



*State of New Jersey*  
OFFICE OF THE GOVERNOR  
125 WEST STATE STREET  
PO Box 001  
TRENTON NJ 08625-0001

JON S. CORZINE  
*Governor*

FOR IMMEDIATE RELEASE  
DATE: March 19, 2009

CONTACT: Robert Corrales  
PHONE: 609-777-2600

[The \*Budget in Brief\* publication has been amended to reflect Governor Corzine's restoration of the Property Tax Deduction in the FY 2010 budget proposal as described in the press release below:](#)

### **GOVERNOR CORZINE AND LEGISLATIVE LEADERS TO RESTORE PROPERTY TAX DEDUCTION FOR FY2010 BUDGET PROPOSAL**

TRENTON – Governor Jon S. Corzine today adjusted his \$29.8 billion budget proposal to include the restoration of the property tax deduction for all New Jersey taxpayers earning up to \$150,000. The original proposal retained the deduction for all senior taxpayers, and this adjustment will restore the deduction for all other taxpayers earning up to \$150,000.

“I’ve been listening to New Jerseyans and think we need to preserve this deduction to continue our fight to ease the burden of property taxes,” Governor Corzine said. “To that end, I will adjust the budget proposal I made to the Legislature by restoring the property tax deduction to nearly 1.5 million working families.”

Under the Governor’s adjusted budget proposal, 84 percent of New Jersey taxpayers will get a full deduction. For this near-complete restoration, a one-year only increase in the “millionaire’s tax” will be implemented. That tax was enacted in 2004 and applies to the wealthiest one percent of New Jerseyans, those who make more than \$500,000 a year.

“Given the circumstances, allowing people to maintain their property tax deduction is the right thing to do and will help ease the pain for those being squeezed the most,” Senate President Richard J. Codey said.

“Preserving property tax relief for working families has always been our shared goal,” Assembly Speaker Joseph J. Roberts, Jr. said. “The concerns of New Jersey homeowners remain our top priority as we work to craft a budget that meets their needs in these difficult economic times.”

(more)

The Governor’s FY10 budget proposal will still include:

- \$4 billion in baseline spending cuts, with more than 850 line items being cut;
- an increase in education of \$300 million, including \$25 million for pre-K aid;
- sustaining the expanded Senior Freeze;
- funding for food banks, charity care, worker retraining and the job tax credit

“With this adjustment, my administration continues its efforts to assist working families in New Jersey in every way possible, but especially by providing relief from high property taxes,” Governor Corzine said. “There are things in the proposed budget that we might not choose to do in normal times but even when the choices are tough, we must choose to do what is right for New Jersey.”

###

**Fiscal 2010**

# **BUDGET IN BRIEF**



**Jon S. Corzine, Governor**

**R. David Rousseau  
State Treasurer**

**Charlene M. Holzbaaur  
Director**

**Robert L. Peden  
Deputy Director**

**Gary J. Brune  
Associate Director**

**Jacki L. Stevens  
Assistant Director**

**Office of Management and Budget**

**March 10, 2009**



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JON S. CORZINE  
Governor

**FISCAL YEAR 2010 BUDGET  
OF  
JON S. CORZINE  
GOVERNOR OF NEW JERSEY  
TRANSMITTED TO THE SECOND ANNUAL SESSION  
OF THE TWO HUNDRED THIRTEENTH LEGISLATURE**

**Mr. President, Mr. Speaker, Members of the Legislature:**

In accordance with the provisions of C.52:27B-20, I hereby submit my budget recommendations for fiscal year 2009 - 2010.

This document provides a summary of my recommendations, and outlines the key aspects of my overall financial plan for the governmental services to be provided by the State to the citizens of New Jersey.

The budget detail, including information on specific line items of appropriations, will be submitted to the Legislature separately.

Respectfully submitted,

A handwritten signature of Jon S. Corzine in black ink.

**JON S. CORZINE**  
Governor of New Jersey

**Attest:**

A handwritten signature of William J. Castner, Jr. in black ink.

**William J. Castner, Jr.**  
Chief Counsel to the Governor

**March 10, 2009**

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## **The FY 2010 Budget Address**

State of New Jersey

Budget Address

March 10, 2009

Governor Jon S. Corzine

Good afternoon, and thank you all for attending today's budget address. Reverend clergy; Senate President Codey; Speaker Roberts; Chief Justice Rabner; Judge Glen Grant; Members of the Legislature; Members of the Cabinet; Former governors Byrne and DiFrancesco; Honored guests and fellow New Jerseyans.

Every day, across New Jersey, across America, millions of people are sitting down at their kitchen tables and sorting out their family budgets. On the backs of envelopes ... with pencils and calculators in hand ... surrounded by stacks of bills and receipts ... families are figuring out how to balance their income and expenses ... And they're doing this amid alarming economic circumstances.

You pick up the newspaper and see the national unemployment rate rising above 8%. You see neighbors losing their jobs, their homes and their health care. People worry they might be next.

The economy may not be "in shambles" as Warren Buffet remarked last week, but it is clear that this is no ordinary recession. And the costs of this economic crisis are exacting a serious, human toll.

People from all walks of life are tightening their belts. Around the kitchen table, every family knows what it means to make tough choices in these tough times. But people also understand the importance of making the right choices. They identify their most important priorities, and they change their spending habits to live within their means.

That's exactly what those of us in this chamber must do in this budget season. I come before you today to speak candidly and directly about our state's finances - not just to you, but also to the people of New Jersey.

Make no mistake: because of where the world is right now, we must move in directions we might not otherwise choose. Tough times require that we make the right choices, and that we do the right thing for the common good. By making the right decisions now, New Jersey can and will emerge from this national economic crisis stronger, sooner, and more prosperous.

To that purpose, the budget I am proposing for FY 2010 totals \$29.8 billion - that's \$1 billion less than the first budget I presented in 2006. Stop and think about it, since 1947, every governor before me has grown spending over their four years.

With this proposal, we will have reduced spending two years in a row and will literally spend less than in the first budget I presented in 2006. This isn't a matter of debate or nuance. It's a fact.

It is also a measure of the times in which we live. It is a demonstration that here in Trenton, we are dealing with the state's finances exactly as every family in New Jersey is dealing with theirs. We are living within our means. We are not spending more than we are taking in. We are making the tough choices to do the right thing. And ... just like the choices that a family makes around the kitchen table about its spending, the decisions I have made in laying out this budget reflect a clear ranking of my priorities and a core values.

These priorities and values are the same ones that have guided my administration since I took office. Those values reflect a lifetime of experience and are informed by the voices of our fellow citizens, not just the loudest voices, but those who too often don't have a voice.

Yes, we are cutting the size of government, but because of our values, we have made it a priority to continue: Nurturing our children, honoring seniors, protecting the most vulnerable among us, and I want to make it clear that we must maintain these priorities at the same time that we work to minimize the tax burden on our citizens.

We've been able to enshrine these values in a leaner budget because, for three years, we governed responsibly. We eliminated the gimmicks and one-shots that past administrations used to paper over the state's debt. We reduced and streamlined state government. We funded state employee pensions and the unemployment trust fund. We were the first state in the nation to respond to the global recession with a comprehensive economic recovery program.

Because we chose to do the right things yesterday, we are able to keep doing the right things today. In FY 2009, declining revenues required cuts of over \$2 billion in state spending, as it turns out, that was just the start.

The global recession took a further toll on our revenues, so we have cut almost \$4 billion in baseline spending from this year's budget. But before we cut, we made a value-based judgment to take some things off the table.

There are certain parts of our government's work that we must sustain. In New Jersey, we recognize the importance of our children, they are our bright hope for the future. To that purpose, in this budget, we have increased, rather than cut, classroom funding for K-12 education. And with the federal government's help, we're giving our children a jump-start on a lifetime of learning.

This budget funds Pre-K education for 50,000 kids - an important down payment on our commitment to universal early childhood education. Our increase in classroom funding allows the state to press ahead with a new formula for school aid that is rooted in educational needs and fairness -- not zip codes. Our formula recognizes that half of all "at-risk" children live outside of Abbott districts. The state's school aid allows communities, rich and poor, urban and suburban, to hire talented educators who fire up our children's minds and imaginations, because here in New Jersey we believe that every child has a right to be inspired and challenged every day in schools that are among the world's best. School aid is just one reflection of the value we have placed on learning.

Today, I want to again congratulate the legislature for passing the \$3.9 billion school construction program that is about to put 15,000 to 20,000 New Jerseyans back to work while modernizing schools for hundreds of thousands of children. Every generation of children has the right to schools that offer a clean, safe, and stimulating environment for learning.

Just as we value our kids' education, we value their health. That's why we've expanded our Family Care program to include a child mandate and enrolled many thousands more kids and their families - particularly mothers seeking pre- and post-natal care.

Providing health care for our children is a priority in this budget, just as it has been in years past. On this point, I have been clear. When the Bush administration tried to cut 10,000 kids out of New Jersey's Family Care program, we said "no." We even went to court and made it a "federal case". Throwing kids off health care is not the way we do business in New Jersey.

Now, with the help of key members of New Jersey's congressional delegation, we can be certain of advancing children's health in partnership with the federal government. And just as with education and health care, we are spending wisely to improve the lives of children who require placement outside of their homes. Our Division of Children and Families has gone from being among the most poorly-rated in the country, to among the very best. Our budget priorities make it clear kids count!



We are also protecting seniors in this budget because we believe that, as a community, we have a responsibility to honor our parents and grandparents. Not only does this budget preserve the senior property tax freeze, it expands it. We have also preserved all homestead rebates for senior homeowners and renters. We want to make sure that our parents have a choice of staying in the homes where they have raised their families. And we want to make sure that our grandparents can live where they're most comfortable and where long-term care is most affordable. Seniors have a right to live in dignity and comfort ...that's why my administration has found ways to increase assistance for home heating and senior health care.

This budget also reflects the view that when people who have played by the rules fall on hard times. When they get sick, or lose their jobs, or stumble into a run of bad luck government will help them get back on their feet - with a hand up, not a hand out.

This budget provides that helping hand by maintaining emergency funds for food banks, avoiding cuts to charity care, investing in worker re-training, expanding the earned income tax credit, funding our groundbreaking efforts to stave off home foreclosures, through mortgage mediation and loan modification, and by preserving funding for the developmentally disabled and community providers.

We must not - and we will not - balance this budget on the backs of people, who through little or no fault of their own, have been caught in the rip-tide of the economic tsunami.

