Federal Funds*		*26,520*	*27,249*	*27,249*
49,619	*2,332*	*–185*	*51,766*	*51,615*	*GRAND TOTAL ALL FUNDS*		*48,341*	*49,070*	*49,070*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The fiscal year 2005 appropriation has been adjusted to reflect enhanced federal funds permitting the reallocation of State funds to the Division of Management and Budget.

30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT
32. OPERATION AND SUPPORT OF EDUCATIONAL INSTITUTIONS
7640. WOODBINE DEVELOPMENTAL CENTER

Woodbine Developmental Center (C.30:4–165.1 et seq.) provides care and training for people with severe or profound mental retardation. The Center program is designed to encourage residents to become as self–sufficient as possible. Federal funds provide training and education programs.

Program classifications are described at the beginning of this Statewide program.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Residential Care and Habilitation Services				
Average daily population	523	518	510	510
Ratio: Population/total positions	0.4 / 1	0.4 / 1	0.4 / 1	0.4 / 1
Gross Per Capitas				
Annual	$111,067	$128,658	$124,820	$126,580
Daily	$304.29	$352.49	$341.97	$346.80
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	742	763	763	769
Federal	463	472	475	470
Total Positions	1,205	1,235	1,238	1,239

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Filled Positions by Program Class				
Residential Care and Habilitation Services	982	1,007	1,004	1,009
Administration and Support Services	223	228	234	230
Total Positions	1,205	1,235	1,238	1,239

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The budget estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
51,926	2,619	–400	54,145	54,102	Residential Care and Habilitation Services	05	50,461	51,195	51,195
26,171	——	*–400*	*25,771*	*25,771*	*(From General Fund)*		*24,010*	*24,010*	*24,010*
25,755	*2,619*	——	*28,374*	*28,331*	*(From Federal Funds)*		*26,451*	*27,185*	*27,185*
12,549	——	——	12,549	12,543	Administration and Support Services	99	13,197	13,361	13,361
9,054	——	——	*9,054*	*9,048*	*(From General Fund)*		*9,549*	*9,549*	*9,549*
3,495	——	——	*3,495*	*3,495*	*(From Federal Funds)*		*3,648*	*3,812*	*3,812*
64,475	***2,619***	***–400***	***66,694***	***66,645***	***Total Direct State Services***		***63,658*** [a]	***64,556***	***64,556***
					Less:				
(29,250)	(2,619)	——	(31,869)	(31,826)	Federal Funds		(30,099)	(30,997)	(30,997)
35,225	——	***–400***	***34,825***	***34,819***	***Total State Appropriation***		***33,559*** [b]	***33,559***	***33,559***
					Distribution by Fund and Object				
					Personal Services:				
53,583 3,853 S	747	3	58,186	58,172	Salaries and Wages		57,019	57,917	57,917
57,436	*747*	*3*	*58,186*	*58,172*	*Total Personal Services*		*57,019*	*57,917*	*57,917*
4,391	380	——	4,771	4,770	Materials and Supplies		4,391	4,391	4,391
1,415	958	–78	2,295	2,293	Services Other Than Personal		1,415	1,415	1,415
576	——	75	651	651	Maintenance and Fixed Charges		576	576	576
					Special Purpose:				
——	31	——	31	——	Foster Grandparents Program	05	——	——	——
657	503	–400	760	759	Additions, Improvements and Equipment		257	257	257
					Less:				
(29,250)	(2,619)	——	(31,869)	(31,826)	Federal Funds		(30,099)	(30,997)	(30,997)
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
——	2,678	——	2,678	1,572	Administration and Support Services	99	——	——	——
——	***2,678***	——	***2,678***	***1,572***	***Total Capital Construction***		——	——	——
					Distribution by Fund and Object				
					Woodbine Developmental Center				
——	1	——	1	——	Replace Steam Tunnel	99	——	——	——
——	2,677	——	2,677	1,572	Food Service Building Renovations	99	——	——	——
35,225	***2,678***	***–400***	***37,503***	***36,391***	***Grand Total State Appropriation***		***33,559***	***33,559***	***33,559***

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					OTHER RELATED APPROPRIATIONS				
29,250	*2,619*	*—*	*31,869*	*31,826*	*Total Federal Funds*		*30,099*	*30,997*	*30,997*
64,475	*5,297*	*–400*	*69,372*	*68,217*	*GRAND TOTAL ALL FUNDS*		*63,658*	*64,556*	*64,556*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The fiscal year 2005 appropriation has been adjusted to reflect enhanced federal funds permitting the reallocation of State funds to the Division of Management and Budget.

30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT
32. OPERATION AND SUPPORT OF EDUCATIONAL INSTITUTIONS
7650. NEW LISBON DEVELOPMENTAL CENTER

New Lisbon Developmental Center (C.30:4–165.1 et seq.) provides resident care, training, education and habilitation to mentally retarded residents. A program providing for limited enrollment in community centers is administered. During FY 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.

Program classifications are described at the beginning of this Statewide program.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Residential Care and Habilitation Services				
Average daily population	549	536	524	524
Ratio: Population/total positions	0.4 / 1	0.4 / 1	0.4 / 1	0.4 / 1
Gross Per Capitas				
Annual	$123,905	$125,797	$141,599	$158,347
Daily	$339.47	$344.65	$387.94	$433.83
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	691	701	683	650
Federal	785	773	769	833
Total Positions	1,476	1,474	1,452	1,483
Filled Positions by Program Class				
Residential Care and Habilitation	1,299	1,295	1,266	1,294
Administration and Support Services	177	179	186	189
Total Positions	1,476	1,474	1,452	1,483

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The budget estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
60,073	—	52	60,125	57,521	Residential Care and Habilitation Services	05	63,955	72,571	72,571
29,469	—	*52*	*29,521*	*29,518*	*(From General Fund)*		*32,114*	*35,919*	*35,919*
30,604	—	—	*30,604*	*28,003*	*(From Federal Funds)*		*31,841*	*36,652*	*36,652*
9,764	—	148	9,912	9,906	Administration and Support Services	99	10,243	10,403	10,403
5,862	—	*148*	*6,010*	*6,004*	*(From General Fund)*		*6,185*	*6,185*	*6,185*
3,902	—	—	*3,902*	*3,902*	*(From Federal Funds)*		*4,058*	*4,218*	*4,218*
69,837	—	***200***	***70,037***	***67,427***	***Total Direct State Services***		***74,198*** [a]	***82,974***	***82,974***
					Less:				
(34,506)	—	—	(34,506)	(31,905)	Federal Funds		(35,899)	(40,870)	(40,870)
35,331	—	***200***	***35,531***	***35,522***	***Total State Appropriation***		***38,299***	***42,104***	***42,104***
					Distribution by Fund and Object				
					Personal Services:				
61,994	—	—	61,994	59,394	Salaries and Wages		68,823	70,283	70,283
61,994	—	—	*61,994*	*59,394*	*Total Personal Services*		*68,823*	*70,283*	*70,283*
4,478	—	–698	3,780	3,773	Materials and Supplies		3,436	3,806	3,806
2,739	—	653	3,392	3,392	Services Other Than Personal		1,125	7,401	7,401
545	—	45	590	587	Maintenance and Fixed Charges		533	533	533
81	—	200	281	281	Additions, Improvements and Equipment		281	951	951
					Less:				
(34,506)	—	—	(34,506)	(31,905)	Federal Funds		(35,899)	(40,870)	(40,870)
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	684	—	684	427	Administration and Support Services	99	—	—	—
—	***684***	—	***684***	***427***	***Total Capital Construction***		—	—	—
					Distribution by Fund and Object				
					New Lisbon Developmental Center				
—	154	—	154	—	Replace Boiler & Condensate Recovery Tank	99	—	—	—
—	530	—	530	427	Food Service Building Renovations	99	—	—	—
35,331	***684***	***200***	***36,215***	***35,949***	***Grand Total State Appropriation***		***38,299***	***42,104***	***42,104***
					OTHER RELATED APPROPRIATIONS				
34,506	—	—	***34,506***	***31,905***	***Total Federal Funds***		***35,899***	***40,870***	***40,870***
69,837	***684***	***200***	***70,721***	***67,854***	***GRAND TOTAL ALL FUNDS***		***74,198***	***82,974***	***82,974***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT
32. OPERATION AND SUPPORT OF EDUCATIONAL INSTITUTIONS
7660. WOODBRIDGE DEVELOPMENTAL CENTER

Woodbridge Developmental Center (C.30:4–l65.1 et seq.) admits mentally retarded 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.

Program classifications are described at the beginning of this Statewide program.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Residential Care and Habilitation Services				
Average daily population	504	501	492	492
Ratio: Population/total positions	0.4 / 1	0.4 / 1	0.4 / 1	0.4 / 1
Gross Per Capitas				
Annual	$110,478	$132,232	$131,890	$133,774
Daily	$302.68	$362.28	$361.34	$366.51
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	698	743	755	740
Federal	470	500	506	524
All Other	1	1	1	1
Total Positions	1,169	1,244	1,262	1,265
Filled Positions by Program Class				
Residential Care and Habilitation Services	1,049	1,130	1,148	1,149
Administration and Support Services	120	114	114	116
Total Positions	1,169	1,244	1,262	1,265

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The budget estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
53,488	2,790	1,827	58,105	57,866	Residential Care and Habilitation Services	05	56,440	57,322	57,322
24,128	*1*	*1,792*	*25,921*	*25,920*	*(From General Fund)*		*26,191*	*26,191*	*26,191*
29,360	*2,740*	——	*32,100*	*31,862*	*(From Federal Funds)*		*30,194*	*31,075*	*31,075*
——	*49*	*35*	*84*	*84*	*(From All Other Funds)*		*55*	*56*	*56*
8,041	——	341	8,382	8,382	Administration and Support Services	99	8,450	8,495	8,495
6,614	——	*341*	*6,955*	*6,955*	*(From General Fund)*		*6,974*	*6,974*	*6,974*
1,427	——	——	*1,427*	*1,427*	*(From Federal Funds)*		*1,476*	*1,521*	*1,521*
61,529	***2,790***	***2,168***	***66,487***	***66,248***	***Total Direct State Services***		***64,890*** [a]	***65,817***	***65,817***

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					DIRECT STATE SERVICES				
					Less:				
(30,787)	(2,740)	—	(33,527)	(33,289)	Federal Funds		(31,670)	(32,596)	(32,596)
—	(49)	(35)	(84)	(84)	All Other Funds		(55)	(56)	(56)
30,742	***1***	***2,133***	***32,876***	***32,875***	***Total State Appropriation***		***33,165*** (b)	***33,165***	***33,165***
					Distribution by Fund and Object				
					Personal Services:				
52,018 4,029 S	2,130	2,118	60,295	60,090	Salaries and Wages		59,358	60,285	60,285
56,047	*2,130*	*2,118*	*60,295*	*60,090*	*Total Personal Services*		*59,358*	*60,285*	*60,285*
3,746	516	–104	4,158	4,158	Materials and Supplies		3,746	3,746	3,746
1,049	61	–153	957	957	Services Other Than Personal		1,049	1,049	1,049
468	—	257	725	725	Maintenance and Fixed Charges		468	468	468
					Special Purpose:				
—	33	—	33	—	Foster Grandparents Program	05	—	—	—
219	1 49 R	50	319	318	Additions, Improvements and Equipment		269	269	269
					Less:				
(30,787)	(2,740)	—	(33,527)	(33,289)	Federal Funds		(31,670)	(32,596)	(32,596)
—	(49)	(35)	(84)	(84)	All Other Funds		(55)	(56)	(56)
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	1,689	—	1,689	1,433	Administration and Support Services	99	—	—	—
—	***1,689***	—	***1,689***	***1,433***	***Total Capital Construction***		—	—	—
					Distribution by Fund and Object				
					Woodbridge Developmental Center				
—	743	—	743	724	Replace Electrical Main Feeder	99	—	—	—
—	946	—	946	709	Replace/Upgrade Emergency Generators	99	—	—	—
30,742	***1,690***	***2,133***	***34,565***	***34,308***	***Grand Total State Appropriation***		***33,165***	***33,165***	***33,165***
					OTHER RELATED APPROPRIATIONS				
30,787	***2,740***	—	***33,527***	***33,289***	***Total Federal Funds***		***31,670***	***32,596***	***32,596***
—	***49***	***35***	***84***	***84***	***Total All Other Funds***		***55***	***56***	***56***
61,529	***4,479***	***2,168***	***68,176***	***67,681***	***GRAND TOTAL ALL FUNDS***		***64,890***	***65,817***	***65,817***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The fiscal year 2005 appropriation has been adjusted to reflect enhanced federal funds permitting the reallocation of State funds to the Division of Management and Budget.

30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT
32. OPERATION AND SUPPORT OF EDUCATIONAL INSTITUTIONS
7670. HUNTERDON DEVELOPMENTAL CENTER

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 retarded 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.

Program classifications are described at the beginning of this Statewide program.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Residential Care and Habilitation Services				
Average daily population	602	585	583	583
Ratio: Population/total positions	0.5 / 1	0.5 / 1	0.5 / 1	0.5 / 1
Gross Per Capitas				
Annual	$98,711	$117,350	$110,902	$112,400
Daily	$270.44	$321.51	$303.84	$307.94
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	746	810	822	846
Federal	398	442	444	420
Total Positions	1,144	1,252	1,266	1,266
Filled Positions by Program Class				
Residential Care and Habilitation Services	981	1,068	1,082	1,076
Administration and Support Services	163	184	184	190
Total Positions	1,144	1,252	1,266	1,266

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The budget estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
53,941	2,938	65	56,944	56,764	Residential Care and Habilitation Services	05	52,179	52,867	52,867
24,036	*2*	*65*	*24,103*	*24,091*	*(From General Fund)*		*21,667*	*21,667*	*21,667*
29,905	*2,936*	—	*32,841*	*32,673*	*(From Federal Funds)*		*30,487*	*31,200*	*31,200*
—	—	—	—	—	*(From All Other Funds)*		*25*	—	—
11,907	1	—	11,908	11,886	Administration and Support Services	99	12,477	12,662	12,662
8,516	*1*	—	*8,517*	*8,495*	*(From General Fund)*		*8,920*	*8,920*	*8,920*
3,391	—	—	*3,391*	*3,391*	*(From Federal Funds)*		*3,557*	*3,742*	*3,742*
65,848	***2,939***	***65***	***68,852***	***68,650***	***Total Direct State Services***		***64,656*** [a]	***65,529***	***65,529***
					Less:				
(33,296)	(2,936)	—	(36,232)	(36,064)	Federal Funds		(34,044)	(34,942)	(34,942)
—	—	—	—	—	All Other Funds		(25)	—	—
32,552	***3***	***65***	***32,620***	***32,586***	***Total State Appropriation***		***30,587*** [b]	***30,587***	***30,587***

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Object				
					Personal Services:				
54,031									
3,135 S	25	—	57,191	57,050	Salaries and Wages		57,105	57,978	57,978
57,166	*25*	—	*57,191*	*57,050*	*Total Personal Services*		*57,105*	*57,978*	*57,978*
5,618									
1,196 S	2,349	—	9,163	9,163	Materials and Supplies		5,618	5,618	5,618
1,089	—	—	1,089	1,084	Services Other Than Personal		1,089	1,089	1,089
567	362	—	929	929	Maintenance and Fixed Charges		567	567	567
					Special Purpose:				
—	19	—	19	19	Residential Care and Habilitation Services	05	—	—	—
—	27	—	27	—	Foster Grandparents Program	05	—	—	—
212	157	65	434	405	Additions, Improvements and Equipment		277	277	277
					Less:				
(33,296)	(2,936)	—	(36,232)	(36,064)	Federal Funds		(34,044)	(34,942)	(34,942)
—	—	—	—	—	All Other Funds		(25)	—	—
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	365	—	365	124	Administration and Support Services	99	—	—	—
—	*365*	—	*365*	*124*	*Total Capital Construction*		—	—	—
					Distribution by Fund and Object				
					Hunterdon Developmental Center				
—	365	—	365	124	Replace Electrical Main Feeder	99	—	—	—
32,552	*368*	*65*	*32,985*	*32,710*	*Grand Total State Appropriation*		*30,587*	*30,587*	*30,587*
					OTHER RELATED APPROPRIATIONS				
33,296	*2,936*	—	*36,232*	*36,064*	*Total Federal Funds*		*34,044*	*34,942*	*34,942*
—	—	—	—	—	*Total All Other Funds*		*25*	—	—
65,848	*3,304*	*65*	*69,217*	*68,774*	*GRAND TOTAL ALL FUNDS*		*64,656*	*65,529*	*65,529*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The fiscal year 2005 appropriation has been adjusted to reflect enhanced federal funds permitting the reallocation of State funds to the Division of Management and Budget.

Language Recommendations — Direct State Services – General Fund

The State appropriation is based on ICF/MR revenues of $278,905,000, provided that if the ICF/MR revenues exceed $278,905,000, 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 for Operation and Support of Educational Institutions of the Division of Developmental Disabilities in the Department of Human Services, such other sums as the Director of the Division of Budget and Accounting shall determine, provided in Interdepartmental accounts for employee benefits, are considered as appropriated on behalf of the Developmental Centers and are available for matching federal funds.

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 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Services for the Blind and Visually Impaired				
Vocational Rehabilitation				
Total clients served	2,621	2,489	2,600	2,600
Clients rehabilitated	310	274	310	310
Wage Earners	270	230	270	270
Homemakers	40	44	40	40
Average annual income after rehabilitation	$21,200	$20,800	$22,000	$22,000
Average cost per client served	$4,920	$5,360	$5,750	$5,750
Average cost per client rehabilitated	$10,820	$11,600	$12,500	$12,500
Rehabilitations per counselor	16	17	19	19

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Community Service (State Habilitation)				
Total clients receiving independent living services	4,686	4,709	4,800	4,800
Clients receiving orientation and mobility instruction	1,650	1,545	1,700	1,800
Clients receiving basic life skills instruction	1,678	1,711	1,800	1,900
Social casework services	926	727	1,000	1,000
Clients over 65 (non–VR)	2,479	2,367	2,525	2,625
Prevention				
Total persons screened	41,596	45,356	48,000	49,000
Adult vision screenings	4,847	5,354	6,000	6,500
Pre–school vision screenings	25,285	26,007	27,000	27,500
Mobile screenings	10,688	12,423	13,000	13,000
Diabetic screenings	776	1,572	2,000	2,000
Referred for further evaluations	5,210	6,067	6,500	6,500
Referred to CBVI	490	1,046	1,300	1,400
Eye Health case services	1,763	2,030	2,100	2,200
Low vision services	2,556	2,269	2,650	2,650
Instruction				
Total clients receiving educational services	2,915	2,716	2,900	2,900
Pre–school children receiving itinerant services	495	344	450	450
Total number of school–aged children receiving itinerant services	2,420	2,372	2,450	2,450
Percent multi–handicapped	94	95	94	94
Average direct service caseload size	47	45	46	46
Residential school placements	4	—	—	—
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	163	164	171	168
Federal	87	83	86	104
Total Positions	250	247	257	272
Filled Positions by Program Class				
Services for the Blind and Visually Impaired	206	204	210	226
Administration and Support Services	44	43	47	46
Total Positions	250	247	257	272

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
6,985	25	–1,000	6,010	5,985	Services for the Blind and Visually Impaired	11	7,521	7,521	7,521
1,350	912	—	2,262	2,150	Administration and Support Services	99	1,437	1,437	1,437
8,335	***937***	***–1,000***	***8,272***	***8,135***	***Total Direct State Services***		***8,958*** [a]	***8,958***	***8,958***
					Distribution by Fund and Object				
					Personal Services:				
6,788	—	–1,000	5,788	5,788	Salaries and Wages		7,411	7,411	7,411

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					DIRECT STATE SERVICES				
6,788	—	*–1,000*	*5,788*	*5,788*	*Total Personal Services*		*7,411*	*7,411*	*7,411*
123	—	—	123	122	Materials and Supplies		123	123	123
476	—	—	476	476	Services Other Than Personal		476	476	476
80	—	—	80	80	Maintenance and Fixed Charges		80	80	80
					Special Purpose:				
848	25	—	873	849	Technology for the Visually Impaired	11	848	848	848
—	318 594 R	—	912	800	Management and Administrative Services	99	—	—	—
20	—	—	20	20	Additions, Improvements and Equipment		20	20	20
					GRANTS–IN–AID				
					Distribution by Fund and Program				
4,178	—	—	4,178	4,173	Services for the Blind and Visually Impaired	11	4,226	4,226	4,226
4,178	—	—	***4,178***	***4,173***	***Total Grants–in–Aid***		***4,226***	***4,226***	***4,226***
					Distribution by Fund and Object				
					Grants:				
52	—	—	52	52	Camp Marcella	11	52	52	52
154	—	—	154	154	Psychological Counseling	11	154	154	154
52	—	—	52	52	Recording for the Blind, Inc	11	52	52	52
2,167	—	—	2,167	2,165	Educational Services for Children	11	2,167	2,167	2,167
1,753	—	—	1,753	1,750	Services to Rehabilitation Clients	11	1,801	1,801	1,801
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	1,191	—	1,191	146	Services for the Blind and Visually Impaired	11	—	—	—
—	***1,191***	—	***1,191***	***146***	***Total Capital Construction***		—	—	—
					Distribution by Fund and Object				
					Commission for the Blind and Visually Impaired				
—	1,191	—	1,191	146	Emergency Equipment Upgrades – J. Kohn Rehabilitation Center	11	—	—	—
12,513	***2,128***	***–1,000***	***13,641***	***12,454***	***Grand Total State Appropriation***		***13,184***	***13,184***	***13,184***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
9,084 180 S	1,990	—	11,254	8,732	Services for the Blind and Visually Impaired	11	9,508	9,838	9,838
2,175	458	—	2,633	1,764	Administration and Support Services	99	2,208	2,208	2,208
11,439	***2,448***	—	***13,887***	***10,496***	***Total Federal Funds***		***11,716***	***12,046***	***12,046***
					All Other Funds				
—	224 583 R	—	807	381	Services for the Blind and Visually Impaired	11	300	300	300
—	—	—	—	—	Administration and Support Services	99	475	475	475
—	***807***	—	***807***	***381***	***Total All Other Funds***		***775***	***775***	***775***
23,952	***5,383***	***–1,000***	***28,335***	***23,331***	***GRAND TOTAL ALL FUNDS***		***25,675***	***26,005***	***26,005***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 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 are appropriated.

Notwithstanding the provisions of N.J.S.18A:61–1 and N.J.S.18A:46–13, or any other law 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, that 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, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated, the amount of $300,000 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Income Maintenance Management				
General Assistance				
Employable				
Average monthly recipients	15,392	18,463	24,012	28,081
Average monthly cash assistance	$148.72	$149.34	$149.52	$149.02
Burials	$241,253	$181,870	$209,131	$223,022
State expenditures	$27,710,432	$33,269,043	$43,292,422	$50,438,589
Unemployable				
Average monthly recipients	12,449	14,014	16,025	17,802
Average monthly cash assistance	$223.29	$224.62	$226.43	$226.45
Burials	$332,487	$284,739	$274,679	$284,371
Total assistance expenditures	$33,689,334	$38,058,635	$43,817,168	$48,659,526
Refunds to assistance	($11,598,992)	($13,657,258)	($16,930,527)	($18,598,258)
State expenditures	$22,090,342	$24,401,377	$26,886,641	$30,061,268
Prescription drug & other medical assistance	—	$30,473	$25,874	$25,214
Emergency Assistance Program				
Average monthly recipients	4,101	5,703	6,769	8,342
Average monthly grant	$745.64	$758.97	$762.84	$794.25
State expenditures	$36,694,436 (a)	$51,940,871	$61,963,968	$79,507,602
Work First New Jersey				
Average monthly recipients	107,143	112,280	116,830	117,990
Average monthly grant	$128.12	$129.06	$129.82	$129.53
Total assistance expenditures	$164,725,934	$173,890,282	$182,002,447	$183,398,936
Less: Credits	($4,052,172)	($3,642,004)	($3,747,523)	($3,822,706)
Less: Recoveries	($5,179,881)	($5,040,000)	($5,377,104)	($5,377,000)
Less: 50% Gross Child Support Collections	($28,664,585)	($28,664,585)	($27,124,000)	($27,247,000)
Add: Child Support Disregards	$4,321,455	$4,321,455	$4,335,966	$4,342,584
Add: Burials	$417,140	$418,882	$434,368	$590,887
Total Work First New Jersey Costs (a)	$131,567,891	$141,284,030	$150,524,154	$151,885,701
Less: Work First New Jersey County Expenditures	($5,144,990)	($5,630,733)	($6,170,178)	($6,244,225)
State Work First New Jersey Expenditures	$126,422,901	$135,653,297	$144,353,976	$145,641,476
Emergency Assistance				
Average monthly recipients	7,538	12,641	17,728	19,652
Average monthly grant	$503.07	$416.47	$381.15	$365.15
Total assistance expenditures	$45,505,700	$63,175,167	$81,084,752	$86,111,134
Less: Credits	($382,981)	($464,557)	($498,048)	($739,560)
Net emergency assistance costs	$45,122,719	$62,710,610	$80,586,704	$85,371,574
Less: County Expenditures	($2,256,173)	($3,135,498)	($4,029,391)	($4,268,579)
State Work First New Jersey Expenditures	$42,866,546	$59,575,112	$76,557,313	$81,102,995
Supplemental Security Income (SSI)				
Average monthly recipients	141,215	143,447	145,798	148,128
Average monthly grant	$29.97	$29.54	$29.53	$29.37
Total assistance expenditures	$50,786,563	$50,849,093	$51,664,979	$52,206,232
Emergency Assistance Recipients	612	957	1,182	1,207
Emergency Assistance	$6,827,749	$9,642,529	$11,824,879	$11,659,325
Less: Recoveries	($212,992)	($149,236)	($198,981)	($198,981)
Burials	$11,514,609	$10,772,487	$10,768,319	$11,066,135
Net SSI expenditures	$68,555,929	$71,114,873	$74,059,196	$74,732,711
SSI Administrative Expenses	$15,302,892	$15,526,513	$16,003,000	$17,006,000

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Food Stamp Program				
Average monthly households participating	158,130	171,897	181,287	189,592
Percent of total authorized households participating	100%	100%	100%	100%
Average monthly recipients participating	339,901	368,440	405,227	445,688
Total value of bonus coupons	$335,532,586	$376,136,250	$428,105,010	$487,254,019
Average monthly value of bonus coupons per person participating	$82.26	$85.07	$88.04	$90.99
Home Energy Assistance				
Number of cases	151,300	154,645	154,645	154,645
Number of persons	364,635	372,696	372,696	372,696
Total assistance expenditures	$76,300,000	$76,143,000	$68,387,000	$68,387,000
Average assistance payment				
Per case	$504.30	$492.37	$442.22	$442.22
Per person	$209.25	$204.30	$183.49	$183.49
Work First New Jersey Work Activities				
Average monthly recipients entering employment	838	857	800	800
Average monthly recipients in supported work	3,512	3,687	3,360	3,360
Average monthly recipients in on–the–job training	388	497	357	357
Average monthly recipients in alternative work experience (AWEP)	14,779	10,909	7,495	7,495
Average monthly recipients in community work experience (CWEP)	1,462	1,365	978	978
Average monthly recipients in vocational training/education for teen parents	5,330	5,232	3,885	3,885
Employment/Work Activity Initiatives	3,910	3,713	2,735	2,735
Average monthly recipients in other activities	1,919	1,692	1,544	1,544
Average monthly recipients receiving training related expenses	12,247	8,644	9,377	9,377
Child Care Payments for Eligible Families				
Low income families in contracted centers				
Average monthly children	11,036	10,919	10,900	10,900
Total expenditures	$35,077,639	$34,066,374	$35,293,500	$35,293,500
Low income families provided child care vouchers				
Average monthly children	12,758	12,989	17,500	18,500
Total expenditures	$41,242,480	$42,287,211	$59,065,362	$62,649,291
Children placed through protective services				
Average monthly children	2,190	2,435	2,825	3,100
Total expenditures	$12,878,850	$15,381,528	$18,466,000	$20,312,600
Active TANF recipients in work activity				
Average monthly children	7,838	8,472	8,600	8,600
Total expenditures	$35,754,913	$38,223,593	$42,831,612	$42,621,600
Transitional child care services				
Average monthly children	8,853	8,439	8,910	7,704
Total expenditures	$38,691,599	$36,463,065	$42,494,793	$36,609,151
Waiting list reduction initiative				
Average monthly children	4,044	386	190	—
Total expenditures	$13,641,314	$1,037,602	$517,500	—
Post Transitional Child Care				
Average monthly children	783	767	850	675
Total expenditures	$2,704,899	$3,045,035	$3,487,330	$2,797,876
Total Child Care Payments for Eligible Families				
Average monthly children	47,502	44,407	49,775	49,479
Total expenditures	$179,991,694	$170,504,408	$202,156,097	$200,284,018

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State supported	214	218	222	246
Federal	194	192	201	244
Total Positions	408	410	423	490
Filled Positions by Program Class				
Income Maintenance Management	408	410	423	490
Total Positions	408	410	423	490

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) Includes funding to offset reduced CSP collections as a result of federal changes in distribution hierarchy.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
89,423	16,348	-7,076	98,695	62,706	Income Maintenance Management	15	98,820	133,782	133,782
25,502	*4,672*	*-2,563*	*27,611*	*23,071*	*(From General Fund)*		*27,162*	*27,162*	*27,162*
63,921	*-3,829*	*-913*	*59,179*	*37,407*	*(From Federal Funds)*		*71,658*	*94,118*	*94,118*
---	*15,505*	*-3,600*	*11,905*	*2,228*	*(From All Other Funds)*		---	*12,502*	*12,502*
89,423	***16,348***	***-7,076***	***98,695***	***62,706***	***Total Direct State Services***		***98,820*** (a)	***133,782***	***133,782***
					Less:				
(63,921)	3,829	913	(59,179)	(37,407)	Federal Funds		(71,658)	(94,118)	(94,118)
---	(15,505)	3,600	(11,905)	(2,228)	All Other Funds		---	(12,502)	(12,502)
25,502	***4,672***	***-2,563***	***27,611***	***23,071***	***Total State Appropriation***		***27,162***	***27,162***	***27,162***
					Distribution by Fund and Object				
					Personal Services:				
27,405	---	-811	26,594	23,170	Salaries and Wages		28,914	28,914	28,914
27,405	---	*-811*	*26,594*	*23,170*	*Total Personal Services*		*28,914*	*28,914*	*28,914*
779	---	---	779	597	Materials and Supplies		749	749	749
20,201	1,096 378 R	---	21,675	18,639	Services Other Than Personal		20,201	20,201	20,201
1,490	---	---	1,490	1,490	Maintenance and Fixed Charges		1,490	1,490	1,490
					Special Purpose:				
3,173	---	260	3,433	2,915	Electronic Benefit Transfer/ Distribution System	15	3,173	3,612	3,612
4,921	---	-1,921	3,000	---	Child Support Medical Notice	15	2,135	2,135	2,135
1,453	---	376	1,829	1,827	Hospital Paternity Program	15	1,453	1,453	1,453
10,032	---	950	10,982	7,118	Work First New Jersey Child Support Initiatives	15	10,032	10,032	10,032
18,725	---	-4,328	14,397	3,790	Work First New Jersey - Technology Investment	15	27,829	62,352	62,352
---	14,078 R	-3,600	10,478	310	Food Stamp Enhanced Funding	15	---	---	---
---	77 386 R	---	463	---	Tax Refund Seizure Program	15	---	---	---
1,000	---	2,000	3,000	2,275	SSI Attorney Fees	15	2,600	2,600	2,600
244	333	-2	575	575	Additions, Improvements and Equipment		244	244	244

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Less:				
(63,921)	3,829	913	(59,179)	(37,407)	Federal Funds		(71,658)	(94,118)	(94,118)
---	(15,505)	3,600	(11,905)	(2,228)	All Other Funds		---	(12,502)	(12,502)
					GRANTS-IN-AID				
					Distribution by Fund and Program				
602,413	11,777	-89,323	524,867	413,667	Income Maintenance Management	15	558,992	548,464	548,464
253,308	*10,755*	*-28,034*	*236,029*	*229,188*	*(From General Fund)*		*259,766*	*241,672*	*241,672*
349,105	*1,022*	*-61,289*	*288,838*	*184,479*	*(From Federal Funds)*		*299,226*	*296,792*	*296,792*
---	---	---	---	---	*(From All Other Funds)*		---	*10,000*	*10,000*
602,413	***11,777***	***-89,323***	***524,867***	***413,667***	***Total Grants-in-Aid***		***558,992***	***548,464***	***548,464***
					Less:				
(349,105)	(1,022)	61,289	(288,838)	(184,479)	Federal Funds		(299,226)	(296,792)	(296,792)
---	---	---	---	---	All Other Funds		---	(10,000)	(10,000)
253,308	***10,755***	***-28,034***	***236,029***	***229,188***	***Total State Appropriation***		***259,766***	***241,672***	***241,672***
					Distribution by Fund and Object				
					Grants:				
4,000	---	-2,061	1,939	1,829	DFD Homeless Prevention Initiative	15	4,000	4,083	4,083
5,431	1,139	---	6,570	2,826	Restricted Grants	15	5,431	5,431	5,431
17,905	---	-6,000	11,905	5,225	Work First New Jersey - Training Related Expenses	15	12,905	12,905	12,905
88,762	---	11,116	99,878	50,631	Work First New Jersey - Work Activities	15	73,423	78,820	78,820
200	---	11	211	211	Work First New Jersey - Community Housing For Teens	15	207	207	207
19,384	---	-7,066	12,318	7,397	Work First New Jersey - Breaking the Cycle	15	8,597	8,597	8,597
264,864	2,540	-41,454	225,950	201,659	Work First New Jersey - Child Care	15	251,059	243,700	243,700
630	---	-630	---	---	Child Care Evaluation	15	---	---	---
114,500	5,173	-5,173	114,500	108,228	TANF Abbott Expansion	15	108,409	108,409	108,409
6,250	1,172	-1,171	6,251	5,885	Kinship Care Initiatives	15	6,469	6,469	6,469
2,500	---	-877	1,623	1,201	Housing Diversion/Subsidy Program	15	1,554	1,250	1,250
1,000	---	-730	270	---	Criminal Background Evaluations	15	1,000	---	---
450	107	---	557	537	Domestic Violence Prevention Training and Assessment	15	465	465	465
3,700	---	-3,700	---	---	Pre-Early Childhood Education	15	1,530	1,530	1,530
4,000	---	-3,652	348	---	Mental Health Assessments	15	3,312	3,312	3,312
3,600	---	-1,433	2,167	2,130	Wage Supplement Program	15	2,880	1,280	1,280
15,733	---	-13,771	1,962	1,748	Kinship Care Guardianship and Subsidy	15	15,127	19,382	19,382
---	1,546	---	1,546	1,546	TANF Food Bank	15	---	---	---
1,300	---	-1,300	---	---	Pharmaceuticals for Working GA Clients	15	1,300	1,300	1,300
---	---	165	165	165	Faith/Project Rebuild - AIDS/HIV African American Families	15	---	---	---
---	---	---	---	---	School Based Youth Services	15	12,532	12,532	12,532
200	---	---	200	200	Minority Male Initiative	15	200	200	200
---	---	---	---	---	Family Friendly Centers	15	2,070	2,070	2,070
9,883 S	---	---	9,883	---	Food Stamp Enhanced Funding	15	---	---	---
12,947	---	-1,380	11,567	11,545	Social Services for the Homeless	15	11,348	11,348	11,348

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					GRANTS-IN-AID				
---	100	-100	---	---	Bright Beginnings II	15	---	---	---
25,174	---	-10,117	15,057	10,704	Substance Abuse Initiatives	15	35,174	25,174	25,174
					Less:				
(349,105)	(1,022)	61,289	(288,838)	(184,479)	Federal Funds		(299,226)	(296,792)	(296,792)
---	---	---	---	---	All Other Funds		---	(10,000)	(10,000)
					STATE AID				
					Distribution by Fund and Program				
714,852	13,218	52,291	780,361	727,836	Income Maintenance Management	15	738,244	798,009	798,009
214,712	*515*	*15,345*	*230,572*	*227,492*	*(From General Fund)*		*265,566*	*349,858*	*349,858*
500,140	*12,703*	*36,946*	*549,789*	*500,344*	*(From Federal Funds)*		*472,678*	*448,151*	*448,151*
714,852	***13,218***	***52,291***	***780,361***	***727,836***	***Total State Aid***		***738,244***	***798,009***	***798,009***
					Less:				
(500,140)	(12,703)	(36,946)	(549,789)	(500,344)	Federal Funds		(472,678)	(448,151)	(448,151)
214,712	***515***	***15,345***	***230,572***	***227,492***	***Total State Appropriation***		***265,566***	***349,858***	***349,858***
					Distribution by Fund and Object				
					State Aid:				
214,401	700	9,217	224,318	206,257	County Administration Funding	15	220,510	230,657	230,657
119,166	6,696	22,621	148,483	143,181	Work First New Jersey - Client Benefits	15	135,558 (b)	145,641	145,641
86,000	---	---	86,000	86,000	Earned Income Tax Credit Program (c)	15	18,393	18,393	18,393
35,711	5,306	-3,590	37,427	33,950	Federal Energy Assistance Program	15	35,711	35,711	35,711
37,679					General Assistance Emergency				
2,459 S	---	12,757	52,895	52,895	Assistance Program	15	57,892		
							4,072 S	79,508	79,508
53,033	515	2,414	55,962	52,882	Payments for Cost of General Assistance	15	61,684 (d)		
							8,522 S	80,526	80,526
46,657					Work First New Jersey -				
7,500 S	---	10,887	65,044	42,510	Emergency Assistance	15	73,310	81,104	81,104
68,554	---	1,060	69,614	69,614	Payments for Supplemental Security Income	15	72,607		
							1,452 S	74,733	74,733
15,787	---	---	15,787	15,787	State Supplemental Security Income Administrative Fee to SSA	15	16,003	17,006	17,006
16,105	---	---	16,105	16,105	General Assistance County Administration	15	23,805	26,005	26,005
8,600	---	---	8,600	8,600	Food Stamp Administration - State	15	8,600	8,600	8,600
3,000	1	-3,000	1	1	Food Stamps for Legal Aliens	15	---	---	---
200	---	-75	125	54	Fair Labor Standards Act-Minimum Wage Requirements (TANF)	15	125	125	125
					Less:				
(500,140)	(12,703)	(36,946)	(549,789)	(500,344)	Federal Funds		(472,678)	(448,151)	(448,151)
493,522	***15,942***	***-15,252***	***494,212***	***479,751***	***Grand Total State Appropriation***		***552,494***	***618,692***	***618,692***
					OTHER RELATED APPROPRIATIONS				
913,166	***9,896***	***-25,256***	***897,806***	***722,230***	***Total Federal Funds***		***843,562***	***839,061***	***839,061***
---	*15,505*	*-3,600*	*11,905*	*2,228*	*Total All Other Funds*		*---*	*22,502*	*22,502*
1,406,688	***41,343***	***-44,108***	***1,403,923***	***1,204,209***	***GRAND TOTAL ALL FUNDS***		***1,396,056***	***1,480,255***	***1,480,255***

Notes -- Direct State Services - General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Notes -- State Aid - General Fund

(b) Additional federal funds are available in this program to ensure timely payments of client benefits.

(c) Additional funding to maintain benefit levels is available from Gross Income Tax revenues.

(d) Additional funds are available for this program from FY2004 carryforward funds.

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.

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 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.

Of the amounts appropriated for the School Based Youth 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.

Of the amounts appropriated for TANF Abbott Expansion, such sums as are necessary may be transferred to the Department of Education, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding any law to the contrary, in addition to the amounts hereinabove for the Work First New Jersey-Work Activities and Work First New Jersey-Training Related Expenses accounts, an amount not to exceed $10,000,000 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.

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 R.S. 44:7-14, P.L. 1959, c.86 (C.44:10-4 et seq.), P.L. 1950, c.166 (C.30:4B-1 et seq.) and P.L. 1971, c. 209 (C.44:13-1 et seq.), during the fiscal year ending June 30, 2006 are appropriated.

Receipts from State administered municipalities during the fiscal year ending June 30, 2005 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, first shall 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 any law 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 the 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, 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.

Additional funds as may be allocated by the federal government for New Jersey's Low Income Energy Assistance Block Grant Program (LIHEAP) are appropriated subject to the approval of the Director of the Division of Budget and Accounting. A pro–rata share of Low Income Energy Assistance Block Grant funds received by the Department of Human Services is to be allocated immediately upon receipt to the Departments of Community Affairs and Health and Senior Services to enable these departments to implement programs funded by this block grant.

50. ECONOMIC PLANNING, DEVELOPMENT AND SECURITY
55. SOCIAL SERVICES PROGRAMS
OFFICE OF CHILDREN'S SERVICES

OBJECTIVES

1. To oversee the implementation of the Child Welfare Reform Plan.
2. To oversee the operations of the Division of Youth and Family Services (DYFS), the Division of Child Behavioral Health Services (DCBHS), the Division of Prevention and Community Partnerships (DPCP), the New Jersey Child Welfare Training Academy and the Office of Education.
3. To increase and facilitate cooperation and collaboration among the child and family serving systems of DYFS, DCBHS and DPCP.
4. To facilitate the development of a network of community systems and services to support families and children as an alternative to more intensive contact with the formal state social service system and to preserve and strengthen families and communities.
5. To ensure the safety and well being of children and youth by providing a timely and consistent initial response capability for children, youth and families who need assistance and to refer children and families to the services that are appropriate for their needs.
6. To provide a case management system that clearly identifies risk factors and service needs, develops service plans and coordinates service provision to children and families who require protection and permanency services, child welfare services or behavioral health services.
7. To provide temporary out of home care for children whose families cannot safely care for them until a more permanent plan can be developed.
8. To facilitate adoption when family reunification is not possible, preserve adoptive placements, and ensure alternate, family–like long–term placements when adoption is not appropriate.

PROGRAM CLASSIFICATIONS

04. **Education Services** The Office of Education provides year–round educational programming for students who are clients of the Department of Human Services or who have been referred to the office through arrangements with other governmental agencies. These students generally require intensive educational services and support that are not available through public schools. Students include children with severe physical or emotional disabilities, pregnant and parenting teens who have dropped out of school, and youth who have been referred by the juvenile justice system.

16. **Child Protective and Permanency Services** These services to children and families include Initial Response/Case Management, Family Support, Subsidized Adoptions and Substitute Care activities.

    Initial Response/Case Management includes intake services, which are designed to assist clients with identifying service needs and developing service plans to meet those needs. Initial crisis services are provided when family members are at risk of abuse and/or neglect or other emergency situations requiring immediate attention. Case management services include service planning, assistance to clients requiring support services and supervision in protective service cases. Initial response and case management activities are performed by a variety of agencies. Initial protective service investigations and protective services case management for children are provided directly by DYFS through 46 local offices. Child abuse and neglect reports are initially screened by DYFS through the Statewide Central Registry. Emergency assistance is also provided to families under DYFS supervision when necessary to prevent disruption.

    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. Activities include home-maker, transportation, psychological/therapeutic, day treat-ment, companionship, legal, and health–related services. Family support services are also provided to assist Resource Families.

    Resource Families include relative caregivers, foster parents and adoptive families. These are families that provide a home to children who cannot live safely with their parents. Adoption subsidies are provided to resource families who have adopted children categorized as hard–to–place.

    Substitute Care involves the purchase or provision of care, temporary or permanent, to children whose needs prevent them from remaining in their own homes. Substitute care settings include: resource homes (foster, adoptive and relative), independent living placements, and shelter care

placements. Also included in substitute care are shelter programs and services for victims of domestic violence.

Three DYFS–operated residential treatment centers provide intensive therapeutic, support and educational services in a structured and self–contained environment for children who are unable to function in their own homes and communities and cannot be served in less restrictive community–based settings because of their behavioral health treatment needs. In addition, DYFS contracts with various private residential treatment centers, group homes and treatment homes that provide board, care, support and treatment services to special populations not served under the auspices of the Division of Child Behavioral Health Services. These special populations include substance abusers, multiple–handicapped (developmentally disabled with mental health issues), medically fragile, adolescents aging out of the foster care system, physically handicapped, and abused/neglected children.

Independent Living is an alternative living arrangement for older adolescents in need of placement away from their families, but who possess adequate living skills to be somewhat self–sufficient with minimal supervision. A network of both private and county–operated facilities provide temporary shelter care to children and adolescents in emergency situations.

26. **Child Behavioral Health Services** These services to children and families include Initial Response, Case Management and Family Support. Initial Response includes intake services performed by the Contracted Systems Administrator, that creates a single point of entry into the behavioral health system that registers, tracks and coordinates care for children at any level. Referrals can be made to the Systems Administrator by DYFS through the Statewide Central Registry (NJ ABUSE telephone hotline) or otherwise, from behavioral health care providers, the Juvenile Justice System or families themselves.

    Case management services are provided depending on the level of services required by the child. The highest level of case management is provided by Care Management Organizations (CMOs): contracted not–for–profit organizations which provide a full range of treatment and support (wrap–around) services to children with the most complex needs. They work with child–family teams to develop individualized service plans. The main goal of CMOs is to keep children in their homes, their schools and their communities by community and locally available services as much as possible.

    The next level of case management is provided by Youth Case Managers. There are 167 Youth Case Managers who provide case management for moderate risk children who do not need the intensive care provided by a CMO but require some level of case management support. Youth case management services include assessment, monitoring and coordinating services. Youth Case Managers also work with child and family teams to develop individualized service plans, and utilize community services so that children can stay at home while they are receiving services.

    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 the lowest level of services required. FSOs are not case management services per se but provide support and information so families are better able to manage their children's cases themselves.

    The Division also contracts with providers for Mobile Response and Stabilization Services 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. This system operates 7 days per week, 24 hours per day and can offer up to eight weeks of stabilization services to children and caregivers.

    When children need more intensive services, treatment will be provided in residential settings including treatment homes, group homes, residential treatment centers and psychiatric community residences. A determination of clinical necessity determines whether children and youth are in need of this level of services.

36. **Prevention and Community Partnership Services** The Division of Prevention and Community Partnerships was created pursuant to the Child Welfare Reform Plan to expand the role of DHS in the coordination and development of Statewide prevention and early intervention efforts for child welfare. The goal of the division is to develop the State's prevention and early intervention system into a network of locally based, user–friendly and culturally competent array of services and supports to make it possible for families to get the help they need in their own communities.

    The strategies for achieving this goal are to facilitate the development of Child Welfare Planning Councils. These planning councils are intended to be county level planning bodies reflecting the various communities in the county including residents, consumers of social services including youth, local leaders and service providers. The councils will be charged with assessing, understanding and influencing how child and family welfare needs in the community are being met.

    In addition to facilitating the development of planning councils, the division will assist communities with a higher level of needs to develop community collaboratives. These organizations are also intended to be organized and led by community members and will also assess social service needs. The focus of the community collaboratives is narrower than that of the planning councils; collaboratives focus on issues at the local community level.

    Division staff will be located in each of the reorganized Area Offices so they can better coordinate their work with community services with DYFS caseworkers and other OCS staff.

95. **Child Welfare Training Academy Services and Operations** The New Jersey Child Welfare Training Academy will be the central location for all training and development opportunities for new and existing staff of the divisions within the Office of Children's Services including DYFS, DCBHS and the DPCP. The Training Academy will also develop and implement training related to child welfare services for personnel of other state agencies, contracted providers, and members of the community. The training developed by the Academy will focus on skills based curricula, classroom training with integrated on–the–job training and ongoing coaching and mentoring.

    With regard to DYFS, case–carrying staff will receive training and support in the new case practice strategies of investigation, family team meetings and one worker–one

family coordinated by the Training Academy. Ongoing coaching and mentoring will follow formal training. New DYFS staff will receive a combination of pre–service and foundation courses during their first year of employment. Training will consist of classroom, simulation and field experiences. Thereafter, Training Academy staff, workplace coaches, and mentors will be available to provide continued support in skills and strategies.

The Training Academy will also offer programs to DHS partners in government and the community including county child welfare agencies, judges, deputy attorneys general, law guardians, law enforcement personnel, doctors, nurses and other medical personnel, teachers and school administrators, local government officials, staff at private service delivery organizations, community–based and religious organizations, our union partners, and others.

99. **Administration and Support Services.** The purpose of administration and support services is to direct and support the divisions and offices of the Office of Children's Services including the 15 OCS Area Offices, the 46 DYFS local offices, the Child Welfare Training Academy and the other facilities operated by DYFS, the Office of Education and 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 Human Services policies and requirements and to planning, controlling and evaluation of internal operations, human resources administration, technological support, facilities management and fiscal operations including assessments and continuous quality improvement.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Education Services				
Average enrollment (a)	1,263	1,325	1,356	1,356
Child Protective and Permanency Services				
Active Caseload, Children Receiving Services	51,026	66,237	60,712	57,185
Active Caseload, Families	26,988	35,312	32,607	30,713
Ewing Residential Center				
Average population	26	29	27	27
Rated capacity	36	36	36	36
Total program cost	$5,023,413	$5,717,608	$5,889,884	$6,057,145
Average annual per capita	$193,208	$197,159	$218,144	$224,339
Vineland Residential Center				
Average population	37	37	35	35
Rated capacity	40	40	40	40
Total program cost	$5,480,996	$5,851,944	$6,027,232	$6,196,659
Average annual per capita	$148,135	$158,161	$172,207	$177,047
Woodbridge Residential Center				
Average population	24	25	30	30
Rated capacity	30	30	30	30
Total program cost	$4,528,278	$4,823,418	$4,968,778	$5,104,645
Average annual per capita	$188,678	$192,937	$165,626	$170,155
Domestic Violence Program				
Clients served	166,750	183,000	183,000	183,000
Total program cost	$11,218,000	$11,265,000	$11,936,000	$11,936,000
Resource Family Placements (b)				
Average daily population	6,034	5,072	7,970	7,894
Total program cost	$59,510,000	$58,605,000	$70,031,000	$76,490,000
Average annual per capita	$9,862	$11,555	$8,787	$9,690
Adoption Subsidies				
Average daily population	7,664	8,065	8,628	9,169
Subsidy cost	$54,227,000	$58,605,000	$65,920,000	$69,189,000
Average annual per capita	$7,076	$7,267	$7,640	$7,546
Independent Living Placements				
Number of children	112	121	133	137
Total program cost	$5,268,000	$5,486,000	$8,188,000	$8,334,000
Average annual per capita	$47,036	$45,339	$61,564	$60,832
Residential Placements (c)				
Average daily population	108	134	154	161
Total program cost	$8,839,000	$11,199,000	$12,615,000	$12,921,000
Average annual per capita	$81,843	$83,575	$81,916	$80,255

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Group Home Placements (c)				
Average daily population	163	186	183	190
Total program cost	$12,247,000	$11,535,000	$12,173,000	$12,546,000
Average annual per capita	$75,135	$62,016	$66,519	$66,032
Treatment Home Placements (c)				
Average daily population	81	67	63	68
Total program cost	$22,550,377	$22,250,000	$1,676,000	$1,809,000
Average annual per capita	$278,400	$332,090	$26,603	$26,603
Shelter Care Placements				
Average number of children	394	415	433	445
Total program cost	$12,970,000	$14,517,000	$15,461,000	$15,753,000
Average annual per capita	$32,919	$34,981	$35,707	$35,400
Family Support Services				
Total program cost	$57,133,000	$60,783,000	$65,280,000	$67,059,000
Child Behavioral Health Services				
Care Management Organizations – Treatment Slots	n/a	n/a	1,840	2,520
Family Support Organizations – Family Slots	n/a	n/a	1,022	2,800
Behavioral Assistance and Intensive In–Home Community Services Hours	n/a	n/a	207,284	518,612
Mobile Response and Stabilization Services – Families Served	n/a	n/a	6,160	7,440
Youth Case Management				
Case Managers	n/a	n/a	30	134
Case Managers – Division of Mental Health Services	n/a	n/a	53	53
Slots Available	n/a	n/a	652	2,948
Slots Available – Division of Mental Health Services	n/a	n/a	1,166	1,166
Out of Home Treatment Services				
Bed Days Available	n/a	n/a	763,015	882,818
Prevention and Community Partnership Services				
Child Welfare Planning Councils Supported	n/a	n/a	21	21
Collaboratives Supported	n/a	n/a	6	12
Additional School Based Youth Services Program Expansions Supported	n/a	n/a	19	38
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	2,948	3,042	3,746	4,130
Federal	651	646	691	1,585
All Other	33	34	32	487
Total Positions	3,632	3,722	4,469	6,202
Filled Positions by Program Class				
Education Services	471	488	535	535
Child Protective and Permanency Services	3,239	3,300	4,029	4,834
Prevention and Community Partnership Services	—	—	—	30
Training Academy Services and Operations	—	—	—	20
Administration and Support Services	393	422	440	783
Total Positions	4,103	4,210	5,004	6,202

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 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) The Revised FY 2005 and the FY 2006 Budget Estimate include both paid Foster Care and Relative Care Placements as well as the resources from the Child Welfare Reform that support these placements. Prior actual fiscal year data does not include paid Relative Care Placements.

(c) Data reflects only Division of Youth and Family Services (DYFS) paid placements. DYFS clients served by the Division of Medical Assistance and Health Services and the Division of Child Behavorial Health Services, and the related expenditures, are not displayed here.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
10,911	—	20,782	31,693	30,488	Education Services	04	29,290	32,916	32,916
9,405	—	—	*9,405*	*9,328*	*(From General Fund)*		*8,152*	*8,152*	*8,152*
1,506	—	*1,134*	*2,640*	*1,513*	*(From Federal Funds)*		*1,953*	*2,008*	*2,008*
—	—	*19,648*	*19,648*	*19,647*	*(From All Other Funds)*		*19,185*	*22,756*	*22,756*
221,614	2,892	33,686	258,192	248,270	Child Protective and Permanency Services	16	340,389	300,771	300,771
89,579	—	*31,722*	*121,301*	*121,235*	*(From General Fund)*		*165,147*	*114,701*	*114,701*
132,035	*2,267*	*367*	*134,669*	*125,438*	*(From Federal Funds)*		*173,173*	*184,001*	*184,001*
—	*625*	*1,597*	*2,222*	*1,597*	*(From All Other Funds)*		*2,069*	*2,069*	*2,069*
—	—	—	—	—	Prevention and Community Partnership Services	36	—	2,222	2,222
—	—	—	—	—	*(From General Fund)*		—	*1,839*	*1,839*
—	—	—	—	—	*(From Federal Funds)*		—	*383*	*383*
—	—	—	—	—	Child Welfare Training Academy Services and Operations	95	—	3,933	3,933
—	—	—	—	—	*(From General Fund)*		—	*2,145*	*2,145*
—	—	—	—	—	*(From Federal Funds)*		—	*1,788*	*1,788*
19,125	106	3,866	23,097	22,941	Administration and Support Services	99	28,129	83,389	83,389
8,695	—	—	*8,695*	*8,695*	*(From General Fund)*		*17,699*	*52,373*	*52,373*
10,430	*80*	*3,866*	*14,376*	*14,236*	*(From Federal Funds)*		*10,430*	*31,016*	*31,016*
—	*26*	—	*26*	*10*	*(From All Other Funds)*		—	—	—
251,650	***2,998***	***58,334***	***312,982***	***301,699***	***Total Direct State Services***		***397,808*** (a)	***423,231***	***423,231***
					Less:				
(143,971)	(2,347)	(5,367)	(151,685)	(141,187)	Federal Funds		(185,556)	(219,196)	(219,196)
—	(651)	(21,245)	(21,896)	(21,254)	All Other Funds		(21,254)	(24,825)	(24,825)
107,679	—	***31,722***	***139,401***	***139,258***	***Total State Appropriation***		***190,998***	***179,210***	***179,210***
					Distribution by Fund and Object				
					Personal Services:				
186,412	—	46,446	232,858	223,739	Salaries and Wages		216,687	330,109	330,109
186,412	—	*46,446*	*232,858*	*223,739*	*Total Personal Services*		*216,687*	*330,109*	*330,109*
3,053 1,031 S	81	204	4,369	4,369	Materials and Supplies		3,422	4,072	4,072
10,121 266 S	24	110	10,521	9,016	Services Other Than Personal		18,474	28,631	28,631
12,678 1,525 S	425	–625	14,003	14,003	Maintenance and Fixed Charges		11,384	21,041	21,041
					Special Purpose:				
4,189	—	—	4,189	4,189	Child Protective and Permanency Services	16	4,189	4,189	4,189
500	—	—	500	500	New Jersey Safe Haven Infant Protection Act	16	518	518	518
24,812	—	14,700	39,512	39,512	Child Welfare Reform	16	132,264 (b)	—	—
—	—	—	—	—	Safety and Permanency in the Courts	99	—	16,200	16,200
7,063	2,200 268 R	–2,501	7,030	6,371	Additions, Improvements and Equipment		10,870	18,471	18,471
					Less:				
(143,971)	(2,347)	(5,367)	(151,685)	(141,187)	Federal Funds		(185,556)	(219,196)	(219,196)

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
——	(651)	(21,245)	(21,896)	(21,254)	All Other Funds		(21,254)	(24,825)	(24,825)
					GRANTS–IN–AID				
					Distribution by Fund and Program				
281,551	17,701	17,184	316,436	304,779	Child Protective and Permanency Services	16	360,934	350,517	350,517
237,887	——	*814*	*238,701*	*238,587*	*(From General Fund)*		*308,620*	*302,005*	*302,005*
43,664	*12,263*	*16,370*	*72,297*	*62,467*	*(From Federal Funds)*		*49,060*	*45,258*	*45,258*
——	*5,438*	——	*5,438*	*3,725*	*(From All Other Funds)*		*3,254*	*3,254*	*3,254*
229,700	——	——	229,700	128,583	Child Behavioral Health Services	26	270,629	330,107	330,107
128,914	——	——	*128,914*	*128,583*	*(From General Fund)*		*168,910*	*223,141*	*223,141*
100,786	——	——	*100,786*	——	*(From Federal Funds)*		*101,719*	*106,966*	*106,966*
——	——	——	——	——	Prevention and Community Partnership Services	36	——	19,668	19,668
——	——	——	——	——	*(From General Fund)*		——	*19,645*	*19,645*
——	——	——	——	——	*(From Federal Funds)*		——	*23*	*23*
1,117	275	——	1,392	986	Administration and Support Services	99	1,080	1,080	1,080
1,117	*275*	——	*1,392*	*986*	*(From Federal Funds)*		*1,080*	*1,080*	*1,080*
512,368	***17,976***	***17,184***	***547,528***	***434,348***	***Total Grants–in–Aid***		***632,643***	***701,372***	***701,372***
					Less:				
(145,567)	(12,538)	(16,370)	(174,475)	(63,453)	Federal Funds		(151,859)	(153,327)	(153,327)
——	(5,438)	——	(5,438)	(3,725)	All Other Funds		(3,254)	(3,254)	(3,254)
366,801	——	***814***	***367,615***	***367,170***	***Total State Appropriation***		***477,530***	***544,791***	***544,791***
					Distribution by Fund and Object				
					Grants:				
——	——	155	155	133	Child Protective and Permanency Services	16	——	——	——
950	1	——	951	632	Rutgers MSW Program	16	950	950	950
12,496	–41	——	12,455	12,455	Group Homes	16	14,115	12,546	12,546
1,961	71	——	2,032	2,010	Treatment Homes	16	2,156	1,809	1,809
277	——	——	277	267	Public Awareness for Child Abuse Prevention Program	16	286	286	286
18,251	–681	——	17,570	17,570	Independent Living and Shelter Care	16	20,455	24,102	24,102
6,985	13 1,760 R	——	8,758	8,020	Residential Placements	16	10,333	12,921	12,921
47,354	——	——	47,354	47,343	Family Support Services	16	50,991 3,315 S	55,387	55,387
11,278	——	——	11,278	11,278	Child Abuse Prevention	16	11,672	11,672	11,672
57,205	857 2,120 R	8,314	68,496	68,237	Foster Care	16	58,916	76,490	76,490
58,205	853	——	59,058	58,600	Subsidized Adoption	16	55,240 11,285 S	69,189	69,189
125	——	——	125	125	Amanda Easel Project	16	125	125	125
654	——	——	654	654	Recruitment of Adoptive Parents	16	677	677	677
4,707	367 523 R	——	5,597	4,880	Domestic Violence Program	16	4,872	7,034	7,034
7,777	——	——	7,777	7,761	Foster Care and Permanency Initiative	16	8,049	8,049	8,049
——	——	——	——	——	Child Welfare Reform	16	55,540 (c)	——	——
7,833	——	——	7,833	7,833	County Human Services Advisory Board–Formula Funding	16	8,107	8,107	8,107
1,304	——	——	1,304	1,304	Children and Families Initiative	16	1,350	1,350	1,350
1,485	——	——	1,485	1,485	New Jersey Homeless Youth Act	16	1,537	1,537	1,537

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					GRANTS–IN–AID				
973	—	—	973	973	Wynona M. Lipman Child Advocacy Center, Essex County	16	1,007	1,007	1,007
—	54 R	—	54	—	Adopt U.S. Kids	16	—	—	—
25,148									
4,793 S	993	–100	30,834	30,331	Purchase of Social Services	16	26,061	43,384	43,384
—	481	4,728	5,209	4,105	School Based Youth Services Program	16	—	—	—
11,328									
462 S	10,330	4,087	26,207	18,783	Restricted Federal Grants	16	13,895	13,895	13,895
17,173	—	3,000	20,173	11,093	Care Management Organizations	26	30,932	40,631	40,631
166,133									
24,973 S	—	–3,000	188,106	110,735	Treatment Homes and Emergency Behavorial Health Services	26	205,294	219,028	219,028
1,120	—	—	1,120	277	Youth Case Managers	26	1,590	8,470	8,470
2,735	—	—	2,735	1,101	Family Support Organizations	26	4,607	8,732	8,732
3,811	—	—	3,811	2,109	Mobile Response	26	7,398	11,406	11,406
13,443	—	—	13,443	2,956	Intensive In–Home Behavioral Assistance	26	19,032	33,284	33,284
—	—	—	—	—	Other Residential Services	26	—	264	264
312	—	—	312	312	Youth Incentive Program	26	1,776	8,292	8,292
—	—	—	—	—	Area Prevention and Support Services	36	—	4,296	4,296
—	—	—	—	—	Collaboratives	36	—	3,645	3,645
—	—	—	—	—	Community Case Managers	36	—	2,844	2,844
—	—	—	—	—	School Based Youth Program	36	—	8,883	8,883
483	57	—	540	186	Children's Justice Act	99	483	483	483
634	218	—	852	800	National Center for Child Abuse and Neglect	99	597	597	597
					Less:				
(145,567)	(12,538)	(16,370)	(174,475)	(63,453)	Federal Funds		(151,859)	(153,327)	(153,327)
—	(5,438)	—	(5,438)	(3,725)	All Other Funds		(3,254)	(3,254)	(3,254)
474,480	—	***32,536***	***507,016***	***506,428***	***Grand Total State Appropriation***		***668,528***	***724,001***	***724,001***
					OTHER RELATED APPROPRIATIONS				
289,538	***14,885***	***21,737***	***326,160***	***204,640***	***Total Federal Funds***		***337,415***	***372,523***	***372,523***
—	***6,089***	***21,245***	***27,334***	***24,979***	***Total All Other Funds***		***24,508***	***28,079***	***28,079***
764,018	***20,974***	***75,518***	***860,510***	***736,047***	***GRAND TOTAL ALL FUNDS***		***1,030,451***	***1,124,603***	***1,124,603***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The fiscal 2006 recommendation for Child Welfare Reform is distributed to the appropriate accounts throughout the Department of Human Services.

Notes — Grants–In–Aid – General Fund

(c) The fiscal 2006 recommendation for Child Welfare Reform is distributed to the appropriate accounts throughout the Department of Human Services.

Language Recommendations — Direct State Services – General Fund

Notwithstanding any other law to the contrary, amounts herein appropriated for children's services may be transferred within and across all divisions within the Department of Human Services consistent with the direction of the Child Welfare Reform Plan and subject to the approval of the Director of the Division of Budget and Accounting.

Of the amount appropriated hereinabove for Safety and Permanency in the Courts, an amount not to exceed $15,800,000 shall be transferred to the Department of Law and Public Safety and the Office of the Public Defender in accordance with the approved Child Welfare Reform Plan, subject to the approval of the Director of the Division of Budget and Accounting.

Of the amounts appropriated hereinabove for Child Protective and Permanency Services and Safety and Permanency in the Courts, $500,000 shall be allocated to the Court Appointed Special Advocate Program.

Language Recommendations — Grants–In–Aid – General Fund

The sums hereinabove for the Residential Placement, Group Homes, Treatment Homes, Other Residential Placements, 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 Human Services in the rates paid for the foster care and adoption subsidy programs shall first be approved by the Director of the Division of Budget and Accounting.

Of the amount hereinabove appropriated for Foster Care and Subsidized Adoption, the Division of Youth and Family Services may expend up to $225,000 for recruitment of foster and adoptive families, provided however, that a plan for recruitment and training first shall be approved by the Director of the Division of Budget and Accounting.

Receipts in the Marriage License Fee Fund in excess of the amount anticipated are appropriated.

Of the amount hereinabove appropriated for the Domestic Violence Program, $1,309,000 is payable out of the Marriage 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 fiscal year ending June 30, 2006, are appropriated.

Notwithstanding the provision of any law to the contrary, the appropriation hereinabove 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 appropriated hereinabove for the Purchase of Social Services, $800,000 is appropriated to the UMDNJ – School of Osteopathic Medicine Academic Center – Stratford, for the Center for Children's Support to support the development of a model comprehensive diagnostic and treatment program to address both the medical and mental health needs of children experiencing abuse. The model program will demonstrate mental health treatment services that utilize measurable evidence–based outcomes with known effectiveness. This comprehensive model will be designed to be replicated Statewide to directly benefit children and families throughout New Jersey.

Of the amount appropriated hereinabove 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.

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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Addiction Services				
Drug treatment admissions – primary alcohol	21,000	18,000	18,653	19,283
Drug treatment admissions – primary other drugs	40,000	43,000	44,523	45,993
Adult hospital detoxification admissions	12,500	10,000	10,000	10,000
Adult residential detoxification admissions	3,000	5,000	5,000	5,000
Adult residential admissions	8,900	9,000	9,307	9,603
Adult out–patient admissions	33,000	30,000	31,738	33,416
Juvenile treatment admissions	5,000	4,000	4,131	4,000
Juvenile hospital detoxification admissions	250	200	200	200
Juvenile residential detoxification admissions	90	100	100	100
Juvenile residential admissions	1,500	1,500	1,519	1,538
Juvenile out–patient admissions	3,100	2,500	2,611	2,718
Intoxicated driver cases processed	24,000	24,000	24,000	24,000
Individuals given information and referral	45,000	49,000	45,000	45,000

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	19	16	14	18
Federal	77	83	97	107
All Other	20	22	24	21
Total Positions	116	121	135	146
Filled Positions by Program Class				
Addiction Services	116	121	135	146

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

The Evaluation Data and Personnel Data related to the Division of Addiction Services were previously displayed in the Department of Health and Senior Services.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
487	2	17,236	17,725	17,686	Addiction Services	09	482	482	482
487	***2***	***17,236***	***17,725***	***17,686***	***Total Direct State Services***		***482*** [a]	***482***	***482***
					Distribution by Fund and Object				
					Personal Services:				
382	—	521	903	902	Salaries and Wages		377	377	377
382	—	*521*	*903*	*902*	*Total Personal Services*		*377*	*377*	*377*
24	—	—	24	24	Materials and Supplies		24	24	24
65	1	—	66	66	Services Other Than Personal		65	65	65
16	1	—	17	17	Maintenance and Fixed Charges		16	16	16
					Special Purpose:				
—	—	4,297	4,297	4,293	Substance Abuse Services – Work First	09	—	—	—
—	—	12,418	12,418	12,384	Drug Court Substance Abuse Treatment Programs	09	—	—	—
					GRANTS–IN–AID				
					Distribution by Fund and Program				
25,672	254	4,500	30,426	28,416	Addiction Services	09	29,304	49,275	49,275
25,672	***254***	***4,500***	***30,426***	***28,416***	***Total Grants–in–Aid***		***29,304***	***49,275***	***49,275***
					Distribution by Fund and Object				
					Grants:				
—	—	—	—	—	Substance Abuse Services – Child Welfare Reform [b]	09	—	20,971	20,971
1,400	—	—	1,400	1,400	Substance Abuse Treatment for DYFS/WorkFirst Mothers – Pilot Project	09	1,450	1,450	1,450
20,900	254	4,000	25,154	23,144	Community Based Substance Abuse Treatment and Prevention – State Share [c]	09	24,311	23,311	23,311
—	—	500	500	500	Sub Acute Residential Detox	09	—	—	—
650	—	—	650	650	Compulsive Gambling	09	725	725	725

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					GRANTS–IN–AID				
695	—	—	695	695	Mutual Agreement Parolee Rehabilitation Project for Substance Abusers	09	720	720	720
2,027	—	—	2,027	2,027	In–State Juvenile Residential Treatment Services	09	2,098	2,098	2,098
					STATE AID				
					Distribution by Fund and Program				
6,000	—	—	6,000	6,000	Addiction Services	09	12,000	12,000	12,000
6,000	—	—	***6,000***	***6,000***	***Total State Aid***		***12,000***	***12,000***	***12,000***
					Distribution by Fund and Object				
					State Aid:				
6,000	—	—	6,000	6,000	County of Essex – Delaney Hall	09	12,000	12,000	12,000
32,159	***256***	***21,736***	***54,151***	***52,102***	***Grand Total State Appropriation***		***41,786***	***61,757***	***61,757***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
52,053	8,670	–250	60,473	47,173	Addiction Services	09	62,510	62,731	62,731
52,053	***8,670***	***–250***	***60,473***	***47,173***	***Total Federal Funds***		***62,510***	***62,731***	***62,731***
					All Other Funds				
—	7,036 56 R	1,146	8,238	3,217	Addiction Services	09	8,751	8,800	8,800
—	***7,092***	***1,146***	***8,238***	***3,217***	***Total All Other Funds***		***8,751***	***8,800***	***8,800***
84,212	***16,018***	***22,632***	***122,862***	***102,492***	***GRAND TOTAL ALL FUNDS***		***113,047***	***133,288***	***133,288***

Language Recommendations — Direct State Services – General Fund

The Division of Addiction Services is authorized to bill a patient, 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.

In addition to the amount hereinabove for Community Based Substance Abuse Treatment and Prevention – State Share program, there is appropriated $2,700,000 from the Drug Enforcement and Demand Reduction Fund for the same purpose.

Notwithstanding the provisions of any other law 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.

Notwithstanding the provisions of any law 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 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 (C5:5–159), 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 other law 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," established pursuant to N.J.S. 2C:35–15, to the Department of Human Services for a grant to Partnership for a Drug–Free New Jersey.

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Notes — Grants–In–Aid – General Fund

(b) The amount allocated for this program in fiscal year 2005 is $13,700,000, with $8,700,000 reflected in the Child Welfare Reform account in the Division of Youth and Family Services and $5,000,000 reflected in the Substance Abuse Initiatives account in the Division of Family Development.

(c) This account provides the necessary State Maintenance of Effort requirement to match the federal Substance Abuse Block Grant and is offset in fiscal year 2006 by $1,000,000 of additional resources compared to fiscal year 2005 from the Drug Education and Demand Reduction Fund.

The fiscal year 2004 Expenditure Data for all fund categories have been adjusted to reflect the transfer of the Division of Addiction Services from the Department of Health and Senior Services.

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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Services for the Deaf				
Total hearing impaired population	719,600	719,600	719,600	719,600
Deaf population	11,400	11,400	11,400	11,400
Persons served by Interpreter Referral Program	3,200	3,300	3,300	3,500
Interpreter requests	1,100	1,100	1,200	1,300
Newsletter subscribers	8,000	8,400	8,500	8,900
Telecommunication Devices Distributed	230	230	230	230
PERSONNEL DATA				
Position Data				
Filled positions by Funding Source				
State Supported	6	6	9	9
Total Positions	6	6	9	9
Filled Positions by Program Class				
Services for the Deaf	6	6	9	9
Total Positions	6	6	9	9

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
714	—	91	805	805	Services for the Deaf	23	740	740	740
714	—	*91*	*805*	*805*	*Total Direct State Services*		*740* [a]	*740*	*740*
					Distribution by Fund and Object				
					Personal Services:				
288	—	91	379	379	Salaries and Wages		314	314	314
288	—	*91*	*379*	*379*	*Total Personal Services*		*314*	*314*	*314*
41	—	—	41	41	Materials and Supplies		41	41	41
39	—	—	39	39	Services Other Than Personal		39	39	39
1	—	—	1	1	Maintenance and Fixed Charges		1	1	1
					Special Purpose:				
290	—	—	290	290	Services to Deaf Clients	23	290	290	290
55	—	—	55	55	Communication Access Services	23	55	55	55
714	—	*91*	*805*	*805*	*Grand Total State Appropriation*		*740*	*740*	*740*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 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.
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

94. **Children's Services Support.** Includes various functions related to Child Welfare Reform, including licensing foster and kinship caregivers homes, investigating child abuse claims, quality assurance and information technology support for the Statewide Automated Child Welfare Information System.
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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	3,080	3,259	3,376	3,376
Male Minority %	15.5	16.0	15.9	15.9
Female Minority	8,130	8,501	8,918	8,918
Female Minority %	40.9	41.7	42.0	42.0
Total Minority	11,210	11,760	12,294	12,294
Total Minority %	56.4	57.7	57.8	57.8
Position Data				
Filled positions by Funding Source				
State Supported	293	307	302	416
Federal	118	131	128	159
All Other	16	11	11	13
Total Positions	427	449	441	588
Filled Positions by Program Class				
Children's Services Support	—	—	—	95
Institutional Security Services	74	75	78	134
Administration and Support Services	353	374	363	359
Total Positions	427	449	441	588

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The budget estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
—	—	—	—	—	Children's Services Support	94	—	9,647	9,647
5,211	—	—	5,211	5,211	Institutional Security Services	96	6,221	8,797	8,797
26,417	804	6,063	33,284	32,997	Administration and Support Services	99	28,980	25,771	25,771
31,628	***804***	***6,063***	***38,495***	***38,208***	*Total Direct State Services* [a]		***35,201*** [b]	***44,215***	***44,215***
					Distribution by Fund and Object				
					Personal Services:				
18,438	—	5,912	24,350	24,260	Salaries and Wages		19,264	28,035	28,035
18,438	—	*5,912*	*24,350*	*24,260*	*Total Personal Services*		*19,264*	*28,035*	*28,035*
258	—	—	258	258	Materials and Supplies		221	238	238
6,982 1,306 S	174	—	8,462	8,462	Services Other Than Personal		6,482 1,390 S	6,720	6,720
172	—	—	172	172	Maintenance and Fixed Charges		772	1,247	1,247
					Special Purpose:				
—	—	—	—	—	Information Technology – Child Welfare Reform	94	—	2,703	2,703
—	—	—	—	—	Health Care Billing System	99	600 S	—	—
150	—	—	150	150	Clinical Services Scholarships	99	150	150	150
—	630 R	—	630	614	Personal Needs Allowance	99	—	—	—
255	—	—	255	255	Affirmative Action and Equal Employment Opportunity	99	255	255	255

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
560	—	151	711	711	Transfer to State Police for Fingerprinting/Background Checks of Job Applicants	99	2,360 1,200 S	2,360	2,360
407	—	—	407	407	Institutional Staff Background Checks	99	407	407	407
3,100	—	—	3,100	2,919	Additions, Improvements and Equipment		2,100	2,100	2,100
					GRANTS–IN–AID				
					Distribution by Fund and Program				
14,660	—	656	15,316	15,311	Administration and Support Services	99	11,064	714	714
14,660	—	***656***	***15,316***	***15,311***	***Total Grants–in–Aid***		***11,064***	***714***	***714***
					Distribution by Fund and Object				
					Grants:				
3,970	—	500	4,470	4,470	Social Services Emergency Grants	99	10,000	—	—
—	—	156	156	156	Social Services & Counseling	99	—	—	—
—	—	—	—	—	United Way 2–1–1 System	99	350	—	—
690	—	—	690	690	Office for Prevention of Mental Retardation and Develop-mental Disabilities	99	714	714	714
2,000	—	—	2,000	1,995	Family Friendly Centers	99	—	—	—
8,000	—	—	8,000	8,000	School Based Youth Services Program	99	—	—	—
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
5,600	6,243	—	11,843	4,979	Administration and Support Services	99	10,400	11,600	11,600
5,600	***6,243***	—	***11,843***	***4,979***	***Total Capital Construction***		***10,400***	***11,600***	***11,600***
					Distribution by Fund and Object				
					Division of Management and Budget				
—	1	—	1	—	Toxic & Hazardous Substances, Various Institutions	99	—	—	—
—	87	—	87	39	Infrastructure Improvements, Institutions and Community Facilities	99	—	—	—
—	1,627	—	1,627	943	Life Safety Improvements, Various Institutions and Community Facilities	99	—	—	—
—	1,319	—	1,319	1,056	Fire Safety Code Compliance Projects	99	—	—	—
—	766	—	766	—	Preservation Improvements, Institutions and Community Facilities	99	—	—	—
—	362	—	362	295	Roof Repair/Replacements, Various Facilities	99	—	—	—
—	117	—	117	103	Construction of 100 Bed Facility at the Hagedorn Gero–Psy-chiatric Hospital	99	—	—	—
5,600	1,189	—	6,789	2,105	Statewide Automated Child Welfare Information System	99	10,400	3,500	3,500
—	—	—	—	—	Vineland Developmental Center – HVAC	99	—	3,000	3,000
—	—	—	—	—	Sewer Connection – Camden County Municipal Utilities Authority	99	—	5,100	5,100

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					CAPITAL CONSTRUCTION				
—	28	—	28	—	Facility Renovation, Juvenile Facility	99	—	—	—
—	8	—	8	—	Preservation and Infrastructure Projects, Regional Schools	99	—	—	—
—	650	—	650	397	Sale of Land and Buildings	99	—	—	—
—	40	—	40	40	HVAC Improvements	99	—	—	—
—	49	—	49	1	Physical Plant and Support Services	99	—	—	—
51,888	***7,047***	***6,719***	***65,654***	***58,498***	***Grand Total State Appropriation***		***56,665***	***56,529***	***56,529***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
—	—	—	—	—	Children's Services Support	94	—	1,775	1,775
—	75	47	122	98	Institutional Security Services	96	—	—	—
67,264					Administration and Support				
240 S	2,088	–3,936	65,656	61,802	Services	99	62,387	81,938	81,938
67,504	***2,163***	***–3,889***	***65,778***	***61,900***	***Total Federal Funds***		***62,387***	***83,713***	***83,713***
					All Other Funds				
	11,713				Administration and Support				
—	49,143 R	–22,898	37,958	26,064	Services	99	7,032	7,032	7,032
—	***60,856***	***–22,898***	***37,958***	***26,064***	***Total All Other Funds***		***7,032***	***7,032***	***7,032***
119,392	***70,066***	***–20,068***	***169,390***	***146,462***	***GRAND TOTAL ALL FUNDS***		***126,084***	***147,274***	***147,274***

Notes — Direct State Services – General Fund

(a) In fiscal year 2006, $12,223,000 is reallocated from the Child Welfare Reform line item in the Division of Youth and Family Services.

(b) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program and to reflect enhanced federal funds permitting the reallocation of State funds from the Division of Developmental Disabilities.

Notes — Grants–In–Aid – General Fund

The fiscal year 2005 appropriation of $54,698,000 for Cost of Living Adjustment is transferred to other divisions within the Department of Human Services.

Language Recommendations — Direct State Services – General Fund

Notwithstanding the provision of any law 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 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 that any increase in the maximum monthly allowance shall be approved by the Director of the Division of Budget and Accounting.

Upon promulgation of federal regulations modifying the Medicare inpatient hospital reimbursement system, there are appropriated such additional sums as are required to fund the purchase of a Health Care Billing System, subject to the approval of the Director of the Division of Budget and Accounting.

DEPARTMENT OF HUMAN SERVICES

Language Recommendations — Direct State Services – General Fund

Of the amount appropriated hereinabove 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 Fiscal Year 2006 Governor's Budget Message 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 any other provision of law to the contrary, receipts from payments collected from clients receiving services from the Department, 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 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," Pub.L.104–193, as required by section 4 of P.L.1997, c.38(C.44:10–58).

Of the amounts hereinabove appropriated for Children's Behavioral Health Services, the Department of Human Services may transfer appropriations for children's services and related administration within and across all divisions within the Department of Human Services based on a plan approved by the Director of the Division of Budget and Accounting.

DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

OVERVIEW

The mission of the Department of Labor and Workforce Development is to serve the workforce needs of New Jersey's employers and workers through programs that recognize individual abilities and enhance the quality of the State's labor force and labor market activities. The Department provides funding for job training to employed, unemployed and underemployed workers, enabling them to align their skills with the needs of businesses. The Department also ensures safe and equitable working conditions and provides or oversees wage replacement benefits to workers idled due to layoff or disability.

The Public Employment Relations Commission (PERC), which is concerned with the scope of public sector negotiation, unfair practices; mediation; fact–finding, and arbitration, is in–but–not–of the Department of Labor and Workforce Development. The Board of Mediation and the State Employment and Training Commission also retain in–but–not–of status in the Department of Labor and Workforce Development. The Board of Mediation monitors labor negotiations, resolves disputes by providing arbitrators, and conducts consent elections to determine matters of union representation. The State Employment and Training Commission is an administrative body created to design and assist in the implementation of State–based, locally–delivered employment, training and education.

Budget Highlights

The fiscal 2006 Budget for the Department of Labor and Workforce Development (DOLWD), including PERC, for Direct State Services totals $60.9 million, a decrease of $1.1 million or 1.7%, from the fiscal 2005 adjusted appropriation of $62.0 million. The Grants–In–Aid budget, including Casino Revenue funds, for fiscal 2006 is $46.7 million, an increase of $1 million or 2.2% over the fiscal 2005 adjusted appropriation of $45.7 million. This additional funding expands the Supported Employment Services program as part of several initiatives to help strengthen the mental health community of New Jersey. The State Aid budget for fiscal 2006 of $1.5 million, a decrease of $102,000, represents a reduction of 6.3% below the fiscal 2005 adjusted appropriation of $1.6 million.

Supplemental Workforce Fund for Basic Skills (SWFBS)

The New Jersey Supplemental Workforce Fund for Basic Skills (P.L. 2001, c. 152) provides for the redirection of a portion of employer and employee contributions that otherwise would have been deposited in the Unemployment Insurance Trust Fund. 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% – One–Stop Career Centers; 28% – Workforce Investment Boards; 38% – individual employers, employer organizations, labor organizations, community–based organizations, or educational institutions; 10% – to provide for administrative costs of the program.

In addition, $14 million will be used in fiscal 2006 to offset the cost of basic skills education at New Jersey's county colleges.

Workforce Development

In fiscal 2006, 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 satisfy the needs of employers and to move people from welfare to work. The customized training aspect of the WDP program provides matching grants to employers to upgrade the skills of their workforce, and is an important component of the State's economic development package. In fiscal 2004, $22.9 million was provided in State funding to train 47,137 workers employed by 220 firms. These employers invested approximately $24.7 million in matching dollars. Projections in fiscal 2005 are for $25 million in State funding with $27 million of employer matching dollars to provide training for 53,300 workers from 240 firms. The fiscal 2006 projection is $25 million in customized training grants for 53,000 workers from 240 firms and $10 million to subsidize county case management and other work related activities in the Work First New Jersey Program in the Department of Human Services.

Funding for the John J. Heldrich Center for Workforce Development is continued at $4 million. The Center provides an independent source of analysis for reform and innovation in policy–making and employs cutting–edge research and evaluation projects to identify best practices in workforce development, employment and workplace policy. It is also engaged in significant partnerships with the private sector to design effective education and training programs and is committed to assisting job seekers and workers attain the information, education and skills training they need to move up the economic ladder.

Workplace Standards

The Workplace Standards 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 our good faith employers from unfair competition by employers who willfully violate our labor laws; and protect the public from various hazardous business operations.

This program will receive $5.1 million in fiscal 2006, a decrease of $892,000 from the fiscal 2005 adjusted appropriation of $6.0 million. Administrative penalties for prevailing wage violations are anticipated to produce sufficient revenue to continue to fully support the operations of the Workplace Standards program.

Unemployment Insurance

The New Jersey Department of Labor and Workforce Development administers the federally funded Unemployment Insurance (UI) program, the primary function of which 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 unemployment rate has exhibited a general downward trend since the beginning of fiscal 2004. By November 2004 the rate had dropped to 4.4% and in December 2004 the rate was 4.2%. A total of $250 million of the Unemployment Insurance Trust Fund will be diverted to support health care programs.

Vocational Rehabilitation Services

The Vocational Rehabilitation Services program, which enables individuals with disabilities to achieve employment outcomes consistent with their strengths, priorities, needs, abilities and capabilities, is recommended to receive $33.9 million in State funds in fiscal 2006. A broad range of medical and training services are provided to assist in preparing for and acquiring employment, including Sheltered Workshop Support, which offers adult training services for individuals who need help with basic vocational skills, and supported employment services that include on–site job coaches.

Workers' Compensation

The Division of Workers' Compensation continues to fulfill the mandate of the Workers' Compensation Law (NJSA 34:15–1 et seq.) by providing services to the injured workers of New Jersey and their employers. Most importantly, the Division provides a forum in which a fair and impartial hearing can determine whether compensation is warranted. The Division's fiscal 2006 recommenda-

tion is $12.1 million, which is comparable to the fiscal 2005 adjusted appropriation.

Board of Mediation Commission

The Board of Mediation Commission is an independent agency within the Department that monitors labor negotiations, facilitates the resolution of disputes and conducts consent elections involving matters of union representation. The Commission's fiscal 2006 budget of $474,000 is $56,000, or 10.6%, lower than their fiscal 2005 appropriation of $530,000.

Department Accomplishments

In fiscal year 2005, the State's Workforce Development System was reorganized and the Department's name was changed to the Department of Labor and Workforce Development. This restructuring consolidated responsibility for all employment–directed and workforce development activities from the Departments of Human Services and Education to the Department of Labor and Workforce Development. Specifically, the consolidation includes all employment–directed and workforce development programs and activities of the Work First New Jersey Program and Food Stamp Act, Adult Basic Education/English as a Second Language, Private Vocational School Approval, Apprenticeship Program (including the Youth Transitions to Work Partnership Act), and the New Jersey Youth Corps Program. This reorganization, which furthers ongoing efforts to improve services, increase efficiencies and meet today's workforce challenges, is reflected in the Fiscal 2006 Budget.

An integral part of improving services to clients is the continuing integration of one–stop offices. In 2004, three such offices were opened and there are plans to open four additional sites in 2005. Business Resource Centers (BRCs), an important part of the One–Stop facilities, are dedicated to serving the needs of the local business community. BRCs are being established in every Workforce Investment Area. Eighteen BRCs are operational either in permanent sites or in temporary locations during fiscal 2005.

Vocational Rehabilitation Services' special focus has been the transition of high school students with disabilities from school to careers. These students will need further assistance after graduation in order to obtain and maintain employment in the adult community. In fiscal year 2004, 740 individuals were placed in integrated, competitive employment.

Workers' Compensation now provides employers the ability to electronically file information on work–related injuries and occupational disease with both their insurance carriers and to the Division of Workers' Compensation. The capability to electronically file has eliminated an expensive, time–consuming, paper–driven process and has improved information flow and oversight by the Division. It has made data readily available that can potentially be used to reduce the incidence and severity of industrial injuries and illnesses. In addition, it allows the Department to evaluate reports electronically for possible non–compliance with the workers' compensation law.

The Division of Unemployment Insurance (UI) now offers claimants the option to receive their benefits through a direct electronic funds transfer to their bank account. More than 13,000 customers have taken advantage of this option, which allows claimants to avoid a trip to the bank, reduces the number of lost and stolen checks, and saves money for the State through lower banking fees.

By cross–matching unemployment files with the State's New Hire Directory, which includes information provided by employers identifying employees that are hired, rehired or return to work after a separation, the Division of UI can now detect claimants who fraudulently collect unemployment benefits while earning unreported wages. By identifying fraud more quickly, the New Hire cross–match has already identified more than $2 million in overpaid benefits and has saved more than $15 million in total.

In accordance with the Superior Court Appellate Division's decision in a landmark case concerning debarment of contractors from public works projects, the Labor Standards and Safety Enforcement program has judiciously expanded the use of this sanction against willful and habitual violators of our Prevailing Wage Act. In instances where contractors contesting debarment actions have nevertheless sought to negate the debarment sanction by bidding on public works contracts, the Department has suspended these contractors pending the debarment hearings. As a result, law–abiding contractors and their employees now experience a level playing field when bidding on public works contracts.

The Department's success in investigating and enforcing Wage and Hour laws is clear. Since January 2004, the State has recovered wages owed to New Jersey workers due to violations of wage and hour laws totaling $1.7 million. Public Workers registrations for fourteen prevailing wage contractors have been revoked and 210 contractors have been debarred due to violations. Debarment prohibits a contractor from bidding on public works projects for a period of three years.

DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT
SUMMARY OF APPROPRIATIONS BY FUND
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
60,018	37,859	154	98,031	91,194	Direct State Services	62,012	60,946	60,946
42,517	—	–4,074	38,443	38,443	Grants–In–Aid	43,254	44,254	44,254
1,624	—	—	1,624	1,624	State Aid	1,624	1,522	1,522
104,159	37,859	–3,920	138,098	131,261	Total General Fund	106,890	106,722	106,722
2,440	—	—	2,440	2,440	Total Casino Revenue Fund	2,440	2,440	2,440
106,599	***37,859***	***–3,920***	***140,538***	***133,701***	***GRAND TOTAL***	***109,330***	***109,162***	***109,162***

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES – GENERAL FUND			
					Economic Planning and Development			
950	25	–324	651	651	Administration and Support Services	1,042	933	933
					Economic Assistance and Security			
21,128	6,546	—	27,674	26,210	State Disability Insurance Plan	21,539	21,539	21,539
4,047	900	—	4,947	4,575	Private Disability Insurance Plan	4,216	4,216	4,216
11,938	6,346	—	18,284	17,940	Workers' Compensation	12,130	12,130	12,130
1,660	1,100	—	2,760	1,988	Special Compensation	1,685	1,685	1,685
38,773	*14,892*	—	*53,665*	*50,713*	*Subtotal*	*39,570*	*39,570*	*39,570*
					Manpower and Employment Services			
2,367	—	—	2,367	2,367	Vocational Rehabilitation Services	2,446	2,446	2,446
8,989	16,651	–13,253	12,387	10,577	Employment Services	9,119	9,119	9,119
92	—	13,276	13,368	11,323	Employment and Training Services	92	83	83
5,248	6,290	376	11,914	11,887	Workplace Standards	5,988	5,096	5,096
3,123	1	62	3,186	3,183	Public Sector Labor Relations	3,225	3,225	3,225
476	—	17	493	493	Private Sector Labor Relations	530	474	474
20,295	*22,942*	*478*	*43,715*	*39,830*	*Subtotal*	*21,400*	*20,443*	*20,443*
60,018	***37,859***	***154***	***98,031***	***91,194***	***Subtotal Direct State Services – General Fund***	***62,012***	***60,946***	***60,946***
60,018	***37,859***	***154***	***98,031***	***91,194***	***TOTAL DIRECT STATE SERVICES***	***62,012***	***60,946***	***60,946***
					GRANTS–IN–AID – GENERAL FUND			
					Manpower and Employment Services			
27,279	—	—	27,279	27,279	Vocational Rehabilitation Services	28,016	29,016	29,016
4,000	—	–4,000	—	—	Employment Services	4,000	4,000	4,000
11,238	—	–74	11,164	11,164	Employment and Training Services	11,238	11,238	11,238
42,517	—	*–4,074*	*38,443*	*38,443*	*Subtotal*	*43,254*	*44,254*	*44,254*
42,517	—	***–4,074***	***38,443***	***38,443***	***Subtotal Grants–In–Aid – General Fund***	***43,254***	***44,254***	***44,254***
					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 Grants–In–Aid – Casino Revenue Fund***	***2,440***	***2,440***	***2,440***
44,957	—	***–4,074***	***40,883***	***40,883***	***TOTAL GRANTS–IN–AID***	***45,694***	***46,694***	***46,694***
					STATE AID – GENERAL FUND			
					Manpower and Employment Services			
1,624	—	—	1,624	1,624	Employment and Training Services	1,624	1,522	1,522
1,624	—	—	***1,624***	***1,624***	***Subtotal State Aid – General Fund***	***1,624***	***1,522***	***1,522***
1,624	—	—	***1,624***	***1,624***	***TOTAL STATE AID***	***1,624***	***1,522***	***1,522***
106,599	***37,859***	***–3,920***	***140,538***	***133,701***	***TOTAL APPROPRIATION***	***109,330***	***109,162***	***109,162***

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 provides upper level management, strategic planning, and formulates the policies and priorities of the Department.

The Office of Internal Audit is charged with the responsibilities of safeguarding assets, preventing and/or detecting fraud and abuse and assuring that the Department is conforming to established laws, rules, regulations and procedures.

The Division of Administrative Services provides the departmental programs with 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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	330	336	354	354
Male Minority %	9.7	9.4	9.7	9.7
Female Minority	1,080	1,068	1,152	1,152
Female Minority %	31.7	29.8	31.4	31.4
Total Minority	1,410	1,404	1,506	1,506
Total Minority %	41.4	39.2	41.1	41.1
Position Data				
Filled Positions by Funding Source				
State Supported	36	39	33	40
Federal	401	421	429	429
Total Positions	437	460	462	469
Filled Positions by Program Class				
Management and Administrative Services	437	460	462	469
Total Positions	437	460	462	469

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004 Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006 Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
950	25	–324	651	651	Administration and Support Services	99	1,042	933	933
950	***25***	***–324***	***651***	***651***	***Total Direct State Services***		***1,042*** [a]	***933***	***933***
					Distribution by Fund and Object				
					Personal Services:				
580	—	–281	299	299	Salaries and Wages		672	600	600
580	—	*–281*	*299*	*299*	*Total Personal Services*		*672*	*600*	*600*
12	—	—	12	12	Materials and Supplies		12	11	11
265	—	–33	232	232	Services Other Than Personal		265	232	232
28	—	–21	7	7	Maintenance and Fixed Charges		28	25	25
					Special Purpose:				
—	25 R	—	25	25	Urban Enterprise Zone – Administrative Costs	99	—	—	—
62	—	—	62	62	Affirmative Action and Equal Employment Opportunity	99	62	62	62
3	—	11	14	14	Additions, Improvements and Equipment		3	3	3
950	***25***	***–324***	***651***	***651***	***Grand Total State Appropriation***		***1,042***	***933***	***933***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
9,352	2,277	–482	11,147	7,531	Planning and Analysis	18	9,307	9,813	9,813
17,000 S	2,933	—	19,933	1,386	Administration and Support Services	99	—	—	—
26,352	***5,210***	***–482***	***31,080***	***8,917***	***Total Federal Funds***		***9,307***	***9,813***	***9,813***
					All Other Funds				
—	1,523 5,460 R	105	7,088	5,460	Administration and Support Services	99	5,700	5,700	5,700
—	***6,983***	***105***	***7,088***	***5,460***	***Total All Other Funds***		***5,700***	***5,700***	***5,700***
27,302	***12,218***	***–701***	***38,819***	***15,028***	***GRAND TOTAL ALL FUNDS***		***16,049***	***16,446***	***16,446***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Language Recommendations — Direct State Services – General Fund

Of the amount hereinabove for the Administration and Support Services program classification, $265,000 is appropriated from the Unemployment Compensation Auxiliary Fund.

In addition to the amount hereinabove for Administration and Support Services, 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.

In addition to the amounts appropriated hereinabove for Administration and Support Services, there are 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 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 amounts hereinabove for Administration and Support Services, $31,000 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 Administration and Support Services, 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.), are 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, Economic Growth and Tourism Commission, shall make employer rebate awards.

Such sums as may be necessary to collect the contributions to the Health Care Subsidy Fund, pursuant to section 29 of the "Health Care Reform Act of 1992," P.L.1992, c.160(C.43:21–7b), are appropriated from the Health Care Subsidy Fund, 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

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 insure the integrity of trust funds by utilizing modern fraud control techniques in cooperation with other state and federal agencies.
4. To act as 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.** C43:21 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.

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. If 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 (C34:15–1 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 C34:15–95.4. The purpose of this legislation is to increase benefits to pre–1980 victims of occupational injuries.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Unemployment Insurance				
Covered workers	3,778,630	3,813,549	3,866,700	3,915,500
Net benefits paid (millions)	$2,155	$2,115	$2,113	$2,120
Average insured unemployed rate	3.50%	3.40%	3.10%	3.00%
Initial claims	586,621	582,105	536,600	520,900
Average weekly benefit payment	$325	$321	$331	$341
Disability Determination				
Total claims adjudicated	69,498	63,240	72,800	75,000
Social Security Disability payments (millions)	$2,219	$2,330	$2,447	$2,569
Average cost per case	$611	$694	$721	$749
State Disability Insurance Plan				
Covered workers	2,764,500	2,790,000	2,828,700	2,864,400
Claims received	170,958	174,232	174,500	174,500
Benefits paid (millions)	$409	$422	$438	$457
Cost per claim processed	$97	$100	$102	$102
Average weekly benefit payment	$338	$346	$348	$350
Private Disability Insurance Plan				
Covered workers	718,800	725,400	735,500	744,800
Plans in force	5,039	5,068	5,100	5,200
Claims received	13,586	12,661	12,600	12,600
Benefits paid (millions)	$24	$25	$26	$26
Cost per claim processed	$170	$173	$173	$173
Workers' Compensation				
First reports of accident received	130,000	185,000	225,000	230,000
Cases pending July 1	100,462	100,262	100,751	100,251
Cases filed, reopened, reassigned	46,500	47,078	48,000	48,000
Cases closed	46,700	46,589	48,500	48,500
Cases pending June 30	100,262	100,751	100,251	99,751
Special Compensation				
Balance July 1	1,899	1,811	2,127	2,317
Verified petitions assigned	1,422	1,646	1,813	1,994
Advisory reports recovered	1,510	1,330	1,623	1,803
Balance June 30	1,811	2,127	2,317	2,508
Beneficiaries	5,984	6,499	6,507	6,657
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	367	383	403	399
Federal	1,549	1,550	1,569	1,609
All Other	7	8	8	11
Total Positions	1,923	1,941	1,980	2,019
Filled Positions by Program Class				
Unemployment Insurance	1,205	1,245	1,265	1,298
Disability Determinations	344	305	304	311
State Disability Insurance Plan	152	160	171	166
Private Disability Insurance Plan	66	68	71	69
Workers' Compensation	138	144	149	152
Special Compensation Fund	18	19	20	23
Total Positions	1,923	1,941	1,980	2,019

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
21,128	6,546	—	27,674	26,210	State Disability Insurance Plan	03	21,539	21,539	21,539
4,047	900	—	4,947	4,575	Private Disability Insurance Plan	04	4,216	4,216	4,216
11,938	6,346	—	18,284	17,940	Workers' Compensation	05	12,130	12,130	12,130
1,660	1,100	—	2,760	1,988	Special Compensation	06	1,685	1,685	1,685
38,773	***14,892***	—	***53,665***	***50,713***	***Total Direct State Services***		***39,570*** (a)	***39,570***	***39,570***
					Distribution by Fund and Object				
					Personal Services:				
23,841	13,471 R	–6,253	31,059	24,016	Salaries and Wages		24,713	24,713	24,713
—	—	—	—	7,043	Employee Benefits		—	—	—
23,841	*13,471*	*–6,253*	*31,059*	*31,059*	*Total Personal Services*		*24,713*	*24,713*	*24,713*
269	—	–10	259	255	Materials and Supplies		257	257	257
5,209	—	595	5,804	5,712	Services Other Than Personal		5,290	5,290	5,290
3,073	—	920	3,993	3,662	Maintenance and Fixed Charges		3,007	3,007	3,007
					Special Purpose:				
—	—	319	319	305	State Disability Insurance Plan	03	—	—	—
5,500	—	3,960	9,460	8,814	Reimbursement to Unemploy-ment Insurance for Joint Tax Functions	03	5,500	5,500	5,500
—	—	139	139	128	Private Disability Insurance Plan	04	—	—	—
—	—	350	350	350	Workers' Compensation	05	—	—	—
70	—	–20	50	50	Special Compensation	06	40	40	40
811	1,421	—	2,232	378	Additions, Improvements and Equipment		763	763	763
38,773	***14,892***	—	***53,665***	***50,713***	***Grand Total State Appropriation***		***39,570***	***39,570***	***39,570***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
133,200	32,376	—	165,576	111,749	Unemployment Insurance	01	138,500	133,100	133,100
48,000	10,054	—	58,054	42,733	Disability Determination	02	47,020	49,000	49,000
181,200	***42,430***	—	***223,630***	***154,482***	***Total Federal Funds***		***185,520***	***182,100***	***182,100***
					All Other Funds				
—	—	—	—	—	State Disability Insurance Plan	03	6,350	6,550	6,550
—	—	—	—	—	Private Disability Insurance Plan	04	1,000	1,000	1,000
—	—	—	—	—	Workers' Compensation	05	6,300	6,700	6,700
—	56,399 156,616 R	256	213,271	139,820	Special Compensation	06	126,400	126,530	126,530
—	***213,015***	***256***	***213,271***	***139,820***	***Total All Other Funds***		***140,050***	***140,780***	***140,780***
219,973	***270,337***	***256***	***490,566***	***345,015***	***GRAND TOTAL ALL FUNDS***		***365,140***	***362,450***	***362,450***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Language Recommendations — Direct State Services – General Fund

The amounts hereinabove for the State Disability Insurance Plan and Private Disability Insurance Plan 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 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 $6,550,000, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of the amount anticipated for the Workers' Compensation 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 Special Compensation Fund are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Special Compensation Fund shall be payable out of the Special Compensation Fund and, notwithstanding the $12,500 limitation set forth in R.S.34:15–95, in addition to the amounts hereinabove, 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.

In addition to the amounts appropriated hereinabove, there are appropriated out of the State Disability Benefits Fund such additional sums as may be required to administer the Private Disability Insurance Plan.

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 $30,000,000, 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 and processes that will enhance job opportunities for clients.

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 (Chapter 272, P.L. 1971), 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 are provided that 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 Wagner–Peyser 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 (C39: 6A–25 et seq); certain provisions of the Worker and Community Right to Know Act (C39: 5A–18 et seq); boilers (including nuclear components), pressure vessels and refrigeration plants (C34:7–14 et seq); mines, pits and quarries (C34: 6–98.1 et seq); explosives

(C21: 1A–128 et seq); proximity to high voltage lines (C34: 6–47.1 et seq); fireworks (C21: 2–1 et seq and C21: 3–1 et seq); and service stations (C34A–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 (C34: 11–56A et seq); wage payment (C34: 11–4.1 et seq); child labor (C34: 2–21.1 et seq); industrial homework (C34: 6–120 et seq); lie detectors (C2A: 170.90.1); wage collection (C34: 11–57 et seq); prevailing wage (C34: 11–56.25 et seq); crew leaders (C34: 8A–7 et seq); drinking water and toilet facilities (C34: 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.

16. **Public Sector Labor Relations.** Provides services through the Public Employment Relations Commission (C34:13A–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, and upon request, provides mediators and fact–finders to assist in the resolution of collective negotiation disputes and designates arbitrators to resolve disputes over rights, pursuant to collective bargaining agreements.

    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 (C34:13A–4 and C34:1A–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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Vocational Rehabilitation Services				
Total persons served	24,911	26,959	28,000	28,500
Total persons rehabilitated	3,689	3,901	4,200	4,250
Total continuing to be served	15,503	16,764	17,500	18,000
Average cost per rehabilitation	$12,530	$13,760	$14,000	$14,400
Earnings (Weekly)				
Before rehabilitation	$66	$71	$71	$72
After rehabilitation	$345	$360	$360	$362
Sheltered Workshops				
Persons served	2,721	2,721	2,721	2,699
Appropriation per client	$6,588	$6,589	$6,723	$6,046
Independent Living Rehabilitation				
Persons served	7,300	7,300	7,500	7,500
Cost per person	$110	$110	$125	$125
Employment Services				
Job openings received	109,649	97,610	105,000	110,000
Individuals placed	11,044	9,201	9,800	9,800
Individuals counseled	29,166	35,077	37,000	37,000
Disabled Veterans Outreach Program				
Veterans placed	1,299	948	1,100	1,100
Veterans counseled	2,056	1,701	1,850	1,900
Employment and Training Services				
Workforce Development Partnership Project				
Customized training grants	$25,000,000	$22,900,000	$25,000,000	$25,000,000
Individuals trained	40,916	47,137	53,300	50,000
Cost per individual	$611	$485	$469	$500
Companies served	157	220	240	240
Individual training grants–displaced workers	$12,000,000	$14,500,000	$12,700,000	$14,000,000
Individuals trained	3,428	5,039	4,233	4,375
Cost per individual	$3,500	$2,877	$3,000	$3,200
Workforce Investment Act				
Total enrollments	28,497	25,202	26,000	26,000
Total job placements	4,694	6,666	8,280	9,000
Workplace Standards				
Mine, pit and quarry inspections	2,000	2,000	2,000	2,000
High voltage inspections	700	725	950	—

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Mechanical Inspection				
Boilers inspected by State	6,175	6,175	11,493	14,000
Boilers inspected by insurance inspectors	38,000	38,000	42,837	53,163
Asbestos Control and Licensing				
Employer licenses issued	150	150	170	150
Employee permits issued	3,000	3,000	3,800	2,500
Crane Operator Inspections (new program)	—	—	—	2,000
OSHA On–site Consultant Services				
Consultations	400	518	523	571
Hazards identified	2,750	1,952	2,250	2,400
Mine Safety Training				
Persons trained	375	350	350	350
Wage and Hour, Child Labor and Public Contracts				
Complaints received	12,035	12,720	13,012	13,500
Formal complaints filed	2,542	3,061	3,200	3,400
Employees receiving back wages	9,730	10,080	11,000	11,500
Net back wages paid to employees	$17,433,295	$8,676,766	$9,000,000	$8,000,000
Public Employees Safety				
Inspections	700	960	1,250	1,000
Hazards identified	4,500	5,500	6,500	5,000
Apparel Registration				
Registrations issued	823	750	690	650
Firms with violations	130	125	105	100
Public Works Contractor Registration Act				
Registrations issued	6,210	6,746	7,200	7,500
Investigations resulting in orders to register	404	411	500	450
Public Sector Labor Relations				
Dispute Disposition				
Balance July 1	1,880	1,835	1,932	2,077
Filed	1,996	2,216	2,345	2,425
Disposed	2,041	2,119	2,200	2,295
Unfair practices and representation	620	570	600	645
Mediation, fact–finding and arbitration	1,190	1,246	1,285	1,330
Scope of negotiation and issue definition	87	81	90	90
Other formal decisions	144	222	225	230
Balance June 30	1,835	1,932	2,077	2,207
Appeal Board				
Balance July 1	5	74	69	89
Petitions filed	70	—	50	75
Petitions disposed	1	5	30	70
Balance June 30	74	69	89	94
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	260	269	281	284
Federal	912	992	1,039	1,033
Total Positions	1,172	1,261	1,320	1,317
Filled Positions by Program Class				
Vocational Rehabilitation Services	282	326	336	340
Workplace Standards	198	213	221	222
Employment Services	647	678	718	710
Public Sector Labor Relations	37	38	39	39
Private Sector Labor Relations	8	6	6	6
Total Positions	1,172	1,261	1,320	1,317

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004 Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006 Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
2,367	—	—	2,367	2,367	Vocational Rehabilitation Services	07	2,446	2,446	2,446
8,989	16,651	–13,253	12,387	10,577	Employment Services	09	9,119	9,119	9,119
92	—	13,276	13,368	11,323	Employment and Training Services	10	92	83	83
5,248	6,290	376	11,914	11,887	Workplace Standards	12	5,988	5,096	5,096
3,123	1	62	3,186	3,183	Public Sector Labor Relations	16	3,225	3,225	3,225
476	—	17	493	493	Private Sector Labor Relations	17	530	474	474
20,295	***22,942***	***478***	***43,715***	***39,830***	***Total Direct State Services***		***21,400*** [a]	***20,443***	***20,443***
					Distribution by Fund and Object				
					Personal Services:				
15,402	20,830 R	–17,912	18,320	16,100	Salaries and Wages		15,649	14,826	14,826
—	—	—	—	1,305	Employee Benefits		—	—	—
15,402	*20,830*	*–17,912*	*18,320*	*17,405*	*Total Personal Services*		*15,649*	*14,826*	*14,826*
67	—	133	200	199	Materials and Supplies		64	59	59
242	—	2,232	2,474	2,474	Services Other Than Personal		353	352	352
93	—	83	176	176	Maintenance and Fixed Charges		88	82	82
					Special Purpose:				
1,087	—	1,500	2,587	2,090	Workforce Development Partnership Program	09	1,909	1,909	1,909
81	—	951	1,032	955	Workforce Development Partnership – Counselors	09	81	81	81
2,000	—	—	2,000	1,667	Workforce Literacy and Basic Skills Program	09	2,000	2,000	2,000
92	—	—	92	92	Council on Gender Parity	10	92	83	83
—	—	13,253	13,253	11,221	Work First New Jersey	10	—	—	—
42	—	—	42	15	Worker and Community Right to Know Act	12	42	38	38
420	—	—	420	420	Public Employees Occupational Safety	12	420	378	378
500	12 1,887 R	—	2,399	2,399	Public Works Contractor Registration	12	500	450	450
160	—	—	160	160	Mine Safety Program Expansion	12	160	144	144
3	—	—	3	3	Safety Commission	12	3	3	3
106	213	238	557	554	Additions, Improvements and Equipment		39	38	38
					GRANTS–IN–AID				
					Distribution by Fund and Program				
29,719	—	—	29,719	29,719	Vocational Rehabilitation Services	07	30,456	31,456	31,456
27,279	—	—	*27,279*	*27,279*	*(From General Fund)*		*28,016*	*29,016*	*29,016*
2,440	—	—	*2,440*	*2,440*	*(From Casino Revenue Fund)*		*2,440*	*2,440*	*2,440*
4,000	—	–4,000	—	—	Employment Services	09	4,000	4,000	4,000
11,238	—	–74	11,164	11,164	Employment and Training Services	10	11,238	11,238	11,238
44,957	—	***–4,074***	***40,883***	***40,883***	***Total Grants–in–Aid***		***45,694***	***46,694***	***46,694***
42,517	—	*–4,074*	*38,443*	*38,443*	*(From General Fund)*		*43,254*	*44,254*	*44,254*
2,440	—	—	*2,440*	*2,440*	*(From Casino Revenue Fund)*		*2,440*	*2,440*	*2,440*

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					GRANTS–IN–AID				
					Distribution by Fund and Object				
					Grants:				
4,286	—	—	4,286	4,286	Services to Clients (State Share)	07	4,286	4,286	4,286
1,060	—	—	1,060	1,060	Sheltered Workshop Transportation	07	1,060	1,060	1,060
2,440	—	—	2,440	2,440	Sheltered Workshop Transportation (CRF)	07	2,440	2,440	2,440
2,550	—	—	2,550	2,550	Supported Employment Services	07	2,550	3,550	3,550
18,234	—	389	18,623	18,623	Sheltered Workshop Support	07	18,871	18,871	18,871
450	—	–389	61	61	Sheltered Workshop Employment Placement Incentive Program	07	450	450	450
—	—	—	—	—	Cost of Living Adjustment–Sheltered Workshops	07	— (b)	—	—
170	—	—	170	170	Services for Deaf Individuals	07	170	170	170
525	—	—	525	525	Independent Living Centers	07	625	625	625
4	—	—	4	4	Training (State Share)	07	4	4	4
4,000	—	–4,000	—	—	Heldrich Center for Workforce Development	09	4,000	4,000	4,000
—	—	100	100	100	Welfare to Work State Match	10	—	—	—
3,048	—	–174	2,874	2,874	New Jersey Youth Corps	10	3,048	3,048	3,048
8,190	—	—	8,190	8,190	Work First New Jersey Work Activities	10	8,190	8,190	8,190
					STATE AID				
					Distribution by Fund and Program				
1,624	—	—	1,624	1,624	Employment and Training Services	10	1,624	1,522	1,522
1,624	—	—	***1,624***	***1,624***	***Total State Aid***		***1,624***	***1,522***	***1,522***
					Distribution by Fund and Object				
					State Aid:				
1,024	—	—	1,024	1,024	Adult Literacy	10	1,024	922	922
600	—	—	600	600	Vocational Education – Apprenticeship	10	600	600	600
66,876	***22,942***	***–3,596***	***86,222***	***82,337***	***Grand Total State Appropriation***		***68,718***	***68,659***	***68,659***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
49,030 175 S	15,969	–1,081	64,093	39,827	Vocational Rehabilitation Services	07	50,030	50,667	50,667
38,110	6,709	—	44,819	30,872	Employment Services	09	38,614	34,585	34,585
132,857	12,806	561	146,224	119,083	Employment and Training Services	10	128,129	131,157	131,157
4,065	900	–833	4,132	3,252	Workplace Standards	12	3,977	3,967	3,967
224,237	***36,384***	***–1,353***	***259,268***	***193,034***	***Total Federal Funds***		***220,750***	***220,376***	***220,376***
					All Other Funds				
—	72 2,788 R	—	2,860	2,788	Employment Services	09	2,335	2,430	2,430
—	57	—	57	—	Employment and Training Services	10	25,500	25,500	25,500
—	—	—	—	—	Workplace Standards	12	6,143	6,233	6,233
—	53 33 R	–47	39	—	Public Sector Labor Relations	16	30	—	—
—	***3,003***	***–47***	***2,956***	***2,788***	***Total All Other Funds***		***34,008***	***34,163***	***34,163***
291,113	***62,329***	***–4,996***	***348,446***	***278,159***	***GRAND TOTAL ALL FUNDS***		***323,476***	***323,198***	***323,198***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program, which includes $77,000 appropriated receipts.

(b) Appropriation of $637,000 for cost–of–living allowance adjustments distributed to the applicable grant account.

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 for the Vocational Rehabilitation Services program classification is appropriated from the Unemployment Compensation Auxiliary Fund.

The amounts hereinabove for the Workforce Development Partnership Program 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 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 other law 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.

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 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 Public Works Contractor Registration Program is appropriated for the Public Contractor Registration Program.

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, 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.

In addition to the amounts hereinabove appropriated to the Public Employment Relations Commission, there are also appropriated such additional sums as may be necessary to administer increased mediator services' caseloads not to exceed $50,000, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove 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 N.J.S.A.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.

Language Recommendations — Grants–In–Aid – General Fund

The sum hereinabove for the Vocational Rehabilitation Services program classification is available for the payment of obligations applicable to prior fiscal years.

Of the amount hereinabove for the Vocational Rehabilitation Services program classification, an amount not to exceed $14,422,000 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 appropriated hereinabove for the Sheltered Workshop Employment Placement Incentive Program shall be available to support expenditures under the Sheltered Workshop Support Program, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the John J. Heldrich Center shall be reduced by the sum of funds received from the New Jersey Economic Development Authority. The funds shall be used to pay a portion of the costs associated with the acquisition, site preparation, design and construction of a Statewide workforce training center to be located in New Brunswick, New Jersey known as the Heldrich Center for Workforce Development at the Edward J. Bloustein School of Policy and Planning (the "Heldrich Center") and the infrastructure and site preparation costs associated with the redevelopment project. The authority's investment is subject to

the terms and conditions set forth in an agreement between the authority and the New Brunswick Development Corporation. The agreement shall be subject to the approval of the State Treasurer who, upon such approval, shall report to the Joint Budget Oversight Committee on the terms and conditions of the agreement.

Notwithstanding any law to the contrary, in addition to the amounts hereinabove 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 any law to the contrary, of the amounts hereinabove 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 any law to the contrary, of the amount hereinabove 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).

Of the amounts hereinabove appropriated for New Jersey Youth Corps, an amount not to exceed 10% from all funds shall be made available for administrative costs incurred by the Department of Labor and Workforce Development.

Notwithstanding any law 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.

DEPARTMENT OF LAW AND PUBLIC SAFETY

OVERVIEW

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, and acting as the legal representative of State interests in all legal matters including the alcoholic beverage, gaming, racing and boxing industries. In addition, the Department exercises oversight regarding numerous professions that are licensed through the Division of Consumer Affairs. Also, the Department includes in–but–not–of boards and agencies which receive funding through the State Budget, including: Child Advocate Agency, Election Law Enforcement Commission, Executive Commission on Ethical Standards, Juvenile Justice Commission and the Victims of Crime Compensation Board.

The Department's goals and objectives include providing and maintaining general statewide police, investigative, intelligence, counter–terrorism and emergency services; support and coordination of State and local law enforcement agencies; maintaining and operating criminal records and identification systems; providing a single, centralized agency to help coordinate the State's counter–terrorism and preparedness efforts, protecting the State against the threat of future terrorist attacks through increased information gathering and analysis in partnership with federal, local and state agencies. The Department also provides day and residential programs for juvenile offenders throughout the State, protecting the public from juvenile criminal offenders; planning, development, operation 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, or nationality; protecting the rights of consumers and enforcing public protection laws and the Consumer Fraud Act, working towards the goals of preventing fraud, unfair dealings in advertising or sales techniques.

Other Department activities include the regulation of 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; and developing innovative State and local programs to reduce and prevent injuries and fatalities through a statewide highway traffic safety program.

Budget Highlights

The fiscal 2006 Budget for the Department of Law and Public Safety totals $593.7 million, a decrease of $6.6 million, or 1.1% from the fiscal 2005 adjusted appropriation of $600.3 million.

Office of the Attorney General

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 2006 recommendation for the Division of State Police is $306.6 million, an increase of $10.6 million above the fiscal 2005 adjusted appropriation of $296 million. Of the amount recommended in fiscal 2006, $4 million is dedicated to two capital improvement projects. These projects include the purchase of furniture and equipment for the new State Police Emergency Operations Center, and the replacement and upgrade of HVAC systems at radio tower sites. 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 2005, a total of 283 troopers will graduate from the training academy that will permit reassignment of more experienced troopers to other areas in the State Police. In addition to these graduates, four more State Police classes will be scheduled between fiscal 2005 and fiscal 2006 resulting in 400 new troopers graduating in fiscal years 2006 and 2007. The total of 683 new troopers will be offset by the normal/routine attrition resulting in a net increase of over 400 troopers by December, 2006 compared to July, 2004. The fiscal 2006 Budget includes funding of $11.9 million to support the new troopers.

In addition, $1.6 million is recommended to purchase 200 State Police vehicles. Between fiscal years 2004 and 2006 approximately 900 new vehicles will be purchased to upgrade the existing fleet.

Also, $4 million is recommended to maintain the annual licensing and maintenance for the State Police Information Technology systems.

Division of Law

The Division of Law, which provides legal services to all offices, departments, and entities of State government, as well as county Boards of Election and Taxation, is recommended for State funding of $20.7 million in fiscal 2006. The Division will receive over $56.3 million in reimbursements for legal services rendered from State agencies and third parties, such as the federal government, for a total budget of $77 million. Additional funding will be provided from the Division of Youth and Family Services for new 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, and in administrative hearings and proceedings to protect the rights of DYFS children.

Department Accomplishments

The Department opened the new Forensic Science Laboratory and Technology Center in Hamilton on May 17, 2004 which is one of the preeminent crime fighting labs in the United States. The new laboratory provides full time forensic services in the inspection and analysis of DNA and other crime related evidence. The lab was selected by the FBI to be among the first Regional Computer Forensics Laboratories in the Northeast, and also is home to one of four regional mitochondrial DNA laboratories in the U.S., allowing forensic scientists to analyze difficult DNA samples. The Department trained more than 700 law enforcement personnel throughout New Jersey in DNA collection. The lab is processing DNA samples collected under a new law signed in 2003, that has greatly expanded the State's DNA data bank by requiring all convicted criminals to provide DNA samples.

New Jersey has taken many steps to improve domestic security and to protect its citizens and critical industries and facilities from terrorist attacks. These efforts have been led by the Office of the Governor and the Domestic Security Preparedness Task Force, in concert with the Task Force's 12 constituent agencies, including the Office of the Attorney General, the Office of Counter Terrorism, the New Jersey State Police and the Department of Health and Senior Services. The Task Force, chaired by the Attorney General, has worked closely with private partners in the 20 industry sector groups of the Task Force's Infrastructure Advisory Committee to develop

and implement industry "best practices" to secure industrial facilities and other critical infrastructure in the State. The State has also worked with law enforcement across the State to develop buffer zone protection plans that increase security outside critical facilities. Though federal homeland security funding continues to be inadequate to meet the needs of a densely populated state such as New Jersey containing considerable infrastructure of national significance, the State has developed a comprehensive strategy to distribute millions of dollars in federal preparedness grants to state and local first responders to prepare them to deal with any emergency. The State has also put in place business continuity plans to ensure that essential government services can continue in the event of a terrorist attack or other major disaster. It has formed a multi disciplinary State Domestic Security Exercise Support Team to help test domestic security planning and training efforts statewide through rigorous and continuous drilling. Through the Office of Counter Terrorism (OCT), a Statewide Information Management System (SIMS) has been implemented to enable police to more effectively report leads on potential terrorist activities and to permit comprehensive analysis of police intelligence from throughout New Jersey. SIMS allows for consistent tracking and documentation of leads and streamlines reporting to the Office Counter Terrorism and the FBI's Joint Terrorism Task Forces. OCT and the State Police, with help from the FBI, developed a Basic Counter Terrorism Intelligence and Awareness Training Course for law enforcement which has been acclaimed as one of the best in the nation and has trained more than 1,500 New Jersey officers.

The Bureau of Securities played a major role in the landmark $1.4 billion settlement with ten top Wall Street investment firms regarding stock analyst practices in 2003. In June 2004, the Attorney General reached a record setting $18 million settlement with Allianz Dresdner Asset Management and two affiliated companies regarding allegations that they permitted a large investor to market time more than $4 billion in transactions in their mutual funds to the detriment of long term investors. In between those milestones, the Attorney General and Bureau of Securities filed eight major securities fraud cases involving over one thousand investors and $160 million in investments.

Child Advocate Agency
The Office of the Child Advocate is the only independent State child protective services agency. The Office of the Child Advocate deliberatively intervenes, proactively and reactively, in systemic issues related to child safety and protection. The fiscal 2006 recommendation of $2.5 million represents the same level of funding as in fiscal 2005.

Election Management and Coordination
The Division of Election Management and Coordination reviews the validity of all nomination petitions for statewide offices and manages the challenge process. It certifies candidates for the primary and general elections, certifies election results, and examines and certifies voting equipment. The fiscal 2006 Budget recommendation totals almost $1.1 million.

Election Law Enforcement Commission
The Election Law Enforcement 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. In fiscal 2005, the Commission received a supplemental appropriation of $2 million to support additional administrative functions and responsibilities related to the passage of new legislation. The fiscal 2006 Budget recommendation continues funding at $6.5 million.

Gubernatorial Elections Fund
The fiscal 2006 Budget recommends slightly over $1 million for the administrative costs of operating the program.

Juvenile Justice Commission
The fiscal 2006 recommendation for the Juvenile Justice Commission totals $114.5 million, an increase of $2.1 million or 1.8% over the fiscal 2005 adjusted appropriation of $112.4 million. Of the amount budgeted in fiscal 2006, $750,000 is dedicated to capital improvements for the Commission.

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 serves as an advocate for youth crime, victims, and citizens of the State by emphasizing youth accountability and affording opportunities for adjudicated youth to become independent, productive, and law–abiding citizens.

Since the inception of the Juvenile Justice Commission, secure care residents of the Commission had all of their medical, dental, and psychiatric needs provided by Correctional Medical Services (CMS), a contracted private company. The contract for these services expired on December 31, 2004 and was not renewed. The Commission has prepared for this by creating an in–house secure healthcare unit that will encompass all the same services that CMS provided. State employees will assume the healthcare positions.

Victims of Crime Compensation Board
The Victims of Crime Compensation Board (VCCB) compensates 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. Funding is recommended for the VCCB at $5.6 million in fiscal 2006, which will permit the VCCB to continue to provide the same level of services as in fiscal 2005.

In fiscal 2005, the Board will pay an estimated $17.6 million in compensation to approximately 2,940 claimants.

DEPARTMENT OF LAW AND PUBLIC SAFETY

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
468,482	129,853	9,756	608,091	532,328	Direct State Services	513,246	519,775	519,775
18,822	—	35	18,857	18,557	Grants–In–Aid	19,389	19,389	19,389
15,109	8,522	–1,100	22,531	11,457	State Aid	18,120	8,030	8,030
4,346	19,257	500	24,103	5,913	Capital Construction	—	4,805	4,805
506,759	157,632	9,191	673,582	568,255	Total General Fund	550,755	551,999	551,999
37,699	55	—	37,754	37,266	Total Casino Control Fund	40,599	40,599	40,599
92	1	—	93	93	Total Casino Revenue Fund	92	92	92
—	—	—	—	—	Total Gubernatorial Election Fund	8,870	1,025	1,025
544,550	***157,688***	***9,191***	***711,429***	***605,614***	***GRAND TOTAL***	***600,316***	***593,715***	***593,715***

SUMMARY OF APPROPRIATIONS BY PROGRAM

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES – GENERAL FUND			
					Law Enforcement			
235,097	13,899	4,204	253,200	245,234	State Police Operations	250,063	245,993	245,993
27,154	2,569	—	29,723	28,739	Criminal Justice	29,629	29,421	29,421
600	—	—	600	600	State Medical Examiner	600	600	600
30,607	1,112	3,045	34,764	32,355	Administration and Support Services	46,044	56,685	56,685
293,458	*17,580*	*7,249*	*318,287*	*306,928*	*Subtotal*	*326,336*	*332,699*	*332,699*
					Special Law Enforcement Activities			
338	88	—	426	264	Office of Highway Traffic Safety	400	400	400
2,900	309	—	3,209	3,160	Election Law Enforcement	6,536	6,536	6,536
590	—	—	590	503	Review and Enforcement of Ethical Standards	679	1,129	1,129
1,489	4,790	–20	6,259	6,252	Regulation of Alcoholic Beverages	1,241	1,241	1,241
2,177	6	–41	2,142	884	Election Management and Coordination	2,277	1,077	1,077
7,494	*5,193*	*–61*	*12,626*	*11,063*	*Subtotal*	*11,133*	*10,383*	*10,383*
					Juvenile Services			
23,168	1	–1,166	22,003	22,000	Juvenile Community Programs	23,342	23,380	23,380
35,939	—	1,310	37,249	37,219	Institutional Control and Supervision	38,384	38,384	38,384
7,892	—	–1,160	6,732	6,729	Institutional Care and Treatment	9,661	10,893	10,893
4,365	1	885	5,251	5,231	Aftercare Programs	6,741	6,741	6,741
11,909	12	1,880	13,801	13,793	Administration and Support Services	15,444	15,512	15,512
83,273	*14*	*1,749*	*85,036*	*84,972*	*Subtotal*	*93,572*	*94,910*	*94,910*
					Central Planning, Direction and Management			
796	—	–22	774	774	Central Library Services	603	603	603
14,408	—	458	14,866	14,422	Administration and Support Services	15,644	15,469	15,469
15,204	—	*436*	*15,640*	*15,196*	*Subtotal*	*16,247*	*16,072*	*16,072*

Year Ending June 30, 2004						Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					General Government Services			
19,499	—	—	19,499	19,499	Legal Services	20,733	20,733	20,733
2,000	—	—	2,000	1,200	Child Advocate Agency	2,500	2,500	2,500
21,499	—	—	*21,499*	*20,699*	*Subtotal*	*23,233*	*23,233*	*23,233*
					Protection of Citizens' Rights			
19,191	20,359	–9	39,541	31,541	Consumer Affairs	14,161	13,914	13,914
17,541	70,987	2	88,530	39,995	Operation of State Professional Boards	17,541	17,541	17,541
5,330	443	386	6,159	5,908	Protection of Civil Rights	5,415	5,415	5,415
5,492	15,277	4	20,773	16,026	Victims of Crime Compensation Board	5,608	5,608	5,608
47,554	*107,066*	*383*	*155,003*	*93,470*	*Subtotal*	*42,725*	*42,478*	*42,478*
468,482	***129,853***	***9,756***	***608,091***	***532,328***	***Subtotal Direct State Services – General Fund***	***513,246***	***519,775***	***519,775***
					DIRECT STATE SERVICES – CASINO CONTROL FUND			
					Law Enforcement			
37,699	55	—	37,754	37,266	Gaming Enforcement	40,599	40,599	40,599
37,699	***55***	—	***37,754***	***37,266***	***Subtotal Direct State Services – Casino Control Fund***	***40,599***	***40,599***	***40,599***
					DIRECT STATE SERVICES – CASINO REVENUE FUND			
					Protection of Citizens' Rights			
92	1	—	93	93	Operation of State Professional Boards	92	92	92
92	***1***	—	***93***	***93***	***Subtotal Direct State Services – Casino Revenue Fund***	***92***	***92***	***92***
506,273	***129,909***	***9,756***	***645,938***	***569,687***	***TOTAL DIRECT STATE SERVICES***	***553,937***	***560,466***	***560,466***
					GRANTS–IN–AID – GENERAL FUND			
					Law Enforcement			
265	—	—	265	265	State Police Operations	265	265	265
300	—	—	300	—	Criminal Justice	300	300	300
565	—	—	*565*	*265*	*Subtotal*	*565*	*565*	*565*
					Juvenile Services			
18,257	—	25	18,282	18,282	Juvenile Community Programs	18,824	18,824	18,824
					Central Planning, Direction and Management			
—	—	10	10	10	Administration and Support Services	—	—	—
18,822	—	***35***	***18,857***	***18,557***	***Subtotal Grants–In–Aid – General Fund***	***19,389***	***19,389***	***19,389***
					GRANTS–IN–AID – GUBERNATORIAL ELECTIONS FUND			
					Special Law Enforcement Activities			
—	—	—	—	—	Election Law Enforcement	8,870	1,025	1,025
—	—	—	—	—	***Subtotal Grants–In–Aid – Gubernatorial Elections Fund***	***8,870***	***1,025***	***1,025***
18,822	—	***35***	***18,857***	***18,557***	***TOTAL GRANTS–IN–AID***	***28,259***	***20,414***	***20,414***

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					STATE AID – GENERAL FUND			
					Law Enforcement			
8,090	8,522	–1,100	15,512	4,674	Criminal Justice	11,090	1,000	1,000
					Special Law Enforcement Activities			
7,019	—	—	7,019	6,783	Election Management and Coordination	7,030	7,030	7,030
15,109	***8,522***	***–1,100***	***22,531***	***11,457***	***Subtotal State Aid – General Fund***	***18,120***	***8,030***	***8,030***
15,109	***8,522***	***–1,100***	***22,531***	***11,457***	***TOTAL STATE AID***	***18,120***	***8,030***	***8,030***
					CAPITAL CONSTRUCTION			
					Law Enforcement			
3,846	7,227	—	11,073	2,467	State Police Operations	—	4,055	4,055
—	174	—	174	21	State Medical Examiner	—	—	—
—	1,830	—	1,830	250	Administration and Support Services	—	—	—
3,846	*9,231*	—	*13,077*	*2,738*	*Subtotal*	—	*4,055*	*4,055*
					Juvenile Services			
500	10,026	500	11,026	3,175	Administration and Support Services	—	750	750
4,346	***19,257***	***500***	***24,103***	***5,913***	***Subtotal Capital Construction***	—	***4,805***	***4,805***
544,550	***157,688***	***9,191***	***711,429***	***605,614***	***TOTAL APPROPRIATION***	***600,316***	***593,715***	***593,715***

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.

OBJECTIVES

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, as well as a warning system, in the event of attack.

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 also 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, the 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
State Police Operations				
Investigations				
Criminal	12,552	13,079	13,575	14,086
Accident	39,724	41,263	41,744	42,754
General	573,098	565,156	558,250	550,826
Driving While Intoxicated Arrests	6,468	6,791	7,111	7,432
Aid To Motorists	202,055	204,178	206,270	208,377
Commercial Vehicles Inspected	54,465	57,188	48,082	53,400
Commercial vehicle inspection summonses	42,502	44,752	37,484	41,432
Commercial Vehicles Weighed	537,339	564,210	540,800	610,000
Commercial vehicle weight summonses	5,268	5,521	5,400	6,200
Commercial vehicles taken out of service	10,296	10,800	9,800	10,900
Criminal Enterprise and Racketeering Investigations	162	175	176	205
Number of arrests	123	420	418	450
Special Investigations	242	138	262	300
Racetrack Unit Investigations	325	53	57	55
Racetrack unit arrests	50	18	19	19
Polygraph Examinations	241	225	229	225
Arson Investigations	279	325	400	450
Arson arrests	48	60	63	70
Property damage (in millions)	$21.00	$23.00	$24.00	$25.00
Auto Unit Investigations	175	229	250	300
Auto unit arrests	107	125	150	200
Recovered vehicles	88	100	120	150
Recovered property value (in millions)	$1.50	$1.85	$2.00	$2.50
Major Crime Investigations	56	49	50	50
Fugitive Investigations	247	363	330	350
Cleared by arrest	286	631	500	525
ABC Inspection/Investigations (a)	976	690	700	—
ABC arrests (a)	457	550	575	—
Missing Persons Complaints	725	560	600	600
Missing persons located	36	50	54	50
Child Exploitation Investigations (b)	151	132	145	420
Unidentified Persons Investigations	238	248	248	240
Solid/Hazardous Waste Investigations	512	450	435	465
Approvals	150	107	110	115
Rejections	2	6	6	7
Firearms Applications Received	72,240	60,353	77,000	82,000
Laboratory Cases Received	33,299	33,299	34,000	36,000
Laboratory Cases Completed	31,689	32,277	34,000	36,000
Crime Scene Investigations	2,122	2,230	2,340	2,365

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Laboratory Cases Received/DNA Analysis	905	1,070	1,400	1,800
Laboratory Cases Completed/DNA Analysis	768	1,299	1,600	2,000
Private Detective Licenses Issued	970	968	1,029	1,050
Private Detective Employee Registrations	29,584	27,100	31,386	32,000
Criminal History Records Information Unit				
Inquiries	4,769,784	5,509,542	6,000,000	6,300,000
Responses	3,389,454	2,896,186	3,000,000	3,100,000
Updates/modifications	6,803,134	5,860,679	5,000,000	4,800,000
Composite Drawing Cases	370	390	425	425
Marine Police Investigations				
Criminal–Marine	223	241	265	305
Accident–Marine	236	254	277	309
General–Marine	8,520	8,946	9,456	10,540
Boardings	10,060	10,920	11,898	13,200
Assists	765	834	904	1,050
Pollution Investigations	133	147	161	180
D.W.I. Arrests	51	66	76	85
Criminal Justice				
Complaints, Inquiries, Other Matters (Opened)	12,143	11,385	12,000	12,000
Complaints, Inquiries, Other Matters (Closed)	10,093	9,555	10,000	10,000
Investigations Opened	1,912	1,783	1,900	1,900
Investigations Closed	1,820	1,556	1,800	1,800
Convictions (Plea and Trial)	617	669	625	625
Briefs Received	1,501	1,175	1,200	1,200
Briefs Filed	1,049	884	900	900
Forfeitures–State Share (in millions)	$1.90	$0.89	$0.93	$0.93
Amount of Penalties and Awards Levied (in millions)	$2.79	$1.72	$0.90	$0.90
State Grand Jury Indictments/Accusations	464	427	420	420
County Indictments/Accusations	208	175	200	200
Defendants Disposed	825	894	800	800
Fines Ordered (in millions)	$0.65	$2.18	$0.40	$0.40
Restitution Ordered (in millions)	$18.58	$10.30	$5.00	$5.00
Criminal Justice Training Programs	236	281	225	225
Number trained	10,160	13,799	9,000	9,000
Police Training Commission Training Programs	172	174	170	170
Number of trainees certified	4,152	3,920	4,000	4,000
State Medical Examiner				
Toxicological Cases Received	3,373	2,949	4,500	4,500
Statewide Autopsies Performed	3,983	2,895	4,200	4,400
Number of Deaths Investigated	6,423	4,883	6,600	6,800
Gaming Enforcement				
New Applications to be Processed				
Individual applications	6,281 (c)	5,056	4,050	4,165
Hotels/Casino	2	2	1	2
Casino service industries/vendors	3,547	3,647	3,283	3,359
Renewal Applications Processed				
Individual applications (d)	6,045	6,908 (c)	6,074	3,475
Hotels/Casino	3	7	2	——
Casino service industries	182	214	214	211
Arrest notifications	3,710	3,784	4,003	4,083
Casino licensing investigations	2,575	3,040	3,061	3,017
Casino enforcement investigations	2,014	2,215	1,900	2,100
Casino enforcement arrests	1,457	1,602	1,600	1,700
Slot modifications/inspections	130,207	178,345	178,746	188,982
Administration and Support Services				
State Police Training Academy:				
State Police recruits enrolled	169	260	395	200
State Police recruits graduated	80	50	283	300
Special schools training	15,000	21,163	23,300	23,000

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	3,738	3,840	3,809	4,238
Federal	120	125	128	180
All Other	1,320	1,384	1,405	1,494
Total Positions	5,178	5,349	5,342	5,912
Filled Positions by Program Class				
State Police Operations	3,617	3,751	3,668	4,112
Criminal Justice	879	899	957	1,018
State Medical Examiner	75	74	78	116
Gaming Enforcement	269	277	284	282
Administration and Support Services	338	348	355	384
Total Positions	5,178	5,349	5,342	5,912

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) The Division of Alcoholic Beverage Control has assumed the responsibilities of this function.

(b) It is anticipated that the number of investigations for Child Exploitation crimes will increase significantly as a result of participation in the Regionalized Internet Task Force.

(c) The substantial increase in new and renewal individual applications in fiscal year 2003 was primarily due to the opening of the Borgata Casino Hotel in July 2003. There was also some carry over effect into fiscal year 2004.

(d) Four year renewal of casino employee licenses were approved in 1995, they peaked in fiscal year 2000 and will peak again in fiscal year 2004, but are expected to substantially decrease in fiscal years 2005 and 2006 due to the renewal cycle. Fiscal years 2005 and 2006 renewal figures assume a 55% rate of return of casino employee applications and a 70% rate of return of key employee applications based on historical experience by the Casino Control Commission.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
235,097	13,899	4,204	253,200	245,234	State Police Operations	06	250,063	245,993	245,993
27,154	2,569	—	29,723	28,739	Criminal Justice	09	29,629	29,421	29,421
600	—	—	600	600	State Medical Examiner	11	600	600	600
37,699	55	—	37,754	37,266	Gaming Enforcement	30	40,599	40,599	40,599
37,699	*55*	—	*37,754*	*37,266*	*(From Casino Control Fund)*		*40,599*	*40,599*	*40,599*
30,607	1,112	3,045	34,764	32,355	Administration and Support Services	99	46,044	56,685	56,685
331,157	***17,635***	***7,249***	***356,041***	***344,194***	***Total Direct State Services***		***366,935***	***373,298***	***373,298***
293,458	*17,580*	*7,249*	*318,287*	*306,928*	*(From General Fund)*		*326,336* (a)	*332,699*	*332,699*
37,699	*55*	—	*37,754*	*37,266*	*(From Casino Control Fund)*		*40,599*	*40,599*	*40,599*
					Distribution by Fund and Object				
					Personal Services:				
217,464	252 R	13,131	230,847	208,943	Salaries and Wages		212,361 12,094 S	224,609	224,609
29,490 1,900 S	—	—	31,390	23,977	Salaries and Wages (CCF)		25,358 550 S	25,908	25,908
—	—	—	—	21,904	Cash In Lieu of Maintenance		23,835	24,293	24,293
—	—	—	—	740	Cash In Lieu of Maintenance (CCF)		888	888	888

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					DIRECT STATE SERVICES				
—	—	—	—	6,572	Employee Benefits (CCF)		5,144 2,350 S	7,494	7,494
248,854	*252*	*13,131*	*262,237*	*262,136*	*Total Personal Services*		*282,580*	*283,192*	*283,192*
217,464	*252*	*13,131*	*230,847*	*230,847*	*(From General Fund)*		*248,290*	*248,902*	*248,902*
31,390	—	—	*31,390*	*31,289*	*(From Casino Control Fund)*		*34,290*	*34,290*	*34,290*
5,959	—	792	6,751	6,750	Materials and Supplies		5,563	5,563	5,563
389	—	—	389	357	Materials and Supplies (CCF)		389	389	389
12,079 4,000 S	—	3,192	19,271	15,093	Services Other Than Personal		11,713	11,713	11,713
1,864	—	–50	1,814	1,628	Services Other Than Personal (CCF)		1,864	1,864	1,864
4,795	—	–991	3,804	3,804	Maintenance and Fixed Charges		4,430	4,430	4,430
2,440	—	—	2,440	2,347	Maintenance and Fixed Charges (CCF)		2,440	2,440	2,440
					Special Purpose:				
—	72 215 R	—	287	173	Retired Officers Handgun Permits	06	—	—	—
1,591	1,225	—	2,816	1,325	Nuclear Emergency Response Program	06	1,591	1,591	1,591
962	26	—	988	896	Drunk Driver Fund Program	06	962	962	962
1,014	2,237 9,177 R	—	12,428	10,847	Noncriminal Records Checks	06	1,014	1,014	1,014
1,500	—	—	1,500	1,500	Camden Initiative	06	1,500	1,500	1,500
—	—	—	—	—	Aviation Night Vision Systems	06	100	—	—
1,000	—	—	1,000	1,000	Office of Emergency Management Service Enhancement	06	1,000	1,000	1,000
450	—	—	450	450	Enhanced DNA Testing	06	450	450	450
200	—	–5	195	195	Megan's Law DNA Testing	06	200	200	200
1,800	—	—	1,800	1,800	State Police DNA Laboratory Enhancement	06	1,800	1,800	1,800
1,000	—	—	1,000	999	Urban Search and Rescue	06	1,000	1,000	1,000
1,600	—	—	1,600	1,600	Nuclear Facilities Security Detail	06	1,600	1,600	1,600
600	—	—	600	600	Computer Aided Dispatch Maintenance	06	600	600	600
4,375	—	–2,787	1,588	1,588	State Police Forensic and Communication Equipment/ Hamilton Facilities	06	4,375	4,375	4,375
1,400	—	—	1,400	1,400	State Police Operation Dispatch Unit	06	1,400	1,400	1,400
—	—	—	—	—	FY 05 State Police Recruit Class	06	2,500	—	—
500	—	–40	460	460	State Police Federal Monitor	06	500	500	500
1,700	—	—	1,700	1,700	Criminal Justice – Corruption Prosecution Expansion	09	1,700	1,700	1,700
1,500	—	—	1,500	1,500	Division of Criminal Justice–State Match	09	1,482	1,482	1,482
250	—	—	250	248	Human Relations Council	09	250	250	250
—	276 R	—	276	275	Criminal Justice Cost Recovery	09	—	—	—
356	—	—	356	356	Expenses of State Grand Jury	09	356	356	356
500	—	—	500	500	Medicaid Fraud Investigation–State Match	09	500	500	500
—	1,026 1,267 R	—	2,293	1,312	Victim and Witness Advocacy Fund	09	—	—	—
1,185	—	—	1,185	1,185	Gaming Enforcement (CCF)	30	1,185	1,185	1,185
1,299	1,033 77 R	—	2,409	—	State Police Recruit Training	99	1,201	—	—
2,800	—	–1,136	1,664	1,664	Consent Decree Vehicles	99	5,800	10,300	10,300
1,950	—	—	1,950	1,950	Telecommunications – 911 Call Takers	99	1,950	1,950	1,950

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
——	——	——	——	——	FY 05 State Police Recruit Training	99	417	2,083	2,083
——	——	50	50	50	Hamilton Headquarters / TechPlex Maintenance	99	2,173	3,278	3,278
——	——	——	——	——	FY 06 State Police Recruit Training	99	——	417	417
——	——	——	——	——	Central Monitoring Station	99	——	654	654
——	——	——	——	——	FY 06 State Police Recruit Class	99	——	2,500	2,500
——	——	——	——	——	State Police Radio Upgrade	99	2,000 S	2,000	2,000
——	——	——	——	——	State Police Supplemental Recruit Class	99	3,000 S	——	——
193	——	——	193	193	Affirmative Action and Equal Employment Opportunity	99	193	193	193
2,000	——	——	2,000	2,000	N.C.I.C. 2000 Project	99	2,000	2,000	2,000
174	——	–89	85	85	State Police Cadet Pilot Program	99	174	174	174
——	——	——	——	——	State Police Information Technology Maintenance	99	——	4,000	4,000
600	——	——	600	600	State Police Technology Enhancements	99	600	600	600
3,450	——	50	3,500	3,500	State Police Enhanced Systems and Procedures	99	3,450	3,450	3,450
14,397	697	–4,918	10,176	9,668	Additions, Improvements and Equipment		8,502	6,212	6,212
431	55	50	536	460	Additions, Improvements and Equipment (CCF)		431	431	431
					GRANTS–IN–AID				
					Distribution by Fund and Program				
265	——	——	265	265	State Police Operations	06	265	265	265
265	——	——	*265*	*265*	*(From General Fund)*		*265*	*265*	*265*
300	——	——	300	——	Criminal Justice	09	300	300	300
565	——	——	***565***	***265***	***Total Grants–in–Aid***		***565***	***565***	***565***
					Distribution by Fund and Object				
					Grants:				
265	——	——	265	265	Nuclear Emergency Response Program	06	265	265	265
300	——	——	300	——	Sex Offender Internet Registry Grants	09	300	300	300
					STATE AID				
					Distribution by Fund and Program				
8,090	8,522	–1,100	15,512	4,674	Criminal Justice	09	11,090	1,000	1,000
8,090	***8,522***	***–1,100***	***15,512***	***4,674***	***Total State Aid***		***11,090***	***1,000***	***1,000***
					Distribution by Fund and Object				
					State Aid:				
7,000	8,522	–1,100	14,422	3,674	Statewide Local Domestic Preparedness Equipment Grant Program	09	10,000	——	——
90	——	——	90	——	Trigger Lock County Program	09	90	——	——
1,000	——	——	1,000	1,000	Safe and Secure Neighbor-hoods Program	09	1,000	1,000	1,000
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
3,846	7,227	——	11,073	2,467	State Police Operations	06	——	4,055	4,055
——	174	——	174	21	State Medical Examiner	11	——	——	——

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					CAPITAL CONSTRUCTION				
—	1,830	—	1,830	250	Administration and Support Services	99	—	—	—
3,846	*9,231*	—	*13,077*	*2,738*	*Total Capital Construction*		—	*4,055*	*4,055*
					Distribution by Fund and Object				
					Office of State Medical Examiner				
—	129	—	129	—	Critical Repairs and Instrumentation	11	—	—	—
—	21	—	21	18	HVAC Renovation	11	—	—	—
—	24	—	24	3	Medical Examiner Roof Replacement	11	—	—	—
					Division of State Police				
—	242	—	242	57	Critical Repairs/Rehabilitation, Divisionwide	06	—	—	—
—	25	—	25	—	ADA Development – Statewide	06	—	—	—
—	222	—	222	23	Hazardous Materials Removal and Fire Safety Projects	06	—	—	—
—	6,374	—	6,374	353	Computer Aided Dispatch and Records Management System	06	—	—	—
—	6	—	6	1	Forensic Laboratory Equipment	06	—	—	—
—	1	—	1	—	Buildings #2 and #6 Renovations	06	—	—	—
3,846	—	—	3,846	2,017	Hamilton Complex Troop "C" – Building Equipment and Furnishings	06	—	—	—
—	179	—	179	16	Roof Replacement, Various Facilities	06	—	—	—
—	—	—	—	—	State Police Emergency Operations Center	06	—	3,555	3,555
—	—	—	—	—	HVAC Systems Upgrade for Radio Tower Sites	06	—	500	500
—	178	—	178	—	Emergency Generator Replacements	06	—	—	—
—	254	—	254	234	State Police Technology Enhancements	99	—	—	—
—	272	—	272	—	Facility Renovations, Gender Accommodations	99	—	—	—
—	47	—	47	16	HVAC Replacements, Statewide	99	—	—	—
—	1,257	—	1,257	—	State Police Emergency Operations Center	99	—	—	—
343,658	*35,388*	*6,149*	*385,195*	*351,871*	*Grand Total State Appropriation*		*378,590*	*378,918*	*378,918*
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
395,473 491 S	60,329 1,339 R	1,573	459,205	88,178	State Police Operations	06	78,535	77,435	77,435
101,378	24,522	–265	125,635	26,295	Criminal Justice	09	34,393	34,393	34,393
—	406	—	406	406	Administration and Support Services	99	—	—	—
497,342	*86,596*	*1,308*	*585,246*	*114,879*	*Total Federal Funds*		*112,928*	*111,828*	*111,828*
					All Other Funds				
—	1,665 53,797 R	18,964	74,426	73,340	State Police Operations	06	103,124	115,079	115,079
—	11,630 38,580 R	1,197	51,407	46,453	Criminal Justice	09	38,807 1,000 S	38,807	38,807
—	757 6,775 R	—	7,532	6,829	State Medical Examiner	11	8,624	8,624	8,624
—	903 1,468 R	—	2,371	2,197	Administration and Support Services	99	1,937	1,937	1,937
—	*115,575*	*20,161*	*135,736*	*128,819*	*Total All Other Funds*		*153,492*	*164,447*	*164,447*

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					OTHER RELATED APPROPRIATIONS				
841,000	*237,559*	*27,618*	*1,106,177*	*595,569*	*GRAND TOTAL ALL FUNDS*		*645,010*	*655,193*	*655,193*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 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 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.

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 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.

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 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.

In addition to the amount hereinabove 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, 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.

Receipts derived pursuant to the New Jersey Medical Service Helicopter Response Act under 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 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.

The amount hereinabove 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 for the Drunk Driver Fund program is payable out of the Drunk Driver Enforcement Fund established pursuant to 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 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.

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.

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.

In addition to the amounts hereinabove 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.

Notwithstanding the provisions of section 11 of P.L. 1993, c.220 (C.2C:43–3.2), an amount not to exceed $1,100,000 is appropriated from the Safe Neighborhoods Services Fund to provide Criminal Justice Statewide Law Enforcement Federal grant match, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amounts hereinabove for the State Police–Enhanced DNA Testing account, there is appropriated an amount not to exceed $450,000 to be offset by actual receipts pursuant to P.L. 2000, c. 118. Additional funding shall be based upon the review of monthly workload data, collection data, and spending plans, 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 54 of P.L. 2002, c.34 (C.App.A:9–78), not to exceed $13,855,000 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.

The unexpended balance at the end of the preceding fiscal year in the FY 05 State Police Recruit Training account and the State Police Supplemental Recruit Class are appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

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.

Language Recommendations — Direct State Services – Casino Control Fund

In addition to the amount hereinabove 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 balance at the end of the preceding fiscal year, in the Division of Criminal Justice's Community Justice Program is appropriated, 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 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.
3. To insure propriety and preserve public confidence in the Executive Branch.
4. 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.
5. To supervise the conduct of thoroughbred and harness racing in New Jersey and to assure maximum revenue to the State.
6. 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.
7. 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 Executive Commission on Ethical Standards 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, warehousers 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 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 insure 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.

25. **Election Management and Coordination.** Coordinates voter registration and elections and is responsible for 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 4.8 million.

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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Office of Highway Traffic Safety				
Highway Safety Grants Received	240	240	270	280
Highway Safety Grants Funded	225	473	480	490
Election Law Enforcement				
Disclosure Reports Total	26,562	27,079	27,400	27,820
Campaign and Quarterly	22,392	22,398	22,500	23,000
Lobbyists	3,854	4,667	4,700	4,800
Personal Finance	316	14	200	20
Investigations	48	28	50	60
Civil Prosecutions	72	94	100	120
Public Assistance Requests	9,725	9,293	9,400	9,700
Photocopies	62,596	33,198	30,000	28,000
Review and Enforcement of Ethical Standards				
Hearings	—	3	4	3
Investigations	1,200	1,250	1,300	1,300
Financial Disclosure Reports	2,100	2,100	2,100	2,200
Regulation of Alcoholic Beverages				
Alcoholic Beverage Control Items Processed	110,765	125,336	126,000	126,800
Licenses (State Issued Only)	683	694	700	725
Permits	60,948	61,129	61,150	61,200
Penalties	512	528	550	575
Fees	48,622	62,985	63,600	64,300

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Regulation of Racing Activities				
Racing Days Allotted	499	488	500	500
Licenses Issued	14,920	14,954	15,000	15,000
Fingerprints Taken	3,543	4,723	4,500	4,700
Samples Taken	29,366	30,683	32,000	32,000
Number of Tests Performed on Samples	763,507	748,457	750,000	750,000
Breathalyzer Tests	1,026	489	500	550
Simulcasting Programs Allotted	25,332	26,469	27,000	27,000
Rulings Issued	866	762	800	800
Election Management and Coordination				
Registered Voters	4,537,144 (a)	4,787,144 (a)	4,888,144 (a)	5,000,000
State Athletic Control				
Total Number of Shows and Licensees	1,073	1,100	1,200	1,150
Professional Boxing Shows	25	25	30	25
A.B.F. Boxing Shows	38	40	40	40
Professional Boxers Licensed	180	200	200	175
Licenses (Other)	825	875	900	875
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	114	115	123	182
Federal	27	26	27	43
All Other	85	87	85	94
Total Positions	226	228	235	319
Filled Positions by Program Class				
Office of Highway Traffic Safety	28	27	28	35
Election Law Enforcement	46	45	45	96
Review and Enforcement of Ethical Standards	8	9	9	10
Regulation of Alcoholic Beverages	53	53	59	65
Regulation of Racing Activities	78	80	79	83
Election Management and Coordination	7	8	10	23
State Athletic Control	6	6	5	7
Total Positions	226	228	235	319

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The budget estimate for fiscal year 2006 reflects the number of positions funded.

(a) Represents actual data reported to federal government annually.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
338	88	——	426	264	Office of Highway Traffic Safety	03	400	400	400
2,900	309	——	3,209	3,160	Election Law Enforcement	17	6,536	6,536	6,536
590	——	——	590	503	Review and Enforcement of Ethical Standards	20	679	1,129	1,129
1,489	4,790	–20	6,259	6,252	Regulation of Alcoholic Beverages	21	1,241	1,241	1,241
2,177	6	–41	2,142	884	Election Management and Coordination	25	2,277	1,077	1,077
7,494	***5,193***	***–61***	***12,626***	***11,063***	***Total Direct State Services***		***11,133*** (a)	***10,383***	***10,383***

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Object				
					Personal Services:				
4,539	5,084 R	–747	8,876	8,787	Salaries and Wages		4,616 2,000 S	7,066	7,066
4,539	*5,084*	*–747*	*8,876*	*8,787*	*Total Personal Services*		*6,616*	*7,066*	*7,066*
209	—	35	244	240	Materials and Supplies		209	209	209
713	5 1 R	456	1,175	1,144	Services Other Than Personal		713	713	713
40	—	75	115	115	Maintenance and Fixed Charges		40	40	40
					Special Purpose:				
338	88	—	426	264	Federal Highway Safety Program–State Match	03	400	400	400
—	—	—	—	—	Fair and Clean Elections	17	1,500	1,500	1,500
15	—	—	15	13	Per Diem Payment to Members of Election Law Enforcement Commission	17	15	15	15
1,200	—	—	1,200	—	Help America Vote Act	25	1,200	—	—
440	—	–41	399	343	County Monitoring and Oversight	25	440	440	440
—	15	161	176	157	Additions, Improvements and Equipment		—	—	—
					GRANTS–IN–AID				
					Distribution by Fund and Program				
—	—	—	—	—	Election Law Enforcement	17	8,870	1,025	1,025
—	—	—	—	—	*(From Gubernatorial Elections Fund)*		*8,870*	*1,025*	*1,025*
—	—	—	—	—	***Total Grants–in–Aid***		***8,870***	***1,025***	***1,025***
—	—	—	—	—	*(From Gubernatorial Elections Fund)*		*8,870*	*1,025*	*1,025*
					Distribution by Fund and Object				
					Special Purpose:				
—	—	—	—	—	Election Law Enforcement (GEF)	17	8,870	1,025	1,025
					STATE AID				
					Distribution by Fund and Program				
7,019	—	—	7,019	6,783	Election Management and Coordination	25	7,030	7,030	7,030
7,019	—	—	***7,019***	***6,783***	***Total State Aid***		***7,030***	***7,030***	***7,030***
					Distribution by Fund and Object				
					Special Purpose:				
3,730 3,289 S	—	—	7,019	6,783	Extended Polling Place Hours	25	3,730 3,300 S	7,030	7,030
14,513	***5,193***	***–61***	***19,645***	***17,846***	***Grand Total State Appropriation***		***27,033***	***18,438***	***18,438***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
19,290 398 S	371	–842	19,217	5,630	Office of Highway Traffic Safety	03	19,345	20,540	20,540
760	477	54	1,291	481	Regulation of Alcoholic Beverages	21	360	360	360
42,000	872	—	42,872	871	Election Management and Coordination	25	42,000	1,040	1,040
62,448	***1,720***	***–788***	***63,380***	***6,982***	***Total Federal Funds***		***61,705***	***21,940***	***21,940***

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					OTHER RELATED APPROPRIATIONS				
					All Other Funds				
——	593 428 R	——	1,021	424	Office of Highway Traffic Safety	03	——	——	——
——	——	——	——	——	Election Law Enforcement	17	300	300	300
——	——	——	——	——	Regulation of Alcoholic Beverages	21	4,804	4,804	4,804
——	1,131 11,209 R	——	12,340	11,701	Regulation of Racing Activities	22	13,084	13,084	13,084
——	185 584 R	——	769	730	State Athletic Control	27	700	700	700
——	*14,130*	——	*14,130*	*12,855*	*Total All Other Funds*		*18,888*	*18,888*	*18,888*
76,961	*21,043*	*–849*	*97,155*	*37,683*	*GRAND TOTAL ALL FUNDS*		*107,626*	*59,266*	*59,266*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 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 Federal Highway Safety Program—State Match account, including the accounts of the several departments is appropriated for such highway safety projects.

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 additional 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.

Registration fees, tuition fees, training fees, and other fees received for reimbursement for attendance at courses administered or conducted by the Division of Alcoholic Beverage Control are appropriated for program costs.

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 provision hereinabove, 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.

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.

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 balances at the end of the preceding fiscal year, in the Help America Vote Act – State Match account are appropriated subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations — Grants–In–Aid – Gubernatorial Election Fund

There are appropriated from the Gubernatorial Elections Fund such sums as may be required for payments to persons qualifying for additional public funds; 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.

Notwithstanding the provisions of any law or regulation to the contrary, from the amounts appropriated hereinabove to the Gubernatorial Elections Fund, there are appropriated up to $1,025,000 for administrative purposes, 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 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.

The Commission 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. The Juvenile Justice Commission is an agency that is "in but not of" the Department of Law and Public Safety.

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. **Aftercare Programs.** 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.

10. PUBLIC SAFETY AND CRIMINAL JUSTICE
18. JUVENILE SERVICES
1500. DIVISION OF JUVENILE SERVICES

The Juvenile Community Programs, formerly the Division of Juvenile Services in the Department of Human Services, has been transferred to the Juvenile Justice Commission pursuant to P. L. 1995, c. 284.

Juvenile Community Programs provide both day and residential programs to over 600 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.

Aftercare Programs are designed to ensure public safety through intensive community supervision. This program also 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.

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 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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Juvenile Community Programs				
Design Capacity	586	562	562	587
Residential Centers	473	449	449	474
Day Programs	113	113	113	113
Average daily population	523	486	485	515
Residential Centers	430	391	390	420
Day Programs	93	95	95	95
Ratio: Population/positions	.7/1	.7/1	.6/1	.6/1
Annual per capita	$63,500	$69,502	$76,328	$72,117
Daily per capita	$173.98	$190.42	$209.12	$197.58
Aftercare Programs				
Aftercare programs population	920	923	868	880
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	537	558	585	595
Federal	40	48	52	51
All Other	225	248	263	245
Total Positions	802	854	900	891
Filled Positions by Program Class				
Juvenile Community Programs	631	686	699	692
Aftercare Programs	81	77	89	89
Administration and Support Services	90	91	112	110
Total Positions	802	854	900	891

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
23,168	1	–1,166	22,003	22,000	Juvenile Community Programs	34	23,342	23,380	23,380
4,365	1	885	5,251	5,231	Aftercare Programs	40	6,741	6,741	6,741
5,278	6	1,267	6,551	6,547	Administration and Support Services	99	6,936	7,019	7,019
32,811	***8***	***986***	***33,805***	***33,778***	***Total Direct State Services***		***37,019*** (a)	***37,140***	***37,140***
					Distribution by Fund and Object				
					Personal Services:				
25,008	—	1,720	26,728	26,728	Salaries and Wages		27,213 2,847 S	30,181	30,181
25,008	—	*1,720*	*26,728*	*26,728*	*Total Personal Services*		*30,060*	*30,181*	*30,181*
1,524	—	–242	1,282	1,282	Materials and Supplies		1,626	1,626	1,626
2,208	—	–82	2,126	2,126	Services Other Than Personal		2,571	2,571	2,571
928	—	–289	639	639	Maintenance and Fixed Charges		954	954	954
					Special Purpose:				
500	—	235	735	735	Aftercare Initiative 2002	34	—	—	—
350	—	–96	254	254	Community Program Medical Initiative	34	—	—	—
300	—	–16	284	284	Enhanced Information Technology Unit	34	—	—	—
770	—	–314	456	456	Juvenile Justice Initiatives	34	770	770	770
42	—	—	42	42	Social Services Block Grant – State Match	34	42	42	42
186	—	–13	173	173	State Incentive Program	34	—	—	—
302	—	—	302	302	Female Substance Abuse Program	34	302	302	302
406	—	—	406	405	Juvenile Justice–State Matching Funds	99	406	406	406
185	—	83	268	268	Custody and Civilian Staff Training	99	185	185	185
102	8	—	110	84	Additions, Improvements and Equipment		103	103	103
					GRANTS–IN–AID				
					Distribution by Fund and Program				
18,257	—	25	18,282	18,282	Juvenile Community Programs	34	18,824	18,824	18,824
18,257	—	***25***	***18,282***	***18,282***	***Total Grants–in–Aid***		***18,824***	***18,824***	***18,824***
					Distribution by Fund and Object				
					Grants:				
—	—	25	25	25	Providence Malta Prep of Jersey City	34	—	—	—
2,573	—	—	2,573	2,573	Alternatives to Juvenile Incarceration Programs	34	2,609	2,609	2,609
4,084	—	—	4,084	4,084	Crisis Intervention Program	34	4,166	4,166	4,166
7,939	—	—	7,939	7,939	State/Community Partnership Grants	34	8,232	8,232	8,232
3,401	—	—	3,401	3,401	State Incentive Program	34	3,521	3,521	3,521
260	—	—	260	260	Purchase of Services for Juvenile Offenders	34	296	296	296
—	—	—	—	—	Cost of Living Adjustment – Alternatives to Juvenile Incarceration Programs	34	— (b)	—	—

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					GRANTS–IN–AID				
—	—	—	—	—	Cost of Living Adjustment–Crisis Intervention/State Community Partnership	34	— (b)	—	—
—	—	—	—	—	Cost of Living Adjustment–State Incentive Program	34	— (b)	—	—
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
500	10,026	500	11,026	3,175	Administration and Support Services	99	—	750	750
500	***10,026***	***500***	***11,026***	***3,175***	***Total Capital Construction***		—	***750***	***750***
					Distribution by Fund and Object				
					Division of Juvenile Services				
—	11	—	11	—	Jamesburg Food Service Building	99	—	—	—
—	1	—	1	—	Deferred Maintenance, Jamesburg and Juvenile Medium	99	—	—	—
500	4,976	—	5,476	1,610	Fire, Health and Safety Projects, Various Sites	99	—	—	—
—	—	—	—	—	Suicide Prevention Improvements	99	—	500	500
—	629	—	629	599	Roof Replacements, Statewide	99	—	—	—
—	305	500	805	568	Critical Repairs, Juvenile Services Facilities	99	—	250	250
—	1	—	1	1	Patrol Augmentation	99	—	—	—
—	16	—	16	11	Roof Replacements, Jamesburg	99	—	—	—
—	15	—	15	10	Removal of Asbestos, Jamesburg and Juvenile Medium Security	99	—	—	—
—	22	—	22	4	Facility Renovations, Juvenile Residential Centers	99	—	—	—
—	1,085	—	1,085	137	Electrical Service Upgrade – New Jersey Training School for Boys	99	—	—	—
—	71	—	71	—	Infrastructure Improvement for 144 Bed Facility, Bordentown	99	—	—	—
—	76	—	76	49	Upgrade Telecommunication System, Statewide	99	—	—	—
—	40	—	40	—	Develop Master Plan, Site, Buildings and Utility Systems	99	—	—	—
—	70	—	70	—	Install Video Monitoring System, Statewide	99	—	—	—
—	44	—	44	28	Construct New Laundry Facility at Jamesburg	99	—	—	—
—	50	—	50	—	Repair Chapel at Jamesburg	99	—	—	—
—	572	—	572	153	Electrical Upgrades and Generator Replacements at Jamesburg	99	—	—	—
—	265	—	265	—	Sewer Plant Improvements, A/E Study, Jamesburg	99	—	—	—
—	820	—	820	—	Security Enhancements, Various Facilities	99	—	—	—
—	3	—	3	3	Redesignation of 324 Bed Facility at Jamesburg	99	—	—	—
—	469	—	469	2	Construct New Septic System at Green Residential Center	99	—	—	—
—	485	—	485	—	Cell Door and Locking System	99	—	—	—
51,568	***10,034***	***1,511***	***63,113***	***55,235***	***Grand Total State Appropriation***		***55,843***	***56,714***	***56,714***

Year Ending June 30, 2004 Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006 Requested	Recommended
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
——	169	601	770	538	Criminal Justice	09	——	——	——
7,965	5,419	433	13,817	6,488	Juvenile Community Programs	34	7,895	3,266	3,266
4,211	5,215	847	10,273	5,344	Administration and Support Services	99	4,257	4,276	4,276
12,176	***10,803***	***1,881***	***24,860***	***12,370***	***Total Federal Funds***		***12,152***	***7,542***	***7,542***
					All Other Funds				
——	651 1,739 R	20,409	22,799	22,699	Juvenile Community Programs	34	25,671	25,671	25,671
——	28,692 R	–28,692	——	——	Administration and Support Services	99	——	——	——
——	***31,082***	***–8,283***	***22,799***	***22,699***	***Total All Other Funds***		***25,671***	***25,671***	***25,671***
63,744	***51,919***	***–4,891***	***110,772***	***90,304***	***GRAND TOTAL ALL FUNDS***		***93,666***	***89,927***	***89,927***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) Appropriation of $567,000 has been distributed to applicable grant accounts.

10. PUBLIC SAFETY AND CRIMINAL JUSTICE
18. JUVENILE SERVICES
1505. NEW JERSEY TRAINING SCHOOL FOR BOYS

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. In recent years, the design capacity of 404 has been supplemented by additional beds through the conversion of existing institutional space not originally designed for housing. During fiscal year 2001, juveniles were transferred to new bedspaces opened at the Johnstone Campus in Bordentown to alleviate overcrowding.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Education Programs				
Participants				
Basic Education	1,824	1,592	1,608	1,634
General Education Development	41	35	36	37
Vocational Education	535	466	471	479
OPERATING DATA				
Institutional Control and Supervision				
Design Capacity	300	300	300	300
Average daily population	340	297	300	305
Ratio: Population/positions	.9/1	.8/1	.8/1	.8/1
Annual per capita	$71,026	$77,481	$83,747	$83,085
Daily per capita	$194.59	$212.28	$229.44	$227.63
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	271	313	311	330
Federal	——	——	——	——
All Other	84	84	79	87
Total Positions	355	397	390	417

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Filled Positions by Program Class				
Institutional Control and Supervision	194	227	227	224
Institutional Care and Treatment	111	117	110	141
Administration and Support Services	50	53	53	52
Total Positions	355	397	390	417

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004 Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006 Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
13,805	—	1,083	14,888	14,888	Institutional Control and Supervision	35	15,450	15,450	15,450
4,033	—	–319	3,714	3,712	Institutional Care and Treatment	36	4,834	5,704	5,704
4,085	6	324	4,415	4,412	Administration and Support Services	99	4,690	4,690	4,690
21,923	***6***	***1,088***	***23,017***	***23,012***	***Total Direct State Services***		***24,974*** (a)	***25,844***	***25,844***
					Distribution by Fund and Object				
					Personal Services:				
15,998							19,712		
1,400 S	—	1,675	19,073	18,984	Salaries and Wages		1,129 S	21,208	21,208
—	—	—	—	89	Food In Lieu of Cash		89	89	89
17,398	—	*1,675*	*19,073*	*19,073*	*Total Personal Services*		*20,930*	*21,297*	*21,297*
1,885	—	–27	1,858	1,857	Materials and Supplies		1,885	1,885	1,885
2,029	—	–367	1,662	1,661	Services Other Than Personal		1,548 (b)	1,548	1,548
591	—	–193	398	396	Maintenance and Fixed Charges		591	591	591
					Special Purpose:				
—	—	—	—	—	Secure Care Mental Health Program	36	—	503	503
2	—	—	2	2	Administration and Support Services	99	2	2	2
18	6	—	24	23	Additions, Improvements and Equipment		18	18	18
21,923	***6***	***1,088***	***23,017***	***23,012***	***Grand Total State Appropriation***		***24,974***	***25,844***	***25,844***
					OTHER RELATED APPROPRIATIONS				
					All Other Funds				
—	452 81 R	4,200	4,733	4,720	Institutional Care and Treatment	36	6,700	6,700	6,700
—	4	—	4	—	Administration and Support Services	99	—	—	—
—	***537***	***4,200***	***4,737***	***4,720***	***Total All Other Funds***		***6,700***	***6,700***	***6,700***
21,923	***543***	***5,288***	***27,754***	***27,732***	***GRAND TOTAL ALL FUNDS***		***31,674***	***32,544***	***32,544***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) Funding of $655,000 has been reallocated from the Services Other Than Personal account to the Personal Services account.

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.

10. PUBLIC SAFETY AND CRIMINAL JUSTICE
18. JUVENILE SERVICES
1510. JUVENILE MEDIUM SECURITY CENTER

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 provides a secure setting for teenage girls committed to Juvenile Services. This program is located at the Johnstone facility. A Juvenile Boot Camp became operational in February 1996 at Wharton Tract.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Education Programs				
Participants				
Basic Education	1,512	1,253	1,284	1,334
General Education Development	50	43	44	46
Vocational Education	428	356	365	379
OPERATING DATA				
Physical Plant and Support Services				
Design Capacity	410	380	410	410
Juvenile Boot Camp	90	60 [a]	90	90
144 Bed Secure Facility	144	144	144	144
Johnstone Secure Facilities (b)	176	176	176	176
Ratio: Population/positions	1/1	.8/1	.8/1	.8/1
Annual per capita	$66,249	$79,163	$86,518	$84,277
Daily per capita	$181.50	$216.88	$237.04	$230.90
Average Daily Population	429	356	365	379
Juvenile Boot Camp	79	61	71	75
144 Bed Secure Facility	136	155	144	144
Johnstone Secure Facilities (b)	214	140	150	160
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	346	372	376	390
Federal	1	—	—	—
All Other	79	86	82	89
Total Positions	426	458	458	479
Filled Positions by Program Class				
Institutional Control and Supervision	273	289	289	280
Institutional Care and Treatment	109	119	122	149
Administration and Support Services	44	50	47	50
Total Positions	426	458	458	479

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) The Juvenile Boot Camp program was converted into the Life Skills and Leadership Academy in fiscal year 2004.

(b) Johnstone Secure Facilities reflects the consolidation of capacity and population data previously displayed as the Juvenile Medium Secure Facility and the Hayes Unit Female Secure Facility.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
22,134	—	227	22,361	22,331	Institutional Control and Supervision	35	22,934	22,934	22,934
3,859	—	–841	3,018	3,017	Institutional Care and Treatment	36	4,827	5,189	5,189
2,546	—	289	2,835	2,834	Administration and Support Services	99	3,818	3,803	3,803
28,539	—	***–325***	***28,214***	***28,182***	***Total Direct State Services***		***31,579*** (a)	***31,926***	***31,926***
					Distribution by Fund and Object				
					Personal Services:				
14,090	—	387	14,477	14,406	Salaries and Wages		15,776 2,240 S	18,378	18,378
—	—	—	—	71	Food In Lieu of Cash		59	59	59
14,090	—	*387*	*14,477*	*14,477*	*Total Personal Services*		*18,075*	*18,437*	*18,437*
782	—	56	838	838	Materials and Supplies		782	782	782
2,118	—	–765	1,353	1,353	Services Other Than Personal		1,173 (b)	1,173	1,173
199	—	–3	196	194	Maintenance and Fixed Charges		199	199	199
					Special Purpose:				
4,046	—	—	4,046	4,016	Juvenile Boot Camp	35	4,046	4,046	4,046
6,536	—	—	6,536	6,536	Juvenile Reception and Assessment Center	35	6,513	6,513	6,513
66	—	—	66	66	Mental Health Unit–State Match	35	66	66	66
702	—	—	702	702	Johnstone Facility Maintenance	99	702	687	687
—	—	—	—	—	Additions, Improvements and Equipment		23	23	23
28,539	—	***–325***	***28,214***	***28,182***	***Grand Total State Appropriation***		***31,579***	***31,926***	***31,926***
					OTHER RELATED APPROPRIATIONS				
					All Other Funds				
—	499	4,100	4,599	4,552	Institutional Care and Treatment	36	5,674	5,674	5,674
—	***499***	***4,100***	***4,599***	***4,552***	***Total All Other Funds***		***5,674***	***5,674***	***5,674***
28,539	***499***	***3,775***	***32,813***	***32,734***	***GRAND TOTAL ALL FUNDS***		***37,253***	***37,600***	***37,600***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) Funding of $945,000 has been reallocated from the Services Other Than Personal account to the Personal Services account.

10. PUBLIC SAFETY AND CRIMINAL JUSTICE
19. CENTRAL PLANNING, DIRECTION AND MANAGEMENT

OBJECTIVES

1. To develop and maintain library resources and to provide information resource/retrieval services to selected agencies within the Department of Law and Public Safety.
2. To maximize management and legal services necessary to marshal efficiently, effectively and economically State and federal resources.

PROGRAM CLASSIFICATIONS

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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	1,199	1,218	1,284	1,334
Male Minority %	13.5	13.4	13.4	13.5
Female Minority	1,123	1,185	1,272	1,313
Female Minority %	12.7	13.0	13.3	13.3
Total Minority	2,322	2,403	2,556	2,647
Total Minority %	26.2	26.4	26.7	26.8
Position Data				
Filled Positions by Funding Source				
State Supported	146	145	151	146
Federal	—	—	1	9
Total Positions	146	145	152	155
Filled Positions by Program Class				
Central Library Services	7	6	9	8
Administration and Support Services	139	139	143	147
Total Positions	146	145	152	155

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
796	—	–22	774	774	Central Library Services	88	603	603	603
14,408	—	458	14,866	14,422	Administration and Support Services	99	15,644	15,469	15,469
15,204	—	***436***	***15,640***	***15,196***	***Total Direct State Services***		***16,247*** [a]	***16,072***	***16,072***
					Distribution by Fund and Object				
					Personal Services:				
7,819	—	448	8,267	8,267	Salaries and Wages		9,087	9,087	9,087

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
7,819	—	*448*	*8,267*	*8,267*	*Total Personal Services*		*9,087*	*9,087*	*9,087*
362	—	92	454	454	Materials and Supplies		162	162	162
366	—	–41	325	324	Services Other Than Personal		166	166	166
88	—	–13	75	75	Maintenance and Fixed Charges		88	88	88
					Special Purpose:				
4,100	—	–50	4,050	3,607	Fiscal Integrity Unit/Office of Government Integrity	99	4,100	4,100	4,100
250	—	—	250	250	Smart Growth Enforcement	99	250	250	250
198	—	—	198	198	Affirmative Action and Equal Employment Opportunity	99	198	198	198
2,000	—	—	2,000	2,000	Office of Counter–Terrorism	99	2,000	2,000	2,000
—	—	—	—	—	Criminal Sentencing Commission	99	175	—	—
21	—	—	21	21	Additions, Improvements and Equipment		21	21	21
					GRANTS–IN–AID				
					Distribution by Fund and Program				
—	—	10	10	10	Administration and Support Services	99	—	—	—
—	—	*10*	*10*	*10*	*Total Grants–in–Aid*		—	—	—
					Distribution by Fund and Object				
					Grants:				
—	—	10	10	10	Ceasefire Gun Prevention Education and Advocacy	99	—	—	—
15,204	—	*446*	*15,650*	*15,206*	*Grand Total State Appropriation*		*16,247*	*16,072*	*16,072*
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
125,950	897	–1,151	125,696	925	Administration and Support Services	99	7,244	7,244	7,244
125,950	*897*	*–1,151*	*125,696*	*925*	*Total Federal Funds*		*7,244*	*7,244*	*7,244*
					All Other Funds				
—	1,672 3,385 R	5,031	10,088	6,343	Administration and Support Services	99	10,255	10,255	10,255
—	*5,057*	*5,031*	*10,088*	*6,343*	*Total All Other Funds*		*10,255*	*10,255*	*10,255*
141,154	*5,954*	*4,326*	*151,434*	*22,474*	*GRAND TOTAL ALL FUNDS*		*33,746*	*33,571*	*33,571*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 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, 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, 2005 and February 1, 2006, 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.

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 Economic Development Authority for oversight services including employee benefit costs in connection with the school construction program.

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 Counter–Terrorism 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.

The unexpended balances at the end of the preceding fiscal year in the Criminal Sentencing Commission 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
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.

26. **Child Advocate.** Investigates, reviews, monitors and evaluates all State agencies and service providers, ensuring the safety of children, as well as responding to allegations of child abuse and neglect.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Legal Services				
Appeals pending	1,477	1,685	1,720	1,806
Appeals disposed	1,668	1,835	1,923	2,019
Formal administrative agency advice pending	58	73	66	76
Administrative agency advice completed	223	234	186	214
Litigation pending (a)	12,004	12,776	13,890	15,279
Litigation concluded	6,544	5,497	6,423	6,551
Other matters pending	6,064	5,630	5,971	5,971
Other matters concluded	3,599	3,779	2,812	2,896
Administrative hearings pending	3,790	4,059	4,485	4,934
Administrative hearings concluded	1,863	1,956	1,761	1,673
Workers Compensation pending	6,642	6,761	6,579	6,908
Workers Compensation completed	1,455	1,397	1,594	1,594
Second Injury pending	5,902	6,346	7,531	7,908
Second Injury completed	2,245	2,357	1,077	1,131
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	926	973	1,037	1,134
Total Positions	926	973	1,037	1,134
Filled Positions by Program Class				
Legal Services (b)	926	966	1,022	1,109 (c)
Child Advocate	—	7	15	25
Total Positions	926	973	1,037	1,134

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) Pending Litigation matters are increasing primarily due to DYFS.

(b) Of the 93 funded positions for the Child Welfare Reform, 26 positions were filled in 2005.

(c) The funded position counts for fiscal year 2006 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, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
19,499	51,489	—	70,988	70,755	Legal Services	12	77,078	77,078	77,078
2,000	—	—	2,000	1,200	Child Advocate Agency	26	2,500	2,500	2,500
21,499	***51,489***	—	***72,988***	***71,955***	***Total Direct State Services***		***79,578*** (a)	***79,578***	***79,578***
					Less:				
—	(51,489)	—	(51,489)	(51,256)	Legal Services		(56,345)	(56,345)	(56,345)
—	***(51,489)***	—	***(51,489)***	***(51,256)***	***Total Income Deductions***		***(56,345)***	***(56,345)***	***(56,345)***
21,499	—	—	***21,499***	***20,699***	***Total State Appropriation***		***23,233***	***23,233***	***23,233***
					Distribution by Fund and Object				
					Personal Services:				
16,994	—	—	16,994	16,994	Salaries and Wages		18,339	18,339	18,339
16,994	—	—	*16,994*	*16,994*	*Total Personal Services*		*18,339*	*18,339*	*18,339*
112	—	—	112	112	Materials and Supplies		89	89	89
701	—	—	701	701	Services Other Than Personal		601	601	601
262	—	—	262	262	Maintenance and Fixed Charges		262	262	262
					Special Purpose:				
—	4 51,485 R	—	51,489	51,256	Legal Services	12	56,345 (b)	56,345	56,345
1,430	—	—	1,430	1,430	Child Welfare Unit	12	1,442	1,442	1,442
2,000	—	—	2,000	1,200	Child Advocate Agency	26	2,500	2,500	2,500
					Less:				
—	*(4)* *(51,485)* R	—	*(51,489)*	*(51,256)*	*Income Deductions*		*(56,345)*	*(56,345)*	*(56,345)*
21,499	—	—	***21,499***	***20,699***	***Grand Total State Appropriation***		***23,233***	***23,233***	***23,233***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) Receipts collected for Legal Services are increased due to a reimbursement from the Division of Youth and Family Services Child Welfare Reform Plan.

Language Recommendations — Direct State Services – General Fund

In addition to the $56,345,126 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.

The unexpended balances at the end of the preceding fiscal year in the Child Advocate Agency are appropriated 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 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 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 Board.** 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 is an agency "in but not of" the Department of Law and Public Safety.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Consumer Affairs				
Weights and Measures				
Licenses and permits issued	2,057	1,875	1,800	1,800
Devices tested	125,065	99,031	100,000	100,000
Penalties collected	$2,010,670	$2,123,444	$2,200,000	$2,200,000
Commodity checks	463,011	492,459	500,000	500,000
Securities Bureau				
Special investigations	38	58	60	60
Inquiries	23,939	19,654	20,000	20,000
Hearings and conferences	179	215	200	200
Applications	203,543	208,274	200,000	200,000
Administrative orders	31	50	50	50
Registrations	172,937	177,136	175,000	175,000
Consumer Protection Programs				
Mail received	95,617	101,255	150,000	150,000
Consumer complaints opened	8,527	8,580	8,600	8,600
Consumer complaints closed	2,465	3,035	2,500	2,500
Value of restitutions made	$22,004,626 [a]	$3,993,209	$4,500,000	$4,500,000
Penalties collected	$3,383,084	$6,780,508	$3,500,000	$3,500,000
Number of controlled dangerous substance manufacturers registered	38,443	39,175	39,500	39,500
Licenses issued – Public Movers and Warehouseman	369	338	350	350
Operation of State Professional Boards				

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Licenses in Force (end of year)				
Certified Public Accountants	23,448	24,509	24,000	24,000
Architects	8,323	8,038	8,100	8,100
Dentists and Dental Hygienists	20,512	19,769	20,000	20,000
Mortuary Science	2,615	2,706	2,700	2,700
Professional Engineers and Land Surveyors	20,948	19,319	20,000	20,000
Medical Examiners	33,189	37,536	38,000	38,000
Nursing	177,208	168,632	170,000	170,000
Optometrists	2,881	2,136	2,200	2,200
Pharmacy	14,314	14,959	15,000	15,000
Veterinary Medical Examiners	2,078	2,074	2,100	2,100
Shorthand Reporting	1,160	1,176	1,180	1,180
Ophthalmic Dispensers and Ophthalmic Technician	1,924	1,646	1,700	1,700
Cosmetology and Hairstyling	73,504	78,541	80,000	80,000
Professional Planners	3,048	2,941	3,000	3,000
Electrical Contractors	15,414	15,246	15,500	15,500
Psychological Examiners	2,803	2,845	2,900	2,900
Master Plumbers	6,426	6,375	6,500	6,500
Marriage Counselor Examiners	3,020	3,360	3,500	3,500
Chiropractic Examiners	3,453	3,383	3,500	3,500
Physical Therapists	8,312	8,274	8,300	8,300
Audiology and Speech Pathology	3,753	3,762	3,800	3,800
Real Estate Appraisal	3,382	2,536	2,800	2,800
Respiratory Care	3,306	3,122	3,300	3,300
Social Work Examiners	15,823	16,622	17,000	17,000
Orthotics and Prosthetics	11	236	250	250
Occupational Therapists	3,754	3,808	3,800	3,800
Cemetery Companies	394	400	400	400
Protection of Civil Rights				
Caseload				
Cases received (docketed)	1,096	1,157	1,200	1,200
Cases closed (resolved)	1,546	1,251	1,300	1,360
Ending balance (cumulative)	1,454	1,360	1,260	1,100
Complaints received (not docketed)	5,994	8,723	8,000	8,000
Monetary awards	2,921,300	2,634,772	2,600,000	2,700,000
Victims of Crime Compensation Board				
Claims pending, July 1	3,477	2,616	1,761	1,411
Cases re–opened	221	208	250	250
Claims received	2,853	3,301	4,300	4,500
Claims concluded	3,935	4,019	4,900	5,100
Approved for payment	2,120	2,923	2,940	3,120
Denied	1,815	1,096	1,960	1,980
Ending balance, June 30	2,616	1,761	1,411	1,061
Average award	$6,258	$5,700	$6,000	$6,000
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	757	802	842	895
All Other	3	4	4	4
Total Positions	760	806	846	899
Filled Positions by Program Class				
Consumer Affairs	421	455	483	515
Operation of State Professional Boards	214	215	227	252
Protection of Civil Rights	80	88	88	84
Victims of Crime Compensation Board	45	48	48	48
Total Positions	760	806	846	899

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimates for fiscal year 2006 reflects the number of positions funded.