Let me repeat: Even as we cut the cost of government in unprecedented and historic amounts, we are doing so in the right way -- the way that sustains our abiding commitment to those core values...

Again, nurturing our children, honoring our seniors, and protecting the most vulnerable.

These are the basic values I have held for the past decade as I've fought for New Jersey families on the floor of the United States Senate and here in the State House. Throughout those years, I have guided my judgment by doing only what is best for New Jerseyans. Whether the question has been balancing the budget, or sending our soldiers to war, or holding corporations accountable, I may not have always done what was popular in the moment, but you can be damn sure I have always done what I thought was right. But it's not just me. I take great pride in my administration.

Even in the face of this dire financial circumstance, people have stayed true to our core values. From the cabinet members on down, this administration has refused to look for the easy way out. Even so, I don't need to remind you that the current economic crisis has taken a sharp toll on our revenues, as it has in every state across the nation. The difference is New Jersey is weathering the storm with better outcomes than many.

Our unemployment rate is below the national average. And as of January, at least 18 states had higher jobless rates than New Jersey -- often, significantly higher. Our incomes are nearly the highest in the nation, and while our budget gap is among the larger, we are managing that challenge without shuttering government, like California, or missing a payroll, like Kansas, or ignoring the unemployed, like South Carolina.

Now, let's lay out the numbers in basic terms. This fiscal year, which runs through June, the state will take in about \$30 billion - about \$3 billion less than we originally planned. In the coming FY 2010, we're projecting base revenues of only \$28.5 billion.

Even with important help from the federal government -- the declining revenue meant we had to make deep cuts in spending to balance the 2010 budget. With respect to budget cuts, there are two ways to compare the numbers: in absolute terms - as I just outlined - or in terms that reflect baseline growth. In absolute terms, we need to cut \$3 billion to bring this budget into balance. In baseline growth, we need to find a "staggering" \$7 billion in spending and revenue solutions. As you all can appreciate, baseline growth is a more practical measure of the state's budget gap.

Baseline numbers include increases that are mandated by statute, contract, and the courts - contractual wage increases, for instance. A baseline comparison also includes increases in health care and energy costs, supplemental school funding, debt service and court-mandated actions that increase child-welfare expenses.

A family sitting around the kitchen table understands the real pressures in baseline growth. Their health care costs are going up every year their energy costs soared in 2009 and the cost of nearly everything else - from food, to child care, to college tuition - continues to rise. The state budget is no different.

In fact, if we did nothing to curtail growth or adjust our contractual, statutory, and court-mandated obligations, the FY 2010 budget would come in just under \$36 billion. As I noted, that's more than \$7 billion over projected revenues. Fortunately, President Barack Obama understood the pressure on states to meet these shortfalls while still keeping teachers in the classroom and police on the street. The American Recovery and Reinvestment Act provides New Jersey about \$2 billion in aid to be used for current operations on education and health care.

That still leaves a \$5 billion gap in the budget, which we have attacked with \$4 billion in cuts to programs, rebates, pension payments, and state worker salaries. In all, over 850 line items in the budget have been cut. The largest cuts will come from reductions in a scaling back of homestead rebates by \$500 million, and reducing by another \$500 million payments to the pension fund.

I am proposing to save \$400 million in personnel costs through a wage freeze and furloughs for employees. This approach calls for shared sacrifice but I believe it is far better for employees to share in these reductions and continue working than it is for savings to be achieved by the layoff of up to 7,000 workers.

It most certainly is better to keep people at work and insured, than in the unemployment lines and on the Medicaid rolls. I'm sure state workers understand the household principle, just as we do, that when a family's income drops everybody has to tighten their belts.

We all have to share the responsibility of keeping our financial house in order.

Now, let me take a moment to briefly describe some of the options we sought to balance through this budget in hundreds of hours of meetings over the past few months.

In these discussions, we would have preferred not to reduce rebates or pension contributions but we chose to preserve our children's health care and education funding.

We would have preferred not to cut funding for the arts and humanities but we chose in this financial emergency not to close hospitals or eliminate senior prescription drug assistance.

We didn't want to cut funding for tourism advertising and beach replenishment but we chose to maintain safe neighborhoods, safe highways, and homeland security.

During those discussions, even as we cut spending, and cut, and then "cut some more", we also came to a decision that we had to preserve as much property tax relief as possible, given the severe financial pressure middle-class New Jersey homeowners are experiencing.

For instance, this budget has less than a two-percent cut in municipal aid - a small amount in comparison to other line items but one that recognizes that municipalities took a big hit last year. Further, in order to help municipalities balance their budgets and stabilize property taxes, I recommended the much-debated, optional pension deferral. This deferral will provide many communities with enough breathing room to avoid layoffs of police and firefighters.

Following the same reasoning, my budget preserves homestead rebates for over one million moderate and middle-income families earning \$75,000 or less. Protecting rebates as much as possible is consistent with one of the most basic priorities of my administration, providing direct property tax relief on a progressive basis. With this budget, my administration will have provided more direct property tax relief in four years than any other governor in New Jersey's history - nearly \$7 billion put directly into the pockets of homeowners.

This substantial commitment recognizes the heavy burden property taxes place on New Jersey families. It also recognizes the power and traditions of home rule. Obviously, no governor can single-handedly fix New Jersey's local property tax problem. Our state's 566 towns and 616 school districts need to rationalize their cost structures and hold spending under the cap. They need to share and consolidate services. Until these actions broadly take hold, the underlying problem will remain.

Simply put, New Jersey has too many layers of government. To the credit of many, the process of restructuring is gaining momentum across the state, and we will continue to promote consolidation and shared services wherever and whenever they make sense. There are incentive dollars in this budget that do just that.

In the meantime, however, rebates remain the primary tool by which the state can ease the property tax burden on individual citizens. That is why we should restore the rebates for higher income families as soon as the recovery of state revenues allows. Make no mistake -- a \$1,000 rebate check is more than meaningful for families who are working out their finances around the kitchen table.

We know that's absolutely true for fixed-income seniors, many of whom could receive as much as \$2,500 -- combining both their senior freeze and homestead rebates. And, as family members lose jobs or see their hourly wages fall, the number of taxpayers making less than \$75,000 grows. For those citizens, rebates count.

To help pay for the rebates, we have proposed eliminating the property tax deduction next year on state income taxes for everyone but seniors. Now, as I commented, New Jersey faces difficult challenges, but from a better position than many states.

One of the reasons is that, together, we've taken serious steps toward fiscal responsibility. As we all understand, for 15 or 20 years, New Jersey budgetary decisions had often gone in another direction - reflecting expediency rather than responsibility.

For many of those years, our government chose to meet its constitutional obligation to balance the budget by using one-shots and gimmicks. Whether it was raiding the unemployment trust fund, borrowing to fill unfunded pension liabilities or securitizing tobacco settlements for current spending. These gimmicks and others undermined the state's long-term financial strength and stability.

At the time, they were easy fixes. They didn't require tough choices about what the state could and could not afford. They were actions that didn't require telling the public the truth. Even worse, they saddled future generations with the cost of that irresponsibility.

With your help, I stopped it.

You can't correct 15 or 20 years of bad decisions in 38 months, but the steps we've taken have put our state's finances on more solid ground. Over the past three years, we've contributed more money to the public pension system than did our predecessors in the preceding 15 years, combined.

Regrettably, in the current crisis we need to temporarily reduce pension funding so that we can sustain our first priorities - our children, seniors, and the most vulnerable. In better times, such an action would be unacceptable. But this is a time of unprecedented economic stress. It is the right choice to make.

Similarly, over the 14 years before I took office, repeated raids of the unemployment trust fund - totaling nearly \$5 billion - were used to balance the state's operating budgets. My administration stopped the raids and in fact bolstered the fund by over \$400 million, which avoided sharply higher payroll taxes - over \$650 million to be exact - that would have fallen hardest on small businesses.

The unemployment trust fund is now under even more stress, and it would take as much as \$500 million dollars in additional spending to avoid a dramatic payroll tax increase.

We cannot make that kind of payment while still maintaining our priorities and preserving property tax relief. But we will make a significant payment that will soften the impact on employers. And we will also seek legislation to require a tax decrease when the fund recovers in a growing economy.

In this budget, we continue in our effort to make state government do more with less, and to hold ourselves accountable to the taxpayers.

My administration has reduced the payrolls of the state and its authorities' by almost 7,000 employees. We have eliminated departments. We negotiated with public employees and asked them to contribute toward the cost of their health care. We extended the retirement age to 62 and capped the pensions of new state workers. We recognized that sustainable employee benefit programs require serious restructuring to avoid future breakdowns.

The measures we have taken will save the state and local governments \$6.4 billion over 15 years. Those dollars count in a year like this. This kind of restructuring needs to be adopted across all levels of government in New Jersey.

We have scrubbed departments for inefficiencies - line by line - and implemented consolidations. We've sold cars, cut up state credit cards, and moved out of half-filled, leased warehouse space.

By measures big and small, we have reshaped and resized state government. We have also confronted and put an end to the entrenched ways of doing business in the State House. We ended Christmas tree spending. We approved a constitutional amendment to give voters a voice on state borrowing. And by executive order, I required that recurring expenditures be matched with recurring revenues. Other governors have talked about doing these things. I did them.

This budget continues a 4-year pattern of making the right choices - choices that may not be politically popular today, but which put our state on a stronger footing for tomorrow.

In a time of crisis, we must all share in the responsibility for balancing our finances and that's why I'm asking those who are the most fortunate among us - the one percent of New Jerseyans with incomes of a half-million dollars or more - to carry a little more of the burden.

To this end, I am proposing a one-year, only, rate increase of  $\frac{3}{4}$  of a percent for those earning more than \$500,000. This new revenue, along with small increases in alcohol and cigarette taxes, will allow us to finish closing that \$7 billion gap.

As I've said repeatedly, the unprecedented circumstances of our national economic crisis requires choices we might not otherwise make. Our responsibility requires us to have the courage to meet these challenges, deliberatively, honestly, with compassion and good judgment. And that is precisely what we have done in crafting this budget.

We faced down a \$7 billion shortfall with roughly \$4 billion in spending cuts, \$2 billion in federal aid, and \$1 billion in new revenue.

That left us with \$29.8 billion in which to prioritize our children, our seniors, and those who play by the rules but find themselves in dire straits. I'm asking you all to review the proposed budget.

Offer alternatives where you find them - as long as those alternatives honestly meet the challenges of full funding, meet legal requirements, and fit within the broad priorities laid out.