(a) The fiscal year 2003 value of restitutions made under Consumer Protection Programs includes a $17 million settlement of a major case against Household Finance.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
19,191	20,359	–9	39,541	31,541	Consumer Affairs	14	14,161	13,914	13,914
17,633	70,988	2	88,623	40,088	Operation of State Professional Boards	15	17,633	17,633	17,633
17,541	*70,987*	*2*	*88,530*	*39,995*	*(From General Fund)*		*17,541*	*17,541*	*17,541*
92	*1*	—	*93*	*93*	*(From Casino Revenue Fund)*		*92*	*92*	*92*
5,330	443	386	6,159	5,908	Protection of Civil Rights	16	5,415	5,415	5,415
5,492	15,277	4	20,773	16,026	Victims of Crime Compensation Board	19	5,608	5,608	5,608
47,646	***107,067***	***383***	***155,096***	***93,563***	***Total Direct State Services***		***42,817***	***42,570***	***42,570***
47,554	*107,066*	*383*	*155,003*	*93,470*	*(From General Fund)*		*42,725* (a)	*42,478*	*42,478*
92	*1*	—	*93*	*93*	*(From Casino Revenue Fund)*		*92*	*92*	*92*
					Distribution by Fund and Object				
					Personal Services:				
7,849	53,697 21,936 R	–13,926	69,556	23,080	Salaries and Wages		11,133	10,886	10,886
86	—	1	87	66	Salaries and Wages (CRF)		66	66	66
—	—	—	—	3,640	Employee Benefits		—	—	—
—	—	—	—	21	Employee Benefits (CRF)		20	20	20
7,935	*75,633*	*–13,925*	*69,643*	*26,807*	*Total Personal Services*		*11,219*	*10,972*	*10,972*
7,849	*75,633*	*–13,926*	*69,556*	*26,720*	*(From General Fund)*		*11,133*	*10,886*	*10,886*
86	—	*1*	*87*	*87*	*(From Casino Revenue Fund)*		*86*	*86*	*86*
610	229	242	1,081	588	Materials and Supplies		490	490	490
16,076 5,000 S	3,111	14,526	38,713	34,140	Services Other Than Personal		13,028	13,028	13,028
6	—	—	6	6	Services Other Than Personal (CRF)		6	6	6
1,594	168	457	2,219	2,071	Maintenance and Fixed Charges		1,896	1,896	1,896
					Special Purpose:				
1,390	2 12 R	—	1,404	1,401	Consumer Affairs Legalized Games of Chance	14	1,390	1,390	1,390
6,994	5,518 3,731 R	–50	16,193	8,928	Securities Enforcement Fund	14	6,994	6,994	6,994
2,612	73 1,035 R	—	3,720	3,663	Consumer Affairs Weights and Measures Program	14	2,612	2,612	2,612
695	682 659 R	—	2,036	1,397	Consumer Affairs Charitable Registrations Program	14	695	695	695
50	171 153 R	29	403	202	Operation of State Professional Boards	15	—	—	—
500	—	—	500	404	Personal Care Attendants — Background Checks	15	500	500	500
350	350	250	950	700	Civil Rights Case Tracking System	16	100	100	100
3,630	9,212 4,689 R	–1,040	16,491	12,971	Claims – Victims of Crime	19	3,630	3,630	3,630
—	911 465 R	–151	1,225	—	Criminal Disposition and Revenue Collection Fund	19	—	—	—
150	—	–66	84	84	Victims of Crime Outreach Program	19	150	150	150

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					DIRECT STATE SERVICES				
54	262	112	428	201	Additions, Improvements and Equipment		107	107	107
—	1	–1	—	—	Additions, Improvements and Equipment (CRF)		—	—	—
47,646	*107,067*	*383*	*155,096*	*93,563*	***Grand Total State Appropriation***		*42,817*	*42,570*	*42,570*
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
532									
50 S	592	—	1,174	695	Protection of Civil Rights	16	600	600	600
4,850	2,315	—	7,165	6,915	Victims of Crime Compensation Board	19	7,000	7,000	7,000
5,432	*2,907*	—	*8,339*	*7,610*	***Total Federal Funds***		*7,600*	*7,600*	*7,600*
					All Other Funds				
	40								
—	113 R	—	153	—	Consumer Affairs	14	13,280	13,280	13,280
—	81 R	—	81	77	Protection of Civil Rights	16	90	90	90
—	—	—	—	—	Victims of Crime Compensation Board	19	4,245	4,245	4,245
—	*234*	—	*234*	*77*	***Total All Other Funds***		*17,615*	*17,615*	*17,615*
53,078	*110,208*	*383*	*163,669*	*101,250*	***GRAND TOTAL ALL FUNDS***		*68,032*	*67,785*	*67,785*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Language Recommendations — Direct State Services – General Fund

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.

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 appropriated hereinabove 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, 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 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.

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 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 for each of the several State professional boards, advisory boards, and committees shall be provided from receipts of those entities, and any receipts in excess of the amounts specifically provided to each of the entities are appropriated. 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 sum hereinabove 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, 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 Board operational costs up to $1,175,000, and $356,000 for the Boards Strategic IT Automation Initiative, 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.

Receipts derived from licensing fees pursuant to subsection f. of N.J.S.2C:58–5 and registration fees pursuant to section 11 of P.L. 1990, c. 32 (C. 2C:58–12) and the unexpended balance at the end of the preceding fiscal year are appropriated for payment of claims for victims of crime pursuant to P.L. 1971, c. 317 (C. 52:4B–1 et seq.) and additional board operational costs, 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.

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 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.

DEPARTMENT OF MILITARY AND VETERANS' AFFAIRS

OVERVIEW

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 are: to support New Jersey Homeland Security by providing specialized teams, training for emergency first responders, and supplemental security and protection of critical New Jersey facilities and infrastructure; to provide modernized combat – ready military units to mobilize and deploy in support of the state and national strategy; to provide quality units that are properly organized, equipped and trained to preserve peace, order and public safety in support of civil authorities; and to support and assist New Jersey's veterans, National Guard and their families.

Budget Highlights

The total budget for fiscal 2006 is $86.7 million, a decrease of $1.0 million or (1.1%) over the fiscal 2005 adjusted appropriation of $87.7 million. The Fiscal 2006 Budget for DMAVA provides the resources to operate three veterans memorial homes, the Brigadier General Doyle Veterans Cemetery, a 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 Syndrome treatment and veterans' transportation. The department also awards over 10,000 of the following medals to our deserving veterans: Distinguished Service Medal, Meritorious Service Medal, the NJ Vietnam Service Medal, and the NJ Korean War Service Medal.

Support to Our Veterans

New funding commitments for fiscal 2006 are: nearly $500,000 in additional funding to provide specialized care for dementia/Alzheimer's residents in the Old Glory Wing of the Menlo Park Veterans' Home, which opened in April, 2004; an additional $1.7 million to fund operating costs at the new Vineland Veterans' Home scheduled to open in the summer of 2005; $500,000 in additional funding to address a waiting list of veterans in need of Post Traumatic Stress Disorder treatment/therapy and to extend treatment/therapy length for those in greater need; and $175,000 in capital funding to replace four obsolete HVAC systems at the Paramus Veterans' Memorial Home.

Upon the opening of the new Vineland home, New Jersey will have three state–of–the–art facilities. In total, a State appropriation of $61.9 million will support these facilities, including the cost of 108 new beds.

The commitment of $2.2 million for the operation of the Doyle Cemetery, combined with the U.S. Department of Veterans Affairs' increase in Plot Interment Allowance, will allow the department to increase the number of grounds workers at the cemetery to keep pace with the increasing rate of mortality of our World War II veterans.

The Doyle Cemetery Honor Guard is funded at $462,000, the same level as last year. This funding will enable DMAVA to render honors to all veterans interred at the cemetery as well as two off–site burials a day.

The Veterans Haven appropriation is $590,000. This funding, along with the continuing commitment of the U.S. Department of Veterans Affairs and the U.S. Department of Housing and Urban Development, will adequately support this vital transition program for our homeless veterans.

Homeland Security

In accordance with the New Jersey Domestic Security Preparedness Act, DMAVA is responsible for training and equipping domestic emergency response teams in support of New Jersey's Homeland Security program. These teams serve as first responders for disaster recovery related to acts of terrorism, weapons of mass destruction incidents, and other public safety emergencies. In fiscal 2003, DMAVA expanded its ability to coordinate Homeland Security needs by opening a new Command and Control facility. In addition, funding of $3.2 million is continued in fiscal 2006 to enhance the physical security of key power generating stations through the assignment of the New Jersey National Guard to supplement the existing security at each facility.

This budget also includes $380,000 to support operations of the Weapons of Mass Destruction (WMD) program. This program provides direct assistance to civil authorities and enables the Department to maintain a WMD response capability.

Capital Recommendations

This budget recommends $175,000 in capital funds to replace four obsolete HVAC systems at the Paramus Veterans' Memorial Home. The replacement of the HVAC units will ensure continuous air circulation and a uniform temperature throughout the facility to maintain the quality of life for the residents. The state share of $175,000 will generate $373,000 in federal matching funds.

Department Accomplishments

Recent departmental initiatives and accomplishments include: more than 3,300 New Jersey Army National Guard soldiers and more than 2,000 members of the New Jersey Air National Guard mobilized to provide security at New Jersey's airports, key designated infrastructure, nuclear power generating plants and key federal military installations in New Jersey and overseas in support of U.S.–led operations in the War on Terrorism and to protect America's airways by flying combat air patrols throughout the eastern United States; dedication of a 1,680 above ground niche columbarium in November 2004 and the initial construction of a new Administration/Maintenance complex at the Brigadier General Doyle Cemetery; ongoing construction of a new Vineland Veterans Memorial Home scheduled to open in the summer of 2005; and initiation of the design for the World War II Memorial to be located in Veterans Park across from the State House, scheduled for completion in the fall of 2005.

DEPARTMENT OF MILITARY AND VETERANS' AFFAIRS

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
77,802	3,331	605	81,738	80,049	Direct State Services	84,031	85,011	85,011
1,044	63	——	1,107	1,052	Grants–In–Aid	1,044	1,544	1,544
165	1,464	——	1,629	920	Capital Construction	2,627	175	175
79,011	4,858	605	84,474	82,021	Total General Fund	87,702	86,730	86,730
79,011	*4,858*	*605*	*84,474*	*82,021*	*GRAND TOTAL*	*87,702*	*86,730*	*86,730*

SUMMARY OF APPROPRIATIONS BY ORGANIZATION

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES – GENERAL FUND			
					Military Services			
4,983	1	150	5,134	5,131	Central Operations	5,265	5,115	5,115
12,143	1,967	——	14,110	13,522	National Guard Programs Support	12,828	11,828	11,828
17,126	*1,968*	*150*	*19,244*	*18,653*	*Subtotal*	*18,093*	*16,943*	*16,943*
					Services to Veterans			
5,687	1,341	61	7,089	6,923	Veterans' Program Support	6,158	6,158	6,158
18,823	——	–260	18,563	17,639	Menlo Park Veterans' Memorial Home	20,330	20,785	20,785
18,328	——	680	19,008	19,008	Paramus Veterans' Memorial Home	19,312	19,312	19,312
17,838	22	–26	17,834	17,826	Vineland Veterans' Memorial Home	20,138	21,813	21,813
60,676	*1,363*	*455*	*62,494*	*61,396*	*Subtotal*	*65,938*	*68,068*	*68,068*
77,802	***3,331***	***605***	***81,738***	***80,049***	***Subtotal Direct State Services – General Fund***	***84,031***	***85,011***	***85,011***
77,802	***3,331***	***605***	***81,738***	***80,049***	***TOTAL DIRECT STATE SERVICES***	***84,031***	***85,011***	***85,011***
					GRANTS–IN–AID – GENERAL FUND			
					Military Services			
35	——	——	35	35	National Guard Programs Support	35	35	35
					Services to Veterans			
1,009	63	——	1,072	1,017	Veterans' Program Support	1,009	1,509	1,509
1,044	***63***	——	***1,107***	***1,052***	***Subtotal Grants–In–Aid – General Fund***	***1,044***	***1,544***	***1,544***
1,044	***63***	——	***1,107***	***1,052***	***TOTAL GRANTS–IN–AID***	***1,044***	***1,544***	***1,544***
					CAPITAL CONSTRUCTION			
					Military Services			
165	943	–17	1,091	648	Central Operations	2,627	175	175
——	174	——	174	29	National Guard Programs Support	——	——	——
165	*1,117*	*–17*	*1,265*	*677*	*Subtotal*	*2,627*	*175*	*175*

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					Services to Veterans			
—	114	—	114	—	Veterans' Program Support	—	—	—
—	16	17	33	33	Menlo Park Veterans' Memorial Home	—	—	—
—	217	—	217	210	Vineland Veterans' Memorial Home	—	—	—
—	*347*	*17*	*364*	*243*	*Subtotal*	—	—	—
165	***1,464***	—	***1,629***	***920***	***Subtotal Capital Construction***	***2,627***	***175***	***175***
165	***1,464***	—	***1,629***	***920***	***TOTAL CAPITAL CONSTRUCTION***	***2,627***	***175***	***175***
79,011	***4,858***	***605***	***84,474***	***82,021***	***TOTAL APPROPRIATION***	***87,702***	***86,730***	***86,730***

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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
New Jersey National Guard Support Services				
Armory use data (days)	23,622	26,408	25,016	24,491
Military	15,905	12,915	14,410	12,982
Other State agencies	1,640	1,169	1,405	1,512
Private/Public	6,077	12,324	9,201	9,997
Land management (acres)	10,986	10,975	10,975	10,975
Authorized strength of Army National Guard	7,364	7,600	7,600	7,600
Strength of Army National Guard, June 30	85%	84%	81%	81%
Authorized strength of Air National Guard	2,440	2,440	2,400	2,338
Strength of Air National Guard, June 30	100%	100%	96%	95%

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Joint Training Center Management and Operations				
Individuals Trained (Person Days)				
New Jersey National Guard Troops	30,000	26,244	35,000	35,000
State Police officers in–service training	13,800	4,860	3,480	3,280
State Police recruit training	5,670	11,443	35,847	30,120
Criminal Justice	15,511	8,324	8,965	8,900
Juvenile Justice Commission	——	7,018 (a)	7,932	8,110
Department of Corrections	24,800	19,830	39,960	27,000
Division of Highway Safety	2,577	2,045	2,070	2,690
Challenge Youth Program	29,740	26,127	32,700	35,000
All others	13,399	32,685	38,860	33,000
PERSONNEL DATA				
Affirmative Action Data				
Male minority	200	200	191	191
Male minority %	14.7	14.3	13.2	11.5
Female minority	649	649	643	643
Female minority %	47.7	46.4	44.3	38.8
Total	849	849	834	834
Total %	62.4	60.7	57.5	50.3
Position Data				
Filled Positions by Funding Source				
State Supported	138	131	132	157
Federal	144	146	152	175
Total Positions	282	277	284	332
Filled Positions by Program Class				
New Jersey National Guard Support Services	216	212	217	255
Joint Training Center Management and Operations	8	9	8	15
Administration and Support Services	58	56	59	62
Total Positions	282	277	284	332

Notes:

Actual Payroll counts are reported for fiscal years 2003 and 2004 as of December, and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) As of fiscal year 2004 the Juvenile Justice Commission is reported as a separate entity. Prior to fiscal year 2004, individuals trained were included in the Criminal Justice amounts.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
12,143	1,967	——	14,110	13,522	New Jersey National Guard Support Services	40	12,828	11,828	11,828
494	——	–82	412	409	Joint Training Center Management and Operations	60	494	494	494
4,489	1	232	4,722	4,722	Administration and Support Services	99	4,771	4,621	4,621
17,126	***1,968***	***150***	***19,244***	***18,653***	***Total Direct State Services***		***18,093*** (a)	***16,943***	***16,943***

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Object				
					Personal Services:				
7,278	—	–767	6,511	6,510	Salaries and Wages		7,485	7,485	7,485
7,278	—	*–767*	*6,511*	*6,510*	*Total Personal Services*		*7,485*	*7,485*	*7,485*
1,257									
23 S	—	83	1,363	1,362	Materials and Supplies		1,257	1,257	1,257
602									
52 S	2	861	1,517	1,515	Services Other Than Personal		602	602	602
1,053	—	202	1,255	1,255	Maintenance and Fixed Charges		1,053	1,053	1,053
					Special Purpose:				
	329				New Jersey National Guard				
—	1,160 R	–1,066	423	—	Support Services	40	—	—	—
3,180					Nuclear Facilities Security				
256 S	—	—	3,436	3,436	Detail	40	3,180	3,180	3,180
280	—	—	280	280	Weapons of Mass Destruction Program	40	380	380	380
—	—	—	—	—	Jersey City Armory	40	1,000	—	—
500					National Guard–State Active				
159 S	—	—	659	659	Duty	40	500	500	500
920	—	—	920	920	New Jersey National Guard Challenge Youth Program	40	920	920	920
1,302	475	—	1,777	1,613	Joint Federal–State Operations and Maintenance Contracts (State Share)	40	1,302	1,302	1,302
5	—	—	5	5	Affirmative Action and Equal Employment Opportunity	99	5	5	5
250	—	—	250	250	Nursing Initiative	99	250	250	250
—	—	—	—	—	Retention of U.S. Military Infrastructure in New Jersey	99	150	—	—
9	2	837	848	848	Additions, Improvements and Equipment		9	9	9
					GRANTS–IN–AID				
					Distribution by Fund and Program				
35	—	—	35	35	New Jersey National Guard Support Services	40	35	35	35
35	—	—	***35***	***35***	***Total Grants–in–Aid***		***35***	***35***	***35***
					Distribution by Fund and Object				
					Grants:				
35	—	—	35	35	Civil Air Patrol	40	35	35	35
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	174	—	174	29	New Jersey National Guard Support Services	40	—	—	—
—	17	–17	—	—	Joint Training Center Management and Operations	60	—	—	—
165	926	—	1,091	648	Administration and Support Services	99	2,627	175	175
165	***1,117***	***–17***	***1,265***	***677***	***Total Capital Construction***		***2,627***	***175***	***175***
					Distribution by Fund and Object				
					Central Operations				
—	17	–17	—	—	Corrections – Sea Girt Project	60	—	—	—
—	1	46	47	32	Fire and Life Safety, Statewide	99	—	—	—
—	32	—	32	12	Renovations and Improvements, Statewide	99	627	—	—
—	84	—	84	—	Security Enhancements	99	—	—	—

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					CAPITAL CONSTRUCTION				
—	179	–16	163	57	Preservation of Existing Structures	99	—	—	—
—	30	–30	—	—	Sea Girt Training Center – Criminal and Juvenile	99	—	—	—
—	28	—	28	17	Infrastructure Projects, Statewide	99	—	175	175
—	91	—	91	49	Environmental Projects, Statewide	99	—	—	—
—	—	—	—	—	World War II Memorial	99	2,000	—	—
—	481	—	481	481	Rehabilitation of Headquarters Building	99	—	—	—
165	—	—	165	—	Youth Challenge Program – Building Renovations	99	—	—	—
					National Guard Programs Support				
—	174	—	174	29	Mobilization and Training Equipment Site (MATES) – Lakehurst – Design Study	40	—	—	—
17,326	***3,085***	***133***	***20,544***	***19,365***	***Grand Total State Appropriation***		***20,755***	***17,153***	***17,153***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
18,322	5,489	250	24,061	15,282	New Jersey National Guard Support Services	40	20,172	20,422	20,422
26,000	2,000	—	28,000	2,000	Administration and Support Services	99	—	—	—
44,322	***7,489***	***250***	***52,061***	***17,282***	***Total Federal Funds***		***20,172***	***20,422***	***20,422***
					All Other Funds				
—	20 45 R	—	65	33	New Jersey National Guard Support Services	40	1,140	1,140	1,140
—	4	—	4	4	Administration and Support Services	99	—	—	—
—	***69***	—	***69***	***37***	***Total All Other Funds***		***1,140***	***1,140***	***1,140***
61,648	***10,643***	***383***	***72,674***	***36,684***	***GRAND TOTAL ALL FUNDS***		***42,067***	***38,715***	***38,715***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriations has been adjusted for the allocation of salary program.

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Language Recommendations — Direct State Services – General Fund

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 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 Joint Federal–State Operations and Maintenance Contracts (State share) 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, 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.

80. SPECIAL GOVERNMENT SERVICES
83. SERVICES TO VETERANS
3610. VETERANS' PROGRAM SUPPORT

OBJECTIVES

1. To identify and provide the services necessary to meet the needs of the veteran population in New Jersey.
2. To provide outreach programs to advise the New Jersey veteran population of the total spectrum of services available to them.
3. 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.
4. 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).

PROGRAM CLASSIFICATIONS

20. **Treatment Services.** Provides nursing and medical care to veterans and their eligible spouses at the memorial homes.
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.
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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Veterans' Outreach and Assistance				
Number of veterans served	37,000	38,000	39,100	41,500
Number of claims processed	3,238	4,000	4,100	4,500
VA special monetary benefits provided (in millions)	$48	$49	$50	$52
Veterans' Tuition Credit program participants	40	40	40	40
POW/MIA Tuition participants	2	2	2	4
Blind veterans receiving allowances	63	63	60	61
Paraplegic and hemiplegic veterans receiving allowances	374	379	346	350
Veterans' orphans receiving educational grants	7	7	5	5
Veterans transportation (trips)	23,848	24,000	24,750	25,000
Post traumatic stress disorder counseling sessions	5,252	5,400	5,500	7,000
Veterans Haven residents	53	54	54	56
State approving agency				
Approved program sites	750	880	810	301
Program approving actions	3,864	4,462	4,300	4,500
Approving agency visits to program sites	605	351	350	360
Other activities	206	177	177	180
Burial Services				
Brigadier General Doyle Memorial Cemetery				
Rated capacity	110,000	156,000	215,000 [a]	215,000
Number of new interments	2,446	2,669	2,700	2,800
Total interments	28,451	31,120	33,820	36,620
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	104	105	102	119
Federal	5	6	6	6
Total Positions	109	111	108	125

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Filled Positions by Program Class				
Veterans' Outreach and Assistance	62	61	55	62
Veterans' Haven	13	16	16	19
Burial Services	34	34	37	44
Total Positions	109	111	108	125

Notes:

(a) Assumes full federal funding of the expansion and improvements outlined in the Cemetery Master Plan.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
3,283	687	–527	3,443	3,282	Veterans' Outreach and Assistance	50	3,408	3,408	3,408
494	—	527	1,021	1,021	Veterans Haven	51	590	590	590
1,910	654	61	2,625	2,620	Burial Services	70	2,160	2,160	2,160
5,687	***1,341***	***61***	***7,089***	***6,923***	***Total Direct State Services***		***6,158*** (a)	***6,158***	***6,158***
					Distribution by Fund and Object				
					Personal Services:				
3,853	16	154	4,023	4,022	Salaries and Wages		4,299	4,299	4,299
3,853	*16*	*154*	*4,023*	*4,022*	*Total Personal Services*		*4,299*	*4,299*	*4,299*
416	27 595 R	–308	730	730	Materials and Supplies		416	416	416
193	7	365	565	563	Services Other Than Personal		193	193	193
93	6	128	227	226	Maintenance and Fixed Charges		93	93	93
					Special Purpose:				
—	233 419 R	–527	125	—	Veterans' Outreach and Assistance	50	—	—	—
350	—	—	350	349	Vietnam Memorial and Education Center	50	350	350	350
131	—	—	131	130	Veterans' State Benefits Bureau	50	156	156	156
90	—	—	90	90	Korean War Memorial Maintenance Program	50	90	90	90
—	35	—	35	1	Korean Veterans Memorial Fund	50	—	—	—
5	—	—	5	5	Governor's Veterans' Services Council	50	5	5	5
94	—	—	94	94	Veterans Haven	51	94	94	94
462	—	—	462	462	Honor Guard Support Services	70	462	462	462
—	3	249	252	251	Additions, Improvements and Equipment		—	—	—
					GRANTS–IN–AID				
					Distribution by Fund and Program				
1,009	63	—	1,072	1,017	Veterans' Outreach and Assistance	50	1,009	1,509	1,509
1,009	***63***	—	***1,072***	***1,017***	***Total Grants–in–Aid***		***1,009***	***1,509***	***1,509***
					Distribution by Fund and Object				
					Grants:				
38	60	–43	55	10	Veterans' Tuition Credit Program	50	38	38	38
11	2	13	26	25	POW/MIA Tuition Assistance	50	11	11	11
7	1	–8	—	—	Vietnam Veterans' Tuition Aid	50	7	7	7

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					GRANTS–IN–AID				
35	—	—	35	35	Veterans Homeless Shelter, Burlington County	50	35	35	35
300	—	9	309	308	Veterans' Transportation	50	300	300	300
5	—	–4	1	1	Veterans' Orphan Fund – Education Grants	50	5	5	5
46	—	—	46	41	Blind Veterans' Allowances	50	46	46	46
267	—	–46	221	219	Paraplegic and Hemiplegic Veterans' Allowance	50	267	267	267
300	—	79	379	378	Post Traumatic Stress Disorder	50	300	800	800
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	114	—	114	—	Burial Services	70	—	—	—
—	*114*	—	*114*	—	*Total Capital Construction*		—	—	—
					Distribution by Fund and Object				
					Veterans' Program Support				
—	114	—	114	—	General Doyle Veterans' Memorial Cemetery Improvements	70	—	—	—
6,696	*1,518*	*61*	*8,275*	*7,940*	*Grand Total State Appropriation*		*7,167*	*7,667*	*7,667*
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
825 92 S	166	—	1,083	798	Veterans' Outreach and Assistance	50	925	925	925
339 S	—	—	339	9	Veterans Haven	51	—	—	—
6,000	–15	—	5,985	1,463	Burial Services	70	6,900	8,500	8,500
7,256	*151*	—	*7,407*	*2,270*	*Total Federal Funds*		*7,825*	*9,425*	*9,425*
					All Other Funds				
—	76 183 R	—	259	—	Veterans' Outreach and Assistance	50	550	550	550
—	—	—	—	—	Burial Services	70	595	595	595
—	*259*	—	*259*	—	*Total All Other Funds*		*1,145*	*1,145*	*1,145*
13,952	*1,928*	*61*	*15,941*	*10,210*	*GRAND TOTAL ALL FUNDS*		*16,137*	*18,237*	*18,237*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 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 federal 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 federal Department of Veterans' Affairs, burial fees collected, and the unexpended 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 Doyle Veterans' Memorial Cemetery.

Notwithstanding the provisions of any other law or regulation to the contrary, effective commencing with the start of this fiscal year, 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, POW/MIA Tuition Assistance, and the Vietnam Veterans' Tuition Aid accounts are appropriated and available for payment of liabilities applicable to prior fiscal years.

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–infirmary beds for nursing care patients, which includes 40 beds for the Old Glory dementia/Alzheimers wing.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Domiciliary and Treatment Services				
Rated capacity	312	312	312	312
Average daily population	264	304	304	304
Ratio: Daily population/Total positions	0.8 / 1	0.9 / 1	0.8 / 1	0.7 / 1
Annual per capita	$67,921	$68,079	$72,786	$74,046
Daily per capita	$186.09	$186.51	$199.41	$202.87
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	322	317	361	403
Total Positions	322	317	361	403
Filled Positions by Program Class				
Domiciliary and Treatment Services	251	246	286	324
Administration and Support Services	71	71	75	79
Total Positions	322	317	361	403

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
13,924	—	–522	13,402	12,962	Domiciliary and Treatment Services	20	15,116	15,513	15,513
4,899	—	262	5,161	4,677	Administration and Support Services	99	5,214	5,272	5,272
18,823	—	***–260***	***18,563***	***17,639***	***Total Direct State Services***		***20,330*** [a]	***20,785***	***20,785***
					Distribution by Fund and Object				
					Personal Services:				
13,464 1,489 S	—	–595	14,358	14,181	Salaries and Wages		16,182	16,564	16,564
14,953	—	*–595*	*14,358*	*14,181*	*Total Personal Services*		*16,182*	*16,564*	*16,564*
1,961 110 S	—	–70	2,001	1,840	Materials and Supplies		2,209	2,253	2,253
1,295 188 S	—	300	1,783	1,286	Services Other Than Personal		1,582	1,589	1,589
237 7 S	—	40	284	196	Maintenance and Fixed Charges		253	265	265
46 26 S	—	65	137	136	Additions, Improvements and Equipment		104	114	114

Year Ending June 30, 2004 Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006 Requested	Recommended
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	16	17	33	33	Physical Plant and Support Services	30	—	—	—
—	*16*	*17*	*33*	*33*	*Total Capital Construction*		—	—	—
					Distribution by Fund and Object				
					Menlo Park Veterans' Memorial Home				
—	16	17	33	33	Design/Construct New Nursing Home Facility	30	—	—	—
18,823	*16*	*–243*	*18,596*	*17,672*	*Grand Total State Appropriation*		*20,330*	*20,785*	*20,785*
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
1,873	—	–190	1,683	1,492	Domiciliary and Treatment Services	20	1,725	1,725	1,725
—	3	—	3	3	Physical Plant and Support Services	30	—	—	—
1,873	*3*	*–190*	*1,686*	*1,495*	*Total Federal Funds*		*1,725*	*1,725*	*1,725*
20,696	*19*	*–433*	*20,282*	*19,167*	*GRAND TOTAL ALL FUNDS*		*22,055*	*22,510*	*22,510*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Language Recommendations — Direct State Services – General Fund

In addition to the amount hereinabove, such sums received from the federal Department of Veteran's 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–infirmary 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Domiciliary and Treatment Services				
Rated capacity	336	336	336	336
Average daily population	296	310	315	320
Ratio: Daily population/Total positions	0.9 / 1	0.9 / 1	0.9 / 1	0.9 / 1
Annual per capita	$67,118	$65,500	$67,711	$66,653
Daily per capita	$183.89	$179.45	$185.51	$182.61
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	341	344	349	369
Total Positions	341	344	349	369

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Filled Positions by Program Class				
Domiciliary and Treatment Services	284	284	287	304
Administration and Support Services	57	60	62	65
Total Positions	341	344	349	369

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
14,385	—	635	15,020	15,020	Domiciliary and Treatment Services	20	15,185	15,185	15,185
3,943	—	45	3,988	3,988	Administration and Support Services	99	4,127	4,127	4,127
18,328	—	***680***	***19,008***	***19,008***	***Total Direct State Services***		***19,312*** [a]	***19,312***	***19,312***
					Distribution by Fund and Object				
					Personal Services:				
13,953									
1,500 S	—	–482	14,971	14,971	Salaries and Wages		16,087	16,087	16,087
15,453	—	*–482*	*14,971*	*14,971*	*Total Personal Services*		*16,087*	*16,087*	*16,087*
1,625	—	–2	1,623	1,623	Materials and Supplies		1,625	1,625	1,625
1,025	—	984	2,009	2,009	Services Other Than Personal		1,375	1,375	1,375
184	—	—	184	184	Maintenance and Fixed Charges		184	184	184
					Special Purpose:				
—	—	133	133	133	Administration and Support Services	99	—	—	—
41	—	47	88	88	Additions, Improvements and Equipment		41	41	41
18,328	—	***680***	***19,008***	***19,008***	***Grand Total State Appropriation***		***19,312***	***19,312***	***19,312***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
1,977	—	140	2,117	2,117	Domiciliary and Treatment Services	20	2,017	2,017	2,017
1,977	—	***140***	***2,117***	***2,117***	***Total Federal Funds***		***2,017***	***2,017***	***2,017***
20,305	—	***820***	***21,125***	***21,125***	***GRAND TOTAL ALL FUNDS***		***21,329***	***21,329***	***21,329***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

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. With the opening of the new Vineland home in fiscal 2006 a total of 300 hospital – infirmary beds will be available for nursing care patients.

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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Domiciliary and Treatment Services				
Rated capacity	232	232	232	300
Average daily population	221	228	225	285
Ratio: Daily population/Total positions	0.7 / 1	0.7 / 1	0.7 / 1	0.7 / 1
Annual per capita	$77,756	$78,579	$92,951	$79,168
Daily per capita	$213.03	$215.28	$254.66	$216.90
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	306	350	349	411
Total Positions	306	350	349	411
Filled Positions by Program Class				
Domiciliary and Treatment Services	227	271	268	307
Administration and Support Services	79	79	81	104
Total Positions	306	350	349	411

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
13,422	4	–414	13,012	13,005	Domiciliary and Treatment Services	20	15,085	16,496	16,496
4,416	18	388	4,822	4,821	Administration and Support Services	99	5,053	5,317	5,317
17,838	*22*	*–26*	*17,834*	*17,826*	*Total Direct State Services*		*20,138* [a]	*21,813*	*21,813*
					Distribution by Fund and Object				
					Personal Services:				
13,512 1,637 S	—	–691	14,458	14,457	Salaries and Wages		16,029	17,029	17,029
15,149	—	*–691*	*14,458*	*14,457*	*Total Personal Services*		*16,029*	*17,029*	*17,029*
1,616	—	169	1,785	1,780	Materials and Supplies		1,800	1,846	1,846
843	—	169	1,012	1,011	Services Other Than Personal		1,945	2,500	2,500
176	—	77	253	253	Maintenance and Fixed Charges		275	314	314
54	22	250	326	325	Additions, Improvements and Equipment		89	124	124
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	217	—	217	210	Administration and Support Services	99	—	—	—
—	*217*	—	*217*	*210*	*Total Capital Construction*		—	—	—
					Distribution by Fund and Object				
					Vineland Veterans' Memorial Home				
—	217	—	217	210	Construction of Replacement Facility	99	—	—	—
17,838	*239*	*–26*	*18,051*	*18,036*	*Grand Total State Appropriation*		*20,138*	*21,813*	*21,813*

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
78	—	50	128	128	Domiciliary and Treatment Services	20	128	750	750
—	1,303	—	1,303	1,302	Administration and Support Services	99	—	—	—
78	***1,303***	***50***	***1,431***	***1,430***	***Total Federal Funds***		***128***	***750***	***750***
17,916	***1,542***	***24***	***19,482***	***19,466***	***GRAND TOTAL ALL FUNDS***		***20,266***	***22,563***	***22,563***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

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 preceeding 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 Fiscal Year 2006 Governor's Budget Message first shall be charged to the State Lottery Fund.

DEPARTMENT OF PERSONNEL

OVERVIEW

The mission of the Department of Personnel is to attract, develop and retain a high quality workforce for State, county and municipal governments, while collaborating with management and labor to administer a fair, efficient human resource delivery system rewarding quality, merit, and productivity.

The Department of Personnel provides personnel services not only to State agencies, but also to most of the State's counties and municipalities. Under the provisions of Title 11A of the New Jersey statutes, the Department administers a merit system of personnel management for the central agencies of State government; for career non–academic employees at our State colleges; and for more than 300 local jurisdictions in New Jersey, including 20 out of 21 counties and nearly 200 municipalities. The Department serves a combined 190,000 employees statewide.

The Department's major objectives are to foster and maintain a fair hiring, promotional and human resources system for the State and local government entities; provide a fair and impartial forum for dispute resolution; offer cost effective training programs and staff development services; respond expeditiously to recruitment needs by providing qualified, eligible candidates to fill vacant positions; and develop and administer Equal Employment Opportunity and Affirmative Action programs.

Budget Highlights

The fiscal 2006 budget for the Department of Personnel totals $25.7 million, a decrease of $606,000, or approximately 2% under the fiscal 2005 adjusted appropriation of $26.3 million. This recommendation includes budget reductions of $106,000 in State and Local Government Operations for a debt service payment that is not required in fiscal 2006 and $500,000 in efficiency savings associated with the administration of small group testing.

Department Accomplishments

The Department of Personnel has created new strategic initiatives to improve management of public sector employees throughout State and local Merit System jurisdictions in New Jersey. These efforts have resulted in a reduction of middle managers, an increase in front–line/direct service staff, and a more diversified workforce at all levels of State government.

The Department of Personnel performs many "high volume" tests for occupations including Probation Officers, Employment Counselors, Engineers, and Environmental Specialists. During fiscal 2005, the hiring of 800 new Child Protection workers, required to implement the Governor's Child Welfare Reform initiative, was unique both in volume and response time.

In fiscal 2005, the Department's level of public safety testing was higher than any previous year. The entry level law enforcement exam alone produced more than 32,000 applicants, of which 24,000 were tested. This was more than 30% higher than any previous year, and the most diverse entry level law enforcement candidate population in the State's history. In order to address the ever mounting responsibilities of our public safety personnel, the Department also administered promotional exams to over 3,600 police and fire officers.

The Department ensures that hiring is done based on qualifications and legal standards, ensuring that laws and rules are followed to enable all New Jersey citizens to compete on a level playing field for jobs that are funded by taxpayer dollars.

The Department has adopted a new Electronics Cost Accounting and Timeshare System (E–CATS). This web–based system captures time and leave information in a more accurate, flexible and detailed manner. This system may be adapted for the particular needs of any department and replaces an antiquated 15 year–old system that relies on mainframe technology. The new E–CATS system reduces support and maintenance costs by more than 50%, streamlines time reporting, provides real time information, and automates data reporting.

The Department developed the County and Municipal Personnel Systems (CAMPS), which is the application used to automate and expedite local governments' personnel transactions. This system has been successfully tested and put in production, and is being deployed into county and municipal governments. Local governments that choose to use CAMPS as their human resource information system are given the attention and training needed to convert at no cost.

DEPARTMENT OF PERSONNEL

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
25,936	7,391	—	33,327	30,414	Direct State Services	26,307	25,701	25,701
—	2	—	2	—	Capital Construction	—	—	—
25,936	7,393	—	33,329	30,414	Total General Fund	26,307	25,701	25,701
25,936	***7,393***	—	***33,329***	***30,414***	***GRAND TOTAL***	***26,307***	***25,701***	***25,701***

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES – GENERAL FUND			
					General Government Services			
4,001	4	—	4,005	4,005	Personnel Policy Development and General Administration	4,029	4,029	4,029
14,563	2,514	250	17,327	16,834	State and Local Government Operations	14,865	14,259	14,259
2,383	—	—	2,383	2,383	Merit Services	2,468	2,468	2,468
725	—	—	725	725	Equal Employment Opportunity and Affirmative Action	725	725	725
4,264	4,873	–250	8,887	6,467	Human Resource Development Institute	4,220	4,220	4,220
25,936	*7,391*	—	*33,327*	*30,414*	*Subtotal*	*26,307*	*25,701*	*25,701*
25,936	***7,391***	—	***33,327***	***30,414***	***Subtotal Direct State Services – General Fund***	***26,307***	***25,701***	***25,701***
25,936	***7,391***	—	***33,327***	***30,414***	***TOTAL DIRECT STATE SERVICES***	***26,307***	***25,701***	***25,701***
					CAPITAL CONSTRUCTION			
					General Government Services			
—	2	—	2	—	Personnel Policy Development and General Administration	—	—	—
—	***2***	—	***2***	—	***Subtotal Capital Construction***	—	—	—
25,936	***7,393***	—	***33,329***	***30,414***	***TOTAL APPROPRIATION***	***26,307***	***25,701***	***25,701***

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
74. GENERAL GOVERNMENT SERVICES

OBJECTIVES

1. To continue providing 200,000 State and local Merit System employees and 375 State and local appointing authorities with a fair and impartial forum for appellate and dispute resolution activities.
2. To provide training programs to meet the demands of State and local government agencies and continue to provide quality cost–effective staff development services.
3. To expeditiously respond to the needs of State and local appointing authorities by providing qualified eligibles to fill vacant positions.
4. To provide more rapid, more consistent classification and compensation services to all State appointing authorities and assist in areas of problem identification and resolution.
5. To assist agencies in developing and implementing their Affirmative Action Plans; review personnel policies and employment procedures; monitor Affirmative Action Plans more effectively; and maintain appeal procedures for discrimination complaints to ensure compliance with the Civil Rights Act and the Americans with Disabilities Act.
6. To continue the improvement and automation of the systems and applications used for State and local governments to capture, record and process personnel information.
7. To continue to reduce the number of class titles and develop the capacity to sustain this service level for the upcoming five years.
8. To reduce the number of State Service provisional appointees pending open competitive examination and insure that no provisional appointment exceeds the statutory limit of twelve months. To develop the capacity to sustain this service level for the following five years.
9. To improve the Department's capabilities for strategic and long–range planning.
10. To maintain improved Law Enforcement and Fire Fighter examinations which are acceptable to the Federal Justice Department.
11. To maintain the number of State agencies with Affirmative Action programs in which the proportion of protected class employees, as a whole, exceeds the standard determining under representation (SDU).
12. To improve the quality, variety and relevance of services provided to Title 11A local jurisdictions.
13. To restore the average processing time for written appeals to the Merit System Board to fifteen (15) weeks.
14. To develop recommendations to implement a State compensation policy designed to effectively manage, maintain and develop its human resources.

PROGRAM CLASSIFICATIONS

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 insure 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

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
State and Local Government Operations				
Open Competitive Examinations Announced	1,850	2,202	2,200	2,200
Applications received	51,875	65,871	50,000	50,000
Candidates scheduled	19,500	24,000	40,000	40,000
Eligibles produced	63,321	55,000	70,000	70,000
Appointments from Certifications				
State	6,999	7,002	7,000	7,000
Local	7,089	5,581	6,000	6,000
State Service Provisional Appointees Pending Open Competitive Examination	1,544	1,277	1,250	1,250
Promotional Examinations Announced	4,172	4,542	4,000	4,000
Applications received	21,900	16,935	19,000	20,000
Candidates scheduled	15,986	12,000	12,000	12,000
Eligibles produced	12,200	12,800	12,800	12,800
Promotions made (State)	4,494	4,800	4,000	4,000
Titles Abolished	15	478	50	200
Calendar Days from Request to Test Announcement				
Open competitive	15	15	15	15
Promotional	15	15	15	15
Calendar Days to Date of List Issuance – Public Safety				
Law enforcement open competitive	135	90	—	130
Law enforcement promotional	160	160	160	160
Fire service open competitive	—	330	210	330
Fire service promotional	210	210	210	210

PERSONNEL

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Merit Services				
Written Record Appeals				
Total received	3,565	3,676	3,976	4,100
Total disposed	4,486	4,523	4,600	4,750
Pending	3,867	3,020	2,396	1,746
Hearings and Major Disciplinary Matters	1,562	1,479	1,275	1,150
EEO/AA Appeals				
On hand July 1	88	61	49	21
Received	97	75	95	90
Processed	124	87	123	81
Backlog	61	49	21	30
Human Resource Development Institute				
Employee Advisory Service				
Number of clients	2,400	1,904	2,400	2,550
Number of counseling sessions	4,000	3,812	4,000	4,400
Training				
Trainees, Direct Delivery	25,000	22,191	25,000	26,000
Trainees, Alternative Technologies	1,800	451	400	400
Contact Hours, Direct Delivery	187,500	203,926	220,000	225,000
Contact Hours, Alternative Technologies	4,800	964	800	800
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	33	30	36	38
Male Minority %	8.8	7.6	8.6	8.3
Female Minority	118	106	123	131
Female Minority %	31.6	26.7	29.3	28.5
Total Minority	151	136	159	169
Total Minority %	40.4	34.3	37.9	36.8
Position Data				
Filled Positions by Funding Source				
State Supported	365	359	369	394
All Other	9	37	50	65
Total Positions	374	396	419	459
Filled Positions by Program Class				
Personnel Policy Development and General Administration	48	48	46	51
State and Local Government Operations	225	250	271	297
Merit Services	36	36	37	39
Equal Employment Opportunity and Affirmative Action	6	4	6	8
Human Resource Development Institute	59	58	59	64
Total Positions	374	396	419	459

Notes:

Actual payroll counts reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
4,001	4	—	4,005	4,005	Personnel Policy Development and General Administration	01	4,029	4,029	4,029
14,563	2,514	250	17,327	16,834	State and Local Government Operations	02	14,865	14,259	14,259
2,383	—	—	2,383	2,383	Merit Services	04	2,468	2,468	2,468
725	—	—	725	725	Equal Employment Opportunity and Affirmative Action	05	725	725	725
4,264	4,873	–250	8,887	6,467	Human Resource Development Institute	07	4,220	4,220	4,220
25,936	***7,391***	—	***33,327***	***30,414***	***Total Direct State Services***		***26,307*** [a]	***25,701***	***25,701***
					Distribution by Fund and Object				
					Personal Services:				
—	—	—	—	—	Merit System Board		56	56	56
19,486	1,692 4,525 R	–1,797	23,906	21,742	Salaries and Wages		20,456	19,956	19,956
19,486	*6,217*	*–1,797*	*23,906*	*21,742*	*Total Personal Services*		*20,512*	*20,012*	*20,012*
523	—	–108	415	415	Materials and Supplies		523	523	523
4,963	—	1,560	6,523	6,523	Services Other Than Personal		4,313	4,313	4,313
237	—	–45	192	192	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
—	474 6 R	—	480	—	Firefighter Examination Receipts	02	—	—	—
434	—	250	684	684	Test Validation/Police Testing	02	434	434	434
60	—	—	60	60	Americans with Disabilities Act	05	60	60	60
—	—	70	70	70	Human Resource Development Institute	07	—	—	—
—	172 518 R	—	690	433	HRDI Computer Training Services	07	—	—	—
111	4	70	185	173	Additions, Improvements and Equipment		106	—	—
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	2	—	2	—	Personnel Policy Development and General Administration	01	—	—	—
—	***2***	—	***2***	—	***Total Capital Construction***		—	—	—
					Distribution by Fund and Object				
					Personnel Policy Development and General Administration				
—	2	—	2	—	Network Infrastructure	01	—	—	—
25,936	***7,393***	—	***33,329***	***30,414***	***Grand Total State Appropriation***		***26,307***	***25,701***	***25,701***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
—	—	315	315	314	Human Resource Development Institute	07	—	—	—
—	—	***315***	***315***	***314***	***Total Federal Funds***		—	—	—
					All Other Funds				

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					OTHER RELATED APPROPRIATIONS				
—	25	—	25	22	State and Local Government Operations	02	4,893	4,693	4,693
—	—	—	—	—	Human Resource Development Institute	07	1,700	2,000	2,000
—	*25*	—	*25*	*22*	*Total All Other Funds*		*6,593*	*6,693*	*6,693*
25,936	*7,418*	*315*	*33,669*	*30,750*	***GRAND TOTAL ALL FUNDS***		*32,900*	*32,394*	*32,394*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

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 fire fighter 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.

DEPARTMENT OF STATE

OVERVIEW

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 and community service activities. As such, 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 archeological material, and scientific specimens.

The Department also provides records administration and records management services to the State's citizens. The Public Broadcasting Authority, Commission on Higher Education, and Higher Education Student Assistance Authority are also housed within the Department.

Budget Highlights

The fiscal 2006 budget for the Department of State, excluding Higher Education, the State Library and New Jersey Network, totals $46.1 million, a decrease of $6.1 million, or 11%, under the fiscal 2005 adjusted appropriation of $52.2 million.

Culture and the Arts

The mission of the New Jersey State Council on the Arts (NJSCA) 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. Programs such as touring exhibitions, summer festivals, and artists–in–the–schools are designed to involve more segments of New Jersey society directly with the arts. The Council monitors the operation of past grantees and promotes performing and creative arts throughout New Jersey. The total fiscal 2006 appropriation of $25.6 million includes $500,000 for Direct State Services and $25.1 million in Grants–In–Aid. In fiscal 2006, Cultural Projects will receive an appropriation of $22.7 million in Grants–In–Aid funding, which represents the same level of funding as the fiscal 2005 adjusted appropriation. This appropriation is funded directly from revenue derived from the State hotel and motel occupancy fee. The Newark Museum will receive a $2.4 appropriation in fiscal 2006, which represents a decrease of $2.6 million due to the elimination of one–time funding.

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. To date, the State has provided $24.2 million to the Trust. The fiscal 2006 recommendation of $720,000 in Grants–In–Aid funding is the same level of funding as in fiscal 2005. Funding for the Cultural Trust comes from revenue derived from the State hotel and motel occupancy fee.

Historic Preservation

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 2006 appropriation of $4.9 million includes $510,000 for Direct State Services and $4.4 million in Grants–In–Aid. Of the $4.4 million in Grants–In–Aid, $3.8 million will fund the New Jersey Historical Commission's agency grants with revenue derived from the State hotel and motel occupancy fee. The Ellis Island Foundation will receive a fiscal 2006 appropriation of $400,000 for the rehabilitation of the Island. The fiscal 2006 appropriation for the Grants in New Jersey History and Grants in Afro–American History programs is $202,000.

Museum Services

The fiscal 2006 Direct State Services appropriation for Museum Services totals $2.5 million. A Grants–In–Aid appropriation of $2.0 million in fiscal 2006 is composed of $500,000 to maintain the War Memorial, as well as $1.5 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 the historic site.

Office of the Secretary of State

Of the $7.3 million fiscal 2006 Direct State Services appropriation for the Office of the Secretary of State, $3.0 million is recommended for the Division of Archives and Records Management. The $4.3 million for the Office of the Secretary of State includes several special purpose programs such as the Personal Responsibility Program that promotes youth–centered activities and the Amistad Commission that promotes a wider educational awareness of slavery in America. The Office of Cultural Affairs coordinates State–funded programs supporting arts, history and other cultural organizations. The Grants–In–Aid funding in fiscal 2006 is $3.7 million, which represents the same level of funding as in fiscal 2005.

The Grants–In–Aid funding for the Office of Faith–Based Initiatives is $3 million in fiscal 2006, which is the same level of funding as in fiscal 2005. This funding is appropriated for grants that enable faith–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. The priority areas are education, human need, public safety, homeland security, and environmental need.

Archives and Records Management

The fiscal 2006 Budget for the Division of Archives and Records Management (DARM) is recommended at $3.0 million, a decrease of $781,000 under the fiscal 2005 adjusted appropriation of $3.7 million. An additional $1.2 million will be available to DARM for expanding activities in records management, which will be offset from revenue derived from the New Jersey Public Records Preservation account, a dedicated source of funds established in the Department of Treasury via P.L. 2003, c. 117. Of the monies received from the counties, 60% is allocated for the State's management, storage, and preservation of public records and 40% represents grants, which will be distributed beginning in late fiscal 2005, to counties and municipalities for the management, storage, and preservation of public records.

Department Accomplishments

The Department of State has made significant accomplishments, which contribute to the economy, improve New Jersey's schools, and revitalize cities, towns and neighborhoods.

The passage of P. L. 2003, c. 149 transformed the Patriots Theater at the War Memorial into a presenting theater. Prior to the legislation, the Theater was only able to rent the facility. The new legislation enables the Patriots Theater to generate greater revenue to sustain its operations, which in time, should reduce its reliance on taxpayer dollars.

Recognizing the value and importance of the arts and history to the quality of life in New Jersey, a dedicated source of funding was established with the passage of P.L. 2003, c. 114, which imposes a State hotel and motel occupancy fee to support the State's arts and

history programs. Each year, such programs touch millions of people and have an estimated economic impact of $1.5 billion.

The corpus in the Cultural Trust account surpassed the $20,000,000 mark required by statute to allocate interest earnings, which will fund capital projects, build endowments, and contribute to the financial and institutional stability of nonprofit cultural groups in New Jersey.

To ensure that all contracts are bid fairly and that identifiable groups, by virtue of their race, gender, ethnicity or geographic location, are not precluded from participating in State contracting and procurement, the Department has completed a disparity study. The final reports will form the basis for future Affirmative Action programs.

The Division of Archives and Records Management will facilitate systematic improvements in the State's records management infrastructure, policies and practices; increase the speed of State records retrieval for the public as required under P. L. 2001 c. 404: Open Public Records Act (OPRA); and dramatically cut the State's costs for storing records through a partnership with the Department of the Treasury.

New Jersey Network

The fiscal 2006 Budget recommendation for the Public Broadcasting Authority (New Jersey Network–NJN) is $5.9 million, which represents a decrease of $500,000 or 7.8% under the fiscal 2005 adjusted appropriation of $6.4 million. This decrease in funding represents the shift of salary funding from State sources to dedicated sources. The fiscal 2006 appropriation will allow the Authority to continue its operations and programming.

Higher Education

The Department of State budget also contains appropriations supporting certain higher educational services, including the Commission on Higher Education, the Educational Opportunity Fund, the Higher Education Student Assistance Authority, and the senior public colleges and universities. Appropriations for other higher educational services are included in the Department of the Treasury budget.

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 26 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 makes recommendations on new academic programs, regional alliances, and budget and student aid levels. The Commission and the Council work together to coordinate higher education and advance State goals.

The Restructuring Act also established the Higher Education Student Assistance Authority as a separate entity to administer most of the state and federal student financial aid programs in New Jersey.

The following describes recommended changes to the higher education appropriation as well as continued funding for major programs.

The fiscal 2006 total recommended funding for the Commission on Higher Education is $1.4 million, which is a continuation of the fiscal 2005 funding level.

The State's 12 senior public colleges and universities operate autonomously. Each institution has its own board of trustees to develop and carry out its mission. The total fiscal 2006 recommended direct operating aid and fringe benefit funding for the 12 four–year public colleges and universities is $1.42 billion. This represents an increase of $42.6 million over the fiscal 2005 level. This increase consists of a $41.2 million increase in fringe benefits, and the addition of $17.8 million for salary program funding, offset by minor reductions in base funding totaling $16.4 million.

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 economically and educationally disadvantaged. To ensure 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 Grant 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 a viable opportunity for students to succeed and graduate. During fiscal 2005, over 18,000 educationally and economically disadvantaged students received EOF grant assistance. The State will continue the fiscal 2005 level of funding for EOF grants in fiscal 2006 with a recommendation of $37.1 million.

NJ Transfer, an online articulation system, is a key component of the State's policy to provide seamless transfer between county colleges and the senior public colleges and universities. It provides a web–enabled database of course equivalencies and specific articulation agreements, an online course catalog, the electronic exchange of transcripts, and electronic transcript evaluation. Students benefit because they are able to take courses at a community college, secure in the knowledge that those courses will be accepted by the four–year institution to which they will transfer. Funding of $563,000 is recommended for fiscal 2006.

The Higher Education Student Assistance Authority (HESAA) was established to be the primary source for financial aid information and services in the Garden State for students interested in pursuing their education beyond high school. Funding to HESAA of $2.5 million is recommended for fiscal 2006.

New Jersey's Tuition Aid Grant (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

2006 is $211.9 million, providing a projected 54,851 grants. This is a $9.3 million increase over the fiscal 2005 level.

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. Funding for this initiative was increased by $250,000 in fiscal 2006 to $4.5 million and will provide financial assistance to over 9,100 part–time students.

The Outstanding Scholar 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 program not only recruits New Jersey's highest–achieving high school students to attend colleges and universities in the State, but also seeks to recognize, value, and support their commitment to achievement. Fiscal 2006 funding totals $13.2 million for this program.

State scholarship awards under the Coordinated Garden State Scholarship Initiative, which includes the Edward J. Bloustein Distinguished Scholars and Urban Scholars Programs, provide $1,000 renewable four–year scholarships for 7,562 students, including 2,120 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. Changes to the IRS tax code permitted states to develop college savings programs in which earnings are 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. As of December 31, 2004, the number of participants now exceeds 90,000, with over $643.4 million invested through this program.

The New Jersey Student Tuition Assistance Reward Scholarship (NJSTARS), which was established in fiscal 2005, will be funded at $8 million. This program provides tuition and fees for two years for every New Jersey high school student who graduates in the top 20% of his or her high school class and wants to attend a New Jersey community college. This ensures that New Jersey's most academically talented students are not denied the opportunity to attend college.

A new initiative in fiscal 2006, the College Loan Forgiveness Program for Mental Health Workers, has been created with initial funding of $3.5 million. This program will provide 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 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 includes a Direct State Service recommendation of $4.4 million and a State Aid recommendation of $18.5 million.

DEPARTMENT OF STATE

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
23,462	769	151	24,382	23,220	Direct State Services	32,617	31,631	25,086
1,090,689	9,055	–35,911	1,063,833	1,046,194	Grants–In–Aid	1,197,575	1,376,754	1,186,627
16,827	—	—	16,827	16,541	State Aid	16,827	37,407	18,537
—	1,634	–992	642	507	Capital Construction	1,000	—	—
1,130,978	11,458	–36,752	1,105,684	1,086,462	Total General Fund	1,248,019	1,445,792	1,230,250
1,130,978	***11,458***	***–36,752***	***1,105,684***	***1,086,462***	***GRAND TOTAL***	***1,248,019***	***1,445,792***	***1,230,250***

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES – GENERAL FUND			
					Higher Educational Services			
1,662	11	100	1,773	1,424	Commission on Higher Education	1,402	1,552	1,402
2,293	3	—	2,296	2,106	Higher Education Student Assistance Authority	2,528	2,528	2,528
3,955	*14*	*100*	*4,069*	*3,530*	*Subtotal*	*3,930*	*4,080*	*3,930*
					Cultural and Intellectual Development Services			
500	—	28	528	521	Council on the Arts	500	500	500
2,530	2	—	2,532	2,531	Division of State Museum	2,530	2,530	2,530
500	—	—	500	500	Historical Programs	510	510	510
3,345	—	23	3,368	3,368	Division of State Library	10,370	10,765	4,370
7,098	—	—	7,098	7,098	New Jersey Public Broadcasting Authority	6,446	5,946	5,946
13,973	*2*	*51*	*14,026*	*14,018*	*Subtotal*	*20,356*	*20,251*	*13,856*
					General Government Services			
3,948	553	—	4,501	3,886	Office of the Secretary of State	4,587	4,337	4,337
1,586	200	—	1,786	1,786	Records Management	3,744	2,963	2,963
23,462	*769*	*151*	*24,382*	*23,220*	*Subtotal Direct State Services – General Fund*	*32,617*	*31,631*	*25,086*
23,462	*769*	*151*	*24,382*	*23,220*	***TOTAL DIRECT STATE SERVICES***	*32,617*	*31,631*	*25,086*
					GRANTS–IN–AID – GENERAL FUND			
					Higher Educational Services			
41,060	38	–145	40,953	40,940	Commission on Higher Education	43,637	54,560	43,060
204,872	2,623	—	207,495	195,259	Higher Education Student Assistance Authority	239,989	251,052	251,052
292,853	—	–90	292,763	288,760	Rutgers, The State University	299,199	323,329	298,849
24,358	—	—	24,358	24,358	Agricultural Experiment Station	26,752	27,752	24,952
182,842	6,387	–35,717	153,512	152,125	University of Medicine and Dentistry of New Jersey	209,476	241,112	196,476
48,790	—	—	48,790	48,790	New Jersey Institute of Technology	50,262	60,949	50,112
5,636	—	—	5,636	5,636	Thomas A. Edison State College	6,127	8,302	5,813
36,534	—	—	36,534	36,534	Rowan University	38,063	51,304	38,063
30,442	—	—	30,442	30,442	New Jersey City University	32,139	37,131	32,139
38,450	—	—	38,450	38,450	Kean University	41,553	41,769	40,803
38,660	—	—	38,660	38,660	William Paterson University of New Jersey	40,748	62,442	40,748
43,429	—	—	43,429	43,429	Montclair State University	47,445	69,184	47,445
35,619	—	—	35,619	35,619	The College of New Jersey	36,807	43,364	36,807
18,979	—	—	18,979	18,979	Ramapo College of New Jersey	20,556	29,205	20,556
23,133	—	—	23,133	23,133	The Richard Stockton College of New Jersey	24,480	40,027	24,480
1,065,657	*9,048*	*–35,952*	*1,038,753*	*1,021,114*	*Subtotal*	*1,157,233*	*1,341,482*	*1,151,355*
					Cultural and Intellectual Development Services			
18,430	—	42	18,472	18,472	Council on the Arts	28,180	25,110	25,110
800	—	—	800	800	Division of State Museum	3,800	2,000	2,000
3,302	7	–1	3,308	3,308	Historical Programs	4,642	4,442	4,442
22,532	*7*	*41*	*22,580*	*22,580*	*Subtotal*	*36,622*	*31,552*	*31,552*

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					General Government Services			
2,500	—	—	2,500	2,500	Office of the Secretary of State	3,720	3,720	3,720
1,090,689	***9,055***	***–35,911***	***1,063,833***	***1,046,194***	***Subtotal Grants–In–Aid – General Fund***	***1,197,575***	***1,376,754***	***1,186,627***
1,090,689	***9,055***	***–35,911***	***1,063,833***	***1,046,194***	***TOTAL GRANTS–IN–AID***	***1,197,575***	***1,376,754***	***1,186,627***
					STATE AID – GENERAL FUND			
					Cultural and Intellectual Development Services			
16,827	—	—	16,827	16,541	Division of State Library	16,827	37,407	18,537
16,827	—	—	***16,827***	***16,541***	***Subtotal State Aid – General Fund***	***16,827***	***37,407***	***18,537***
16,827	—	—	***16,827***	***16,541***	***TOTAL STATE AID***	***16,827***	***37,407***	***18,537***
					CAPITAL CONSTRUCTION			
					Higher Educational Services			
—	4	—	4	—	Rutgers, The State University	—	—	—
—	660	–659	1	—	University of Medicine and Dentistry of New Jersey	—	—	—
—	333	–333	—	—	New Jersey Institute of Technology	—	—	—
—	4	—	4	—	Kean University	—	—	—
—	1	—	1	—	William Paterson University of New Jersey	—	—	—
—	2	—	2	—	Ramapo College of New Jersey	—	—	—
—	9	—	9	—	The Richard Stockton College of New Jersey	—	—	—
—	*1,013*	*–992*	*21*	—	*Subtotal*	—	—	—
					Cultural and Intellectual Development Services			
—	13	—	13	—	Council on the Arts	—	—	—
—	28	—	28	25	Division of State Museum	—	—	—
—	23	—	23	—	Division of State Library	—	—	—
—	473	—	473	463	New Jersey Public Broadcasting Authority	1,000	—	—
—	*537*	—	*537*	*488*	*Subtotal*	*1,000*	—	—
					General Government Services			
—	84	—	84	19	Office of the Secretary of State	—	—	—
—	***1,634***	***–992***	***642***	***507***	***Subtotal Capital Construction***	***1,000***	—	—
—	***1,634***	***–992***	***642***	***507***	***TOTAL CAPITAL CONSTRUCTION***	***1,000***	—	—
1,130,978	***11,458***	***–36,752***	***1,105,684***	***1,086,462***	***TOTAL APPROPRIATION***	***1,248,019***	***1,445,792***	***1,230,250***

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 6 public members appointed by the Governor, 1 member appointed by the Governor upon recommendation of the Senate President, 1 member appointed by the Governor upon recommendation of the Speaker of the Assembly, 2 student members appointed by the Governor, 1 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. 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.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 8 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 Grant 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.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.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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Statewide Planning and Coordination for Higher Education				
Rutgers, The State University				
Undergraduate enrollment (FTE)	32,318	31,865	31,475	31,600
Graduate enrollment (FTE) (a)	8,268	8,381	8,354	8,372
Total enrollment (FTE) (a)	40,586	40,246	39,829	39,972
New Jersey Institute of Technology				
Undergraduate enrollment (FTE)	4,421	4,369	4,181	4,257
Graduate enrollment (FTE)	1,769	1,676	1,551	1,630
Total enrollment (FTE)	6,190	6,045	5,732	5,887

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
State Colleges and Universities (b)				
Undergraduate enrollment (FTE)	49,007	50,497	50,703	51,032
Graduate enrollment (FTE)	6,241	6,494	6,318	6,384
Total enrollment (FTE)	55,248	56,991	57,021	57,416
Average Tuition and Fees (c)	$6,258	$6,987	$7,630	----
Average Total Cost of Attendance (c)	$16,177	$17,589	$18,801	----
Average Third–Semester Retention Rate (d)	81.7%	83.4%	----	----
Average Six–Year Graduation Rate (d)	57.9%	56.0%	----	----
Aid to County Colleges				
County colleges aided	19	19	19	19
Student enrollment (FTE) (e)	103,291	109,767	113,060	114,191
Average Tuition and Fees (c)	$2,638	$2,402	$2,633	----
Average Total Cost of Attendance (c)	$9,068	$9,583	$10,332	----
Average Third–Semester Retention Rate (d)	61.5%	61.2%	----	----
Average Three–Year Combined Graduation & Transfer Rates (d)	21.8%	25.0%	----	----
Support to Independent Institutions				
Independent colleges and universities aided	14	14	14	14
Student enrollment (FTE) (e)	23,540	23,711	23,989	24,467
Educational Opportunity Fund Programs				
Colleges and universities participating	41	41	41	42
Public	28	28	28	29
Private	13	13	13	13
Total opportunity grants	17,976	18,235	18,225	18,726
Academic year–undergraduate	12,130	12,391	12,386	12,636
Graduate program	206	204	199	200
Summer program	5,640	5,640	5,640	5,890
Martin Luther King Physician /Dentist Scholarship	58	58	60	60
C. Clyde Ferguson Law Scholarship	49	49	60	60
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	4	4	3	2
Male Minority %	18%	25%	15%	10%
Female Minority	6	6	5	5
Female Minority %	27%	38%	25%	25%
Total Minority	10	10	8	7
Total Minority %	45%	63%	40%	35%
Position Data				
Filled Positions by Funding Source				
State Supported	20	17	16	18
Federal	2	2	2	2
Total Positions	22	19	18	20
Filled Positions by Program Class				
Statewide Planning and Coordination for Higher Education	18	15	14	16
Educational Opportunity Fund Programs	4	4	4	4
Total Positions	22	19	18	20

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) Fiscal year 2003 data revised to equate graduate student FTE to 24 credit hours per academic year.

(b) 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.

(c) As reported to the Higher Education Student Assistance Authority.

(d) As calculated by the Student Unit Record Enrollment (SURE) system.

(e) Fiscal year 2003 data revised to reflect audited enrollment totals.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
1,257	6	107	1,370	1,040	Statewide Planning and Coordination for Higher Education	80	997	1,147	997
405	5	–7	403	384	Educational Opportunity Fund Programs	81	405	405	405
1,662	***11***	***100***	***1,773***	***1,424***	***Total Direct State Services***		***1,402*** [a]	***1,552***	***1,402***
					Distribution by Fund and Object				
					Personal Services:				
1,208	—	–45	1,163	1,123	Salaries and Wages		1,248	1,248	1,248
1,208	—	*–45*	*1,163*	*1,123*	*Total Personal Services*		*1,248*	*1,248*	*1,248*
16	—	17	33	30	Materials and Supplies		16	43	16
118 300 S	—	129	547	244	Services Other Than Personal		118	206	118
20	—	–11	9	9	Maintenance and Fixed Charges		20	39	20
—	11	10	21	18	Additions, Improvements and Equipment		—	16	—
					GRANTS–IN–AID				
					Distribution by Fund and Program				
5,963	38	–145	5,856	5,844	Statewide Planning and Coordination for Higher Education	80	6,540	13,963	5,963
35,097	—	—	35,097	35,096	Educational Opportunity Fund Programs	81	37,097	40,597	37,097
41,060	***38***	***–145***	***40,953***	***40,940***	***Total Grants–in–Aid***		***43,637***	***54,560***	***43,060***
					Distribution by Fund and Object				
					Grants:				
2,900	—	–60	2,840	2,840	College Bound	80	2,900	4,900	2,900
563	—	—	563	563	New Jersey Transfer Initiative	80	780	563	563
350	—	—	350	350	Support for Statewide Network	80	350	350	350
1,100	—	–55	1,045	1,045	Higher Education for Special Needs Students	80	1,100	1,100	1,100
600	—	–30	570	569	Program for the Education of Language Minority Students	80	600	600	600
450	38	—	488	477	Minority Faculty Advancement Program	80	450	450	450
—	—	—	—	—	Nursing Camp Grants	80	360	—	—
—	—	—	—	—	Teacher Education Grant Program	80	—	3,000	—
—	—	—	—	—	Incentive Program for Underserved Areas	80	—	3,000	—
21,910	—	—	21,910	21,910	Opportunity Program Grants	81	23,410	24,410	23,410
12,385	—	—	12,385	12,385	Supplementary Education Program Grants	81	12,885	15,385	12,885
602	—	—	602	602	Martin Luther King Physician–Dentist Scholarship Act of 1986	81	602	602	602
200	—	—	200	199	Ferguson Law Scholarships	81	200	200	200
42,722	***49***	***–45***	***42,726***	***42,364***	***Grand Total State Appropriation***		***45,039***	***56,112***	***44,462***

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
2,730	701	—	3,431	3,272	Statewide Planning and Coordination for Higher Education	80	2,730	2,730	2,730
2,730	*701*	—	*3,431*	*3,272*	*Total Federal Funds*		*2,730*	*2,730*	*2,730*
					All Other Funds				
—	8	—	8	8	Statewide Planning and Coordination for Higher Education	80	—	—	—
—	*8*	—	*8*	*8*	*Total All Other Funds*		—	—	—
45,452	*758*	*–45*	*46,165*	*45,644*	*GRAND TOTAL ALL FUNDS*		*47,769*	*58,842*	*47,192*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Language Recommendations — Grants–In–Aid – General Fund

An amount not to exceed $60,000 of the College Bound 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.

An amount not to exceed 5% of the total of Higher Education for Special Needs Students and the Program for the Education of Language Minority Students accounts is available for transfer to Direct State Services for the administrative expenses of these programs, as determined by 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.

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.

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.

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.

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 Leveraging Educational Assistance Partnership (LEAP) program (formerly the SSIG Program) provides federal matching funds to supplement the Tuition Aid Grant program. This program is funded nationally at $66.6 million in the fiscal 2005 federal appropriations statute, which should result in an allocation to New Jersey of $2.148 million for State fiscal year 2006.

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.

The New Jersey Student Tuition Assistance Reward Scholarship (NJSTARS) program was a new initiative in fiscal 2005 to ensure that New Jersey's most academically talented students are not denied the opportunity to attend college. NJSTARS guarantees that every New Jersey high school student who graduates in the top 20% of his or her high school class and wants to attend a New Jersey community college will have tuition and fees covered for two years.

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 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.

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 Division of Motor Vehicles is responsible for the sale of the license plates. HESAA is responsible for the administrative duties of the program.

As New Jersey does not have its own school of veterinary medicine, the Veterinary Medicine Education Program, N.J.S.18A:63A–1 et seq., provides opportunities for New Jersey residents to enroll in veterinary programs at out–of–state institutions. HESAA is authorized to enter into contracts with out–of–state schools for the admission of New Jersey students.

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.

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 College Loan Forgiveness Program for Mental Health Workers has been created with initial fiscal 2006 funding of $3.5 million. This program will provide forgiveness of up to $20,000 in student loans, over four years, to graduates who take qualifying jobs with New Jersey mental health agencies.

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 for 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 the loan 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. It is anticipated that the State will continue to qualify for grant funding under this program and the federal award amount in fiscal 2006 will be $240,000. Receipt of federal funding will also be contingent upon the continued availability of State matching funds.

The OB/GYN Loan Redemption Program is funded from a special revenue source within the Department of Health to redeem student loans of OB/GYN providers for medical service in medically underserved areas. This program is funded through a surcharge to all third party payers in the State.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Student Assistance Programs				
Veterinary Medical Education Program				
Veterinary Medical Education Program (Value) (a)	$1,377,617	$1,339,881	$1,399,266	$1,337,000
Student enrollment	98	94	95	91
Schools with contracts	7	7	7	7
Teaching Fellows Program – Cumulative Loans in Redemption	—	—	15	22
Teaching Fellows Program (Value)	—	—	$310,000	$155,000
Coordinated Garden State Scholarship Programs (b)	7,133	7,092	7,220	7,562
Coordinated Garden State Scholarship Programs (Value)	$7,128,785	$6,732,207	$7,220,000	$7,562,000
Edward J. Bloustein Distinguished Scholars (b)	4,869	4,899	5,108	5,442
Edward J. Bloustein Distinguished Scholars (Value)	$4,866,490	$4,650,791	$5,108,000	$5,442,000
Urban Scholars (b)	2,264	2,193	2,112	2,120
Urban Scholars (Value)	$2,262,295	$2,081,416	$2,112,000	$2,120,000
Miss New Jersey Educational Scholarship Program (c)	2	1	—	—
Miss New Jersey Educational Scholarship Program (Value)	$10,720	$5,396	$11,000	—
World Trade Center Scholarship Program (d)	—	60	75	72
World Trade Center Scholarship Program (Value)	—	$329,177	$487,500	$468,000
Dana Christmas Scholarship for Heroism	5	4	5	5
Dana Christmas Scholarship for Heroism (Value)	$50,000	$40,000	$50,000	$50,000
Outstanding Scholar Recruitment Program (e)	4,696	4,932	5,145	5,145
Outstanding Scholar Recruitment Program (Value)	$12,335,981	$13,160,093	$13,169,000	$13,169,000
Freshman Awards	1,436	1,552	1,599	1,599
Renewal Awards	3,260	3,380	3,546	3,546
Survivor Tuition Benefits (b)	9	8	10	10
Survivor Tuition Benefits (Value)	$34,262	$39,525	$50,000	$50,000
Part–Time Tuition Aid Grants for Educational Opportunity Fund Students (b)	521	545	610	750

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Part–Time Tuition Aid Grants for Educational Opportunity Fund Students (Value)	$400,256	$383,543	$450,000	$620,000
Part–Time Tuition Aid Grants for County Colleges (b)	—	7,170	8,604	9,118
Part–Time Tuition Aid Grants for County Colleges (Value)	—	$2,958,326	$4,200,000	$4,451,000
Tuition Aid Grants (b) (f)	51,265	51,826	53,851	54,851
Tuition Aid Grants (Value)	$170,022,445	$173,593,096	$196,929,000	$214,676,000
County Colleges	15,863	16,383	17,026	17,342
County Colleges (Value)	$25,195,750	$26,184,845	$28,218,000	$29,792,000
State Colleges	13,018	13,030	13,534	13,785
State Colleges (Value)	$38,020,544	$39,246,486	$46,070,000	$50,825,000
Rutgers/NJIT/UMDNJ	11,194	11,109	11,539	11,753
Rutgers/NJIT/UMDNJ (Value)	$44,438,054	$45,306,755	$52,269,000	$57,968,000
Independent colleges	11,190	11,304	11,752	11,971
Independent colleges (Value)	$62,368,097	$62,855,010	$70,372,000	$76,091,000
NJSTARS	—	—	975	3,000
NJSTARS (Value)	—	—	$2,500,000	$8,000,000
College Loan Forgiveness Program for Mental Health Workers	—	—	—	700
College Loan Forgiveness Program for Mental Health Workers (Value)	—	—	—	$3,500,000
Total awards – All programs (g)	63,631	71,638	76,495	81,213
Total awards – All programs (Value)	$189,982,449	$197,241,363	$225,066,500	$252,546,000
Law Enforcement Officer Memorial Scholarship	—	—	6	8
Law Enforcement Officer Memorial Scholarship (Value)	—	—	$60,000	$100,000
NJBEST Program – Participants	33,869	59,742	90,241	121,145
NJBEST Program – Funds Invested as of June 30	$198,398,341	$470,700,506	$728,617,486	$992,617,486
Guaranteed Student Loan Program				
Loans outstanding—June 30	722,715	739,910	766,840	791,931
Loans outstanding—June 30 (Value)	$2,039,283,996	$2,142,088,255	$2,277,773,838	$2,413,459,422
Parent Loans for Undergraduate Students				
Loans Outstanding—June 30	62,907	64,615	72,166	79,292
Loans Outstanding—June 30 (Value)	$303,863,426	$320,232,148	$366,949,957	$413,667,767
Consolidated Loans				
Loans Outstanding—June 30	59,098	92,467	128,767	163,168
Loans Outstanding—June 30 (Value)	$683,168,106	$1,096,689,437	$1,566,936,152	$2,037,182,866
New Jersey College Loans to Assist State Students (NJCLASS)				
Loans Outstanding—June 30	45,676	52,196	57,440	63,042
Loans Outstanding—June 30 (Value)	$354,568,968	$419,128,554	$477,109,776	$541,669,362
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	17	20	21	27
Male Minority %	26.9	31.7	31.3	32.1
Female Minority	46	46	41	52
Female Minority %	32.8	31.7	30.6	30.8
Total Minority	63	66	62	79
Total Minority %	31.0	31.7	30.8	31.2
Position Data				
Filled Positions by Funding Source				
State Supported	27	27	27	27
Federal	155	166	157	180
All Other	13	12	11	18
Total Positions	195	205	195	225
Filled Positions by Program Class				
Student Assistance Programs	195	205	195	225
Total Positions	195	205	195	225

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) Prior–period carryforward used to pay expenditures exceeding State appropriation during fiscal years 2003, 2004, and 2005.

(b) Student Assistance Programs expenditure and award recipients data for fiscal years 2003 and 2004 represent actual counts as of September 2004. Further payments and adjustments are anticipated as institutional payments and reconciliation reports are received.

(c) Program has been discontinued; fiscal year 2005 funding is in reserve to lapse at fiscal year end.

(d) Private donations as well as State appropriations contribute to the scholarship fund.

(e) Outstanding Scholar Recruitment Program funded partially through a transfer of funds during fiscal year 2003.

(f) Includes funds received under the Federal Leveraging Educational Assistance Partnership (LEAP) program, formerly known as State Student Incentives Grants (SSIG).

(g) Totals include all programs; students may be counted more than once if they are receiving aid from more than one program.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
2,293	3	—	2,296	2,106	Student Assistance Programs	45	2,528	2,528	2,528
2,293	***3***	—	***2,296***	***2,106***	***Total Direct State Services***		***2,528*** (a)	***2,528***	***2,528***
					Distribution by Fund and Object				
					Personal Services:				
1,474	—	—	1,474	1,394	Salaries and Wages		1,709	1,709	1,709
1,474	—	—	*1,474*	*1,394*	*Total Personal Services*		*1,709*	*1,709*	*1,709*
43	—	—	43	42	Materials and Supplies		43	43	43
754	—	—	754	650	Services Other Than Personal		754	754	754
22	—	—	22	18	Maintenance and Fixed Charges		22	22	22
					Special Purpose:				
—	3	—	3	2	Additions, Improvements and Equipment		—	—	—
					GRANTS–IN–AID				
					Distribution by Fund and Program				
204,872	2,623	—	207,495	195,259	Student Assistance Programs	45	239,989	251,052	251,052
204,872	***2,623***	—	***207,495***	***195,259***	***Total Grants–in–Aid***		***239,989***	***251,052***	***251,052***
					Distribution by Fund and Object				
					Grants:				
1,337	44	37	1,418	1,340	Veterinary Medicine Education Program	45	1,337	1,337	1,337
178,657	1,919	—	180,576	170,221	Tuition Aid Grants	45	202,574	211,908	211,908
3,500	—	—	3,500	2,961	Part–Time Tuition Aid Grants for County Colleges	45	4,200	4,451	4,451
50	15	–14	51	39	Survivor Tuition Benefits	45	50	50	50
7,062	40	—	7,102	6,763	Coordinated Garden State Scholarship Programs (b)	45	7,562	7,562	7,562
620	101	–17	704	386	Part–Time Tuition Aid Grants — EOF Students	45	620	620	620
11	—	–6	5	5	Miss New Jersey Educational Scholarship Program	45	11	—	—
155	—	—	155	—	Teaching Fellows Program	45	155	155	155
12,301 868 S	—	—	13,169	13,160	Outstanding Scholar Recruitment Program	45	13,169	13,169	13,169
11	4	—	15	15	NJBEST Scholarship Program	45	11	—	—
250	500	—	750	329	New Jersey World Trade Center Scholarship Program	45	250	250	250

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					GRANTS–IN–AID				
50	—	—	50	40	Dana Christmas Scholarship for Heroism	45	50	50	50
—	—	—	—	—	New Jersey STARS (Student Tuition Assistance Reward Scholarship)	45	10,000	8,000	8,000
—	—	—	—	—	College Loan Forgiveness Program for Mental Health Workers	45	—	3,500	3,500
207,165	*2,626*	—	*209,791*	*197,365*	***Grand Total State Appropriation***		*242,517*	*253,580*	*253,580*
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
22,146 963 S	140	—	23,249	19,961	Student Assistance Programs	45	22,732	24,444	24,444
23,109	*140*	—	*23,249*	*19,961*	***Total Federal Funds***		*22,732*	*24,444*	*24,444*
					All Other Funds				
—	420 6,938 R	4	7,362	6,240	Student Assistance Programs	45	7,100	7,694	7,694
—	*7,358*	*4*	*7,362*	*6,240*	***Total All Other Funds***		*7,100*	*7,694*	*7,694*
230,274	*10,124*	*4*	*240,402*	*223,566*	***GRAND TOTAL ALL FUNDS***		*272,349*	*285,718*	*285,718*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

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 moneys 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.

Amounts from the unexpended balance at the end of the preceding fiscal year, including refunds recognized after July 31, 2005, 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 to the contrary, 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 Grant program appropriated hereinabove an increase above the fiscal year 2005 award amount equal to the difference between the in–state undergraduate 2004–2005 tuition rate for the institution and the institution's in–state undergraduate 2003–2004 tuition rate with comparable increases provided to students eligible for maximum awards enrolled at independent institutions. All other award amounts provided under the Tuition Aid Grant program shall be based on the same parameters as used by the Higher Education Student Assistance Authority in fiscal year 2005. 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 Grant 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 appropriated hereinabove 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 or fund shifts in the distribution of awards that result in an increase in total program costs, subject to the approval of the Director of the Division of Budget and Accounting.

The amount appropriated hereinabove 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, 2005, 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 appropriated hereinabove 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 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 Scholar Recruitment Program.

The amount appropriated hereinabove 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 postsecondary 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.).

In addition to the amount appropriated hereinabove for the College Loan Forgiveness Program for Mental Health Workers, 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 three research universities, five teaching universities, and four state colleges, each with its own operational autonomy under a separate governing board, but under the statutory oversight and policy framework established by the State. Since the enactment of the State College Autonomy Law (P.L. 1986, c. 42) on July 9, 1986, the state colleges and teaching universities as well as the research universities have retained 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 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, bookstores, 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 comprised 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Institutional Support				
Enrollment total (a)	50,522	50,253	49,757	49,900
Enrollment total (Weighted) (b)	40,586	40,246	39,829	39,972
Undergraduate total	37,806	37,288	36,833	36,950
Undergraduate total (Weighted) (b)	32,318	31,865	31,475	31,600
Full–time	32,332	31,920	31,529	31,650
Full–time (Weighted) (b)	30,240	29,855	29,489	29,600
Part–time	5,474	5,368	5,304	5,300
Part–time (Weighted) (b)	2,078	2,010	1,986	2,000

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Graduate total	12,716	12,965	12,924	12,950
Graduate total (Weighted) (b)	8,268	8,381	8,354	8,372
Full–time	4,929	5,997	5,978	6,000
Full–time (Weighted) (b)	5,240	5,855	5,836	5,844
Part–time	7,787	6,968	6,946	6,950
Part–time (Weighted) (b)	3,028	2,526	2,518	2,528
Summer session total (c)	22,156	22,197	21,832	21,800
Degree programs offered	424	427	429	431
Courses offered	6,799	6,873	6,900	6,900
Degrees Granted				
Bachelors	7,731	7,615	7,650	7,650
Masters	2,712	3,100	3,100	3,100
Doctors	519	654	650	650
Ratio: Student/faculty (d)	16.22/1	15.98/1	16.01/1	16.07/1
Full–Time, First–Time, Degree–Seeking Freshmen who are Regular Admission Students	5,586	5,131	—	—
Average SAT Score – Math	605	611	—	—
Average SAT Score – Verbal	573	584	—	—
Average SAT Score – Total	1178	1195	—	—
Outcomes Data (e)				
Third–Semester Retention Rates	86.7%	87.2%	—	—
Six–Year Graduation Rates	68.6%	68.2%	—	—
Student Tuition and Fees				
Total Cost of Attendance (f)	$17,567	$19,300	$20,000	—
Full–Time Undergraduate Tuition – State Residents	$5,770	$6,290	$6,793	—
Full–Time Undergraduate Tuition – Non–State Residents	$11,746	$12,804	$13,828	—
Full–Time Undergraduate Fees	$1,538	$1,579	$1,684	—
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Instruction	$292,621,000	$297,008,000	$314,117,000	—
Separately Budgeted Research	$26,095,000	$27,907,000	$31,945,000	—
Extension and Public Service	$6,394,000	$4,604,000	$4,875,000	—
Academic Support	$28,940,000	$29,015,000	$29,892,000	—
Student Services	$75,629,000	$88,117,000	$91,167,000	—
Institutional Support	$125,085,000	$136,541,000	$143,886,000	—
Physical Plant and Support Services	$107,374,000	$106,310,000	$111,080,000	—
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
Capital Debt Service	$23,697,000	$28,658,000	$30,023,000	$32,017,000
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
Student Aid	$44,561,000	$53,603,000	$57,122,000	$60,211,000
College Work Study Program (State Share)	$1,188,000	$1,205,000	$1,158,000	$1,158,000
Masters in Government Accounting	$180,000	$180,000	$180,000	$180,000
Special Projects	$20,009,120	$22,856,000	$26,196,000	$26,196,000
Retirement Allowances	$187,000	$156,000	$180,000	$180,000
New Jersey EcoComplex	$117,000	$300,000	$515,000	$300,000
E3CO	—	—	$135,000	—
Fisheries Information and Development Center	$100,000	$85,000	—	—
Walter Rand Institute for Public Affairs	$75,000	$75,000	$75,000	$75,000
Teacher Preparation	$174,000	$174,000	$174,000	$174,000
Hale Center	—	$250,000	—	—
Athletic Facilities	—	—	$500,000	$500,000

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Position Data				
State–funded Positions (g)	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.

(g) Fiscal year 2003 data has been adjusted to reflect total State–funded positions as authorized in the FY2004 Appropriations Act. The Act contained a technical adjustment to recognize formally State–funded positions authorized in previous years.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
1,337,896	69,308	–90	1,407,114	1,403,111	Institutional Support	82	1,491,576	1,552,487	1,528,007
1,337,896	***69,308***	***–90***	***1,407,114***	***1,403,111***	***Total Grants–in–Aid***		***1,491,576*** (a)	***1,552,487***	***1,528,007***
					Less:				
—	(27,729)	—	(27,729)	(27,729)	Receipts from Tuition Increase		(26,199)	—	—
(344,521)	(28,402)	—	(372,923)	(372,923)	General Services Income		(402,377)	(434,397)	(434,397)
(184,238)	1,437	—	(182,801)	(182,801)	Auxiliary Funds Income		(188,745)	(194,030)	(194,030)
(388,097)	(14,614)	—	(402,711)	(402,711)	Special Funds Income		(430,110)	(442,527)	(442,527)
(128,187)	—	—	(128,187)	(128,187)	Employee Fringe Benefits		(144,946)	(158,204)	(158,204)
(1,045,043)	***(69,308)***	—	***(1,114,351)***	***(1,114,351)***	***Total Income Deductions***		***(1,192,377)***	***(1,229,158)***	***(1,229,158)***
292,853	—	***–90***	***292,763***	***288,760***	***Total State Appropriation***		***299,199*** (a)	***323,329***	***298,849***
					Distribution by Fund and Object				
					Special Purpose:				
1,337,722	69,308 R	–90	1,406,940	1,402,937	General Institutional Operations (b)	82	1,490,659	1,527,440	1,527,090
—	—	—	—	—	Maintaining Quality and Providing for Growth	82	—	24,130	—
—	—	—	—	—	High Enrollment Growth Adjustment	82	743	743	743
174	—	—	174	174	Teacher Preparation	82	174	174	174
					Less:				
(1,045,043)	*(69,308)* R	—	*(1,114,351)*	*(1,114,351)*	*Income Deductions*		*(1,192,377)*	*(1,229,158)*	*(1,229,158)*
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	4	—	4	—	Physical Plant and Support Services	72	—	—	—
—	***4***	—	***4***	—	***Total Capital Construction***		—	—	—
					Distribution by Fund and Object				
					Rutgers, The State University				
—	1	—	1	—	Preservation Projects	72	—	—	—

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					CAPITAL CONSTRUCTION				
——	3	——	3	——	Environmental Projects	72	——	——	——
292,853	*4*	*–90*	*292,767*	*288,760*	*Grand Total State Appropriation*		*299,199*	*323,329*	*298,849*

Notes — Grants–In–Aid – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The appropriation for General Institutional Operations has been adjusted to include the Tuition Incentive Grant.

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 $300,000 is appropriated for the New Jersey EcoComplex, Burlington County. These accounts shall be considered special purpose appropriations for accounting and reporting purposes.

Receipts in excess of the amount hereinabove for the Clinical Legal Programs for the Poor 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 fiscal year 2006 appropriations act, the number of State–funded positions at Rutgers, The State University shall be 6,678.

From the amount appropriated hereinabove for Rutgers, The State University, $90,000 is transferred to the Department of Agriculture 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Separately Budgeted Research	$16,061,000	$15,861,000	$18,040,000	$19,040,000
Extension and Public Service	$8,605,000	$8,497,000	$8,712,000	$8,712,000
Special Purpose Appropriations				
Strategic Initiatives	$957,000	$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
Food Innovation & Research & Extension Center	——	——	$1,800,000	——

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Position Data				
State–funded Positions	424	424	424	424

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
76,549	–3,749	—	72,800	72,800	Institutional Support	82	79,032	81,950	79,150
76,549	***–3,749***	—	***72,800***	***72,800***	***Total Grants–in–Aid***		***79,032*** [a]	***81,950***	***79,150***
					Less:				
(38,162)	3,394	—	(34,768)	(34,768)	Special Funds Income		(37,648)	(38,824)	(38,824)
(6,855)	355	—	(6,500)	(6,500)	Federal Research and Extension Funds Income		(6,520)	(6,520)	(6,520)
(7,174)	—	—	(7,174)	(7,174)	Employee Fringe Benefits		(8,112)	(8,854)	(8,854)
(52,191)	***3,749***	—	***(48,442)***	***(48,442)***	***Total Income Deductions***		***(52,280)***	***(54,198)***	***(54,198)***
24,358	—	—	***24,358***	***24,358***	***Total State Appropriation***		***26,752*** [a]	***27,752***	***24,952***
					Distribution by Fund and Object				
					Special Purpose:				
76,549	–3,749 [R]	—	72,800	72,800	General Institutional Operations	82	77,232	79,150	79,150
—	—	—	—	—	Food Innovation Research and Extension Center	82	1,800	1,800	—
—	—	—	—	—	Economic and Community Development Program	82	—	1,000	—
					Less:				
(52,191)	*3,749* [R]	—	*(48,442)*	*(48,442)*	*Income Deductions*		*(52,280)*	*(54,198)*	*(54,198)*
24,358	—	—	***24,358***	***24,358***	***Grand Total State Appropriation***		***26,752***	***27,752***	***24,952***

Notes — Grants–In–Aid – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

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, 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 fiscal year 2006 appropriations act, the number of State–funded positions at the Agricultural Experiment Station shall be 424.

For the purpose of implementing the fiscal year 2006 appropriations act, the fringe benefits for 126 positions, funded by the federal Hatch and Smith/Lever programs, are funded by the State.