I welcome ideas from everyone. I only ask that the ideas be real, be specific, and be fiscally responsible. The last thing that New Jersey needs in today's environment is political posturing. Posturing won't save one job, it won't help one family with property taxes, it won't improve a single school or save a single business.

As I close, let me be clear, this budget is one part - only one part - of our responsibility to meet head-on the challenges of the global economic crisis. It is not our first step - and it won't be our last.

Last fall, when the banking and credit sectors collapsed, my administration was ahead of the curve in dealing with the global economic crisis. We were the first state in the nation to pass a comprehensive economic recovery plan. I thank the legislature for your forceful and timely response in passing the nine pieces of legislation that made up that recovery package.

Our mortgage mediation and modification program is stabilizing our state's housing sector, and now, other states - and the federal government - are making similar efforts.

With our Invest New Jersey initiative, we offered a \$3,000 grant for every new job created and sustained for at least a year, along with a sales tax exemption for the purchase of new business equipment. In the ten weeks since that grant program has been in place, we've received over 800 applications representing 20,000 jobs and hundreds of millions of dollars in investment. Each of those 20,000 people represents a New Jerseyan who has the opportunity to wake up every day, knowing that he or she has a job.

We also reformed New Jersey's corporate tax code to make our state more business friendly. We enabled businesses to carry forward tax loss benefits for up to 20 years. We eliminated the Throw-Out and Regular Place of Business Rules that penalized companies headquartered in New Jersey. We enacted permit extension provisions. We created a clean energy fund and put in place incentives for public investments in energy efficiency.

All of these measures have cushioned us against the blow of this global recession. These actions may even produce growing revenues for future state budgets.

Now, I've taken some heat from our neighbors -- particularly up north. Some have accused me of trying to steal their companies. I get accused of a lot of things, but this is one offense I'm willing to cop to. Let's be clear - our economic recovery plan sends a clear and unequivocal message to employers: New Jersey is a great place to do business.

When we move legislation to expand the urban hub tax credits, when we pass the revenue allocation district act, when we move forward on allowing license site professionals to certify brownfield cleanups, we'll lay an extraordinary foundation for New Jersey's strong economic recovery. When the global and national economy rebounds, New Jersey will be in a stronger position than its neighbors and competitors.

We will prosper tomorrow because of the decisions we make today.

Now, I'd like to close by citing President Obama, who reminded us two weeks ago in his address to Congress that we are in the eye of an economic storm, the likes of which we haven't seen since the breadline days of the 1930's.

That said -- with a strong national recovery program, and with a true partner for New Jersey in the White House, we will come through this storm. While today's crisis is challenging and often painful, we will pull together as a community and a nation and build for a more prosperous tomorrow. History is clear - the economy will turn.

With the talent, the work ethic, and the strong character of our people, New Jersey will lead the way. I believe in our common desire to do what is right. I hope and expect to see that spirit reflected in the final budget, a budget that values children, seniors, and the most vulnerable, and asks a little more from the rest of us.

Thank you.

May God bless each of you, and God bless New Jersey.



## ***FY 2010 Budget Highlights***

Despite facing the most severe global economic crisis of our lifetimes, the FY 2010 Budget is based on the underlying principle of “doing the right thing” and not abandoning the principles of providing education and health care for children; maintaining public safety; protecting the most vulnerable; and maintaining the commitment to providing the greatest level of property tax relief to the citizens of New Jersey.

Governor Corzine’s FY 2010 \$29.841 billion Budget is over \$3.4 billion, or over 10 percent, below the adjusted appropriation level of the current year and more than \$1 billion below the first budget that he proposed in March 2006.

The Budget is nearly \$6 billion below the projected baseline spending required under current statutes and contractual obligations.

For the second consecutive year, this Governor has submitted a budget that is less than the previous year’s budget. No other Governor in New Jersey history has cut budget spending in back to back years.

Over the past two years Governor Corzine has reduced the Budget by \$3.5 billion from the budget he signed in June 2007 (Fiscal Year 2008 budget).

The average annual growth rate of the four budgets presented by Governor Corzine is about 1.6 percent – which represents the smallest increase of any four years in modern history. More than 75 percent of the increase is in property tax relief programs (school aid, Homestead Rebate and Senior Freeze).

The Budget, inclusive of new federal assistance, provides \$15.7 billion in property tax relief – over 50 percent of the entire Budget.

The Budget, with federal stimulus, provides over \$13.5 billion for support of PreK-12 and college education – about 45 percent of the budget.

The Budget reduces the cost of operating government by over \$380 million.

Reductions have been made to approximately 450 of the 2,400 line items in the budget – nearly 20 percent – and another 400 line items will be affected by the allocation of employee savings, increasing the share of reductions to 36 percent.



## CHAPTER 1: EXECUTIVE SUMMARY

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As New Jersey, other states and the world navigate through what is arguably the most severe and pervasive economic crisis since the Great Depression, Governor Jon S. Corzine has proposed a FY 2010 Budget that is in tune with these difficult times. The Budget is approximately \$3 billion below the FY 2009 budget enacted last June and \$1 billion less than the first Budget (FY 2007) Governor Corzine proposed in March 2006. The FY 2010 Budget totals \$29.84 billion.

Over the last three years, the Budget has re-prioritized spending to the critical areas of educating New Jersey's children; protecting the health and well-being of children; safeguarding New Jersey's most vulnerable citizens; securing public safety; and easing the property tax burden in New Jersey. While the FY 2010 Budget contains by far the largest dollar and percentage decrease in modern New Jersey history, these priorities continue to be shielded from harsh but unavoidable reductions in spending.

Key elements of the FY 2010 Budget include:

- Closure of a projected \$7 billion shortfall through \$4 billion in direct cuts or reductions in baseline growth, \$2 billion in Federal Economic Stimulus assistance and \$1 billion in revenue solutions;
- Reductions in about 850 - about 36 percent - of the 2,400 line items in the Budget;
- Cuts in the operational costs of State government of more than \$380 million;
- Increased funding for schools and early childhood education programs;
- Near level funding preserved for municipalities, hospitals and higher education;
- More than half of all Budget spending for property tax relief.

### ***Defining and Solving the FY 2010 Shortfall Problem***

As the last three budgets moved New Jersey closer to true structural balance, in which recurring revenues matched recurring expenses, the FY 2009 Budget projected a succeeding fiscal year shortfall of between \$1.5 billion and \$2 billion. This estimate took into account the largest year-to-year spending reduction in State history, no new costly policies or government programs and revenue assumptions built around a continuing slowdown of the national and regional economy.

The slowdown in the economy, however, quickly evolved into an overwhelming economic crisis of global proportions. As a result, a shortfall of more than \$3 billion opened in New Jersey's FY 2009 Budget, and restoring balance required the implementation of solutions that straddled both the current and new fiscal years.

With a shortfall estimated at \$7 billion, the Corzine Administration relied on multiple approaches to meet the constitutional requirement for a balanced budget.

We closed the shortfall with the use of nearly \$4 billion in cuts or spending restraints. These cuts include the proposed imposition of a wage freeze and a furlough program for State employees. The balance of the shortfall was closed with the application of just over \$2 billion in federal stimulus monies and temporary changes in tax policy, including a one-time increase in the Gross Income Tax rate for about 1% of New Jersey's wealthiest citizens and increases in the taxes on cigarettes and alcohol (excluding beer).

### ***Reducing Size and Cost of Government***

In order to meet the State's funding priorities in the face of an extraordinary decline in fiscal resources, the FY 2010 Budget includes another major wave of cuts. These reductions are on top of approximately \$3.1 billion in spending cuts and restraints in the original FY 2009 Budget, plus an additional \$1.8 billion in mid-year cuts to keep the budget in balance.

Prominent among the FY 2010 reductions is approximately \$420 million in savings to be achieved through a proposed salary freeze and proposed workforce furlough over the course of the fiscal year. For the third straight year, operational budgets for State departments have been reduced. The FY 2010 Budget assumes more than \$380 million in year-to-year spending reductions on departmental operations. Since January 2006, the Executive Branch workforce has been reduced by close to 4,000 employees. When reductions in State authorities and agencies are taken into account, the total workforce has been reduced by about 7,000 employees. The workforce will continue to shrink in FY 2010 through a continuation of a strict hiring freeze and attrition.

### ***Putting Children First***

For the second consecutive year, the Budget invests additional resources into New Jersey's school classrooms, increasing direct school aid by \$300 million to \$8.8 billion. This increase includes \$52 million more for existing preschool programs.

Formula aid represents one-half of the \$300 million increase. No school district will receive less than it received in FY 2009, and 171 school districts will receive increases, some up to five percent. The Budget also makes good on Governor Corzine's commitment to phase-in preschool expansion with \$25 million in new funding for newly-created Preschool Incentive Aid. The \$25 million will be available to the "universal" non-Abbott preschool districts for expansion in the 2009-10 school year if they commit their new recovery Title I funds to preschool.

Total school aid is funded at \$11.4 billion, inclusive of federal stimulus funding, which is well over one-third of the \$29.8 billion FY 2010 Budget. Combined, aid to preschool - 12 education and Higher Education represents about 45 percent of the total budget.

## ***Preserving and Continuing Property Tax Relief***

The FY 2010 Budget includes \$15.7 billion in property tax relief, more than one-half of all spending, with more than \$1.1 billion being directed to the Homestead Rebate Program. All funding for direct relief programs in FY 2010, including all rebates, the Senior Freeze and direct payments, brings total spending over all Corzine Administration budgets to nearly \$7 billion, which is significantly higher than the cumulative total of any previous administration.

Despite the unprecedented strains on State finances, rebates for all senior homeowners have been preserved at last year's levels, averaging over \$1,200. This aid helps to ensure that seniors on fixed income can remain in their homes.

In addition, the Budget continues rebates for non-senior households with incomes below \$75,000. Non-senior homeowners with incomes between \$50,000 and \$75,000 will receive checks averaging about \$700, while those non-seniors with incomes below \$50,000 will receive rebate checks averaging \$900. More than one million New Jersey homeowners will receive in excess of \$1 billion in rebates, averaging more than \$1,000. Two-thirds of homeowners who received rebates last year will continue to receive rebates. The FY 2010 program preserves rebates for both senior and non-senior tenants.

The FY 2010 Budget also funds the Senior Property Tax Freeze program. Spending rises by \$3.5 million to \$172.5 million. Senior Freeze checks averaged in excess of \$1,000 last year. The Governor and Legislature also enacted legislation last year that raised the income eligibility for Senior Freeze benefits.

## ***Conclusion***

The \$29.8 billion Budget proposed by Governor Corzine is an austere budget, proportionate to these difficult economic times, yet responsive to the core needs of educating and protecting our children, protecting New Jersey's health care safety net and easing the property tax burden shouldered by all citizens.

If the FY 2010 Budget is adopted at \$29.8 billion, the total spending level since Governor Codey's FY 2006 Budget will have increased by \$1.9 billion, or at an annual rate of 1.6%. Approximately \$1.5 billion, or ***75 percent of this increase in spending is directly attributable to property tax relief programs, including school aid, the Homestead Rebate and the Senior Freeze Program.*** Providing health care for children and families and protection for children under the care of the Department of Children and Families accounts for another \$600 million of this increase.





## CHAPTER 2: AN ECONOMIC CHALLENGE ENGULFS THE NATION

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No budget is proposed in a vacuum. A budget reflects the economic health of the State. It relies on the amount of revenue that is generated by citizens and businesses, which declines during economic slowdowns. The budget also responds to the needs of residents. As the jobless rate increases, New Jersey families turn to the State for help in securing unemployment benefits; in obtaining Medicaid health care; in helping them keep their homes and not succumb to foreclosure. During any economic downturn, it is difficult to balance falling revenues with rising needs.

This Budget, however, is proposed at a truly historic juncture—New Jersey joins its fellow states in facing an international economic challenge, a slowdown larger than any this nation has faced since the Great Depression. The U.S. officially entered recession in the final quarter of 2007, but the downturn intensified dramatically in the third quarter of 2008. The nation's Gross Domestic Product plummeted in the fourth quarter of 2008 to a level not seen in the post-World War II era. The national unemployment rate has increased by more than 50% since the beginning of 2008. Forty-six states are struggling to fill budget gaps, which, when combined, are estimated to reach \$350 billion or more by fiscal year 2011. We truly face a once-in-a-generation fiscal emergency.

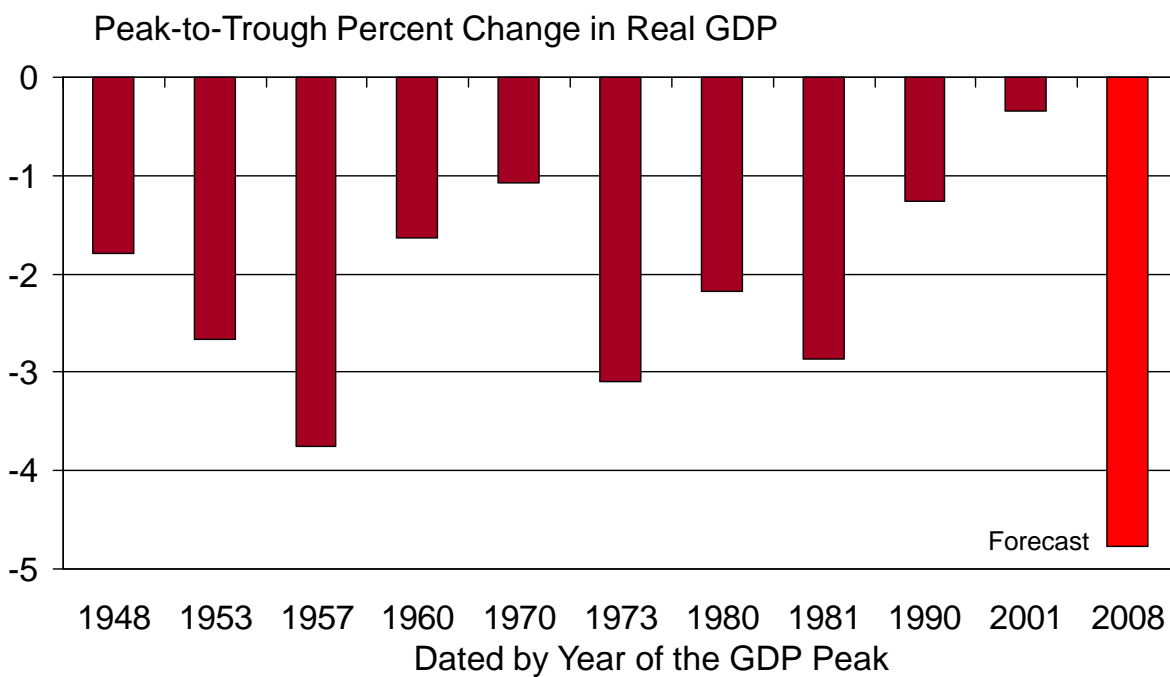
Last year's Budget began to prepare New Jersey for the possibility of an economic downturn. Governor Corzine had the foresight to reduce the Fiscal 2009 Budget by \$600 million below that of fiscal 2008. When combined with the reductions recommended for fiscal 2010, the total savings over that two-year period exceeds the total State appropriation provided for the entire State Budget in 1978. State government has become leaner; our State workers are working harder with fewer resources to provide the citizens with the services they need. Due in part to such actions, the deficit that New Jersey faces is not as deep as some of the other states. We are thankful that the State's unemployment rate continues to be below the national average. Nevertheless, there is no question that we as a State have been hit terribly hard by this downturn. The State's base revenues have dropped by over 12% the last two fiscal years. The Proposed Budget is now at a lower level than Governor Corzine's first proposed budget, even as the needs of our citizens have increased.

The following charts help illustrate the international economic downturn that shapes the Governor's *Proposed Budget* for Fiscal 2010, and help explain the excruciatingly difficult decisions that this Administration made in preparing this document.

## The Nation Faces the Greatest Economic Crisis since the Great Depression

- The nation is dealing with a historic economic slowdown, which has already resulted in the largest yearly decline in U.S. Gross Domestic Product in the post-war era

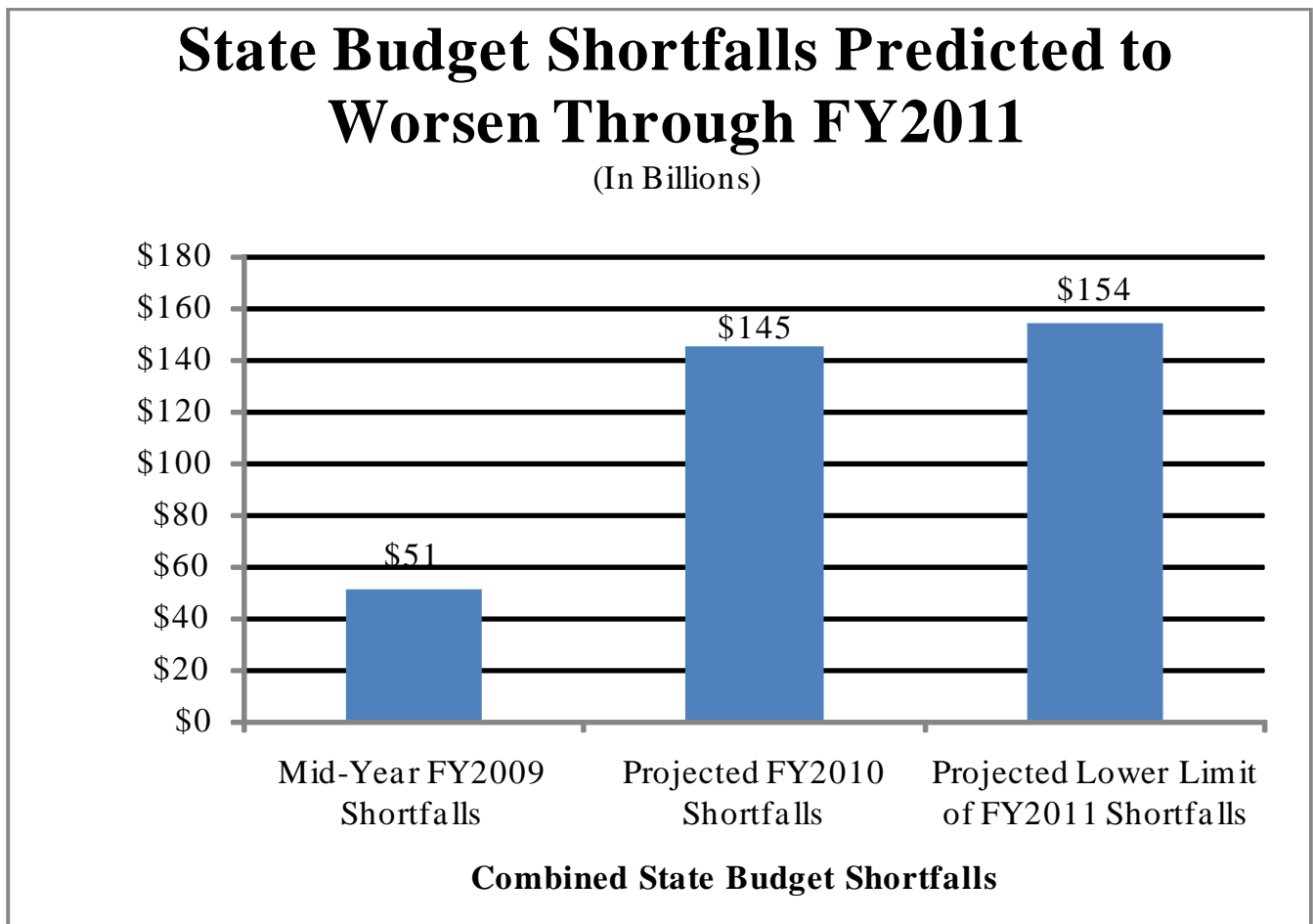
## The U.S. 2008 GDP Decline is the Worst in Post-War History



Source: IHS Global Insight (March 2009)

## Almost All States Are Facing Crippling Budget Shortfalls, Estimated to Total a Combined \$350 Billion by Fiscal Year 2011

- 46 states are facing fiscal stress in their current and upcoming fiscal years, according to the Center on Budget & Policy Priorities
- The shortfalls are expected to become worse over the next two years
- When combined, these shortfalls are estimated to total \$350 billion to \$370 billion by fiscal year 2011