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 healthcare 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Institutional Support				
Student enrollment, Total (a)	4,740	4,504	4,293	4,293
New Jersey Medical School	700	693	662	662
Robert Wood Johnson Medical School, Camden	105	210	95	95
Robert Wood Johnson Medical School, Piscataway	552	428	500	500
School of Osteopathic Medicine	329	352	369	369
Graduate School of Biomedical Science	741	866	538	538
New Jersey Dental School	367	374	369	369
School of Health Related Professions	998	881	781	781
School of Public Health	348	299	387	387
School of Nursing	600	401	592	592
Degree programs offered	53	54	57	59
Courses Offered	2,476	2,399	2,356	2,381
Ratio: Student/Teaching Faculty	1.92/1	1.91/1	1.91/1	1.91/1
Students Graduated (a)				
Physicians	399	388	388	388
Dentists	74	69	69	69
Health Related Students	496	540	540	540
Other graduate degrees	174	174	174	174
Full–Time Tuition – Medical and Dental Students (Resident)	$18,143	$19,776	$20,567	——
Full–Time Tuition – Medical and Dental Students (Non–resident)	$28,392	$30,947	$32,185	——
University Hospital				
Rated capacity (beds)	455	488	488	488
Hospital admissions, total	18,950	20,759	21,371	21,905
Hospital admissions, daily average	52	57	59	60
Average daily population	327	375	363	372
Patient days of service, total	119,385	137,347	132,625	135,942
Percent of occupancy	72.0%	77.0%	74.5%	76.3%
Average length of stay (days)	6.3	6.6	6.2	6.2
Outpatient and emergency visits, total	254,090	284,209	302,166	309,720
Outpatient and emergency visits, daily average	696	777	828	849

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
University Behavioral HealthCare at Piscataway				
Bed capacity	48	48	53	53
Hospital admissions, total	1,336	1,534	1,534	1,568
Hospital admissions, daily average	3.7	4.2	4.2	4.3
Average daily population	36.5	37.6	38.9	40.7
Patient days of service, total	13,327	13,733	14,185	14,870
Percent of occupancy	76%	78%	78%	77%
Average length of stay (days)	10.0	9.0	9.2	9.5
Outpatient and emergency visits, total	180,707	184,325	172,694	163,618
Outpatient and emergency visits, daily average (b)	695.0	709.0	664.0	629.0
University Behavioral HealthCare at Newark				
Outpatient and emergency visits, total	68,974	73,052	74,168	69,010
Outpatient and emergency visits, daily average (b)	265.0	281.0	285.0	265.0
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Instruction	$153,964,492	$157,318,354	$156,529,374	—
Extension and Public Service	$493,826,272	$591,240,598	$625,964,765	—
Academic Support	$7,898,697	$9,130,849	$8,454,406	—
Student Services	$11,409,826	$11,735,120	$12,086,373	—
Institutional Support	$76,447,101	$81,933,659	$78,319,450	—
Physical Plant and Support Services	$56,792,824	$60,263,470	$60,586,066	—
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
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
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	$4,000,000
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
Governor's Council for Medical Research and Treatment of Infantile Autism	$500,000	$500,000	$500,000	$500,000
PERSONNEL DATA				
Position Data				
State–funded Positions	5,545	5,545	5,545	5,545

Notes:

(a) Excludes graduate students of the Graduate School of Biomedical Sciences' joint program with Rutgers University.

(b) UBHC 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, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
1,176,473	135,485	–35,717	1,276,241	1,274,854	Institutional Support	82	1,405,828	1,479,183	1,434,547
1,176,473	***135,485***	***–35,717***	***1,276,241***	***1,274,854***	***Total Grants–in–Aid***		***1,405,828*** [a]	***1,479,183***	***1,434,547***
					Less:				
—	(4,053)	—	(4,053)	(4,053)	Receipts from Tuition Increase		(2,161)	—	—
(485,164)	(20,033)	—	(505,197)	(505,197)	Hospital Services Income		(537,554)	(550,696)	(550,696)
(5,764)	(3,039)	—	(8,803)	(8,803)	Core Affiliates Income		(7,382)	(7,382)	(7,382)
(99,621)	(43,522)	—	(143,143)	(143,143)	General Services Income		(153,802)	(157,065)	(157,065)
(6,148)	(816)	—	(6,964)	(6,964)	Auxiliary Funds Income		(6,702)	(6,702)	(6,702)
(250,895)	(57,635)	—	(308,530)	(308,530)	Special Funds Income		(318,703)	(327,728)	(327,728)
(146,039)	—	—	(146,039)	(146,039)	Employee Fringe Benefits		(170,048)	(188,498)	(188,498)
(993,631)	***(129,098)***	—	***(1,122,729)***	***(1,122,729)***	***Total Income Deductions***		***(1,196,352)***	***(1,238,071)***	***(1,238,071)***
182,842	***6,387***	***–35,717***	***153,512***	***152,125***	***Total State Appropriation***		***209,476*** [a]	***241,112***	***196,476***
					Distribution by Fund and Object				
					Special Purpose:				
1,169,273	129,098 R	–35,717	1,262,654	1,262,654	General Institutional Operations [b]	82	1,398,628	1,440,187	1,427,347
—	—	—	—	—	Capital Renewal and Replacement	82	—	15,192	—
—	—	—	—	—	Research Faculty Development	82	—	5,000	—
—	—	—	—	—	Salary Program Difference	82	—	11,604	—
500	1,387 R	—	1,887	500	Governor's Council for Medical Research and Treatment of Infantile Autism	82	500	500	500
5,000	5,000	—	10,000	10,000	Cancer Institute of New Jersey and Ancillary Facilities	82	5,000	5,000	5,000
1,700	—	—	1,700	1,700	Child Health Institute	82	1,700	1,700	1,700
					Less:				
(993,631)	*(129,098)* R	—	*(1,122,729)*	*(1,122,729)*	*Income Deductions*		*(1,196,352)*	*(1,238,071)*	*(1,238,071)*
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	660	–659	1	—	Physical Plant and Support Services	72	—	—	—
—	***660***	***–659***	***1***	—	***Total Capital Construction***		—	—	—
					Distribution by Fund and Object				
					University of Medicine and Dentistry of New Jersey				
—	660	–659	1	—	Urban Clinic Planning Grants	72	—	—	—
182,842	***7,047***	***–36,376***	***153,513***	***152,125***	***Grand Total State Appropriation***		***209,476***	***241,112***	***196,476***

Notes — Grants–In–Aid – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The appropriation for General Institutional Operations has been adjusted to include the Tuition Incentive Grant.

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.

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 related to hospital employee fringe benefits costs equal to enhanced Medicaid inpatient hospital payments for a hospital that has been recognized as a nominal charge hospital for the three years prior to June 30, 2000.

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 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 NJ 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, $4,000,000 is appropriated for Debt Service–Robert Wood Johnson Medical School, Camden, 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 fiscal year 2006 appropriations act, 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 the 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 a comprehensive, technological research 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 new 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Institutional Support				
Enrollment total	11,727	11,820	10,945	11,400
Enrollment total (Weighted) (a)	6,693	6,576	6,205	6,383
Undergraduate total	5,733	5,712	5,366	5,550
Undergraduate total (Weighted) (a)	4,421	4,369	4,181	4,257
Full–time	4,222	4,248	4,071	4,150
Full–time (Weighted) (a)	3,882	3,847	3,713	3,758
Part–time	1,511	1,464	1,295	1,400
Part–time (Weighted) (a)	539	522	468	499
Graduate total	3,098	3,058	2,883	3,000
Graduate total (Weighted) (a)	1,769	1,676	1,551	1,630
Full–time	1,304	1,261	1,145	1,200
Full–time (Weighted) (a)	1,062	977	894	930
Part–time	1,794	1,797	1,738	1,800
Part–time (Weighted) (a)	707	699	657	700

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Extension and Public Service				
Enrollment	2,896	3,050	2,696	2,850
Enrollment (Weighted) (a)	503	531	473	496
Undergraduate	2,127	2,253	2,036	2,145
Undergraduate (Weighted) (a)	367	391	354	372
Graduate	769	797	660	705
Graduate (Weighted) (a)	136	140	119	124
Degree programs offered	102	102	102	103
Courses offered	3,495	3,548	3,235	3,200
Student credit hours produced	199,531	195,599	185,439	188,648
Degrees and Certificates Granted – Total	1,865	1,942	1,942	1,850
Ratio: Student/faculty (b)	14.2/1	14.1/1	14.1/1	14.1/1
Full–Time, First–Time, Degree–Seeking Freshmen who are Regular Admission Students	565	579	—	—
Average SAT Score – Math	613	619	—	—
Average SAT Score – Verbal	552	552	—	—
Average SAT Score – Total	1165	1171	—	—
Outcomes Data (c)				
Third–Semester Retention Rates	83.9%	79.1%	—	—
Seven–Year Graduation Rates	48.6%	51.9%	—	—
Student Tuition and Fees				
Total Cost of Attendance (d)	$18,932	$20,100	$21,280	—
Full–Time Undergraduate Tuition – State Residents	$6,758	$7,332	$7,918	—
Full–Time Undergraduate Tuition – Non–State Residents	$11,710	$12,700	$13,716	—
Full–Time Undergraduate Fees	$1,148	$1,168	$1,262	—
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Instruction	$48,157,422	$49,677,000	$53,500,000	—
Sponsored Programs and Research	$4,022,609	$3,492,000	$3,950,000	—
Extension and Public Service	$2,164,897	$2,268,000	$2,250,000	—
Academic Support	$17,291,948	$18,823,000	$18,800,000	—
Student Services	$11,567,927	$12,503,000	$14,100,000	—
Institutional Support	$15,042,429	$16,812,000	$17,500,000	—
Physical Plant and Support Services	$20,331,204	$20,085,000	$17,237,000	—
Special Purpose Appropriations				
NJIT/Burlington County	$100,000	$100,000	—	—
Personalized Weapons Technology	$500,000	—	—	—
Smart Shunt Technology	—	—	$150,000	—
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, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
214,355	–6,469	—	207,886	207,886	Institutional Support	82	215,091	227,764	216,927
214,355	***–6,469***	—	***207,886***	***207,886***	***Total Grants–in–Aid***		***215,091*** [a]	***227,764***	***216,927***
					Less:				
—	(4,824)	—	(4,824)	(4,824)	Receipts from Tuition Increase		(4,855)	—	—
(73,450)	3,304	—	(70,146)	(70,146)	General Services Income		(72,370)	(77,225)	(77,225)
(9,337)	(915)	—	(10,252)	(10,252)	Auxiliary Funds Income		(10,575)	(10,575)	(10,575)
(62,600)	8,904	—	(53,696)	(53,696)	Special Funds Income		(53,700)	(55,000)	(55,000)
(20,178)	—	—	(20,178)	(20,178)	Employee Fringe Benefits		(23,329)	(24,015)	(24,015)
(165,565)	***6,469***	—	***(159,096)***	***(159,096)***	***Total Income Deductions***		***(164,829)***	***(166,815)***	***(166,815)***
48,790	—	—	***48,790***	***48,790***	***Total State Appropriation***		***50,262*** [a]	***60,949***	***50,112***
					Distribution by Fund and Object				
					Special Purpose:				
214,355	–6,469 R	—	207,886	207,886	General Institutional Operations [b]	82	214,941	216,927	216,927
—	—	—	—	—	Graduate Student Health Insurance Plan	82	—	2,702	—
—	—	—	—	—	Smart Shunt Research	82	150	150	—
—	—	—	—	—	Homeland Security Technology Systems Center	82	—	1,000	—
—	—	—	—	—	Neighborhood Development	82	—	1,500	—
—	—	—	—	—	Salary Program Funding	82	—	3,417	—
—	—	—	—	—	Non–Personnel Inflation Increases	82	—	2,068	—
					Less:				
(165,565)	*6,469* R	—	*(159,096)*	*(159,096)*	*Income Deductions*		*(164,829)*	*(166,815)*	*(166,815)*
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	333	–333	—	—	Physical Plant and Support Services	72	—	—	—
—	***333***	***–333***	—	—	***Total Capital Construction***		—	—	—
					Distribution by Fund and Object				
					New Jersey Institute of Technology				
—	333	–333	—	—	Land Purchase	72	—	—	—
48,790	***333***	***–333***	***48,790***	***48,790***	***Grand Total State Appropriation***		***50,262***	***60,949***	***50,112***

Notes — Grants–In–Aid – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The appropriation for General Institutional Operations has been adjusted to include the Tuition Incentive Grant.

Language Recommendations — Grants–In–Aid – General Fund

For the purpose of implementing the fiscal year 2006 appropriations act, 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. 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 three 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 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 12,000 visually or physically impaired citizens.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Institutional Support				
Degree students	10,233	11,014	11,565	12,143
Non–degree students	4,792	5,934	6,231	6,543
Degree Programs Offered	14	14	15	15
Associate degree specialization options	62	67	67	67
Baccalaureate degree specialization options	97	92	93	95
Masters degree specialization options	2	2	3	3
Degrees Granted	1,630	1,788	1,967	2,164
Associate	158	205	236	260
Baccalaureate	1,446	1,534	1,692	1,861
Masters	26	49	39	43
Examinations and assessments of experiential learning	3,380	3,118	3,180	3,244
Individuals receiving educational and career counseling	75,240	75,558	78,580	81,723
PERSONNEL DATA				
Position Data				
State–funded Positions	171	171	239	239

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
22,542	4,198	—	26,740	26,740	Institutional Support	82	31,154	33,792	31,303
22,542	***4,198***	—	***26,740***	***26,740***	***Total Grants–in–Aid***		***31,154*** [a]	***33,792***	***31,303***
					Less:				
—	(1,595)	—	(1,595)	(1,595)	Fee Increase		(1,393)	(372)	(372)
(4,444)	(1,569)	—	(6,013)	(6,013)	Self Sustaining Income		(9,048)	(9,048)	(9,048)
(9,475)	(1,034)	—	(10,509)	(10,509)	General Services Income		(11,019)	(12,412)	(12,412)
(2,987)	—	—	(2,987)	(2,987)	Employee Fringe Benefits		(3,567)	(3,658)	(3,658)
(16,906)	***(4,198)***	—	***(21,104)***	***(21,104)***	***Total Income Deductions***		***(25,027)***	***(25,490)***	***(25,490)***
5,636	—	—	***5,636***	***5,636***	***Total State Appropriation***		***6,127*** [a]	***8,302***	***5,813***
					Distribution by Fund and Object				
					Special Purpose:				
22,542	4,198 R	—	26,740	26,740	General Institutional Operations [b]	82	30,840	31,303	31,303
—	—	—	—	—	High Enrollment Growth Adjustment	82	—	500	—
—	—	—	—	—	Restoration of Salary Program Funding	82	—	925	—
—	—	—	—	—	The John S. Watson Institute for Public Policy	82	314	314	—
—	—	—	—	—	Professional & Continuing Education Program	82	—	750	—
					Less:				
(16,906)	*(4,198)* R	—	*(21,104)*	*(21,104)*	*Income Deductions*		*(25,027)*	*(25,490)*	*(25,490)*
5,636	—	—	***5,636***	***5,636***	***Grand Total State Appropriation***		***6,127***	***8,302***	***5,813***

Notes — Grants–In–Aid – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The appropriation for General Institutional Operations has been adjusted to include the Tuition Incentive Grant.

Language Recommendations — Grants–In–Aid – General Fund

For the purpose of implementing the fiscal year 2006 appropriations act, 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 66 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 in the design stages. 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Institutional Support				
Enrollment total	9,434	9,501	9,359	9,359
Enrollment total (Weighted) (a)	7,245	7,406	7,289	7,289
Undergraduate total	8,114	8,170	8,131	8,131
Undergraduate total (Weighted) (a)	6,683	6,792	6,752	6,752
Full–time	6,460	6,630	6,581	6,581
Full–time (Weighted) (a)	6,056	6,215	6,170	6,170
Part–time	1,654	1,540	1,550	1,550
Part–time (Weighted) (a)	627	577	582	582
Graduate Total	1,271	1,287	1,190	1,190
Graduate total (Weighted) (a)	528	581	508	508
Full–Time	156	211	150	150
Full–time (Weighted) (a)	156	211	150	150
Part–time	1,115	1,076	1,040	1,040
Part–time (Weighted) (a)	372	370	358	358
Doctoral Total	49	44	38	38
Doctoral (Weighted) (a)	34	33	29	29
Degree programs offered	65	66	66	66
Courses offered	1,475	1,473	1,473	1,473
Degrees granted				
Bachelors	1,735	1,635	1,635	1,635
Masters	280	322	322	322
Doctoral	7	3	3	3
Ratio: Student/faculty (b)	15.8/1	15.7/1	15.7/1	15.7/1
Extension and Public Service				
Enrollment	3,728	3,629	3,629	3,629
Enrollment (Weighted) (a)	610	609	609	609
Summer undergraduate	2,319	2,170	2,170	2,170
Summer undergraduate (Weighted) (a)	375	348	348	348
Summer graduate	769	905	905	905
Summer graduate (Weighted) (a)	158	192	192	192
Part–time and extension (off–campus)	640	554	554	554
Part–time and extension (off–campus) (Weighted) (a)	77	69	69	69
Program Revenue	3,566,963	3,935,179	4,389,645	4,389,645
Full–Time, First–Time, Degree–Seeking Freshmen who are Regular Admission Students	1,385	1,128	—	—
Average SAT Score – Math	550	572	—	—
Average SAT Score – Verbal	532	556	—	—
Average SAT Score – Total	1082	1128	—	—
Outcomes Data (c)				
Third–Semester Retention Rates	85.4%	86.2%	—	—
Six–Year Graduation Rates	59.2%	62.1%	—	—
Student Tuition and Fees				
Total Cost of Attendance (d)	$15,962	$16,894	$18,220	—
Full–Time Undergraduate Tuition – State Residents	$4,950	$5,396	$5,828	—
Full–Time Undergraduate Tuition – Non–State Residents	$9,900	$10,792	$11,656	—
Full–Time Undergraduate Fees	$1,708	$1,862	$2,142	—
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Instruction	$44,037,000	$50,060,006	$50,468,541	$52,384,776
Sponsored Programs	$80,208	$291,380	$515,000	$515,000
Academic Support	$10,743,000	$10,971,363	$11,308,822	$11,543,170
Student Services	$12,929,000	$14,271,264	$14,470,219	$14,687,232
Institutional Support	$19,389,000	$19,798,631	$21,333,845	$22,211,163
Physical Plant and Support Services	$10,748,000	$12,687,599	$13,753,532	$13,995,245

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Special Purpose Appropriations				
Camden Urban Center	$215,000	$215,000	$215,000	$215,000
Debt Service	$8,004,000	$10,151,046	$11,440,000	$15,250,000
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, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
138,804	33,011	—	171,815	171,815	Institutional Support	82	182,693	196,851	183,610
138,804	***33,011***	—	***171,815***	***171,815***	***Total Grants–in–Aid***		***182,693*** (a)	***196,851***	***183,610***
					Less:				
—	(4,110)	—	(4,110)	(4,110)	Receipts from Tuition Increase		(4,198)	—	—
(55,354)	(7,396)	—	(62,750)	(62,750)	General Services Income		(68,560)	(72,758)	(72,758)
(21,442)	(2,467)	—	(23,909)	(23,909)	Auxiliary Funds Income		(25,340)	(25,340)	(25,340)
(6,780)	(19,038)	—	(25,818)	(25,818)	Special Funds Income		(25,000)	(25,000)	(25,000)
(18,694)	—	—	(18,694)	(18,694)	Employee Fringe Benefits		(21,532)	(22,449)	(22,449)
(102,270)	***(33,011)***	—	***(135,281)***	***(135,281)***	***Total Income Deductions***		***(144,630)***	***(145,547)***	***(145,547)***
36,534	—	—	***36,534***	***36,534***	***Total State Appropriation***		***38,063***(a)	***51,304***	***38,063***
					Distribution by Fund and Object				
					Special Purpose:				
138,273	33,011 R	—	171,284	171,284	General Institutional Operations (b)	82	181,835	182,752	182,752
—	—	—	—	—	High Enrollment Growth Adjustment	82	327	327	327
531	—	—	531	531	Teacher Preparation	82	531	531	531
—	—	—	—	—	Salary Program Funding	82	—	3,487	—
—	—	—	—	—	Restoration of Base Funding	82	—	4,504	—
—	—	—	—	—	New Faculty	82	—	2,200	—
—	—	—	—	—	Operating Costs of the Library	82	—	1,250	—
—	—	—	—	—	Physical Plant Improvement	82	—	1,800	—
					Less:				
(102,270)	*(33,011)* R	—	*(135,281)*	*(135,281)*	*Income Deductions*		*(144,630)*	*(145,547)*	*(145,547)*
36,534	—	—	***36,534***	***36,534***	***Grand Total State Appropriation***		***38,063*** (a)	***51,304***	***38,063***

Notes — Grants–In–Aid – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The appropriation for General Institutional Operations has been adjusted to include the Tuition Incentive Grant.

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 fiscal year 2006 appropriations act, 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 and is dedicated to urban programs designed to meet the complex economic, social and educational problems of the urban metropolitan area. New Jersey City University's urban mission is unique among the State higher educational institutions. In order to strengthen this mission, the University has embarked on a ten–year plan designed to make it the premier urban university in the State. The University serves thousands of residents in the northeast corner of the State. Ten percent of the student population is composed of men and women from other areas of New Jersey, adjacent states and foreign countries.

Special features of the campus include the A. Harry Moore Laboratory School for Special Education, the Peter W. Rodino, Jr. Institute of Criminal Justice, the Center for the Advancement of Teaching and Learning (CATALYST), the Center for Occupational Education, the Adult Education Center, the Media Arts Center, and the Margaret Williams Theater for the Performing Arts. In 1994, the University opened a new academic building as well as a new athletic, recreation, and fitness center. The University has 15 acres of athletic fields, three gymnasiums, a swimming pool, modern dance studios, and three auditoriums, in addition to its 116 classrooms and laboratories.

In the fall of 2003, the University opened a new 59,085 square foot Visual Arts building designed to meet the growing needs of the undergraduate and graduate programs of the Art Department. The University also purchased and renovated a 61,000 square foot two–story facility. This building includes the program requirements for the University Charter High School, and future NJCU Black Box Theater and business incubator.

The University will be opening a new 77,000 square foot Arts and Science Tower in the fall of 2006. This building will meet the growing needs of the School of Arts and Science. This new facility will consist of a six–story structure featuring 14 general use classrooms and 10 computer labs, as well as housing. This facility will house ten academic departments and the Office of the Dean of Arts and Science. Currently, the University also is renovating the Gilligan Student Union Building, which is expected to be completed by the fall of 2006.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Institutional Support				
Enrollment total	8,882	9,099	9,200	9,200
Enrollment total (Weighted) (a)	5,551	5,558	5,575	5,575
Undergraduate total	6,112	6,021	6,050	6,050
Undergraduate total (Weighted) (a)	4,381	4,387	4,375	4,375
Full–time	3,964	4,086	4,070	4,070
Full–time (Weighted) (a)	3,511	3,607	3,570	3,570
Part–time	2,148	1,935	1,980	1,980
Part–time (Weighted) (a)	870	780	805	805
Graduate Total	2,770	3,078	3,150	3,150
Graduate total (Weighted) (a)	1,170	1,171	1,200	1,200
Full–time	83	85	85	85
Full–time (Weighted) (a)	90	91	85	85
Part–time	2,687	2,993	3,065	3,065
Part–time (Weighted) (a)	1,080	1,080	1,115	1,115
Degree programs offered	50	50	50	50
Courses offered	1,620	1,620	1,620	1,620
Degrees granted				
Bachelors	870	837	870	870
Masters	548	552	548	548
Ratio: Student/faculty (b)	16/1	16/1	16/1	16/1

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
A. Harry Moore Laboratory School				
Students enrolled	192	187	190	190
Orthopedic (includes cerebral palsied)	15	21	21	21
Multiple Disabilities	134	123	125	125
Cognitive — Moderate	14	13	14	14
Preschool Disabilities	29	30	30	30
Extension and Public Service				
Enrollment	6,728	6,014	7,485	7,485
Enrollment (Weighted) (a)	917	822	1,041	1,041
Summer undergraduate	3,965	3,907	4,395	4,395
Summer undergraduate (Weighted) (a)	518	513	569	569
Summer graduate	2,763	2,107	3,090	3,090
Summer graduate (Weighted) (a)	399	309	472	472
Program Revenue	$6,802,191	$6,321,102	$7,513,000	$7,513,000
Full–Time, First–Time, Degree–Seeking Freshmen who are Regular Admission Students	311	387	—	—
Average SAT Score – Math	465	464	—	—
Average SAT Score – Verbal	484	482	—	—
Average SAT Score – Total	949	946	—	—
Outcomes Data (c)				
Third–Semester Retention Rates	69.1%	76.4%	—	—
Six–Year Graduation Rates	35.2%	37.2%	—	—
Student Tuition and Fees				
Total Cost of Attendance (d)	$15,256	$18,134	$18,578	—
Full–Time Undergraduate Tuition – State Residents	$4,185	$4,812	$4,860	—
Full–Time Undergraduate Tuition – Non–State Residents	$8,138	$8,868	$9,540	—
Full–Time Undergraduate Fees	$1,371	$1,576	$1,690	—
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Instruction	$34,263,438	$39,887,068	$47,634,209	—
Academic Support	$9,402,608	$9,392,862	$10,683,978	—
Student Services	$10,204,265	$10,259,170	$10,009,532	—
Institutional Support	$15,546,556	$17,007,495	$21,362,135	—
Public Service	$456,639	$255,945	$160,000	—
Student Aid	$13,074,888	$14,492,685	$13,184,877	—
Physical Plant and Support Services	$10,328,633	$11,401,574	$10,864,740	—
Special Purpose Appropriations				
Separately Budgeted Research	$70,000	$70,000	$70,000	$70,000
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

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, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
110,060	11,826	—	121,886	121,886	Institutional Support	82	128,332	134,433	129,441
110,060	***11,826***	—	***121,886***	***121,886***	***Total Grants–in–Aid***		***128,332*** [a]	***134,433***	***129,441***
					Less:				
—	(3,432)	—	(3,432)	(3,432)	Receipts from Tuition Increase		(677)	—	—
(27,593)	(13,518)	—	(41,111)	(41,111)	General Services Income		(46,324)	(47,001)	(47,001)
(3,965)	(684)	—	(4,649)	(4,649)	A.H. Moore Program Receipts		(4,792)	(4,792)	(4,792)
(16,152)	11,468	—	(4,684)	(4,684)	Auxiliary Funds Income		(5,217)	(5,217)	(5,217)
(16,714)	(5,660)	—	(22,374)	(22,374)	Special Funds Income		(21,571)	(21,571)	(21,571)
(15,194)	—	—	(15,194)	(15,194)	Employee Fringe Benefits		(17,612)	(18,721)	(18,721)
(79,618)	***(11,826)***	—	***(91,444)***	***(91,444)***	***Total Income Deductions***		***(96,193)***	***(97,302)***	***(97,302)***
30,442	—	—	***30,442***	***30,442***	***Total State Appropriation***		***32,139*** [a]	***37,131***	***32,139***
					Distribution by Fund and Object				
					Special Purpose:				
109,729	11,826 R	—	121,555	121,555	General Institutional Operations [b]	82	127,381	128,490	128,490
—	—	—	—	—	High Enrollment Growth Adjustment	82	620	620	620
331	—	—	331	331	Teacher Preparation	82	331	331	331
—	—	—	—	—	Restoration of Salary Program Funding	82	—	1,407	—
—	—	—	—	—	New Faculty	82	—	1,961	—
—	—	—	—	—	Henry J. Raimondo Institute for Urban Research and Public Policy	82	—	486	—
—	—	—	—	—	Creating and Connecting Communities – Retention Initiative	82	—	570	—
—	—	—	—	—	Technology Information Systems	82	—	568	—
					Less:				
(79,618)	*(11,826)* R	—	*(91,444)*	*(91,444)*	*Income Deductions*		*(96,193)*	*(97,302)*	*(97,302)*
30,442	—	—	***30,442***	***30,442***	***Grand Total State Appropriation***		***32,139***	***37,131***	***32,139***

Notes — Grants–In–Aid – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The appropriation for General Institutional Operations has been adjusted to include the Tuition Incentive Grant.

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 fiscal year 2006 appropriations act, 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 120–acre 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 campus currently contains 26 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 28–acre east campus, which is a short distance from the main campus, includes athletic fields, recreation facilities, and certain student and academic support programs.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Institutional Support				
Enrollment total	12,529	12,675	11,403	11,403
Enrollment total (Weighted) (a)	8,624	8,891	8,000	8,000
Undergraduate total	9,649	9,945	8,947	8,947
Undergraduate total (Weighted) (a)	7,330	7,619	6,855	6,855
Full–time	6,782	7,124	6,409	6,409
Full–time (Weighted) (a)	6,191	6,518	5,865	5,865
Part–time	2,867	2,821	2,538	2,538
Part–time (Weighted) (a)	1,139	1,101	990	990
Graduate total	2,880	2,730	2,456	2,456
Graduate total (Weighted) (a)	1,294	1,272	1,145	1,145
Full–time	528	547	492	492
Full–time (Weighted) (a)	497	520	469	469
Part–time	2,352	2,183	1,964	1,964
Part–time (Weighted) (a)	797	752	676	676
Degree programs offered	76	81	81	81
Courses offered	2,270	2,485	2,485	2,485
Degrees Granted				
Bachelors	1,721	1,688	1,688	1,688
Masters	592	594	594	594
Ratio: Student/faculty (b)	20/1	20/1	20/1	20/1
Extension and Public Service				
Enrollment	3,665	3,362	3,362	3,362
Enrollment (Weighted) (a)	1,087	1,012	1,012	1,012
Summer undergraduate	2,880	2,588	2,588	2,588
Summer undergraduate (Weighted) (a)	851	774	774	774
Summer graduate	785	774	774	774
Summer graduate (Weighted) (a)	236	238	238	238
Program Revenue	$5,065,438	$5,341,296	$5,822,012	$5,822,012
Full–Time, First–Time, Degree–Seeking Freshmen who are Regular Admission Students	814	863	—	—
Average SAT Score – Math	507	511	—	—
Average SAT Score – Verbal	496	500	—	—
Average SAT Score – Total	1003	1011	—	—
Outcomes Data (c)				
Third–Semester Retention Rates	74.7%	74.8%	—	—
Six–Year Graduation Rates	45.6%	42.8%	—	—
Student Tuition and Fees				
Total Cost of Attendance (d)	$15,647	$17,520	$18,419	—
Full–Time Undergraduate Tuition – State Residents	$4,080	$4,448	$4,665	—
Full–Time Undergraduate Tuition – Non–State Residents	$6,240	$6,810	$7,170	—
Full–Time Undergraduate Fees	$1,761	$2,275	$2,486	—

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Instruction	$57,201,408	$65,038,000	$72,104,543	___
Sponsored Programs and Research	$42,980	$290,000	$324,728	___
Extention and Public Service	$1,620,250	$1,758,000	$1,959,599	___
Academic Support	$3,521,335	$3,744,000	$4,166,550	___
Student Services	$9,795,106	$11,282,000	$12,552,878	___
Institutional Support	$19,968,207	$23,727,000	$25,814,822	___
Physical Plant and Support Services	$15,099,395	$16,052,000	$17,732,533	___
Special Purpose Appropriations	$2,624,000	$2,997,000	$3,255,041	___
Emerging Needs/Academic Initiatives	$180,000	$180,000	$180,000	$180,000
PERSONNEL DATA				
Position Data				
State–funded Positions	888	888	888	888

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, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
126,266	30,785	___	157,051	157,051	Institutional Support	82	157,499	159,258	158,292
126,266	***30,785***	___	***157,051***	***157,051***	***Total Grants–in–Aid***		***157,499*** (a)	***159,258***	***158,292***
					Less:				
___	(9,975)	___	(9,975)	(9,975)	Receipts from Tuition Increase		(3,926)	___	___
(35,969)	(18,366)	___	(54,335)	(54,335)	General Services Income		(53,096)	(57,022)	(57,022)
(10,531)	(1,281)	___	(11,812)	(11,812)	Auxiliary Funds Income		(11,944)	(11,944)	(11,944)
(24,012)	(1,163)	___	(25,175)	(25,175)	Special Funds Income		(27,129)	(27,129)	(27,129)
(17,304)	___	___	(17,304)	(17,304)	Employee Fringe Benefits		(19,851)	(21,394)	(21,394)
(87,816)	***(30,785)***	___	***(118,601)***	***(118,601)***	***Total Income Deductions***		***(115,946)***	***(117,489)***	***(117,489)***
38,450	___	___	***38,450***	***38,450***	***Total State Appropriation***		***41,553*** (a)	***41,769***	***40,803***
					Distribution by Fund and Object				
					Special Purpose:				
124,986	30,785 R	___	155,771	155,771	General Institutional Operations (b)	82	155,841	157,384	156,634
___	___	___	___	___	High Enrollment Growth Adjustment	82	1,078	1,078	1,078
1,280	___	___	1,280	1,280	Teacher Preparation	82	580	580	580
___	___	___	___	___	Redesign and Modernize Classroom and Equipment with Audio and Video Systems	82	___	160	___
___	___	___	___	___	Restoring the Mentoring Program	82	___	56	___
					Less:				
(87,816)	*(30,785)* R	___	*(118,601)*	*(118,601)*	*Income Deductions*		*(115,946)*	*(117,489)*	*(117,489)*

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	4	—	4	—	Physical Plant and Support Services	72	—	—	—
—	*4*	—	*4*	—	*Total Capital Construction*		—	—	—
					Distribution by Fund and Object				
					Kean University				
—	1	—	1	—	Compliance Projects	72	—	—	—
—	3	—	3	—	Deferred Maintenance and Renovations	72	—	—	—
38,450	*4*	—	*38,454*	*38,450*	*Grand Total State Appropriation*		*41,553*	*41,769*	*40,803*

Notes — Grants–In–Aid – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The appropriation for General Institutional Operations has been adjusted to include the Tuition Incentive Grant.

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 fiscal year 2006 appropriations act, 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 30 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 370 acres, the University has 38 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, athletic fields, and campus residences for approximately 2,300 students.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Institutional Support				
Enrollment total	10,683	10,900	11,287	11,287
Enrollment total (Weighted) (a)	7,875	8,139	8,433	8,433
Undergraduate total	8,920	9,022	9,323	9,323
Undergraduate total (Weighted) (a)	7,157	7,345	7,599	7,599
Full–time	6,969	7,104	7,378	7,378
Full–time (Weighted) (a)	6,376	6,575	6,808	6,808
Part–time	1,951	1,918	1,945	1,945
Part–time (Weighted) (a)	781	770	791	791

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Graduate total	1,763	1,878	1,964	1,964
Graduate total (Weighted) (a)	718	794	834	834
Full–time	329	393	412	412
Full–time (Weighted) (a)	254	314	334	334
Part–time	1,434	1,485	1,552	1,552
Part–time (Weighted) (a)	464	480	500	500
Degree programs offered	50	49	49	50
Courses offered	2,174	2,262	2,275	2,280
Degrees Granted				
Bachelors	1,449	1,556	1,590	1,615
Masters	301	296	300	304
Ratio: Student/faculty (b)	15.7/1	15.7/1	15.7/1	15.9/1
Extension and Public Service				
Enrollment	5,160	5,494	5,494	5,494
Enrollment (Weighted) (a)	700	752	752	752
Summer undergraduate	4,155	4,473	4,473	4,473
Summer undergraduate (Weighted) (a)	568	619	619	619
Summer graduate	1,005	1,021	1,021	1,021
Summer graduate (Weighted) (a)	132	133	133	133
Program Revenue	$2,913,000	$3,538,000	$3,821,000	$3,821,000
Full–Time, First–Time, Degree–Seeking Freshmen who are Regular Admission Students	919	981	—	—
Average SAT Score – Math	530	531	—	—
Average SAT Score – Verbal	517	526	—	—
Average SAT Score – Total	1047	1057	—	—
Outcomes Data (c)				
Third–Semester Retention Rates	74.8%	78.2%	—	—
Six–Year Graduation Rates	47.3%	47.5%	—	—
Student Tuition and Fees				
Total Cost of Attendance (d)	$16,530	$18,060	$19,552	—
Full–Time Undergraduate Tuition – State Residents	$4,218	$4,593	$4,961	—
Full–Time Undergraduate Tuition – Non–State Residents	$8,018	$8,983	$9,699	—
Full–Time Undergraduate Fees	$2,182	$2,527	$2,991	—
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Instruction	$36,063,000	$37,554,000	$39,991,000	—
Sponsored Programs and Research	$479,000	$524,000	$559,000	—
Academic Support	$7,673,000	$8,422,000	$8,969,000	—
Student Services	$6,713,000	$7,315,000	$7,789,000	—
Institutional Support	$18,008,000	$19,974,000	$21,270,000	—
Physical Plant and Support Services	$10,344,000	$10,773,000	$11,472,000	—
Special Purpose Appropriations				
Separately Budgeted Research	$150,000	$82,500	$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	$102,500	$170,000	$170,000
New Jersey Project	$100,000	$100,000	$100,000	$100,000
Outcomes Assessment	$65,000	$50,000	$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, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
127,370	14,016	—	141,386	141,386	Institutional Support	82	151,712	174,678	152,984
127,370	***14,016***	—	***141,386***	***141,386***	***Total Grants–in–Aid***		***151,712*** [a]	***174,678***	***152,984***
					Less:				
—	(3,340)	—	(3,340)	(3,340)	Receipts from Tuition Increase		(4,292)	—	—
(39,981)	(2,581)	—	(42,562)	(42,562)	General Services Income		(45,010)	(49,302)	(49,302)
(24,151)	1,881	—	(22,270)	(22,270)	Auxiliary Funds Income		(24,563)	(24,563)	(24,563)
(5,761)	(9,976)	—	(15,737)	(15,737)	Special Funds Income		(15,737)	(15,737)	(15,737)
(18,817)	—	—	(18,817)	(18,817)	Employee Fringe Benefits		(21,362)	(22,634)	(22,634)
(88,710)	***(14,016)***	—	***(102,726)***	***(102,726)***	***Total Income Deductions***		***(110,964)***	***(112,236)***	***(112,236)***
38,660	—	—	***38,660***	***38,660***	***Total State Appropriation***		***40,748*** [a]	***62,442***	***40,748***
					Distribution by Fund and Object				
					Special Purpose:				
127,123	14,016 R	—	141,139	141,139	General Institutional Operations [b]	82	150,526	151,798	151,798
—	—	—	—	—	High Enrollment Growth Adjustment	82	1,039	1,039	1,039
147	—	—	147	147	Teacher Preparation	82	147	147	147
100	—	—	100	100	New Jersey Project on Inclusive Scholarship, Curriculum and Teaching	82	—	75	—
—	—	—	—	—	Restoration of Salary Program Funding	82	—	10,416	—
—	—	—	—	—	Increase Number of State Funded Positions	82	—	6,953	—
—	—	—	—	—	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	—
—	—	—	—	—	NJ Teacher Quality	82	—	750	—
—	—	—	—	—	Support for High Enrollment Growth	82	—	1,500	—
					Less:				
(88,710)	***(14,016)*** R	—	***(102,726)***	***(102,726)***	***Income Deductions***		***(110,964)***	***(112,236)***	***(112,236)***
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	1	—	1	—	Physical Plant and Support Services	72	—	—	—
—	***1***	—	***1***	—	***Total Capital Construction***		—	—	—
					Distribution by Fund and Object				
					William Paterson University of New Jersey				
—	1	—	1	—	Deferred Maintenance and Renovations	72	—	—	—
38,660	***1***	—	***38,661***	***38,660***	***Grand Total State Appropriation***		***40,748***	***62,442***	***40,748***

Notes — Grants–In–Aid – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The appropriation for General Institutional Operations has been adjusted to include the Tuition Incentive Grant.

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 fiscal year 2006 appropriations act, 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 15,000 students for both full–time and part–time undergraduate, graduate, and doctorate programs.

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 nearly 3,100 students and a Student Center Annex.

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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Institutional Support				
Enrollment total	14,673	15,204	15,695	16,196
Enrollment total (Weighted) (a)	10,235	10,884	11,487	11,743
Undergraduate total	10,939	11,375	11,819	12,203
Undergraduate total (Weighted) (a)	8,533	9,072	9,640	9,834
Full–time	8,440	8,983	9,536	9,884
Full–time (Weighted) (a)	7,524	8,093	8,705	8,851
Part–time	2,499	2,392	2,283	2,319
Part–time (Weighted) (a)	1,009	979	935	983
Graduate total	3,734	3,829	3,876	3,993
Graduate total (Weighted) (a)	1,702	1,812	1,847	1,909
Full–time	720	790	826	863
Full–time (Weighted) (a)	643	704	729	764
Part–time	3,014	3,039	3,050	3,130
Part–time (Weighted) (a)	1,059	1,108	1,118	1,145
Degree programs offered	82	82	82	82
Courses offered	1,877	1,865	1,865	1,865
Degrees Granted				
Bachelors	2,028	2,172	2,172	2,172
Masters	620	690	690	690
Doctoral	—	4	4	4
Ratio: Student/faculty (b)	13/1	18/1	18/1	18/1
Extension and Public Service				
Enrollment	6,679	6,786	6,679	6,679
Enrollment (Weighted) (a)	2,221	2,318	2,318	2,318
Summer undergraduate	5,018	5,009	4,877	4,877
Summer undergraduate (Weighted) (a)	1,651	1,655	1,648	1,648
Summer graduate	1,661	1,777	1,802	1,802
Summer graduate (Weighted) (a)	570	663	670	670
Program revenue	$5,345,433	$6,002,332	$6,993,605	$7,706,525
Full–Time, First–Time, Degree–Seeking Freshmen who are Regular Admission Students	1,138	1,316	—	—
Average SAT Score – Math	538	543	—	—
Average SAT Score – Verbal	525	531	—	—
Average SAT Score – Total	1063	1074	—	—

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Outcomes Data (c)				
Third–Semester Retention Rates	81.6%	84.3%	—	—
Six–Year Graduation Rates	54.2%	55.9%	—	—
Student Tuition and Fees				
Total Cost of Attendance (d)	$16,483	$17,379	$19,158	—
Full–Time Undergraduate Tuition – State Residents	$4,390	$4,785	$5,168	—
Full–Time Undergraduate Tuition – Non–State Residents	$7,142	$7,785	$8,836	—
Full–Time Undergraduate Fees	$1,400	$1,732	$1,979	—
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Instruction	$59,351,146	$61,968,833	$66,789,863	—
Academic Support	$14,643,583	$15,274,312	$17,650,929	—
Student Services	$13,804,939	$13,607,046	$15,632,907	—
Institutional Support	$28,464,031	$31,815,505	$43,916,739	—
Physical Plant and Support Services	$14,823,977	$17,267,152	$19,365,852	—
Special Purpose Appropriations				
Separately Budgeted Research	$128,631	$102,737	98,750.00	$102,700
College Work Study Program (State Share)	$95,487	$121,865	106,000.00	$110,134
Affirmative Action and Equal Employment Opportunity	$103,285	$101,594	95,194.00	$99,002
New Jersey State School of Conservation	$1,008,518	$944,703	$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, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
174,755	7,628	—	182,383	182,383	Institutional Support	82	206,575	232,751	211,012
174,755	***7,628***	—	***182,383***	***182,383***	***Total Grants–in–Aid***		***206,575*** (a)	***232,751***	***211,012***
					Less:				
—	(4,462)	—	(4,462)	(4,462)	Receipts from Tuition Increase		(5,011)	—	—
(73,085)	(6,998)	—	(80,083)	(80,083)	General Services Income		(94,585)	(102,233)	(102,233)
(1,050)	105	—	(945)	(945)	Conservation School Receipts		(930)	(930)	(930)
(27,033)	1,918	—	(25,115)	(25,115)	Auxiliary Funds Income		(26,486)	(26,654)	(26,654)
(7,757)	1,809	—	(5,948)	(5,948)	Special Funds Income		(6,378)	(6,400)	(6,400)
(22,401)	—	—	(22,401)	(22,401)	Employee Fringe Benefits		(25,740)	(27,350)	(27,350)
(131,326)	***(7,628)***	—	***(138,954)***	***(138,954)***	***Total Income Deductions***		***(159,130)***	***(163,567)***	***(163,567)***
43,429	—	—	***43,429***	***43,429***	***Total State Appropriation***		***47,445*** (a)	***69,184***	***47,445***
					Distribution by Fund and Object				
					Special Purpose:				
174,420	7,628 R	—	182,048	182,048	General Institutional Operations (b)	82	204,386	208,823	208,823

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					GRANTS–IN–AID				
—	—	—	—	—	High Enrollment Growth Adjustment	82	1,854	8,172	1,854
335	—	—	335	335	Teacher Preparation	82	335	335	335
—	—	—	—	—	Restoration of Salary Program Funding	82	—	4,655	—
—	—	—	—	—	Non–Personnel Inflation Increases	82	—	2,378	—
—	—	—	—	—	Maintenance and Renewal	82	—	8,388	—
					Less:				
(131,326)	*(7,628)* R	—	*(138,954)*	*(138,954)*	*Income Deductions*		*(159,130)*	*(163,567)*	*(163,567)*
43,429	—	—	***43,429***	***43,429***	***Grand Total State Appropriation***		***47,445***	***69,184***	***47,445***

Notes — Grants–In–Aid – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The appropriation for General Institutional Operations has been adjusted to include the Tuition Incentive Grant.

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.

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 fiscal year 2006 appropriations act, 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

Founded in 1855 as the New Jersey State Normal School, and formerly known as Trenton State College, The College of New Jersey was the State's first, and the nation's ninth, teacher training school. The College established its first baccalaureate program in 1925, and awarded its first master's degree in 1947. Nationally recognized for its commitment to quality and excellence, the College provides a strong liberal arts core foundation for the 60 degree programs offered through seven schools: Art, Media and Music; Business; Culture and Society; Education; Engineering; Nursing; and Science.

Located on 289 acres in suburban Ewing Township, Mercer County, the College has 39 major buildings including the Roscoe L. West 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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Institutional Support				
Enrollment total	6,878	6,776	6,696	6,696
Enrollment total (Weighted) (a)	5,958	5,950	6,090	6,090
Undergraduate total	5,879	5,787	5,771	5,771
Undergraduate total (Weighted) (a)	5,466	5,452	5,652	5,652
Full–time	5,523	5,446	5,564	5,564
Full–time (Weighted) (a)	5,330	5,319	5,574	5,574
Part–time	356	341	207	207
Part–time (Weighted) (a)	136	133	78	78
Graduate total	999	989	925	925
Graduate total (Weighted) (a)	492	498	438	438
Full–time	109	113	115	115
Full–time (Weighted) (a)	114	117	115	115
Part–time	890	876	810	810
Part–time (Weighted) (a)	378	381	323	323
Degree programs offered	58	60	60	60
Courses offered	2,049	2,049	1,964	1,964
Degrees Granted				
Bachelors	1,298	1,298	1,356	1,356
Masters	281	281	383	383
Ratio: Student/faculty (b)	12/1	12/1	12/1	12/1
Extension and Public Service				
Enrollment	3,093	3,333	4,234	4,234
Enrollment (Weighted) (a)	1,215	1,390	1,542	1,542
Summer undergraduate	1,024	1,024	1,006	1,006
Summer undergraduate (Weighted) (a)	301	323	338	338
Summer graduate	515	755	1,479	1,479
Summer graduate (Weighted) (a)	196	349	594	594
Part–time and extension (off–campus)	1,554	1,554	1,749	1,749
Part–time and extension (off–campus) (Weighted) (a)	718	718	610	610
Program revenue	$2,584,059	$3,039,822	$3,290,252	$3,290,252
Full–Time, First–Time, Degree–Seeking Freshmen who are Regular Admission Students	934	955	—	—
Average SAT Score – Math	659	666	—	—
Average SAT Score – Verbal	637	640	—	—
Average SAT Score – Total	1296	1306	—	—
Outcomes Data (c)				
Third–Semester Retention Rates	95.0%	95.5%	—	—
Six–Year Graduation Rates	81.9%	80.6%	—	—
Student Tuition and Fees				
Total Cost of Attendance (d)	$17,528	$18,622	$19,815	—
Full–Time Undergraduate Tuition – State Residents	$5,625	$6,131	$6,621	—
Full–Time Undergraduate Tuition – Non–State Residents	$9,822	$10,706	$11,562	—
Full–Time Undergraduate Fees	$1,823	$2,073	$2,367	—
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Instruction	$32,660,025	$30,965,976	$31,823,560	—
Academic Support	$7,262,483	$8,906,489	$9,884,441	—
Student Services	$14,133,794	$16,796,389	$18,638,313	—
Institutional Support	$12,568,978	$12,287,097	$13,153,066	—
Physical Plant and Support Services	$12,300,720	$13,537,788	$14,014,291	—
Special Purpose Appropriations				
Separately Budgeted Research	$524,832	$612,051	$630,413	$655,629
College Work Study Program (State Share)	$53,107	$44,604	$65,000	$65,000
Affirmative Action and Equal Employment Opportunity	$99,643	$83,732	$111,302	$132,687
Scholarships (Includes Minority)	$6,640,966	$6,822,945	$8,140,000	$9,480,000
Teacher Preparation	$150,000	$150,000	$150,000	$150,000

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
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, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
140,138	8,188	—	148,326	148,326	Institutional Support	82	158,720	164,136	157,579
140,138	***8,188***	—	***148,326***	***148,326***	***Total Grants–in–Aid***		***158,720*** (a)	***164,136***	***157,579***
					Less:				
—	(2,997)	—	(2,997)	(2,997)	Receipts from Tuition Increase		(3,330)	—	—
(42,308)	(1,570)	—	(43,878)	(43,878)	General Services Income		(47,377)	(50,707)	(50,707)
(41,170)	(1,800)	12,371	(30,599)	(30,599)	Auxiliary Funds Income		(32,229)	(32,229)	(32,229)
(3,885)	(1,821)	(12,371)	(18,077)	(18,077)	Special Funds Income		(19,441)	(17,709)	(17,709)
(17,156)	—	—	(17,156)	(17,156)	Employee Fringe Benefits		(19,536)	(20,127)	(20,127)
(104,519)	***(8,188)***	—	***(112,707)***	***(112,707)***	***Total Income Deductions***		***(121,913)***	***(120,772)***	***(120,772)***
35,619	—	—	***35,619***	***35,619***	***Total State Appropriation***		***36,807*** (a)	***43,364***	***36,807***
					Distribution by Fund and Object				
					Special Purpose:				
139,988	8,188 R	—	148,176	148,176	General Institutional Operations (b)	82	158,404	157,263	157,263
—	—	—	—	—	High Enrollment Growth Adjustment	82	166	166	166
150	—	—	150	150	Teacher Preparation	82	150	150	150
—	—	—	—	—	Restoration of Base Funding	82	—	3,500	—
—	—	—	—	—	Salary Program Funding	82	—	2,907	—
—	—	—	—	—	NJ Teacher Quality	82	—	50	—
—	—	—	—	—	Forensic Sciences Program	82	—	100	—
					Less:				
(104,519)	*(8,188)* R	—	*(112,707)*	*(112,707)*	*Income Deductions*		*(121,913)*	*(120,772)*	*(120,772)*
35,619	—	—	***35,619***	***35,619***	***Grand Total State Appropriation***		***36,807***	***43,364***	***36,807***

Notes — Grants–In–Aid – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The appropriation for General Institutional Operations has been adjusted to include the Tuition Incentive Grant.

Language Recommendations — Grants–In–Aid – General Fund

For the purpose of implementing the fiscal year 2006 appropriations act, 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 established by the Legislature in 1968 and opened in September 1971. 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 which includes an arena, a gymnasium, an NCAA–size swimming pool, outdoor tennis courts, and a variety of playing fields.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Institutional Support				
Enrollment total	5,457	5,554	5,503	5,524
Enrollment total (Weighted) (a)	4,350	4,527	4,507	4,533
Undergraduate total	5,104	5,162	5,162	5,183
Undergraduate total (Weighted) (a)	4,206	4,370	4,370	4,396
Full–time	3,700	3,877	3,877	3,893
Full–time (Weighted) (a)	3,593	3,786	3,786	3,809
Part–time	1,404	1,285	1,285	1,290
Part–time (Weighted) (a)	613	584	584	587
Graduate total	353	392	341	341
Graduate total (Weighted) (a)	144	157	137	137
Full–time	25	20	17	17
Full–time (Weighted) (a)	19	17	9	9
Part–time	328	372	324	324
Part–time (Weighted) (a)	125	140	128	128
Courses offered	2,100	2,100	2,100	2,100
Degrees Granted				
Bachelors	908	1,010	1,111	1,111
Masters	98	96	70	60
Ratio: Student/faculty (b)	17/1	17/1	17/1	17/1
Extension and Public Service				
Enrollment	2,141	1,971	1,861	1,787
Enrollment (Weighted) (a)	385	348	331	319
Summer undergraduate	1,702	1,582	1,472	1,398
Summer undergraduate (Weighted) (a)	279	253	236	224
Summer graduate	199	207	207	207
Summer graduate (Weighted) (a)	46	45	45	45
Part–time and extension (off–campus)	240	182	182	182
Part–time and extension (off–campus) (Weighted) (a)	60	50	50	50
Program revenue	$1,755,122	$1,831,155	$2,105,000	$2,220,010
Full–Time, First–Time, Degree–Seeking Freshmen who are Regular Admission Students	537	571	—	—
Average SAT Score – Math	569	581	—	—
Average SAT Score – Verbal	565	572	—	—
Average SAT Score – Total	1134	1153	—	—
Outcomes Data (c)				
Third–Semester Retention Rates	86.3%	88.9%	—	—
Six–Year Graduation Rates	51.2%	60.8%	—	—
Student Tuition and Fees				
Total Cost of Attendance (d)	$16,910	$18,012	$19,240	—
Full–Time Undergraduate Tuition – State Residents	$4,836	$5,270	$5,640	—
Full–Time Undergraduate Tuition – Non–State Residents	$8,738	$9,525	$10,192	—
Full–Time Undergraduate Fees	$1,939	$2,138	$2,441	—

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Instruction	$23,780,822 (e)	$20,076,036	$21,167,075	—
Academic Support	$3,785,834	$3,805,094	$4,011,883	—
Student Services	$5,534,451	$7,043,101	$7,425,861	—
Institutional Support	$11,280,332	$12,877,368	$13,577,193	—
Physical Plant and Support Services	$8,530,187 (f)	$8,070,401	$8,508,989	—
Special Purpose Appropriations				
Separately Budgeted Research	$60,852	$70,773	$100,000	$100,000
College Work Study Program (State Share)	$65,332	$59,338	$70,000	$70,000
Affirmative Action and Equal Employment Opportunity	$224,000	$255,000	$310,000	$310,000
Student Financial Assistance	$620,000	$664,000	$633,000	$633,000
William T. Cahill Recognition Programs	$200,000	$200,000	$200,000	$200,000
Equipment Leasing Fund – Debt Service	—	$15,788	$91,000	$91,000
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.

(e) Includes $5,400,000 Capital Gift from the Ramapo College foundation to payoff the outstanding debt for the Berrie Center.

(f) Includes $1,362,629 payment for purchase of property.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
82,343	7,687	—	90,030	90,030	Institutional Support	82	99,989	109,359	100,710
82,343	***7,687***	—	***90,030***	***90,030***	***Total Grants–in–Aid***		***99,989*** (a)	***109,359***	***100,710***
					Less:				
—	(1,822)	—	(1,822)	(1,822)	Receipts from Tuition Increase		(1,448)	—	—
(20,782)	(10,293)	—	(31,075)	(31,075)	General Services Income		(35,294)	(36,742)	(36,742)
(27,936)	7,325	—	(20,611)	(20,611)	Auxiliary Funds Income		(23,528)	(23,528)	(23,528)
(4,628)	(2,897)	—	(7,525)	(7,525)	Special Funds Income		(7,743)	(7,847)	(7,847)
(10,018)	—	—	(10,018)	(10,018)	Employee Fringe Benefits		(11,420)	(12,037)	(12,037)
(63,364)	***(7,687)***	—	***(71,051)***	***(71,051)***	***Total Income Deductions***		***(79,433)***	***(80,154)***	***(80,154)***
18,979	—	—	***18,979***	***18,979***	***Total State Appropriation***		***20,556*** (a)	***29,205***	***20,556***
					Distribution by Fund and Object				
					Special Purpose:				
82,343	7,687 R	—	90,030	90,030	General Institutional Operations (b)	82	99,328	100,049	100,049
—	—	—	—	—	High Enrollment Growth Adjustment	82	661	661	661
—	—	—	—	—	Restoration of Salary Program Funding	82	—	4,497	—

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					GRANTS–IN–AID				
—	—	—	—	—	Enrollment – Based Funding Adjustment	82	—	4,152	—
					Less:				
(63,364)	*(7,687)* R	—	*(71,051)*	*(71,051)*	*Income Deductions*		*(79,433)*	*(80,154)*	*(80,154)*
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	2	—	2	—	Physical Plant and Support Services	72	—	—	—
—	*2*	—	*2*	—	*Total Capital Construction*		—	—	—
					Distribution by Fund and Object				
					Ramapo College of New Jersey				
—	2	—	2	—	Preservation Projects	72	—	—	—
18,979	*2*	—	*18,981*	*18,979*	*Grand Total State Appropriation*		*20,556*	*29,205*	*20,556*

Notes — Grants–In–Aid – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The appropriation for General Institutional Operations has been adjusted to include the Tuition Incentive Grant.

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 fiscal year 2006 appropriations act, 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 6,000 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 three new facilities, 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. 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Institutional Support				
Enrollment total	6,448	6,751	6,760	6,895
Enrollment total (Weighted) (a)	5,444	5,669	5,669	5,782
Undergraduate total	6,165	6,411	6,415	6,543
Undergraduate total (Weighted) (a)	5,251	5,460	5,460	5,569
Full–time	5,058	5,285	5,260	5,365
Full–time (Weighted) (a)	4,802	5,006	5,006	5,106
Part–time	1,107	1,126	1,155	1,178
Part–time (Weighted) (a)	449	454	454	463
Graduate total	283	340	345	352
Graduate total (Weighted) (a)	193	209	209	213
Full–time	91	98	103	105
Full–time (Weighted) (a)	130	133	133	136
Part–time	192	242	242	247
Part–time (Weighted) (a)	63	76	76	77
Degree programs offered	33	33	34	34
Courses offered	2,198	2,181	2,200	2,200
Degrees Granted				
Bachelors	1,402	1,586	1,602	1,618
Masters	90	88	89	90
Ratio: Student/faculty (b)	17/1	20/1	19/1	18/1
Extension and Public Service				
Enrollment	2,600	2,613	2,665	2,665
Enrollment (Weighted) (a)	2,267	2,307	2,353	2,353
Summer undergraduate	2,410	2,417	2,465	2,465
Summer undergraduate (Weighted) (a)	2,134	2,190	2,234	2,234
Summer graduate	190	196	200	200
Summer graduate (Weighted) (a)	133	117	119	119
Program revenue	$2,365,000	$2,483,691	$2,608,000	$2,608,000
Full–Time, First–Time, Degree–Seeking Freshmen who are Regular Admission Students	583	626	—	—
Average SAT Score – Math	571	575	—	—
Average SAT Score – Verbal	559	558	—	—
Average SAT Score – Total	1,130	1,133	—	—
Outcomes Data (c)				
Third–Semester Retention Rates	82.9%	82.7%	—	—
Six–Year Graduation Rates	64.1%	64.1%	—	—
Student Tuition and Fees				
Total Cost of Attendance (d)	$15,097	$16,090	$17,429	—
Full–Time Undergraduate Tuition – State Residents	$4,352	$4,736	$5,091	—
Full–Time Undergraduate Tuition – Non–State Residents	$7,040	$7,680	$8,256	—
Full–Time Undergraduate Fees	$1,248	$1,488	$2,112	—
OPERATING DATA				
Institutional Support				
Institutional Expenditures				
Instruction	$29,446,000	$31,289,000	$34,233,000	—
Sponsored Programs and Research	$174,000	$332,000	$443,000	—
Extension and Public Service	$1,238,000	$2,280,000	$2,345,000	—
Academic Support	$5,662,000	$5,716,000	$5,748,000	—
Student Services	$6,147,000	$6,874,000	$7,367,000	—
Institutional Support	$10,587,000	$10,064,000	$15,833,000	—
Physical Plant and Support Services	$9,143,000	$11,264,000	$9,447,000	—
Special Purpose Appropriations				
Separately Budgeted Research (R&PD)	$85,000	$85,000	$85,000	$85,000
College Work Study Program (State Share)	$89,591	$78,207	$90,000	$90,000
Affirmative Action and Equal Employment Opportunity	$48,000	$48,000	$51,000	$53,000
Debt Service	$581,598	$670,000	$835,000	$1,800,000
National Direct Student Loan (State Share)	$21,068	$21,068	$21,068	$21,068
Scholarship and Loan Assistance	$1,565,964	$1,763,252	$1,750,000	$1,750,000

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Position Data				
State–funded Positions	622	622	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, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
86,211	19,880	—	106,091	106,091	Institutional Support	82	114,605	133,467	117,920
86,211	***19,880***	—	***106,091***	***106,091***	***Total Grants–in–Aid***		***114,605*** (a)	***133,467***	***117,920***
					Less:				
—	(2,257)	—	(2,257)	(2,257)	Receipts from Tuition Increase		(2,083)	—	—
(31,587)	286	—	(31,301)	(31,301)	General Services Income		(35,320)	(38,116)	(38,116)
(17,400)	(1,532)	—	(18,932)	(18,932)	Auxiliary Funds Income		(20,141)	(21,924)	(21,924)
(2,587)	(16,377)	—	(18,964)	(18,964)	Special Funds Income		(19,099)	(19,568)	(19,568)
(11,504)	—	—	(11,504)	(11,504)	Employee Fringe Benefits		(13,482)	(13,832)	(13,832)
(63,078)	***(19,880)***	—	***(82,958)***	***(82,958)***	***Total Income Deductions***		***(90,125)***	***(93,440)***	***(93,440)***
23,133	—	—	***23,133***	***23,133***	***Total State Appropriation***		***24,480*** (a)	***40,027***	***24,480***
					Distribution by Fund and Object				
					Special Purpose:				
86,123	19,880 R	—	106,003	106,003	General Institutional Operations (b)	82	113,855	117,170	117,170
—	—	—	—	—	High Enrollment Growth Adjustment	82	512	512	512
—	—	—	—	—	School of Tourism	82	150	150	150
88	—	—	88	88	Teacher Preparation	82	88	88	88
—	—	—	—	—	Restoration of Base Funding	82	—	2,944	—
—	—	—	—	—	The Stockton South Jersey Institute	82	—	2,075	—
—	—	—	—	—	NJ Teacher Quality	82	—	65	—
—	—	—	—	—	Carnegie Library – Additional Positions and Technology Equipment	82	—	1,190	—
—	—	—	—	—	Institutional Advancement Executive Position	82	—	150	—
—	—	—	—	—	GOALS 2010	82	—	9,123	—
					Less:				
(63,078)	*(19,880)* R	—	*(82,958)*	*(82,958)*	*Income Deductions*		*(90,125)*	*(93,440)*	*(93,440)*
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	9	—	9	—	Physical Plant and Support Services	72	—	—	—
—	***9***	—	***9***	—	***Total Capital Construction***		—	—	—

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Object				
					The Richard Stockton College of New Jersey				
—	8	—	8	—	Compliance Projects	72	—	—	—
—	1	—	1	—	Environmental Projects	72	—	—	—
23,133	*9*	—	*23,142*	*23,133*	*Grand Total State Appropriation*		*24,480*	*40,027*	*24,480*

Notes — Grants–In–Aid – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The appropriation for General Institutional Operations has been adjusted to include the Tuition Incentive Grant.

Language Recommendations — Grants–In–Aid – General Fund

For the purpose of implementing the fiscal year 2006 appropriations act, the number of State–funded positions at The Richard Stockton College of New Jersey shall be 623.

HIGHER EDUCATIONAL SERVICES

Language Recommendations — Direct State Services – General Fund
Language Recommendations — Grants–In–Aid – General Fund

From the sums appropriated hereinabove for Higher Educational Services – Institutional Support in each of the State colleges and universities, 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 21 of P.L.1999, c.46 (C.18A:62–24).

Public colleges and universities are authorized to provide a voluntary employee furlough program.

Notwithstanding the provisions of any other law to the contrary, any funds appropriated as Grants–in–Aid and payable to any senior public college or university which requests approval from the Educational Facilities Authority and the Director of the Division of Budget and Accounting may be pledged as a guarantee for payment of principal and interest on any bonds issued by the Educational Facilities Authority or by the college or university. Such funds, if so pledged, shall be made available by the State Treasurer upon receipt of written notification by the Educational Facilities Authority or the Director of the Division of Budget and Accounting that the college or university does not have sufficient funds available for prompt payment of principal and interest on such bonds, and shall be paid by the State Treasurer directly to the holders of such bonds at such time and in such amounts as specified by the bond indenture, notwithstanding that payment of such funds does not coincide with any date for payment otherwise fixed by law.

From the amounts appropriated hereinabove for General Institutional Operations in the senior public institutions, the State Treasurer is authorized to pay the final 1/24th of fiscal year 2005 General Institutional Operations grant payment to each senior public institution in July 2005.

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 Fiscal Year 2006 Governor's Budget Message first shall be charged to the State Lottery Fund.

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.

PROGRAM CLASSIFICATIONS

05. **Support of the Arts.** The State Council on the Arts (NJS 52:16A–25) has established a program of granting monies appropriated by the State and federal governments 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 endeavors to establish new programs throughout the State to cultivate the arts in the communities 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 (NJS 18A:73–1 et seq. and NJS 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 provides for a program of maintenance and support of museum services by the Newark Museum Association. This program also includes maintenance of the Old Barracks and the War Memorial Fund.

07. **Development of Historical Resources.** The Historical Commission is responsible for the formulation and implementation of programs to advance public knowledge of the history of New Jersey and the United States. The Commission (NJS 18A:73–21 et seq.) sponsors programs for the production of educational historical 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. The Commission carries out programs of research in and publications on New Jersey history.

10. **Public Broadcasting Services.** The New Jersey Public Broadcasting Authority was created (C48:23–1 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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Support of the Arts				
Grants awarded	500	500	750	750
Performances	31,000	31,000	35,000	35,000
Attendance	23,000,000	17,000,000	19,000,000	19,000,000
Artists benefiting	125,000	68,000	71,000	74,000
Museum Services				
Total Attendance	350,000	375,000	375,000	375,000
School program attendance	60,000	65,000	65,000	65,000
Public planetarium attendance	30,000	50,000	50,000	50,000
Other public program attendance	75,000	80,000	80,000	80,000
War Memorial				
Theatre Events	125	150	175	175
Theatre Attendance	225,000	250,000	275,000	275,000
School Matinees	30	30	30	30
School Matinee Attendance	54,000	54,000	54,000	54,000
Meetings/Conferences	150	100	100	100
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	165	155	153	155
Federal	4	2	2	3
All Other	49	57	57	57
Total Positions	218	214	212	215

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Filled Positions by Program Class				
Support of the Arts	18	16	17	18
Museum Services	33	33	31	33
Development of Historical Resources	11	7	6	6
Public Broadcasting Services	156	158	158	158
Total Positions	218	214	212	215

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
500	—	28	528	521	Support of the Arts	05	500	500	500
2,530	2	—	2,532	2,531	Museum Services	06	2,530	2,530	2,530
500	—	—	500	500	Development of Historical Resources	07	510	510	510
7,098	—	—	7,098	7,098	Public Broadcasting Services	10	6,446	5,946	5,946
10,628	***2***	***28***	***10,658***	***10,650***	***Total Direct State Services***		***9,986*** [a]	***9,486***	***9,486***
					Distribution by Fund and Object				
					Personal Services:				
7,759	—	–134	7,625	7,624	Salaries and Wages		8,153	7,653	7,653
7,759	—	*–134*	*7,625*	*7,624*	*Total Personal Services*		*8,153*	*7,653*	*7,653*
211	—	–15	196	194	Materials and Supplies		243	243	243
810	—	190	1,000	996	Services Other Than Personal		740	740	740
203	—	–84	119	119	Maintenance and Fixed Charges		205	205	205
					Special Purpose:				
375	—	—	375	375	Maintenance of Old Barracks	06	375	375	375
250	—	—	250	249	War Memorial Operations	06	250	250	250
20	—	—	20	20	Affirmative Action and Equal Employment Opportunity	10	20	20	20
1,000	—	—	1,000	1,000	New Jersey Network, Equipment	10	—	—	—
—	2	71	73	73	Additions, Improvements and Equipment		—	—	—
					GRANTS–IN–AID				
					Distribution by Fund and Program				
18,430	—	42	18,472	18,472	Support of the Arts	05	28,180	25,110	25,110
800	—	—	800	800	Museum Services	06	3,800	2,000	2,000
3,302	7	–1	3,308	3,308	Development of Historical Resources	07	4,642	4,442	4,442
22,532	***7***	***41***	***22,580***	***22,580***	***Total Grants–in–Aid***		***36,622***	***31,552***	***31,552***
					Distribution by Fund and Object				
					Grants:				
2,430	—	—	2,430	2,430	Newark Museum	05	5,000	2,430	2,430
16,000	—	42	16,042	16,042	Cultural Projects	05	22,680	22,680	22,680
—	—	—	—	—	New Jersey Symphony Orchestra	05	500	—	—
800	—	—	800	800	War Memorial Operations	06	800	500	500
—	—	—	—	—	Battleship New Jersey Museum	06	3,000	1,500	1,500

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					GRANTS–IN–AID				
189	—	–1	188	188	Grants In New Jersey History	07	189	189	189
13	—	–1	12	12	Grants in Afro–American History	07	13	13	13
400	—	—	400	400	Ellis Island New Jersey Foundation	07	600	400	400
—	5	–1	4	4	New Jersey Historical Commission–Research Grants	07	—	—	—
2,700	2	2	2,704	2,704	New Jersey Historical Commission–Agency Grants	07	3,840	3,840	3,840
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	13	—	13	—	Support of the Arts	05	—	—	—
—	28	—	28	25	Museum Services	06	—	—	—
—	473	—	473	463	Public Broadcasting Services	10	1,000	—	—
—	***514***	—	***514***	***488***	***Total Capital Construction***		***1,000***	—	—
					Distribution by Fund and Object				
					Council on the Arts				
—	13	—	13	—	Visual Arts Display Equipment	05	—	—	—
					Division of State Museum				
—	28	—	28	25	Morven Renovations	06	—	—	—
					New Jersey Public Broadcasting Authority				
—	5	—	5	—	Digital Transmission	10	—	—	—
—	400	—	400	395	Replace Emergency Standby Generators	10	—	—	—
—	68	—	68	68	Repair Access Road to Channel 52 Transmitter	10	—	—	—
—	—	—	—	—	New Jersey Network: Microwave Technology	10	1,000	—	—
33,160	***523***	***69***	***33,752***	***33,718***	***Grand Total State Appropriation***		***47,608***	***41,038***	***41,038***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
785	–2	—	783	707	Support of the Arts	05	750	750	750
315	41	—	356	41	Museum Services	06	202	202	202
1,250	—	—	1,250	—	Public Broadcasting Services	10	625	625	625
2,350	***39***	—	***2,389***	***748***	***Total Federal Funds***		***1,577***	***1,577***	***1,577***
					All Other Funds				
—	515 144 R	8	667	—	Support of the Arts	05	525	525	525
—	63 623 R	—	686	487	Museum Services	06	602	602	602
—	61 123 R	—	184	139	Development of Historical Resources	07	30	30	30
—	4,029 12,446 R	—	16,475	12,607	Public Broadcasting Services	10	13,546	13,546	13,546
—	***18,004***	***8***	***18,012***	***13,233***	***Total All Other Funds***		***14,703***	***14,703***	***14,703***
35,510	***18,566***	***77***	***54,153***	***47,699***	***GRAND TOTAL ALL FUNDS***		***63,888***	***57,318***	***57,318***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Language Recommendations — Direct State Services – General Fund

A sum, not to exceed $225,000, is appropriated from the "Cultural Centers and Historic Preservation Fund," established pursuant to section 20 of P.L. 1987, c. 265, for costs attributable to planning and administering grants for the development of cultural centers, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations — Grants–In–Aid – General Fund

Of the amount appropriated for Cultural Projects, Grants–In– Aid, an amount not to exceed $75,000 may be used for administrative purposes, subject to the approval of the Director of the Division of Budget and Accounting.

Of the amount appropriated for Cultural Projects, Grants–In– Aid, 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 section 4 of P.L. 1999, c. 131 (C:18A:73–22.4), from the amount appropriated for New Jersey Historical Commission Research and 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.

Notwithstanding the provision of any other law 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 South Jersey Performing Arts Center shall be disregarded.

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 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Library Services				
Books and Documents Managed	1,972,644	1,979,480	1,988,000	2,000,000

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Materials Loaned				
To individuals	18,919	19,717	22,000	24,000
To libraries	3,281	3,053	3,400	3,750
To blind and handicapped	465,547	496,035	531,000	568,000
Photocopies provided	321,725	193,683	200,000	205,000
Library Documents Distributed	20,944	14,359	20,000	21,000
Reference Questions Answered	23,504	23,642	24,000	25,000
Computer Searches Performed	28,650	44,233	44,000	47,000
Electronic Interlibrary Loans	42,018	93,989	110,000	120,000
CyberDesk / Internet Contacts	2,964,946	3,737,764	4,112,000	4,523,000

PERSONNEL DATA

Position Data

Filled Positions by Funding Source				
State Supported	55	55	75	75
Federal	37	37	37	37
Total Positions	92	92	112	112
Filled Positions by Program Class				
Library Services	92	92	112	112

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
3,345	——	23	3,368	3,368	Library Services	51	10,370	10,765	4,370
3,345	——	***23***	***3,368***	***3,368***	***Total Direct State Services***		***10,370*** [a]	***10,765***	***4,370***
					Distribution by Fund and Object				
					Personal Services:				
2,207	——	23	2,230	2,230	Salaries and Wages		3,232	3,520	3,232
2,207	——	*23*	*2,230*	*2,230*	*Total Personal Services*		*3,232*	*3,520*	*3,232*
418	——	——	418	418	Materials and Supplies		418	505	418
193	——	——	193	193	Services Other Than Personal		193	192	193
27	——	——	27	27	Maintenance and Fixed Charges		27	43	27
					Special Purpose:				
500	——	–5	495	495	Supplies and Extended Services	51	500	500	500
——	——	——	——	——	Virtual Library (Knowledge Initiative)	51	6,000	6,000	——
——	——	5	5	5	Additions, Improvements and Equipment		——	5	——
					STATE AID				
					Distribution by Fund and Program				
16,827	——	——	16,827	16,541	Library Services	51	16,827	37,407	18,537
16,827	——	——	***16,827***	***16,541***	***Total State Aid***		***16,827***	***37,407***	***18,537***
					Distribution by Fund and Object				
					State Aid:				
8,665	——	——	8,665	8,665	Per Capita Library Aid	51	8,665	12,535	8,665
4,777	——	——	4,777	4,777	Library Network	51	4,777	4,777	4,777
1,300	——	——	1,300	1,300	Virtual Library Aid	51	1,300	1,300	1,300
2,085	——	——	2,085	1,799	Public Library Project Fund	51	2,085	3,795	3,795

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					STATE AID				
—	—	—	—	—	Literacy Initiative	51	—	10,000	—
—	—	—	—	—	Regional Library Cooperatives Program	51	—	5,000	—
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	23	—	23	—	Library Services	51	—	—	—
—	*23*	—	*23*	—	*Total Capital Construction*		—	—	—
					Distribution by Fund and Object				
					Division of State Library				
—	1	—	1	—	Remodel State Library	51	—	—	—
—	22	—	22	—	Install Fire Suppression System	51	—	—	—
20,172	*23*	*23*	*20,218*	*19,909*	*Grand Total State Appropriation*		*27,197*	*48,172*	*22,907*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
74. GENERAL GOVERNMENT SERVICES
2505. OFFICE OF THE SECRETARY OF STATE

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 has been filed in the Office of the Secretary of State.

PROGRAM CLASSIFICATIONS

01. **Office of the Secretary of State.** The Office of the Secretary of State (RS52:16–1 et seq.) develops and coordinates several programs having statewide community and business impact. The Martin Luther King, Jr. Commemorative Commission (RS52:9Z 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. Pursuant to Executive Order 31, the Office of Faith Based Initiatives was transferred from the Department of Community Affairs to the Department of State. 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 year 2004. This federally supported program promotes volunteerism and community service efforts.

08. **Records Management.** The Records Storage Center, whose construction was funded by the 1978 Institutional Construction Bond Issue, opened in early 1982. The building houses the records management and storage operations, the microfilm unit and the State Library's Library for the Blind and Handicapped. The center's records activities are functions of the Bureau of Archives and History. Records management functions include preparing and maintaining record retention schedules for state and local governments, microfilming, imaging and storing state records and forms analysis. The microfilm unit is a self–sustaining operation.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Office of the Secretary of State				
Information/Program Referrals — Personal Responsibility Programs	12,000	12,000	12,000	12,000
Grant Applications Received— Martin Luther King, Jr. Commemorative Commission	50	36	50	65
Grants Awarded— Martin Luther King, Jr. Commemorative Commission	35	35	35	40

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Records Management				
Micro–images produced	16,000,000	16,000,000	17,000,000	17,000,000
Records received (cubic storage feet)	20,000	20,000	20,000	20,000
Records disposed	20,000	20,000	20,000	20,000
Reference requests (storage)	24,000	25,000	26,000	26,000
Visitors to Archives	8,000	8,000	9,000	9,000
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	23	21	23	23
Male Minority %	11.9	13.0	11.5	11.5
Female Minority	66	52	57	57
Female Minority %	34.2	32.1	28.5	28.5
Total Minority	89	73	80	80
Total Minority %	46.1	45.1	40.0	40.0
Position Data				
Filled Positions by Funding Source				
State Supported	88	76	84	99
Federal	8	7	7	7
All Other	40	46	45	46
Total Positions	136	129	136	152
Filled Positions by Program Class				
Office of the Secretary of State	64	51	57	61
Records Management	72	78	79	91
Total Positions	136	129	136	152

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
3,948	553	——	4,501	3,886	Office of the Secretary of State	01	4,587	4,337	4,337
1,586	200	——	1,786	1,786	Records Management	08	3,744	2,963	2,963
5,534	***753***	——	***6,287***	***5,672***	***Total Direct State Services***		***8,331*** [a]	***7,300***	***7,300***
					Distribution by Fund and Object				
					Personal Services:				
3,842	93	–38	3,897	3,897	Salaries and Wages		4,052 460 S	4,703	4,703
3,842	*93*	*–38*	*3,897*	*3,897*	*Total Personal Services*		*4,512*	*4,703*	*4,703*
124	44	–102	66	66	Materials and Supplies		124 14 S	138	138
278	413	218	909	583	Services Other Than Personal		278 559 S	317	317
38	——	6	44	44	Maintenance and Fixed Charges		38 15 S	56	56
					Special Purpose:				
34	——	——	34	34	Affirmative Action and Equal Employment Opportunity	01	34	34	34
——	——	——	——	——	9–11 Memorial Commission	01	50	50	50
500	——	——	500	499	Personal Responsibility Programs	01	500	500	500

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					DIRECT STATE SERVICES				
300	—	—	300	13	Amistad Commission	01	300	300	300
—	—	—	—	—	Citizens Task Force on Constitutional Convention	01	250	—	—
—	—	—	—	—	Office of Volunteerism	01	259	259	259
168	3	—	171	171	Martin Luther King, Jr. Commemorative Commission	01	168	168	168
250	—	—	250	250	Cultural Trust – Administration	01	250	250	250
—	200	–84	116	115	Additions, Improvements and Equipment		500 480 S	525	525
					GRANTS–IN–AID				
					Distribution by Fund and Program				
2,500	—	—	2,500	2,500	Office of the Secretary of State	01	3,720	3,720	3,720
2,500	—	—	***2,500***	***2,500***	***Total Grants–in–Aid***		***3,720***	***3,720***	***3,720***
					Distribution by Fund and Object				
					Grants:				
2,000	—	—	2,000	2,000	Office of Faith Based Initiatives	01	3,000	3,000	3,000
500	—	—	500	500	Cultural Trust	01	720	720	720
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	4	—	4	—	Office of the Secretary of State	01	—	—	—
—	80	—	80	19	Records Management	08	—	—	—
—	***84***	—	***84***	***19***	***Total Capital Construction***		—	—	—
					Distribution by Fund and Object				
					Office of the Secretary of State				
—	4	—	4	—	DOS Infrastructure Upgrade	01	—	—	—
—	1	—	1	—	Records Storage Center – Vault Upgrades	08	—	—	—
—	79	—	79	19	State Archives – Equipment	08	—	—	—
8,034	***837***	—	***8,871***	***8,191***	***Grand Total State Appropriation***		***12,051***	***11,020***	***11,020***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
6,135	53	799	6,987	3,715	Office of the Secretary of State	01	6,313	6,313	6,313
20 S	—	—	20	3	Records Management	08	—	—	—
6,155	***53***	***799***	***7,007***	***3,718***	***Total Federal Funds***		***6,313***	***6,313***	***6,313***
					All Other Funds				
—	301 119 R	2	422	—	Office of the Secretary of State	01	—	—	—
—	—	—	—	—	Records Management	08	29,472	30,300	30,300
—	***420***	***2***	***422***	—	***Total All Other Funds***		***29,472***	***30,300***	***30,300***
14,189	***1,310***	***801***	***16,300***	***11,909***	***GRAND TOTAL ALL FUNDS***		***47,836***	***47,633***	***47,633***

Notes — Direct State Services – General Fund

(a)The fiscal year 2005 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 of the Amistad Commission is appropriated for the same purpose.

In addition to the amount appropriated hereinabove for the Records Management program, such sums as are necessary for information technology or State match of federal funds, not to exceed $1,200,000, are appropriated to coordinate and implement an effective record storage system for the State and local governments, subject to the Director of the Division of Budget and Accounting.

The Director of the Division of Budget and Accounting shall transfer from departmental accounts and credit to the Records Management program classification a sum up to $415,000 for cost recoveries in the Division of Records.

The amount appropriated hereinabove for the Records Management program is payable from receipts deposited in the New Jersey Public Records Preservation Account.

Notwithstanding the provision of any other law to the contrary, receipts deposited, not to exceed 40%, in the Department of the Treasury, the New Jersey Public Records Preservation Account shall be appropriated and allocated as grants to counties and municipalities for the management, storage, and preservation of public records, based on guidelines promulgated by the Division of Archives and Records Management and approved by the State Treasurer.

Receipts received from New Jersey Public Records Preservation fees, not to exceed $1,100,000, 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.

DEPARTMENT OF STATE

Language Recommendations -- Direct State Services - General Fund

Pursuant to the provisions of P.L. 2003, c. 114, the appropriations hereinabove for purposes of promoting cultural and tourism activities in this State are first charged to revenues derived from the hotel and motel occupancy fee.

DEPARTMENT OF TRANSPORTATION

OVERVIEW

The Department has aligned its priorities with a commitment to meet the challenges of the 21st century. The Department's mission, "Improving lives by improving transportation", reflects our priorities and it has established major business goals aimed at enhancing and developing a transportation system which not only gets people where they want to go, but gets them there quicker, safer, and more conveniently.

The mission and goals of the Department will be carried out by maximizing funding, prioritizing expenditures, preserving existing infrastructure, and making efficient use of technology, all within a context of continuous improvement. Specific objectives include:

Reducing congestion and delays in public transportation services and the highway network;

Rebuilding, modernizing, and maintaining bridges, highways, aviation, maritime, and rail systems;

Considering environmental issues – air, water, habitat, and other natural resources – in the selection and development of transportation projects;

Expanding opportunities for non–motorized transportation through construction of bikeways and bicycle–compatible roadways;

Crafting an aviation strategy for the future as part of the State Airport System Plan;

Continuing to advance quick–fix improvements at key locations in the State which will include variable message signs, highway advisory radio, video cameras to detect congested areas, use of traffic operations centers to monitor traffic, and generation of real time traffic condition information for websites and radio stations;

Enhancing safety programs by installing raised pavement markers and rumble strips and by relocating fixed objects near highways, in addition to improving rail highway grade crossings;

Investing in rail freight improvements, implementing cost–effective projects identified in the State Rail Plan.

Streamlining the process for delivering projects and reducing the time it takes to complete them.

Integrating land use and transportation, and developing "corridor" solutions as a tool to ease traffic congestion.

Establishing the offices of Smart Growth, Transportation Security and Statewide Traffic Operations in order to effectively meet the changing needs of our state.

Continuing to maximize the use of all available federal transportation dollars to New Jersey.

Saving taxpayer dollars through the aggressive pursuit of effective and efficient projects that maintain the highest standards of quality and value.

Ensuring that we maintain open lines of communication to all of our stakeholders, including motorists, our neighbors, the business community, and all levels of government.

Budget Highlights

The Fiscal 2006 Budget for the Department of Transportation totals $1,210.2 million, a decrease of $4.4 million over the fiscal 2005 adjusted appropriation of $1,214.6 million.

This decrease is the result of a combination of removing $13.5 million in one–time supplemental funding primarily for snow removal and adding $9.1 million for elderly and handicapped transportation services funded from the Casino Revenue Fund. This one–time supplemental reduction will in not result in a diminution in snow removal operations in fiscal 2006.

The $9.1 million or 36 percent increase in funding from the Casino Revenue Fund for elderly and handicapped transportation services will not only allow additional residents to take advantage of the services provided by this program, but will provide participating counties with 85 percent or $7.7 million of this increase to help defray the costs of their local programs.

New Jersey Motor Vehicle Commission

The Motor Vehicle Commission (NJMVC), created by the "The Motor Vehicle Security and Customer Service Act", is continuing its reform efforts. Over the past year, the NJMVC has accomplished the following priorities:

Increasing security through the continued expansion of the Law Enforcement Agency Security Enhancement (LEASE) program, which places uniformed police officers in MVC agencies, and the hiring of additional fraud investigators;

Enhancing customers' experience through a revamped Customer Contact Center, which now accepts 66,000 additional telephone inquiries each month through a cutting–edge telephone system that has virtually eliminated busy signals;

Implementing federal mandates relating to specific Commercial Driver License (CDL) endorsements for hazmat and school bus drivers;

Formation of the Motor Vehicles Affordability and Fairness Task Force to study the potential reform of driver license suspension policies;

Refining customer service through continuous training of employees and replacement of out–of–date technology.

For fiscal year 2006, the Commission will receive an overall sum of $277 million to continue the FIX DMV proposals.

School Bus "S" and Hazardous Materials Endorsements

Federal mandates are requiring MVC to implement two programs: the School Bus "S" Endorsement and the Hazardous Materials Endorsement.

*The Federal Motor Carrier Safety Improvement Act (FMCSIA) of 1999 has mandated changes impacting all school bus drivers. This Act takes effect October 1, 2005. Over the next eight months an estimated 45,000 school bus drivers in New Jersey must update their commercial driver licenses by adding an "S" school bus endorsement. To qualify for this endorsement drivers must take a special school bus knowledge test and a road test that focuses on the safe transportation of school age children.

*The Federal Patriot Act requires all states issuing commercial driver licenses to facilitate background checks for drivers requesting a hazardous materials endorsement. The program impacts over 65,000 drivers renewing their commercial driver's license over the next four years. Drivers will be required to submit to a fingerprint test 45 days prior to their license expiration date. The Transportation Security Administration will provide the actual approval to issue a hazardous materials endorsement.

DEPARTMENT OF TRANSPORTATION

SUMMARY OF APPROPRIATIONS BY FUND
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
102,331	7,266	–2,403	107,194	104,791	Direct State Services	105,657	92,175	92,175
193,827	3,513	17	197,357	195,608	Grants–In–Aid	278,700	278,700	278,700
805,000	539	–539	805,000	804,190	Capital Construction	805,000	805,000	805,000
1,101,158	11,318	–2,925	1,109,551	1,104,589	Total General Fund	1,189,357	1,175,875	1,175,875
25,458	—	—	25,458	25,458	Total Casino Revenue Fund	25,287	34,352	34,352
1,126,616	***11,318***	***–2,925***	***1,135,009***	***1,130,047***	***GRAND TOTAL***	***1,214,644***	***1,210,227***	***1,210,227***

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES – GENERAL FUND			
					Vehicular Safety			
—	1,212	–1,212	—	—	Motor Vehicle Services	—	—	—
—	1,192	–1,192	—	—	Security Responsibility	—	—	—
—	*2,404*	*–2,404*	—	—	*Subtotal*	—	—	—
					State and Local Highway Facilities			
89,575	3,627	—	93,202	91,124	Maintenance and Operations	91,845	78,363	78,363
7,181	642	–9	7,814	7,731	Physical Plant and Support Services	7,407	7,407	7,407
—	508	—	508	364	Transportation Systems Improvements	—	—	—
96,756	*4,777*	*–9*	*101,524*	*99,219*	*Subtotal*	*99,252*	*85,770*	*85,770*
					Regulation and General Management			
1,644	84	257	1,985	1,969	Access and Use Management	1,744	1,744	1,744
3,931	1	–247	3,685	3,603	Administration and Support Services	4,661	4,661	4,661
5,575	*85*	*10*	*5,670*	*5,572*	*Subtotal*	*6,405*	*6,405*	*6,405*
102,331	***7,266***	***–2,403***	***107,194***	***104,791***	***Subtotal Direct State Services – General Fund***	***105,657***	***92,175***	***92,175***
102,331	***7,266***	***–2,403***	***107,194***	***104,791***	***TOTAL DIRECT STATE SERVICES***	***105,657***	***92,175***	***92,175***
					GRANTS–IN–AID – GENERAL FUND			
					State and Local Highway Facilities			
—	1,569	—	1,569	1,459	Transportation Systems Improvements	—	—	—
					Public Transportation			
193,827	—	—	193,827	193,827	Railroad and Bus Operations	278,700	278,700	278,700
					Regulation and General Management			
—	1,944	17	1,961	322	Access and Use Management	—	—	—
193,827	***3,513***	***17***	***197,357***	***195,608***	***Subtotal Grants–In–Aid – General Fund***	***278,700***	***278,700***	***278,700***

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
193,827	***3,513***	***17***	***197,357***	***195,608***	***TOTAL GRANTS–IN–AID***	***278,700***	***278,700***	***278,700***
					STATE AID – CASINO REVENUE FUND			
					Public Transportation			
25,458	—	—	25,458	25,458	Railroad and Bus Operations	25,287	34,352	34,352
25,458	—	—	***25,458***	***25,458***	***Subtotal State Aid – Casino Revenue Fund***	***25,287***	***34,352***	***34,352***
25,458	—	—	***25,458***	***25,458***	***TOTAL STATE AID***	***25,287***	***34,352***	***34,352***
					CAPITAL CONSTRUCTION			
					Vehicular Safety			
—	539	–539	—	—	Motor Vehicle Services	—	—	—
					State and Local Highway Facilities			
805,000	—	—	805,000	804,190	Trust Fund Authority—Revenues and other funds available for new projects	805,000	805,000	805,000
805,000	***539***	***–539***	***805,000***	***804,190***	***Subtotal Capital Construction***	***805,000***	***805,000***	***805,000***
1,126,616	***11,318***	***–2,925***	***1,135,009***	***1,130,047***	***TOTAL APPROPRIATION***	***1,214,644***	***1,210,227***	***1,210,227***

10. PUBLIC SAFETY AND CRIMINAL JUSTICE
11. VEHICULAR SAFETY

OBJECTIVES

1. To provide consumer–sensitive motor vehicle services in a professional, efficient, courteous, and timely manner; improved information gathering, storage and retrieval systems; and realistic and achievable regulatory and enforcement capabilities.
2. To identify and regulate drivers and motor vehicles to deter the commission of unlawful and unsafe acts and assure adequate service to the public while maximizing revenue to 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 and taking corrective and/or remedial action according to statutes, rules, regulations and policies; review violation and accident data received from New Jersey jurisdictions and other states; and review medical fitness data received from individuals, physicians and police departments and from driver testing.
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.
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 facilitate compensation for damage caused by uninsured motorists.
8. To develop programs which will reduce and prevent the incidence of traffic accidents and the resultant deaths, injuries and property damage.