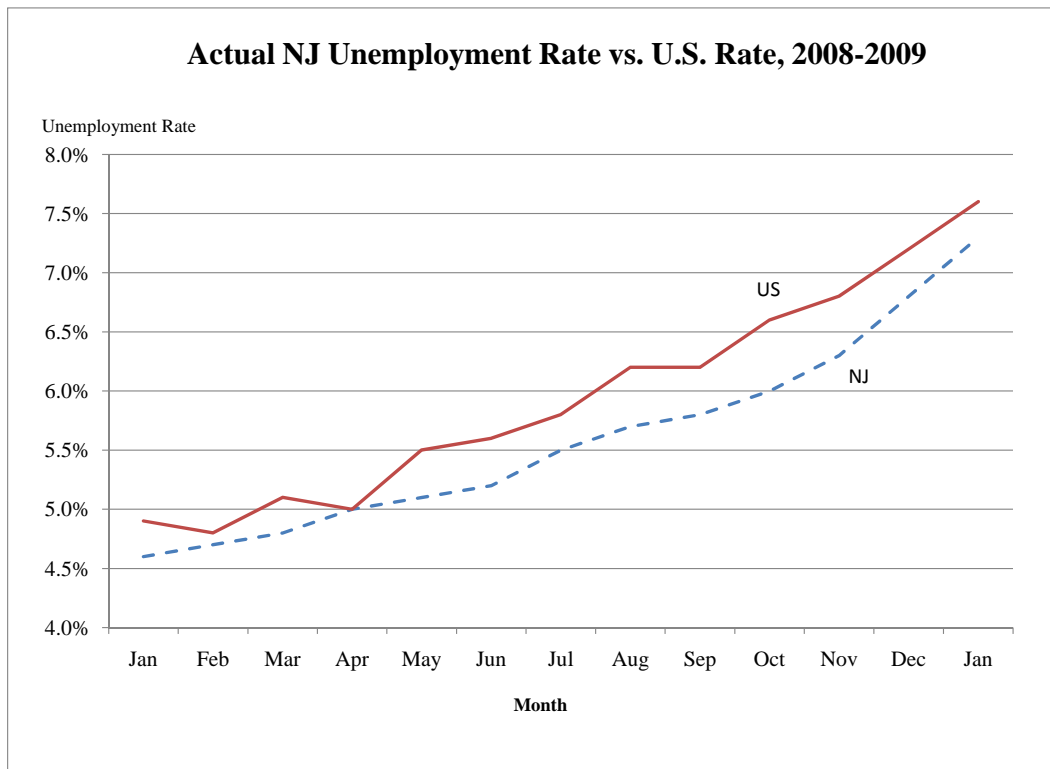


Source: Center on Budget & Policy Priorities, 2/10/09



## The Unemployment Rate Has Risen in New Jersey over the Course of This Economic Crisis, but It Remains Below the National Unemployment Rate

- The U.S. unemployment rate has increased by more than 50% since the beginning of 2008, to 7.6% in January 2009
- New Jersey's unemployment rate has risen from 4.6% to 7.3%, but remains below the national unemployment rate

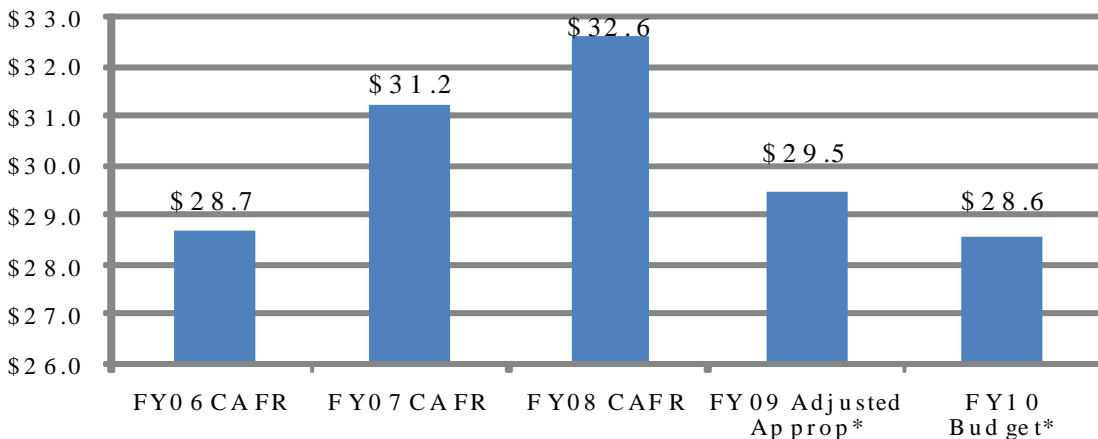


## NJ's Fiscal Challenge—Revenues Have Dropped 12% Over Two Years

- New Jersey's base revenues are down 12% since fiscal 2008
- In fiscal 2009, revised revenues have decreased in all three major categories of taxes:
  - Corporate revenue is down 12.0%
  - Sales tax revenue is down 7.6%
  - Income tax revenue is down 11.4%
- Revenues are now below the level they were when Governor Corzine assumed office in 2006, even as inflation and citizens' need for services have increased

### *Revenue History FY 2010 Base Revenue Below FY 2006 Actual Revenue*

(In Billions)



\* Without solutions

CAFR – Comprehensive Annual Financial Report





## CHAPTER 3: GOVERNOR'S CORE FISCAL PRINCIPLES

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The road ahead will be difficult, but this *Governor's Budget* is a roadmap for how the State will navigate the current economic crisis. Although the crisis leaves New Jersey no choice but to make do with billions of dollars less in financial resources to meet its priorities, this Budget meets core needs without overburdening taxpayers and positions the State for a return to prosperity for all its citizens. In the interim, this Administration continues to follow a set of core fiscal principles, not just in preparing this Budget, but in all its policies and actions. These core principles are:

### *Restoring Fiscal Solvency*

From his first day in office, Governor Corzine has committed his Administration to helping the State overcome the structural deficit he inherited. Moody's downgraded the State's bond ratings three times from 1992 until the Governor assumed office. In response, and for the first time in State history, the Governor proposed two consecutive budgets that cut spending from the previous year. His Fiscal 2008 and 2009 Budgets assumed no new taxes, while reducing the tax burden for working families and New Jersey businesses. This year's Budget continues to make the hard decisions necessary to achieve balance while maintaining core services.

### *A Commitment to Transparency*

The Governor issued Executive Order 103, which commits his Administration, whenever possible, to pay for recurring costs through recurring revenues, while publicly reporting on his Administration's success in doing so. Due to the current economic situation, the Governor has been forced to suspend this executive order so he can limit tax increases for one year. Working with the Legislature, he signed new budget reforms requiring that all changes to the *Governor's Budget* be made public before being voted on. Moreover, the Governor has pledged that citizens have access to information about every dollar of federal stimulus funding that the State will receive.

### *Spending Your Tax Dollars Wisely*

Governor Corzine's budgets have increased at an annual rate of 1.6% over the past four years. This increase is well below the average annual rate of inflation (3.3% between 2006 and 2008) and the growth rate of administrations since 1951 (11.6%), even as the cost of services has increased. Governor Corzine has done so, in part, by making sure that State Government is leaner and more efficient. He has reduced staffing levels by a total of nearly 4,000, and cut spending on government's direct costs. To reduce the property tax burden, he has strengthened the 4% caps on local governments to slow the costs of local government. Like residents and businesses throughout this State, New Jersey government is tightening its belt to deliver the best services possible at the lowest price.

### *Focusing on Key Services*

The State faces a drop in base revenue of over 12% since fiscal year 2008. However, the Governor has committed his Administration to maintaining the key services that citizens expect from their government. Thus, this Budget maintains the State's commitment to funding the Governor's new Education Formula, which ensures that all disadvantaged children are supported, no matter where they live. The Governor has, whenever possible, supported the State's pension obligations, paying more into the pension funds over his Administration than other administrations had done for defined benefit plans over the previous fifteen years combined. He continues to fund property tax refunds to help as many residents as possible to offset this burden. His Administration has provided more in property tax refunds than any previous administration. Moreover, even during this fiscal emergency, his proposed Budget maintains State aid to municipalities and counties.

### *Shared Sacrifice*

The current economic crisis is deep, and no one is under any illusions that it will be short. The Governor believes that, to weather this crisis, all stakeholders in the budget must share some responsibility to keep New Jersey's fiscal house in order. State workers are paying a higher percentage of their wages for pension and health-care costs, just like so many of their private sector counterparts.

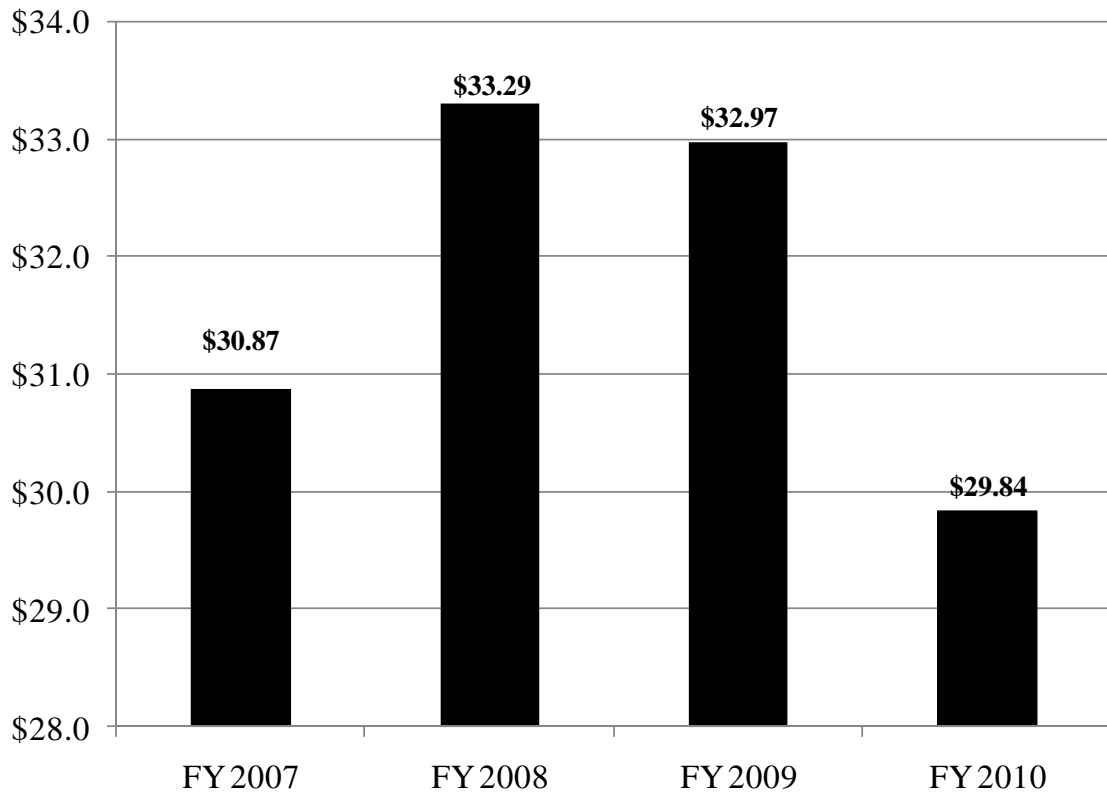
### *Making the Right Choices*

The Governor is now calling on State workers to help even more by agreeing to furloughs and wage freezes through the end of fiscal 2010. In his last two budgets, the Governor proposed to reduce spending below the prior year amount, something that has never happened in New Jersey's history. While he did not rely on tax increases in his Fiscal 2008 and 2009 Budgets, he is asking for all citizens and businesses to shoulder some of the burden through targeted and temporary revenue increases. By working together to move the State in the right direction, we can collectively navigate through this difficult period and emerge stronger and more prosperous.