PROGRAM CLASSIFICATIONS

01. **Motor Vehicle Services.** Information Processing manages the operation and support functions of all information processing systems used in the administration of Motor Vehicle's statutorily mandated programs. Information regarding all titling, registration, licensing and driver history resides on the Motor Vehicle Services' Comprehensive Management Information System (MIS) which is constantly updated, accessed or used in the conduct of daily operations.

Data input staff enter driver convictions from municipal courts and accident information to update driver history records. The Data Output Unit processes requests for abstracts of driver license/history and vehicle title and registration history as well as the retrieval of documents related to these areas. The Special Services Unit processes applications for all specialized plates and in–house agency transactions.

Information and Systems Management manages division–wide systems planning and control, assessing and coordinating the data processing activities and the technological needs of Motor Vehicle Services. Systems Development and Maintenance reviews and processes data system–change requests and hardware and software purchases, develops systems procedures and testing, and monitors the various systems operations.

Data Base Corrections conducts error analysis and processes all data base corrections to license, title and registration records and/or documents and updates the comprehensive

system. The Imaging Systems Center operates and maintains a computerized indexing system to index, store, and retrieve essential information and documents stored on microfilm.

The Telephone Center receives and responds to customer inquiries and problems, resolves issues and/or refers complex matters as appropriate, and operates the phone mail system.

The Vehicle Inspection Program, with 35 locations and 130 lanes, establishes 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 and 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, with 32 centers (15 for Commercial Driver License), is responsible for establishing standards for driver licenses and administers written knowledge, vision and behind–the–wheel driver tests. Commercial driving schools and their instructors as well as driver education and/or classroom instruction are certified by this program.

New Jersey has adopted a program for licensing, testing and ensuring fitness of persons who operate commercial motor vehicles in accordance with all minimum federal standards established by the "Commercial Motor Vehicle Safety Act of 1986," P.L. 99–570 (49 U.S.C. 2710 et seq.).

Forty–six contract–managed motor vehicle agencies service the motoring public by processing applications, collecting fees and sales taxes, and issuing documentation for titles, driver licenses and vehicle registrations at strategically located sites throughout the state. Agencies also issue license plates and handicap placards, process name and address changes, and conduct eye examinations. Agencies also process boat titling and registration transactions.

Driver Education and Improvement schedules conferences to resolve proposed suspensions for persistent violators, point system and other administrative suspension actions. The Probationary Driver and Experienced Driver Programs conduct classes and determine remedial action.

Regulatory Affairs ensures compliance with the statutory/regulatory responsibilities of the Business License Compliance and Motor Carriers programs and provides investigative support to the law enforcement community, and internal operational units. It also 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 motor vehicle dealers, vehicle leasing companies, salvage yards, Commercial Driver License third party testers and any other businesses required by statute to be licensed by Motor Vehicle Services. It also takes action when a licensee violates statutory/regulatory requirements.

The Motor Vehicle Surcharge Unit analyzes violation/suspension events to determine surcharge validity and to resolve driver disputes. The Unit acts as a liaison with the private vendor and law firms responsible for the issuance of billing statements and collection of driver payments.

The Motor Carriers Unit administers the International Registration Program (IRP) by registering commercial vehicles operating interstate; the International Fuel Tax Agreement (IFTA), which standardized fuel tax reporting for commercial vehicles operating interstate; and the Overweight/Overdimensional Permit Program which provides permits, routes of travel and insurance verification for vehicles transporting loads that exceed the legal weight, length, height, or width.

The Uninsured Motorist Program is a system which expedites the processing of insurance terminations. This system has a direct effect on the enforcement of the compulsory motor vehicle insurance law.

The New Jersey Motor Vehicle Commission provides overall management for Motor Vehicle Services. The Administrative and Planning Implementation Units provide management support through budget planning, management reporting and special analysis.

18. **Security Responsibility.** Administers 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 highways. The cost of administering the Security Responsibility Law is assessed against insurance companies writing automobile insurance in this state.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Motor Vehicle Services				
Registrations and Title Documents Issued	10,558,682	10,386,777	10,333,452	10,343,475
License Documents Issued (Non–CDL):	2,496,046	2,568,757	1,454,000	2,254,440
Paper Licenses	931,891	391,248	—	—
Photo Licenses	1,564,155	2,177,509	1,454,000	2,254,440
Driver Exam Permit Documents Issued (Non–CDL)	371,103	318,175	330,000	330,000
Total Registration Documents Issued	8,129,108	7,874,380	7,819,052	7,825,275
Certificates of Ownership Issued	2,429,574	2,512,397	2,514,400	2,518,200
Salvage Titles Issued	40,627	31,386	31,386	31,386
Salvage Vehicle Inspections	5,648	3,310	3,310	3,310
Percent of Vehicles with Reflectorized Plates	84%	87%	89%	90%
Regional Service Centers (4):				
Total Customers	1,320,122	1,249,115	1,201,221	1,258,084
Telephone Center:				
Total Inquiries Answered	1,593,234	1,875,003	1,910,959	2,110,000
Total Mailings Processed	16,226,019	16,013,169	16,200,000	17,000,000
Total Licensed Drivers	5,706,951	5,741,036	5,741,000	5,741,000
Total Registered Vehicles	7,302,521	7,055,501	7,027,112	7,029,323
Total NJ Inspections/Reinspections	3,243,086	3,171,458	3,315,854	3,445,214
Centralized – Inspections/Reinspections	2,453,550	2,364,989	2,480,689	2,586,951
Initial Inspections – Centralized	1,976,711	1,846,375	1,988,997	2,042,919
Reinspections – Centralized	476,839	518,614	491,692	544,032
Specialty Inspections	9,884	9,748	8,374	9,000
Private Inspection Facility – Inspections/Reinspections	696,042	709,174	750,008	769,963
Initial Inspections – Private Inspection Facilities	495,839	493,149	531,242	545,377
Reinspections – Private Inspection Facilities	200,203	216,025	218,766	224,586
School Bus – Inspections/Reinspections	74,799	76,403	63,508	66,000
Initial Inspections – School Bus	44,579	45,771	39,688	41,000
Reinspections – School Bus	30,220	30,632	23,820	25,000
Specification Inspections	2,506	2,267	2,275	2,300
Roadside Inspections	6,305	8,877	11,000	11,000
Roadside Rejections	939	5,495	6,050	6,090
Driver Testing:				
Vision Tests	287,372	296,306	311,121	326,677
Written Tests	502,697	394,762	375,024	382,524
Oral Tests	6,834	7,180	7,467	7,765
Road Tests	249,600	247,123	252,065	257,106
Commercial Driver License Program:				
License Documents Issued	258,361	220,097	144,000	210,050
Permit Documents Issued	56,802	62,896	67,000	67,000
Knowledge Tests	100,711	123,258	130,653	137,185
Road Tests	16,752	17,026	18,048	18,950
Court Suspensions	316,915	328,815	328,500	328,500
Administrative Suspensions	396,164	413,176	416,432	417,541
Point System Suspensions	9,978	10,829	11,000	11,000
Surcharge Suspensions	219,740	220,629	221,732	222,841
Total Restorations	241,749	241,113	242,000	242,000
Businesses Licensed:				
Junkyards	57	52	54	54
Dealers	4,497	4,519	4,527	4,539
Commercial Driving Schools	200	195	199	202
Commercial Driving Instructors	901	1,128	1,165	1,212
Leasing Companies	124	78	81	81
Auto Body Repair Facilities	1,989	1,662	1,670	1,680
Private Inspection Centers	1,761	1,331	1,380	1,392

TRANSPORTATION

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
Federal	82	—	—	—
All Other	1,217	2,185	2,403	2,842
Total Positions	1,299	2,185	2,403	2,842
Filled Positions by Program Class				
Motor Vehicle Services	1,193	2,067	2,300	2,718
Security Responsibility	106	118	103	124
Total Positions	1,299	2,185	2,403	2,842

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
—	1,212	–1,212	—	—	Motor Vehicle Services	01	—	—	—
—	1,192	–1,192	—	—	Security Responsibility	18	—	—	—
—	***2,404***	***–2,404***	—	—	***Total Direct State Services***		— [a]	—	—
					Distribution by Fund and Object				
					Personal Services:				
—	712	–712	—	—	Salaries and Wages		—	—	—
—	*712*	*–712*	—	—	*Total Personal Services*		—	—	—
—	77	–77	—	—	Materials and Supplies		—	—	—
—	415	–415	—	—	Services Other Than Personal		—	—	—
—	122	–122	—	—	Maintenance and Fixed Charges		—	—	—
					Special Purpose:				
—	29	–29	—	—	Uninsured Motorist Program	01	—	—	—
—	265	–265	—	—	Vehicle Inspection Program	01	—	—	—
—	355	–355	—	—	Debt Service for Equipment Purchases	01	—	—	—
—	107	–107	—	—	Tow Truck Marker Fee	01	—	—	—
—	28	–28	—	—	Agency Operations	01	—	—	—
—	294	–294	—	—	Additions, Improvements and Equipment		—	—	—
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
—	539	–539	—	—	Motor Vehicle Services	01	—	—	—
—	***539***	***–539***	—	—	***Total Capital Construction***		—	—	—
					Distribution by Fund and Object				
					Motor Vehicle Services				
—	537	–537	—	—	Agency Modernization	01	—	—	—
—	2	–2	—	—	Network Infrastructure	01	—	—	—
—	***2,943***	***–2,943***	—	—	***Grand Total State Appropriation***		—	—	—

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
—	444	—	444	445	Motor Vehicle Services	01	—	—	—
—	*444*	—	*444*	*445*	*Total Federal Funds*		—	—	—
					All Other Funds				
—	35,635 283,641 R	–14,555	304,721	233,515	Motor Vehicle Services	01	261,164	262,564	262,564
—	3,512 13,668 R	1,192	18,372	13,668	Security Responsibility	18	14,683	14,700	14,700
—	*336,456*	*–13,363*	*323,093*	*247,183*	*Total All Other Funds*		*275,847*	*277,264*	*277,264*
—	*339,843*	*–16,306*	*323,537*	*247,628*	*GRAND TOTAL ALL FUNDS*		*275,847*	*277,264*	*277,264*

Notes — Direct State Services – General Fund

(a) Pursuant to the provisions of P.L. 2003, c.13 (C.39:2A–1 et seq.) and effective in fiscal year 2004, the appropriation for the New Jersey Motor Vehicle Commission, which is in but not of the Department of Transportation and is a successor agency to the Division of Motor Vehicles, is authorized as dedicated revenue in lieu of State appropriations from the General Fund. This change affects the Direct State Services budgets for the Commission and Interdepartmental accounts, as well as anticipated revenue in Schedule 1.

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.

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 the Department of Transportation–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 derived pursuant to the New Jersey Medical Service Helicopter Response Program under 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 the preceding fiscal year is appropriated to the special capital maintenance reserve account for capital replacement and major maintenance of helicopter equipment, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of P.L. 2003, c.13 (C.39:2A –36) or any other law or regulation to the contrary, the amount appropriated for fiscal 2006 to the New Jersey Motor Vehicle Commission is based on proportional revenue collections for said fiscal year pursuant to the statutes listed in section 105a of P.L. 2003, c.13, 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 DOT 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Maintenance and Operations				
Maintenance Operations				
Lane Miles, State Highway System	11,073	11,107	11,120	11,140
Snow and Ice Control Costs ($ Millions)	$35.40	$31.60	$25.00	$21.80
Force Account Acres Mowed	58,698	51,267	58,000	58,000
Litter Pick Up and Removal:				
Litter Pick Up Costs ($ Millions)	$3.55	$3.50	$3.50	$3.50
Trash Removal by Contract ($ Millions)	$0.71	$0.62	$0.70	$0.80
Total Resurfacing:				
Lane Miles Resurfaced by Contract Maintenance	400	405	431	472
Lane Miles Resurfaced by Contract Construction	—	47	50	50

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Electrical Operations				
Traffic Signals Maintained	2,927	3,023	3,100	3,150
Traffic Signals Installed by State Forces	198	93	125	125
Signals Relamped	889	228	250	250
Traffic Signal Inspections	11,422	11,657	12,400	12,600
Emergency Call Responses	7,228	6,983	7,250	7,250
After Hour Call Responses	3,169	2,995	3,200	3,200
Fleet Size				
Autos	301	302	301	301
Trucks	1,720	1,793	1,839	1,839
Road Equipment	6,137	6,057	6,057	6,057
Transportation Systems Improvements				
Design				
In–House Design Projects Completed	20	32	35	50
Railroad Grade Crossing Inspections	1,248	2,524	1,500	1,500
State Owned Bridge Safety Inspections In–House	208	435	371	500
State Owned Bridge Safety Inspections by Consultants	1,078	788	1,084	700
Administer County Bridge Safety Inspections	1,204	1,373	1,117	1,370
Right–of–Way				
Acquisition Cost ($ Millions)	$65	$61	$75	$90
Construction				
Cost to Construct Projects ($ Millions)	$493	$452	$500	$500
Construction Contracts Awarded	$91	$89	$220	$110
Roadway Projects Under Construction	111	124	130	130
Bridges Under Construction	91	91	205	110
Lane Miles Under Construction	871	652	660	690
Interstate	146	140	160	150
Primary	311	190	200	220
State	414	322	300	320
Additional Lane Miles Open To Public	12	34	30	30
Interstate	—	7	5	5
Primary	2	6	5	5
State	10	21	20	20
Planning				
Roadway Accident Analyses	350	371	380	390
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	2,426	2,423	2,517	2,519
Federal	915	969	973	964
Total Positions	3,341	3,392	3,490	3,483
Filled Positions by Program Class				
Maintenance and Operations	1,690	1,709	1,795	1,797
Physical Plant and Support Services	123	95	101	99
Transportation Systems Improvements	1,528	1,588	1,594	1,587
Total Positions	3,341	3,392	3,490	3,483

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
89,575	3,627	——	93,202	91,124	Maintenance and Operations	06	91,845	78,363	78,363
7,181	642	–9	7,814	7,731	Physical Plant and Support Services	08	7,407	7,407	7,407
——	508	——	508	364	Transportation Systems Improvements	71	——	——	——
96,756	***4,777***	***–9***	***101,524***	***99,219***	***Total Direct State Services***		***99,252*** (a)	***85,770***	***85,770***
					Distribution by Fund and Object				
					Personal Services:				
49,950 12,000 S	195 1,588 R	–11,900	51,833	51,112	Salaries and Wages		54,050	54,050	54,050
61,950	*1,783*	*–11,900*	*51,833*	*51,112*	*Total Personal Services*		*54,050*	*54,050*	*54,050*
12,167	551	416	13,134	12,827	Materials and Supplies		12,414	12,414	12,414
3,037	241	764	4,042	4,005	Services Other Than Personal		3,032	3,032	3,032
13,313 5,000 S	992	11,604	30,909	30,682	Maintenance and Fixed Charges		15,063 13,402 S	15,063	15,063
					Special Purpose:				
3 S	——	——	3	——	September 11 Memorial Bridge	06	——	——	——
——	——	——	——	——	Trooper Zimmerman Highway	06	2 S	——	——
——	143 R	–143	——	——	Logo Sign Program	06	——	——	——
——	——	——	——	——	Study of Viability of Personal Rapid Transit	06	75 S	——	——
——	——	——	——	——	Designation of Route 1 – "Donald Goodkind Bridge"	06	3 S	——	——
——	116 358 R	——	474	364	Rental Receipts, Tenant Relocation Program	71	——	——	——
1,286	593	–750	1,129	229	Additions, Improvements and Equipment		1,211	1,211	1,211
					GRANTS–IN–AID				
					Distribution by Fund and Program				
——	1,569	——	1,569	1,459	Transportation Systems Improvements	71	——	——	——
——	***1,569***	——	***1,569***	***1,459***	***Total Grants–in–Aid***		——	——	——
					Distribution by Fund and Object				
					Grants:				
——	1,569	——	1,569	1,459	Statewide Livable Communi-ties	71	——	——	——
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
805,000	——	——	805,000	804,190	Trust Fund Authority—Revenues and other funds available for new projects	60	805,000	805,000	805,000
805,000	——	——	***805,000***	***804,190***	***Total Capital Construction***		***805,000***	***805,000***	***805,000***
					Distribution by Fund and Object				
					Transportation Systems Improvements				
805,000	——	——	805,000	804,190	Transportation Trust Fund Account	60	805,000	805,000	805,000
901,756	***6,346***	***–9***	***908,093***	***904,868***	***Grand Total State Appropriation***		***904,252***	***890,770***	***890,770***

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
28,953					Transportation Systems				
4,375 S	35,512	—	68,840	52,121	Improvements–Planning	02	26,195	26,195	26,195
500	119	—	619	118	Transportation Systems Improvements	71	500	500	500
33,828	***35,631***	—	***69,459***	***52,239***	***Total Federal Funds***		***26,695***	***26,695***	***26,695***
					All Other Funds				
—	446 R	—	446	—	Maintenance and Operations	06	2,070	2,070	2,070
5,402									
—	21,379 R	1	26,782	8,610	Project Cost–Other Parties	61	—	—	—
—	—	—	—	—	Transportation Systems Improvements	71	350	350	350
—	***27,227***	***1***	***27,228***	***8,610***	***Total All Other Funds***		***2,420***	***2,420***	***2,420***
					Special Transportation Trust Fund				
160,900	3,853	—	164,753	160,953	Transportation Trust Fund – Local Highway Funds	63	145,000	150,000	150,000
650,270	197,572	–1	847,841	683,490	Transportation Trust Fund – Federal	69	716,391	711,984	883,173
449,100	31,355	–6,899	473,556	417,926	Transportation Trust Fund – State Highway Funds	81	541,000	541,000	541,000
1,260,270	***232,780***	***–6,900***	***1,486,150***	***1,262,369***	***Total Special Transportation Trust Fund***		***1,402,391***	***1,402,984***	***1,574,173***
2,195,854	***301,984***	***–6,908***	***2,490,930***	***2,228,086***	***GRAND TOTAL ALL FUNDS***		***2,335,758***	***2,322,869***	***2,494,058***

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

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.

Language Recommendations — Direct State Services – General Fund

The unexpended balances as of June 30, 2005 in excess of $1,000,000 in the accounts hereinabove are appropriated.

In addition to the amount appropriated hereinabove for Maintenance and Operations, such additional sums as may be required are appropriated for snow removal costs, not to exceed $10,000,000, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding any other law to the contrary, of the amounts appropriated hereinabove for the Department of Transportation from the General Fund, $2,500,000 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 for Maintenance and Operations $10,000,000 for winter operations is payable from the receipts of the New Tire Surcharge pursuant to P.L. 2004, c.46.

Language Recommendations — Capital Construction

The sum provided hereinabove 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, 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 2006 debt service, bond reserve requirements, and other fiscal obligations of the New Jersey Transportation Trust Fund Authority.

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 requirements of law, the department may expend necessary sums for improvements to streets and roads providing access to State facilities within the capital city without local participation.

Notwithstanding any other provision of law, the Department of Transportation may transfer Transportation Trust Fund monies to federal projects contracted in federal fiscal years 2003, 2004, 2005, and 2006 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 $1,205,000,000 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), in order to provide the department with flexibility in administering the appropriations identified, the Commissioner may transfer funds among projects within the same general program heading subject to the approval of the Director of the Division of Budget and Accounting. The Commissioner shall apply to the Director of the Division of Budget and Accounting for permission to transfer funds among projects within different program headings. If the Director of the Division of Budget and Accounting shall consent thereto, the request to transfer funds among projects within different program headings shall be transmitted to the Legislative Budget and Finance Officer for approval or disapproval then returned to the Director of the Division of Budget and Accounting. The Joint Budget Oversight Committee or its successor shall be empowered to review all transfers submitted to the Legislative Budget and Finance Officer and may direct said Legislative Budget and Finance Officer to approve or disapprove any transfer.

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

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Railroad and Bus Operations				
Bus Operations (including subsidized carriers)				
Average Daily Ridership	261,200	268,400	277,700	276,500
Total Cost per Trip per rider	$3.65	$3.79	$3.81	$4.14
Total Revenue per Trip per rider	$1.70	$1.80	$1.66	$1.82
Total Cost per Mile	$7.57	$7.89	$8.03	$8.61
Total Revenue per Mile	$3.52	$3.75	$3.51	$3.78
Revenue/Cost Ratio	46.4%	47.5%	43.7%	43.9%
Equipment				
Buses Operated by NJ Transit	2,109	2,158	2,038	2,062
Buses Leased to Private Carriers	994	1,010	1,010	1,010

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Rail Operations				
Average Daily Ridership	101,600	113,625	118,900	120,900
Total Cost per Trip per rider	$8.98	$9.49	$9.21	$9.47
Total Revenue per Trip per rider	$5.05	$5.66	$5.28	$6.04
Total Cost per Mile	$10.70	$10.89	$10.59	$11.08
Total Revenue per Mile	$6.02	$6.49	$6.07	$7.06
Revenue/Cost Ratio	56.3%	59.6%	57.4%	63.7%
Equipment				
Rail Passenger Cars	867	944	961	934
Locomotives	140	142	175	154
NJ Transit System				
Average Daily Ridership	363,800	382,025	396,600	397,400
Total Cost per Trip per rider	$5.20	$5.49	$5.43	$5.77
Total Revenue per Trip per rider	$2.63	$2.89	$2.69	$3.03
Total Cost per Mile	8.46	8.76	8.73	9.23
Total Revenue per Mile	$4.28	$4.60	$4.32	$4.85
Revenue/Cost Ratio (includes Corporate overhead)	50.60	52.60	49.50	52.60
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	4,413	4,459	N/A	N/A
Male Minority %	43	42	N/A	N/A
Female Minority	1,654	1,726	N/A	N/A
Female Minority %	16	16	N/A	N/A
Total Minority	6,067	6,185	N/A	N/A
Total Minority %	59	59	N/A	N/A
Position Data				
Operating Positions				
Bus Operations	4,826	4,906	4,906	4,997
Rail Operations	3,454	3,445	3,470	3,480
Corporate Operations	1,356	1,446	1,463	1,463
Capital Operations	709	749	741	741
Total Positions	10,345	10,546	10,581	10,681

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
1,326,960	—	—	1,326,960	1,326,960	Railroad and Bus Operations	04	1,342,200	1,421,400	1,421,400
1,326,960	—	—	***1,326,960***	***1,326,960***	***Total Grants–in–Aid***		***1,342,200***	***1,421,400***	***1,421,400***
					Less:				
(537,214)	—	—	(537,214)	(537,214)	Farebox Revenue		(558,900)	(635,700)	(635,700)
(595,919)	—	—	(595,919)	(595,919)	Other Resources		(504,600)	(507,000)	(507,000)
(1,133,133)	—	—	***(1,133,133)***	***(1,133,133)***	***Total Income Deductions***		***(1,063,500)***	***(1,142,700)***	***(1,142,700)***
193,827	—	—	***193,827***	***193,827***	***Total State Appropriation***		***278,700***	***278,700***	***278,700***
					Distribution by Fund and Object				
					Personal Services:				
823,642	—	—	823,642	823,642	Salaries and Wages		823,868	856,600	856,600
823,642	—	—	*823,642*	*823,642*	*Total Personal Services*		*823,868*	*856,600*	*856,600*

TRANSPORTATION

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					GRANTS–IN–AID				
204,789	—	—	204,789	204,789	Materials and Supplies		197,692	218,300	218,300
75,635	—	—	75,635	75,635	Services Other Than Personal		85,949	90,500	90,500
					Special Purpose:				
1,753	—	—	1,753	1,753	Leases and Rentals	04	2,200	1,900	1,900
40,713	—	—	40,713	40,713	Light Rail Operations	04	47,226	65,100	65,100
96,211	—	—	96,211	96,211	Purchased Transportation	04	90,858	93,500	93,500
23,588	—	—	23,588	23,588	Insurance and Claims	04	25,415	25,800	25,800
60,250	—	—	60,250	60,250	Tolls, Taxes, and Other Operating Expenses	04	68,992	69,700	69,700
					Less:				
(1,133,133)	—	—	*(1,133,133)*	*(1,133,133)*	*Income Deductions*		*(1,063,500)*	*(1,142,700)*	*(1,142,700)*
					STATE AID				
					Distribution by Fund and Program				
25,458	—	—	25,458	25,458	Railroad and Bus Operations	04	25,287	34,352	34,352
25,458	—	—	*25,458*	*25,458*	*(From Casino Revenue Fund)*		*25,287*	*34,352*	*34,352*
25,458	—	—	***25,458***	***25,458***	***Total State Aid***		***25,287***	***34,352***	***34,352***
25,458	—	—	*25,458*	*25,458*	*(From Casino Revenue Fund)*		*25,287*	*34,352*	*34,352*
					Distribution by Fund and Object				
					State Aid:				
25,458	—	—	25,458	25,458	Transportation Assistance for Senior Citizens and Disabled Residents (CRF)	04	25,287	34,352	34,352
219,285	—	—	***219,285***	***219,285***	***Grand Total State Appropriation***		***303,987***	***313,052***	***313,052***
					OTHER RELATED APPROPRIATIONS				
					Special Transportation Trust Fund				
696,200	3,020	6,900	706,120	615,552	Trust Fund Authority—Revenues and other funds available for new projects	60	606,597	514,000	514,000
696,200	***3,020***	***6,900***	***706,120***	***615,552***	***Total Special Transportation Trust Fund***		***606,597***	***514,000***	***514,000***
915,485	***3,020***	***6,900***	***925,405***	***834,837***	***GRAND TOTAL ALL FUNDS***		***910,584***	***827,052***	***827,052***

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 this 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 any other provision of law, 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 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 fiscal year 2006 transportation capital program, the Commissioner of Transportation shall allocate $4,000,000 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 which serve business and industry having local or regional importance to the people of New Jersey.
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. **Access and Use Management.** Responsible for coordinating with the various modal constituencies the non–highway, non–transit capital programs, 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 analyses 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 the 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 controls, administers and supervises the purchase and procurement of all commodities, services and contracts required by the Department.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Access and Use Management				
Responses to aircraft incidents	57	37	60	60
Aviation facilities development projects	25	30	25	35
Administration and Support Services				
EEO & Affirmative Action investigations	32	93	55	50

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	713	748	756	788
Male Minority %	19.0	19.6	19.3	20.1
Female Minority	233	244	247	232
Female Minority %	6.2	6.4	6.3	5.9
Total Minority	946	992	1,003	1,020
Total Minority %	25.2	26.0	25.6	26.0
Position Data				
Filled Positions by Funding Source				
State Supported	367	369	367	380
Federal	45	51	53	52
All Other	7	7	7	7
Total Positions	419	427	427	439
Filled Positions by Program Class				
Access and Use Management	50	53	52	60
Management and Administrative Services	369	374	375	379
Total Positions	419	427	427	439

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded. Actual fiscal years 2003 and 2004 have been adjusted for the transfer of the Pilot Commissioners from the Department of Environmental Protection.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
1,644	84	257	1,985	1,969	Access and Use Management	05	1,744	1,744	1,744
3,931	1	–247	3,685	3,603	Administration and Support Services	99	4,661	4,661	4,661
5,575	***85***	***10***	***5,670***	***5,572***	***Total Direct State Services***		***6,405*** [a]	***6,405***	***6,405***
					Distribution by Fund and Object				
					Personal Services:				
1,479	—	–188	1,291	1,235	Salaries and Wages		2,285	2,285	2,285
1,479	—	*–188*	*1,291*	*1,235*	*Total Personal Services*		*2,285*	*2,285*	*2,285*
271	—	–14	257	237	Materials and Supplies		288	288	288
1,979	—	34	2,013	2,000	Services Other Than Personal		1,986	1,986	1,986
70	—	—	70	70	Maintenance and Fixed Charges		70	70	70
					Special Purpose:				
—	84 R	–84	—	—	Placarded Rail Freight Car Fees	05	—	—	—
965	—	—	965	965	Airport Safety Fund Administration	05	965	965	965
350	—	256	606	601	Office of Maritime Resources	05	350	350	350
461	—	—	461	459	Affirmative Action and Equal Employment Opportunity	99	461	461	461
—	1	6	7	5	Additions, Improvements and Equipment		—	—	—

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
—	1,944	17	1,961	322	Access and Use Management	05	—	—	—
—	*1,944*	*17*	*1,961*	*322*	*Total Grants–in–Aid*		—	—	—
					Distribution by Fund and Object				
					Grants:				
—	1,058 876 R	17	1,951	312	Airport Safety Fund	05	—	—	—
—	10	—	10	10	Airport Loan Program	05	—	—	—
5,575	*2,029*	*27*	*7,631*	*5,894*	*Grand Total State Appropriation*		*6,405*	*6,405*	*6,405*
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
28,308 2,291 S	454	–1,941	29,112	1,145	Access and Use Management	05	17,308	17,308	17,308
30,599	*454*	*–1,941*	*29,112*	*1,145*	*Total Federal Funds*		*17,308*	*17,308*	*17,308*
					All Other Funds				
—	1,262 2,307 R	—	3,569	392	Access and Use Management	05	3,597	3,726	3,726
—	99	862	961	832	Administration and Support Services	99	—	—	—
—	*3,668*	*862*	*4,530*	*1,224*	*Total All Other Funds*		*3,597*	*3,726*	*3,726*
36,174	*6,151*	*–1,052*	*41,273*	*8,263*	*GRAND TOTAL ALL FUNDS*		*27,310*	*27,439*	*27,439*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 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.

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.

Notwithstanding any other provision of law, the amount hereinabove 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.

DEPARTMENT OF THE TREASURY

OVERVIEW

Organizationally, the Department of Treasury includes not only the State's traditional financial oversight and purchasing functions but also higher education services, information technology services, and a number of in-but-not-of boards and agencies which receive funding through the State Budget, including: the Economic Development Authority, the Motion Picture and Television Development Commission, the New Jersey Commerce, Economic Growth and Tourism Commission, the Commission on Science and Technology, the Board of Public Utilities, the Office of Administrative Law, the Ratepayer Advocate, the Casino Control Commission, the Office of the Public Defender, the State Legal Services Office, the newly created Office of the Inspector General, and the proposed Office of the Public Advocate. 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 our state.

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 are to provide current, relevant financial information for management and the public to consider; administer the tax laws of the State to maximize the collection of tax revenue; enhance revenue collection through integrated receipts processing and aggressive management of public accounts receivable; provide for a centralized purchasing system for goods and services; plan, program, design, and supervise the construction of buildings and facilities for the various State agencies; invest and reinvest funds of the various State agencies and pension funds as effectively as possible; administer all employee benefit programs at minimum cost; provide risk management, loss prevention, and claims services and management of the fire and casualty insurance program to all State agencies; and operate a central motor pool fleet at the lowest possible cost and in the safest manner.

Budget Highlights

The Fiscal 2006 Budget for the Department of Treasury totals $1.84 billion, a decrease of $1.45 billion, or 44.0% under the fiscal 2005 adjusted appropriation of $3.29 billion. More than $1.0 billion of this decrease is due to reduced funding for taxpayer relief programs, as discussed below.

In January 2005, the Office of Public Finance refinanced General Obligation Bonds, generating savings of $230.0 million in the Department of Treasury.

Property Tax Relief

Even in this current era of fiscal austerity, the Fiscal 2006 Budget continues to provide significant property tax relief funding directly to local taxpayers. Because of the State's commitment to provide property tax relief to its citizens, fiscal 2006 direct taxpayer relief programs will total approximately $1.02 billion.

The fiscal 2006 Homestead Rebate program, funded at $478.5 million, will continue to provide property tax relief to over 600,000 senior or disabled homeowners and tenants with taxable incomes of $100,000 or less. Due to severe fiscal constraints, non-seniors and higher income seniors will not be eligible for these rebates in fiscal 2006. Beginning in fiscal 2005, the NJ SAVER program was folded into the Homestead Rebate program, and rebate amounts were raised significantly. Rebates continue to be based on the amount by which property taxes exceed 5% of the taxpayer's income, and in fiscal 2006 the maximum rebate will be $800 for senior homeowners and $775 for senior tenants. Most seniors with incomes under $70,000 will receive the maximum rebate amounts.

During fiscal 2006, the Senior Tax Freeze is funded at $98.4 million, a 34% increase over the fiscal 2005 adjusted appropriation of $73.4 million. Income eligibility thresholds have been increased by 2.1%, from $40,028 to $40,869 for single individuals and from $49,082 to $50,113 for married couples. The fiscal 2006 Senior Tax Freeze will provide rebates to eligible claimants for property tax increases that occurred between a claimant's base year and tax year 2004.

Department Accomplishments

Consistent with the Division of Taxation's effort to maximize collection of all taxes, Compliance Collections now represent the fourth largest single revenue source in the State Budget. Compliance Collections are defined as revenue received as a result of a Division of Taxation compliance or enforcement action, program or intervention, or otherwise not remitted voluntarily by a taxpayer,

The Division of Revenue continues to institute and expand programs that enhance the State's revenue accounting and collection process. The Division has successfully implemented a second referral debt collection process, which has resulted in the collection of over $1 million in additional revenue, and also worked successfully on the State's motor vehicle surcharge amnesty program which resulted in the collection of nearly $30 million in additional revenue.

Executive Order 134 was established in September 2004 to insulate the negotiation and award of State contracts from political contributions that pose the risk of improper influence. Since that time, the Purchase Bureau has created procedures and forms to enforce standards restricting political contributions by vendors doing business with the State, and established a new unit to enforce Executive Order 134 compliance.

Also in the Purchase Bureau, a number of technology initiatives in support of procurement reform were implemented during fiscal 2004 which were aimed at providing more effective and efficient mechanisms for addressing internal processing and external interactions with citizens and vendors. The Internet Accessible Procurement Tracking System was implemented to improve monitoring and control of solicitation documents, waivers and contracts. The public Internet site for vendor interaction with the Purchase Bureau was substantially redesigned with a focus on vendor useability. The implementation of standardized and regulated Commodity Codes for procurement was implemented in September 2004. A one-stop vendor registration site was developed to simplify the many points of entry into the State for registration requests. This effort continues as more registrations and forms processes are incorporated. Information and forms related to Executive Order 134 were added to the Purchase Bureau Public Internet site to facilitate vendor understanding and compliance. Contract Management's internal processes were automated to provide real time deployment of solicitations to the public Internet site. In December 2004, the Bureau launched a pilot program for electronic bid submissions using secure lock boxes on the public website. Additionally, imaging technologies were implemented which reduced the costs associated with paper reports and handling and which facilitated easy access to information.

The Division of Lottery experienced record Lottery sales in fiscal 2004, totaling $2.2 billion. This resulted in a State contribution to education and State institutions of $794.9 million, also a record high.

The Division of Property Management and Construction renegotiated lease terms for 28 leases, saving the State in excess of $1.2 million.

The EPIC (Employer Pension & Benefits Information Connection) web application is in the third year of rollout to the New Jersey public employer community. A major part of the State Treasurer's paper free initiative, EPIC is accessed through the mynewjersey portal and provides inquiry and update capability for employer and employee information.

The Department has continued to bid contracts since November 2000 for "green power" electricity. The green power procurement helps New Jersey satisfy federal environmental regulations and aids in the development of clean energy markets. As part of this effort, approximately 12% of the total electrical load will be procured from renewable, or green power sources. The most recent contract which runs for 13 months through May 2006 continues to maintain the State's 12% green commitment level.

In-but-not-of agencies that have significant changes in the Fiscal 2006 Budget recommendation are described below:

Public Advocate
The Fiscal 2006 Budget provides $2 million to re-establish the Department of Public Advocate. Pending legislation creates a separate department for the Public Advocate and establishes specific statutory functions. The key goals of the Public Advocate include investigating waste, mismanagement, and inefficiencies in State government and providing effective advocacy on behalf of children, the elderly, ratepayers, and the citizens of New Jersey.

Office of the Public Defender
In fiscal year 2006, the recommended appropriation for the Office of the Public Defender (OPD) is $90.7 million, which represents an increase of $3.4 million from the fiscal year 2005 adjusted appropriation. Of this increase, $2.6 million represents the annualized cost of the pool attorney rate increase implemented in fiscal year 2005 and $838,000 is required to increase the rate for pool attorneys representing parents to meet the mandates of the Child Welfare Reform Plan. The OPD is constitutionally mandated to provide legal representation for indigent defendants. This level of funding ensures that the constitutional guarantees of counsel in criminal cases are met.

Office of Administrative Law
In fiscal 2006, a decrease of $539,000 in Direct State Services funding is recommended for the Office of Administrative Law (OAL). This decrease of 10% will be offset by fee increases to third party users of OAL services, such as government regulated industries and the federal government.

Office of Inspector General
The Office of Inspector General was created in fiscal 2005 pursuant to Executive Order #7. In fiscal 2006, Direct State Services funding of $2.5 million is recommended to support the Inspector General's programs of audit, investigation, and performance review to provide increased accountability, integrity and oversight of all recipients of State funds.

Higher Education System
The Department of 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 2006 Budget recommends funding to the independent colleges and universities in the amount of $24 million for direct operating aid, the same level of support as fiscal 2005.

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 $223.6 million for fiscal 2006, an increase of $3.5 million from fiscal 2005. Of this amount, $14 million will be funded from the Department of Labor Supplemental Workforce Fund for Basic Skills. Direct aid to the county colleges of $162.6 million is a continuation of the fiscal 2005 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 2006, debt service payments by the State are anticipated to be $28.6 million. This is an increase of $500,000 over the fiscal 2005 projected debt service.

In fiscal 2006, 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 2006 is recommended at $81.2 million, a decrease of $6.1 million from fiscal 2005.

Support for the New Jersey Stem Cell Institute will be maintained in fiscal 2006 at $5.5 million. The Stem Cell Institute will be jointly operated by the University of Medicine and Dentistry of New Jersey and Rutgers, The State University and will be based in a new facility to be built in New Brunswick. The Institute, one of the first of its kind in the country, will be the first to form a real partnership between research universities, a medical school, and private interests.

DEPARTMENT OF THE TREASURY

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
370,132	56,933	2,098	429,163	401,550	Direct State Services	401,740	379,522	379,522
211,663	38	-10,781	200,920	197,477	Grants-In-Aid	244,861	235,114	229,497
270,308	2,048	-2,048	270,308	260,084	State Aid	304,451	322,586	301,986
---	12,860	58	12,918	3,047	Capital Construction	---	---	---
374,428	---	3,840	378,268	374,886	Debt Service	378,293	156,433	156,433
1,226,531	71,879	-6,833	1,291,577	1,237,044	Total General Fund	1,329,345	1,093,655	1,067,438
1,022,119	---	-17,898	1,004,221	983,260	Total Property Tax Relief Fund	1,927,045	743,908	743,908
26,938	1,911	---	28,849	28,074	Total Casino Control Fund	28,686	28,686	28,686
2,275,588	*73,790*	*-24,731*	*2,324,647*	*2,248,378*	*GRAND TOTAL*	*3,285,076*	*1,866,249*	*1,840,032*

SUMMARY OF APPROPRIATIONS BY PROGRAM

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES - GENERAL FUND			
					Economic Planning and Development			
406	---	46	452	449	Economic Development	502	502	502
---	11	500	511	457	New Jersey Commission on Science and Technology	568	568	568
406	*11*	*546*	*963*	*906*	*Subtotal*	*1,070*	*1,070*	*1,070*
					Economic Regulation			
5,805	1,187	---	6,992	5,494	Ratepayer Advocacy	5,951	5,951	5,951
7,466	1,260	-1,087	7,639	6,363	Utility Regulation	7,658	7,658	7,658
1,904	254	20	2,178	1,952	Regulation of Cable Television	1,942	1,942	1,942
1,591	---	---	1,591	1,591	Energy Assistance Programs	1,628	1,628	1,628
3,264	168	347	3,779	3,760	Regulatory Support Services	3,398	3,398	3,398
8,690	1,304	961	10,955	10,570	Administration and Support Services	8,993	8,993	8,993
28,720	*4,173*	*241*	*33,134*	*29,730*	*Subtotal*	*29,570*	*29,570*	*29,570*
					Governmental Review and Oversight			
522	---	707	1,229	1,225	Employee Relations and Collective Negotiations	605	605	605
19,729	12,414	-4,394	27,749	27,139	Office of Management and Budget	19,527	19,138	19,138
---	---	---	---	---	Office of the Inspector General	---	2,500	2,500
20,251	*12,414*	*-3,687*	*28,978*	*28,364*	*Subtotal*	*20,132*	*22,243*	*22,243*
					Financial Administration			
91,893	15,308	---	107,201	104,010	Taxation Services and Administration	113,429	94,501	94,501
22,491	440	---	22,931	22,678	Administration of State Lottery	30,400	22,400	22,400
37,309	6,336	-400	43,245	37,637	Administration of State Revenues	30,408	28,809	28,809
6,590	94	124	6,808	6,779	Management of State Investments	7,320	6,920	6,920
4,703	763	---	5,466	5,466	Business Services Bureau	4,703	4,703	4,703
162,986	*22,941*	*-276*	*185,651*	*176,570*	*Subtotal*	*186,260*	*157,333*	*157,333*

TREASURY

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom-mended
					General Government Services			
468	---	---	468	365	Garden State Preservation Trust	468	468	468
13,277	998	870	15,145	14,629	Purchasing and Inventory Management	9,528	9,518	9,518
31,798	12,084	64	43,946	31,387	Pensions and Benefits	31,855	32,062	32,062
14,621	1,086	65	15,772	15,214	Property Management and Construction - Property Management Services	14,638	14,638	14,638
1,807	475	---	2,282	2,270	Risk Management	1,957	1,957	1,957
5,260	3	---	5,263	5,259	Adjudication of Administrative Appeals	5,394	4,855	4,855
67,231	*14,646*	*999*	*82,876*	*69,124*	*Subtotal*	*63,840*	*63,498*	*63,498*
					Management and Administration			
1,463	---	182	1,645	1,643	Contract Compliance and Equal Employment Opportunity in Public Contracts	1,763	1,763	1,763
10,038	1,337	2,866	14,241	13,923	Administration and Support Services	11,823	11,325	11,325
11,501	*1,337*	*3,048*	*15,886*	*15,566*	*Subtotal*	*13,586*	*13,088*	*13,088*
					Protection of Citizens' Rights			
7,617	169	-88	7,698	7,530	Appellate Services to Indigents	8,781	8,781	8,781
65,669	1,036	1,405	68,110	68,002	Trial Services to Indigents and Special Programs	72,436	75,874	75,874
3,161	157	-275	3,043	2,941	Mental Health Screening Services	3,340	3,340	3,340
342	41	25	408	403	Dispute Settlement	360	360	360
---	---	---	---	---	Public Advocate	---	2,000	2,000
2,248	8	160	2,416	2,414	Administration and Support Services	2,365	2,365	2,365
79,037	*1,411*	*1,227*	*81,675*	*81,290*	*Subtotal*	*87,282*	*92,720*	*92,720*
370,132	***56,933***	***2,098***	***429,163***	***401,550***	***Subtotal Direct State Services - General Fund***	***401,740***	***379,522***	***379,522***
					DIRECT STATE SERVICES - CASINO CONTROL FUND			
					Financial Administration			
26,938	1,911	---	28,849	28,074	Administration of Casino Gambling	28,686	28,686	28,686
26,938	***1,911***	***---***	***28,849***	***28,074***	***Subtotal Direct State Services - Casino Control Fund***	***28,686***	***28,686***	***28,686***
397,070	***58,844***	***2,098***	***458,012***	***429,624***	***TOTAL DIRECT STATE SERVICES***	***430,426***	***408,208***	***408,208***
					GRANTS-IN-AID - GENERAL FUND			
					Higher Educational Services			
24,800	---	---	24,800	24,798	Support to Independent Institutions	25,359	30,640	25,359
80,075	---	-10,425	69,650	69,557	Miscellaneous Higher Education Programs	96,061	91,715	91,379
104,875	*---*	*-10,425*	*94,450*	*94,355*	*Subtotal*	*121,420*	*122,355*	*116,738*
					Economic Planning and Development			
15,948	---	---	15,948	15,948	Economic Development	20,951	18,069	18,069
8,000	---	-389	7,611	6,457	New Jersey Commission on Science and Technology	8,250	7,450	7,450
23,948	*---*	*-389*	*23,559*	*22,405*	*Subtotal*	*29,201*	*25,519*	*25,519*
					Economic Regulation			
70,840	---	---	70,840	68,692	Energy Assistance Programs	70,840	70,840	70,840

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom-mended
					Management and Administration			
---	38	33	71	25	Administration and Support Services	7,000	---	---
					Protection of Citizens' Rights			
12,000	---	---	12,000	12,000	Trial Services to Indigents and Special Programs	16,400	16,400	16,400
211,663	***38***	***-10,781***	***200,920***	***197,477***	***Subtotal Grants-In-Aid - General Fund***	***244,861***	***235,114***	***229,497***
					GRANTS-IN-AID - PROPERTY TAX RELIEF FUND			
					State Subsidies and Financial Aid			
537,663	---	---	537,663	531,497	Homestead Exemptions	1,762,711	576,888	576,888
324,648	---	-15,000	309,648	297,314	Direct Tax Relief	---	---	---
862,311	---	*-15,000*	*847,311*	*828,811*	*Subtotal*	*1,762,711*	*576,888*	*576,888*
862,311	***---***	***-15,000***	***847,311***	***828,811***	***Subtotal Grants-In-Aid - Property Tax Relief Fund***	***1,762,711***	***576,888***	***576,888***
1,073,974	***38***	***-25,781***	***1,048,231***	***1,026,288***	***TOTAL GRANTS-IN-AID***	***2,007,572***	***812,002***	***806,385***
					STATE AID - GENERAL FUND			
					Higher Educational Services			
188,587	---	---	188,587	186,738	Aid to County Colleges	184,075	201,623	181,023
					State Subsidies and Financial Aid			
1,481	---	---	1,481	1,397	County Boards of Taxation	1,481	1,481	1,481
67,868	2,048	-2,048	67,868	59,578	Locally Provided Assistance	77,470	76,068	76,068
12,372	---	---	12,372	12,371	Consolidated Police and Firemen's Pension Fund	41,425	43,414	43,414
81,721	*2,048*	*-2,048*	*81,721*	*73,346*	*Subtotal*	*120,376*	*120,963*	*120,963*
270,308	***2,048***	***-2,048***	***270,308***	***260,084***	***Subtotal State Aid - General Fund***	***304,451***	***322,586***	***301,986***
					STATE AID - PROPERTY TAX RELIEF FUND			
					Higher Educational Services			
24,862	---	---	24,862	24,042	Aid to County Colleges	28,045	28,556	28,556
					State Subsidies and Financial Aid			
109,000	---	-2,898	106,102	106,102	Reimbursement of Senior/Disabled Citizens' and Veterans' Tax Deductions	109,000	109,000	109,000
25,946	---	---	25,946	24,305	Consolidated Police and Firemen's Pension Fund	27,289	29,464	29,464
134,946	---	*-2,898*	*132,048*	*130,407*	*Subtotal*	*136,289*	*138,464*	*138,464*
159,808	***---***	***-2,898***	***156,910***	***154,449***	***Subtotal State Aid - Property Tax Relief Fund***	***164,334***	***167,020***	***167,020***
430,116	***2,048***	***-4,946***	***427,218***	***414,533***	***TOTAL STATE AID***	***468,785***	***489,606***	***469,006***
					CAPITAL CONSTRUCTION			
					Economic Regulation			
---	1	---	1	---	Administration and Support Services	---	---	---

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
					General Government Services			
---	8,235	-311	7,924	1,253	Property Management and Construction - Property Management Services	---	---	---
---	4,624	369	4,993	1,794	Office of Information Technology	---	---	---
---	*12,859*	*58*	*12,917*	*3,047*	*Subtotal*	---	---	---
---	*12,860*	*58*	*12,918*	*3,047*	*Subtotal Capital Construction*	*---*	*---*	*---*
1,901,160	*73,790*	*-28,571*	*1,946,379*	*1,873,492*	*TOTAL APPROPRIATION*	*2,906,783*	*1,709,816*	*1,683,599*

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.18A:72B-15 et seq.) provides financial assistance to fourteen eligible New Jersey independent colleges and universities. This funding is based on the number of New Jersey students enrolled at these institutions, which 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.

48. **Aid to County Colleges.** The New Jersey system of community colleges was established by statute in 1962 (N.J.S.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. They 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. These institutions 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.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					GRANTS-IN-AID				
					Distribution by Fund and Program				
24,800	---	---	24,800	24,798	Support to Independent Institutions	47	25,359	30,640	25,359
80,075	---	-10,425	69,650	69,557	Miscellaneous Higher Education Programs	49	96,061	91,715	91,379
104,875	***---***	***-10,425***	***94,450***	***94,355***	***Total Grants-in-Aid***		***121,420***	***122,355***	***116,738***
					Distribution by Fund and Object				
					Grants:				
22,762 641 S	---	---	23,403	23,401	Aid to Independent Colleges and Universities	47	23,962	29,243	23,962
200	---	---	200	200	Clinical Legal Programs for the Poor--Seton Hall University (P.L. 1996, c.52)	47	200	200	200
80	---	---	80	80	Institute for Advanced Study -- Discrete Mathematics and Computer Science Center	47	80	80	80
80	---	---	80	80	Institute for Advanced Study -- Park City Mathematics Institute	47	80	80	80
1,037	---	---	1,037	1,037	Research Under Contract with the Institute of Medical Research, Camden	47	1,037	1,037	1,037
3,000	---	---	3,000	3,000	Higher Education Incentive Endowment Fund	49	3,000	3,000	3,000
100	---	---	100	9	Garden State Savings Bonds Incentive	49	100	100	100
22,878	---	-4,711	18,167	18,166	Higher Education Capital Improvement Program -- Debt Service	49	29,855	29,100	29,100
15,963	---	118	16,081	16,081	Equipment Leasing Fund -- Debt Service	49	18,449	18,599	18,599
21,019	---	---	21,019	21,018	Higher Education Facilities Trust Fund -- Debt Service	49	21,015	18,183	18,183
6,445	---	---	6,445	6,445	Higher Education Technology Bond -- Debt Service	49	6,463	6,475	6,475
426	---	---	426	426	Marine Sciences Consortium	49	426	762	426
9,044	---	-5,832	3,212	3,212	Dormitory Safety Trust Fund -- Debt Service	49	9,053	8,796	8,796
1,200	---	---	1,200	1,200	Statewide Systemic Initiative to Reform Mathematics and Science Education	49	1,200	1,200	1,200
---	---	---	---	---	New Jersey Stem Cell Research Institute	49	5,500	5,500	5,500
---	---	---	---	---	Stevens Institute of Technology - New Jersey Community College Strategic Partnership	49	1,000	---	---
					STATE AID				
					Distribution by Fund and Program				
218,449	---	---	218,449	215,780	Aid to County Colleges	48	220,120	244,179	223,579
193,587	---	---	*193,587*	*191,738*	*(From General Fund)*		*192,075*	*215,623*	*195,023*
24,862	---	---	*24,862*	*24,042*	*(From Property Tax Relief Fund)*		*28,045*	*28,556*	*28,556*
218,449	***---***	***---***	***218,449***	***215,780***	***Total State Aid***		***220,120***	***244,179***	***223,579***
193,587	---	---	*193,587*	*191,738*	*(From General Fund)*		*192,075*	*215,623*	*195,023*

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					STATE AID				
24,862	---	---	*24,862*	*24,042*	*(From Property Tax Relief Fund)*		*28,045*	*28,556*	*28,556*
					Less:				
(5,000)	---	---	(5,000)	(5,000)	Supplemental Workforce Fund-Basic Skills		(8,000)	(14,000)	(14,000)
(5,000)	**---**	**---**	***(5,000)***	***(5,000)***	***Total Income Deductions***		***(8,000)***	***(14,000)***	***(14,000)***
213,449	**---**	**---**	***213,449***	***210,780***	***Total State Appropriation***		***212,120***	***230,179***	***209,579***
					Distribution by Fund and Object				
					State Aid:				
160,562									
4,476 S	---	---	165,038	165,038	Operational Costs	48	162,562	183,162	162,562
24,862	---	---	24,862	24,042	Debt Service for Chapter 12 P.L.1971, c.12 (C.18A:64A-22.1) (PTRF)	48	28,045	28,556	28,556
17,514	---	---	17,514	17,230	Employer Contributions -- Alternate Benefit Program	48	17,230	18,311	18,311
---	---	---	---	---	Employer Contributions -- Teachers' Pension and Annuity Fund	48	---	37	37
965	---	---	965	940	Teachers' Pension and Annuity Fund -- Post Retirement Medical	48	1,195	1,117	1,117
9,538	---	---	9,538	8,132	Post Retirement Medical Other Than TPAF	48	10,560	12,461	12,461
450	---	---	450	316	Employer Contributions -- FICA for County College Members of Teachers' Pension and Annuity Fund	48	450	450	450
82	---	---	82	82	Debt Service on Pension Obligation Bonds P.L. 1997, c.114 (C.34:1B-7.50 et seq.)	48	78	85	85
					Less:				
(5,000)	---	---	*(5,000)*	*(5,000)*	*Income Deductions*		*(8,000)*	*(14,000)*	*(14,000)*
318,324	**---**	***-10,425***	***307,899***	***305,135***	***Grand Total State Appropriation***		***333,540***	***352,534***	***326,317***

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 55,852 for fiscal year 2005.

From the amount appropriated hereinabove for Aid to Independent Colleges and Universities, the State Treasurer is authorized to pay the final 1/24th of fiscal year 2005 Aid to Independent Colleges and Universities payments in July 2005 less any amounts appropriated to these colleges and universities under P.L. 2004, c.60.

Receipts in excess of the amount hereinabove for Clinical Legal Programs for the Poor - Seton Hall are appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

The sums provided hereinabove 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 Fund account, the unexpended balances at the end of the preceding fiscal year are appropriated for the same purpose.

In addition to the amount appropriated hereinabove, there is appropriated an amount not to exceed $10,000,000, to pay for debt service on higher education facilities bonds as may be lawfully issued during this fiscal year subject to enabling legislation, subject to the approval of the Director of the Division of Budget and Accounting.

The amount appropriated hereinabove for the New Jersey Stem Cell Research Institute shall be expended subject to the approval of the State Treasurer in consultation with the New Jersey Commission on Science and Technology.

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.

In addition to the amounts hereinabove appropriated for the New Jersey Stem Cell Research Institute, there is appropriated to the University of Medicine and Dentistry of New Jersey $162,000 from the Higher Education Facility Renovation and Rehabilitation Fund (P.L. 1990, c. 126), created pursuant to the Jobs, Education and Competitiveness Bond Act of 1988 (P.L. 1988, c. 78), for the purpose of renovating space in the Research Annex Building in Piscataway to support stem cell research.

In addition to the amounts hereinabove appropriated for the New Jersey Stem Cell Research Institute, there is appropriated to Rutgers, the State University of New Jersey $162,000 from the Higher Education Facility Renovation and Rehabilitation Fund (P.L. 1990, c. 126), created pursuant to the Jobs, Education and Competitiveness Bond Act of 1988 (P.L. 1988, c. 78), for the purpose of renovating space in Nelson Hall to support stem cell research.

Language Recommendations -- State Aid - General Fund

In addition to the amount hereinabove for operational costs, there is appropriated $14,000,000 from the Supplemental Workforce Fund for Basic Skills for the same purpose.

From the amount appropriated hereinabove for county college Operational Costs aid, the State Treasurer is authorized to pay the final 1/24th of fiscal year 2005 county college Operational Costs aid payments in July 2005 less any amounts appropriated to these colleges under P.L. 2004, c.60.

Such additional sums as may be required for Employer Contributions - Alternate Benefit Program, Teachers' Pension and Annuity Fund - Post Retirement Medical and Post Retirement Medical Other Than TPAF are appropriated, as the Director of the Division of Budget and Accounting shall determine.

Notwithstanding any provision of law to the contrary, in addition to the amount hereinabove appropriated for the Teachers' Pension and Annuity Fund - Post Retirement Medical, there is hereby appropriated an amount as determined by the State Treasurer to fund the pension cost contribution by the State to the Teachers' Pension and Annuity Fund, payment for which shall be credited against amounts on deposit in the Benefit Enhancement Fund established in N.J.S.18A:66-16.

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 Fiscal Year 2006 Governor's Budget Message first shall 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.

PROGRAM CLASSIFICATIONS

38. **Economic Development.** Economic development entities that operate outside the New Jersey Commerce and Economic Growth Commission include the Motion Picture and Television Development Commission and the Economic Development Authority (EDA).

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.

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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Economic Development				
Motion Picture and Television Development				
Total film/television productions	815	845	875	900
Direct spending by companies (millions)	$74	$81	$85	$90
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	5	5	5	5
Total Positions	5	5	5	5
Filled Positions by Program Class				
Motion Picture	5	5	5	5
Total Positions	5	5	5	5

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
406	---	46	452	449	Economic Development	38	502	502	502
406	***---***	***46***	***452***	***449***	***Total Direct State Services***		***502*** [a]	***502***	***502***
					Distribution by Fund and Object				
					Personal Services:				
296	---	89	385	385	Salaries and Wages		427	419	419
296	---	*89*	*385*	*385*	*Total Personal Services*		*427*	*419*	*419*
20	---	---	20	20	Materials and Supplies		15	15	15
65	---	-33	32	32	Services Other Than Personal		35	43	43
15	---	---	15	12	Maintenance and Fixed Charges		15	15	15
10	---	-10	---	---	Additions, Improvements and Equipment		10	10	10
					GRANTS-IN-AID				
					Distribution by Fund and Program				
116	---	---	116	116	Economic Development	38	600	---	---
116	***---***	***---***	***116***	***116***	***Total Grants-in-Aid***		***600***	***---***	***---***
					Distribution by Fund and Object				
					Special Purpose:				
---	---	---	---	---	Hispanic Business Owners Outreach Program	38	600	---	---
116	---	---	116	116	Commission on Jobs, Growth, and Economic Development-EDA	38	---	---	---
522	***---***	***46***	***568***	***565***	***Grand Total State Appropriation***		***1,102***	***502***	***502***

Notes -- Direct State Services - General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Grants-In-Aid - General Fund

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 allocated to the Brownfield Site Reimbursement Fund, established pursuant to P.L.1997, c.278, 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 for the Brownfield Site Reimbursement Fund, 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
2041. NEW JERSEY COMMERCE, ECONOMIC GROWTH AND TOURISM COMMISSION

OBJECTIVES

1. To function as a single voice for the economic development activities of the State by coordinating the economic development efforts of all State agencies and authorities.
2. To obtain private sector input regarding economic development initiatives through its membership on the Commission's Board.
3. To promote sustainable economic growth and create quality jobs by retaining and expanding existing jobs and attracting new jobs to the State.
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.
6. 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

38. **New Jersey Commerce, Economic Growth and Tourism Commission.** Pursuant to Executive Reorganization Plan No. 005-2004, the New Jersey Commerce and Economic Growth Commission has been re-named the New Jersey Commerce, Economic Growth and Tourism Commission, effective December 17, 2004. The Commission, which is in-but-not-of the Department of the Treasury, promotes business advocacy, international trade, economic development, sustainable businesses, travel and tourism, 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 among the Commission on Science and Technology, the Urban Enterprise Zone Authority, the New Jersey Development Authority for Small Businesses, Minorities' and Women's Enterprises, and the Motion Picture and Television Development Commission.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Travel and Tourism				
Revenue generated by tourism (billions)	$26.4	$30.0	$30.0	$30.0
Tax revenue generated by tourism (billions)	$2.5	$2.9	$2.9	$2.9
Overnight visitors (millions)	60.8	68.1	69.2	70.3
International Trade				
Total value of New Jersey exports (billions)	$17.0	$18.1	$19.8	$21.9
Jobs generated through exporting	201,860	216,896	238,176	263,109
Development for Small Businesses and Women and Minority Businesses				
Set-aside contracts awarded (millions)	$599.1	$157.8 [a]	$650.0	$677.0
Jobs created and retained	14,250	2,320 [a]	9,555	9,952
Tax revenue generated by Set-aside Program (millions)	$34.2	$9.0 [a]	$37.1	$38.6
Economic Development				
Urban Enterprise Zone Program				
Participating businesses	22,007	22,399	23,000	23,500
Total number of jobs created (annually)	32,339	22,170	15,000	15,000
Private investment generated (annual value in billions)	$2.0	$1.3	$1.1	$1.5
Zone Assistance Fund projects (annual value in millions)	$43.0	$56.5	$45.0	$45.0
Business Retention, Attraction and Expansion				
Number of new jobs in new businesses	3,207	1,731	5,000	5,000
Number of new jobs in existing businesses	1,683	1,057	5,000	5,000
Number of jobs retained	1,464	1,614	5,000	5,000

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
OPERATING DATA				
Economic Development				
Program Expenditures - Commerce Commission (thousands)				
Business Retention, Expansion & Attraction	$2,636	$2,549	$2,853	$2,853
Export Promotion	$1,249	$1,114	$1,192	$1,192
Travel and Tourism	$7,805	$11,232	$14,610	$14,610
Small Businesses and Women and Minority Businesses	$1,128	$1,140	$1,070	$1,070
Other Key Industries and Initiatives	$1,380	$1,157	$104	$94
Special Purpose Appropriations (thousands)				
Advertising and Promotion	$5,955	$9,382	$12,760	$12,760
Travel & Tourism Cooperative Marketing	$1,850	$1,850 (b)	$1,850	$1,850
NJ Israel Commission	$124	$124	$130	$130
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	18	16	10	10
Male Minority %	16%	15%	8%	8%
Female Minority	19	29	27	27
Female Minority %	17%	26%	22%	22%
Total Minority	37	45	37	37
Total Minority %	33%	41%	30%	30%
Position Data				
State Supported	96	95	108	108
All Other	14	15	16	16
Total Positions	110	110	124	124
Filled Positions by Program Class				
Export Promotion	7	8	6	6
Travel and Tourism	27	24	33	33
Development for Small Businesses and Women and Minority Businesses	6	11	15	15
Business Retention, Expansion and Attraction	24	21	26	26
Other Key Industries and Initiatives	46	46	44	44
Total Positions	110	110	124	124

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December, and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) Full year data not retrievable due to system conversion.

(b) Funding of $1,850,000 provided by off-budget Economic Recovery Fund balances.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					GRANTS-IN-AID				
					Distribution by Fund and Program				
15,832	---	---	15,832	15,832	Economic Development	38	20,351	18,069	18,069
15,832	***---***	***---***	***15,832***	***15,832***	***Total Grants-in-Aid***		***20,351***	***18,069***	***18,069***
					Distribution by Fund and Object				
					Grants:				
15,310	---	---	15,310	15,310	New Jersey Commerce, Economic Growth and Tourism Commission	38	19,829	18,069	18,069
522	---	---	522	522	Prosperity New Jersey, Incorporated	38	522	---	---

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					GRANTS-IN-AID				
15,832	*---*	*---*	*15,832*	*15,832*	*Grand Total State Appropriation*		*20,351*	*18,069*	*18,069*
					OTHER RELATED APPROPRIATIONS				
					All Other Funds				
---	4,321 R	1	4,322	4,322	Economic Development	38	2,720	2,885	2,885
---	*4,321*	*1*	*4,322*	*4,322*	*Total All Other Funds*		*2,720*	*2,885*	*2,885*
15,832	*4,321*	*1*	*20,154*	*20,154*	*GRAND TOTAL ALL FUNDS*		*23,071*	*20,954*	*20,954*

Language Recommendations -- Grants-In-Aid - General Fund

Of the sum hereinabove appropriated for the New Jersey Commerce, Economic Growth and Tourism Commission, not less than $12,760,000 shall be used for Advertising and Promotion, from which $30,000 shall be allocated to each of the six regional tourism councils for regional tourism promotion; $2,853,000 shall be used for Business Retention, Expansion and Attraction of which $700,000 is for New Jersey Small Business Development Centers; $130,000 shall be used for the New Jersey Israel Commission; and $1,850,000 shall be used for the Travel and Tourism Cooperative Marketing Program; except that any amount for the Cooperative Marketing Program is available for expenditure only to the extent that an amount equal to 25% of the State funds are expended from funds raised by the Commerce Commission, pursuant to subsection j. of section 9 of P.L. 1977, c.225 (C.34:1A-53), through contributions from private tourism industry concerns and non-State public entities as determined by the Director of the Division of Budget and Accounting. These accounts shall be considered special purpose appropriations for accounting and reporting purposes.

Pursuant to the provisions of P.L. 2003, c.114 (C. 54:32-1 et seq.) the appropriations hereinabove for purposes of promoting tourism activities in this State are first charged to revenues derived from the hotel and motel occupancy fee.

There is appropriated from the Enterprise Zone Assistance Fund such sums as are necessary for administrative services provided by the New Jersey Commerce, Economic Growth and Tourism Commission 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.

The Chief Executive Officer and Secretary of the Commission shall report semi-annually on the expenditure of State funds and private contributions during the preceding six months for the Advertising and Promotion Program and the Travel and Tourism, Advertising and Promotion - Cooperative Marketing Program. The first semi-annual report covering the first six months of fiscal year 2006 shall be completed not later than January 31, 2006, the second semi-annual report covering the second six months of fiscal year 2006 shall be completed not later than July 31, 2006 and both reports shall be submitted to the Treasurer, the Director of the Division of Budget and Accounting, and the Joint Budget Oversight Committee.

50. ECONOMIC PLANNING, DEVELOPMENT AND SECURITY
51. ECONOMIC PLANNING AND DEVELOPMENT
2042. NEW JERSEY COMMISSION ON SCIENCE AND TECHNOLOGY

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.

PROGRAM CLASSIFICATIONS

39. **The New Jersey Commission on Science and Technology,** enacted under Public Law 1985, Chapter 102, 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 create an environment that leads to accelerated economic development, with emphasis on applications of science and technology to industry. The principal goals of Commission activity are the creation of new jobs and the revitalization of industry in an environment that encourages new enterprises, particularly those that are oriented toward the adoption of the most advanced scientific and technological techniques.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
New Jersey Commission on Science and Technology				
Business Assistance				
Technology Transfer Program				
Companies Assisted	5	10	10	15
Company Matching ($000s)	$2,244	$5,000	$5,000	$7,500
New Jersey Manufacturing Extension Program				
Firms assisted	240	110	200	250
Jobs created or retained	1,200	1,200	1,200	1,200
Non-State Matching ($000s)	$3,200	$3,200	$3,200	$3,200
Business Incubators				
Companies supported	140	170	175	200
Employment at incubator companies	611	666	800	1,000
Matching ($000s)	$3,495	$3,825	$4,000	$4,300
Research and Development				
R&D Excellence Program				
R&D Programs Supported	27	19	11	7
Federal Matching Dollars	$17,329	$10,460	$7,850	$5,790
Private Matching Dollars	$8,602	$5,165	$3,875	$2,600
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	8	5	5	6
Total Positions	8	5	5	6

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
---	11	500	511	457	New Jersey Commission on Science and Technology	39	568	568	568
---	*11*	*500*	*511*	*457*	*Total Direct State Services*		*568*[a]	*568*	*568*
					Distribution by Fund and Object				
					Personal Services:				
---	---	448	448	417	Salaries and Wages		371	371	371
---	---	*448*	*448*	*417*	*Total Personal Services*		*371*	*371*	*371*
---	---	14	14	7	Materials and Supplies		51	51	51
---	---	37	37	24	Services Other Than Personal		140	140	140
---	---	1	1	---	Maintenance and Fixed Charges		6	6	6
---	11	---	11	9	Additions, Improvements and Equipment		---	---	---
					GRANTS-IN-AID				
					Distribution by Fund and Program				
8,000	---	-389	7,611	6,457	New Jersey Commission on Science and Technology	39	8,250	7,450	7,450
8,000	*---*	*-389*	*7,611*	*6,457*	*Total Grants-in-Aid*		*8,250*	*7,450*	*7,450*

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					GRANTS-IN-AID				
					Distribution by Fund and Object				
					Grants:				
8,000	---	-500	7,500	6,457	Science and Technology Grants	39	8,050	7,450	7,450
---	---	111	111	---	Research and Development Programs	39	---	---	---
---	---	---	---	---	Conference Cost Share	39	200	---	---
8,000	***11***	***111***	***8,122***	***6,914***	***Grand Total State Appropriation***		***8,818***	***8,018***	***8,018***

Notes -- Direct State Services - General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

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.

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, 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 subscriber's complaints and needs, and the availability of competitively priced alternative television program packaging.
7. To administer statewide energy assistance programs.
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

53. **Ratepayer Advocacy.** Pursuant to N.J.S.A. 52:27E-50 et seq., the responsibilities of the Division of the Ratepayer Advocate are to represent the interests 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.
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. A new Division of Reliability and Security was created in 2001 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 N.J. 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 Board of Public Utilities is a regulatory authority with a statutory mandate to ensure safe, adequate, and proper public utility services at reasonable rates for all customers in New Jersey. Specifically, the Board has regulatory authority over the electric, gas, telecommunications, water and sewer, and cable television industries. To accomplish its mandate, the Board regulates rates for such utilities by conducting comprehensive reviews to determine the fairness and reasonableness of rates. The Board also has general supervisory responsibility for monitoring utility service, responding to utility consumer complaints, and investigating utility accidents.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Utility Regulation				
Utilities Regulated				
Electric	5	5	5	5
Gas	4	4	4	4
Telephone and telegraph	104	104	140	130
Water and sewer	67	67	67	61
Municipal water companies	10	10	10	10
Cable TV (Basic Service)	41	40	36	36
Cases Pending June 30				
Cable TV	506	135	131	146
Electric	735	287	218	237
Gas	911	228	192	192
Telephone	2,627	937	597	238
Water and sewer	407	113	104	104
Audits, rates, tariff revisions, generic rulemaking, other	125	57	38	8
Customer Relations				
Consumer complaints (phone calls)	17,940	18,837	18,812	18,812
Consumer complaints (walk-ins)	346	367	340	340
Consumer information requests	15,098	15,801	23,300	23,300
Consumer complaints (letters)	3,125	3,281	2,905	2,905
Total calls received as of 12/03/04	97,797	102,687	120,915	120,915
Service Evaluation				
One-call cases for review	4,667	4,500	4,500	4,500
One-call cases handled	300	400	450	450
Meter tests conducted	225	225	300	300
Gas pipeline inspections	435	420	400	400
Informal service investigations	470	470	100	100
Regulation of Cable Television				
Cable television systems	41	41	40	40
No. of municipalities w/certification for operation	562	562	562	562
Cable television subscribers (thousands)	2,486	2,592	2,542	2,542
Electric Power Suppliers and Gas Suppliers				
Electric suppliers who submitted applications	---	3	3	8
Electric suppliers who submitted renewal applications	40	16	13	15
Electric suppliers who received final licenses	3	3	3	8
Electric suppliers who received renewal licenses	27	16	15	17
Gas suppliers who submitted applications	3	3	3	5
Gas suppliers who received renewal licenses	31	28	18	20
Gas suppliers who received final licenses	2	3	3	5
Gas suppliers who submitted renewal applications	43	28	22	24

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Energy Agent and Private Aggregator Registration				
Energy agents who received applications	1	6	2	2
Energy agents who submitted renewal applications	2	6	5	8
Energy agents who were granted final registration	1	1	2	2
Private aggregators who received applications	1	5	3	2
Private aggregators who were granted final registration	1	5	3	2
Energy Assistance Programs				
Lifeline Credit Program				
Population data				
Supplemental Security Income	30,705	30,705	30,705	30,705
Other	127,514	127,514	127,514	127,514
Total recipients	158,219	158,219	158,219	158,912
Credit amount	$225	$225	$225	$225
Tenants' Assistance Rebate Program				
Population data				
Supplemental Security Income	115,511	116,440	116,440	116,440
Other	40,944	40,944	40,944	40,944
Total recipients	156,455	157,384	157,384	157,384
Rebate amount	$225	$225	$225	$225
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State supported	301	311	331	338
Federal	13	17	6	17
All other	1	3	7	8
Total Positions	315	331	344	363
Filled Positions by Program Class				
Ratepayer Advocacy	38	36	38	45
Utility Regulation	102	95	105	104
Regulation of Cable Television	29	28	28	28
Energy Resource Management	14	20	13	25
Regulatory Support Services	52	60	60	62
Administration and Support Services	80	92	100	99
Total Positions	315	331	344	363

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

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 Service Fund.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
5,805	1,187	---	6,992	5,494	Ratepayer Advocacy	53	5,951	5,951	5,951
7,466	1,260	-1,087	7,639	6,363	Utility Regulation	54	7,658	7,658	7,658
1,904	254	20	2,178	1,952	Regulation of Cable Television	55	1,942	1,942	1,942
1,591	---	---	1,591	1,591	Energy Assistance Programs	88	1,628	1,628	1,628
3,264	168	347	3,779	3,760	Regulatory Support Services	97	3,398	3,398	3,398
8,690	1,304	961	10,955	10,570	Administration and Support Services	99	8,993	8,993	8,993

TREASURY

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					DIRECT STATE SERVICES				
28,720	***4,173***	***241***	***33,134***	***29,730***	***Total Direct State Services***		***29,570*** [a]	***29,570***	***29,570***
					Distribution by Fund and Object				
					Personal Services:				
23,722	2,276 221 R	–119	26,100	23,778	Salaries and Wages		24,787	24,787	24,787
23,722	*2,497*	*–119*	*26,100*	*23,778*	*Total Personal Services*		*24,787*	*24,787*	*24,787*
486	97	–1	582	482	Materials and Supplies		486	486	486
3,321	1,087	338	4,746	4,028	Services Other Than Personal		3,106	3,106	3,106
905	169	–86	988	842	Maintenance and Fixed Charges		905	905	905
					Special Purpose:				
---	---	51	51	51	Ratepayer Advocacy	53	---	---	---
---	19 32 R	–41	10	---	Utility Regulation	54	---	---	---
---	20 3 R	–21	2	---	Regulation of Cable Television	55	---	---	---
---	179 34 R	–184	29	---	Administration and Support Services	99	---	---	---
286	36	304	626	549	Additions, Improvements and Equipment		286	286	286
					GRANTS-IN-AID				
					Distribution by Fund and Program				
70,840	---	---	70,840	68,692	Energy Assistance Programs	88	70,840	70,840	70,840
70,840	***---***	***---***	***70,840***	***68,692***	***Total Grants-in-Aid***		***70,840***	***70,840***	***70,840***
					Distribution by Fund and Object				
					Grants:				
34,669	---	---	34,669	34,511	Payments for Lifeline Credits	88	34,669	34,669	34,669
36,171	---	---	36,171	34,181	Tenants' Assistance Rebate Program	88	36,171	36,171	36,171
					CAPITAL CONSTRUCTION				
					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	---	---	---
99,560	***4,174***	***241***	***103,975***	***98,422***	***Grand Total State Appropriation***		***100,410***	***100,410***	***100,410***
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
600	457	---	1,057	506	Utility Regulation	54	600	600	600
2,025 608 S	586	---	3,219	1,829	Energy Resource Management	56	3,587	4,019	4,019
3,233	***1,043***	***---***	***4,276***	***2,335***	***Total Federal Funds***		***4,187***	***4,619***	***4,619***
					All Other Funds				
---	218 2,022 R	---	2,240	1,631	Energy Resource Management	56	820	820	820
---	---	---	---	---	Administration and Support Services	99	3,000	---	---
---	***2,240***	***---***	***2,240***	***1,631***	***Total All Other Funds***		***3,820***	***820***	***820***

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					OTHER RELATED APPROPRIATIONS				
102,793	*7,457*	*241*	*110,491*	*102,388*	*GRAND TOTAL ALL FUNDS*		*108,417*	*105,849*	*105,849*

Notes -- Direct State Services - General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

In addition to the sum hereinabove, 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 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.

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 are appropriated.

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 other law, 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.

Receipts of the Division of Ratepayer Advocate in excess of those anticipated are appropriated for the Division of Ratepayer Advocate to defray the costs of this activity under section 16 of P.L. 1994, c.58 (C.52:27E-63).

The amounts appropriated hereinabove, not to exceed $1,628,000, 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.

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 other law 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.

In addition to the amount hereinabove, 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 fiscal year ending June 30, 2005, are appropriated for payments to providers in the same program class from which the recovery originated.

The amounts appropriated hereinabove, 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 NJSA 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, provides information and planning support for the process of allocating available financial and human resources, and evaluates strategic and long-term issues arising from the ability to provide services.

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 in the immediate budget year. Provides continuous studies of State fiscal requirements. Based on these studies and on official requests for appropriations by State departments, determines the necessity and advisability of budget requests and formulates the annual budget submitted by the Governor to the Legislature. Develops and reviews State agency responses on proposed federal legislation and regulations to ensure that the broad State interest and fiscal policy are taken into account.

Performs statewide studies to ensure that agencies serving the same clients coordinate programs and resources, thus avoiding unnecessary duplication of effort. Analyzes programs and activities that cross departmental boundaries which may not be at the core of government responsibilities or need, and therefore may be appropriate for elimination or revision, thereby reducing costs.

Also provides for capital planning, evaluation of capital construction projects, financing of capital facilities, and project review relative to coordinating federally financed construction projects for State, local, and private agencies.

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. Pursues financial decisions to protect the State's credit and its cost of borrowing. Reviews all financial transactions for propriety before entry into the computerized accounting system, from which official State monthly and annual fiscal reports are prepared. Also, assures that State employees are paid accurately and on a timely basis.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Office of Management and Budget				
Number of checks avoided by electronic funds transfer	1,537,000	1,706,000	1,760,000	1,810,000
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	206	192	188	191
Total Positions	206	192	188	191
Filled Positions by Program Class				
Employee Relations and Collective Negotiations	8	8	8	8
Office of Management and Budget	198	184	180	183
Total Positions	206	192	188	191

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 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, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
522	---	707	1,229	1,225	Employee Relations and Collective Negotiations	03	605	605	605
19,729	12,414	-4,394	27,749	27,139	Office of Management and Budget	07	19,527	19,138	19,138
20,251	***12,414***	***-3,687***	***28,978***	***28,364***	***Total Direct State Services***		***20,132*** [a]	***19,743***	***19,743***
					Distribution by Fund and Object				
					Personal Services:				
13,363	296 R	-323	13,336	12,973	Salaries and Wages		13,342	12,695	12,695
13,363	*296*	*-323*	*13,336*	*12,973*	*Total Personal Services*		*13,342*	*12,695*	*12,695*
294	---	-53	241	237	Materials and Supplies		294	293	293
5,272	---	1,169	6,441	6,415	Services Other Than Personal		5,275	5,532	5,532
122	---	-88	34	30	Maintenance and Fixed Charges		122	124	124
					Special Purpose:				
---	11,642 R	-11,642	---	---	Control - Investment Earnings	07	---	---	---
---	---	7,248	7,248	7,248	Cash Management Banking Services	07	---	---	---
879 307 S	---	---	1,186	1,186	Independent Audits	07	1,099	1,099	1,099
14 S	---	---	14	14	Cash Management Improvement Act (Interest)	07	---	---	---
---	476	2	478	261	Additions, Improvements and Equipment		---	---	---
20,251	***12,414***	***-3,687***	***28,978***	***28,364***	***Grand Total State Appropriation***		***20,132***	***19,743***	***19,743***
					OTHER RELATED APPROPRIATIONS				
					All Other Funds				
---	47,733 19,803 R	-7,709	59,827	---	Office of Management and Budget	07	8,950	8,950	8,950
---	*67,536*	*-7,709*	*59,827*	*---*	*Total All Other Funds*		*8,950*	*8,950*	*8,950*
20,251	***79,950***	***-11,396***	***88,805***	***28,364***	***GRAND TOTAL ALL FUNDS***		***29,082***	***28,693***	***28,693***

Notes -- Direct State Services - General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

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, 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 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).

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
72. GOVERNMENTAL REVIEW AND OVERSIGHT
2068. OFFICE OF THE INSPECTOR GENERAL

OBJECTIVES

1. To establish a full-time program of audit, investigation and performance review designed 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.** Pursuant to Executive Order #7, 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 is granted all necessary powers to conduct audits, evaluations, inspections and other reviews in accordance with professional standards relating to such investigations and audits in government environments.

The Inspector General shall report the findings of such audits or investigations performed by the Office and shall issue recommendations for corrective or remedial action to the Governor and to the entity at issue. The Inspector General shall further monitor the implementation of those recommendations. The Inspector General may also refer matters for further civil, criminal and administrative action to the appropriate authorities.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	---	---	---	18
Total Positions	---	---	---	18
Filled Positions by Program Class				
Office of the Inspector General	---	---	---	18
Total Positions	---	---	---	18

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
---	---	---	---	---	Office of the Inspector General	14	---	2,500	2,500
---	---	---	---	---	***Total Direct State Services***		---	***2,500***	***2,500***
					Distribution by Fund and Object				
					Personal Services:				
---	---	---	---	---	Salaries and Wages		---	1,420	1,420
---	---	---	---	---	*Total Personal Services*		---	*1,420*	*1,420*
---	---	---	---	---	Materials and Supplies		---	100	100
---	---	---	---	---	Services Other Than Personal		---	750	750
---	---	---	---	---	Maintenance and Fixed Charges		---	155	155
---	---	---	---	---	Additions, Improvements and Equipment		---	75	75
---	---	---	---	---	***Grand Total State Appropriation***		---	***2,500***	***2,500***

Language Recommendations -- Direct State Services - General Fund

In addition to the amounts appropriated hereinabove, 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.

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 tourist 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, daily and weekly lotteries are conducted. Lottery programs are continually reviewed so that State revenues are maximized.
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. Continues streamlining 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.
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 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 and formerly known as Commercial Recording, the Bureau provides essential services to the public and legal communities. These 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Taxation Services and Administration				
Customer Services				
Telephone Inquiries	2,543,594	2,863,619	2,900,000	3,000,000
Gross Income Tax Filings by Telephone	153,429	153,284	175,000	200,000
Total Tax Returns Filed by Telephone	4.0%	4.0%	5.2%	5.2%
NJSAVER/Homestead Rebate Filings By Telephone/Computer	1,520,000	1,570,685	1,470,000	625,000
Information and Publications				
Correspondence	114,555	117,000	145,000	168,000

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Regulatory Services				
Telephone Inquiries	12,831	15,570	16,000	16,000
Correspondence	9,358	9,121	9,200	9,200
Taxpayer Accounting				
Telephone Inquiries–Individual	18,823	18,362	20,000	25,000
Telephone Inquiries–Business	13,274	19,060	21,000	22,000
Correspondence–Individual	90,325	88,443	78,000	85,000
Correspondence–Business	31,385	35,697	27,000	30,000
Enforcement				
Audits				
Average Number of Auditors	428	435	437	426
Assessment Amount	$443,626,441	$471,562,542	$372,000,000	$365,000,000
Audits Completed	113,429	112,432	97,000	92,500
Average Assessment/Auditor	$1,036,510	$1,084,052	$851,259	$856,808
Compliance				
Number of Collectors	281	285	307	305
Collections	$252,938,891	$271,748,757	$280,000,000	$278,000,000
Number of Closed Cases	788,848	670,085	685,000	700,000
Average Collection Per Collector	$900,138	$953,504	$912,052	$911,475
Bankruptcy Claims	3,977	3,943	4,000	4,000
Judgments	19,404	22,590	26,000	28,000
Deferred Payment Plans	4,883	6,257	6,700	6,700
Third Party Collection of Deficient Taxes	46,491,202	66,994,102	64,000,000	64,000,000
Third Party Collection of Delinquent Taxes	24,913,110	36,561,588	36,500,000	36,500,000
Criminal Investigations				
Prosecution Recommendations	97	128	128	128
Assessment Amount	$3,484,723	$3,686,869	$3,700,000	$3,700,000
Billings Mailed				
Individual	274,570	232,702	280,000	250,000
Business	168,139	142,739	180,000	200,000
Refunds Reviewed				
Individual	65,302	62,633	55,000	65,000
Business	4,878	4,349	10,000	10,000
Property Administration				
Real Estate Appraisals–Inheritance Tax	325	340	350	355
Informal Assessors' Appeals	1,100	1,100	1,125	1,140
Sales Ratio Study				
Sales Evaluated	268,500	272,000	302,852	320,000
Sales Investigated, Office	110,000	112,000	133,976	146,000
Sales Investigated, Field	33,500	35,000	39,000	41,000
Intestates/Escheated Estates	48	50	55	55
Unclaimed Property				
Reports Filed	9,517	8,300	9,100	8,500
Administration of State Lottery				
Agents	6,000	6,000	6,000	6,000
Drawings	2,132	2,040	2,028	2,028
Net Sales (millions)	$2,073	$2,186	$2,343	$2,343
Cents Spent to Generate One Sales Dollar	9.1	8.8	9.2	9.2
Cents Spent to Generate One Government Dollar	24.7	24.4	26.1	26.1
Government Revenue as a Percent of Sales	36.8	36.4	35.2	35.2

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Administration of State Revenues				
Documents Processed				
Gross Income Tax–Imaged	3,055,045	3,084,512	3,000,000	3,000,000
Gross Income Tax–Manual	399,432	319,020	300,000	300,000
Gross Income Tax–Archival Imaged	591,300	606,900	500,000	500,000
Corporation Business Tax–Imaged	97,750	307,100	300,000	300,000
Corporation Business Tax–Manual	246,637	37,287	35,000	35,000
Employer Wage Reports (Form WR–30)–Imaged	363,011	365,250	350,000	300,000
Employer Wage Reports (Form WR–30)–Manual	217,441	184,552	200,000	150,000
Property Tax Reimbursement Forms–Imaged	8,450	146,050	140,000	140,000
Property Tax Reimbursement Forms–Manual	143,990	2,582	2,500	2,500
NJSAVER/Homestead Rebate–Manual	50,458	35,162	35,000	35,000
All Taxes–Remittance Processed	4,437,184	4,646,259	4,600,000	4,600,000
Gross Income Tax Payments and Extensions–Manual	233,463	115,103	110,000	100,000
Taxes Other Than Gross Income Tax–Manual	1,073,168	942,042	900,000	900,000
Motor Vehicle Commission License Registrations	4,099,321	3,615,116	3,400,000	3,200,000
OMB Checks	16,302,750	923,137	350,000	350,000
Total Documents Processed	31,319,400	15,330,072	14,222,500	13,912,500
Alternate Filing				
Individual Electronic Filing	819,817	1,004,958	1,406,941	2,110,412
Combined Employer Return (Form 927)	338,618	381,432	457,718	595,034
Employer Reports of Wages Paid (Form WR–30)	390,931	576,835	488,989	528,108
Number of Payments via Electronic Fund Transfer	2,579,578	2,865,199	3,155,000	3,407,400
Client Registrations				
Registration File Updates	215,003	251,038	220,000	220,000
Telephone Inquiries	98,761	84,074	125,000	83,000
Licenses Issued (Cigarette and Motor Fuels)	18,014	17,548	18,000	18,000
Collection Activity				
Motor Vehicle Commission Surcharge Contract	$133,865,230	$137,293,830	$135,000,000	$135,000,000
Number of SOIL Setoffs	199,215	186,266	187,000	190,000
Revenue Accounting				
Checks Processed	8,908,191	8,179,752	8,200,000	8,200,000
Electronic Invoices	100,076	137,166	138,000	138,000
Bills Generated (Department of Environmental Protection)	157,544	164,641	195,000	165,000
Dishonored Checks	29,566	27,631	29,000	29,000
Cigarette Stamps Sold	408,060,250	371,258,000	337,844,780	337,844,780
Business Support Services				
Corporations and Related Filings	137,308	143,276	150,000	150,000
Corporations Information Request	205,801	173,645	175,000	175,000
Annual Reports	250,000	357,584	260,000	260,000
Uniform Commercial Code Filings	111,526	107,741	110,000	110,000
Uniform Commercial Code Searches	55,366	72,624	70,000	70,000
Notary and Related Transactions	62,395	69,181	62,000	62,000
Trade Name/Trademark and Related Transactions	29,839	32,046	30,000	30,000
Telephone Inquiries	120,000	122,613	143,000	143,000
Management of State Investments				
Market Value of Investments as of June 30 (billions)	$76.11	$79.15	$80.00	$82.00
Cash Management Returns	1.77%	1.11%	1.40%	1.80%
Net Investment Earnings, Cash Basis (billions)	$2.20	$1.19	$1.30	$1.40
Funds Managed	182	180	180	180
Administration of Casino Gambling				
Number of Casinos in Operation	12	12	12	12
Number of Persons Employed by the Casino Industry	49,379	47,064	48,000	48,000
Casino Industry Gross Revenue (in billions)	$4.33	$4.71	$4.90	$5.00
New Casino Key Licenses Issued	169	223	201	209
New Casino Employee Licenses Issued	2,872	2,948	2,300	2,350
Renewals of Casino Key and Employee Licenses	5,638	7,292	6,117	3,610
Casino Service Employee Registrations Issued	2,521	1,697	1,447	1,450

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Casino Service Industry Licenses Issued:				
New Licenses	192	259	210	200
Renewal Licenses	176	142	177	213
Slot Machine Licenses Issued	42,747	42,542	43,500	44,000
Casino Table Games in Operation	1,362	1,402	1,450	1,450
Junket Enterprise Licenses				
Junket Licenses Issued	7	4	4	3
Junket Licenses Renewed	20	10	11	12
Contract Review:				
Vendor and Junket Enterprise Registration Forms Processed	2,629	2,243	2,378	2,416
Notice of Intent to Conduct Business with Enterprises	477	396	464	446
Contested Case Hearings:				
Employee Applications and Renewals	528	542	502	533
Casino Service Industry Applications and Renewals	25	18	20	22
Revocations and Violation Complaints	291	213	254	240
Miscellaneous	3	12	49	48
Exclusions	14	3	3	8
Litigation	1	---	2	1
Motion for Relief from Casino Control Commission Orders and Other Reasons	37	28	30	32
Reapplication for Permission to Work With or Without Credentials	37	33	27	35
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	1,970	1,992	2,009	2,176
All Other	383	419	414	454
Total Positions	2,353	2,411	2,423	2,630
Filled Positions by Program Class				
Taxation Services and Administration	1,382	1,389	1,406	1,562
Administration of State Lottery	142	139	148	153
Administration of State Revenues	444	473	471	483
Management of State Investments	62	64	61	68
Administration of Casino Gambling	323	346	337	364
Total Positions	2,353	2,411	2,423	2,630

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
91,893	15,308	---	107,201	104,010	Taxation Services and Administration	15	113,429	94,501	94,501
22,491	440	---	22,931	22,678	Administration of State Lottery	16	30,400	22,400	22,400
37,309	6,336	-400	43,245	37,637	Administration of State Revenues	17	30,408	28,809	28,809
6,590	94	124	6,808	6,779	Management of State Investments	19	7,320	6,920	6,920
26,938	1,911	---	28,849	28,074	Administration of Casino Gambling	25	28,686	28,686	28,686
26,938	*1,911*	---	*28,849*	*28,074*	*(From Casino Control Fund)*		*28,686*	*28,686*	*28,686*
4,703	763	---	5,466	5,466	Business Services Bureau	50	4,703	4,703	4,703
189,924	***24,852***	***-276***	***214,500***	***204,644***	***Total Direct State Services***		***214,946***	***186,019***	***186,019***
162,986	*22,941*	*-276*	*185,651*	*176,570*	*(From General Fund)*		*186,260* [a]	*157,333*	*157,333*

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					DIRECT STATE SERVICES				
26,938	*1,911*	---	*28,849*	*28,074*	*(From Casino Control Fund)*		*28,686*	*28,686*	*28,686*
					Distribution by Fund and Object				
					Personal Services:				
---	---	---	---	552	Chairman and Commissioners (CCF)		585	585	585
94,005	4,481 R	78	98,564	98,548	Salaries and Wages		100,179 3,266 S	106,005	106,005
23,642	---	1,017	24,659	18,596	Salaries and Wages (CCF)		19,000	19,000	19,000
---	---	---	---	5,511	Employee Benefits (CCF)		5,705 785 S	6,490	6,490
117,647	*4,481*	*1,095*	*123,223*	*123,207*	*Total Personal Services*		*129,520*	*132,080*	*132,080*
94,005	*4,481*	*78*	*98,564*	*98,548*	*(From General Fund)*		*103,445*	*106,005*	*106,005*
23,642	---	*1,017*	*24,659*	*24,659*	*(From Casino Control Fund)*		*26,075*	*26,075*	*26,075*
6,125	---	-802	5,323	4,997	Materials and Supplies		5,183 149 S	5,098	5,098
230	---	-80	150	150	Materials and Supplies (CCF)		142	142	142
44,895 14,650 S	438 R	-612	59,371	58,642	Services Other Than Personal		43,793 27,308 S	42,463	42,463
1,535	---	40	1,575	1,570	Services Other Than Personal (CCF)		1,043	1,043	1,043
1,778	---	-140	1,638	1,597	Maintenance and Fixed Charges		1,660	1,633	1,633
1,317	---	-114	1,203	1,203	Maintenance and Fixed Charges (CCF)		1,213	1,213	1,213
					Special Purpose:				
---	10,599	---	10,599	7,781	Property Assessment and Management System (PAMS)	15	1,175	1,175	1,175
---	4,648	---	4,648	293	Revenue Management System	17	---	---	---
1,524	894	-400	2,018	2,018	Wage Reporting/Temporary Disability Insurance	17	899	899	899
105	---	-67	38	38	Administration of Casino Gambling (CCF)	25	60	60	60
9	1,881	1,600	3,490	2,694	Additions, Improvements and Equipment		2,648 S	60	60
109	1,911	-796	1,224	454	Additions, Improvements and Equipment (CCF)		153	153	153
189,924	***24,852***	***-276***	***214,500***	***204,644***	***Grand Total State Appropriation***		***214,946***	***186,019***	***186,019***
					OTHER RELATED APPROPRIATIONS				
					All Other Funds				
---	2,512 28,463 R	-16,547	14,428	6,006	Taxation Services and Administration	15	10,118	10,387	10,387
---	---	---	---	---	Administration of State Lottery	16	260	260	260
---	482 104,714 R	-35,102	70,094	12,056	Administration of State Revenues	17	36,812	37,212	37,212
---	---	---	---	---	Business Services Bureau	50	560	560	560
---	***136,171***	***-51,649***	***84,522***	***18,062***	***Total All Other Funds***		***47,750***	***48,419***	***48,419***
189,924	***161,023***	***-51,925***	***299,022***	***222,706***	***GRAND TOTAL ALL FUNDS***		***262,696***	***234,438***	***234,438***

Notes -- Direct State Services - General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

So much of the 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.), as may be necessary for confiscation, storage, disposal and other related expenses thereof, are appropriated.

Notwithstanding the provision of any law to the contrary, there shall be no retroactive payment for refunds due under section 9 of P.L.1976, c.141 (C.58:10-23.11h) as amended pursuant to section 1 of P.L.1997, c.134 for the period from January 1, 1996, through June 26, 1997, appropriated from the Spill Compensation Fund.

Such sums as may be necessary for the administration of the homestead property tax reimbursement established pursuant to P.L.1997, c.348 (C.54:4-8.67 et seq.) are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

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 any other law 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.).

In addition to the amounts appropriated hereinabove, 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 any provision of any other law 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.

Notwithstanding the provisions of section 4 of the "Lead Hazard Control Assistance Act," P.L. 2003, c.311 such sums as are necessary are appropriated from the Lead Hazard Control Assistance Fund for the Department of 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) 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 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).

In addition to the amounts hereinabove, 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.

Notwithstanding the provisions of any other law 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 other law 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.).

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.

The unexpended balance at the end of the preceding fiscal year in the Revenue Management System account are appropriated.

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 amounts hereinabove 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.

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 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. In addition, revenue resulting from such charges to the various pensions and health benefit funds, payable on a schedule to be determined by the Director of the Division of Budget and Accounting, shall be credited to the General Fund as anticipated revenue.

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 a 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. To provide for centralized management of the rental and lease of real property, disposal of surplus State real property and purchase of real property, and effective 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 State-wide basis the assembling, distribution, and sale of State-owned 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 to the Legislature funding for 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 accomplishes 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 and in accordance with predetermined goals and objectives and within established budgets.

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 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 State space requirements. Also, Property Management Services provides, in the Trenton area, full maintenance services for 40 State-owned buildings, 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 $39,600. Carries out all related contract administration services, including the processing of change orders, pre-qualification of contractors, public advertising, 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.

40. **Office of Information Technology.** 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.

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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Purchasing and Inventory Management				
Vendor purchases (millions)	1,266	1,813	1,500	1,500
Term contracts	1,084	1,499	1,200	1,200
Pensions and Benefits				
Financial Data				
Assets, all funds (thousands)	$65,162,408	$71,276,272	$73,781,202	$77,829,340
Benefit payments (thousands)	$7,301,497	$8,249,643	$9,391,160	$10,700,226
Lump sum death benefit payments (thousands)	$174,448	$189,002	$199,203	$210,022
Member loans outstanding (thousands)	$1,186,105	$1,153,834	$1,145,256	$1,137,324
Membership, all retirement systems	525,943	536,379	551,480	567,501
Retired members and beneficiaries	206,128	210,063	217,919	226,110
Membership, other systems				
Supplemental annuity	4,537	4,098	3,962	3,831
Health benefits program members	350,667	358,609	369,953	381,656
Health benefits program covered lives	785,142	802,158	828,228	855,146
Prescription drug program members	141,339	148,164	156,471	165,244
Prescription drug program covered lives	352,549	369,328	390,737	413,386
Dental program members	96,911	99,072	100,582	102,664
Dental program covered lives	229,207	234,626	239,217	243,898

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Benefit Processing Data				
New enrollments or transfers	70,238	64,083	64,000	64,000
Withdrawals	7,211	7,893	7,800	7,800
Death claims	8,071	7,907	8,000	8,000
New retirements	12,732	15,831	15,000	15,000
Pensions adjustments	7,475	6,736	7,500	7,500
Service purchase requests	13,668	15,359	15,000	15,000
Member loans	121,183	115,741	112,000	100,000
Client Services				
Telephone inquiries	1,414,211	1,484,175	1,500,000	1,510,000
Interviews	13,007	14,177	14,500	15,000
Correspondence	20,024	20,948	20,000	20,500
Internet inquiries	12,735	14,021	14,500	15,000
Seminars	703	1,372	1,400	1,450
Property Management and Construction – Property Management Services				
Leased facilities	343	341	333	345
Area in square feet (leased facilities)	5,235,000	5,200,000	5,500,000	5,850,000
State-owned space maintained (square feet)	5,874,000	5,429,470	5,429,470	5,429,470
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	715	689	695	718
All Others	33	32	30	35
Total Positions	748	721	725	753
Filled Positions by Program Class				
Garden State Preservation Trust	4	2	2	4
Purchasing and Inventory Management	102	106	114	124
Pensions and Benefits	370	346	341	357
Capital City Redevelopment Corporation	1	1	1	2
Property Management and Construction	187	179	182	177
Risk Management	52	56	56	56
Capitol Post Office	32	31	29	33
Total Positions	748	721	725	753

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
468	---	---	468	365	Garden State Preservation Trust	02	468	468	468
13,277	998	870	15,145	14,629	Purchasing and Inventory Management	09	9,528	9,518	9,518
31,798	12,084	64	43,946	31,387	Pensions and Benefits	21	31,855	32,062	32,062
14,621	1,086	65	15,772	15,214	Property Management and Construction – Property Management Services	26	14,638	14,638	14,638
1,807	475	---	2,282	2,270	Risk Management	37	1,957	1,957	1,957
61,971	***14,643***	***999***	***77,613***	***63,865***	***Total Direct State Services***		***58,446*** [a]	***58,643***	***58,643***

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Object				
					Personal Services:				
34,789	541 R	1,622	36,952	36,800	Salaries and Wages		37,654	37,812	37,812
34,789	*541*	*1,622*	*36,952*	*36,800*	*Total Personal Services*		*37,654*	*37,812*	*37,812*
891	---	246	1,137	1,050	Materials and Supplies		816	855	855
17,862	21	-1,036	16,847	16,573	Services Other Than Personal		16,724		
	22						70 S	16,564	16,564
1,899	660 R	-117	2,464	2,206	Maintenance and Fixed Charges		1,899	2,029	2,029
					Special Purpose:				
468	---	---	468	365	Garden State Preservation Trust	02	468	468	468
---	5	---	5	---	Gubernatorial Transition-Governor	09	---	250	250
---	---	---	---	---	Gubernatorial Transition-Governor-Elect	09	---	250	250
---	---	---	---	---	Gubernatorial Inaugural Commission	09	---	100	100
5,882	---	---	5,882	5,822	Fleet Renewal Management Program	09	560	---	---
180	---	---	180	180	State Pension System Audit	21	180	180	180
---	11,578	---	11,578	49	Re-Engineering of Pension and Health Benefits Computer Systems	21	---	---	---
---	403 R	-100	303	---	Real Property Leasing Out Program	26	---	---	---
---	1,413	384	1,797	820	Additions, Improvements and Equipment		75	135	135
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
---	8,235	-311	7,924	1,253	Property Management and Construction - Property Management Services	26	---	---	---
---	4,624	369	4,993	1,794	Office of Information Technology	40	---	---	---
---	*12,859*	*58*	*12,917*	*3,047*	*Total Capital Construction*		*---*	*---*	*---*
					Distribution by Fund and Object				
					Office of Information Technology				
---	695	---	695	424	Preservation Projects - Information Processing	40	---	---	---
---	3	---	3	---	Direct Access Storage Devices (DASD)	40	---	---	---
---	33	---	33	---	Duplex Printing	40	---	---	---
---	2	---	2	2	E-Government Infrastructure	40	---	---	---
---	3,766	---	3,766	1,076	Office of Information Technology-Availability and Recovery Site (OARS)	40	---	---	---
---	122	369	491	289	Network Infrastructure	40	---	---	---
---	3	---	3	3	E-Gov Portal Component	40	---	---	---
					Property Management and Construction				
	1,264				Property Management and				
---	6,249 R	-163	7,350	819	Construction - Property Management Services	26	---	---	---
---	420	-67	353	268	Capital Improvements, Capitol Complex	26	---	---	---
---	87	-34	53	53	Capital Replacements	26	---	---	---
---	11	-11	---	---	Renovations and Improvements, Justice Complex	26	---	---	---
---	203	-36	167	113	Capital Reinvestment, Renovation and Initiative Fund	26	---	---	---

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					CAPITAL CONSTRUCTION				
---	1	---	1	---	Network Infrastructure	26	---	---	---
61,971	*27,502*	*1,057*	*90,530*	*66,912*	*Grand Total State Appropriation*		*58,446*	*58,643*	*58,643*
					OTHER RELATED APPROPRIATIONS				
					All Other Funds				
---	---	---	---	---	Purchasing and Inventory Management	09	90	90	90
---	111 R	---	111	111	Capital City Redevelopment Corporation	22	378	378	378
---	1,827 2,703 R	12	4,542	3,421	Property Management and Construction - Property Management Services	26	3,844	3,880	3,880
---	---	---	---	---	Risk Management	37	500	500	500
---	15 R	---	15	---	Office of Information Technology	40	7,182	1,400	1,400
---	187 74 R	---	261	84	State Cafeterias	62	77	77	77
---	*4,917*	*12*	*4,929*	*3,616*	*Total All Other Funds*		*12,071*	*6,325*	*6,325*
61,971	*32,419*	*1,069*	*95,459*	*70,528*	*GRAND TOTAL ALL FUNDS*		*70,517*	*64,968*	*64,968*

Notes -- Direct State Services - General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

The Director of the Division of Budget and Accounting is empowered to transfer or credit to any central data processing center any appropriation made to any department which had been appropriated or allocated to such department for its share of costs of such data processing center including the replacement of data processing equipment and the purchase of additional data processing equipment.

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.

There are appropriated, out of receipts derived from service fees billed to authorities for the handling of insurance procurement and risk management services, such sums as may be necessary to administer the Risk Management program.

Notwithstanding the provisions of any other law to the contrary, there are appropriated, out of the receipts derived from third party subrogation, 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 the anticipation derived 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.

Notwithstanding the provisions of any other law to the contrary, there are appropriated, out of receipts derived from service fees billed to the various State departments for the purpose of travel services, such sums as may be necessary for the administrative expenses of the State Central Motor Pool program.

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, a sufficient sum to pay for the cost of architectural work, superintendence and other expert services in connection with such work.

From the receipts derived from the sale of real property, such sums are appropriated for the costs incurred in order to preserve and maintain the property's value and condition 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 any law 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 and/or principal due from the issuance of bonds for this facility.

Notwithstanding any other law to the contrary, an amount not to exceed $468,000 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 any other law to the contrary, the Departments of the Treasury, Community Affairs, Environmental Protection, and Agriculture will provide such administrative services as are necessary to operate the Garden State Preservation Trust.

In addition to the amounts hereinabove, there are appropriated such additional sums as may be necessary for independent audits of the State's pension systems, provided that such appropriations shall be reimbursed to the General Fund from the resources available to the various pension funds.

Notwithstanding the provisions of any law to the contrary, administrative expenses for the various retirement systems and employee benefit programs administered by the Division of Pensions and Benefits and the Division of Investments shall be reimbursed by 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 to reimburse the General Fund for such sums as may be reasonably necessary for administrative costs, which 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. In addition, revenue resulting from such charges to the various pensions and health benefit funds, payable on a schedule to be determined by the Director of the Division of Budget and Accounting, shall be credited to the General Fund as anticipated revenue.

There are appropriated sufficient sums as may be required for the expenses of the Pensions and Health Benefits Commission, provided that such appropriation shall be reimbursed to the General Fund from the resources available to the various pensions and health benefits funds.

In addition to the amounts hereinabove, there is appropriated 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, provided that such appropriations shall be reimbursed to the General Fund from the resources available to the various pension funds.

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 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 C52:14F-1 et seq. and C52:14B-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 11,000 administrative cases; develops and administers a program for the continuing training and education of judicial corps.

Development of Administrative Procedures (C52:14B-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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Adjudication of Administrative Appeals				
Cases pending as of July 1	4,321	4,620	4,927	4,945
Cases filed	10,398	11,776	12,126	12,500
Cases disposed of	10,099	11,469	12,108	12,200
Cases pending as of June 30	4,620	4,927	4,945	5,245
Cases disposed of per judge	281	319	327	330
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	4	7	5	7
Male Minority %	3.7	6.3	4.5	5.7
Female Minority	32	32	32	32
Female Minority %	29.4	28.8	28.6	26.0
Total Minority	36	39	37	39
Total Minority %	33.0	35.1	33.0	31.7
Position Data				
Filled Positions by Funding Source				
State Supported	99	101	102	112
All Other	10	10	10	11
Total Positions	109	111	112	123
Filled Positions by Program Class				
Adjudication of Administrative Appeals	109	111	112	123
Total Positions	109	111	112	123

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The budget estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
5,260	3,843	---	9,103	8,652	Adjudication of Administrative Appeals	45	8,626	9,148	9,148
5,260	*3*	---	*5,263*	*5,259*	*(From General Fund)*		*5,394*	*4,855*	*4,855*
---	*3,840*	---	*3,840*	*3,393*	*(From All Other Funds)*		*3,232*	*4,293*	*4,293*
5,260	***3,843***	***---***	***9,103***	***8,652***	***Total Direct State Services***		***8,626*** [a]	***9,148***	***9,148***
					Less:				
---	(3,840)	---	(3,840)	(3,393)	All Other Funds		(3,232)	(4,293)	(4,293)
5,260	***3***	***---***	***5,263***	***5,259***	***Total State Appropriation***		***5,394***	***4,855***	***4,855***
					Distribution by Fund and Object				
					Personal Services:				
4,682	---	2,782	7,464	7,277	Salaries and Wages		7,753	8,133	8,133
---	---	---	---	187	Employee Benefits		147	147	147
4,682	---	*2,782*	*7,464*	*7,464*	*Total Personal Services*		*7,900*	*8,280*	*8,280*
179	---	-88	91	91	Materials and Supplies		65	95	95
263	---	378	641	636	Services Other Than Personal		620	692	692
130	---	-74	56	56	Maintenance and Fixed Charges		35	75	75
					Special Purpose:				

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					DIRECT STATE SERVICES				
6	---	---	6	6	Affirmative Action and Equal Employment Opportunity	45	6	6	6
---	732 1,803 R	-2,530	5	---	Judicial Hearings Receipts	45	---	---	---
---	118 867 R	-544	441	---	Annual Licensing Fee - Office of Administrative Law Publications	45	---	---	---
---	156 164 R	-320	---	---	Royalties - Office of Administrative Law Publications	45	---	---	---
---	3	396	399	399	Additions, Improvements and Equipment		---	---	---
					Less:				
---	(3,840)	---	(3,840)	(3,393)	All Other Funds		(3,232)	(4,293)	(4,293)
5,260	***3***	***---***	***5,263***	***5,259***	***Grand Total State Appropriation***		***5,394***	***4,855***	***4,855***
					OTHER RELATED APPROPRIATIONS				
---	***3,840***	***---***	***3,840***	***3,393***	***Total All Other Funds***		***3,232***	***4,293***	***4,293***
5,260	***3,843***	***---***	***9,103***	***8,652***	***GRAND TOTAL ALL FUNDS***		***8,626***	***9,148***	***9,148***

Notes -- Direct State Services - General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

In addition to the amount hereinabove, 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, 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.

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.

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
75. STATE SUBSIDIES AND FINANCIAL AID

PROGRAM CLASSIFICATIONS

27. **Other Distributed Taxes.** Prior to passage of P.L. 1997, c. 41, net proceeds from taxes on premiums for fire insurance policies written by insurance companies of other states and countries were collected by the State and distributed to the New Jersey Firemen's Home and the New Jersey Firemen's Association (R.S.54:17-4). The collection of fire insurance premiums is now the appropriate responsibility of the New Jersey Firemen's Association.

    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 three 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 five 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 year 1977. The program provides rebates based on the amount by which property taxes exceed 5% of the taxpayer's income. Through fiscal 2004 the program was only open to those with incomes up to $100,000, with non-senior homeowners restricted to incomes of $40,000, since homeowners also had the New Jersey SAVER rebate program available to them. At the close of fiscal year 2004, the NJ SAVER program was folded into the Homestead Rebate program. In fiscal year 2006, the Homestead Rebate program is limited to seniors with incomes up to $100,000. Rebates continue to be based on the amount by which property taxes exceed 5% of the taxpayer's income, but the maximum rebate is $800 for senior homeowners and $775 for senior tenants.

    Pursuant to P.L.1997, c.348, certain senior and disabled residents are eligible for a homestead property tax reimbursement, which is calculated based on the difference between the amount of the property tax due and paid on their principal homestead and the amount of the property tax due and paid in the base year. The base year is assumed to be tax year 1997 or the tax year in which a claimant became eligible. In addition to the above criteria, 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. The fiscal year 2006 Homestead Property Tax Reimbursement (Senior and Disabled Citizens' Property Tax Freeze) will provide a reimbursement to eligible claimants for the increase in their property taxes between their base year and tax year 2004.

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 (R.S.43:16-1 et seq.) to place 213 police and firemen's pension funds on an actuarial basis. The liabilities of these local funds are now being shared, two-thirds by the participating municipalities and one-third by the State. The commission administering this fund consists of two police representatives, two fire representatives, the State Treasurer, and four persons appointed by the Governor.

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 restructured the previous system of utility tax collection by eliminating the gross receipts and franchise taxes levy for certain taxpayers and replacing 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 year 2006, municipalities will receive a State Aid distribution totaling $834.7 million from this fund.

84. **Direct Tax Relief.** Created in fiscal year 2000 (P.L. 1999, c. 63), the New Jersey School Assessment Valuation Exemption Relief program (NJ SAVER) provided New Jersey homeowners with direct school property tax relief through fiscal year 2004. The NJ SAVER benefit was determined by applying the 1997 equalized school tax rate against the first $45,000 of equalized assessed value of eligible owner-occupied, primary residences. The NJ SAVER program was discontinued in the fiscal year 2005 budget, subsumed by an expanded Homestead Rebate program.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					GRANTS-IN-AID				
					Distribution by Fund and Program				
537,663	---	---	537,663	531,497	Homestead Exemptions	33	1,762,711	576,888	576,888
537,663	---	---	*537,663*	*531,497*	*(From Property Tax Relief Fund)*		*1,762,711*	*576,888*	*576,888*
324,648	---	-15,000	309,648	297,314	Direct Tax Relief	84	---	---	---
324,648	---	*-15,000*	*309,648*	*297,314*	*(From Property Tax Relief Fund)*		---	---	---
862,311	***---***	***-15,000***	***847,311***	***828,811***	***Total Grants-in-Aid***		***1,762,711***	***576,888***	***576,888***
862,311	---	*-15,000*	*847,311*	*828,811*	*(From Property Tax Relief Fund)*		*1,762,711*	*576,888*	*576,888*
					Distribution by Fund and Object				
					Grants:				
---	---	---	---	---	Homestead Property Tax Rebates for Homeowners (PTRF)	33	1,501,311	414,988	414,988
---	---	---	---	---	Homestead Property Tax Rebates for Tenants (PTRF)	33	188,000	63,500	63,500
499,663 15,000 S	---	---	514,663	513,839	Homestead Property Tax Rebates for Homeowners and Tenants (PTRF)	33	---	---	---
23,000	---	---	23,000	17,658	Senior and Disabled Citizens' Property Tax Freeze (PTRF)	33	67,400 6,000 S	98,400	98,400
324,648	---	-15,000	309,648	297,314	NJ SAVER Program (PTRF)	84	---	---	---
					STATE AID				
					Distribution by Fund and Program				
1,481	---	---	1,481	1,397	County Boards of Taxation	28	1,481	1,481	1,481
67,868	2,048	-2,048	67,868	59,578	Locally Provided Assistance	29	77,470	76,068	76,068
109,000	---	-2,898	106,102	106,102	Reimbursement of Senior/ Disabled Citizens' and Veterans' Tax Deductions	34	109,000	109,000	109,000
109,000	---	*-2,898*	*106,102*	*106,102*	*(From Property Tax Relief Fund)*		*109,000*	*109,000*	*109,000*
38,318	---	---	38,318	36,676	Consolidated Police and Firemen's Pension Fund	35	68,714	72,878	72,878
12,372	---	---	*12,372*	*12,371*	*(From General Fund)*		*41,425*	*43,414*	*43,414*
25,946	---	---	*25,946*	*24,305*	*(From Property Tax Relief Fund)*		*27,289*	*29,464*	*29,464*
216,667	***2,048***	***-4,946***	***213,769***	***203,753***	***Total State Aid***		***256,665***	***259,427***	***259,427***
81,721	*2,048*	*-2,048*	*81,721*	*73,346*	*(From General Fund)*		*120,376*	*120,963*	*120,963*
134,946	---	*-2,898*	*132,048*	*130,407*	*(From Property Tax Relief Fund)*		*136,289*	*138,464*	*138,464*
					Distribution by Fund and Object				
					State Aid:				
1,481	---	---	1,481	1,397	County Boards of Taxation	28	1,481	1,481	1,481
4,200	2,000	---	6,200	6,190	South Jersey Port Corporation Debt Service Reserve Fund	29	4,200	4,200	4,200
---	48	-48	---	---	School Construction and Renovation Fund	29	---	---	---
2,000	---	-2,000	---	---	South Jersey Port Corporation Property Tax Reserve Fund	29	2,442	2,540	2,540
---	---	---	---	---	Highlands Protection Fund – Incentive Planning Aid	29	2,650	2,650	2,650

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					STATE AID				
---	---	---	---	---	Highlands Protection Fund – Regional Master Plan Compliance Aid	29	1,750	1,750	1,750
---	---	---	---	---	Highlands Protection Fund – Watershed Moratorium Offset Aid	29	2,200	2,200	2,200
---	---	---	---	---	Highlands Protection Fund – Highlands Property Tax Stabilization Aid	29	3,600	3,600	3,600
---	---	---	---	---	Highlands Protection Fund – Pinelands Property Tax Stabilization Aid	29	1,800	1,800	1,800
1,500 S	---	---	1,500	656	Camden Economic Recovery	29	1,500 S	---	---
60,168	---	---	60,168	52,732	Solid Waste Management – County Environmental Investment Debt Service Aid	29	57,328	57,328	57,328
26,000	---	-914	25,086	25,086	Reimbursement to Municipalities – Senior and Disabled Citizens' Tax Deductions (PTRF)	34	23,000	23,000	23,000
83,000	---	-1,984	81,016	81,016	State Reimbursement for Veterans' Property Tax Deductions (PTRF)	34	86,000	86,000	86,000
1,951	---	---	1,951	1,950	State Contribution to Consolidated Police and Firemen's Pension Fund	35	7,046	6,397	6,397
8,237	---	---	8,237	8,237	Debt Service on Pension Obligation Bonds (PTRF)	35	7,869	8,575	8,575
17,709	---	---	17,709	16,068	Police and Firemen's Retirement System – Post Retirement Medical (PTRF)	35	19,420	20,889	20,889
4,792	---	---	4,792	4,792	Police and Firemen's Retirement System	35	19,864	23,700	23,700
5,629	---	---	5,629	5,629	Police and Firemen's Retirement System (P.L.1979, c.109)	35	14,515	13,317	13,317
1,078,978	***2,048***	***-19,946***	***1,061,080***	***1,032,564***	***Grand Total State Appropriation***		***2,019,376***	***836,315***	***836,315***
					OTHER RELATED APPROPRIATIONS				
					All Other Funds				
---	3,363 R	---	3,363	3,363	Other Distributed Taxes	27	3,363	3,363	3,363
---	762,700 R	18,808	781,508	781,445	Energy Tax Receipts	42	787,739	788,492	788,492
---	***766,063***	***18,808***	***784,871***	***784,808***	***Total All Other Funds***		***791,102***	***791,855***	***791,855***
1,078,978	***768,111***	***-1,138***	***1,845,951***	***1,817,372***	***GRAND TOTAL ALL FUNDS***		***2,810,478***	***1,628,170***	***1,628,170***

Language Recommendations -- Grants-In-Aid - Property Tax Relief Fund

From the amount appropriated hereinabove for the Homestead Property Tax Rebates for Homeowners and 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.

Notwithstanding the provisions of P.L. 1997, c.348 (C.54:4-8.67 et seq.), the amount hereinabove for the Homestead Property Tax Reimbursement (Senior and Disabled Citizens' Property Tax Freeze), and any additional sum which may be required for this purpose, is appropriated from the Property Tax Relief Fund.

Notwithstanding the provisions of P.L. 1990, c.61 (C.54:4-8.59 et seq.) as amended by P.L. 2004, c.40, to the contrary, the amount hereinabove appropriated for the Homestead Property Tax Rebates for Homeowners program and the Homestead Property Tax Rebates for Tenants program shall only be available to seniors with incomes less than $100,000, and no rebate issued for the tax year 2004 shall exceed $800 for senior homeowners with incomes less than $70,000 or $350 for senior homeowners with incomes in excess of $70,000 but less than $100,000, and $775 for senior tenants.

Notwithstanding the provisions of P.L. 2004, c.40, or any other law to the contrary, the appropriation for Homestead Property Tax Rebates for Homeowners and Tenants is limited to the amount hereinabove appropriated, provided however, that in the event such amounts are not sufficient, there are 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.

In addition to the amount hereinabove, 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), the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.

The State Treasurer may pay the amount hereinabove appropriated for the South Jersey Port Corporation Property Tax Reserve Fund directly to the city of Camden, any provision of law to the contrary notwithstanding and in the absence of an approved agreement between the corporation and the city pursuant to section 20 of P.L. 1968, c.60 (C.12:11A-20), upon notification from the Commissioner of the Department of Community Affairs that the payment is anticipated as revenue in any city budget adopted by the city with the approval of the Chief Operating Officer and the Director of Local Government Services in the Department of Community Affairs.

The amounts hereinabove for Highlands Protection Fund appropriations are payable from the receipts of the portion of the realty transfer fee directed to be credited to the Highlands Protection Fund. Further, the Department of Treasury may transfer funds as necessary between the Highlands Protection Fund - Incentive Planning Aid account and the Highlands Protection Fund - Regional Master Plan Compliance Aid account, subject to the approval of the Director of the Division of Budget and Accounting.

There is appropriated an amount not to exceed $1,500,000 for expenses associated with municipal economic recovery efforts as determined by the chair of the Economic Recovery Board for Camden, subject to the approval of the Director of the Division of Budget and Accounting.

Such additional sums as may be necessary are 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 sums shall be 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 in the Solid Waste Management - County Environmental Investment Debt Service Aid account 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 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 $46,185,000 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 shall have its allocation from the Consolidated Municipal Property Tax Relief Aid program reduced by the same amount. Of the amount herein 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 appropriations hereinabove 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, there is 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 contracts 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 NJSA 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 Treasury. 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Administration and Support Services				
Office of Treasury Technology Data				
Desktop Services				
Personal Computers Supported	2,296	1,749	1,800	1,900
Printers Supported	625	734	550	600
Help Desk Service Requests	6,550	5,984	6,000	6,200
Applications Support				
Applications Maintained	210	241	258	279
Help Desk Service Requests	750	679	535	500
Client Application Service Requests Received	120	226	260	275
Local Area Network Administration				
LAN Servers Supported	57	65	90	100
Users Supported	1,430	1,483	1,500	1,550
Help Desk Service Requests	1,837	1,845	1,900	1,925
LAN Printers Supported	265	270	260	270
Network Switches Supported	144	155	199	225
Network Hubs Supported	5	5	5	5
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	265	277	281	282
Male Minority %	7.3	7.6	7.6	7.6
Female Minority	657	701	694	694
Female Minority %	18.1	19.2	18.4	18.4
Total Minority	922	978	975	976
Total Minority %	25.4	26.8	26.0	26.0

TREASURY

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Position Data				
Filled Positions by Funding Source				
State Supported	254	265	272	262
All Others	14	15	15	14
Total Positions	268	280	287	276
Filled Positions by Program Class				
Contract Compliance and Equal Employment Opportunity in Public Contracts	24	25	23	20
Administration and Support Services	244	255	264	256
Total Positions	268	280	287	276

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
1,463	---	182	1,645	1,643	Contract Compliance and Equal Employment Opportunity in Public Contracts	98	1,763	1,763	1,763
10,038	1,337	2,866	14,241	13,923	Administration and Support Services	99	11,823	11,325	11,325
11,501	***1,337***	***3,048***	***15,886***	***15,566***	***Total Direct State Services***		***13,586*** [a]	***13,088***	***13,088***
					Distribution by Fund and Object				
					Personal Services:				
9,075	---	1,684	10,759	10,753	Salaries and Wages		10,995	10,963	10,963
9,075	---	*1,684*	*10,759*	*10,753*	*Total Personal Services*		*10,995*	*10,963*	*10,963*
93	---	55	148	147	Materials and Supplies		93	65	65
2,245	---	612	2,857	2,603	Services Other Than Personal		2,160	1,972	1,972
65	---	41	106	106	Maintenance and Fixed Charges		65	65	65
					Special Purpose:				
23	---	---	23	23	Federal Liaison Office, Washington, D.C. [b]	99	23	23	23
---	---	---	---	---	Property Tax Convention Task Force	99	250 S	---	---
---	26	---	26	---	Productivity and Efficiency Program	99	---	---	---
---	1,075 R	92	1,167	1,167	Public Finance Activities	99	---	---	---
---	236	564	800	767	Additions, Improvements and Equipment		---	---	---
					GRANTS-IN-AID				
					Distribution by Fund and Program				
---	38	33	71	25	Administration and Support Services	99	7,000	---	---
---	*38*	*33*	*71*	*25*	*Total Grants-in-Aid*		*7,000*	*---*	*---*
					Distribution by Fund and Object				
					Grants:				
---	---	25	25	25	New Jersey Family Advocate Management Program	99	---	---	---

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					GRANTS-IN-AID				
---	---	8	8	---	Sallie Mae Community Outreach Programs	99	---	---	---
---	---	---	---	---	Cultural Projects	99	4,000	---	---
---	---	---	---	---	NJ Competitiveness Fund	99	3,000	---	---
---	12	---	12	---	Burlington County - New Jersey EcoComplex	99	---	---	---
---	1	---	1	---	Puerto Rican Congress - Digital Technological Media Arts Center	99	---	---	---
---	25	---	25	---	South County Recreational and Educational Foundation (Hunterdon) - Recreation	99	---	---	---
11,501	***1,375***	***3,081***	***15,957***	***15,591***	***Grand Total State Appropriation***		***20,586***	***13,088***	***13,088***
					OTHER RELATED APPROPRIATIONS				
374,428	***---***	***3,840***	***378,268***	***374,886***	***Total Debt Service***		***378,293***	***156,433***	***156,433***
					All Other Funds				
---	5,020 32,942 R	-5,800	32,162	28,395	Administration and Support Services	99	33,005	33,006	33,006
---	***37,962***	***-5,800***	***32,162***	***28,395***	***Total All Other Funds***		***33,005***	***33,006***	***33,006***
385,929	***39,337***	***1,121***	***426,387***	***418,872***	***GRAND TOTAL ALL FUNDS***		***431,884***	***202,527***	***202,527***

Notes -- Direct State Services - General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) Additional sums in the amount of $468,000 are provided in the recommended amounts for State departments that receive direct services from the Federal Liaison Office in Washington, D.C.

Language Recommendations -- Direct State Services - General Fund

There are appropriated from the investment earnings of general obligation bond proceeds, such sums as may be necessary for the payment of debt service administrative costs.

There is appropriated from revenue estimated to be received as a fee in connection with the issuance of debt an amount not to exceed $700,000 to provide funds for public finance activities.

There are appropriated from revenue to be received from investment earnings of State funds, from fees in connection with the cost of debt issuance and from service fees billed to State authorities, such sums as may be required for public finance activities.

Pursuant to the provisions of P.L.1999, c.12 (C.54A:9-25.12 et seq.) deposits made to the "Drug Abuse Education Fund" and the unexpended balance at the end of the preceding fiscal year of such deposits are appropriated for collection or administration costs of the Department of Treasury and for transfer to the Department of Education such sums as are necessary for Project DARE (Drug Abuse Resistance Education), subject to the approval of the Director of the Division of Budget and Accounting.

An amount equivalent to the amount due to be paid in fiscal year 2006 to the State by the Port Authority of New York and New Jersey pursuant to the regional economic development agreement dated January 1, 1990 among the States of New York and New Jersey and the Port Authority of New York and New Jersey is appropriated to the Economic Recovery Fund established pursuant to section 3 of P.L.1992, c.16 (C.34:1B-7.12) for the purposes of P.L.1992, c.16 (C.34:1B-7.10 et seq.).

Notwithstanding the provisions of any law to the contrary, there are appropriated from the "Drug Enforcement and Demand Reduction Fund" such sums as may be required to provide for the administrative expenses of the Governor's Council on Alcoholism and Drug Abuse and for programs and grants to other agencies, subject to the approval of the Director of the Division of Budget and Accounting.

Fees collected on behalf of the Contract Compliance and Equal Employment Opportunity in Public Contracts program and the unexpended balance at the end of the preceding fiscal year of such fees are appropriated for program costs, subject to allotment by the Director of the Division of Budget and Accounting.

There are appropriated such additional sums as may be required to pay for the operating expenses of the Casino Revenue Fund Advisory Commission, 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 provide representation for the citizens of New Jersey in their dealings with departments and agencies of State government, other governmental agencies, and the private sector.
2. To provide for the realization of the constitutional guarantees of counsel in criminal cases for indigent defendants (C2A:158A-1 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 recent enactment of Megan's Law necessitates the Public Defender to provide representation of 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.

58. **Mental Health Screening Services.** Provides representation for indigent individuals who are involuntarily committed to facilities beyond an initial 20-day period.

61. **Dispute Settlement.** Provides mediation and other neutral dispute resolution services in order to resolve disputes involving important public issues such as the environment, housing, and resource allocation. The office is based on the premise that alternative dispute resolution procedures such as mediation often allow for a faster, less expensive, and higher quality resolution of public disputes than traditional litigation.

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, and a central research unit, library, and motor pool.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Appellate Services to Indigents				
Cases open (July 1)	1,773	1,664	1,977	2,006
Added	1,935	2,115	2,115	2,115
Closed	2,044	1,802	2,086	2,086
Open (June 30)	1,664	1,977	2,006	2,035
Backlog (months)	10.3	11.2	11.4	11.5
Excessive Sentence Program Dispositions	627	737	737	737
Briefs filed	987	771	987	987
Dismissals	430	294	362	362
Reversals and modifications	240	216	216	216
Percent appeals from adverse trial decisions	2.43	2.80	2.18	2.18
Trial Services to Indigents and Special Programs				
Cases open (July 1)	40,096	44,015	52,445	56,511
Added	80,855	81,002	81,002	81,002
Closed	76,936	72,572	76,936	76,936
Open (June 30)	44,015	52,445	56,511	60,577
Backlog (months)	6.5	7.8	8.4	9.0
Parental Representation Unit – Title 9				
Cases open (July 1)	3,218	4,868	6,859	7,135
Added	3,754	4,262	4,262	4,262
Closed	2,104	2,271	3,986	4,258
Open (June 30)	4,868	6,859	7,135	7,139
Parental Representation Unit – Title 30				
Cases open (July 1)	899	1,170	1,532	1,608
Added	929	902	902	902
Closed	658	540	826	826
Open (June 30)	1,170	1,532	1,608	1,684

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Law Guardian – Title 9				
Cases open (July 1)	7,503	7,590	8,426	8,847
Added	5,338	6,502	6,502	6,502
Closed	5,251	5,666	6,081	6,496
Open (June 30)	7,590	8,426	8,847	8,853
Institutional Abuse investigations (DYFS)	169	211	211	211
Law Guardian – Title 30				
Cases open (July 1)	2,798	2,828	1,980	2,130
Added	1,192	1,349	1,776	1,776
Closed	1,162	2,197	1,626	1,626
Open (June 30)	2,828	1,980	2,130	2,280
Special Hearings Unit – Megan's Law				
Cases open (July 1)	177	273	318	331
Added	441	326	326	326
Closed	345	281	313	313
Open (June 30)	273	318	331	344
Intensive Supervision Program (ISP) Staff				
Cases open (July 1)	109	227	198	169
Added	1,460	1,387	1,387	1,387
Closed	1,342	1,416	1,416	1,416
Open (June 30)	227	198	169	140
Mental Health Screening Services				
Regional Representation (Civil Commitment)				
Cases Added	15,811	16,408	16,408	16,408
Cases Closed	14,551	15,117	15,117	15,117
Dispositions per staff attorney	1,004	945	945	945
Sexual Offender Representation (Civil Commitment)				
Cases Added	425	524	524	524
Cases Closed	210	322	322	322
Dispute Settlement				
Cases July 1	96	89	89	89
Added	816	711	711	711
Closed	823	711	711	711
Cases June 30	89	89	89	89
Dispositions per representative	150	130	130	130
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	106	115	132	132
Male Minority %	11.0	11.4	11.6	11.6
Female Minority	268	292	336	336
Female Minority %	27.9	28.9	29.6	29.6
Total Minority	374	407	468	468
Total Minority %	38.9	40.2	41.2	41.2
Position Data				
Filled Positions by Funding Source				
State Supported	878	944	989	1,117
Federal	---	---	1	2
All Other	1	2	2	2
Total Positions	879	946	992	1,121
Filled Positions by Program Class				
Appellate Services to Indigents	61	66	68	73
Trial Services to Indigents and Special Programs	735	788	834	951
Mental Health Screening Services	43	51	52	60
Dispute Settlement	7	8	8	7
Administration and Support Services	33	33	30	30
Total Positions	879	946	992	1,121

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimates for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
7,617	169	-88	7,698	7,530	Appellate Services to Indigents	06	8,781	8,781	8,781
65,669	1,036	1,405	68,110	68,002	Trial Services to Indigents and Special Programs	57	72,436	75,874	75,874
3,161	157	-275	3,043	2,941	Mental Health Screening Services	58	3,340	3,340	3,340
342	41	25	408	403	Dispute Settlement	61	360	360	360
2,248	8	160	2,416	2,414	Administration and Support Services	99	2,365	2,365	2,365
79,037	***1,411***	***1,227***	***81,675***	***81,290***	***Total Direct State Services***		***87,282*** [a]	***90,720***	***90,720***
					Distribution by Fund and Object				
					Personal Services:				
47,945	413 13 R	5,464	53,835	53,835	Salaries and Wages		57,407	57,407	57,407
47,945	*426*	*5,464*	*53,835*	*53,835*	*Total Personal Services*		*57,407*	*57,407*	*57,407*
741	108	-10	839	779	Materials and Supplies		754	754	754
22,214	345	-4,807	17,752	17,517	Services Other Than Personal		20,932	23,532	23,532
438	16	231	685	684	Maintenance and Fixed Charges		557	557	557
					Special Purpose:				
4,889	53	189	5,131	5,111	Continuous Representation - Title 9 to Title 30	57	4,722	4,722	4,722
184	53	-38	199	180	Public Defender Pilot Program	57	193	193	193
1,720	97	62	1,879	1,877	Law Guardian - Kinship Guardianship	57	1,803	1,803	1,803
---	---	---	---	---	Parental Representation Unit - Child Welfare Reform	57	---	838	838
602	59	32	693	648	Representation of Civilly Committed Sexual Offenders	58	626	626	626
64	---	---	64	64	Affirmative Action and Equal Employment Opportunity	99	64	64	64
240	254	104	598	595	Additions, Improvements and Equipment		224	224	224
					GRANTS-IN-AID				
					Distribution by Fund and Program				
12,000	---	---	12,000	12,000	Trial Services to Indigents and Special Programs	57	16,400	16,400	16,400
12,000	***---***	***---***	***12,000***	***12,000***	***Total Grants-in-Aid***		***16,400***	***16,400***	***16,400***
					Distribution by Fund and Object				
					Grants:				
4,000	---	---	4,000	4,000	State Legal Services Office	57	8,400	8,400	8,400
8,000	---	---	8,000	8,000	Legal Services of New Jersey - Legal Assistance in Civil Matters P.L.1996 c.52	57	8,000	8,000	8,000
91,037	***1,411***	***1,227***	***93,675***	***93,290***	***Grand Total State Appropriation***		***103,682***	***107,120***	***107,120***

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
1,228	---	---	1,228	1,228	Trial Services to Indigents and Special Programs	57	1,228	1,228	1,228
223	---	---	223	223	Mental Health Screening Services	58	223	223	223
1,451	***---***	***---***	***1,451***	***1,451***	***Total Federal Funds***		***1,451***	***1,451***	***1,451***
					All Other Funds				
---	1 342 R	---	343	335	Dispute Settlement	61	309	309	309
---	***343***	***---***	***343***	***335***	***Total All Other Funds***		***309***	***309***	***309***
92,488	***1,754***	***1,227***	***95,469***	***95,076***	***GRAND TOTAL ALL FUNDS***		***105,442***	***108,880***	***108,880***

Notes -- Direct State Services - General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

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 for the operation of the Public Defender's office 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 any other provision of law, 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 funds appropriated to the Office of the Public Defender are available for expenses associated with the defense of pool attorneys hired by the Public Defender for the representation of indigent clients.

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.

Language Recommendations -- Grants-In-Aid - General Fund

Receipts in excess of the amount hereinabove 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.

80. SPECIAL GOVERNMENT SERVICES
82. PROTECTION OF CITIZENS' RIGHTS
2029. PUBLIC ADVOCATE

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.

PROGRAM CLASSIFICATIONS

64. Public Advocate. The Public Advocate touches the lives of virtually every New Jersey citizen. The Public Advocate's role is to investigate waste, mismanagement, and inefficiencies in State government in relationship to its advocacy functions; providing effective advocacy on behalf of children, the elderly, ratepayers, and the "voiceless". Provides citizens with answers about government services, resolves disputes, and prioritizes mediation throughout the Department and other State agencies.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
---	---	---	---	---	Public Advocate	64	---	2,000	2,000
---	---	---	---	---	*Total Direct State Services*		---	*2,000*	*2,000*
					Distribution by Fund and Object				
					Special Purpose:				
---	---	---	---	---	Public Advocate	64	---	2,000	2,000
---	---	---	---	---	*Grand Total State Appropriation*		---	*2,000*	*2,000*

Language Recommendations -- Direct State Services - General Fund

Of the amounts hereinabove appropriated for the operations of the Public Advocate, such sums as are required for employee benefits, including fringe and indirect costs, shall be transferred to the Interdepartmental account for costs attributable to the staff and operations of the Public Advocate, subject to the approval of the Director of the Division of Budget and Accounting.

MISCELLANEOUS COMMISSIONS

OVERVIEW

Miscellaneous Commissions are agencies with missions that extend beyond a single department within the State. In some instances, they may extend to one or more states, and were created as an interstate–federal compact. 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.

Services 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.

The fiscal 2006 budget for Miscellaneous Commissions totals $1.4 million.

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 other 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 the cost for water users. The Commission may conduct investigations and surveys, and design, acquire, construct, operate, and maintain projects and facilities for the purpose of controlling potential pollution, abating existing pollution, and for 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 2006 recommendation of $857,000 represents New Jersey's share of the Commission's budget.

Interstate Environmental Commission

The 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. 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 2006 recommendation of $383,000 reflects New Jersey's contribution to the Commission's total operating budget.

Council On Local Mandates

The nine–member Council was created by Chapter 24, P.L. 1996 to implement the 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. The fiscal 2006 recommendation is $163,000.

MISCELLANEOUS COMMISSIONS

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
1,373	35	—	1,408	1,404	Direct State Services	1,395	1,403	1,403
—	2	—	2	—	Capital Construction	—	—	—
1,373	37	—	1,410	1,404	Total General Fund	1,395	1,403	1,403
1,373	***37***	—	***1,410***	***1,404***	***GRAND TOTAL***	***1,395***	***1,403***	***1,403***

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES – GENERAL FUND			
					Science and Technical Programs			
857	—	—	857	857	Delaware River Basin Commission	857	857	857
383	—	—	383	383	Interstate Environmental Commission	383	383	383
1,240	—	—	*1,240*	*1,240*	*Subtotal*	*1,240*	*1,240*	*1,240*
					Governmental Review and Oversight			
133	35	—	168	164	Council On Local Mandates	155	163	163
1,373	***35***	—	***1,408***	***1,404***	***Subtotal Direct State Services – General Fund***	***1,395***	***1,403***	***1,403***
1,373	***35***	—	***1,408***	***1,404***	***TOTAL DIRECT STATE SERVICES***	***1,395***	***1,403***	***1,403***
					CAPITAL CONSTRUCTION			
					Science and Technical Programs			
—	2	—	2	—	Delaware River Basin Commission	—	—	—
—	***2***	—	***2***	—	***Subtotal Capital Construction***	—	—	—
1,373	***37***	—	***1,410***	***1,404***	***TOTAL APPROPRIATION***	***1,395***	***1,403***	***1,403***

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 (RS 32:18–1 et seq. and RS 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.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 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 (C32:11D–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, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
857	—	—	857	857	Delaware River Basin Commission	02	857	857	857
857	—	—	***857***	***857***	***Total Direct State Services***		***857***	***857***	***857***
					Distribution by Fund and Object				
					Special Purpose:				
857	—	—	857	857	Expenses of the Commission	02	857	857	857

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 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*		*857*	*857*	*857*

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
72. GOVERNMENTAL REVIEW AND OVERSIGHT
9148. COUNCIL ON LOCAL MANDATES

OBJECTIVES

1. To resolve disputes as to whether a statute, rule or regulation constitutes an unfunded State mandate.

PROGRAM CLASSIFICATIONS

72. **Council On Local Mandates.** The nine–member Council was created by P.L. 1996, chapter 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.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
133	35	—	168	164	Council On Local Mandates	92	155	163	163
133	*35*	—	*168*	*164*	*Total Direct State Services*		*155*	*163*	*163*
					Distribution by Fund and Object				
					Special Purpose:				
133	35	—	168	164	Council On Local Mandates	92	155	163	163
133	*35*	—	*168*	*164*	*Grand Total State Appropriation*		*155*	*163*	*163*

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

The Interdepartmental Accounts provide funds for the cost of certain services that are administered centrally on behalf of all agencies of State government.

This section focuses on State employees' salary contracts, employee benefits, and other obligations and initiatives that benefit all State departments ranging from short–term borrowing costs to major investments in technology. Other Interdepartmental Accounts include property rentals, utilities, insurance, and capital, and are discussed in the Capital and Debt Service section.

Budget Highlights

The Fiscal 2006 Budget for all Interdepartmental Accounts totals $2.9 billion, an increase of $181.8 million, or 6.8%, over the fiscal 2005 adjusted appropriation of $2.7 billion. (The specific highlights are outlined in their respective sections below.)

Salary Increases

The State of New Jersey, excluding higher education's senior public institutions, employs approximately 78,500 full–time workers. The State is covered by the New Jersey Public Employer–Employee Relations Act, as amended, NJSA 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 February 2005 unions represented 70,500 full–time State employees, or approximately 90% of the total.

In fiscal 2006, $107.9 million is recommended for Salary Increases and Other Benefits to cover fiscal 2006 employee increments, progressions, across–the–board raises for all eligible employees, and bonuses according to contractual agreements, along with any related deferred costs. This amount is net of $50 million for statewide employee savings including a 10% reduction to the commissioners' offices and other administrative accounts.

In addition to salary increases, this section of the Budget provides $7.5 million for payment of unused accumulated sick leave. Employees are permitted to accumulate earned sick days. Upon retirement, the retiree is paid for unused sick days at 50% of the normal pay rate, up to a maximum amount of $15,000.

Employee Contract Status

Contracts have been settled with the unions representing 74% of the State employees, including CWA (Communications Workers of America), AFSCME (American Federation of State, County, and Municipal Employees), IFPTE (International Federation of Professional and Technical Engineers), and FOP (Fraternal Order of Police), which are effective July 1, 2003 to June 30, 2007. All of the above unions have negotiated a cost–of–living (COLA) increase of 2.0% on July 1, 2005 and another 2.0% on January 1, 2006.

The unions that represent Judicial employees– CWA, Judiciary Council of Affiliated Unions (JCAU), and Probation Association of New Jersey (PANJ), will receive a 0.9% increase with a 4.15% salary progression on July 1, 2005. Additionally, the State Police will receive a 4.00% increase on July 1, 2005. Both Judicial unions and State Police contracts are effective July 1, 2004 to June 30, 2008.

Employee Fringe Benefits

For fiscal 2006, a total cost of $2.1 billion is budgeted to provide fringe benefits to employees of State government and higher education institutions, an increase of $161.1 million, or 8.1%, compared to fiscal 2005.

Employee Retirement

All State employees and most employees of counties, municipalities, and school districts are members of one of the seven State retirement systems: the Public Employees' Retirement System (PERS), the Teachers' Pension and Annuity Fund (TPAF), the 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. The law provides that all defined benefit pension plans are subject to actuarial valuation every year and actuarial experience studies every three years.

Growth in employee retirement costs in fiscal 2006 is largely due to increases in pension liabilities and substantial increases in health care costs for retired employees.

The recommended amount for State and higher education employee pensions in the Fiscal 2006 Budget totals $475.7 million, including $295.3 million of post retirement medical costs, $36.5 million of pension contribution costs for PFRS, $120.7 million of pension contribution costs for the Alternate Benefits Program, $8.0 million of pension contribution costs for the JRS, and $12.9 million of pension contribution costs for the SPRS. Also, $2.2 million is appropriated for pension funds and other specially legislated retirement provisions. Recommended appropriations for debt service payments on the pension obligation bonds for State and higher education employees total $68.4 million in fiscal 2006.

Employee Health Benefits

The projected cost for health benefits, including medical, prescription drug, dental, and vision, for State and higher education employees in fiscal 2006 is $1.1 billion. This represents a net increase of $117.9 million, or approximately 12.1%, above the fiscal 2005 adjusted appropriation of $973.0 million. This growth is a result of anticipated rate increases for all State health plans, reflecting continued cost escalation in the health care industry.

Employer Payroll Taxes

The fiscal 2006 recommendation of $500.2 million for employer payroll taxes ($512.2 million reduced by $12.0 million provided from the Cash Management Fund) represents a decrease of $9.6 million, over fiscal 2005. The full need is composed of $492.9 million for the State's portion of the Social Security tax, $14.5 million for Temporary Disability Insurance (TDI), and $4.8 million for Unemployment Insurance (UI) liability.

Other Interdepartmental Accounts

The Fiscal 2006 Budget for Other Interdepartmental Accounts totals $70.6 million, a decrease of $89.3 million, or 55.8%, from the fiscal 2005 adjusted appropriation of $159.9 million.

In Direct State Services (DSS), some of the major items funded in fiscal 2006 are: $22.3 million for interest on short–term notes, $17.6 million for Statewide E–911 Emergency Telephone System and $6.6 million for several smaller programs. Additionally, this Budget provides $9.2 million for information technology.

The Fiscal 2006 Grants–in–Aid (GIA) Budget for Other Interdepartmental Accounts totals $14.9 million, a decrease of $88 million from the fiscal 2005 appropriations of $102.9 million. All of the funds are to be used for county grants for E–911 Statewide Emergency Telephone System.

Aid To Independent Authorities

The Fiscal 2006 GIA Budget for Aid to Independent Authorities totals $101.6 million, an increase of $15 million, or 17.3%, more than the fiscal 2005 adjusted appropriation of $86.6 million. This budget supports the New Jersey Sports and Exposition Authority, Business Employment Incentive Programs, New Jersey Performing Arts Center, Municipal Rehabilitation and Economic Recovery, and other authorities.

Statewide Capital

The Fiscal 2006 Budget for Statewide Capital projects totals $179.3 million, a decrease of $5.2 million or 2.8% from the fiscal 2005 adjusted appropriation of $184.5 million. Funding is provided for

compliance with the Americans With Disabilities Act ($2 million); Statewide Hazardous Materials Removal ($2 million); New Jersey Building Authority Projects ($66.2 million); Statewide Security Projects ($3 million); Open Space Preservation ($98 million) and Renovations to State Buildings ($2.7 million). Funding is also provided for Enterprise Initiatives – Garden State Network Infrastructure ($4 million); Office of Information Technology–Availability and Recovery Site –OARS ($1.4 million).

Property Rentals

The Fiscal 2006 Budget for Property Rentals totals $141.9 million which is a decrease of $12.0 million, or 7.8%, from the previous year. The Property Rentals account supports existing and anticipated leases of offices and other facilities used by State agencies ($103.2 million), payments for debt service leases and payments in lieu of property taxes on facilities occupied by State agencies ($17.8 million) and debt service payments for various fire sprinkler systems and office furnishings ($4.7 million). This account also includes $16.2 million for debt service payments associated with the State's lease–purchase of facilities acquired or built by the Economic Development Authority.

Working in cooperation with the Division of Archives and Records Management in the Department of State, Treasury's Division of Property Management and Construction will generate rent and lease savings of $400,000 in fiscal 2006 by consolidating record storage and warehousing space across State agencies. Seven leased sites will be eliminated in fiscal 2006 due to this centralization, and savings are expected to double in fiscal 2007 as first year start up costs diminish.

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.

The Fiscal 2006 Budget for Insurance and Other Services totals $94.0 million, an increase of $600,000 over the fiscal 2005 adjusted appropriation of $93.4 million. This change is directly related to the elimination of supplemental appropriations for tort claims ($5 million) and the continuing rise in workers' compensation claims ($5.6 million). Workers' compensation costs are estimated at $55.5 million for fiscal 2006.

Utilities and Other Services

The Utilities and Other Services account provides funding for the heating, electrical, janitorial and trash removal needs for various state–owned buildings, primarily in the Capitol Complex, that house the state workforce. The Fiscal 2006 Budget for Utilities and Other Services of $32.9 million is $3.8 million or 13% higher than the previous year. This increase is primarily due to contractual increases for janitorial and trash removal services and a projected 10% rate increase in cost of utilities due to the global pressures affecting the cost of electric and natural gas.

The New Jersey Consolidated Energy Savings Program (NJCESP) has reduced the cost of energy for New Jersey State departments and agencies, colleges, NJ Transit, universities and authorities. As part of this effort, approximately 12% of the total electrical load will be procured from renewable, or "green power" sources. The green power procurement helps New Jersey satisfy federal environmental regulations and aids in the development of clean energy markets. The State has received federal government approval to reimburse the cost premium for green power from the Petroleum Overcharge Reimbursement Fund.

INTERDEPARTMENTAL ACCOUNTS

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
1,642,077	59,175	–79,603	1,621,649	1,549,786	Direct State Services	1,696,541	1,895,613	1,895,613
622,902	1,647	–10,495	614,054	610,580	Grants–In–Aid	808,030	796,023	796,023
194,233	28,211	–6,254	216,190	181,059	Capital Construction	184,549	179,327	179,327
2,459,212	89,033	–96,352	2,451,893	2,341,425	Total General Fund	2,689,120	2,870,963	2,870,963
2,459,212	***89,033***	***–96,352***	***2,451,893***	***2,341,425***	***GRAND TOTAL***	***2,689,120***	***2,870,963***	***2,870,963***

SUMMARY OF APPROPRIATIONS BY PROGRAM

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES – GENERAL FUND			
					General Government Services			
147,726	4,596	–2,639	149,683	149,221	Property Rentals	153,932	141,920	141,920
100,575	325	——	100,900	93,614	Insurance and Other Services	93,411	94,011	94,011
1,247,359	380	14,951	1,262,690	1,242,587	Employee Benefits	1,355,644	1,473,483	1,473,483
52,820	1,900	–20,220	34,500	26,122	Other Inter–Departmental Accounts	56,969	55,721	55,721
64,404	50,098	–72,142	42,360	6,941	Salary Increases and Other Benefits	7,500	97,624	97,624
29,193	1,876	447	31,516	31,301	Utilities and Other Services	29,085	32,854	32,854
1,642,077	*59,175*	*–79,603*	*1,621,649*	*1,549,786*	*Subtotal*	*1,696,541*	*1,895,613*	*1,895,613*
1,642,077	***59,175***	***–79,603***	***1,621,649***	***1,549,786***	***Subtotal Direct State Services – General Fund***	***1,696,541***	***1,895,613***	***1,895,613***
1,642,077	***59,175***	***–79,603***	***1,621,649***	***1,549,786***	***TOTAL DIRECT STATE SERVICES***	***1,696,541***	***1,895,613***	***1,895,613***
					GRANTS–IN–AID – GENERAL FUND			
					General Government Services			
555,207	1,646	–9,695	547,158	545,447	Employee Benefits	618,535	661,772	661,772
200	——	–200	——	——	Other Inter–Departmental Accounts	102,925	14,925	14,925
——	——	——	——	——	Salary Increases and Other Benefits	——	17,773	17,773
67,495	1	–600	66,896	65,133	Aid to Independent Authorities	86,570	101,553	101,553
622,902	*1,647*	*–10,495*	*614,054*	*610,580*	*Subtotal*	*808,030*	*796,023*	*796,023*
622,902	***1,647***	***–10,495***	***614,054***	***610,580***	***Subtotal Grants–In–Aid – General Fund***	***808,030***	***796,023***	***796,023***
622,902	***1,647***	***–10,495***	***614,054***	***610,580***	***TOTAL GRANTS–IN–AID***	***808,030***	***796,023***	***796,023***
					CAPITAL CONSTRUCTION			
					General Government Services			
194,233	28,211	–6,254	216,190	181,059	Capital Projects – Statewide	184,549	179,327	179,327
194,233	***28,211***	***–6,254***	***216,190***	***181,059***	***Subtotal Capital Construction***	***184,549***	***179,327***	***179,327***
2,459,212	***89,033***	***–96,352***	***2,451,893***	***2,341,425***	***TOTAL APPROPRIATION***	***2,689,120***	***2,870,963***	***2,870,963***

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.) whose funds are administered by a commission of five members including an appointee of the Governor, and the State Treasurer; (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) 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 public and school employees' 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. The employer contribution to this retirement program is included in this budget.

    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 traditional plan or a managed care health plan.

    The Division of Pensions and Benefits coordinates 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 PL 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 item dispensed by a licensed participating pharmacy, 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 or non–generic. All full time State employees are eligible to enroll for coverage in the Program without cost to the employee.

04. **Other Inter–Departmental.** 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, the 911 emergency telephone payments, 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.

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. Other items include network upgrades and agency information technology systems.

09. **Aid to Independent Authorities.** Provides for payments to Independent Authorities for operating expenses and construction costs of both cultural and sports related facilities.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Organization				
196,335	4,596	–2,639	198,292	197,830	Property Rentals		203,609	227,355	227,355
100,575	325	—	100,900	93,614	Insurance and Other Services		93,411	94,011	94,011
29,193	1,876	447	31,516	31,301	Utilities and Other Services		29,085	32,854	32,854
					Distribution by Fund and Program				
196,335	4,596	–2,639	198,292	197,830	Property Rentals	01	203,609	227,355	227,355
100,575	325	—	100,900	93,614	Insurance and Other Services	02	93,411	94,011	94,011
29,193	1,876	447	31,516	31,301	Utilities and Other Services	06	29,085	32,854	32,854
326,103	***6,797***	***–2,192***	***330,708***	***322,745***	***Total Direct State Services***		***326,105***	***354,220***	***354,220***
					Less:				
(48,609)	—	—	(48,609)	(48,609)	Direct Charges and Charges to Non–State Fund Sources		(49,677)	(85,435)	(85,435)
(48,609)	—	—	***(48,609)***	***(48,609)***	***Total Income Deductions***		***(49,677)***	***(85,435)***	***(85,435)***
277,494	***6,797***	***–2,192***	***282,099***	***274,136***	***Total State Appropriation***		***276,428***	***268,785***	***268,785***
					Distribution by Fund and Object				
					Property Rentals				
162,134	4,596	–2,192	164,538	164,076	Existing and Anticipated Leases	01	160,242 5,500 S	188,687	188,687
17,446	—	–447	16,999	16,999	Economic Development Authority	01	17,491	16,183	16,183
16,755	—	—	16,755	16,755	Other Debt Service Leases and Tax Payments	01	16,586	17,822	17,822
196,335	*4,596*	*(2,639)*	*198,292*	*197,830*	*Subtotal Appropriation (Gross)*		*199,819*	*222,692*	*222,692*
					Less:				
(48,609)	—	—	*(48,609)*	*(48,609)*	*Direct Charges and Charges to Non–State Fund Sources*		*(49,677)*	*(85,435)*	*(85,435)*
147,726	*4,596*	*(2,639)*	*149,683*	*149,221*	*Subtotal Appropriation (Net)*		*150,142*	*137,257*	*137,257*
—	—	—	—	—	Additions, Improvements and Equipment		3,790	4,663	4,663
					Insurance and Other Services				
11,000 3,500 S	—	—	14,500	14,500	Tort Claims Liability Fund (C59:12–1)	02	11,000 5,000 S	11,000	11,000
34,900 23,000 S	162	316	58,378	52,813	Workers' Compensation Self–Insurance Fund	02	41,900 8,000 S	55,500	55,500
3,000	—	851	3,851	3,843	Property Insurance Premium Payments	02	3,636	3,636	3,636
2,030	—	–1,106	924	917	Casualty Insurance Premium Payments	02	2,030	2,030	2,030
220	—	27	247	247	Special Insurance Policy Premium Payment	02	220	220	220
17,200 S	—	—	17,200	17,200	UMDNJ Self Insurance Reserve Fund	02	18,000	18,000	18,000
2,000 1,600 S	—	—	3,600	3,555	Vehicle Claims Liability Fund	02	2,000	2,000	2,000
500 1,500 S	163	—	2,163	514	Self–Insurance Deductible Fund	02	1,500	1,500	1,500
125	—	–88	37	25	Self–Insurance Fund–Foster Parents	02	125	125	125
					Utilities and Other Services				
23,290	1,087 789 R	525	25,691	25,476	Fuel and Utilities	06	23,382	26,795	26,795
5,903	—	–78	5,825	5,825	Household and Security	06	5,703	6,059	6,059

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
67,495	1	–600	66,896	65,133	Aid to Independent Authorities	09	86,570	101,553	101,553
67,495	***1***	***–600***	***66,896***	***65,133***	***Total Grants–in–Aid***		***86,570***	***101,553***	***101,553***
					Distribution by Fund and Object				
					Grants:				
					Sports and Exposition Authority Operations – Debt Service				
26,060	—	–600	25,460	25,460	Sports Complex	09	26,060	25,724	25,724
15,025	1 R	—	15,026	15,025	Atlantic City Projects	09	15,025	15,440	15,440
3,417 850 S	—	—	4,267	4,079	Higher Education and Other Projects	09	3,417	2,818	2,818
1,668	—	—	1,668	1,668	Wildwood Convention Center	09	1,668	4,795	4,795
1,500	—	—	1,500	1,500	Camden Aquarium Management Agreement	09	1,500	—	—
5,559 S	—	—	5,559	5,544	New Jersey Performing Arts Center, EDA	09	5,555	5,559	5,559
—	—	—	—	—	Business Employment Incentive Program, EDA–Debt Service	09	16,413	28,694	28,694
—	—	—	—	—	Liberty Science Center – EDA	09	718	598	598
8,741 S	—	—	8,741	8,732	Municipal Rehabilitation and Economic Recovery, EDA	09	9,314	9,314	9,314
2,500	—	—	2,500	2,500	Horse Racing Litigation Settlement	09	—	—	—
625	—	—	625	625	Camden Children's Garden	09	625	625	625
—	—	—	—	—	Designated Industries Economic Growth & Development–EDA	09	5,885	7,596	7,596
—	—	—	—	—	Battleship New Jersey Utilities	09	390	390	390
1,550 S	—	—	1,550	—	Camden Riverfront Parking Lot	09	—	—	—
					CAPITAL CONSTRUCTION				
					Distribution by Fund and Program				
194,233	28,211	–6,254	216,190	181,059	Capital Projects – Statewide	08	184,549	179,327	179,327
194,233	***28,211***	***–6,254***	***216,190***	***181,059***	***Total Capital Construction***		***184,549***	***179,327***	***179,327***
					Distribution by Fund and Object				
					Statewide Capital Projects				
—	1,758	1,520	3,278	975	Capital Improvements, Capitol Complex	08	—	700	700
9,695	—	–500	9,195	3,995	Statewide Fire, Life Safety and Renovation Projects [a]	08	—	—	—
—	1,733	–700	1,033	1	Fire Detection/Security – Central Station Upgrade	08	—	—	—
922	—	—	922	—	DEP Building Fire Alarm Upgrade	08	—	—	—
—	533	–150	383	4	Life Safety and Emergency Projects – Statewide	08	—	—	—
2,000	2,328	—	4,328	1,451	Americans with Disabilities Act Compliance Projects – Statewide	08	2,000	2,000	2,000
—	8,406	150	8,556	1,154	Fuel Distribution Systems/Underground Storage Tank Replacements – Statewide	08	—	—	—
2,000	3,759	–1,500	4,259	780	Hazardous Materials Removal Projects – Statewide	08	1,000	2,000	2,000
3,000	1,792	—	4,792	1,086	Statewide Security Projects	08	—	3,000	3,000

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended				Requested	Recom–mended
					CAPITAL CONSTRUCTION				
——	374	——	374	162	Energy Efficiency Projects	08	——	——	——
					New Jersey Building Authority Debt Service				
					General State Projects				
24,217	——	——	24,217	24,217	– Southwoods State Prison	08	24,289	20,414	20,414
15,813	——	——	15,813	15,813	– State House Renovations	08	15,860	13,326	13,326
8,854	——	——	8,854	8,854	– Hughes Justice Complex	08	8,880	7,461	7,461
22,519	178	(5,000)	17,697	15,426	– Other State Projects	08	21,586	18,135	18,135
					– 9/11 Memorial	08	1,000	864	864
					Counter–terrorism Projects				
6,079	——	——	6,079	6,079	– State Police Multipurpose Building/Troop "C" Headquarters	08	6,097	5,122	5,122
1,134	——	——	1,134	1,134	– State Police Emergency Operations Center	08	1,137	955	955
——	2,716	——	2,716	1,041	Renovation Projects, Existing and Anticipated Leases	08	2,700	2,000	2,000
——	144	–1	143	——	Complex–wide Security System Design	08	——	——	——
——	9	——	9	9	Cooler/Freezer Repair – State Distribution Center	08	——	——	——
——	496	–496	——	——	Facility Assessment	08	——	——	——
——	288	——	288	——	Replace/Relocate Motor Control Center	08	——	——	——
——	32	——	32	——	Agriculture Building Retaining Wall	08	——	——	——
——	12	–12	——	——	DEP Infrastructure Wiring	08	——	——	——
——	1,167	——	1,167	74	Statehouse Security Modifica-tions	08	——	——	——
——	239	——	239	——	South Jersey Port Corporation Capital Program	08	——	——	——
					Enterprise Initiatives				
——	428	–369	59	——	Network Infrastructure	08	——	3,950	3,950
——	——	——	——	——	Enterprise Upgrades–Garden State Network	08	2,000	——	——
——	——	——	——	——	Office of Information Technology–Availability and Recovery Site (OARS)	08	——	1,400	1,400
					Open Space Preservation Program				
98,000	1,819	804	100,623	98,804	Garden State Preservation Trust Fund Account	08	98,000	98,000	98,000
539,222	***35,009***	***–9,046***	***565,185***	***520,328***	***Grand Total State Appropriation***		***547,547***	***549,665***	***549,665***
					OTHER RELATED APPROPRIATIONS				
					All Other Funds				
——	——	——	——	——	Capital Projects – Statewide	08	3,000	——	——
——	——	——	——	——	***Total All Other Funds***		***3,000***	——	——
539,222	***35,009***	***–9,046***	***565,185***	***520,328***	***GRAND TOTAL ALL FUNDS***		***550,547***	***549,665***	***549,665***

Notes — Capital Construction

(a) For fiscal 2006 a total of $16,992,000 will 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 any other provision of law, 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 shall be executed without the prior written consent of the State Treasurer, the Director of the Division of Budget and Accounting, 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 Marlboro Psychiatric Hospital and North Princeton Developmental Center closure initiatives, 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.

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, 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 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, and claims of a tortious nature, 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 indemnification of pool attorneys engaged by the Public Defender for the defense of indigents.

The funds appropriated to the Tort Claims Liability Fund are available for the indemnification of designated pathologists engaged by the State Medical Examiner.

Notwithstanding any other law 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 any other law 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 appropriated hereinabove 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 any other law 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 Bureau of Risk Management 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 fiscal year 2006 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 Bureau 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 appropriated hereinabove 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 appropriated hereinabove 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.

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 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.

The unexpended balance at the end of the preceding fiscal year in the Global Energy Statewide Account is appropriated for the same purpose.

Notwithstanding any law 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 State fiscal year 2006 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.

Language Recommendations — Grants–In–Aid – General Fund

In addition to the amounts appropriated hereinabove for the Sports and Exposition Authority – 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 for the New Jersey Performing Arts Center 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 any other provision of law, 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.

Fiscal year 2006 debt service payments attributable to the New Jersey Performing Arts Center, EDA program and to the Municipal Rehabilitation and Economic Recovery, EDA program shall be paid by the New Jersey Economic Development Authority from resources available from unexpended balances. 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.

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.

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.

Notwithstanding the provisions of P.L. 1997, c.258 (C.30:4 –177.53 et seq.) or the provisions of any other law or regulation to the contrary, the amounts hereinabove appropriated to the New Jersey Building Authority Debt Service General State Projects shall be payable in part from monies derived from the sale or conveyance of the former North Princeton Developmental Center, Montgomery, New Jersey, and the former Marlboro Psychiatric Hospital, Marlboro, New Jersey.

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.

Notwithstanding the provisions of any other law to the contrary, in order to provide flexibility in administering the amounts provided for Statewide Fire, Life Safety and Renovations 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.

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.

In addition to the amount appropriated hereinabove for the Garden State Preservation Trust Fund Account, interest earned and accumulated commencing with the start of this fiscal year is appropriated.

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
74. GENERAL GOVERNMENT SERVICES
9410. EMPLOYEE BENEFITS

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Employee Benefits				
Judicial Retirement System				
Assets	$ 301,503,713	$ 324,619,731	$ 338,090,820	$ 355,046,765
Active Members	436	432	437	442
Pensioners	399	417	434	452
Annual Pensions	$ 25,310,177	$ 26,576,846	$ 28,221,421	$ 29,967,763
Lump Sum Death Benefits	$240,883	$487,548	$586,706	$706,030
Prison Officers' Pension Fund				
Assets	$17,505,077	$16,105,439	$16,020,403	$15,483,620
Pensioners	210	200	188	176
Public Employees' Retirement System				
Assets	$21,103,328,107	$23,191,446,226	$23,248,011,140	$24,253,634,676
Total Members	307,474	314,673	324,059	333,891
State (Active)	79,085	82,462	84,016	85,600
State (Inactive)	26,671	27,487	30,332	33,471
Local	201,718	204,724	209,711	214,820
Pensioners	115,427	115,647	119,261	122,988
Annual Pensions	$1,414,899,860	$1,506,081,057	$1,709,462,243	$1,940,308,025
Lump Sum Death Benefits	$96,314,762	$97,104,220	$100,862,153	$104,765,519
State Police Retirement System				
Assets	$1,552,704,181	$1,694,769,733	$1,768,274,946	$1,861,008,468
Total Members	2,896	2,745	2,773	2,968
Active	2,792	2,710	2,734	2,924
Inactive	104	35	39	44
Pensioners	2,080	2,191	2,293	2,401
Annual Pensions	$80,407,522	$88,550,978	$96,494,001	$105,149,513
Lump Sum Death Benefits	$1,664,797	$721,085	$798,284	$883,749
Police and Firemen's Retirement System				
Assets	$14,960,120,605	$16,439,571,152	$17,883,670,980	$19,109,185,757
Total Members	44,848	45,124	45,551	45,986
State (Active)	7,737	7,725	7,818	7,913
State (Inactive)	304	477	441	408
Local	36,807	36,922	37,292	37,665
Pensioners	26,642	27,768	29,058	30,408
Annual Pensions	$887,223,507	$956,173,745	$1,039,226,996	$1,129,494,253
Lump Sum Death Benefits	$29,658,967	$30,881,935	$33,476,018	$36,288,003
Alternate Benefits Program				
Total Active Members	16,941	17,431	17,822	18,222
State	14,133	14,446	14,770	15,101
County	2,807	2,985	3,052	3,120
Teachers' Pension and Annuity Fund				
Assets	$26,703,636,553	$28,894,103,112	$29,826,398,317	$31,548,287,676
Total Members	148,915	151,911	157,113	162,494
State	298	319	315	311
County	51	52	48	44
Local	148,566	151,540	156,750	162,139
Pensioners	59,290	61,892	64,867	67,986
Annual Pensions	$1,676,566,493	$1,821,694,407	$2,052,557,739	$2,312,678,382
Lump Sum Death Benefits	$46,568,761	$59,806,846	$63,480,182	$67,379,135

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Health Benefits Program				
Covered Members	350,667	358,609	370,023	381,821
State	138,671	142,342	144,907	147,717
Local	211,996	216,267	224,507	233,060

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
1,247,359	380	14,951	1,262,690	1,242,587	Employee Benefits	03	1,355,644	1,473,483	1,473,483
1,247,359	***380***	***14,951***	***1,262,690***	***1,242,587***	***Total Direct State Services***		***1,355,644***	***1,473,483***	***1,473,483***
					Distribution by Fund and Object				
					Special Purpose:				
152,908	—	–5,921	146,987	146,987	Public Employees' Retirement System – Post Retirement Medical	03	167,602	183,596	183,596
9,987	—	—	9,987	9,987	Police and Firemen's Retirement System	03	26,708	31,710	31,710
1,036	—	—	1,036	1,036	Police and Firemen's Retirement System (P.L. 1979, C. 109)	03	2,180	2,328	2,328
1,211	—	—	1,211	1,074	Alternate Benefits Program – Employer Contributions	03	1,241	1,232	1,232
—	—	—	—	—	State Police Retirement System	03	188	12,941	12,941
3,481	—	—	3,481	3,355	Judicial Retirement System	03	6,120	7,972	7,972
—	—	—	—	—	Teachers' Pension & Annuity Fund	03	—	311	311
2,659	—	–3	2,656	2,633	Teachers' Pension and Annuity Fund Post Retirement Medical – State	03	3,292	3,148	3,148
1,813	—	–45	1,768	1,667	Pension Adjustment Program	03	1,708	1,689	1,689
115	—	45	160	160	Veterans Act Pensions	03	115	74	74
4	—	—	4	4	PERS Minimum Pension Benefit Act – Pre–1955 Retirees	03	4	5	5
5	—	—	5	5	Heath Act Pensions	03	5	5	5
62,099 111 S	—	—	62,210	62,210	Debt Service on Pension Obligation Bonds	03	59,324	64,651	64,651
—	—	—	—	—	Volunteer Emergency Survivor Benefit	03	105	135	135
477,508 18,900 S	—	4,480	500,888	486,702	State Employees' Health Benefits	03	504,445	552,126	552,126
44,376	—	—	44,376	39,662	Other Pension Systems Post–Retirement Medical	03	55,524	57,367	57,367
144,628	—	11,839	156,467	156,467	State Employees' Prescription Drug Program	03	162,810	189,721	189,721
21,129	—	—	21,129	21,129	State Employees' Dental Program – Shared Cost	03	16,111	25,423	25,423
1,000	—	—	1,000	706	State Employees' Vision Care Program	03	1,000	1,000	1,000
279,224 17,080 S	178	5,106	301,588	301,481	Social Security Tax – State	03	305,449 26,906 S	337,295	337,295
6,327	—	—	6,327	6,327	Temporary Disability Insurance Liability	03	8,367	9,968	9,968
7,028	202	–550	6,680	6,265	Unemployment Insurance Liability	03	6,440	2,786	2,786

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
–5,270	—	—	–5,270	–5,270	Less: Reimbursements from Agency Accounts	03	—	—	—
—	—	—	—	—	Credit for Cash Management Reserve Refund	03	—	–12,000	–12,000
					GRANTS–IN–AID				
					Distribution by Fund and Program				
555,207	1,646	–9,695	547,158	545,447	Employee Benefits	03	618,535	661,772	661,772
555,207	***1,646***	***–9,695***	***547,158***	***545,447***	***Total Grants–in–Aid***		***618,535***	***661,772***	***661,772***
					Distribution by Fund and Object				
					Special Purpose:				
22,546	—	–873	21,673	21,673	Public Employees' Retirement System – Post Retirement Medical	03	24,393	26,767	26,767
771	—	—	771	771	Police and Firemen's Retirement System	03	2,251	2,486	2,486
110,182	1,646	–5,700	106,128	104,568	Alternate Benefits Program – Employer Contributions	03	114,890	119,482	119,482
—	—	—	—	—	Teachers' Pension & Annuity Fund	03	—	66	66
5,293	—	3	5,296	5,295	Teachers' Pension and Annuity Fund Post Retirement Medical – State	03	6,553	6,576	6,576
3,583	—	—	3,583	3,583	Debt Service on Pension Obligation Bonds	03	3,423	3,730	3,730
182,902	—	–4,480	178,422	178,309	State Employees' Health Benefits	03	215,992	233,266	233,266
12,516	—	—	12,516	12,516	Other Pension Systems Post–Retirement Medical	03	15,661	17,837	17,837
64,848	—	—	64,848	64,835	State Employees' Prescription Drug Program	03	66,460	78,989	78,989
8,483	—	655	9,138	9,138	State Employees' Dental Program – Shared Cost	03	6,229	10,399	10,399
136,799 690 S	—	150	137,639	137,630	Social Security Tax – State	03	144,529 10,743 S	155,622	155,622
2,836	—	—	2,836	2,836	Temporary Disability Insurance Liability	03	3,796	4,540	4,540
3,758	—	550	4,308	4,293	Unemployment Insurance Liability	03	3,615	2,012	2,012
1,802,566	***2,026***	***5,256***	***1,809,848***	***1,788,034***	***Grand Total State Appropriation***		***1,974,179***	***2,135,255***	***2,135,255***

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.

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.

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.

Of the amounts hereinabove for the Pension Adjustment Program, such sums as are appropriated in advance for increased retirement benefits for local employee members of State–administered retirement systems shall be repaid to the General Treasury upon reimbursement from local public employers.

Such additional sums as may be required for Public Employees' Retirement System – Post Retirement Medical, Alternate Benefits Program – Employer Contributions, Teachers' Pension and Annuity Fund Post Retirement Medical – State, 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.

Notwithstanding the provisions of the Pension Adjustment Act, P.L.1958, c.143 (C.43:3B–1 et seq.), pension adjustment benefits for members and beneficiaries of the Consolidated Police and Firemen's Pension Fund shall be paid by the fund. Employer appropriations for these benefits as required under the act shall be paid to the 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 amounts hereinabove appropriated for Employee Benefits may be transferred to the Grants–In–Aid accounts for the same purposes.

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.

No monies appropriated herein 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.

Notwithstanding any provision of law to the contrary, in addition to the amount hereinabove appropriated for the Public Employees' Retirement System – Post Retirement Medical, there is hereby appropriated an amount as determined by the State Treasurer to fund the pension cost contribution by the State to the Public Employees' Retirement System, payment for which shall be credited against amounts on deposit in the Benefit Enhancement Fund established in section 22 of P.L.1954, c.84 (C.43:15A–22).

Notwithstanding any provision of law to the contrary, in addition to the amount hereinabove appropriated for the Teachers' Pension and Annuity Fund, there is hereby appropriated an amount as determined by the State Treasurer to fund the pension cost contribution by the State to the Teachers' Pension and Annuity Fund, payment for which shall be credited against amounts on deposit in the Benefit Enhancement Fund created pursuant to N.J.S.18A:66–16.

Notwithstanding the provisions of any other law to the contrary, amounts herein above appropriated for the State Health Benefits Program are subject to the condition that: (i) increases in co–payments for the prescription drug plan, the co–payment for office visits in the managed care plans, and the deductible for the Traditional Plan agreed to by bargaining units representing State employees and employees of State authorities, State commissions, State colleges and State universities for Fiscal Year 2005 shall continue at the same levels for this fiscal year; and (ii) the following increases implemented by the State Health Benefits Commission for Fiscal Year 2005 shall continue in this fiscal year for (a) employees paid through the State centralized payroll for whom there is no majority representative for collective negotiations purposes; and (b) employees of State authorities, State commissions, State colleges and State universities for whom there is no majority representative for collective negotiations purposes who receive health benefits through the State Health Benefits Program and such health benefits are funded in whole or in part by State appropriations: a $10 co–payment for NJ PLUS and HMO primary care physician and specialist office visits; co–payments for the Employee Prescription Drug: Retail Pharmacy –$3 generic and $10 brand name for up to a 30–day supply, and Mail Order Pharmacy –$5 generic and $15 brand name for up to a 90 day supply; and a Traditional Plan deductible of $250.

Notwithstanding the provisions of any other law to the contrary, the amounts herein appropriated for State Employees' Health Benefits are subject to the condition that: as expeditiously as is administratively feasible to elect health care coverage by the affected groups, as determined by the State Health Benefits Commission, no such amounts shall be used to pay the State share of the cost of the Traditional Plan coverage as agreed to by bargaining units listed below representing employees in the following bargaining units and employees in such units who retire after July 1, 2005: 1. New Jersey State Corrections Association Inc.(NJSCA), affiliated with Fraternal Order of Police Lodge 200; 2. New Jersey Law Enforcement Supervisors Association Inc. (NJLESA), affiliated with Fraternal Order of Police Lodge 185; 3. New Jersey Superior Officers Law Enforcement Association, Inc. (NJSOLEA), affiliated with Fraternal Order of Police Lodge 183; 4. New Jersey Superior Officers Association, Captains, Inc. (NJSOA), affiliated with Fraternal Order of Police Lodge 187; 5. New Jersey Investigators Association Inc. (NJIA), affiliated with Fraternal Order of Police Lodge 174; 6. State Troopers Fraternal Association of New Jersey (STFA); 7. State Troopers Non–Commissioned Officers Association of New Jersey (STNCOA) (Trooper Sergeants); and 8. State Troopers Superior Officers Association of New Jersey (STSOA).

From the amounts appropriated in this act that are designated as State aid or grants–in–aid to be distributed by the State to governmental units that participate in the State of New Jersey Cash Management Fund reserve fund, there shall be a corresponding reduction in such payments from those appropriations amounts, as the Director of the Division of Budget and Accounting shall determine, up to the amount of the funds returned from the reserve fund to those participating governmental units. The Director of the Division of Budget and Accounting shall provide notice of the payment reductions to the Legislative Budget and Finance Officer on the effective date of any payment reductions. An amount up to the total reduced payments shall be transferred by the Director of the Division of Budget and Accounting from such appropriations to the appropriations made in the Employee Benefits program classification accounts in the Inter–Departmental accounts for the purposes of those accounts, which transferred amounts shall be deemed a "Base Year Appropriation" for the purposes of the "State Appropriations Limitation Act", P.L. 1990, c.94 (C.52:9H–24 et seq.).

Language Recommendations — Grants–In–Aid – General Fund

Such additional sums as may be required for Public Employees' Retirement System – Post Retirement Medical, Alternate Benefits Program – Employer Contributions, Teachers' Pension and Annuity Fund Post Retirement Medical – State, 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.

The amounts hereinabove appropriated for Employee Benefits may be transferred to the Direct State Services accounts for the same purposes.

In addition to the sum hereinabove appropriated 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.

No monies appropriated herein 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.

Notwithstanding any provision of law to the contrary, in addition to the amount appropriated hereinabove for the Public Employees' Retirement System – Post Retirement Medical, an amount as determined by the State Treasurer, from amounts in the Benefit Enhancement Fund established in section 22 of P.L.1954, c.84 (C.43:15A–22), shall be applied to pay the pension contribution by the State for the Public Employees' Retirement System.

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.

Notwithstanding any provision of law to the contrary, in addition to the amount hereinabove appropriated for the Teachers' Pension and Annuity Fund, there is hereby appropriated an amount as determined by the State Treasurer to fund the pension cost contribution by the State to the Teachers' Pension and Annuity Fund, payment for which shall be credited against amounts on deposit in the Benefit Enhancement Fund created pursuant to N.J.S.18A:66–16.

Notwithstanding the provisions of any other law to the contrary, amounts herein above appropriated for the State Health Benefits Program are subject to the condition that: (i) increases in co–payments for the prescription drug plan, the co–payment for office visits in the managed care plans, and the deductible for the Traditional Plan agreed to by bargaining units representing State employees and employees of State authorities, State commissions, State colleges and State universities for Fiscal Year 2005 shall continue at the same levels for this fiscal year; and (ii) the following increases implemented by the State Health Benefits Commission for Fiscal Year 2005 shall continue in this fiscal year for (a) employees paid through the State centralized payroll for whom there is no majority representative for collective negotiations purposes; and (b) employees of State authorities, State commissions, State colleges and State universities for whom there is no majority representative for collective negotiations purposes who receive health benefits through the State Health Benefits Program and such health benefits are funded in whole or in part by State appropriations: a $10 co–payment for NJ PLUS and HMO primary care physician and specialist office visits; co–payments for the Employee Prescription Drug: Retail Pharmacy –$3 generic and $10 brand name for up to a 30–day supply, and Mail Order Pharmacy –$5 generic and $15 brand name for up to a 90 day supply; and a Traditional Plan deductible of $250.

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
74. GENERAL GOVERNMENT SERVICES
9420. OTHER INTER–DEPARTMENTAL ACCOUNTS

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
52,820	1,900	–20,220	34,500	26,122	Other Inter–Departmental Accounts	04	56,969	55,721	55,721
52,820	***1,900***	***–20,220***	***34,500***	***26,122***	***Total Direct State Services***		***56,969***	***55,721***	***55,721***
					Distribution by Fund and Object				
					Special Purpose:				
1,750	1,900	–3,239	411	——	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	1,750	1,750	1,750
1,250	——	–667	583	——	Contingency Funds	04	1,250	1,250	1,250

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					DIRECT STATE SERVICES				
23,000	---	-9,689	13,311	13,311	Interest On Short Term Notes	04	22,300	22,300	22,300
1,100	---	---	1,100	558	Debt Issuance-Special Purpose	04	1,100	1,100	1,100
125	---	---	125	125	Catastrophic Illness in Children Relief Fund - Employer Contributions	04	125	672	672
3,200	---	-2,500	700	---	Interest on Interfund Borrowing	04	1,000	---	---
350	---	---	350	---	Payment of Military Leave Benefits	04	350	350	350
12,813	---	75	12,888	10,583	Statewide 911 Emergency Telephone System	04	18,362	17,567	17,567
7,200	---	-3,200	4,000	1,033	Network Infrastructure	04	6,800	7,200	7,200
282	---	---	282	282	Garden State Network Infrastructure	04	282	282	282
450	---	---	450	---	Automated Document Factory	04	450	450	450
300	---	---	300	230	Automated Cartridge System Upgrade	04	300	300	300
1,000	---	-1,000	---	---	Information Technology On-Line State Portal	04	1,000	1,000	1,000
---	---	---	---	---	Accelerated Registration	04	400	---	---
---	---	---	---	---	Office of Emergency Telecommunication Services	04	1,500	1,500	1,500
					GRANTS-IN-AID				
					Distribution by Fund and Program				
200	---	-200	---	---	Other Inter-Departmental Accounts	04	102,925	14,925	14,925
200	***---***	***-200***	***---***	***---***	***Total Grants-in-Aid***		***102,925***	***14,925***	***14,925***
					Distribution by Fund and Object				
					Grants:				
200	---	-200	---	---	Enhanced 911 County Grants	04	14,925	14,925	14,925
---	---	---	---	---	Property Tax Assistance and Community Development Grants	04	88,000	---	---
---	---	---	---	---	Cost of Living Increase for Community Care Providers	04	--- (a)	---	---
53,020	***1,900***	***-20,420***	***34,500***	***26,122***	***Grand Total State Appropriation***		***159,894***	***70,646***	***70,646***

Notes -- Grants-In-Aid - General Fund

(a) The appropriation of $11,273,000 for Cost of Living Increases for Community Care Providers has been transferred to the Community Care Providers accounts in the various departments.

Language Recommendations -- Direct State Services - General Fund

Unless otherwise indicated, the above amounts may be allotted by the Director of the Division of Budget and Accounting to the various departments and agencies.

Not withstanding 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 appropriated hereinabove to meet any condition of emergency or necessity, as a reward for the capture and return of Joanne Chesimard.

The amount hereinabove appropriated for the Office of Emergency Telecommunication Services is subject to the approval of a spending plan to be submitted to the Director of the Division of Budget and Accounting.

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 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.

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.

The unexpended balance at the end of the preceding fiscal year in Payment of Military Leave Benefits is appropriated for the same purpose.

Language Recommendations -- Grants-In-Aid - General Fund

Grant awards and expenditures supported by the appropriation for Enhanced E-911 County Grants shall be determined in accordance with grant criteria to be jointly developed by the 911 Commission and the Departments of Treasury, Community Affairs, and the Attorney General's Office, the purpose of which will be to create incentives for the regional consolidation of 911 call services and public safety answering points.

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
74. GENERAL GOVERNMENT SERVICES
9430. SALARY INCREASES AND OTHER BENEFITS

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
64,404	50,098	-72,142	42,360	6,941	Salary Increases and Other Benefits	05	7,500	97,624	97,624
64,404	***50,098***	***-72,142***	***42,360***	***6,941***	***Total Direct State Services***		***7,500***	***97,624***	***97,624***
					Distribution by Fund and Object				
					Special Purpose:				
53,404	50,098	-69,642	33,860	---	Salary Increases and Other Benefits	05	--- [a]	140,124	140,124
11,000	---	-2,500	8,500	6,941	Unused Accumulated Sick Leave Payments	05	7,500	7,500	7,500
---	---	---	---	---	Employee Actions	05	---	-50,000	-50,000
					GRANTS-IN-AID				
					Distribution by Fund and Program				
---	---	---	---	---	Salary Increases and Other Benefits	05	---	17,773	17,773
---	***---***	***---***	***---***	***---***	***Total Grants-in-Aid***		***---***	***17,773***	***17,773***
					Distribution by Fund and Object				
					Grants:				
---	---	---	---	---	Salary Increases and Other Benefits	05	--- [b]	17,773	17,773
64,404	***50,098***	***-72,142***	***42,360***	***6,941***	***Grand Total State Appropriation***		***7,500***	***115,397***	***115,397***

Notes -- Direct State Services - General Fund

(a) The original fiscal 2005 appropriation for salary program allocation was transferred to the agency budgets.

Notes -- Grants-In-Aid - General Fund

(b) The original fiscal 2005 appropriation for salary program allocation was transferred to the senior public institution budgets.

Language Recommendations -- Direct State Services - General Fund

The sums hereinabove appropriated to the various State departments, agencies or commissions for the cost of salaries, wages, or other benefits shall be allotted as the Director of the Division of Budget and Accounting shall determine.