The following charts help illustrate the types of actions that this Administration has taken, and will continue to take, to help guide New Jersey to a more fiscally sound future.

## *Corzine Budget Recommendations*

(In Billions)



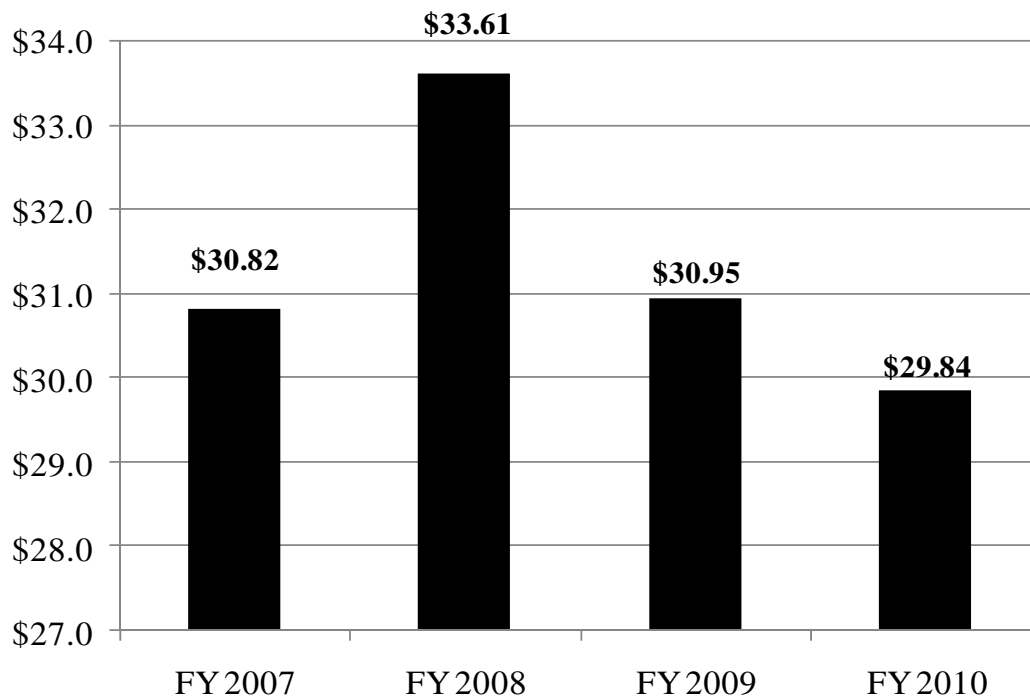
## A. Restoring Fiscal Solvency

### In Preparation, Governor Corzine Began Cutting the Budget Last Year, Before the Economic Slowdown Was Evident

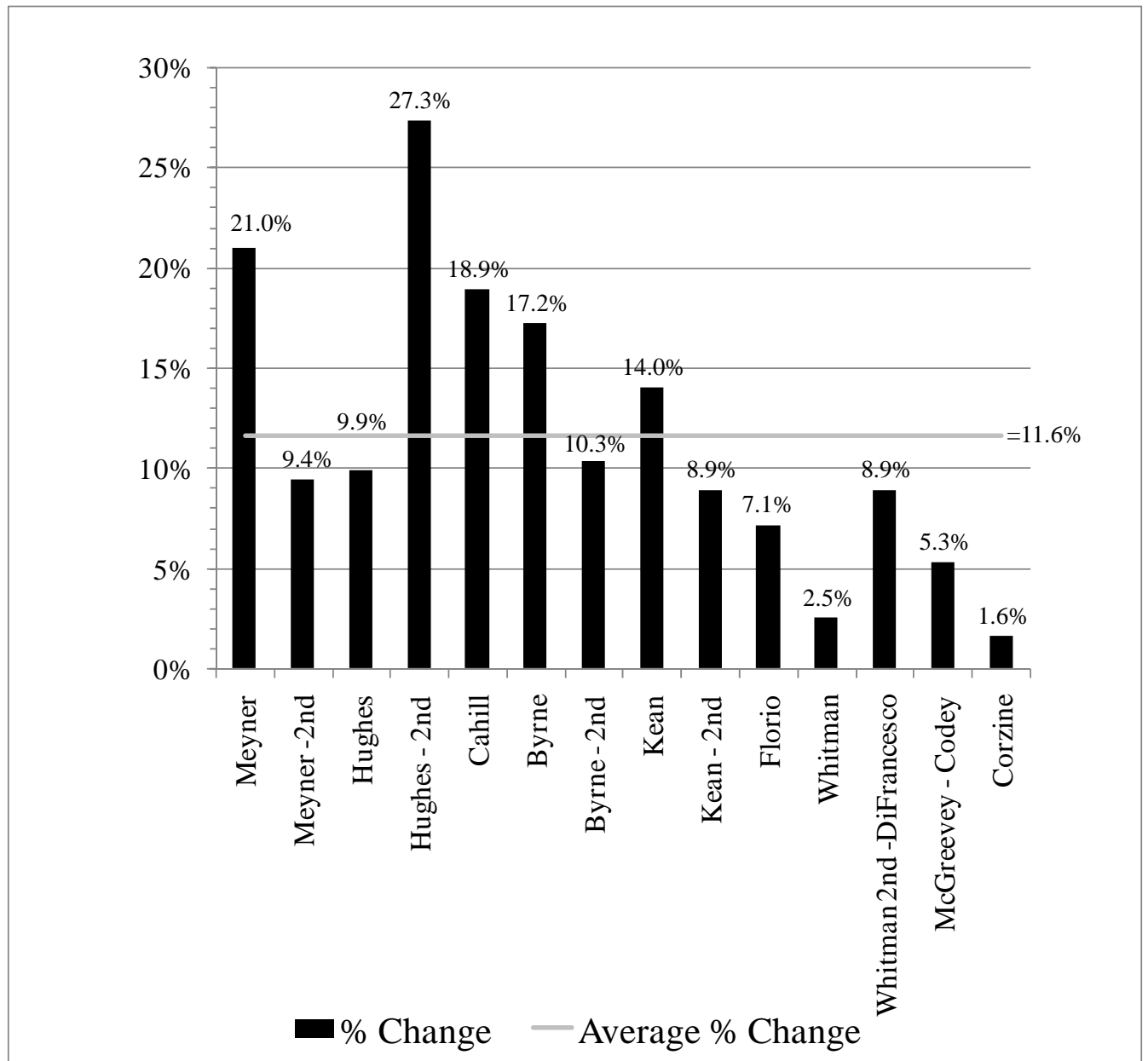
- For the first time ever in State history, this Administration has proposed two consecutive Budgets that decrease spending from the previous year

### *Corzine Administration Spending*

(In Billions)



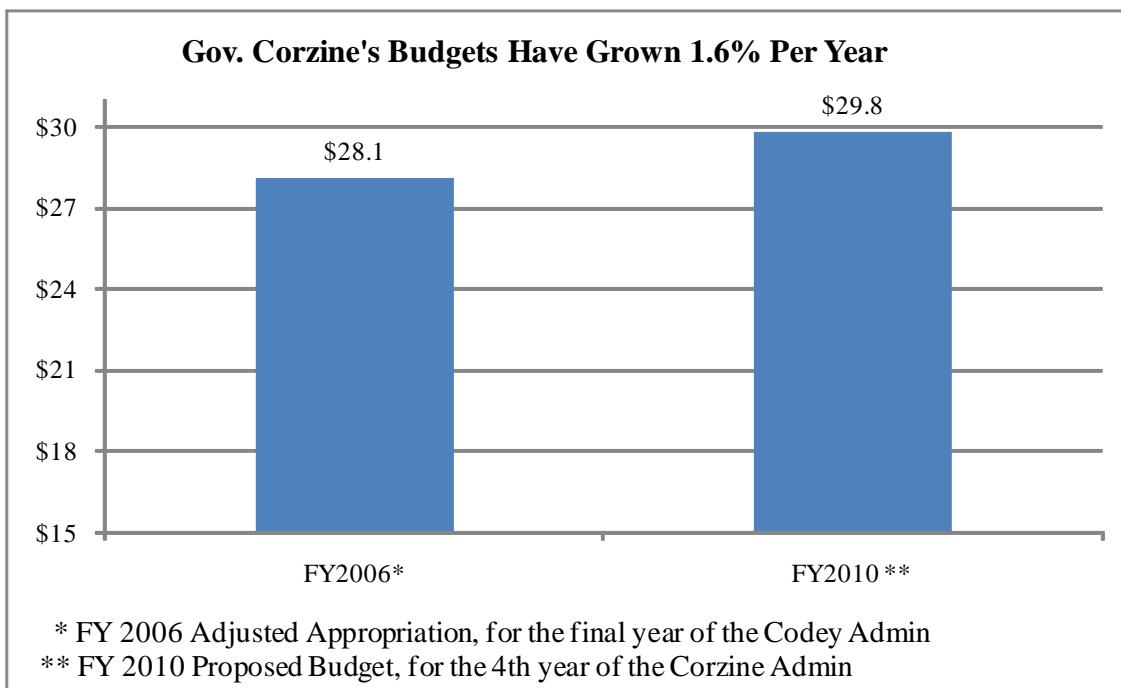
## *Corzine Administration has Lowest Average Percent Change in Adjusted Appropriations*





## Governor Corzine Has Held the Growth in His State Budgets to Less Than Half the Rate of Inflation

- Governor Corzine's Budgets have grown at an average annual rate of 1.6%, less than half the rate of inflation since 2006 (3.3%)