Notwithstanding the provisions of any other law, including R.S.34:15-49 and section 1 of P.L.1981, c.353 (C.34:15-49.1), the State Treasurer, the Commissioner of Personnel, and the Director of the Division of Budget and Accounting shall establish directives governing salary ranges and rates of pay, including salary increases. The implementation of such directives shall be made effective at the first full pay period of Fiscal Year 2006 as determined by such directives, with timely notification of such directives to the Joint Budget Oversight Committee or its successor. Such directives shall not be considered an "administrative rule" or "rule" within the meaning of subsection (e) of section 2 of P.L.1968, c.410 (C.52:14B-2), but shall be considered exempt under paragraphs (1) and (2) of subsection (e) of section 2 of P.L.1968, c.410 (C.52:14B-2), and shall not be subject to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.). Nothing herein shall be construed as applicable to the Presidents of the State Colleges, Rutgers, The State University, the University of Medicine and Dentistry of New Jersey and the New Jersey Institute of Technology.

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.

In addition to the amount hereinabove for Unused Accumulated Sick Leave Payments, there are appropriated such sums as may be necessary for payments of unused accumulated sick leave.

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.

THE JUDICIARY

OVERVIEW

The Judiciary is an independent branch of government constitutionally entrusted with the fair and just 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 at three levels: the Supreme Court, the Appellate Division of the Superior Court, and the trial divisions of the Superior Court. The trial divisions are organized into 15 vicinages encompassing the 21 counties in the State. The Administrative Office of the Courts provides administrative services to the courts. Approximately seven million new cases are filed in New Jersey's courts every year, including six million in Municipal Court and one million in Superior Court. These cases address matters concerning civil, criminal and family law.

The Judiciary is continuously working to improve the quality of justice in New Jersey focusing on fairness, economy, convenience, accessibility, consistency and timeliness.

In fiscal year 2005, the Judiciary expanded the Drug Court program to all fifteen vicinages, serving all 21 counties. The Judiciary continues to monitor this highly successful program aimed at non–violent drug offenders and looks forward to expanding the program's capacity to serve all offenders who could benefit from its rigorous schedule of rehabilitation and supervision.

The Judiciary's information technology upgrades continue to move the courts' computer system toward internet–compatible systems. Computer networks have been upgraded for all Superior Court users and municipal court systems will be upgraded next. Upgrade of the courts' case management systems has been a priority over the past several years to ensure reliable access to court information for the clients of the courts and for the law enforcement community. These upgrades are about 33 percent completed.

Budget Highlights

The fiscal 2006 budget for the Judiciary totals $554.0 million, an increase of $1.7 million or 0.3% over the fiscal 2005 adjusted appropriation of $552.3 million.

The fiscal 2006 funding recommendation for the Drug Court Program is $28.9 million. Of the $28.9 million appropriation, $20.6 million is designated for drug treatment and aftercare services provided by the Division of Addiction Services within the Department of Human Services.

The fiscal 2006 funding recommendation for the Kinship Legal Guardianship Program is $3.3 million, virtually the same level of funding as fiscal 2005. 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.

Agency Accomplishments

The Drug Court Program, an 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.

THE JUDICIARY

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
502,164	12,047	13,392	527,603	518,167	Direct State Services	552,326	554,026	554,026
—	—	300	300	300	Grants–In–Aid	—	—	—
502,164	12,047	13,692	527,903	518,467	Total General Fund	552,326	554,026	554,026
502,164	***12,047***	***13,692***	***527,903***	***518,467***	***GRAND TOTAL***	***552,326***	***554,026***	***554,026***

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES – GENERAL FUND			
					Judicial Services			
5,028	5	605	5,638	5,636	Supreme Court	5,466	5,466	5,466
18,166	1	–270	17,897	17,896	Superior Court–Appellate Division	19,205	19,205	19,205
88,015	8,550	–1,399	95,166	88,766	Civil Courts	92,483	92,483	92,483
94,916	18	–11,950	82,984	82,980	Criminal Courts	108,076	109,776	109,776
89,694	197	–418	89,473	89,454	Family Courts	95,965	95,965	95,965
942	—	23	965	965	Municipal Courts	1,075	1,075	1,075
107,812	396	4,917	113,125	113,113	Probation Services	119,347	119,347	119,347
8,823	—	–1,535	7,288	7,288	Court Reporting	7,849	7,849	7,849
2,524	—	–31	2,493	2,492	Public Affairs and Education	2,618	2,618	2,618
15,256	21	14,700	29,977	29,977	Information Services	16,353	16,353	16,353
60,897	2,859	6,639	70,395	67,398	Trial Court Services	70,812	70,812	70,812
10,091	—	2,111	12,202	12,202	Management and Administration	13,077	13,077	13,077
502,164	*12,047*	*13,392*	*527,603*	*518,167*	*Subtotal*	*552,326*	*554,026*	*554,026*
502,164	***12,047***	***13,392***	***527,603***	***518,167***	***Subtotal Direct State Services – General Fund***	***552,326***	***554,026***	***554,026***
502,164	***12,047***	***13,392***	***527,603***	***518,167***	***TOTAL DIRECT STATE SERVICES***	***552,326***	***554,026***	***554,026***
					GRANTS–IN–AID – GENERAL FUND			
					Judicial Services			
—	—	300	300	300	Family Courts	—	—	—
—	—	***300***	***300***	***300***	***Subtotal Grants–In–Aid – General Fund***	—	—	—
—	—	***300***	***300***	***300***	***TOTAL GRANTS–IN–AID***	—	—	—
502,164	***12,047***	***13,692***	***527,903***	***518,467***	***TOTAL APPROPRIATION***	***552,326***	***554,026***	***554,026***

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.

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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Supreme Court				
Court Year—July 1 to June 30				
Appeals				
Added	140	174	175	190
Disposed	158	172	175	190
Pending	107	107	107	107
Certifications added	1,488	1,420	1,475	1,500
Motions added	1,585	1,507	1,575	1,600
Disciplinary proceedings added	275	325	300	310
Superior Court–Appellate Division				
Appeals				
Added	7,163	7,463	7,450	7,450
Disposed	7,163	7,342	7,350	7,350
Pending June 30	5,654	5,785	5,885	5,895
Motions added	6,868	7,002	7,000	7,000
Civil Courts				
Civil Cases				
Added	98,675	99,855	97,858	95,901
Resolved	108,533	100,332	98,325	96,359
Pending	97,876	97,807	97,340	96,882
Special Civil				
Added	474,261	499,476	514,460	529,894
Resolved	461,086	500,018	515,018	530,469
Pending	44,782	45,471	44,913	44,338

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Probate				
Added	10,461	10,566	9,932	9,336
Resolved	10,410	10,435	9,809	9,220
Pending	1,425	1,649	1,772	1,888
General Equity				
Added	5,290	5,413	5,521	5,631
Disposed	5,104	5,350	5,457	5,565
Pending	2,523	2,553	2,617	2,683
Automobile Arbitration				
Cases scheduled (a)	29,318	29,517	29,517	29,517
Cases removed	206	144	144	144
Cases settled prior to hearing	4,116	4,104	4,104	4,104
Cases arbitrated	13,097	12,582	12,582	12,582
Trial de novo requests	9,676	9,481	9,481	9,481
Trials de novo completed	759	740	740	740
Personal Injury Arbitration				
Cases scheduled	15,639	16,636	16,636	16,636
Cases removed	128	134	134	134
Cases settled prior to hearing	1,808	1,950	1,950	1,950
Cases arbitrated	6,361	6,709	6,709	6,709
Trial de novo requests	4,627	4,679	4,679	4,679
Trials de novo completed	337	368	368	368
Other Civil Arbitration				
Cases Scheduled	10,236	13,882	13,882	13,882
Tax Court				
Local & State Appeals				
Added	7,000	8,105	8,915	9,365
Closed	6,600	5,973	6,800	7,140
Pending	8,436	11,400	13,515	15,740
Criminal Courts				
Criminal Post–Indictment				
Added	53,222	53,478	54,548	55,639
Resolved	56,943	55,171	56,275	57,400
Pending June 30 (b)	14,323	14,593	13,730	12,849
Municipal Appeals				
Added	1,411	1,476	1,476	1,476
Resolved	1,339	1,538	1,538	1,538
Pending June 30	618	540	478	416
Post–Conviction Relief				
Added	539	613	644	676
Resolved	423	432	454	476
Pending June 30	548	731	921	1,121
Drug Court Program				
Current Active Cases	1,310	1,829	2,500	3,100
Number of Graduates	124	279	460	620
Family Courts				
Dissolution				
Added	64,799	64,723	66,017	67,337
Resolved	66,367	65,655	66,968	68,307
Pending June 30	18,780	17,803	16,852	15,882
Juvenile Delinquency				
Added	78,117	79,424	77,836	76,279
Resolved	78,405	80,383	78,776	77,200
Pending June 30	6,336	5,354	4,414	3,493
Non–Dissolution				
Added	155,530	158,756	158,756	158,756
Resolved	154,921	157,801	157,801	157,801
Pending June 30	9,643	10,512	11,467	12,422

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Domestic Violence				
Added	61,326	60,834	60,834	60,834
Resolved	61,342	60,874	60,874	60,874
Pending June 30	1,510	1,527	1,487	1,447
Abuse/Neglect Complaints				
Added	3,420	4,075	4,564	5,112
Resolved	2,735	3,410	3,819	4,278
Pending June 30	3,865	4,528	5,273	6,107
Adoption Complaints				
Added	2,609	2,490	2,540	2,591
Resolved	2,660	2,419	2,468	2,517
Pending June 30	576	649	721	795
Child Placement Review				
Added	7,050	7,323	7,323	7,323
Resolved	5,843	6,816	6,816	6,816
Pending June 30	12,599	13,182	13,689	14,196
Juvenile/Family Crisis Petition				
Added	1,439	1,435	1,421	1,407
Resolved	1,433	1,430	1,416	1,402
Pending June 30	57	62	67	72
Kinship Legal Guardian (KLG)				
Added	716	1,083	1,115	1,148
Resolved	575	1,050	1,081	1,113
Pending June 30	171	201	235	270
Termination of Parental Rights Complaints				
Added	997	1,123	1,202	1,286
Resolved	1,002	1,030	1,102	1,180
Pending June 30	626	716	816	922
Criminal/Quasi–Criminal				
Added	12,111	11,333	11,333	11,333
Resolved	12,107	11,545	11,545	11,545
Pending June 30	921	720	508	296
Combined Trial Courts				
Added	1,031,973	1,063,476	1,077,380	1,091,959
Resolved	1,031,228	1,065,689	1,079,542	1,094,060
Pending June 30	217,179	218,598	217,300	216,079
Volunteer Services				
Number of Volunteers	5,842	5,955	5,990	6,015
Number of Volunteer Hours Served	350,520	357,300	359,400	360,900
Municipal Courts				
Non–Traffic Violations				
Indictables	198,273	201,008	203,781	206,592
Disorderly Person	392,535	394,290	396,053	397,824
Other Non–Traffic	199,066	228,575	262,458	301,364
Traffic Violations				
Drunk Driving	35,626	36,635	37,673	38,740
Moving Violations	2,461,583	2,567,457	2,677,885	2,793,062
Parking	2,980,106	3,074,203	3,171,271	3,271,404
Total	6,267,189	6,502,168	6,749,121	7,008,986
Probation Services				
Adult Supervision Clients (c)	63,598	64,688	68,852	66,840
Juvenile Supervision Clients (c)	15,083	13,919	14,336	14,694
Core Services Clients	56,650	61,931	63,046	63,991
Intensive Supervision Program (ISP)				
Participants	1,240	1,266	1,262	1,264
Applications (c)	3,538	3,584	4,085	4,090
Assessment Reports (c)	2,456	2,567	2,721	2,740
Resentencing Panel Hearings (c)	4,599	4,636	4,686	4,696
Revocations (c)	429	469	470	471

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Juvenile Intensive Supervision Program (JISP)				
Participants	301	282	325	325
Applications	274	260	300	300
Assessment Reports	274	260	300	300
Revocations	65	77	81	81
Child Support & Paternity – Title IV–D				
Child Support Cases	296,606	301,200	305,700	310,300
Collections	$902,387,185	$965,934,905	$1,023,890,999	$1,085,324,459
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	571	599	599	599
Male Minority %	6	7	7	7
Female Minority	2,519	2,665	2,665	2,665
Female Minority %	28	29	29	29
Total Minority	3,090	3,264	3,264	3,264
Total Minority %	34	36	36	36
Position Data				
Filled Positions by Funding Source				
State Supported	7,627	7,840	7,868	7,899
Federal	1,242	1,291	1,280	1,291
All Other	204	219	222	239
Total Positions	9,073	9,350	9,370	9,429
Filled Positions by Program Class				
Supreme Court	176	180	181	185
Superior Court–Appellate Division	230	232	238	247
Civil Courts	1,619	1,631	1,613	1,636
Criminal Courts	1,386	1,457	1,448	1,464
Family Courts	1,839	1,860	1,849	1,852
Municipal Courts	58	56	58	63
Probation Services	2,458	2,553	2,451	2,474 (d)
Court Reporting	83	85	84	92
Public Affairs and Education	29	31	30	28
Information Services	145	160	171	171
Trial Court Services	895	945	1,085	1,060 (d)
Management and Administration	155	160	162	157
Total Positions	9,073	9,350	9,370	9,429

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimates for fiscal year 2006 reflects the number of positions funded.

Revised fiscal year 2005 figures and the budget estimate for fiscal year 2006 are based on recounted data. The calculation of pending, plus added, less disposed may not total.

(a) Figures for Auto Arbitration are the same for fiscal years 2004, 2005 and 2006 due to the uncertainty of the impact of best practices on the program.

(b) Criminal active pending figures exclude cases in which the defendant has fled. The calculation of pending, plus added, less disposed will not total.

(c) For fiscal year 2003 through 2005, data has been revised to reflect more accurate information.

(d) Federal positions were reallocated from Probation Services to Trial Court Services.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
					Distribution by Fund and Program				
5,028	5	605	5,638	5,636	Supreme Court	01	5,466	5,466	5,466

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom–mended
					DIRECT STATE SERVICES				
18,166	1	–270	17,897	17,896	Superior Court–Appellate Division	02	19,205	19,205	19,205
88,015	8,550	–1,399	95,166	88,766	Civil Courts	03	92,483	92,483	92,483
94,916	18	–11,950	82,984	82,980	Criminal Courts	04	108,076	109,776	109,776
89,694	197	–418	89,473	89,454	Family Courts	05	95,965	95,965	95,965
942	——	23	965	965	Municipal Courts	06	1,075	1,075	1,075
107,812	396	4,917	113,125	113,113	Probation Services	07	119,347	119,347	119,347
8,823	——	–1,535	7,288	7,288	Court Reporting	08	7,849	7,849	7,849
2,524	——	–31	2,493	2,492	Public Affairs and Education	09	2,618	2,618	2,618
15,256	21	14,700	29,977	29,977	Information Services	10	16,353	16,353	16,353
60,897	2,859	6,639	70,395	67,398	Trial Court Services	11	70,812	70,812	70,812
10,091	——	2,111	12,202	12,202	Management and Administration	12	13,077	13,077	13,077
502,164	***12,047***	***13,392***	***527,603***	***518,167***	***Total Direct State Services***		***552,326*** [a]	***554,026***	***554,026***
					Distribution by Fund and Object				
					Personal Services:				
——	——	——	——	164	Chief Justice		164	164	164
——	——	——	——	983	Associate Justices		951	951	951
——	——	——	——	60,115	Judges		61,295	61,295	61,295
394,000	2,773	1,366	398,139	333,897	Salaries and Wages		364,773	364,773	364,773
394,000	*2,773*	*1,366*	*398,139*	*395,159*	*Total Personal Services*		*427,183*	*427,183*	*427,183*
8,407	14	–263	8,158	8,144	Materials and Supplies		7,755	7,755	7,755
32,321	188	11,286	43,795	43,777	Services Other Than Personal		32,549	32,549	32,549
1,675	8	693	2,376	2,376	Maintenance and Fixed Charges		1,852	1,852	1,852
					Special Purpose:				
200	5	–4	201	200	Rules Development	01	200	200	200
——	5,452 3,089 R	——	8,541	2,146	Civil Arbitration Program	03	——	——	——
12,418	——	–12,418	——	——	Drug Court Treatment/After-care	04	18,918 [b]	20,618	20,618
4,450	——	226	4,676	4,676	Drug Court Operations	04	6,780	6,780	6,780
1,498	——	50	1,548	1,548	Drug Court Judgeships	04	1,498	1,498	1,498
79	——	——	79	66	Child Placement Review Advisory Council	05	82	82	82
3,151	171	–279	3,043	3,039	Kinship Legal Guardianship	05	3,311	3,311	3,311
7,866	——	1,500	9,366	9,366	Child Support and Paternity Program Title IV–D (Family Court)	05	8,957 [c]	8,957	8,957
10,412	8 337 R	342	11,099	11,099	Intensive Supervision Program	07	11,380	11,380	11,380
2,046	——	–59	1,987	1,986	Juvenile Intensive Supervision Program	07	2,169	2,169	2,169
18,910	——	3,300	22,210	22,210	Child Support and Paternity Program Title IV–D (Probation)	07	24,919 [c]	24,919	24,919
728	——	——	728	727	Affirmative Action and Equal Employment Opportunity	12	770	770	770
4,003	2	7,652	11,657	11,648	Additions, Improvements and Equipment		4,003	4,003	4,003

JUDICIARY

Year Ending June 30, 2004						Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended				Requested	Recommended
					GRANTS–IN–AID				
					Distribution by Fund and Program				
—	—	300	300	300	Family Courts	05	—	—	—
—	—	*300*	*300*	*300*	*Total Grants–in–Aid*		—	—	—
					Distribution by Fund and Object				
					Grants:				
—	—	300	300	300	Court Appointed Special Advocates – DYFS	05	—	—	—
502,164	*12,047*	*13,692*	*527,903*	*518,467*	*Grand Total State Appropriation*		*552,326*	*554,026*	*554,026*
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
—	136	—	136	135	Criminal Courts	04	200	200	200
18,034 200 S	905	3,489	22,628	22,090	Family Courts	05	22,063	19,084	19,084
51,134	412	–3,487	48,059	47,308	Probation Services	07	56,295	60,645	60,645
—	421	356	777	481	Information Services	10	—	—	—
69,368	*1,874*	*358*	*71,600*	*70,014*	*Total Federal Funds*		*78,558*	*79,929*	*79,929*
					All Other Funds				
—	51 10,792 R	—	10,843	10,841	Supreme Court	01	12,025	13,665	13,665
—	2,070 R	—	2,070	2,069	Civil Courts	03	1,802	1,990	1,990
—	272 505 R	—	777	545	Family Courts	05	400	400	400
—	1,599 10,226 R	—	11,825	10,390	Municipal Courts	06	9,564	23,113	23,113
—	2,070 4,365 R	—	6,435	3,946	Probation Services	07	2,558	2,800	2,800
—	1,514 14,860 R	—	16,374	14,287	Information Services	10	13,412	13,824	13,824
—	8 5 R	—	13	8	Trial Court Services	11	—	—	—
—	80	9	89	—	Management and Administration	12	—	—	—
—	*48,417*	*9*	*48,426*	*42,086*	*Total All Other Funds*		*39,761*	*55,792*	*55,792*
571,532	*62,338*	*14,059*	*647,929*	*630,567*	*GRAND TOTAL ALL FUNDS*		*670,645*	*689,747*	*689,747*

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

(b) The appropriation of $18,918,000 for Drug Court Treatment/Aftercare will be transferred to the Department of Human Services to provide services for the Drug Court Program.

(c) An amount of $7,100,000 has been reallocated from various salary accounts to the Child Support and Paternity Program – Title IV–D in Family and Probation 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 any law 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 appropriated hereinabove 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 $3,000,000 in these respective accounts are appropriated subject to the approval of the Director of the Division of Budget and Accounting.

Capital Construction
&
Debt Service

This section includes an overview and summary of appropriations and expenditures for the design, construction, and repair of major capital assets such as roads, bridges, parks, or other physical facilities.

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.



OVERVIEW

Capital Objectives

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 and 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 promote commerce and industry, ensure a clean and healthy environment, protect water supplies, provide recreational space, and generate economic growth and jobs for New Jersey citizens.

Capital Planning Process

For fiscal 2006, the General Fund capital recommendation is almost $1.09 billion. An additional $17 million will be provided from other sources for critical statewide fire, life safety, emergency, and security projects. The General Fund capital recommendation includes $981.4 million for capital projects mandated through legislation and funded through dedicated sources. An additional $108.1 million is recommended for discretionary capital projects to maximize the availability of federal matching funds and to maintain essential state programs and services. Of the $108.1 million in discretional capital, $66.3 million is allocated to pay debt service on New Jersey Building Authority projects.

The Capital Budget is based in part on the recommendation 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 Corrections, $5 million is recommended, which is an increase of $4.5 million over the fiscal 2005 appropriation. Of this amount, $4 million is to replace modular units at the various correctional facilities and $1 million is to upgrade locking systems. The Department will also receive $5 million from other sources for fire safety and code compliance projects.

To address fire and life safety concerns at the Department of Education's Regional Day Schools, $1.1 million is recommended. Of this amount $600,000 is for a fire suppression system at the Winslow Regional Day School and $450,000 is to install an elevator on the outside wall of the Essex County Regional Day School. Both projects will ensure the safety of students. An additional $600,000 will also be provided from other sources to replace a roof at the Jersey City Day School.

For the Department of Environmental Protection, $82.5 million is recommended. The recommendation provides $29.4 million for cleanup of hazardous substance discharges, $11.9 million in loans and grants for brownfields redevelopment projects, $11.9 million for remediation of private leaking underground gasoline storage tanks, and $25 million for shore protection. These four mandated programs are funded through dedicated sources. In addition to the mandated capital, $4.1 million is recommended for the HR−6 flood prevention program. Both the HR−6 and the shore protection programs will generate substantial federal matching funds: for the HR−6, an additional $27.3 million will be available, while the shore protection will provide $56 million in federal and $7.2 million in local contributions.

For the Department of Human Services, $11.6 million is recommended. This includes $3.5 million for the Statewide Child Welfare Information System. The system, a key component of the State's Child Welfare Reform Plan, will improve the administration of the Title IV−B Child Welfare and Title IV−E Foster Care programs and generate $3.5 million in federal matching funds. Other projects that will be funded include $5.1 million for the connection of the Ancora Psychiatric Hospital wastewater treatment facility to the Camden County Municipal Utilities Authority and $3 million is to replace an underground distribution system affecting four cottages at the Hunterdon Developmental Center. In addition to the General Fund capital, $4.1 million will be provided from other sources for life/safety improvements and HVAC modifications.

For the Juvenile Justice Commission, $750,000 is recommended. Of this amount, $500,000 is for suicide prevention improvements and $250,000 is to provide first year funding for the replacement of the heating systems in the housing units at the Monroe Campus. An additional $3.4 million will be provided from other funds for critical repairs, fire safety, and energy projects.

The capital recommendation for the Department of Military and Veterans' Affairs is $175,000. This will replace four HVAC systems at the Paramus Veterans' Memorial Home and generate $373,000 in federal matching funds.

To ensure highway and mass transit improvements, $805 million in dedicated funds are recommended for the Department of Transportation. This recommendation, combined with federal, state, and other matching funds, will provide for a transportation program of $2.4 billion.

For the Department of Law and Public Safety, $4.1 million is recommended. These funds will be used to replace aging HVAC systems and provide the necessary furnishings and equipment at the new State Police Emergency Operations Center.

To preserve the integrity of the State Museum, $1.7 million is recommended for window and door replacements. This project will result in energy efficiencies and provide additional security.

For statewide data processing improvements at the Office of Information and Telecommunications, $5.4 million is recommended. This will expand the Garden State Network and replace aging HVAC systems at critical locations. Included in the $5.4 million recommendation is $1.4 million to continue OIT's availability and Recovery Site (OARS) program. This program is necessary to ensure the integrity of data recovery for all state agencies.

Finally, $107.7 million is recommended for the Interdepartmental Accounts. This includes $98 million for a constitutionally−mandated open space, farmland, parks and historic preservation program, $2 million for removal of hazardous materials from state properties, $2 million for building renovations, $2 million to modify state buildings to comply with the Americans with Disabilities Act, $700,000 to fund critical repairs in the Capitol Complex, and $3 million for statewide security enhancements. In addition to these funds, $2.2 million will be available from other sources for energy conservation/gas conversion projects.

CAPITAL CONSTRUCTION

Summary of Appropriations by Department
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
——	108	——	108	74	Legislature	——	——	——
——	5,141	——	5,141	3,999	Department of Agriculture	——	——	——
——	10,372	3	10,375	4,269	Department of Corrections	500	5,000	5,000
——	1,465	——	1,465	324	Department of Education	——	1,050	1,050
140,074	60,217	−5,780	194,511	100,614	Department of Environmental Protection	116,453	82,463	82,463
620	312	——	932	216	Department of Health and Senior Services	——	——	——
5,600	24,848	——	30,448	11,878	Department of Human Services	10,400	11,600	11,600
4,346	19,257	500	24,103	5,913	Department of Law and Public Safety	——	4,805	4,805
165	1,464	——	1,629	920	Department of Military and Veterans' Affairs	2,627	175	175
——	2	——	2	——	Department of Personnel	——	——	——
——	1,634	−992	642	507	Department of State	1,000	——	——
805,000	539	−539	805,000	804,190	Department of Transportation	805,000	805,000	805,000
——	12,860	58	12,918	3,047	Department of the Treasury	——	——	——
——	2	——	2	——	Miscellaneous Commissions	——	——	——
194,233	28,211	−6,254	216,190	181,059	Interdepartmental Accounts	184,549	179,327	179,327
1,150,038	***166,432***	***−13,004***	***1,303,466***	***1,117,010***	***Total Appropriation***	***1,120,529***	***1,089,420***	***1,089,420***

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 $27.4 billion, the debt limit is $274 million before voter approval must be sought. The current level of outstanding general obligation debt is $3.24 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 of 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. A factor affecting the fiscal 2006 Governor's Recommendation includes a projected debt service cost for proposed bond sales. The actual debt service payments and savings associated with bond sales are dependent upon the interest rates and the time of the sale and therefore, preliminary figures are estimates since actual schedules are not available until after a bond sale.

Appropriations for principal and interest payments on General Obligation bonds are recommended at $185.4 million for fiscal 2006. This projected level of debt service reflects $418.9 million for principal and interest on bonds outstanding on July 1, 2004, additional funding of $16.1 million for a proposed bond sale during fiscal 2006, offset by $249.6 million in projected savings from the General Obligation bond refinancing in January 2005. The recommendation for fiscal 2006 is a decrease of $256.1 million from fiscal 2005 and is net of the refinancing savings.

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, 2004. The outstanding debt as of that date is $3.24 billion. Also, there is $1.0 billion of additional long–term debt authorized but unissued.

DEBT SERVICE SUMMARY

(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
168,132	——	8,784	176,916	172,603	Interest on Bonds	174,388	171,705	171,705
274,349	5	–8,784	265,570	265,463	Bond Redemption	267,145	13,671	13,671
442,481	***5***	——	***442,486***	***438,066***	***Total Appropriation***	***441,533***	***185,376***	***185,376***
1,030	——	——	1,030	1,030	State Transportation Bonds (P.L. 1968, c. 126)	——	——	——
976	——	–188	788	788	Water Conservation Bonds (P.L. 1969, c. 127)	873	878	878
2,681	——	–18	2,663	2,663	State Recreation and Conservation Land Acquisition and Development Bonds (P.L. 1974, c. 102)	826	781	781
2,431	——	–38	2,393	2,393	Clean Waters Bonds (P.L. 1976, c. 92)	211	211	211
2,075	——	——	2,075	2,075	Institutions Construction Bonds (P.L. 1976, c. 93)	668	623	623
650	——	——	650	650	State Mortgage Assistance Bonds (P.L. 1976, c. 94)	223	208	208
563	——	——	563	562	Beaches and Harbors Bonds (P.L. 1977, c. 208)	334	312	312
476	——	——	476	475	Emergency Flood Control Bonds (P.L. 1978, c. 78)	——	——	——
1,307	——	——	1,307	1,307	Institutional Construction Bonds (P.L. 1978, c. 79)	334	312	312
1,410	——	–107	1,303	1,278	State Land Acquisition and Development Bonds (P.L. 1978, c. 118)	848	870	870
4,530	——	–90	4,440	4,439	Transportation Rehabilitation and Improvement Bonds (P.L. 1979, c. 165)	4,125	3,899	3,899

DEBT SERVICE

Year Ending June 30, 2004						Year Ending June 30, 2006	
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
227	—	–46	181	181	Energy Conservation Bonds (P.L. 1980, c. 68)	250	251	251
1,759	—	–255	1,504	660	Natural Resources Bonds (P.L. 1980, c. 70)	2,176	2,584	2,584
766	—	—	766	688	Hazardous Discharge Bonds (P.L. 1981, c. 275)	705	765	765
1,078	—	–46	1,032	1,031	Community Development Bonds (P.L. 1981, c. 486)	1,012	1,014	1,014
115	—	—	115	89	1983 New Jersey Green Acres Bonds (P.L. 1983, c. 354)	106	107	107
65	—	—	65	59	Shore Protection Bonds (P.L. 1983, c. 356)	53	53	53
290	—	–27	263	263	Human Services Facilities Construction Bonds (P.L. 1984, c. 157)	237	236	236
308,445	—	19,221	327,666	327,665	Refunding Bonds (P.L. 1985, c. 74 as amended by P.L. 1992, c. 182)	311,043	281,460	281,460
2,677	—	—	2,677	2,676	Resource Recovery and Solid Waste Disposal Facility Fund (P.L. 1985, c. 330)	2,671	2,675	2,675
8,524	—	–717	7,807	7,807	Hazardous Discharge Bonds (P.L. 1986, c. 113)	7,969	12,014	12,014
723	—	—	723	687	1987 Green Acres, Cultural Centers and Historic Preservation Bonds (P.L. 1987, c. 265)	735	847	847
7,064	—	–832	6,232	6,230	Jobs, Education and Competitiveness Bonds (P.L. 1988, c. 78)	6,214	6,240	6,240
4,389	—	–424	3,965	3,964	1989 Bridge Rehabilitation and Improvement and Railroad Right–of–way Preservation Bonds (P.L. 1989, c.180)	4,128	4,364	4,364
797	—	–196	601	600	Stormwater Management and Combined Sewer Overflow Abatement Bonds (P.L. 1989, c. 181)	876	870	870
9,233	—	–1,018	8,215	8,215	1989 New Jersey Open Space Preservation Bonds (P.L. 1989, c. 183)	8,316	8,587	8,587
1,877	—	–283	1,594	1,592	Public Purpose Buildings and Community–Based Facilities Construction Bonds (P.L. 1989, c. 184)	1,992	2,078	2,078
14,778	—	629	15,407	15,407	Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992 (P.L. 1992, c.88)	16,360	18,047	18,047
8,907	—	–1,192	7,715	7,715	Developmental Disabilities Waiting List Reduction and HS Fac. Const. Bonds (P.L. 1994, c. 108)	8,781	10,117	10,117
16,034	—	–1,837	14,197	14,196	Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995 (P.L. 1995, c. 204)	16,100	18,564	18,564
4,045	5	–95	3,955	3,937	Port of New Jersey Revitalization, Dredging Bonds (P.L. 1996, c. 70)	4,081	5,559	5,559
3,813	—	—	3,813	3,813	Urban and Rural Centers Unsafe Buildings Demolition Bonds (P.L. 1997, c. 125)	3,811	3,809	3,809
22,496	—	–6,191	16,305	12,931	Statewide Transportation and Local Bridge Bond Act of 1999 (P.L. 1999, c.181)	26,378	30,579	30,579
6,250	—	–6,250	—	—	Payments on Future Bond Sales	16,069	16,037	16,037

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
----	----	----	----	----	Savings from Refunding and Other Initiatives	−6,972	−249,575	−249,575
442,481	*5*	----	*442,486*	*438,066*	*Total Appropriation*	*441,533*	*185,376*	*185,376*

DESCRIPTION OF BOND FUNDS FINANCED BY DEBT SERVICE APPROPRIATION

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.

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 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 waste water 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.

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 Service's 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.

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 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 million 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 million for dredging navigational channels not located in the port region, $70 million for remediation of hazardous discharge sites, $5 million for lake restoration projects and $20 million 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 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 repairs 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.

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, 2004						Year Ending June 30, 2006		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
26,127	—	−2,170	23,957	23,023	Interest on Bonds	19,604	25,128	25,128
41,926	5	−1,670	40,261	40,157	Bond Redemption	43,636	3,815	3,815
68,053	***5***	***−3,840***	***64,218***	***63,180***	***Total Appropriation***	***63,240***	***28,943***	***28,943***
					Distribution by Object			
					Special Purpose:			
					Interest:			
332	—	−53	279	279	Water Conservation Bonds (P.L. 1969, c. 127)	199	163	163
255	—	−18	237	237	State Recreation and Conservation Land Acquisition and Development Bonds (P.L. 1974, c. 102)	92	38	38
172	—	−18	154	154	Clean Waters Bonds (P.L. 1976, c. 92)	42	31	31
63	—	—	63	62	Beaches and Harbors Bonds (P.L. 1977, c. 208)	34	12	12
436	—	−44	392	368	State Land Acquisition and Development Bonds (P.L. 1978, c. 118)	242	204	204
26	—	—	26	25	Emergency Flood Control Bonds (P.L. 1978, c. 78)	—	—	—
1,613	—	−109	1,504	660	Natural Resources Bonds (P.L. 1980, c. 70)	1,337	1,637	1,637
290	—	—	290	257	Hazardous Discharge Bonds (P.L. 1981, c. 275)	201	172	172
40	—	—	40	34	1983 New Jersey Green Acres Bonds (P.L. 1983, c. 354)	26	22	22
23	—	—	23	17	Shore Protection Bonds (P.L. 1983, c. 356)	8	5	5
852	—	—	852	851	Resource Recovery and Solid Waste Disposal Facility Bonds (P.L. 1985, c.330)	746	630	630
2,494	—	−292	2,202	2,202	Hazardous Discharge Bonds (P.L. 1986, c. 113)	1,551	2,196	2,196
343	—	—	343	339	1987 Green Acres, Cultural Centers and Historic Preservation Bonds (P.L. 1987, c. 265)	315	292	292
3,268	—	−473	2,795	2,795	1989 New Jersey Open Space Preservation Bonds (P.L. 1989, c. 183)	1,999	1,752	1,752
502	—	−196	306	305	Stormwater Management and Combined Sewer Overflow Abatement Bonds (P.L. 1989, c. 181)	446	425	425
6,634	—	−676	5,958	5,958	Green Acres, Clean Water, Farmland and Historic Pres. Bonds (P.L. 1992, c. 88)	4,760	5,393	5,393
7,314	—	−291	7,023	7,022	Green Acres, Farmland and Historic Pres. and Blue Acres Bonds (P.L. 1995, c. 204)	6,315	7,489	7,489
1,470	—	—	1,470	1,458	Port of New Jersey Revitalization, Dredging Bonds (P.L. 1996, c. 70)	1,291	3,124	3,124
—	—	—	—	—	Savings from Refunding and Other Initiatives	—	−865	−865
—	—	—	—	—	Payments on Future Bond Sales	—	2,408	2,408
					Redemption:			
644	—	−135	509	509	Water Conservation Bonds (P.L. 1969, c. 127)	674	715	715
2,426	—	—	2,426	2,426	State Recreation and Conservation Land Acquisition and Development Bonds (P.L. 1974, c. 102)	734	743	743
2,259	—	−20	2,239	2,239	Clean Waters Bonds (P.L. 1976, c. 92)	169	180	180

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom-mended
500	—	—	500	500	Beaches and Harbors Bonds (P.L. 1977, c. 208)	300	300	300
974	—	−63	911	910	State Land Acquisition and Development Bonds (P.L. 1978, c. 118)	606	666	666
450	—	—	450	450	Emergency Flood Control Bonds (P.L. 1978, c. 78)	—	—	—
146	—	−146	—	—	Natural Resources Bonds (P.L. 1980, c. 70)	839	947	947
476	—	—	476	431	Hazardous Discharge Bonds (P.L. 1981, c. 275)	504	593	593
75	—	—	75	55	1983 New Jersey Green Acres Bonds (P.L. 1983, c. 354)	80	85	85
42	—	—	42	42	Shore Protection Bonds (P.L. 1983, c. 356)	45	48	48
1,825	—	—	1,825	1,825	Resource Recovery and Solid Waste Disposal Facility Bonds (P.L. 1985, c.330)	1,925	2,045	2,045
6,030	—	−425	5,605	5,605	Hazardous Discharge Bonds (P.L. 1986, c. 113)	6,418	9,818	9,818
380	—	—	380	348	1987 Green Acres, Cultural Centers and Historic Preservation Bonds (P.L. 1987, c. 265)	420	555	555
5,965	—	−545	5,420	5,420	1989 New Jersey Open Space Preservation Bonds (P.L. 1989, c. 183)	6,317	6,835	6,835
295	—	—	295	295	Stormwater Management and Combined Sewer Overflow Abatement Bonds (P.L. 1989, c. 181)	430	445	445
8,144	—	1,305	9,449	9,449	Green Acres, Clean Water, Farmland and Historic Pres.Bonds (P.L. 1992, c. 88)	11,600	12,654	12,654
8,720	—	−1,546	7,174	7,174	Green Acres, Farmland and Historic Pres. and Blue Acres Bonds (P.L. 1995, c. 204)	9,785	11,075	11,075
2,575	5[R]	−95	2,485	2,479	Port of New Jersey Revitalization, Dredging Bonds (P.L. 1996, c. 70)	2,790	2,435	2,435
—	—	—	—	—	Savings from Refunding and Other Initiatives	—	−46,324	−46,324
68,053	*5*	*−3,840*	*64,218*	*63,180*	*Total Special Purpose*	*63,240*	*28,943*	*28,943*
68,053	**5**	**−3,840**	**64,218**	**63,180**	**Total Appropriation, Department of Environmental Protection**	**63,240**	**28,943**	**28,943**

82. DEPARTMENT OF THE TREASURY
70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
76. MANAGEMENT AND ADMINISTRATION

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple-mental	Reapp. & (R)Recpts.	Transfers & (E)Emer-gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom-mended
142,005	—	10,954	152,959	149,580	Interest on Bonds	154,784	146,577	146,577
232,423	—	−7,114	225,309	225,306	Bond Redemption	223,509	9,856	9,856
374,428	—	*3,840*	*378,268*	*374,886*	*Total Appropriation*	*378,293*	*156,433*	*156,433*
					Distribution by Object			
					Special Purpose:			
					Interest:			
30	—	—	30	30	State Transportation Bonds (P.L. 1968, c. 126)	—	—	—

DEBT SERVICE

Year Ending June 30, 2004						Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recommended
50	——	——	50	50	State Mortgage Assistance Bonds (P.L. 1976, c. 94)	23	8	8
175	——	——	175	175	Institutions Construction Bonds (P.L. 1976, c.93)	68	23	23
107	——	——	107	107	Institutional Construction Bonds (P.L. 1978, c. 79)	34	12	12
902	——	−90	812	811	Transportation Rehabilitation and Improvement Bonds (P.L. 1979, c.165)	456	186	186
77	——	−11	66	66	Energy Conservation Bonds (P.L. 1980, c.68)	50	61	61
290	——	−31	259	258	Community Development Bonds (P.L. 1981, c. 486)	166	100	100
102	——	−27	75	75	Human Services Facilities Construction Bonds (P.L. 1984, c. 157)	36	22	22
106,730	——	19,221	125,951	125,951	Refunding Bonds (P.L. 1985, c.74, as amended by P.L. 1992, c. 182)	122,438	114,069	114,069
2,804	——	−509	2,295	2,294	Jobs, Education and Competitiveness Bonds (P.L. 1988, c. 78)	1,531	1,238	1,238
1,042	——	−28	1,014	1,013	Public Purpose Buildings and Community−Based Facilities Construction Bonds (P.L. 1987, c. 184)	942	888	888
1,691	——	−144	1,547	1,546	1989 Bridge Rehabilitation and Improvement and Railroad Right−of way Preservation Bonds (P.L. 1989, c. 180)	1,273	1,114	1,114
3,741	——	−251	3,490	3,490	Develop Disabil. Waiting List Reduct.& Human Serv. Bonds (P.L. 1994, c. 108)	3,006	3,294	3,294
783	——	——	783	783	Urban and Rural Centers Unsafe Buildings Demolition Bonds (P.L. 1997, c.125)	691	579	579
17,231	——	−926	16,305	12,931	Statewide Transportation and Local Bridge Bond Act of 1999 (P.L. 1999, c.181)	14,973	16,254	16,254
6,250	——	−6,250	——	——	Payments on Future Bond Sales	16,069	13,629	13,629
——	——	——	——	——	Savings from Refunding and Other Initiatives	−6,972	−4,900	−4,900
					Redemption:			
1,000	——	——	1,000	1,000	State Transportation Bonds (P.L. 1968, c. 126)	——	——	——
600	——	——	600	600	State Mortgage Assistance Bonds (P.L. 1976, c. 94)	200	200	200
1,900	——	——	1,900	1,900	Institutions Construction Bonds (P.L. 1976, c.93)	600	600	600
1,200	——	——	1,200	1,200	Institutional Construction Bonds (P.L. 1978, c. 79)	300	300	300
3,628	——	——	3,628	3,628	Transportation Rehabilitation and Improvement Bonds (P.L. 1979, c.165)	3,669	3,713	3,713
150	——	−35	115	115	Energy Conservation Bonds (P.L. 1980, c.68)	200	190	190
788	——	−15	773	773	Community Development Bonds (P.L. 1981, c. 486)	846	914	914
188	——	——	188	188	Human Services Facilities Construction Bonds (P.L. 1984, c. 157)	201	214	214
201,715	——	——	201,715	201,714	Refunding Bonds (P.L. 1985, c.74, as amended by P.L. 1992, c. 182)	188,605	167,391	167,391
4,260	——	−323	3,937	3,936	Jobs, Education and Competitiveness Bonds (P.L. 1988, c. 78)	4,683	5,002	5,002
835	——	−255	580	579	Public Purpose Buildings and Community−Based Facilities Construction Bonds (P.L. 1987, c. 184)	1,050	1,190	1,190
2,698	——	−280	2,418	2,418	1989 Bridge Rehabilitation and Improvement and Railroad Right−of−way Preservation Bonds (P.L. 1989, c. 180)	2,855	3,250	3,250

Year Ending June 30, 2004						Year Ending June 30, 2006		
Orig. & (S)Supple–mental	Reapp. & (R)Recpts.	Transfers & (E)Emer–gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom–mended
5,166	——	–941	4,225	4,225	Develop Disabil. Waiting List Reduct.& Human Serv. Bonds (P.L. 1994, c. 108)	5,775	6,823	6,823
3,030	——	——	3,030	3,030	Urban and Rural Centers Unsafe Buildings Demolition Bonds (P.L. 1997, c.125)	3,120	3,230	3,230
5,265	——	–5,265	——	——	Statewide Transportation and Local Bridge Bond Act of 1999 (P.L. 1999, c.181)	11,405	14,325	14,325
——	——	——	——	——	Savings from Refunding and Other Initiatives	——	–197,486	–197,486
374,428	——–	*3,840*	*378,268*	*374,886*	*Total Special Purpose*	*378,293*	*156,433*	*156,433*

Notes —

(a) Accrued interest paid by bondholders at time of General Obligation bond sale.

Language Recommendations —

Notwithstanding the provision of any law, rule 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 appropriated herein are allocated to the projects heretofore approved by the Legislature pursuant to those bond acts.

There are appropriated such sums as may be needed for the payment of debt service administrative costs.

Subsequent to the refunding of bonds in fiscal year 2006, the Director of the Division of Budget and Accounting is authorized to reallocate amounts appropriated hereinabove among the various debt service accounts to reflect the debt service savings of the refunding and to permit the proper debt service payments.

374,428	——	**3,840**	**378,268**	**374,886**	**Total Appropriation, Department of the Treasury**	**378,293**	**156,433**	**156,433**
442,481	**5**	——	**442,486**	**438,066**	**Grand Total, Debt Service**	**441,533**	**185,376**	**185,376**

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 any State law 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; 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 balance at the end of the preceding fiscal year of federal funds are continued for the same purposes. The Director of the Division of Budget and Accounting shall inform the Legislative Budget and Finance Officer by November 1, 2005 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, 2006, reports on proposed expenditures during fiscal year 2006 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 this 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

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, 2005 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 other provisions in this act or the provisions of any other law 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 and the Early Periodic Screening, Diagnosis and Treatment (EPSDT) 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 this 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 Fiscal Year 2006 Budget Recommendation.

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 $25,000, as shall be specified by Circular Letter.

LANGUAGE PROVISIONS

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.

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.

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 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 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 therefor, 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 provision of any other law, 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.

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 any other law 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 15% of the first $28,000,000 of federal reimbursements realized for claims submitted to the State by June 30. After federal reimbursements are realized in excess of $28,000,000, local school districts shall receive 50% of their pro rata share of federal revenues realized in excess of $28,000,000.

Notwithstanding any other law to the contrary, each local school district that participates in the Early Periodic Screening, Diagnosis and Treatment (EPSDT) initiative shall receive a percentage of the federal revenue realized for current year claims. The percentage share shall be 15% of federal reimbursements for claims submitted to 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 Fiscal Year 2007 by October 1, 2005 to the Director of the Division of Budget and Accounting and 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, 2005, and updated spending plans on February 1, and May 1, 2006. 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 the fiscal year 2006 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 herein. 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.

LANGUAGE PROVISIONS

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 against the tobacco industry and all other moneys, 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.).

Notwithstanding any other provision of law, funds derived from the sale or conveyance of any lands and buildings or proceeds from the sale of all fill material held by a department 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.

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 other law to the contrary, interest earned in fiscal 2006 on balances in the Enterprise Zone Assistance Fund, shall be credited to the General Fund.

Notwithstanding any other law to the contrary, funds may be transferred from the State Disability Benefits Fund to the General Fund during the fiscal year ending June 30, 2006, 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, subject to the approval of the Director of the Division of Budget and Accounting.

There is appropriated $800,000 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 fiscal 2006 budget submission 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 any law to the contrary, there is appropriated from the Universal Service Fund $72,468,000 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 fiscal year 2005 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 fiscal year 2006 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.

All proceeds derived from the sale of real property shall be deposited in the General Fund, and not withstanding any other law to the contrary there are appropriated from the proceeds of the sale of real property such sums as may be determined by the State Treasurer to the department which formerly owned or operated the asset for the purpose of capital improvements, purchase of equipment, or other program expenses, subject to the approval of the Director of the Division of Budget and Accounting.

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.

Amounts appropriated throughout the departments for Statewide Livable Communities, Social Services Emergency Grants, Statewide Local Domestic Preparedness Equipment Grant Program, and Local Library Grants may be transferred among those accounts subject to the approval of the Director of the Division of Budget and Accounting. No grant from any of these accounts shall exceed $200,000 except in the case of grants awarded to two or more cooperating recipients, in which case the maximum grant shall not exceed $200,000 per recipient.

The unexpended balances at the end of the preceding fiscal year for the Statewide Livable Communities, Social Services Emergency Grants, Statewide Local Domestic Preparedness Equipment Grant Program, Local Library Grants, Cultural Projects, and Property Tax Assistance and Community Development Grants accounts are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

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 this 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 fiscal year ending June 30, 2006 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, 2007 and that are proposed in the Governor's Budget Recommendation Document for the fiscal year ending June 30, 2007, shall be transferred between appropriate accounts subject to the approval of the Director of the Division of Budget and Accounting.

To the extent that receipts collected pursuant to fee provisions in P.L.2004 c.89, do not total $20,000,000, there is appropriated from the General Fund additional funds, which together with such receipts shall not exceed $20,000,000, for costs associated with P.L. 2004, c.89, of the Department of Community Affairs, the Department of Environmental Protection, the Department of Transportation, and the Office of Administrative Law, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding any other law or regulation to the contrary, there is appropriated from the State of New Jersey Cash Management Fund reserve fund such amounts as are necessary for the State Treasurer to return funds held on behalf of participating governmental units other than the State Government to those units that receive monies from appropriations made in this act. Funds attributable to participants in the reserve fund that do not receive State appropriations in the act shall continue to be held in the reserve fund.

There is appropriated from the General Fund to the Department of the Treasury such amount as is necessary to purchase a surety bond to cover the proportionate share of losses of the "Other-than-State" participants of the State of New Jersey Cash Management Fund in the event of certain losses which could be incurred by the fund.

Notwithstanding the provisions of P.L. 2000, c.12, or any other law to the contrary, there is appropriated $10,500,000 from the Tobacco Settlement Fund for transfer to the General Fund as State revenue.

This act shall take effect July 1, 2005.

Revolving Funds

The Revolving Fund section consists of programs or agencies which receive no direct appropriations, but instead, operate from fees charged to other State agencies for services or commodities.



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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
State Use				
Average number of jobs for inmates	1,525	1,525	1,525	1,526
Inmates assigned during year	3,000	3,300	3,300	3,300
Number of				
Shops and Offices	38	40	39	39
Product items	2,000	2,000	2,000	2,000
Sales	19,973,221	19,814,000	21,400,000	22,600,000
PERSONNEL DATA				
Position Data				
All Other	160	163	170	163

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September.

The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					Distribution by Program				
---	22,545	---	22,545	21,081	State Use	06	18,879	18,879	18,879
---	*22,545*	---	*22,545*	*21,081*	*Total Appropriation*[a]		*18,879*	*18,879*	*18,879*
					Distribution by Object				
					Personal Services:				
---	---	---	---	7,653	Salaries and Wages		8,527	8,053	8,053
---	---	---	---	*7,653*	*Total Personal Services*		*8,527*	*8,053*	*8,053*
---	---	---	---	10,705	Materials and Supplies		7,427	8,109	8,109
---	---	---	---	1,366	Services Other Than Personal		1,650	1,650	1,650
---	---	---	---	1,011	Maintenance and Fixed Charges		785	785	785
					Special Purpose:				
---	2,731 19,814[R]	---	22,545	---	State Use	06	---	---	---
---	*22,545*	---	*22,545*	---	*Total Special Purpose*		---	---	---
---	---	---	---	346	Additions, Improvements and Equipment		490	282	282

Notes --

(a) Fiscal data adjusted to reflect accounting adjustments.

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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Farm Operations				
Inmates assigned	475	475	465	465
Value of farm products	10,200,000	10,512,000	10,600,000	10,700,000
Whole milk (quarts)	6,300,000	6,400,000	6,450,000	6,450,000
Low fat milk (1/2 pints)	7,900,000	8,100,000	8,100,000	8,150,000
Beef (pounds)	2,560,000	2,640,000	2,640,000	2,680,000
Pork (pounds)	211,500	224,500	256,000	256,000
Turkey processing (pounds)	750,000	800,000	800,000	830,000
Vegetable processing (pounds)	5,040,000	5,168,000	5,200,000	5,200,000
Fruit Drink (1/2 pints)	274,000	284,000	284,000	284,000
PERSONNEL DATA				
Position Data				
All Other	50	54	56	52

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September.

The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					Distribution by Program				
---	11,749	---	11,749	11,548	Farm Operations	20	10,318	10,500	10,500
---	*11,749*	---	*11,749*	*11,548*	*Total Appropriation*[a]		*10,318*	*10,500*	*10,500*
					Distribution by Object				
					Personal Services:				
---	---	---	---	2,782	Salaries and Wages		2,765	2,805	2,805
---	---	---	---	*2,782*	*Total Personal Services*		*2,765*	*2,805*	*2,805*
---	---	---	---	6,795	Materials and Supplies		5,986	6,390	6,390
---	---	---	---	580	Services Other Than Personal		567	572	572
---	---	---	---	1,064	Maintenance and Fixed Charges		665	595	595
					Special Purpose:				
---	1,237 10,512[R]	---	11,749	---	Farm Operations	20	---	---	---
---	*11,749*	---	*11,749*	---	*Total Special Purpose*		---	---	---
---	---	---	---	327	Additions, Improvements and Equipment		335	138	138

Notes --

(a) 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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Position Data				
All Other	85	95	102	99

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September.
The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					Distribution by Program				
---	15,751	---	15,751	12,132	Laboratory Services	08	9,200	10,530	10,530
---	*15,751*	---	*15,751*	*12,132*	*Total Appropriation*		*9,200*	*10,530*	*10,530*
					Distribution by Object				
					Personal Services:				
---	---	---	---	4,933	Salaries and Wages		4,110	4,110	4,110
---	---	---	---	695	Employee Benefits		683	767	767
---	---	---	---	*5,628*	*Total Personal Services*		*4,793*	*4,877*	*4,877*
---	---	---	---	4,202	Materials and Supplies		3,300	4,202	4,202
---	---	---	---	788	Services Other Than Personal		494	788	788
---	---	---	---	305	Maintenance and Fixed Charges		276	326	326
					Special Purpose:				
	3,272								
---	12,479R	---	15,751	---	Laboratory Services	08	---	---	---
---	---	---	---	268	Other Special Purpose		286	286	286
---	*15,751*	---	*15,751*	*268*	*Total Special Purpose*		*286*	*286*	*286*
					Grants:				
---	---	---	---	914	Laboratory Services	08	---	---	---
---	---	---	---	*914*	*Total Grants*		---	---	---
---	---	---	---	27	Additions, Improvements and Equipment		51	51	51

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.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					Distribution by Program				
---	6,169	---	6,169	6,169	Income Maintenance Management	15	7,174	6,825	6,825
---	*6,169*	---	*6,169*	*6,169*	*Total Appropriation*		*7,174*	*6,825*	*6,825*
					Distribution by Object				
---	114 6,055R	---	6,169	6,169	Services Other Than Personal		7,174	6,825	6,825

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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Position Data				
All Other	21	19	17	18

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and Revised fiscal year 2005 as of September.
The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					Distribution by Program				
---	1,714	13	1,727	1,421	Public Information Services	04	1,293	1,293	1,293
---	*1,714*	*13*	*1,727*	*1,421*	*Total Appropriation*		*1,293*	*1,293*	*1,293*
					Distribution by Object				
					Personal Services:				
---	---	---	---	1,190	Salaries and Wages		1,210	1,220	1,220

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
---	---	---	---	*1,190*	*Total Personal Services*		*1,210*	*1,220*	*1,220*
---	---	---	---	89	Materials and Supplies		33	27	27
---	---	13	13	102	Services Other Than Personal		40	40	40
---	---	---	---	10	Maintenance and Fixed Charges		10	6	6
					Special Purpose:				
---	284 1,430R	---	1,714	---	Public Information Services	04	---	---	---
---	*1,714*	---	*1,714*	---	*Total Special Purpose*		---	---	---
---	---	---	---	30	Additions, Improvements and Equipment		---	---	---

82. DEPARTMENT OF THE TREASURY
70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
74. GENERAL GOVERNMENT SERVICES
2034. OFFICE OF INFORMATION TECHNOLOGY

The Office of Information Technology (OIT), in-but-not-of the Department of Treasury, was created by Executive Order No.87 on September 4, 1998. Under the direction of the Chief Information Officer and with oversight by a public and private sector board, the OIT assumed all the responsibilities of the former Office of Telecommunications and Information Systems. The OIT 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 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. OIT also supports 362 Enhanced-911 Public Safety Answering Points throughout the State of New Jersey.

OIT currently maintains two major data centers and expects to expand in fiscal 2006 to three data centers with opening of the Office of Information Technology Availability and Recovery Site (OARS). Within these major data centers OIT maintains two IMB mainframes and one Bull mainframe.

The fiscal data displayed below reflects the authorized spending level for the OIT. The amount appropriated for the Office of Information Technology is distributed directly to State user agencies from a combination of State, federal and dedicated (i.e., All Other Fund) resources. State user agencies reimburse OIT for information processing services provided.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Office of Information Technology				
Computer Resources				
Mainframe Environment				
Relative Processing Speed (MIPS)	1,425	1,760	1,960	2,550
Server Environment				
UNIX Environment	144	135	170	400
Other Environments	164	120	190	400
OIT Hosted/Client Supported (Combined)	31	30	50	75
Telecommunications Infrastructure				
Data Network (Garden State Network)				
Router Infrastructure (Central Location)	50	56	60	70
Router Infrastructure (Distributed Locations)	1,517	1,573	1,835	1,900
Client Locations Supported	2,007	2,203	1,625	1,500
Data Lines	2,416	2,439	2,682	2,077
State Access to the Internet (Bandwidth in Mbs)	180	180	225	270
Access for Local Government				
Drops Supported (SNA Circuits)	5,100	8,010	3,630	3,072
Drops Supported (IP Circuits)	21,048	15,110	19,100	19,632

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Voice Network				
Voice Lines Supported	82,110	83,000	84,575	86,266
Voice Devices Supported	103,000	94,619	106,090	107,781
Other				
Cell Phones Supported	4,967	4,533	9,000	12,000
Production Services and User Support				
Transactions				
On-line Transactions (Millions)	1,951	2,034	2,170	2,210
Checks Produced (Millions)	22	20	22	23
User Support				
User Logon ID's (Mainframe only)	85,000	90,000	95,000	95,000
User Calls to the Help Desk (Network Call Center)	82,747	120,000	120,000	140,000
Applications Development and Maintenance				
Internet, Legacy and Client/Server	411	439	425	433
Under Development	46	51	57	60
Maintenance Mode	365	388	368	373
E-Government				
Directory Services	150,000	500,000	750,000	750,000
Digital Certificates	10,000	65,000	65,000	65,000
Geographic Information System				
Under Development	7	10	7	10
Maintenance Mode	8	13	8	13
Web Site				
Under Development	130	125	85	95
Maintenance Mode	47	50	75	85
OIT Supported Web Pages (Thousands)	82	250	260	270
Page View (Millions)	172	221	342	425
Data Management Service Applications (a)				
Under Development	--- (b)	--- (b)	29	33
Maintenance Mode	--- (b)	--- (b)	10	30
Total Applications	--- (b)	--- (b)	39	63
Data Warehouse Growth-in Gigabytes	--- (b)	--- (b)	970	1,400
ADM-Client Applications Supported				
Agriculture	1	1	1	3
Banking and Insurance	13	14	14	14
Community Affairs	28	30	28	30
Corrections	6	5	6	5
Education	5	5	4	5
Environmental Protection	14	11	13	14
Health	20	22	23	23
Human Services	57	59	50	50
Labor	32	34	31	34
Law & Public Safety	38	35	35	33
Personnel	9	10	10	10
Transportation	102	89	80	80
Treasury	109	118	119	119
Other	6	6	11	13
Total	440	439	425	433
PERSONNEL DATA				
Position Data				
All Other (c)	937	929	936	954

Notes:

(a) New data category

(b) Data not available

(c) Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimates for fiscal year 2006 reflect the number of positions funded.

DISTRIBUTION BY AGENCY	General Fund	Federal Funds	All Other Funds	Grand Total
Agriculture	39	---	---	39
Banking and Insurance	655	---	---	655
Chief Executive Office	54	---	---	54
Community Affairs	1,414	435	---	1,849
Corrections	1,747	---	11	1,758
Education	202	73	7	282
Environmental Protection	328	---	---	328
Health	451	75	216	742
Human Services	5,347	15,888	3,905	25,140
Labor	2,443	11,146	---	13,589
Law and Public Safety	9,071	---	297	9,368
Military and Veteran's Affairs	247	---	---	247
Personnel	1,376	---	---	1,376
State	102	86	32	220
Transportation	4,189	---	8,875	13,064
Treasury	29,424	---	566	29,990
Total Executive Branch	57,089	27,703	13,909	98,701
Legislature	49	---	---	49
Judiciary	260	---	---	260
Total Recommended	57,398	27,703	13,909	99,010

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004							Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					Distribution by Program				
---	115,929	1,200	117,129	101,737	Office of Information Technology	40	98,178	99,010	99,010
---	*115,929*	*1,200*	*117,129*	*101,737*	*Total Appropriation*		*98,178*[a]	*99,010*	*99,010*
					Distribution by Object				
					Personal Services:				
---	---	---	---	62,504	Salaries and Wages		64,417	65,249	65,249
---	---	---	---	*62,504*	*Total Personal Services*		*64,417*	*65,249*	*65,249*
---	---	---	---	1,038	Materials and Supplies		1,330	1,330	1,330
---	---	---	---	34,260	Services Other Than Personal		30,169	30,169	30,169
---	192[R]	---	192	340	Maintenance and Fixed Charges		192	192	192
					Special Purpose:				
---	4,997 99,938[R]	---	104,935	---	Office of Information Technology	40	---	---	---
---	216	---	216	---	GovConnect–Government to Government Network	40	---	---	---
---	*105,151*	---	*105,151*	---	*Total Special Purpose*		---	---	---
---	6,327 4,259[R]	1,200	11,786	3,595	Additions, Improvements and Equipment		2,070	2,070	2,070

Notes --

(a) The fiscal year 2005 appropriation reflects the estimated reimbursement from client agencies including $4,000,000 that will be transferred from various Office of Information Technology accounts to the Employee Benefits accounts in accordance with the provisions set forth in the FY 2005 Appropriations Act (P.L. 2004, c.71).

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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Automotive Services				
Vehicles				
Central Motor Pool Maintained (a)	6,886	6,825	7,163	7,700
Agency Assignment (b)	7,570	8,030	8,131	8,131
Mechanic Personnel	44	49	49	54
PERSONNEL DATA				
Position Data				
All Other	102	107	106	112

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and Revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 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. The fiscal 2005 and 2006 increase is a result of the Child Welfare Initiative.

(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, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					Distribution by Program				
---	20,760	-1,620	19,140	18,228	Automotive Services	41	19,558	19,558	19,558
---	*20,760*	*-1,620*	*19,140*	*18,228*	*Total Appropriation*		*19,558*	*19,558*	*19,558*
					Distribution by Object				
					Personal Services:				
---	---	---	---	5,230	Salaries and Wages		5,448	5,702	5,702
---	---	---	---	*5,230*	*Total Personal Services*		*5,448*	*5,702*	*5,702*
---	---	---	---	6,877	Materials and Supplies		6,693	6,593	6,593
---	---	---	---	806	Services Other Than Personal		1,037	1,037	1,037
---	---	---	---	5,315	Maintenance and Fixed Charges		6,050	5,896	5,896
					Special Purpose:				
---	3,788 16,639[R]	-1,320	19,107	---	Automotive Services	41	---	---	---
---	18 12[R]	---	30	---	Central Motor Pool Indirect Cost Recoveries	41	---	---	---
---	303	-300	3	---	Vehicle Escrow	41	---	---	---
---	*20,760*	*-1,620*	*19,140*	---	*Total Special Purpose*		---	---	---
---	---	---	---	---	Additions, Improvements and Equipment		330	330	330

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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Printing Services				
Orders processed	6,288	6,685	6,800	7,000
Pages printed	56,560,907	52,193,393	54,000,000	55,000,000
Metal offset plates	538	636	675	700
Sheets collated (a)	1,019,816	560,519	900,000	1,000,000
Items bound, padded and punched	15,820,400	10,954,513	12,000,000	12,000,000
PERSONNEL DATA				
Position Data				
All Other	30	29	30	30

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and Revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 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, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					Distribution by Program				
---	2,059	---	2,059	2,051	Printing Services	43	2,324	2,324	2,324
---	*2,059*	*---*	*2,059*	*2,051*	*Total Appropriation*		*2,324*	*2,324*	*2,324*
					Distribution by Object				
					Personal Services:				
---	---	---	---	1,133	Salaries and Wages		1,188	1,320	1,320
---	---	---	---	*1,133*	*Total Personal Services*		*1,188*	*1,320*	*1,320*
---	---	---	---	537	Materials and Supplies		695	667	667
---	---	---	---	99	Services Other Than Personal		100	64	64
---	---	---	---	123	Maintenance and Fixed Charges		291	173	173
					Special Purpose:				
	107								
---	1,943[R]	---	2,050	---	Printing Services	43	---	---	---
---	9	---	9	---	Indirect Cost Recovery (Print Shop)	43	---	---	---
---	*2,059*	---	*2,059*	---	*Total Special Purpose*		---	---	---
---	---	---	---	159	Additions, Improvements and Equipment		50	100	100

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.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Purchasing and Inventory Management				
Sales	$53,788,193	$53,179,477	$53,000,000	$53,000,000
Value of inventory, June 30	$4,035,884	$4,024,841	$4,025,000	$4,025,000
% of Demand ($) Delivered	97%	95%	96%	97%
PERSONNEL DATA				
Position Data				
All Other	75	73	70	73

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and Revised fiscal year 2005 as of September.
The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					Distribution by Program				
---	51,005	---	51,005	52,256	Purchasing and Inventory Management[a]	09	55,941	55,941	55,941
---	*51,005*	*---*	*51,005*	*52,256*	*Total Appropriation*		*55,941*	*55,941*	*55,941*
					Distribution by Object				
					Personal Services:				
---	---	---	---	3,103	Salaries and Wages		3,316	3,279	3,279
---	---	---	---	*3,103*	*Total Personal Services*		*3,316*	*3,279*	*3,279*
---	---	---	---	272	Materials and Supplies		182	182	182
---	---	---	---	561	Services Other Than Personal		388	388	388
---	---	---	---	350	Maintenance and Fixed Charges		332	332	332
					Special Purpose:				
---	124 50,881[R]	---	51,005	---	State Purchase Fund	09	51,461	51,498	51,498
---	---	---	---	47,947	Other Special Purpose		---	---	---
---	*51,005*	---	*51,005*	*47,947*	*Total Special Purpose*		*51,461*	*51,498*	*51,498*
---	---	---	---	23	Additions, Improvements and Equipment		262	262	262

Notes --

(a) Expenditure data reflects a delay in receiving receipts from departments for items ordered on their behalf.

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 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Position Data				
All Other	42	44	45	45

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and Revised fiscal year 2005 as of September.
The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004								Year Ending June 30, 2006	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
					Distribution by Program				
---	6,170	---	6,170	4,067	Property Management and Construction - Construction Management Services	12	6,738	6,738	6,738
---	*6,170*	---	*6,170*	*4,067*	*Total Appropriation*		*6,738*	*6,738*	*6,738*
					Distribution by Object				
					Personal Services:				
---	---	---	---	3,166	Salaries and Wages		3,205	3,261	3,261
---	---	---	---	*3,166*	*Total Personal Services*		*3,205*	*3,261*	*3,261*
---	---	---	---	133	Materials and Supplies		132	75	75
---	---	---	---	712	Services Other Than Personal		333	352	352
---	---	---	---	46	Maintenance and Fixed Charges		68	50	50
					Special Purpose:				
---	165 2,598[R]	---	2,763	---	Property Management and Construction - Construction Management Services	12	---	---	---
---	2,621 786[R]	---	3,407	---	Escrow - Construction Management Services	12	3,000	3,000	3,000
---	*6,170*	---	*6,170*	---	*Total Special Purpose*		*3,000*	*3,000*	*3,000*
---	---	---	---	10	Additions, Improvements and Equipment		---	---	---

Appendices



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		
	2004 Actual	2005 Estimated	2006 Estimated
Fund Balance July 1	6,948,829	4,952,490	4,565,014
Total Revenues	6,073,905	5,975,795	6,421,475
Other Financing Sources			
Proceeds from sale of bonds	215,000	2,302,532	127,200
Transfers from other funds	146,591	429,008	932,052
Other	6,688	88,736	0
Total Other Financing Sources	368,279	2,820,276	1,059,252
Total Available	13,391,013	13,748,561	12,045,741
Total Expenditures	5,151,585	5,343,948	5,052,303
Other Financing Uses			
Transfers to other funds	3,286,938	3,839,599	1,945,432
Total Other Financing Uses	3,286,938	3,839,599	1,945,432
Total Expenditures and Other Financing Uses	8,438,523	9,183,547	6,997,735
Fund Balance June 30	**4,952,490**	**4,565,014**	**5,048,006**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Alcohol Education, Rehabilitation and Enforcement Fund (P.L. 1983, c.531)			
Fund Balance July 1	4,686	5,396	4,935
Revenues			
Taxes	11,000	11,000	11,000
Licenses and fees	1,994	2,010	2,000
Investment earnings	71	70	65
Total Revenues	13,065	13,080	13,065
Total Available	17,751	18,476	18,000
Expenditures			
Public safety and criminal justice	1,667	1,661	1,661
Physical and mental health	9,031	9,942	10,720
Total Expenditures	10,698	11,603	12,381
Other Financing Uses			
Transfers to other funds	1,657	1,938	2,000
Total Other Financing Uses	1,657	1,938	2,000
Total Expenditures and Other Financing Uses	12,355	13,541	14,381
Fund Balance June 30	**5,396**	**4,935**	**3,619**
Atlantic City Parking Fees Fund (P.L. 1993, c.159)			
Fund Balance July 1	1,409	1,452	1,467
Revenues			
Taxes	34,523	38,000	38,000
Investment earnings	15	15	15
Total Revenues	34,538	38,015	38,015
Total Available	35,947	39,467	39,482
Expenditures			
Economic planning, development and security	34,495	19,000	19,000
Total Expenditures	34,495	19,000	19,000
Other Financing Uses			
Transfers to other funds	--	19,000	19,000
Total Other Financing Uses	--	19,000	19,000
Total Expenditures and Other Financing Uses	34,495	38,000	38,000
Fund Balance June 30	**1,452**	**1,467**	**1,482**
Atlantic City Tourism Promotion Fund (P.L. 1991, c.376)			
Fund Balance July 1	750	753	756
Revenues			
Taxes	11,386	11,000	11,000
Investment earnings	3	3	3
Total Revenues	11,389	11,003	11,003
Total Available	12,139	11,756	11,759
Expenditures			
Economic planning, development and security	11,386	11,000	11,000
Total Expenditures	11,386	11,000	11,000
Fund Balance June 30	**753**	**756**	**759**

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SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Beaches and Harbors Fund (P.L. 1977, c.208)			
Fund Balance July 1	1,352	1,352	1,352
Revenues			
Investment Earnings	14	15	15
Total Revenues	14	15	15
Total Available	1,366	1,367	1,367
Other Financing Uses			
Transfers to other funds	14	15	15
Total Other Financing Uses	14	15	15
Fund Balance June 30	**1,352**	**1,352**	**1,352**
Boarding House Rental Assistance Fund (P.L. 1981, c.515)			
Fund Balance July 1	378	463	66
Revenues			
Investment earnings	6	3	--
Other	79	--	--
Total Revenues	85	3	--
Total Available	463	466	66
Expenditures			
Community development and environmental management	--	400	50
Total Expenditures	--	400	50
Fund Balance June 30	**463**	**66**	**16**
Body Armor Replacement Fund (P.L. 1997, c. 177)			
Fund Balance July 1	6,330	6,048	6,278
Revenues			
Investment earnings	58	77	79
Other	4,282	4,265	4,287
Total Revenues	4,340	4,342	4,366
Total Available	10,670	10,390	10,644
Expenditures			
Public safety and criminal justice	4,112	3,637	3,655
Government direction, management, and control	435	400	400
Total Expenditures	4,547	4,037	4,055
Other Financing Uses			
Transfers to other funds	75	75	75
Total Other Financing Uses	75	75	75
Total Expenditures and Other Financing Uses	4,622	4,112	4,130
Fund Balance June 30	**6,048**	**6,278**	**6,514**
Capital City Redevelopment Loan and Grant Fund (P.L. 1987, c.58)			
Fund Balance July 1	1,881	1,788	1,446
Revenues			
Investment earnings	10	24	19
Other	8	12	12
Total Revenues	18	36	31
Total Available	1,899	1,824	1,477
Other Financing Uses			
Transfers to other funds	111	378	378
Total Other Financing Uses	111	378	378
Fund Balance June 30	**1,788**	**1,446**	**1,099**

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APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Casino Simulcasting Fund (P.L. 1992, c.19)			
Fund Balance July 1	142	158	265
Revenues			
Investment earnings	14	7	8
Other	702	700	700
Total Revenues	716	707	708
Total Available	858	865	973
Other Financing Uses			
Transfers to other funds	700	600	800
Total Other Financing Uses	700	600	800
Fund Balance June 30	**158**	**265**	**173**
Casino Simulcasting Special Fund (P.L. 1992, c.19)			
Fund Balance July 1	2,131	4,965	7,525
Revenues			
Investment earnings	42	60	96
Other	6,658	6,500	6,500
Total Revenues	6,700	6,560	6,596
Total Available	8,831	11,525	14,121
Expenditures			
Public safety and criminal justice	3,866	4,000	4,000
Total Expenditures	3,866	4,000	4,000
Fund Balance June 30	**4,965**	**7,525**	**10,121**
Catastrophic Illness in Children Relief Fund (P.L. 1987, c.370)			
Fund Balance July 1	13,395	3,836	2,988
Revenues			
Services and assessments	5,340	5,900	5,900
Investment earnings	89	75	50
Total Revenues	5,429	5,975	5,950
Other Financing Sources			
Transfers from other funds	--	3,000	--
Total Other Financing Sources	--	3,000	--
Total Available	18,824	12,811	8,938
Expenditures			
Physical and mental health	111	98	100
Government direction, management, and control	6,751	8,200	7,380
Total Expenditures	6,862	8,298	7,480
Other Financing Uses			
Transfers to other funds	8,126	1,525	1,455
Total Other Financing Uses	8,126	1,525	1,455
Total Expenditures and Other Financing Uses	14,988	9,823	8,935
Fund Balance June 30	**3,836**	**2,988**	**3**

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SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Cigarette Tax Securitization Fund (P.L. 2004, c.68)			
Fund Balance July 1	--	--	--
Other Financing Sources			
Proceeds from sale of bonds	--	1,461,030	--
Others --	25,109	--	
Total Other Financing Sources	--	1,486,139	--
Total Available	--	1,486,139	--
Expenditures			
Government direction, management, and control	--	296,139	--
Total Expenditures	--	296,139	--
Other Financing Uses			
Transfers to other funds	--	1,190,000	--
Total Other Financing Uses	--	1,190,000	--
Total Expenditures and Other Financing Uses	--	1,486,139	--
Fund Balance June 30	--	--	--
Clean Communities Account Fund (P.L. 1985, c.533)			
Fund Balance July 1	11,325	1,596	1,663
Revenues			
Taxes	14,705	14,500	14,500
Investment earnings	48	50	50
Total Revenues	14,753	14,550	14,550
Total Available	26,078	16,146	16,213
Expenditures			
Community development and environmental management	20,757	10,858	10,858
Total Expenditures	20,757	10,858	10,858
Other Financing Uses			
Transfers to other funds	3,725	3,625	3,625
Total Other Financing Uses	3,725	3,625	3,625
Total Expenditures and Other Financing Uses	24,482	14,483	14,483
Fund Balance June 30	**1,596**	**1,663**	**1,730**
Clean Energy Fund (P.L. 1999, c.23)			
Fund Balance July 1	--	--	--
Revenues			
Services and assessments	--	165,498	152,946
Total Revenues	--	165,498	152,946
Total Available	--	165,498	152,946
Expenditures			
Government direction, management, and control	--	165,498	152,946
Total Expenditures	--	165,498	152,946
Fund Balance June 30	--	--	--

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APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Clean Waters Fund (P.L. 1976, c.92)			
Fund Balance July 1	1,990	1,933	1,833
Revenues			
Investment earnings	22	15	10
Total Revenues	22	15	10
Other Financing Sources			
Proceeds from sale of bonds	--	2,000	--
Total Other Financing Sources	--	2,000	--
Total Available	2,012	3,948	1,843
Expenditures			
Community development and environmental management	57	2,100	100
Total Expenditures	57	2,100	100
Other Financing Uses			
Transfers to other funds	22	15	10
Total Other Financing Uses	22	15	10
Total Expenditures and Other Financing Uses	79	2,115	110
Fund Balance June 30	**1,933**	**1,833**	**1,733**
Cultural Centers and Historic Preservation Fund (P.L. 1987, c.265)			
Fund Balance July 1	(1,505)	(2,471)	2,283
Revenues			
Investment earnings	48	50	30
Total Revenues	48	50	30
Other Financing Sources			
Proceeds from sale of bonds	--	6,000	--
Total Other Financing Sources	--	6,000	--
Total Available	(1,457)	3,579	2,313
Expenditures			
Educational, cultural, and intellectual development	559	--	--
Economic planning, development and security	231	1,021	1,000
Government direction, management, and control	32	--	--
Total Expenditures	822	1,021	1,000
Other Financing Uses			
Transfers to other funds	192	275	255
Total Other Financing Uses	192	275	255
Total Expenditures and Other Financing Uses	1,014	1,296	1,255
Fund Balance June 30	**(2,471)**	**2,283**	**1,058**
2003 Dam, Lake, and Stream Project Revolving Loan Fund (P.L. 2003, c.162)			
Fund Balance July 1	--	--	--
Revenues			
Investment earnings	--	--	300
Total Revenues	--	--	300
Other Financing Sources			
Proceeds from sale of bonds	--	--	75,000
Total Other Financing Sources	--	--	75,000
Total Available	--	--	75,300
Fund Balance June 30	--	--	**75,300**

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APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
2003 Dam, Lake, Stream, and Flood Control Project Fund (P.L. 2003, c.162)			
Fund Balance July 1	--	--	--
Revenues			
Investment earnings	--	--	150
Total Revenues	--	--	150
Other Financing Sources			
Proceeds from sale of bonds	--	--	30,000
Total Other Financing Sources	--	--	30,000
Total Available	--	--	30,150
Other Financing Uses			
Transfers to other funds	--	--	150
Total Other Financing Uses	--	--	150
Fund Balance June 30	--	--	**30,000**
1992 Dam Restoration and Clean Water Fund (P.L. 1992, c. 88)			
Fund Balance July 1	15,582	15,901	15,627
Revenues			
Investment earnings	75	224	224
Other	245	502	482
Total Revenues	320	726	706
Total Available	15,902	16,627	16,333
Expenditures			
Community development and environmental management	1	1,000	1,000
Total Expenditures	1	1,000	1,000
Fund Balance June 30	**15,901**	**15,627**	**15,333**
1989 Development Potential Bank Transfer Fund (P.L. 1989, c. 183)			
Fund Balance July 1	3,356	6,443	4,323
Revenues			
Investment earnings	44	80	48
Total Revenues	44	80	48
Other Financing Sources			
Proceeds from sale of bonds	3,000	--	--
Other	117	--	--
Total Other Financing Sources	3,117	--	--
Total Available	6,517	6,523	4,371
Expenditures			
Community development and environmental management	--	2,000	2,000
Total Expenditures	--	2,000	2,000
Other Financing Uses			
Transfers to other funds	74	200	200
Total Other Financing Uses	74	200	200
Total Expenditures and Other Financing Uses	74	2,200	2,200
Fund Balance June 30	**6,443**	**4,323**	**2,171**

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APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Developmental Disabilities Waiting List Reduction Fund (P.L. 1994, c. 108)			
Fund Balance July 1	18,381	28,252	14,424
Revenues			
Investment earnings	354	384	166
Total Revenues	354	384	166
Other Financing Sources			
Proceeds from sale of bonds	14,000	--	1,000
Other	428	--	--
Total Other Financing Sources	14,428	--	1,000
Total Available	33,163	28,636	15,590
Expenditures			
Public safety and criminal justice	217	--	--
Educational, cultural and intellectual management	3,819	13,400	15,000
Government direction, management and control	521	428	--
Total Expenditures	4,557	13,828	15,000
Other Financing Uses			
Transfers to other funds	354	384	166
Total Other Financing Uses	354	384	166
Total Expenditures and Other Financing Uses	4,911	14,212	15,166
Fund Balance June 30	**28,252**	**14,424**	**424**
Division of Motor Vehicles Surcharge Fund (P.L.1994, c. 57)			
Fund Balance July 1	6,852	101	100
Revenues			
Services and assessments	136,529	130,000	130,000
Investment earnings	104	118	103
Total Revenues	136,633	130,118	130,103
Total Available	143,485	130,219	130,203
Expenditures			
Public safety and criminal justice	6,202	3,000	3,000
Government direction, management and control	137,182	127,119	127,103
Total Expenditures	143,384	130,119	130,103
Fund Balance June 30	**101**	**100**	**100**

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SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Dredging and Containment Facility Fund (P.L. 1996, c.70)			
Fund Balance July 1	10,094	48,958	40,027
Revenues			
Investment earnings	317	666	498
Total Revenues	317	666	498
Other Financing Sources			
Proceeds from sale of bonds	38,000	--	--
Others 1,478	--	--	
Total Other Financing Sources	39,478	--	--
Total Available	49,889	49,624	40,525
Expenditures			
Community development and environmental management	314	1,000	1,000
Transportation programs	348	6,556	9,179
Government direction, management, and control	--	1,478	--
Total Expenditures	662	9,034	10,179
Other Financing Uses			
Transfers to other funds	269	563	563
Total Other Financing Uses	269	563	563
Total Expenditures and Other Financing Uses	931	9,597	10,742
Fund Balance June 30	**48,958**	**40,027**	**29,783**
Drinking Water State Revolving Fund (P.L. 1998, c.84)			
Fund Balance July 1	97,822	123,534	146,461
Revenues			
Federal and other grants	23,107	19,116	19,116
Investment earnings	561	681	575
Total Revenues	23,668	19,797	19,691
Other Financing Sources			
Transfers from other funds	6,081	6,308	5,000
Total Other Financing Sources	6,081	6,308	5,000
Total Available	127,571	149,639	171,152
Other Financing Uses			
Transfers to other funds	4,037	3,178	2,852
Total Other Financing Uses	4,037	3,178	2,852
Fund Balance June 30	**123,534**	**146,461**	**168,300**
1996 Economic Development Site Fund (P.L. 1996, c.70)			
Fund Balance July 1	5,984	6,959	5,454
Revenues			
Investment earnings	16	34	13
Total Revenues	16	34	13
Other Financing Sources			
Proceeds from sale of bonds	1,000	2,000	1,000
Other	39	--	--
Total Other Financing Sources	1,039	2,000	1,000
Total Available	7,039	8,993	6,467
Expenditures			
Economic planning, development, and security	--	3,500	1,000
Government direction, management, and control	80	39	--
Total Expenditures	80	3,539	1,000
Fund Balance June 30	**6,959**	**5,454**	**5,467**

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APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Emergency Flood Control Fund (P.L. 1978, c.78)			
Fund Balance July 1	353	353	353
Revenues			
Investment earnings	4	5	5
Total Revenues	4	5	5
Total Available	357	358	358
Other Financing Uses			
Transfers to other funds	4	5	5
Total Other Financing Uses	4	5	5
Fund Balance June 30	**353**	**353**	**353**
Emergency Medical Technician Training Fund (P.L. 1992, c.143)			
Fund Balance July 1	8,703	7,574	6,376
Revenues			
Services and assessments	2,179	2,000	2,000
Investment earnings	90	115	94
Total Revenues	2,269	2,115	2,094
Total Available	10,972	9,689	8,470
Expenditures			
Physical and mental health	3,291	3,000	3,000
Total Expenditures	3,291	3,000	3,000
Other Financing Uses			
Transfers to other funds	107	313	294
Total Other Financing Uses	107	313	294
Total Expenditures and Other Financing Uses	3,398	3,313	3,294
Fund Balance June 30	**7,574**	**6,376**	**5,176**
Emergency Services Fund (N.J.S.A. 52:14E–5)			
Fund Balance July 1	11,302	10,473	12,866
Revenues			
Investment earnings	124	173	132
Total Revenues	124	173	132
Other Financing Sources			
Transfers from other funds	--	5,000	--
Total Other Financing Sources	--	5,000	--
Total Available	11,426	15,646	12,998
Expenditures			
Public safety and criminal justice	800	1,850	6,380
Community development and environmental management	153	930	1,700
Total Expenditures	953	2,780	8,080
Other Financing Uses			
Transfers to other funds	--	--	--
Total Other Financing Uses	--	--	--
Total Expenditures and Other Financing Uses	953	2,780	8,080
Fund Balance June 30	**10,473**	**12,866**	**4,918**

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APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Enterprise Zone Assistance Fund (P.L. 1983, c.30)			
Fund Balance July 1	165,261	195,939	228,334
Revenues			
Taxes	79,921	83,000	87,375
Licenses and fees	160	200	200
Investment earnings	1,953	3,164	3,673
Total Revenues	82,034	86,364	91,248
Total Available	247,295	282,303	319,582
Expenditures			
Community development and environmental management	4,129	4,294	4,552
Economic planning, development, and security	42,074	43,757	46,382
Total Expenditures	46,203	48,051	50,934
Other Financing Uses			
Transfers to other funds	5,153	5,918	6,592
Total Other Financing Uses	5,153	5,918	6,592
Total Expenditures and Other Financing Uses	51,356	53,969	57,526
Fund Balance June 30	**195,939**	**228,334**	**262,056**
1996 Environmental Cleanup Fund (P.L. 1996, c.70)			
Fund Balance July 1	519	5,267	2,943
Revenues			
Investment earnings	16	71	34
Total Revenues	16	71	34
Other Financing Sources			
Proceeds from sale of bonds	5,000	--	--
Other	195	--	--
Total Other Financing Sources	5,195	--	--
Total Available	5,730	5,338	2,977
Expenditures			
Community development and environmental management	447	2,200	2,500
Government direction, management, and control	16	195	--
Total Expenditures	463	2,395	2,500
Fund Balance June 30	**5,267**	**2,943**	**477**
1989 Farmland Preservation Fund (P.L. 1989, c.183)			
Fund Balance July 1	197	185	144
Revenues			
Investment earnings	2	2	2
Total Revenues	2	2	2
Total Available	199	187	146
Expenditures			
Community development and environmental management	14	43	--
Total Expenditures	14	43	--
Fund Balance June 30	**185**	**144**	**146**

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APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
1992 Farmland Preservation Fund (P.L. 1992, c.88)			
Fund Balance July 1	3,219	2,182	695
Revenues			
Investment earnings	70	21	7
Total Revenues	70	21	7
Total Available	3,289	2,203	702
Expenditures			
Community development and environmental management	607	1,443	519
Total Expenditures	607	1,443	519
Other Financing Uses			
Transfers to other funds	500	65	--
Total Other Financing Uses	500	65	--
Total Expenditures and Other Financing Uses	1,107	1,508	519
Fund Balance June 30	**2,182**	**695**	**183**
1995 Farmland Preservation Bond Fund (P.L. 1995, c.204)			
Fund Balance July 1	9,587	9,396	3,913
Revenues			
Investment earnings	377	100	38
Total Revenues	377	100	38
Total Available	9,964	9,496	3,951
Expenditures			
Community development and environmental management	568	4,998	2,003
Total Expenditures	568	4,998	2,003
Other Financing Uses			
Transfers to other funds	--	585	700
Total Other Financing Uses	--	585	700
Total Expenditures and Other Financing Uses	568	5,583	2,703
Fund Balance June 30	**9,396**	**3,913**	**1,248**
Fund For Support of Free Public Schools (N.J.S.A. 18A:56-1)			
Fund Balance July 1	96,028	101,537	105,460
Revenues			
Licenses and fees	7,851	9,240	10,164
Investment earnings	941	1,370	1,370
Total Revenues	8,792	10,610	11,534
Total Available	104,820	112,147	116,994
Other Financing Uses			
Transfers to other funds	3,283	6,687	7,807
Total Other Financing Uses	3,283	6,687	7,807
Fund Balance June 30	**101,537**	**105,460**	**109,187**

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APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Garden State Farmland Preservation Trust Fund (P.L. 1999, c.152)			
Fund Balance July 1	238,753	208,766	153,176
Revenues			
Investment earnings	2,420	2,694	3,619
Other	3,110	--	--
Total Revenues	5,530	2,694	3,619
Other Financing Sources			
Transfers from other funds	27,692	28,494	262,640
Total Other Financing Sources	27,692	28,494	262,640
Total Available	271,975	239,954	419,435
Expenditures			
Community development and environmental management	61,559	85,016	84,700
Total Expenditures	61,559	85,016	84,700
Other Financing Uses			
Transfers to other funds	1,650	1,762	1,762
Total Other Financing Uses	1,650	1,762	1,762
Total Expenditures and Other Financing Uses	63,209	86,778	86,462
Fund Balance June 30	**208,766**	**153,176**	**332,973**
Garden State Green Acres Preservation Trust Fund (P.L. 1999, c.152)			
Fund Balance July 1	307,334	246,691	214,866
Revenues			
Federal and other grants	450	--	--
Investment earnings	2,798	3,435	6,283
Other	291	--	--
Total Revenues	3,539	3,435	6,283
Other Financing Sources			
Transfers from other funds	41,538	42,740	483,077
Total Other Financing Sources	41,538	42,740	483,077
Total Available	352,411	292,866	704,226
Expenditures			
Community development and environmental management	101,158	73,000	73,000
Total Expenditures	101,158	73,000	73,000
Other Financing Uses			
Transfers to other funds	4,562	5,000	5,000
Total Other Financing Uses	4,562	5,000	5,000
Total Expenditures and Other Financing Uses	105,720	78,000	78,000
Fund Balance June 30	**246,691**	**214,866**	**626,226**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Garden State Historic Preservation Trust Fund (P.L. 1999, c.152)			
Fund Balance July 1	16,903	20,473	21,377
Revenues			
Investment earnings	184	312	325
Total Revenues	184	312	325
Other Financing Sources			
Transfers from other funds	6,055	6,055	6,055
Total Other Financing Sources	6,055	6,055	6,055
Total Available	23,142	26,840	27,757
Expenditures			
Economic planning, development and security	2,357	4,846	5,020
Total Expenditures	2,357	4,846	5,020
Other Financing Uses			
Transfers to other funds	312	617	617
Total Other Financing Uses	312	617	617
Total Expenditures and Other Financing Uses	2,669	5,463	5,637
Fund Balance June 30	**20,473**	**21,377**	**22,120**
Green Trust Fund (P.L. 1983, c.354)			
Fund Balance July 1	90,740	85,960	84,360
Revenues			
Investment earnings	77	100	100
Other	1,261	1,300	1,300
Total Revenues	1,338	1,400	1,400
Total Available	92,078	87,360	85,760
Expenditures			
Community development and environmental management	6,118	3,000	3,000
Total Expenditures	6,118	3,000	3,000
Fund Balance June 30	**85,960**	**84,360**	**82,760**
Hazardous Discharge Fund of 1981 (P.L. 1981, c. 275)			
Fund Balance July 1	181	181	181
Revenues			
Investment earnings	2	3	3
Total Revenues	2	3	3
Total Available	183	184	184
Other Financing Uses			
Transfers to other funds	2	3	3
Total Other Financing Uses	2	3	3
Total Expenditures and Other Financing Uses	2	3	3
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		
	2004 Actual	2005 Estimated	2006 Estimated
Hazardous Discharge Fund of 1986 (P.L. 1986, c.113)			
Fund Balance July 1	9,989	13,379	15,612
Revenues			
Investment earnings	167	233	250
Total Revenues	167	233	250
Other Financing Sources			
Proceeds from sale of bonds	40,000	--	--
Transfers from other funds	13,113	13,000	13,000
Other	3	--	--
Total Other Financing Sources	53,116	13,000	13,000
Total Available	63,272	26,612	28,862
Expenditures			
Community development and environmental management	13,335	11,000	11,000
Government direction, management, and control	36,558	--	--
Total Expenditures	49,893	11,000	11,000
Fund Balance June 30	**13,379**	**15,612**	**17,862**
Hazardous Discharge Site Cleanup Fund (P.L. 1985, c.247)			
Fund Balance July 1	64,488	78,430	76,125
Revenues			
Services and assessments	29,294	18,895	14,500
Investment earnings	812	1,300	1,300
Total Revenues	30,106	20,195	15,800
Other Financing Sources			
Transfers from other funds	3,487	4,000	4,500
Total Other Financing Sources	3,487	4,000	4,500
Total Available	98,081	102,625	96,425
Expenditures			
Community development and environmental management	4,807	7,500	16,000
Total Expenditures	4,807	7,500	16,000
Other Financing Uses			
Transfers to other funds	14,844	19,000	19,000
Total Other Financing Uses	14,844	19,000	19,000
Total Expenditures and Other Financing Uses	19,651	26,500	35,000
Fund Balance June 30	**78,430**	**76,125**	**61,425**