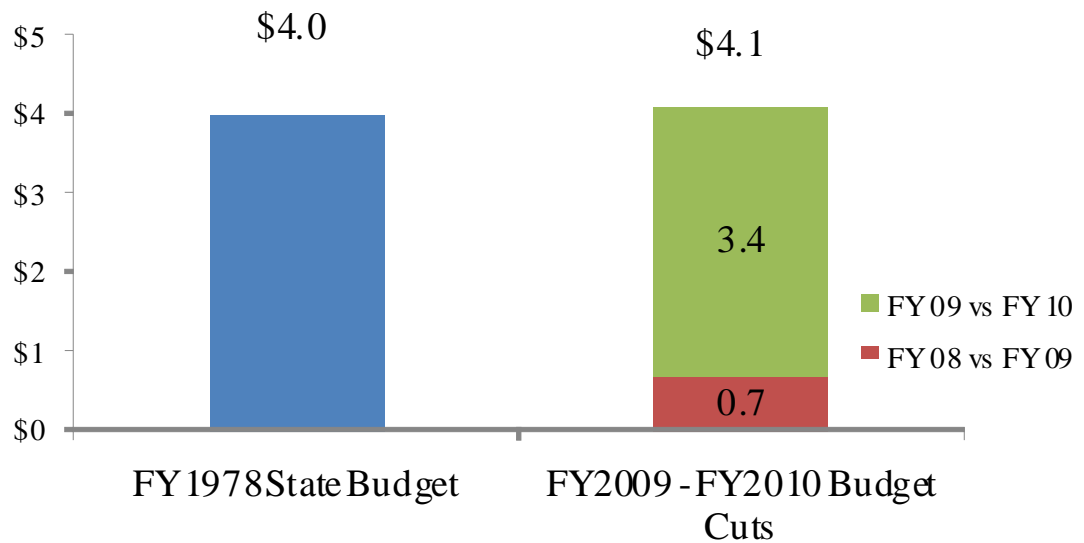


## Combined Reductions over the Last Two Budgets Exceed the Entire 1978 State Budget

- The combined amount of reductions in the Fiscal 2009 Budget and proposed reductions in the Fiscal 2010 Budget (\$4.1 billion), exceeds the ENTIRE fiscal 1978 State Budget (\$4.0 billion)

## Total FY 2009/FY 2010 Budget Reductions Exceed FY 1978 State Budget

(\$ in Billions)

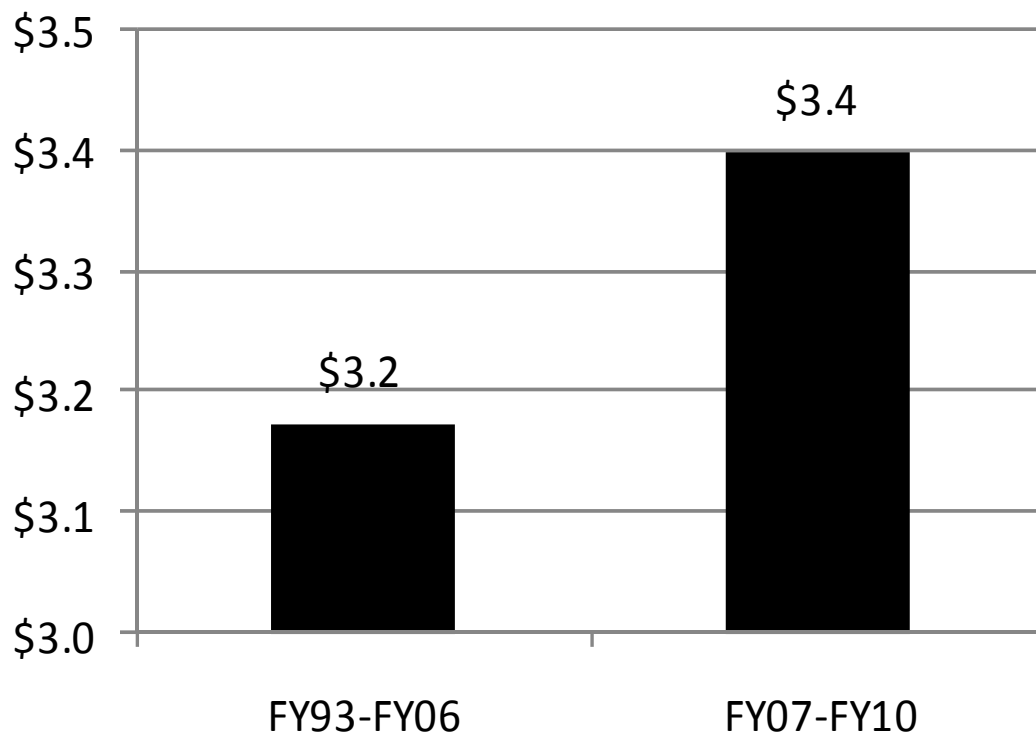


## Comparison of State Pension Contributions Prior to the Corzine Administration

- Despite the constraints in the economy, even with reduced pension contributions in fiscal 2009 and fiscal 2010, this Administration has provided more funding for all pension systems than the State's total combined contributions from fiscal 1993 through fiscal 2006.
- When considering the contributions for only the defined benefit plans, the State will have contributed more in the past three years than the amount contributed in the preceding 15 years, combined.

## *Comparison of State Pension Contributions Prior to the Corzine Administration*

(In Billions)



## ***Projected FY 2008 – FY 2022 Savings from the Pension and Health Benefit Reforms Effective July 1, 2007***

(In Millions)

	<b>State PERS/TPAF</b>	<b>Local PERS</b>	<b>Total PERS/TPAF</b>
<b>Pension Savings</b>			
Retirement age from 55 to 60	\$ 287.3	\$ 83.3	\$ 370.6
Cap on defined benefit salary	501.5	399.3	900.8
Increase employee contribution from 5% to 5.5%	1,497.8	794.4	2,292.2
Mandatory defined contribution for elected/appointed	1.3	15.4	16.7
<b>TOTAL PENSION SAVINGS</b>	<b>\$ 2,287.8</b>	<b>\$ 1,292.4</b>	<b>\$ 3,580.2</b>
	<b>State</b>	<b>Locals Including Municipalities, Counties &amp; School Boards</b>	<b>Total State/Local</b>
<b>Health Benefit Savings</b>			
1.5% of salary contribution (1)	\$ 1,850.3	\$ -	\$ 1,850.3
Co-pay changes	191.3	-	191.3
Plan design changes (2)	476.0	300.9	776.9
<b>TOTAL HEALTH BENEFIT SAVINGS</b>	<b>\$ 2,517.6</b>	<b>\$ 300.9</b>	<b>\$ 2,818.5</b>
<b>GRAND TOTAL PENSION &amp; HEALTH BENEFIT SAVINGS</b>	<b>\$ 4,805.4</b>	<b>\$ 1,593.3</b>	<b>\$ 6,398.7</b>

(1) For local employers if 50% of them negotiate and adopt with their employees the 1.5% of salary contribution toward health benefits it is projected that the aggregate savings through FY 2022 would be \$2.546 billion.

(2) State savings for plan design changes includes savings attributable to retired teachers and other school board retirees funded by the State.

- In the first year of the Corzine Administration, various benefit reforms were enacted that are expected to yield long-term savings and provide long-term stability and security for the pension and health benefit systems.
- Recent reforms such as the increase in employee contributions toward pensions and health benefit costs are expected to yield \$6.4 billion in combined State and local savings by fiscal 2022.

## ***Projected FY 2009 – FY 2022 Savings from Further Pension and Health Benefits Reforms***

(In Millions)

	State PERS/TPAF	Local PERS	Total PERS/TPAF
<b>Pension Savings</b>			
Retirement age from 60 to 62	\$ 53.6	\$ 53.4	\$ 107.0
Raise eligibility threshold to \$7,500	0.8	12.2	13.1
New adjunct faculty from PERS to ABP (no estimate at this time)	-	-	-
Appeals heard by OAL (no savings)	-	-	-
<b>TOTAL PENSION SAVINGS</b>	<b>\$ 54.5</b>	<b>\$ 65.6</b>	<b>\$ 120.1</b>
	State	Locals Including Municipalities, Counties & School Boards	Total State/Local
<b>Health Benefit Savings</b>			
Allow State to offer incentive to waive SHBP coverage (no est. at this time)	\$ -	\$ -	\$ -
Out-of-state purchase not count towards PRM (no estimate at this time)	-	-	-
Codification of current regs for definition of full-time for locals (no savings)	-	-	-
<b>TOTAL HEALTH BENEFIT SAVINGS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL PENSION &amp; HEALTH BENEFIT SAVINGS</b>	<b>\$ 54.5</b>	<b>\$ 65.6</b>	<b>\$ 120.1</b>
<b>Other Savings</b>			
Eliminate Lincoln's Birthday as Holiday	\$ 32.2	\$ -	\$ 32.2
<b>GRAND TOTAL SAVINGS</b>	<b>\$ 86.6</b>	<b>\$ 65.6</b>	<b>\$ 152.2</b>

- As part of its continued commitment to controlling rising employee benefit costs, this Administration in conjunction with the Legislature enacted additional pension and benefit reforms that are expected to result in \$152.2 million in State and local savings by fiscal 2022.