APPENDIX

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Health Care Subsidy Fund (P.L. 1992, c. 160)			
Fund Balance July 1	7,023	342	2,055
Revenues			
Taxes	485,380	262,000	412,000
Services and assessments	39,900	120,000	120,000
Investment earnings	599	500	500
Total Revenues	525,879	382,500	532,500
Other Financing Sources			
Transfers from other funds	25,200	286,169	125,435
Total Other Financing Sources	25,200	286,169	125,435
Total Available	558,102	669,011	659,990
Expenditures			
Physical and mental health	20,777	44,237	32,599
Total Expenditures	20,777	44,237	32,599
Other Financing Uses			
Transfers to other funds	536,983	622,719	627,387 *
Total Other Financing Uses	536,983	622,719	627,387
Total Expenditures and Other Financing Uses	557,760	666,956	659,986
Fund Balance June 30	**342**	**2,055**	**4**
Higher Education Facility Renovation and Rehabilitation Fund (P.L. 1990, c. 126)			
Fund Balance July 1	1,278	1,058	338
Revenues			
Investment earnings	2	10	5
Total Revenues	2	10	5
Total Available	1,280	1,068	343
Expenditures			
Educational, cultural and intellectual development	222	730	324
Total Expenditures	222	730	324
Fund Balance June 30	**1,058**	**338**	**19**
1992 Historic Preservation Fund (P.L. 1992, c.88)			
Fund Balance July 1	216	61	789
Revenues			
Investment earnings	49	10	10
Total Revenues	49	10	10
Other Financing Sources			
Proceeds from sale of bonds	--	1,000	1,000
Total Other Financing Sources	--	1,000	1,000
Total Available	265	1,071	1,799
Expenditures			
Economic planning, development and security	204	282	565
Total Expenditures	204	282	565
Fund Balance June 30	**61**	**789**	**1,234**

**Note: Of the amount hereinabove for Fiscal Year 2006 $489,821,000 will be used to support Charity Care. An additional $42,609,000 for Charity Care is provided through a federal appropriation.*

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
1995 Historic Preservation Fund (P.L. 1995, c.204)			
Fund Balance July 1	782	1,137	1,200
Revenues			
Investment earnings	12	9	5
Total Revenues	12	9	5
Other Financing Sources			
Proceeds from sale of bonds	1,000	1,000	1,000
Other	39	--	--
Total Other Financing Sources	1,039	1,000	1,000
Total Available	1,833	2,146	2,205
Expenditures			
Economic planning, development and security	696	907	655
Government direction, management, and control	--	39	--
Total Expenditures	696	946	655
Fund Balance June 30	**1,137**	**1,200**	**1,550**
Historic Preservation Revolving Loan Fund (P.L. 1991, c.41)			
Fund Balance July 1	3,856	3,905	3,970
Revenues			
Investment earnings	38	53	53
Other	11	12	7
Total Revenues	49	65	60
Total Available	3,905	3,970	4,030
Fund Balance June 30	**3,905**	**3,970**	**4,030**
Horse Racing Injury Compensation Fund (P.L. 1995, c.329)			
Fund Balance July 1	4,319	4,871	5,416
Revenues			
Services and assessments	970	950	950
Investment earnings	50	70	76
Total Revenues	1,020	1,020	1,026
Total Available	5,339	5,891	6,442
Expenditures			
Public safety and criminal justice	468	475	475
Total Expenditures	468	475	475
Fund Balance June 30	**4,871**	**5,416**	**5,967**
Housing Assistance Fund (P.L. 1968, c.127)			
Fund Balance July 1	6,614	6,700	6,788
Revenues			
Investment earnings	45	47	35
Other	41	41	41
Total Revenues	86	88	76
Total Available	6,700	6,788	6,864
Expenditures			
Community development and environmental management	--	--	4,000
Total Expenditures	--	--	4,000
Fund Balance June 30	**6,700**	**6,788**	**2,864**

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STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Jobs, Education and Competitiveness Fund (P.L. 1988, c.78)			
Fund Balance July 1	7,749	6,351	2,559
Revenues			
Investment earnings	90	94	27
Other	49	--	--
Total Revenues	139	94	27
Total Available	7,888	6,445	2,586
Expenditures			
Educational, cultural and intellectual development	1,174	3,792	1,830
Government direction, management, and control	224	--	--
Total Expenditures	1,398	3,792	1,830
Other Financing Uses			
Transfers to other funds	139	94	27
Total Other Financing Uses	139	94	27
Total Expenditures and Other Financing Uses	1,537	3,886	1,857
Fund Balance June 30	**6,351**	**2,559**	**729**
Jobs, Science and Technology Fund (P.L. 1984, c.99)			
Fund Balance July 1	29	27	21
Total Available	29	27	21
Expenditures			
Educational, cultural and intellectual development	2	6	6
Total Expenditures	2	6	6
Fund Balance June 30	**27**	**21**	**15**
Korean Veterans' Memorial Fund (P.L. 1996, c.72)			
Fund Balance July 1	(1,025)	(1,021)	(1,020)
Revenues			
Federal and other grants	1	1	1
Contributions	3	--	--
Total Revenues	4	1	1
Total Available	(1,021)	(1,020)	(1,019)
Fund Balance June 30	**(1,021)**	**(1,020)**	**(1,019)**
1996 Lake Restoration Fund (P.L. 1996, c.70)			
Fund Balance July 1	2,434	2,525	2,486
Revenues			
Investment earnings	15	37	36
Other	87	24	24
Total Revenues	102	61	60
Total Available	2,536	2,586	2,546
Expenditures			
Community development and environmental management	11	100	100
Total Expenditures	11	100	100
Fund Balance June 30	**2,525**	**2,486**	**2,446**

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SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Lead Hazard Control Assistance Fund (P.L. 2003, c.311)			
Fund Balance July 1	--	2,000	7,251
Revenues			
Investment earnings	--	18	35
Other	--	583	2,800
Total Revenues	--	601	2,835
Other Financing Sources			
Transfers from other funds	2,000	10,000	10,000
Total Other Financing Sources	2,000	10,000	10,000
Total Available	2,000	12,601	20,086
Expenditures			
Community development and environmental management	--	2,350	2,700
Total Expenditures	--	2,350	2,700
Other Financing Uses			
Transfers to other funds	--	3,000	--
Total Other Financing Uses	--	3,000	--
Total Expenditures and Other Financing Uses	--	5,350	2,700
Fund Balance June 30	**2,000**	**7,251**	**17,386**
Legal Services Fund (P.L. 1996, c.52)			
Fund Balance July 1	--	--	--
Revenues			
Licenses and fees	10,409	10,410	10,410
Total Revenues	10,409	10,410	10,410
Total Available	10,409	10,410	10,410
Other Financing Uses			
Transfers to other funds	10,409	10,410	10,410
Total Other Financing Uses	10,409	10,410	10,410
Fund Balance June 30	--	--	--
Luxury Tax Fund (N.J.S. A. 40:48–8.30a(B), (P.L. 1991, c375)			
Fund Balance July 1	1,871	1,872	1,873
Revenues			
Taxes	23,775	23,800	24,000
Investment earnings	1	1	1
Total Revenues	23,776	23,801	24,001
Total Available	25,647	25,673	25,874
Expenditures			
Government direction, management, and control	23,775	23,800	24,000
Total Expenditures	23,775	23,800	24,000
Fund Balance June 30	**1,872**	**1,873**	**1,874**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Medical Malpractice Liability Insurance Premium Assistance Fund (P.L. 2004, c.17)			
Fund Balance July 1	--	--	--
Revenues			
Licenses and fees	--	4,000	4,000
Services and assessments	--	16,500	17,500
Investment earnings	--	91	100
Total Revenues	--	20,591	21,600
Total Available	--	20,591	21,600
Expenditures			
Government direction, management, and control	--	20,591	21,600
Total Expenditures	--	20,591	21,600
Fund Balance June 30	--	--	--
Mortgage Assistance Fund (P.L. 1976, c.94)			
Fund Balance July 1	13,826	13,826	13,826
Revenues			
Investment earnings	21	46	35
Other	675	676	676
Total Revenues	696	722	711
Total Available	14,522	14,548	14,537
Expenditures			
Community development and environmental management	--	--	2,400
Total Expenditures	--	--	2,400
Other Financing Uses			
Transfers to other funds	696	722	711
Total Other Financing Uses	696	722	711
Total Expenditures and Other Financing Uses	696	722	3,111
Fund Balance June 30	**13,826**	**13,826**	**11,426**
Motor Vehicle Surcharge Securitization Fund (P.L. 2004, c.70)			
Fund Balance July 1	--	--	--
Other Financing Sources			
Proceeds from sale of bonds	--	807,502	--
Other	--	32,105	--
Total Other Financing Sources	--	839,607	--
Total Available	--	839,607	--
Expenditures			
Government direction, management, and control	--	99,607	--
Total Expenditures	--	99,607	--
Other Financing Uses			
Transfers to other funds	--	740,000	--
Total Other Financing Uses	--	740,000	--
Total Expenditures and Other Financing Uses	--	839,607	--
Fund Balance June 30	--	--	--

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Municipal Landfill Closure and Remediation Fund (P.L. 1996, c.124)			
Fund Balance July 1	13	40	48
Revenues			
Other	113	152	160
Total Revenues	113	152	160
Total Available	126	192	208
Expenditures			
Community development and environmental management	86	144	156
Total Expenditures	86	144	156
Fund Balance June 30	**40**	**48**	**52**
Mutual Workers' Compensation Security Fund (N.J.S.A. 34:15–112)			
Fund Balance July 1	10,365	10,001	--
Revenues			
Services and assessments	289	--	--
Investment earnings	112	79	--
Other	--	75	--
Total Revenues	401	154	--
Total Available	10,766	10,155	--
Expenditures			
Economic planning, development and security	765	1,531	--
Total Expenditures	765	1,531	--
Other Financing Uses			
Transfers to other funds	--	8,624	--
Total Other Financing Uses	--	8,624	--
Total Expenditures and Other Financing Uses	765	10,155	--
Fund Balance June 30	**10,001**	--	--
Natural Resources Fund (P.L. 1980, c.70)			
Fund Balance July 1	2,277	4,618	2,626
Revenues			
Investment earnings	20	40	22
Other	12	6	6
Total Revenues	32	46	28
Other Financing Sources			
Proceeds from sale of bonds	7,500	--	4,600
Other	292	--	--
Total Other Financing Sources	7,792	--	4,600
Total Available	10,101	4,664	7,254
Expenditures			
Community development and environmental management	4,479	1,700	1,700
Government direction, management, and control	972	292	--
Total Expenditures	5,451	1,992	1,700
Other Financing Uses			
Transfers to other funds	32	46	28
Total Other Financing Uses	32	46	28
Total Expenditures and Other Financing Uses	5,483	2,038	1,728
Fund Balance June 30	**4,618**	**2,626**	**5,526**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
New Home Warranty Security Fund (N.J.S.A. 46:3B–7)			
Fund Balance July 1	31,789	34,790	36,749
Revenues			
Licenses and fees	909	800	800
Services and assessments	6,235	6,000	6,000
Investment earnings	392	575	575
Other	209	200	200
Total Revenues	7,745	7,575	7,575
Total Available	39,534	42,365	44,324
Expenditures			
Community development and environmental management	928	1,300	1,300
Total Expenditures	928	1,300	1,300
Other Financing Uses			
Transfers to other funds	3,816	4,316	4,816
Total Other Financing Uses	3,816	4,316	4,816
Total Expenditures and Other Financing Uses	4,744	5,616	6,116
Fund Balance June 30	**34,790**	**36,749**	**38,208**
1995 New Jersey Coastal Blue Acres Fund (P.L. 1995, c.204)			
Fund Balance July 1	1,161	3,371	2,933
Revenues			
Investment earnings	10	30	23
Other	32	32	32
Total Revenues	42	62	55
Other Financing Sources			
Proceeds from sale of bonds	2,500	--	--
Other	97	--	--
Total Other Financing Sources	2,597	--	--
Total Available	3,800	3,433	2,988
Expenditures			
Community development and environmental management	429	500	500
Total Expenditures	429	500	500
Fund Balance June 30	**3,371**	**2,933**	**2,488**
New Jersey Cultural Trust (P.L. 2000, c.76)			
Fund Balance July 1	20,288	20,685	21,237
Revenues			
Investment earnings	232	312	319
Total Revenues	232	312	319
Other Financing Sources			
Transfers from other funds	500	720	720
Total Other Financing Sources	500	720	720
Total Available	21,020	21,717	22,276
Expenditures			
Government direction, management, and control	335	480	600
Total Expenditures	335	480	600
Fund Balance June 30	**20,685**	**21,237**	**21,676**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
1983 New Jersey Green Acres Fund (P.L. 1983, c.354)			
Fund Balance July 1	19,750	19,690	19,630
Revenues			
Investment earnings	221	250	250
Total Revenues	221	250	250
Total Available	19,971	19,940	19,880
Expenditures			
Community development and environmental management	60	60	60
Total Expenditures	60	60	60
Other Financing Uses			
Transfers to other funds	221	250	250
Total Other Financing Uses	221	250	250
Total Expenditures and Other Financing Uses	281	310	310
Fund Balance June 30	**19,690**	**19,630**	**19,570**
1989 New Jersey Green Acres Fund (P.L. 1989, c.183)			
Fund Balance July 1	5,527	5,317	4,994
Revenues			
Investment earnings	56	77	80
Total Revenues	56	77	80
Total Available	5,583	5,394	5,074
Expenditures			
Community development and environmental management	266	400	400
Total Expenditures	266	400	400
Fund Balance June 30	**5,317**	**4,994**	**4,674**
1992 New Jersey Green Acres Fund (P.L. 1992, c. 88)			
Fund Balance July 1	1,645	1,762	1,387
Revenues			
Investment earnings	58	25	20
Other	83	--	--
Total Revenues	141	25	20
Total Available	1,786	1,787	1,407
Expenditures			
Community development and environmental management	24	400	400
Total Expenditures	24	400	400
Fund Balance June 30	**1,762**	**1,387**	**1,007**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
1995 New Jersey Green Acres Fund (P.L. 1995, c. 204)			
Fund Balance July 1	678	6,570	3,209
Revenues			
Investment earnings	23	30	20
Other	4	--	--
Total Revenues	27	30	20
Other Financing Sources			
Proceeds from sale of bonds	7,500	--	--
Other	291	--	--
Total Other Financing Sources	7,791	--	--
Total Available	8,496	6,600	3,229
Expenditures			
Community development and environmental management	1,734	3,100	3,100
Government direction, management, and control	192	291	--
Total Expenditures	1,926	3,391	3,100
Fund Balance June 30	**6,570**	**3,209**	**129**
1989 New Jersey Green Trust Fund (P.L. 1989, c.183)			
Fund Balance July 1	96,828	93,794	93,894
Revenues			
Investment earnings	291	400	400
Other	1,690	1,700	1,700
Total Revenues	1,981	2,100	2,100
Total Available	98,809	95,894	95,994
Expenditures			
Community development and environmental management	5,015	2,000	2,000
Total Expenditures	5,015	2,000	2,000
Fund Balance June 30	**93,794**	**93,894**	**93,994**
1992 New Jersey Green Trust Fund (P.L. 1992, c. 88)			
Fund Balance July 1	36,708	56,336	51,770
Revenues			
Investment earnings	133	290	275
Other	778	--	--
Total Revenues	911	290	275
Other Financing Sources			
Proceeds from sale of bonds	22,000	--	--
Other	856	--	--
Total Other Financing Sources	22,856	--	--
Total Available	60,475	56,626	52,045
Expenditures			
Community development and environmental management	4,139	4,000	4,000
Government direction, management, and control	--	856	--
Total Expenditures	4,139	4,856	4,000
Fund Balance June 30	**56,336**	**51,770**	**48,045**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
1995 New Jersey Green Trust Fund (P.L. 1995, c. 204)			
Fund Balance July 1	53,161	76,908	73,247
Revenues			
Investment earnings	22	350	350
Other	810	--	--
Total Revenues	832	350	350
Other Financing Sources			
Proceeds from sale of bonds	26,000	--	--
Other	1,011	--	--
Total Other Financing Sources	27,011	--	--
Total Available	81,004	77,258	73,597
Expenditures			
Community development and environmental management	3,376	3,000	3,000
Government direction, management, and control	720	1,011	1,000
Total Expenditures	4,096	4,011	4,000
Fund Balance June 30	**76,908**	**73,247**	**69,597**
1995 New Jersey Inland Blue Acres Fund (P.L. 1995, c.204)			
Fund Balance July 1	1,633	1,392	1,161
Revenues			
Investment earnings	16	19	15
Other	6	--	--
Total Revenues	22	19	15
Total Available	1,655	1,411	1,176
Expenditures			
Community development and environmental management	263	250	250
Total Expenditures	263	250	250
Fund Balance June 30	**1,392**	**1,161**	**926**
New Jersey Insolvent Health Maintenance Organization Assistance Fund (P.L. 2000, c. 12)			
Fund Balance July 1	25,445	22,668	24,340
Revenues			
Investment earnings	274	350	195
Total Revenues	274	350	195
Other Financing Sources			
Transfers from other funds	--	1,897	--
Total Other Financing Sources	--	1,897	--
Total Available	25,719	24,915	24,535
Expenditures			
Economic planning, development, and security	2,777	575	22,669
Total Expenditures	2,777	575	22,669
Other Financing Uses			
Transfers to other funds	274	--	--
Total Other Financing Uses	274	--	--
Total Expenditures and Other Financing Uses	3,051	575	22,669
Fund Balance June 30	**22,668**	**24,340**	**1,866**

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SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
New Jersey Local Development Financing Fund (P.L. 1983, c.190)			
Fund Balance July 1	50,650	49,659	48,089
Revenues			
Licenses and fees	26	20	20
Investment earnings	179	270	275
Other	1,430	1,330	1,400
Total Revenues	1,635	1,620	1,695
Total Available	52,285	51,279	49,784
Expenditures			
Economic planning, development and security	2,626	3,190	2,900
Total Expenditures	2,626	3,190	2,900
Fund Balance June 30	**49,659**	**48,089**	**46,884**
New Jersey Racing Industry Special Fund (P.L. 2001, c.199)			
Fund Balance July 1	103	1,179	1,887
Revenues			
Services and assessments	618	600	600
Investment earnings	1	8	10
Other	7,538	7,100	7,250
Total Revenues	8,157	7,708	7,860
Total Available	8,260	8,887	9,747
Expenditures			
Public safety and criminal justice	7,081	7,000	7,000
Total Expenditures	7,081	7,000	7,000
Fund Balance June 30	**1,179**	**1,887**	**2,747**
New Jersey Spill Compensation Fund (P.L. 1976, c. 141)			
Fund Balance July 1	8,800	11,074	19,100
Revenues			
Taxes	18,289	24,000	24,000
Licenses and fees	3,241	8,800	7,800
Investment earnings	196	348	350
Other	793	--	--
Total Revenues	22,519	33,148	32,150
Total Available	31,319	44,222	51,250
Expenditures			
Community development and environmental management	2,769	5,200	3,200
Total Expenditures	2,769	5,200	3,200
Other Financing Uses			
Transfers to other funds	17,476	19,922	21,576
Total Other Financing Uses	17,476	19,922	21,576
Total Expenditures and Other Financing Uses	20,245	25,122	24,776
Fund Balance June 30	**11,074**	**19,100**	**26,474**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
New Jersey Spinal Cord Research Fund (P.L. 1999, c. 201)			
Fund Balance July 1	10,272	13,236	11,071
Revenues			
Investment earnings	132	203	148
Other	4,188	3,600	3,600
Total Revenues	4,320	3,803	3,748
Total Available	14,592	17,039	14,819
Expenditures			
Physical and mental health	1,034	5,500	6,500
Total Expenditures	1,034	5,500	6,500
Other Financing Uses			
Transfers to other funds	322	468	505
Total Other Financing Uses	322	468	505
Total Expenditures and Other Financing Uses	1,356	5,968	7,005
Fund Balance June 30	**13,236**	**11,071**	**7,814**
New Jersey Workforce Development Partnership Fund (P.L. 1992, c. 44)			
Fund Balance July 1	67,803	62,567	68,301
Revenues			
Taxes	86,493	90,300	95,500
Investment earnings	770	974	1,100
Total Revenues	87,263	91,274	96,600
Total Available	155,066	153,841	164,901
Expenditures			
Educational, cultural, and intellectual development	363	600	600
Economic planning, development, and security	35,153	42,281	42,281
Total Expenditures	35,516	42,881	42,881
Other Financing Uses			
Transfers to other funds	56,983	42,659	52,659
Total Other Financing Uses	56,983	42,659	52,659
Total Expenditures and Other Financing Uses	92,499	85,540	95,540
Fund Balance June 30	**62,567**	**68,301**	**69,361**
Petroleum Overcharge Reimbursement Fund (P.L. 1987,c.231)			
Fund Balance July 1	14,424	12,734	11,176
Revenues			
Investment earnings	115	142	120
Total Revenues	115	142	120
Total Available	14,539	12,876	11,296
Expenditures			
Community development and environmental management	1,782	1,700	1,370
Economic planning, development, and security	23	--	--
Total Expenditures	1,805	1,700	1,370
Fund Balance June 30	**12,734**	**11,176**	**9,926**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Pinelands Infrastructure Trust Fund (P.L. 1985, c.302)			
Fund Balance July 1	9,327	9,431	9,566
Revenues			
Investment earnings	47	65	70
Other	159	160	160
Total Revenues	206	225	230
Total Available	9,533	9,656	9,796
Expenditures			
Community development and environmental management	102	90	5
Total Expenditures	102	90	5
Fund Balance June 30	**9,431**	**9,566**	**9,791**
Pollution Prevention Fund (P.L. 1991, c. 235)			
Fund Balance July 1	2,180	1,087	279
Revenues			
Services and assessments	1,487	1,550	1,550
Investment earnings	29	22	10
Total Revenues	1,516	1,572	1,560
Total Available	3,696	2,659	1,839
Other Financing Uses			
Transfers to other funds	2,609	2,380	1,803
Total Other Financing Uses	2,609	2,380	1,803
Fund Balance June 30	**1,087**	**279**	**36**
Real Estate Guaranty Fund (N.J.S.A. 45:15–34)			
Fund Balance July 1	2,200	1,342	1,437
Revenues			
Licenses and fees	155	100	100
Investment earnings	17	20	20
Total Revenues	172	120	120
Total Available	2,372	1,462	1,557
Expenditures			
Economic planning, development, and security	30	25	30
Total Expenditures	30	25	30
Other Financing Uses			
Transfers to other funds	1,000	--	--
Total Other Financing Uses	1,000	--	--
Total Expenditures and Other Financing Uses	1,030	25	30
Fund Balance June 30	**1,342**	**1,437**	**1,527**
Resource Recovery and Solid Waste Disposal Facility Fund (P.L. 1985, c.330)			
Fund Balance July 1	494	563	571
Revenues			
Investment earnings	7	8	9
Other	62	--	--
Total Revenues	69	8	9
Total Available	563	571	580
Fund Balance June 30	**563**	**571**	**580**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Safe Drinking Water Fund (P.L. 1983, c. 443)			
Fund Balance July 1	2,749	1,845	335
Revenues			
Taxes	3,381	3,000	3,000
Investment earnings	47	27	3
Other	7	--	--
Total Revenues	3,435	3,027	3,003
Total Available	6,184	4,872	3,338
Expenditures			
Community development and environmental management	576	100	100
Total Expenditures	576	100	100
Other Financing Uses			
Transfers to other funds	3,763	4,437	3,139
Total Other Financing Uses	3,763	4,437	3,139
Total Expenditures and Other Financing Uses	4,339	4,537	3,239
Fund Balance June 30	**1,845**	**335**	**99**
Sanitary Landfill Facility Contingency Fund (P.L. 1981, c. 306)			
Fund Balance July 1	10,974	11,413	13,043
Revenues			
Services and assessments	2,317	2,200	2,300
Investment earnings	125	180	190
Total Revenues	2,442	2,380	2,490
Total Available	13,416	13,793	15,533
Expenditures			
Community development and environmental management	171	750	750
Economic planning, development, and security	1,832	--	--
Total Expenditures	2,003	750	750
Fund Balance June 30	**11,413**	**13,043**	**14,783**
Shore Protection Fund (P.L. 1983, c. 356)			
Fund Balance July 1	11,092	11,086	10,786
Revenues			
Investment earnings	114	157	153
Other	77	70	70
Total Revenues	191	227	223
Total Available	11,283	11,313	11,009
Expenditures			
Community development and environmental management	6	300	300
Total Expenditures	6	300	300
Other Financing Uses			
Transfers to other funds	191	227	223
Total Other Financing Uses	191	227	223
Total Expenditures and Other Financing Uses	197	527	523
Fund Balance June 30	**11,086**	**10,786**	**10,486**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
State Disability Benefit Fund (N.J.S.A. 43:21–46a)			
Fund Balance July 1	217,004	218,182	128,678
Revenue			
Taxes	481,214	488,500	512,300
Services and assessments	31,143	33,200	33,500
Investment earnings	1,085	800	800
Other	52	--	--
Total Revenues	513,494	522,500	546,600
Total Available	730,498	740,682	675,278
Expenditures			
Economic planning, development and security	450,169	469,000	485,000
Total Expenditures	450,169	469,000	485,000
Other Financing Uses			
Transfers to other funds	62,147	143,004	33,035
Total Other Financing Uses	62,147	143,004	33,035
Total Expenditures and Other Financing Uses	512,316	612,004	518,035
Fund Balance June 30	**218,182**	**128,678**	**157,243**
State Land Acquisition and Development Fund (P.L. 1978, c. 118)			
Fund Balance July 1	1,007	417	317
Revenues			
Investment earnings	11	6	5
Total Revenues	11	6	5
Total Available	1,018	423	322
Expenditures			
Community development and environmental management	526	100	100
Government direction, management, and control	64	--	--
Total Expenditures	590	100	100
Other Financing Uses			
Transfers to other funds	11	6	5
Total Other Financing Uses	11	6	5
Total Expenditures and Other Financing Uses	601	106	105
Fund Balance June 30	**417**	**317**	**217**
State Recreation and Conservation Land Acquisition and Development Fund (P.L. 1974, c.102)			
Fund Balance July 1	1,548	899	799
Revenues			
Investment earnings	12	13	11
Total Revenues	12	13	11
Total Available	1,560	912	810
Expenditures			
Community development and environmental management	649	100	100
Total Expenditures	649	100	100
Other Financing Uses			
Transfers to other funds	12	13	11
Total Other Financing Uses	12	13	11
Total Expenditures and Other Financing Uses	661	113	111
Fund Balance June 30	**899**	**799**	**699**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
State Recycling Fund (P.L. 1981, c. 278)			
Fund Balance July 1	6,681	6,534	5,198
Revenues			
Investment earnings	38	45	45
Other	81	80	80
Total Revenues	119	125	125
Other Financing Sources			
Transfers from other funds	3,725	3,625	3,625
Total Other Financing Sources	3,725	3,625	3,625
Total Available	10,525	10,284	8,948
Expenditures			
Community development and environmental management	3,041	3,625	3,625
Total Expenditures	3,041	3,625	3,625
Other Financing Uses			
Transfers to other funds	950	1,461	--
Total Other Financing Uses	950	1,461	--
Total Expenditures and Other Financing Uses	3,991	5,086	3,625
Fund Balance June 30	**6,534**	**5,198**	**5,323**
Stock Workers' Compensation Security Fund (N.J.S.A. 34:15-105)			
Fund Balance July 1	42,098	24,054	--
Revenues			
Services and assessment	20,827	9,512	--
Investment earnings	356	216	--
Other	--	12,837	--
Total Revenues	21,183	22,565	--
Total Available	63,281	46,619	--
Expenditures			
Economic planning, development, and security	39,227	18,721	--
Total Expenditures	39,227	18,721	--
Other Financing Uses			--
Transfers to other funds	--	27,898	--
Total Other Financing Uses	--	27,898	--
Total Expenditures and Other Financing Uses	39,227	46,619	--
Fund Balance June 30	**24,054**	--	--
Stormwater Management and Combined Sewer Overflow Abatement Fund (P.L. 1989, c. 181)			
Fund Balance July 1	6,523	3,223	11,648
Revenues			
Investment earnings	83	125	150
Total Revenues	83	125	150
Other Financing Sources			
Proceeds from sale of bonds	--	10,000	--
Other	--	--	--
Total Other Financing Sources	--	10,000	--
Total Available	6,606	13,348	11,798
Expenditures			
Community development and environmental management	3,207	1,500	1,500
Government direction, management, control	176	200	200
Total Expenditures	3,383	1,700	1,700
Fund Balance June 30	**3,223**	**11,648**	**10,098**

APPENDIX

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Supplemental Workforce Fund for Basic Skills (P.L.2001, c.152)			
Fund Balance July 1	20,254	29,020	9,620
Revenues			
Taxes	24,186	25,300	26,700
Investment earnings	207	300	130
Total Revenues	24,393	25,600	26,830
Total Available	44,647	54,620	36,450
Expenditures			
Public safety and criminal justice	200	--	--
Economic planning, development and security	13,744	43,000	34,450
Total Expenditures	13,944	43,000	34,450
Other Financing Uses			--
Transfers to other funds	1,683	2,000	2,000
Total Other Financing Uses	1,683	2,000	2,000
Total Expenditures and Other Financing Uses	15,627	45,000	36,450
Fund Balance June 30	**29,020**	**9,620**	--
Tobacco Settlement Fund			
Fund Balance July 1	1,504,174	16,344	17,961
Revenues			
Investment earnings	305	264	55
Other	122,648	1,361	--
Total Revenues	122,953	1,625	55
Total Available	1,627,127	17,969	18,016
Other Financing Uses			
Transfers to other funds	1,610,783	8	12,416
Total Other Financing Uses	1,610,783	8	12,416
Fund Balance June 30	**16,344**	**17,961**	**5,600**
Unclaimed Child Support Trust Fund (P.L. 1995, c.115)			
Fund Balance July 1	2,139	2,187	2,236
Revenues			
Investment earnings	21	28	30
Other	35	31	31
Total Revenues	56	59	61
Total Available	2,195	2,246	2,297
Expenditures			
Government direction, management, and control	8	10	10
Total Expenditures	8	10	10
Fund Balance June 30	**2,187**	**2,236**	**2,287**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Unclaimed Utility Deposits Trust Fund (P.L. 2000, c.132)			
Fund Balance July 1	2,969	3,164	3,559
Revenues			
Investment earnings	21	25	23
Other	4,196	3,145	2,530
Total Revenues	4,217	3,170	2,553
Total Available	7,186	6,334	6,112
Expenditures			
Government direction, management, and control	4,001	2,750	2,375
Total Expenditures	4,001	2,750	2,375
Other Financing Uses			
Transfers to other funds	21	25	23
Total Other Financing Uses	21	25	23
Total Expenditures and Other Financing Uses	4,022	2,775	2,398
Fund Balance June 30	**3,164**	**3,559**	**3,714**
Unemployment Compensation Auxiliary Fund (NJSA 43:21-14g)			
Fund Balance July 1	269	932	3
Revenues			
Investment earnings	105	144	120
Other	18,088	16,590	17,520
Total Revenues	18,193	16,734	17,640
Total Available	18,462	17,666	17,643
Other Financing Uses			
Transfers to other funds	17,530	17,663	17,607
Total Other Financing Uses	17,530	17,663	17,607
Fund Balance June 30	**932**	**3**	**36**
Universal Services Fund (P.L. 1999, c.23)			
Fund Balance July 1	--	609	609
Revenues			
Services and assessments	74,434	75,650	75,650
Investment earnings	171	262	270
Total Revenues	74,605	75,912	75,920
Total Available	74,605	76,521	76,529
Other Financing Uses			
Transfers to other funds	73,996	75,912	75,920
Total Other Financing Uses	73,996	75,912	75,920
Fund Balance June 30	**609**	**609**	**609**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
University of Medicine and Dentistry of New Jersey – Self Insurance Reserve Fund			
Fund Balance July 1	3,598	94	169
Revenues			
Services and assessments	6,500	7,000	7,000
Investment earnings	30	75	75
Total Revenues	6,530	7,075	7,075
Other Financing Sources			
Transfers from other funds	17,200	18,000	18,000
Total Other Financing Sources	17,200	18,000	18,000
Total Available	27,328	25,169	25,244
Expenditures			
Economic planning, development, and security	27,234	25,000	25,000
Total Expenditures	27,234	25,000	25,000
Fund Balance June 30	**94**	**169**	**244**
Urban and Rural Centers Unsafe Buildings Demolition Revolving Loan Fund (P.L. 1997, c.125)			
Fund Balance July 1	20,206	20,347	20,496
Revenues			
Investment earnings	122	130	120
Other	19	19	20
Total Revenues	141	149	140
Total Available	20,347	20,496	20,636
Fund Balance June 30	**20,347**	**20,496**	**20,636**
Vietnam Veterans' Memorial Fund (P.L. 1985, c.494)			
Fund Balance July 1	118	15	15
Revenues			
Contributions	15	90	90
Total Revenues	15	90	90
Total Available	133	105	105
Expenditures			
Special government services	118	90	90
Total Expenditures	118	90	90
Fund Balance June 30	**15**	**15**	**15**
Volunteer Emergency Service Organizations Loan Fund (P.L. 1987, c. 8)			
Fund Balance July 1	2,955	3,000	3,048
Revenues			
Investment earnings	12	15	5
Other	33	33	33
Total Revenues	45	48	38
Total Available	3,000	3,048	3,086
Fund Balance June 30	**3,000**	**3,048**	**3,086**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Wastewater Treatment Fund (P.L. 1985, c. 329)			
Fund Balance July 1	750,325	802,530	795,767
Revenues			
Federal and other grants	60,332	54,124	54,124
Investment earnings	4,318	6,000	6,000
Total Revenues	64,650	60,124	60,124
Total Available	814,975	862,654	855,891
Expenditures			
Community development and environmental management	3,689	58,413	8,000
Total Expenditures	3,689	58,413	8,000
Other Financing Uses			
Transfers to other funds	8,756	8,474	6,792
Total Other Financing Uses	8,756	8,474	6,792
Total Expenditures and Other Financing Uses	12,445	66,887	14,792
Fund Balance June 30	**802,530**	**795,767**	**841,099**
1992 Wastewater Treatment Fund (P.L. 1992, c. 88)			
Fund Balance July 1	23,503	29,617	29,520
Revenues			
Investment earnings	58	136	133
Other	8	--	--
Total Revenues	66	136	133
Other Financing Sources			
Proceeds from sale of bonds	6,000	--	--
Other	233	--	--
Total Other Financing Sources	6,233	--	--
Total Available	29,802	29,753	29,653
Expenditures			
Government direction, management and control	185	233	--
Total Expenditures	185	233	--
Fund Balance June 30	**29,617**	**29,520**	**29,653**
Water Conservation Fund (P.L. 1969, c. 127)			
Fund Balance July 1	1,236	1,185	1,010
Revenues			
Federal and other grants	51	225	225
Investment earnings	10	15	11
Other	14	11	6
Total Revenues	75	251	242
Total Available	1,311	1,436	1,252
Expenditures			
Community development and environmental management	102	400	450
Total Expenditures	102	400	450
Other Financing Uses			
Transfers to other funds	24	26	17
Total Other Financing Uses	24	26	17
Total Expenditures and Other Financing Uses	126	426	467
Fund Balance June 30	**1,185**	**1,010**	**785**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
2003 Water, Resources, and Wastewater Treatment Fund (P.L. 2003, c.162)			
Fund Balance July 1	--	--	10,030
Revenues			
Investment earnings	--	30	135
Total Revenues	--	30	135
Other Financing Sources			
Proceeds from sale of bonds	--	10,000	10,000
Total Other Financing Sources	--	10,000	10,000
Total Available	--	10,030	20,165
Fund Balance June 30	**--**	**10,030**	**20,165**
Water Supply Fund (P.L. 1981, c. 261)			
Fund Balance July 1	172,465	171,888	159,819
Revenues			
Investment earnings	572	713	497
Other	4,415	4,400	4,400
Total Revenues	4,987	5,113	4,897
Total Available	177,452	177,001	164,716
Expenditures			
Community development and environmental management	2,058	13,000	22,000
Total Expenditures	2,058	13,000	22,000
Other Financing Uses			
Transfers to other funds	3,506	4,182	4,206
Total Other Financing Uses	3,506	4,182	4,206
Total Expenditures and Other Financing Uses	5,564	17,182	26,206
Fund Balance June 30	**171,888**	**159,819**	**138,510**
Water Supply Replacement Trust Fund (P.L. 1988, c. 106)			
Fund Balance July 1	70	63	56
Revenues			
Investment earnings	1	1	1
Total Revenues	1	1	1
Total Available	71	64	57
Expenditures			
Community development and environmental management	8	8	--
Total Expenditures	8	8	--
Fund Balance June 30	**63**	**56**	**57**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
SPECIAL REVENUE FUNDS

APPENDIX 1A
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Workers Compensation Security Fund (P.L. 2004, c.179)			
Fund Balance July 1	--	--	29,406
Revenues			
Services and assessments	--	3,988	13,500
Investment earnings	--	175	440
Other	--	--	--
Total Revenues	--	4,163	13,940
Other Financing Sources			
Transfer from other funds	--	31,522	--
Total Other Financing Sources	--	31,522	--
Total Available	--	35,685	43,346
Expenditures			
Economic planning, development and security	--	6,279	15,700
Total Expenditures	--	6,279	15,700
Fund Balance June 30	--	**29,406**	**27,646**
Worker and Community Right To Know Fund (P.L. 1983, c. 315)			
Fund Balance July 1	7	505	399
Revenues			
Services and assessments	3,615	3,620	3,620
Investment earnings	24	35	25
Total Revenues	3,639	3,655	3,645
Total Available	3,646	4,160	4,044
Other Financing Uses			
Transfers to other funds	3,141	3,761	3,792
Total Other Financing Uses	3,141	3,761	3,792
Fund Balance June 30	**505**	**399**	**252**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
CAPITAL PROJECTS FUNDS

APPENDIX 1B
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Correctional Facilities Construction Fund (P.L. 1982, c. 120)			
Fund Balance July 1	597	597	572
Revenues			
Investment earnings	6	9	8
Total Revenues	6	9	8
Total Available	603	606	580
Expenditures			
Public safety and criminal justice	--	25	--
Total Expenditures	--	25	--
Other Financing Uses			
Transfers to other funds	6	9	8
Total Other Financing Uses	6	9	8
Total Expenditures and Other Financing Uses	6	34	8
Fund Balance June 30	**597**	**572**	**572**
Correctional Facilities Construction Fund of 1987 (P.L. 1987, c.178)			
Fund Balance July 1	3,119	1,898	1,128
Revenues			
Investment earnings	30	22	9
Other	11	--	--
Total Revenues	41	22	9
Total Available	3,160	1,920	1,137
Expenditures			
Public safety and criminal justice	884	351	1,000
Total Expenditures	884	351	1,000
Other Financing Uses			
Transfers to other funds	378	441	137
Total Other Financing Uses	378	441	137
Total Expenditures and Other Financing Uses	1,262	792	1,137
Fund Balance June 30	**1,898**	**1,128**	--
Energy Conservation Fund (P.L. 1980, c.68)			
Fund Balance July 1	(220)	294	180
Revenues			
Investment earnings	1	4	15
Total Revenues	1	4	15
Other Financing Sources			
Proceeds from sale of bonds	500	--	1,600
Other	14	--	--
Total Other Financing Sources	514	--	1,600
Total Available	295	298	1,795
Expenditures			
Economic planning, development, and security	--	100	1,780
Government direction, management and control	--	14	--
Total Expenditures	--	114	1,780
Other Financing Uses			
Transfers to other funds	1	4	15
Total Other Financing Uses	1	4	15
Total Expenditures and Other Financing Uses	1	118	1,795
Fund Balance June 30	**294**	**180**	--

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
CAPITAL PROJECTS FUNDS

APPENDIX 1B
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Human Services Facilities Construction Fund (P.L. 1984, c. 157)			
Fund Balance July 1	165	212	68
Revenues			
Investment earnings	1	2	--
Other	147	--	--
Total Revenues	148	2	--
Total Available	313	214	68
Expenditures			
Educational, cultural, and intellectual development	99	144	68
Special Government Services	1	--	--
Total Expenditures	100	144	68
Other Financing Uses			
Transfers to other funds	1	2	--
Total Other Financing Uses	1	2	--
Total Expenditures and Other Financing Uses	101	146	68
Fund Balance June 30	**212**	**68**	--
Motor Vehicle Commission Fund (P.L. 2003, c.13)			
Fund Balance July 1	158,075	145,438	108,655
Revenues			
Investment earnings	1,573	1,892	1,049
Total Revenues	1,573	1,892	1,049
Total Available	159,648	147,330	109,704
Expenditures			
Public safety and criminal justice	13,773	38,675	77,477
Government direction, management, and control	437	--	--
Total Expenditures	14,210	38,675	77,477
Fund Balance June 30	**145,438**	**108,655**	**32,227**
New Jersey Bridge Rehabilitation and Improvement and Railroad Right-of-Way Preservation Fund (P.L. 1989, c. 180)			
Fund Balance July 1	6,617	6,165	5,537
Revenues			
Investment earnings	155	98	85
Total Revenues	155	98	85
Total Available	6,772	6,263	5,622
Expenditures			
Transportation programs	452	628	571
Total Expenditures	452	628	571
Other Financing Uses			
Transfers to other funds	155	98	85
Total Other Financing Uses	155	98	85
Total Expenditures and Other Financing Uses	607	726	656
Fund Balance June 30	**6,165**	**5,537**	**4,966**
New Jersey Bridge Rehabilitation and Improvement Fund (P.L. 1983, c. 363)			
Fund Balance July 1	66	6	6
Total Available	66	6	6
Expenditures			
Government direction, management, and control	60	--	--
Total Expenditures	60	--	--
Fund Balance June 30	**6**	**6**	**6**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
CAPITAL PROJECTS FUNDS

APPENDIX 1B
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Public Purpose Buildings and Community–Based Facilities Construction Fund (P.L. 1989, c. 184)			
Fund Balance July 1	7,476	4,873	4,820
Revenues			
Investment earnings	135	74	71
Total Revenues	135	74	71
Other Financing Sources			
Proceeds from sale of bonds	--	2,000	2,000
Total Other Financing Sources	--	2,000	2,000
Total Available	7,611	6,947	6,891
Expenditures			
Public safety and criminal justice	2,044	2,053	5,483
Physical and mental health	221	--	--
Educational, cultural and intellectual development	64	--	--
Economic planning, development and security	18	--	--
Government direction, management, and control	256	--	--
Total Expenditures	2,603	2,053	5,483
Other Financing Uses			
Transfers to other funds	135	74	71
Total Other Financing Uses	135	74	71
Total Expenditures and Other Financing Uses	2,738	2,127	5,554
Fund Balance June 30	**4,873**	**4,820**	**1,337**
Public Purpose Buildings Construction Fund (P.L. 1980, c. 119)			
Fund Balance July 1	275	246	121
Revenues			
Investments earnings	2	2	1
Total Revenues	2	2	1
Total Available	277	248	122
Expenditures			
Educational, cultural, and intellectual development	29	125	121
Total Expenditures	29	125	121
Other Financing Uses			
Transfers to other funds	2	2	1
Total Other Financing Uses	2	2	1
Total Expenditures and Other Financing Uses	31	127	122
Fund Balance June 30	**246**	**121**	--
State Facilities for Handicapped Fund (P.L. 1973, c. 149)			
Fund Balance July 1	238	241	--
Revenues			
Investment earnings	3	2	--
Total Revenues	3	2	--
Total Available	241	243	--
Expenditures			
Educational, cultural, and intellectual development	--	243	--
Total Expenditures	--	243	--
Fund Balance June 30	**241**	--	--

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
CAPITAL PROJECTS FUNDS

APPENDIX 1B
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
1999 Statewide Transportation and Local Bridge Fund (P.L. 1999, c. 181)			
Fund Balance July 1	60,587	58,042	28,947
Revenues			
Investment earnings	481	600	250
Total Revenues	481	600	250
Other Financing Sources			
Proceeds from sale of bonds	41,000	--	--
Other	1,595	--	--
Total Other Financing Sources	42,595	--	--
Total Available	103,663	58,642	29,197
Expenditures			
Transportation programs	33,938	26,000	26,000
Government direction, management, and control	8,283	1,595	--
Total Expenditures	42,221	27,595	26,000
Other Financing Uses			
Transfers to other funds	3,400	2,100	--
Total Other Financing Uses	3,400	2,100	--
Total Expenditures and Other Financing Uses	45,621	29,695	26,000
Fund Balance June 30	**58,042**	**28,947**	**3,197**
Transportation Rehabilitation and Improvement Fund (P.L. 1979, c. 165)			
Fund Balance July 1	568	568	568
Revenues			
Investment earnings	3	3	3
Total Revenues	3	3	3
Total Available	571	571	571
Other Financing Uses			
Transfers to other funds	3	3	3
Total Other Financing Uses	3	3	3
Fund Balance June 30	**568**	**568**	**568**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
PRIVATE PURPOSE TRUST FUNDS

APPENDIX 1C
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
Insurance Annuity Trust Fund			
Fund Balance July 1	87	94	101
Revenues			
Investment earnings	1	1	1
Other	6	6	6
Total Revenues	7	7	7
Total Available	94	101	108
Fund Balance June 30	**94**	**101**	**108**
Motor Vehicle Security Responsibility Fund (P.L. 1959, c.146)			
Fund Balance July 1	--	--	--
Revenues			
Investment earnings	2	3	3
Total Revenues	2	3	3
Total Available	2	3	3
Other Financing Uses			
Transfers to other funds	2	3	3
Total Other Financing Uses	2	3	3
Fund Balance June 30	--	--	--
Unclaimed County Deposits Trust Fund (P.L. 1992, c.173)			
Fund Balance July 1	3,417	3,748	3,963
Revenues			
Investment earnings	92	130	130
Other	279	135	135
Total Revenues	371	265	265
Total Available	3,788	4,013	4,228
Expenditures			
Government direction, management, and control	40	50	50
Total Expenditures	40	50	50
Fund Balance June 30	**3,748**	**3,963**	**4,178**
Unclaimed Insurance Payments on Deposit Accounts Fund			
Fund Balance July 1	1,980	1,941	1,841
Revenues			
Investment earnings	22	30	27
Other	2	--	--
Total Revenues	24	30	27
Total Available	2,004	1,971	1,868
Expenditures			
Government direction, management, and control	41	100	100
Total Expenditures	41	100	100
Other Financing Uses			
Transfers to other funds	22	30	27
Total Other Financing Uses	22	30	27
Total Expenditures and Other Financing Uses	63	130	127
Fund Balance June 30	**1,941**	**1,841**	**1,741**

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES
PROPRIETARY FUNDS
APPENDIX 1D
(thousands of dollars)

	Fiscal Year Ending June 30		
	2004 Actual	2005 Estimated	2006 Estimated
State Lottery Fund (N.J.S.A. 5:9-21)			
Fund Balance July 1	17,712	21,102	17,971
Revenues			
Investment earnings	1,126	1,800	1,800
Other	2,231,038	2,289,397	2,620,061
Total Revenues	2,232,164	2,291,197	2,621,861
Total Available	2,249,876	2,312,299	2,639,832
Expenditures			
Government direction, management, and control	1,413,188	1,463,928	1,627,520
Total Expenditures	1,413,188	1,463,928	1,627,520
Other Finance Uses			
Transfers to other funds	815,586	830,400	992,400 *
Total Other Financing Uses	815,586	830,400	992,400
Total Expenditures and Other Finance Uses	2,228,774	2,294,328	2,619,920
Fund Balance June 30	**21,102**	**17,971**	**19,912**
Note: Anticipate additional $150 million from video lottery.			
Unemployment Compensation Fund (N.J.S.A. 43:21-9a)			
Fund Balance July 1	2,135,721	1,539,201	1,393,701
Revenue			
Federal and other grants	388,965	30,000	29,400
Services and assessments	1,406,548	1,708,800	1,670,800
Investment earnings	88,823	56,400	50,200
Other	669	700	700
Total Revenues	1,885,005	1,795,900	1,751,100
Total Available	4,020,726	3,335,101	3,144,801
Expenditures			
Economic planning, development and security	2,481,525	1,941,400	1,874,200
Total Expenditures	2,481,525	1,941,400	1,874,200
Fund Balance June 30	**1,539,201**	**1,393,701**	**1,270,601**

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 collections of the Alcohol Beverage Excise Tax. 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 drunk driving.

Atlantic City Parking Fees Fund (P.L. 1993, c.159)

Special Revenue Fund

Effective July 1, 2003, P.L. 2003, c.116 imposes a $3 parking fee per diem for each vehicle parked, garaged, or stored in any casino hotel parking space. One half of the revenue collected is to be made available to the Casino Reinvestment Development Authority. The remaining one half is deposited into the Casino Revenue Fund.

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.

Boarding House Rental Assistance Fund (N.J.S.A. 55:14K–14)

Special Revenue Fund

The purpose of this Fund is to finance 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

The Body Armor Replacement Fund is a repository fund for monies used exclusively for the purchase of body vests for law enforcement officers and correction officers.

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 operating 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 Control Fund (N.J.S.A. 5:12–143)

Special Revenue Fund

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

Casino Revenue Fund (N.J.S.A. 5:12-145)

Special Revenue Fund

The Casino Revenue Fund accounts for the tax on gross revenues generated by the casinos. Gross revenue refers to the total of all sums actually received by a licensee from gaming operations, less the total sums paid out as winnings to patrons and a deduction for uncollectible gaming receivables. Appropriations from this Fund must be used for reductions in property taxes, utility charges, and other specified expenses of eligible senior citizens.

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

The purpose of this Fund is to provide assistance to children and their families whose medical expenses due to a child's "catastrophic illness" extend beyond the families' available resources. Revenue is derived from a $1 annual surcharge per employee for all employers who are subject to the New Jersey Unemployment Compensation Law.

Cigarette Tax Securitization Fund (P.L. 2004, c.68)

Special Revenue Fund

This fund was established in order to receive bond proceeds from the New Jersey Economic Development Authority, which issued $1.461 billion of Cigarette Tax Revenue Bonds. An amount of $1.190 billion was transferred to the General Fund. The amount transferred was used to fund any lawful purpose of the State for which moneys on deposit in the State's General Fund may be used. The remaining proceeds were transferred to the New Jersey Economic Development Authority in order to fund capitalized interest, a debt service reserve fund, and to pay for costs of issuance and underwriter's discount.

Clean Communities Account Fund (P.L. 1985, c.533)

Special Revenue Fund

P.L. 2002, c.128, enacted during fiscal year 2003, revised portions of legislation affecting the Clean Communities Account Fund and the State Recycling Fund. Specifically, this legislation imposes a user fee on sales of litter-generating products to be credited to the Clean Communities Account Fund. Of the annual amount credited to the Fund, 25.0 percent, 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 shall be used to provide grants to eligible municipalities for programs of litter pickup and removal; and shall also be used for a State program of litter pickup and removal and of enforcement of litter-related laws.

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. The 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, a program of county assistance, 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 streams, 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

General Obligation bonds, authorized in the amount of $20 million, 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.

Division of Motor Vehicles Surcharge Fund (P.L. 1994, c.57)

Special Revenue Fund

The Fund is comprised of revenues from surcharges and interest for payment to the New Jersey Economic Development Authority's Market Transition Facility Revenue Fund to pay principal and interest on the Market Transition Facility bonds. Excess funds are available for transfer to the State's General Fund.

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 sub-aqueous 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

Established in 1972, 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

An amount of $50 million of General Obligation bonds was authorized, of which $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 concentrate the benefits of zone designation and to provide gradual and geographically balanced introduction of such zones. The law is aimed at encouraging the revitalization of some of the State's most distressed urban areas with incidence of poverty and unemployment.

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 a 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 the purpose of the preservation of farmland for agricultural use and production.

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 such appropriations.

P.L. 2003, c.118 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.

General Fund

This Fund accounts for all State revenues not otherwise restricted by statute. The largest part of the total financial operations of the State is accounted for in the General Fund. Most revenues received from taxes, federal sources, and certain miscellaneous revenue items are recorded in this Fund. The Appropriations Act enacted by the State Legislature provides the basic framework for the operations of the General Fund.

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.

Gubernatorial Elections Fund (N.J.S.A. 54A:9-25.1)

Special Revenue Fund

The Gubernatorial Elections Fund accounts for receipts from the one-dollar designation 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 appropriation pursuant to The New Jersey Campaign Contributions and Expenditures Reporting Act, as amended.

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.

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 to 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 employee and employer contributions, cigarette and tobacco taxes, hospital assessments, 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 to the Higher Education Facility Renovation and Rehabilitation Fund for the renovation and rehabilitation of existing higher education buildings at various State colleges and universities, and the New Jersey Institute of Technology.

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 standard bred horse racing industries in New Jersey. The costs of providing coverage shall be funded from assessments to both the thoroughbred and standard bred 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.

Korean Veterans' Memorial Fund (P.L. 1996, c.72)

Special Revenue Fund

The Korean Veterans' Memorial Fund is credited with funds collected by the Korean Veterans' Memorial Committee. The purpose of this Fund is to locate a suitable site for the construction of a memorial in the State of New Jersey honoring the veterans of the Korean War.

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 financial assistance in the form of grants or loans to eligible homeowners to make their homes lead-safe. Money will be received from various sources, including a $20 fee assessed to homeowners of multiple dwelling units, a portion of the sales 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.

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. The fund will expire in three years.

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 is to be transferred to the Administrative Office of the Courts for improvements to the automated traffic system, and the remainder is 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.

Motor Vehicle Surcharge Securitization Fund (P.L. 2004, c.70)

Special Revenue Fund

This fund was established in order to receive bond proceeds from the New Jersey Economic Development Authority, which issued $807.5 million of Motor Vehicle Surcharges Revenue Bonds. An amount of $740.0 million was transferred to the General Fund. The amount transferred was used to fund any lawful purpose of the State for which moneys on deposit in the State's General Fund may be used. The remaining proceeds were transferred to the New Jersey Economic Development Authority in order to fund capitalized interest, and to pay for costs of issuance and underwriter's discount.

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 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.

Mutual Workers' Compensation Security Fund (N.J.S.A. 34:15–112)

Special Revenue Fund

Monies received from assessments levied against mutual insurance carriers writing workers' compensation insurance in the State are deposited in this Fund. Payments from the Mutual Workers' Compensation Fund are made to persons entitled to receive workers' compensation when a mutual carrier is determined to be insolvent.

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 in 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.

New Jersey Bridge Rehabilitation and Improvement Fund (P.L. 1983, c.363)

Capital Projects Fund

An amount of $135 million of General Obligation bonds was authorized for the purpose of rehabilitating and improving bridges in the State's rail and road system. Of this sum, $97.5 million was reserved for the cost of rehabilitation and improvement of bridges carrying State highways and $37.5 million was reserved for the State share of the cost of rehabilitation and improvement of bridges carrying county and municipal roads.

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 to meet the future needs of the expanding population. Of this amount, $52 million is allocated for the acquisition and development of land by the State. An amount of $83 million is to be transferred to the Green Trust Fund and is allocated for grants or loans to local government units 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 government units 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 1995 Green Acres, Farmland and Historic Preservation, and 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 government units to acquire and develop land for recreation and conservation.

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 providing monies to meet the inland blue acre cost of acquisition by the State, for recreation and conservation purposes, of 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 Insolvent Health Maintenance Organization Assistance Fund (P.L. 2000, c.12)

Special Revenue Fund

The purpose of this Fund is to protect, subject to certain limitations, covered individuals and providers against the failure or inability of HIP Health Plan of New Jersey, Inc. and the American Preferred Provider Plan, Inc. to perform certain contractual obligations due to their insolvency. An amount of $41.1 million from the Tobacco Settlement Fund as well as an aggregate amount not to exceed $50 million from HIP Health Plan of New Jersey, Inc. and the American Preferred Provider Plan, Inc. has been appropriated to this fund.

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 parimutual 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 upon 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 units of government 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

The purpose of this Fund is 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.

Property Tax Relief Fund (N.J.S.A. 54A:9-25)

Special Revenue 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. Annual appropriations are made from the Fund, pursuant to formulas established by the State Legislature, to counties, municipalities, and school districts.

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 equipment 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 Public Purpose Buildings Construction Fund also provides an additional $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.

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. The balance of funds is 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

P.L. 2002, c.128, enacted during fiscal year 2003, revised prior portions of legislation affecting this Fund. Specifically, this legislation requires that 25.0 percent of the balance in the Clean Communities Account Fund, but not more than $4 million per year, is appropriated to this Fund, to provide recycling grants to municipalities and counties for local recycling programs.

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.

Stock Workers' Compensation Security Fund (N.J.S.A. 34:15-105)

Special Revenue Fund

Monies received from assessments levied against stock insurance carriers writing workers' compensation insurance in the State are deposited in this Fund. Payments from the Stock Workers' Compensation Fund are made to persons entitled to receive workers' compensation when a stock carrier is determined to be insolvent.

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 costs of projects identified pursuant to the stormwater management and combined sewer overflow abatement project priority list.

Supplemental Workforce Fund for Basic Skills (PL 2002, c.152)

Special Revenue Fund

Beginning July 1, 2001, each employer shall contribute an amount equal to the amount that the employer's contribution is decreased pursuant to subparagraph (5) of subsection (c) of R.S.43:21-7. Beginning January 1, 2002, each worker shall contribute 0.0175 percent of the worker's wages as determined in paragraph (3) of subsection (b) of R.S. 43:21-7. The monies in this Fund shall be used for the basic skills training; reemployment services, and training programs for displaced disadvantaged workers.

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. During Fiscal Year 2003, the State sold its rights of future installments acquired via the MSA to the Tobacco Settlement Financing Corporation, Inc. for $2.8 billion plus any interest accrued on monies held in escrow.

Transportation Rehabilitation and Improvement Fund (P.L. 1979, c.165)

Capital Projects Fund

An amount of $475 million of General Obligation bonds was authorized to provide an improved transportation system for the State. Of this amount, $150 million was reserved for the improvement of public transportation facilities, $80 million was reserved for the improvement of county and municipal roads, and $245 million was reserved for the improvement of State highways.

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 75.0 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 (FDIC).

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 (SHARES) 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 (WIN), 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, which 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 will support the Lifeline program as well as clean energy initiatives.

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. Fund deposits are managed by the Division of Investment with earnings increasing the Fund. 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 checkoffs 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, $150 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.

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 government units 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 government units 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 government units to finance the costs of wastewater treatment system projects.

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 in connection with the Act's provisions by the Department of Health and Senior Services, Department of Environmental Protection, Department of Labor and Workforce Development, and the Department of the Treasury.

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 in this Fund. Payments from this Fund 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 2005-2006 is $970 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	23,225
Marie H. Katzenbach School for the Deaf	2,899
Department of Human Services	
Operation of State Psychiatric Hospitals	250,245
Operation of Centers for the Developmentally Disabled	200,047
Department of Military and Veterans' Affairs	
Operation of Homes for Disabled Soldiers	32,220
Subtotal, Direct State Services	508,636
GRANTS-IN-AID	
Department of Education	
Governor's School	1,929
Higher Educational Services	
Senior Public Institutions-Operating Aid	857,243
Tuition Aid Grants	211,908
Higher Education Capital Improvement Program	29,100
Aid to Independent Colleges and Universities	23,962
Opportunity Program Grants	23,410
Higher Education Facilities Trust Fund	18,183
Outstanding Scholar Recruitment Program	13,169
Supplementary Education Program Grants	12,885
Coordinated Garden State Scholarship Programs	7,562
Veterinary Medicine Education	1,337
Higher Education for Special Needs Students	1,100
Subtotal, Grants-in-Aid	1,201,788
STATE AID	
Department of Agriculture	
School Nutrition	11,677
Department of Education	
Nonpublic School Aid	100,118
School Construction and Renovation	62,000
Higher Education Services	
Aid to County Colleges for Operational Costs	148,562
Subtotal, State Aid	322,357
Grand Total	**2,032,781**

CASINO REVENUE FUND SCHEDULE

(thousands of dollars)

The estimated revenue from the Casino Revenue Fund in Fiscal Year 2006 is $487,204,000. 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	98,400
MEDICAL ASSISTANCE	
Personal Assistance Services	3,734
Personal Care	149,929
Home Care Expansion	190
Pharmaceutical Assistance to the Aged & Disabled	367,736
Traumatic Brain Injury	22,320
Community Care/Sixth Omnibus Budget Reconciliation Act	272,741
Respite Care	5,566
Hearing Aid Assistance	200
Statewide Birth Defects Registry	529
Health and Senior Services Administration	871
TRANSPORTATION ASSISTANCE	
Senior Citizens and Disabled Residents	34,352
Sheltered Workshop Transportation	2,440
HOUSING PROGRAMS	
Safe Housing and Transportation	1,726
Developmental Disabilities	38,409
Congregate Housing Support Services	2,006
OTHER	5,678
GRAND TOTAL	**1,006,827**

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 $487.2 million, including $800,000 from the Casino Simulcasting Fund, are projected for fiscal 2006. Total CRF resources also include $85.6 million from five 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 4.25% tax on casino comps, a 7.5% tax on the casinos' adjusted net income, and an 8% tax on multi-casino progressive slot machine revenue.

The majority of total CRF resources are being used to maintain CRF funding of the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program. This program was once entirely funded with casino revenues, but due to the rapid increase in the cost of prescription drugs now requires a substantial subsidy from the General Fund. Transportation assistance to senior citizens and the disabled will also receive significant funding this fiscal year, with an increase of $9.1 million over fiscal 2005. This increase is based on a statutory formula that sets current year funding for transportation services provided by NJ Transit equal to 7.5% of prior year actual CRF collections.

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 Subsidy 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) — $284.7 million
- Personal Care — $60.1
- Residential Care Developmental Disabilities — $38.4 million
- Transportation Assistance — $34.4 million
- Community Care Alternatives — $30.1 million
- Waiver Initiatives — $16.5
- Personal Assistance Services Program — $3.7 million
- Sheltered Workshop Transportation — $2.4 million
- Home Care Expansion Program — $190,000

CASINO REVENUE FUND SUMMARY AND PROJECTION

(millions of dollars)

	Fiscal 2000	Fiscal 2001	Fiscal 2002	Fiscal 2003	Fiscal 2004	Fiscal 2005	Rec. 2006
Opening surplus	$ ---	$ ---	$ ---	$ ---	$ ---	$22.70	$ ---
Revenues	335.7	347.0	350.0	346.0	467.5	480.8	485.6
Lapses and adjustments	1.8	---	14.2	18.8	0.7	1.4	1.6
TOTAL RESOURCES	**$337.5**	**$347.0**	**$364.2**	**$364.8**	**$468.2**	**$504.9**	**$487.2**
PROPERTY TAX DEDUCTION	$17.2	$17.2	$ --- c	$ ---	$ ---	$ ---	$ ---
MEDICAL ASSISTANCE							
Personal assistance	3.7	3.7	3.7	3.7	3.7	3.7	3.7
Home care expansion	0.7	0.5	0.4	0.3	0.2	0.2	0.2
PAAD -- expanded	218.8 a	229.9 b	257.9	259.9	254.7	313.6	284.7
Community care and Waivers	3.3	1.6	3.0	3.3	44.7	44.5	46.6
Respite care	4.8	4.8	5.2	5.4	5.4	5.7	5.6
Hearing aid assistance	0.3	0.2	0.2	0.3	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	0.9	0.9	0.9	0.9	0.9
Personal Care	---	---	---	---	60.1	60.1	60.1
LIFELINE CREDITS	34.6	32.7	34.7	34.6	--- d	---	---
TRANSPORTATION ASSISTANCE							
Senior citizens and disabled residents	22.8	25.7	24.8	24.9	25.5	25.3	34.4
Sheltered workshop transportation	2.4	2.4	2.4	2.4	2.4	2.4	2.4
HOUSING PROGRAMS							
Congregate housing support	1.9	0.5	3.3	1.9	1.9	2.0	2.0
Safe housing and transportation	1.6	1.6	1.7	1.7	1.7	1.7	1.7
Developmental Disabilities	19.6	19.6	19.6	19.6	38.3	38.4	38.4
OTHER	4.4	5.2	5.9	5.4	5.4	5.7	5.8
TOTAL APPROPRIATIONS	**$337.5**	**$347.0**	**$364.2**	**$364.8**	**$445.5**	**$504.9**	**$487.2**
ENDING SURPLUS	**$ ---**	**$ ---**	**$ ---**	**$ ---**	**$22.7**	**$ ---**	**$ ---**
GENERAL FUND SUBSIDY							
Lifeline	$36.2	$36.2	$36.2	$11.2	$ --- d	$ ---	$ ---
SOBRA for Aged and Disabled	118.6	123.8	128.8	133.9	198.8	218.2	242.6
Community Care and Waivers	38.8	41.2	41.2	45.9	0.6	2.3	5.8
Personal Care	103.1	96.7	116.2	130.2	75.0	81.0	89.8
Senior Citizens Property Tax Freeze	23.7	10.6	10.6	23.0	17.7	73.4	98.4
PAAD -- expanded	20.0 a	49.5	92.9 e	123.9	128.9	70.8	83.0
VALUE OF PROGRAMS SHIFTED	**$340.4**	**$358.0**	**$425.9**	**$468.1**	**$421.0**	**$445.7**	**$519.6**

Notes:

(a) Includes $5.1 million of the Supplemental Appropriation of $25.1 million; the remaining $20 million of this amount has been shifted to the General Fund and charged to the Tobacco Settlement Trust Fund.

(b) In addition to this amount, $49.5 million shifted to the General Fund and charged to the Tobacco Settlement Trust Fund.

(c) The Property Tax Deduction appropriation has been shifted to the Property Tax Relief Fund.

(d) Beginning in fiscal 2004, the Lifeline program will be funded through the Board of Public Utilities.

(e) Includes Supplemental Appropriation of $25 million, $21.3 of which was unexpended and carried forward to be a resource in fiscal 2003.

911 System and Emergency Response Fee
(thousands of dollars)

The estimated revenue from the mobile telecommunications service and telephone exchange service fee in fiscal 2006 totals $119 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 Community Affairs	
Municipal Homeland Security Assistance Aid	32,000
Department of Health and Senior Services	
Bioterrorism Response	4,000
Disease Surveillance	3,250
Interdepartmental	
Verizon Contract – 911	15,067
Enhanced - 911 County Grants	525
Local Grants/Assistance	8,000
Geographic Information System (GIS) Mapping	2,500
Public Service Answering Points (PSAPs) - Equipment	6,400
State Police Emergency Operations Center	955
State Police Multipurpose Bldg and Troop C Headquarters	5,122
Statewide Security – Capital	3,000
Office of Emergency Telecommunications Service (OETS)	1,500
Department of Law and Public Safety	
Counterterrorism	2,000
State Police CAD System	600
State Police Forensic Lab	4,375
State Police Multipurpose Building/TroopC Maintenance	3,278
Office of Emergency Management - Enhancement	1,000
Supplemental State Police Recruit Classes	6,949
Vehicle Purchases	10,300
State Police Dispatch Unit	1,400
911 Expanded Call Takers	1,950
State Police Central Monitoring Station	654
State Police Radio Upgrade	2,000
Nuclear Facility Detail	1,600
Critical HVAC/Radio Systems – Capital	500
Emergency Operations Center, Fitup – Capital	3,555
State Police - Remaining Operating Budget	263,005
Military and Veterans' Affairs	
Nuclear Facility Detail	3,180
Military Services - National Guard and Support Services	8,648
Department of Treasury	
Cyberterrorism	1,700
OIT Availability and Recovery Site (OARS) – Capital	1,400
Total, State Appropriations	368,413

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 motor fuels taxes, petroleum products gross receipts taxes, and sales and use taxes. The Authority may also issue bonds to supplement State appropriations.

	Fiscal 2004 Expended	2005 Adjusted Approp.	Year Ending June 30, 2006 Requested	Year Ending June 30, 2006 Recommended
Transportation Trust Fund				
Subtotal, State Transportation Funding Authorization	1,116,431	1,292,597	1,205,000	1,205,000
Subtotal, Federal Highway and Third-Party Funding Authorization	1,273,836	1,246,203	1,380,933	1,380,933
Total Program Authorization, Transportation Trust Fund	***2,390,267***	***2,538,800*** (a)	***2,585,933***	***2,585,933*** (b)
Distribution of State Transportation Funds by Project Type				
State Highway Projects	417,926	541,000	521,000	521,000
Local Aid Highway Projects	160,953	145,000	150,000	150,000
Public Transportation Projects	537,552	606,597	534,000	534,000
Subtotal, State Transportation Funds	***1,116,431***	***1,292,597***	***1,205,000***	***1,205,000***
Distribution of State Transportation Funds by Phase of Work				
Construction	1,006,797	1,212,250	1,075,241	1,075,241
Design and Engineering	24,785	36,347	39,139	39,139
Right-of-Way Acquisition	59,952	27,200	67,830	67,830
Study and Development	18,644	300	1,500	1,500
Planning	6,253	16,500	21,290	21,290
Total, State Transportation Funds	***1,116,431***	***1,292,597***	***1,205,000***	***1,205,000***
Distribution of Federal Highway and Third-Party Funds by Project Type				
State Highway Projects	614,794	652,635	813,801	813,801
Local Aid Highway Projects	68,696	75,048	74,372	74,372
Public Transportation Projects	590,346	518,520	492,760	492,760
Subtotal, Federal Highway and Third-Party Funds	***1,273,836***	***1,246,203***	***1,380,933***	***1,380,933***
Distribution of Federal Highway Funds and Third-Party Funds by Phase of Work				
Construction	1,128,006	1,082,737	1,223,597	1,223,597
Design and Engineering	55,131	54,150	71,751	71,751
Right-of-Way Acquisition	52,834	67,591	51,166	51,166
Study and Development	37,865	41,725	34,419	34,419
Total, Federal Highway and Third-Party Funds	***1,273,836***	***1,246,203***	***1,380,933***	***1,380,933***
Total, State Transportation Funds	1,116,431	1,292,597	1,205,000	1,205,000
Total, Federal Highway and Third-Party Funds	1,273,836	1,246,203	1,380,933	1,380,933
Total Program Authorization	2,390,267	2,538,800	2,585,933	2,585,933

(a) Fiscal 2005 adjusted appropriation is derived from the fiscal 2005 Transportation Capital Construction Program.

(b) The specific projects represented by these amounts will be available in the fiscal 2006 Transportation Capital Construction Program due to be issued in March, 2005.

STATE OF NEW JERSEY
STATEMENT OF GENERAL LONG–TERM DEBT
JUNE 30, 2004 (a)
(thousands of dollars)

	ACT OF	AUTHORIZED (a)	UNISSUED	RETIRED (b)	OUTSTANDING
State Transportation Bonds	1968	640,000	0	640,000	0
Water Conservation Bonds	1969	271,000	0	267,069	3,931
State Recreation and Conservation Land Acquisition and Development Bonds	1974	200,000	0	198,371	1,629
Clean Waters Bonds	1976	120,000	5,000	114,209	791
Institutions Construction Bonds	1976	80,000	0	78,800	1,200
State Mortgage Assistance Bonds	1976	25,000	0	24,600	400
Medical Education Facilities Bonds	1977	120,000	0	120,000	0
Beaches and Harbors Bonds	1977	30,000	0	29,400	600
Emergency Flood Control Bonds	1978	25,000	0	25,000	0
Institutional Construction Bonds	1978	100,000	0	99,400	600
State Land Acquisition and Development Bonds	1978	200,000	1,500	193,850	4,650
Transportation Rehabilitation and Improvement Bonds	1979	475,000	0	466,857	8,143
New Jersey Public Purpose Buildings Construction Bonds	1980	159,000	0	159,000	0
Natural Resources Bonds	1980	145,000	9,600	101,172	34,228
Energy Conservation Bonds	1980	50,000	1,600	46,925	1,475
Water Supply Bonds	1981	350,000	93,400	256,600	0
Hazardous Discharge Bonds	1981	100,000	43,000	53,221	3,779
Community Development Bonds	1982	85,000	0	82,302	2,698
New Jersey Green Acres Bonds	1983	135,000	14,500	119,995	505
Shore Protection Bonds	1983	50,000	0	49,856	144
Jobs, Science and Technology Bonds	1984	90,000	0	90,000	0
New Jersey Human Services Facilities Construction Bonds	1984	60,000	0	59,357	643
Refunding Bonds	1985	4,466,185	0	2,286,700	2,179,485
Pinelands Infrastructure Trust Bonds	1985	30,000	8,000	22,000	0
Wastewater Treatment Bonds	1985	190,000	0	190,000	0
Resource Recovery and Solid Waste Disposal Facility Bonds	1985	85,000	0	69,975	15,025
Hazardous Discharge Bonds	1986	200,000	48,000	83,203	68,797
Correctional Facilities Construction Bonds	1987	198,000	0	198,000	0
Green Acres, Cultural Center and Historic Preservation Bonds	1987	100,000	9,000	85,060	5,940
Jobs, Education & Competitiveness Bonds	1988	350,000	0	320,418	29,582
New Jersey Open Space Preservation Bonds	1989	300,000	26,000	232,354	41,646
Public Purpose Buildings and Community–Based Facilities Construction Bonds	1989	125,000	5,000	101,295	18,705
Stormwater Management and Combined Sewer Overflow Abatement Bonds	1989	50,000	21,500	19,515	8,985
New Jersey Bridge Rehabilitation and Improvement and Railroad Right–of–way Preservation Bonds	1989	115,000	0	90,437	24,563
Green Acres, Clean Water, Farmland & Historic Preservation Bonds	1992	345,000	26,780	196,080	122,140
Developmental Disabilities Waiting List Reduction and Human Services Facilities Construction Bonds	1994	160,000	5,000	80,814	74,186
Green Acres, Farmland and Historic Preservation, and Blue Acres Bonds	1995	340,000	25,500	152,775	161,725
Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development Bonds	1996	300,000	199,000	32,550	68,450
Urban and Rural Centers Unsafe Building Demolition Bonds	1997	20,000	0	3,030	16,970
Statewide Transportation and Local Bridge Bonds	1999	500,000	0	165,515	334,485
Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project Bonds	2003	200,000	200,000	0	0
Total Long–Term Debt:		11,584,185	742,380	7,605,705	3,236,100

(a) An additional $1,000,000 Emergency Housing Bonds (Act of 1946) remain authorized but are not to be issued.
(b) Retired includes bonds for which provisions for payment have been made through the sale and issuance of refunding bonds.

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 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 law provides that the CAP may be exceeded upon passage of a bill making an appropriation approved by a two-thirds vote of all members of each legislative body.

Under the formula in the law, the maximum appropriation for fiscal 2006 is computed by multiplying the base year appropriation (fiscal 2005) subject to the percentage limitation by the average three-year growth rate in per capita personal income calculated on a fiscal basis. The fiscal 2006 CAP is calculated using 2.00%.

The calculation results in a maximum increase of $111.9 million over the fiscal 2005 Adjusted Appropriation or a maximum appropriation of $5.708 billion for Direct State Services for fiscal 2006. The Governor's recommendation for fiscal 2006, for items under the CAP, is $5.703 billion, or $4.9 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 below.

STATE INCOME
($ in millions)

Fiscal 2001	327,167
Fiscal 2002	336,079
Fiscal 2003	339,804
Fiscal 2004	352,789

Source: U.S. Department of Commerce, Bureau of Economic Analysis

STATE POPULATION

Fiscal 2001	8,560,267
Fiscal 2002	8,577,250
Fiscal 2003	8,642,412
Fiscal 2004	8,698,879

Source: U.S. Bureau of the Census data.
(State Pop. Estimates July 1, 2001 - July 1, 2004)

STATE AVERAGE PER CAPITA

	Personal Income	Percentage Change
Fiscal 2001	38,219	
Fiscal 2002	39,183	2.52%
Fiscal 2003	39,318	0.35%
Fiscal 2004	40,556	3.15%

Source: U.S. Bureau of the Census data.
(State Pop. Estimates, July 1, 2001 - July 1, 2004)

Computation of 2006 Cap
Subject to Expenditure Limitation Law Percentage
(thousands of dollars)

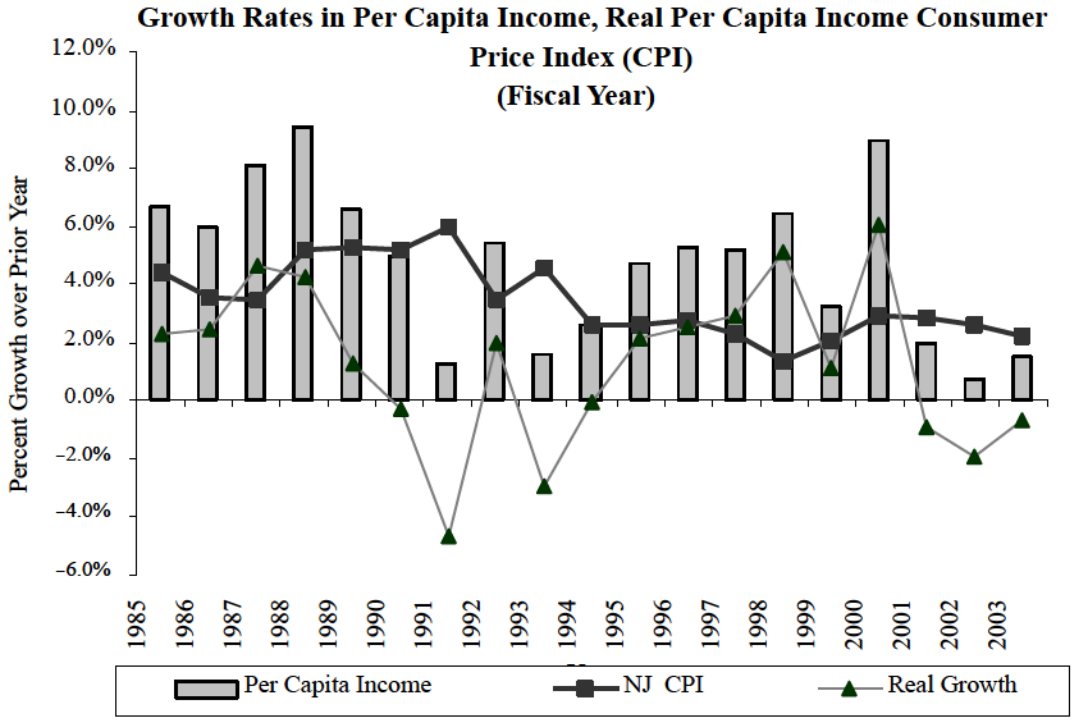
Appropriation and Adjustments for Fiscal 2005	$ 28,400,429
Less Statutory Exemptions:	
Grants-In-Aid	(7,863,655)
State Aid	(3,735,441)
Capital Construction	(1,120,529)
Debt Service	(441,533)
Property Tax Relief Fund	(8,969,252)
Casino Control Fund	(69,285)
Casino Revenue Fund	(475,431)
Gubernatorial Elections Fund	(8,870)
Less: Funding for Division of Youth and Family Services Reform Efforts In Accordance With A Court Settlement	(94,222)
Less: Funding for Corrections Mental Health Treatment Appropriated In Accordance With A Court Settlement	(25,638)
Amount Subject to Limitation	5,596,573
Fiscal 2005 Base Subject to Percentage Limitation	5,596,573
Per Capita Personal Income Rate	2.00%
Maximum Increase in Appropriation for Fiscal 2006	111,931
Maximum Appropriation for Fiscal 2006	5,708,504
Fiscal 2006 Recommendation	5,859,807
Less: Funding for Expansion of Public Defender Law Guardian and Pool Attorneys In Accordance With A Court Settlement	(3,438)
Less: Funding for Division of Youth and Family Services Reform Efforts In Accordance With A Court Settlement	(127,144)
Less: Funding for Corrections Mental Health Treatment Appropriated In Accordance With A Court Settlement	(25,638)
Amount of Fiscal 2006 Appropriation Subject to the CAP Limitation	5,703,587
Amount Over/(Under) the CAP Limitation	$ (4,917)

Population and Personal Income

The total population of New Jersey is 8.7 million, based on the latest update of the U.S. Bureau of the Census in July 2004.

New Jersey's per capita income has failed to experience real growth, i.e., annual growth in excess of consumer price index (CPI) growth, for the third straight year (see figure below).

New Jersey has the highest rank for per capita personal income of the mid-Atlantic states (see table below). And in 2003 was the state with the second highest per-capita income nationwide.



PER CAPITA PERSONAL INCOME FOR THE UNITED STATES, NEW JERSEY, AND MIDDLE ATLANTIC STATES

(2003 Calendar Year)

	Amount	Percent of National Average	National Ranking
United States	$31,459	---	---
New Jersey	$40,002	127%	2
New York	$36,296	115%	5
Maryland	$37,424	119%	4
Delaware	$33,321	106%	11
Pennsylvania	$31,706	101%	17

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

WORKFORCE

Recommended State funding for Executive Branch employees in fiscal 2006 provides for an increase of 495 full-time employees compared to the actual number of employees on January 28, 2005, primarily for Child Welfare Reform, additional State troopers, nurses and other support for State Veterans' Homes, Corrections officers for juvenile and adult facilities, and additional staff to address priority environmental concerns. This staffing level assumes a 500 employee reduction included within actions that are intended to save $50 million.

As was the case in fiscal 2005, the largest single increase in employees is for the State's Child Welfare Reform effort. Compared to January 28, 2005, fiscal 2006 funding will allow the number of employees to increase by 1,016, taking into account State and federal funding. Of this number, slightly less than half represent hires that will occur before July 1, 2005 due to increased funding in the Fiscal 2005 Budget. Additional funding for fiscal 2006 will allow the Division of Youth and Family Services (DYFS), now contained within the umbrella organization, the Office of Childrens' Services, to move towards its goal of achieving caseload-to-staff ratios of 12 to one for protective staff and 15 to one for permanency staff.

In addition to the staff provided directly to DYFS, over 100 employees will be added to the Departments of Law and Public Safety and the Public Defender to meet their increased responsibilities under the Child Welfare Reform Plan using increased funding provided in fiscal 2005.

The Fiscal 2006 Budget includes funding for a net increase of 247 State troopers after attrition and retirements are considered. This will bring total troop strength to 3,015, the highest level in the history of the State Police.

Additional staff have also been added to the Fiscal 2006 Budget for ethics reform: 36 new staff have been added to the Election Law Enforcement Commission, 18 staff have been added to the Office of the Inspector General and there is also growth in the State Commission of Investigation (within the Legislature) and a 70% increase in funding for the Commission on Ethical Standards.

The State funding increase of 139 for the Department of Military and Veterans' Affairs is due to hiring still to be done at the Veterans' Homes due to expansions funded in fiscal 2005 for the Menlo Park Veterans' Home and the opening of the new Vineland Home.

Non-state funding represents positions that are supported from sources other than the State's General Fund and includes federal, fee-supported and other dedicated funding. Almost half of the 2,173 Executive Branch employee increase is for the Department of Human Services, including the Child Welfare Reform program previously discussed. Growth for Community Affairs includes additional staff for Uniform Fire Code and other housing code enforcement programs, while growth at the Department of Environmental Protection is largely for Smart Growth Permitting.

The growth of 304 for the Motor Vehicles Commission represents continuation of upgrades to the agencies in order to improve access, security and customer service. Non-state growth for Law & Public Safety includes:

New Positions funded from dedicated sources to implement legislation that greatly expands DNA testing for law enforcement purposes; and

Other increases include federal and dedicated funding for Homeland Security, the Commercial Vehicle Enforcement Program, the Medical Examiner and the Racing Commission.

STATE FUNDED WORKFORCE
1/28/05 vs. FY 2006 FUNDED POSITIONS COMPARISON

	STATE EMPLOYEES 1/28/2005		FY 2006 FUNDED POSITIONS	
Agriculture	155		153	
Banking and Insurance	4		4	
Chief Executive Office	108		108	
Community Affairs	185		202	
Corrections (Balance)	8,957		8,960	
Parole Board	713		747	
Education	429		464	
Environmental Protection	2,437		2,543	
Health and Senior Services	850		867	
Human Services (Total)	14,977		15,057	
Management and Budget	416		416	
Medical Assistance	191		149	
Disability Services	16		19	
Family Development	219		246	
Addiction Services	18		18	
Commission for the Blind and Visually Impaired	176		168	
Youth and Family Services/ Children's Services	4,012		4,130	
Deaf and Hard of Hearing	9		9	
Developmental Disabilities	5,022		4,957	
Mental Health and Hospitals	4,898		4,945	
Labor (Balance)	235		238	
Public Employee Relations Commission	36		39	
Law and Public Safety (Balance)	2,844		2,913	
State Police	2,133		2,380	
Election Law Enforcement Commission	54		96	
Violent Crimes Compensation Board	48		48	
Executive Commission on Ethical Standards	9		10	
Juvenile Justice	1,295		1,315	
Military and Veterans' Affairs	1,320		1,459	
Personnel	381		394	
State (Balance)	130		143	
Commission on Higher Education	17		18	
New Jersey Network	113		111	
Higher Education Student Assistance Authority	27		27	
Transportation	2,892		2,899	
Motor Vehicle Commission	---		---	
Treasury (Balance)	3,301		3,370	
Casino Control Commission	---		---	
Office of Administrative Law	103		112	
Office of Information Technology	---		---	
Public Defender	1,047		1,117	
Commission on Science and Technology	5		6	
Board of Public Utilities / Ratepayer Advocate	---		---	
Miscellaneous Commissions	2		2	
Subtotal Executive Branch	44,807		45,802	
		Less:	500	
			45,302	(a)
Legislature	463		485	
State Commission of Investigation	50		59	
Judiciary (Administrative Office of the Courts)	1,526		1,558	
Statewide Total (w/o Courts)	46,846		47,404	
Judiciary (County Courts)	6,398		6,341	
Grand Total	***53,244***		***53,745***	

(a) Growth is largely due to increased employees for Child Welfare Reform (Youth and Family Services/Children's Services), nurses and other support for the Veteran's Homes (Military and Veterans' Affairs), staffing for Prisons and Juvenile Correctional Facilities, priority environmental programs and additional State Troopers.

NON–STATE FUNDED WORKFORCE
1/28/05 vs. FY 2006 FUNDED POSITIONS COMPARISON

	STATE EMPLOYEES 1/28/2005	FY 2006 FUNDED POSITIONS
Agriculture	108	133
Banking and Insurance	493	506
Chief Executive Office	---	---
Community Affairs	907	1,079
Corrections (Balance)	449	449
Parole Board	---	---
Education	519	585
Environmental Protection	1,005	1,167
Health and Senior Services	1,298	1,351
Human Services (Total)	5,999	7,042
Management And Budget	168	172
Medical Assistance	414	425
Disability Services	12	10
Family Development	207	244
Addiction Services	116	128
Commission for the Blind and Visually Impaired	91	104
Youth and Family Services/ Children's Services	1,174	2,072
Deaf and Hard of Hearing	---	---
Developmental Disabilities	3,784	3,849
Mental Health and Hospitals	33	38
Labor (Balance)	3,528	3,528
Public Employee Relations Commission	---	---
Law and Public Safety (Balance)	2,142	2,337
State Police	635	635
Election Law Enforcement Commission	---	---
Violent Crimes Compensation Board	---	---
Executive Commission on Ethical Standards	---	---
Juvenile Justice	472	472
Military and Veterans' Affairs	150	181
Personnel	56	65
State (Balance)	68	66
Commission on Higher Education	2	2
New Jersey Network	45	47
Higher Education Student Assistance Authority	175	198
Transportation	1,019	1,023
Motor Vehicle Commission	2,538	2,842
Treasury (Balance)	399	417
Casino Control Commission	346	364
Office of Administrative Law	10	11
Office of Information Technology	936	954
Public Defender	4	4
Commission on Science and Technology	---	---
Board of Public Utilities / Ratepayer Advocate	345	363
Miscellaneous Commissions	---	---
Subtotal Executive Branch	23,648	25,821
Legislature	---	---
State Commission of Investigation	---	---
Judiciary (Administrative Office of the Courts)	315	303
Statewide Total (w/o Courts)	23,963	26,124
Judiciary (County Courts)	1,183	1,227
Grand Total	***25,146***	***27,351***

FY 2005 Supplementals
(thousands of dollars)

Requires Legislative Action

Community Affairs	
Subsidies for low income housing through State Rental Assistance Program	15,000
Corrections	
Contractual salary increases	15,072
Institutional overtime costs	1,000
Education	
Actual FY2005 Abbott district funding requirements	98,092
Payments for Human Services-placed and homeless students	4,500
Designation of Salem City as Abbott District	3,960
Additional Charter Schools cost based on actual October 2004 enrollment	1,200
Restoration of regional office positions	709
Environmental Protection	
Contractual salary increases	398
Health & Senior Services	
Funding for Cancer Institute of New Jersey facility in New Brunswick	6,000
Nut allergies fact sheet publication	250
Additional funding for primary/comprehensive stroke centers	3,000
Additional funding for AIDS drugs and testing	5,000
Human Services	
Offsets lower than expected federal revenue for Title XIX Community Care Waiver	20,103
Growth in cash assistance caseloads	14,046
Offsets lower than expected federal revenue for Title IV-E Foster Care	8,000
Growth in DYFS Grants In Aid caseloads	6,600
Fingerprinting/background checks	1,200
Costs associated with closing Brisbane Child Treatment Center	2,437
Pilot program to increase enrollment in NJ FamilyCare	90
Law & Public Safety	
Contractual salary increases	9,110
State Police recruit class and radio upgrade	5,000
Additional Salary Costs for State Police and Juvenile Justice Officers	8,300
Extending polling place hours for June elections	3,300
Election Law Enforcement Commission positions	2,000
Additional cost for providing in-house medical care for incarcerated juveniles	900
Transportation	
Study to reduce traffic congestion throughout the State	75
Defrays signage costs on Trooper Zimmerman Highway	2
Defrays signage costs on Donald Goodkind Bridge	3
Treasury	
Citizens' Task Force expenses for Property Tax Convention	250
Subtotal (Requires Legislative Action)	***235,597***

Offset by Revenues

Community Affairs	
Contractual salary increases for self-supporting operations	1,222
Education	
Contractual salary increases for self-supporting operations	117
Environmental Protection	
Expands compliance, enforcement and permitting	1,500
Provides additional funding for Nuclear Emergency Response salary costs	928
Contractual salary increases for self-supporting operations	180
Human Services	
Vendor to maximize federal revenue to the State	1,390
Contractual salary increases for self-supporting operations	59

FY 2005 Supplementals
(thousands of dollars)

Labor	
Contractual salary increases for self-supporting operations	558
Law & Public Safety	
Gaming Enforcement administration costs	2,900
State	
State Records Management program start-up costs	1,528
Treasury	
Advertising costs to increase New Jersey Lottery revenues	8,809
Casino Control Commission administration costs	785
One-time Division of Investment diversification costs	400
Subtotal (Offset by Revenues)	***20,376***

Other

Legislature	
Continuation and expansion of data processing system	657
Banking and Insurance	
Insurance fraud advertising campaign	1,000
Community Affairs	
Newsletter promoting awareness of Division on Women programs	43
Education	
Audits of State-operated school districts	600
Additional costs for Teacher Certification	131
Environmental Protection	
Implements Smart Growth legislation provisions	4,500
Increased permitting and enforcement for Highlands	2,166
Free hunting and fishing licenses for National Guard and Disabled Veterans	280
Recalculation of actual municipal payments in lieu of taxes	500
Health & Senior Services	
Establishes Statewide NJ Allogenic Cord Blood Bank	2,500
Human Services	
Purchase of new Health Care billing system	600
Transportation	
Additional snow removal costs throughout the State	13,402
Treasury	
Collection service fees	12,683
Senior Tax Freeze payments and administration costs	6,223
Camden Economic Recovery program expenses	1,500
Various enhancements to revenue collection and auditing processes	11,326
Interdepartmental	
Security and maintenance costs for closed facilities in N. Princeton and Marlboro	2,500
Increased utility and security costs	3,000
Third party administrator tort settlements	5,000
Associated costs for workers' compensation claims	8,000
FICA adjustment to comply with GAAP	37,649
Municipal Rehabilitation and Economic Recovery debt service funds	1,069
Business Employment Incentive Program (BEIP) debt service funds	366
Office of Emergency Telecommunications Services	1,500
Subtotal (Other)	***117,195***
Grand Total	***373,168***

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Acknowledgements: Cover photo of New Jersey State House compliments of New Jersey Commerce & Economic Growth Commission.