## ***Unemployment Insurance Fund Diversions vs. General Fund Contributions***

### Diversions

\$4.7 billion	- Previous Administrations
\$0	- Corzine Administration

### General Fund Contributions to UI Fund

\$0	- Previous Administrations
\$410 million	- Corzine Administration

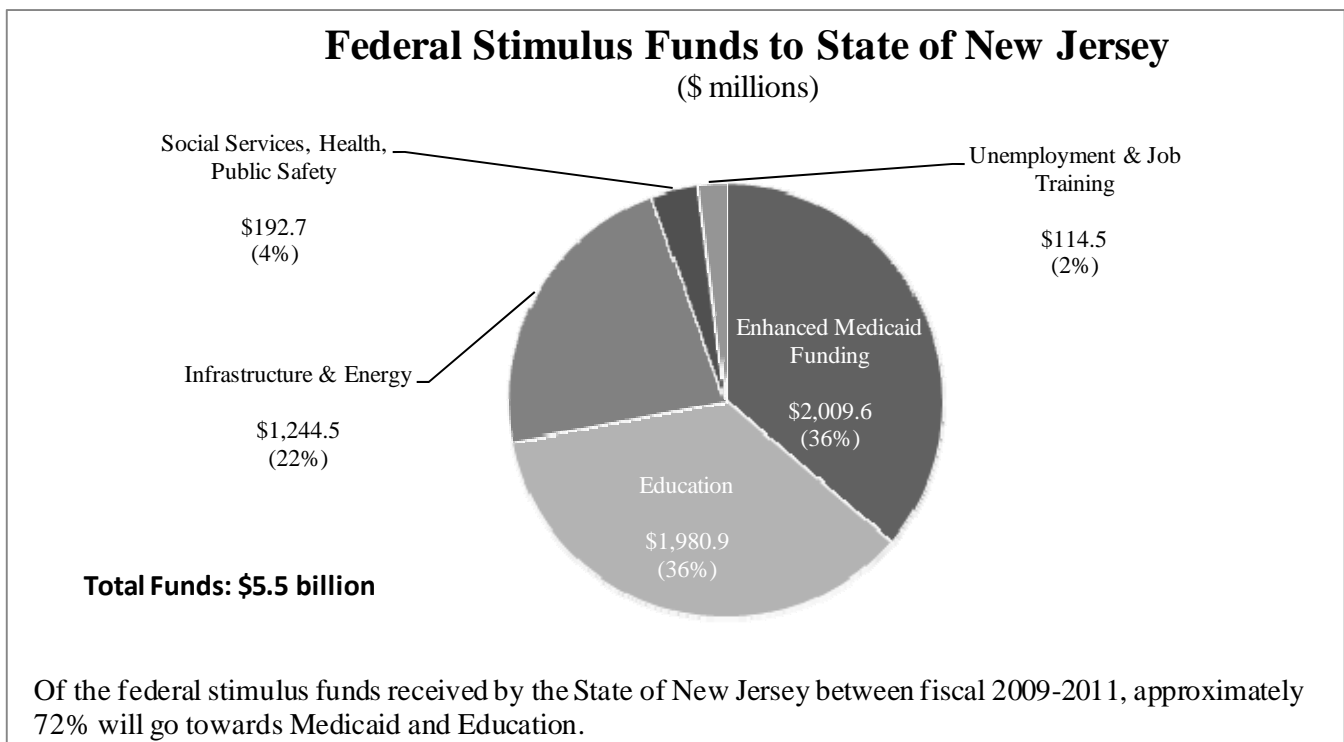
\$260 million in FY08

\$150 million in FY09

Resulted in avoiding \$670 million of employer taxes

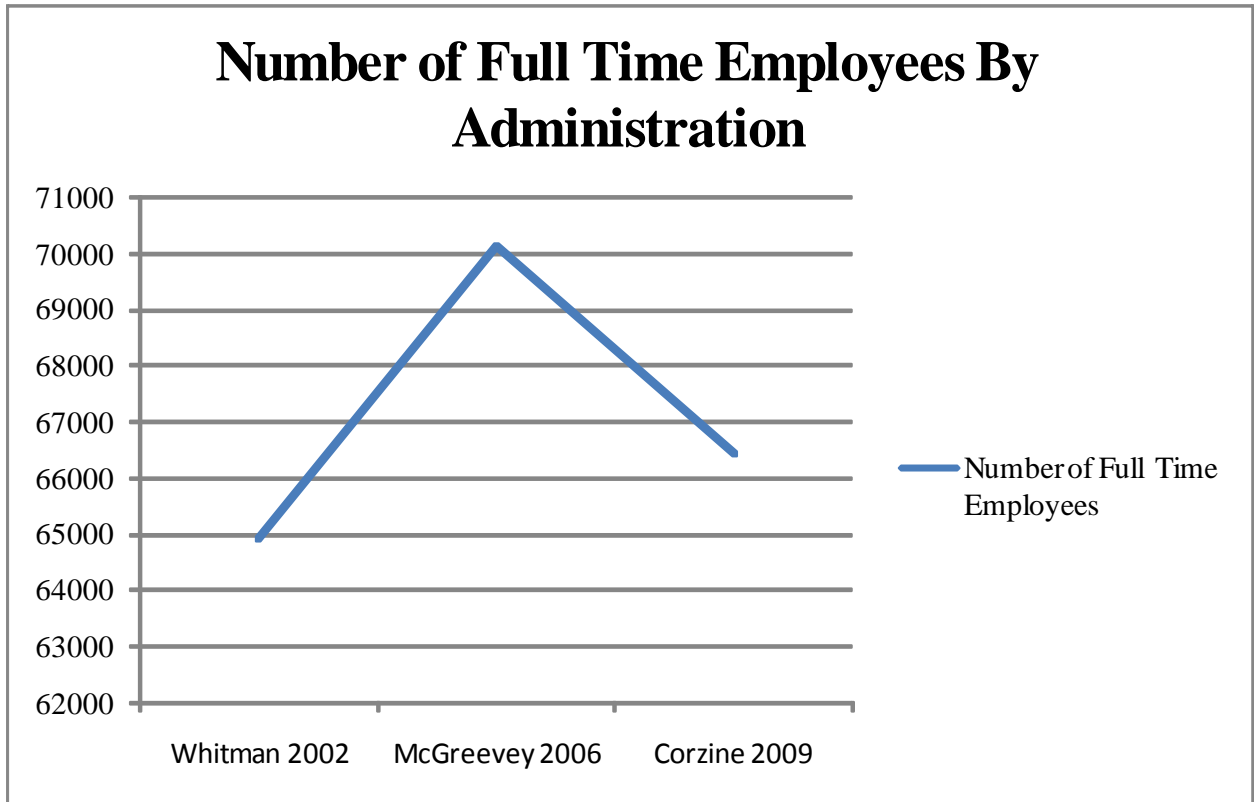
## B. Commitment to Transparency

- Working with the Legislature, the Governor reformed the budget process. For example, any changes to the Governor's Budget now must be publicized before they can be considered by the Legislature, so that everyone knows who requested every additional taxpayer dollar.
- Under Executive Order No. 103, the Governor publicly certifies the amount of recurring revenue, with a goal of only relying on such revenue to fund day-to-day State spending. Due to the current economic situation, the Governor has been forced to suspend this executive order so he can limit tax increases for one year.
- Once the Budget is approved, the Governor publishes a new *Citizens' Guide to the Budget*, to give citizens a clear, concise understanding of how much the State will be spending, and for what purposes.
- The Governor has launched a new website, so each citizen can monitor how the State distributes and uses every dollar of the federal stimulus funds. These funds will be overseen by a new NJ Recovery Accountability Task Force. The website can be accessed at: [www.recover.nj.gov](http://www.recover.nj.gov)



### C. Spending Your Tax Dollars Wisely

- This Administration has reduced the number of Executive Branch State workers by almost 5.5% during its time in office

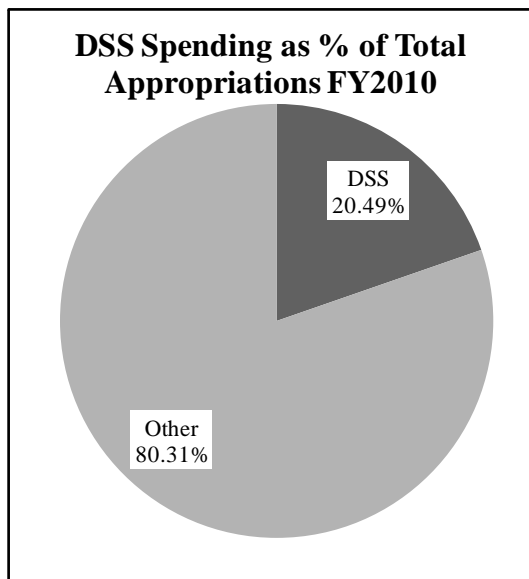




## Working to Make State Government More Efficient

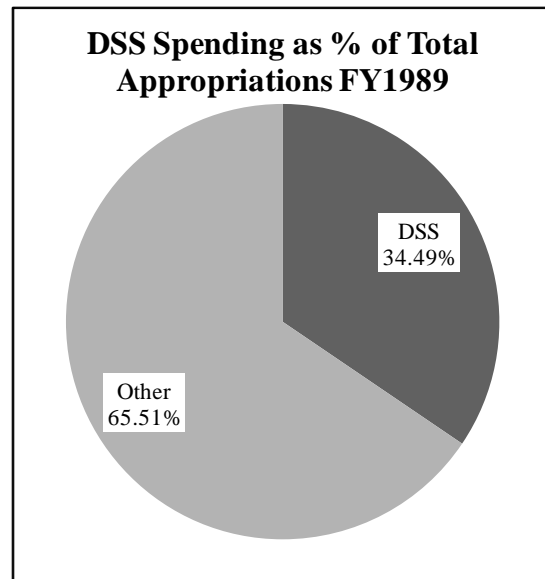
- In next year's proposed Budget, Direct State Services Spending is about 20% of total appropriations
- In contrast, in fiscal 1989, Direct State Services Spending made up almost 35% of total appropriations

### FY 2010 Direct State Services (DSS) Reduced by Nearly Half in 20 Years



**FY 2010**

DSS	20.49%
Other	80.31%



**FY 1989**

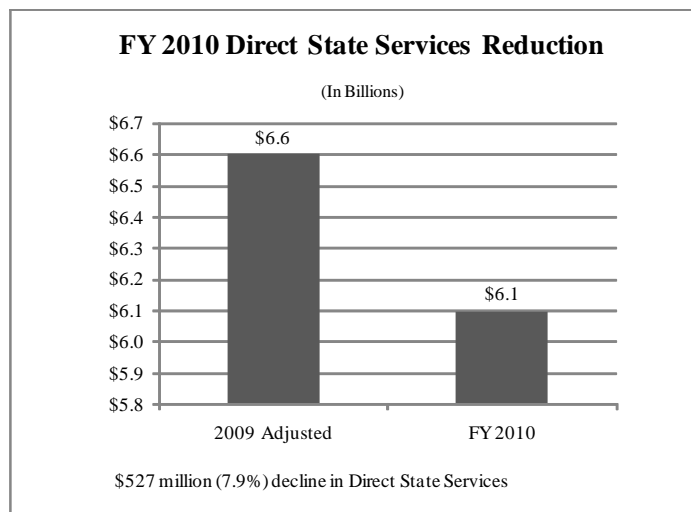
DSS	34.49%
Other	65.51%

## *Direct State Services By Department*

(In Thousands)

Department	FY 2009	FY 2010	Change	
	Adjusted Approp.	Budget	\$	%
Chief Executive	\$ 5,268	\$ 4,684	\$ (584)	(11.1)
Agriculture	7,540	7,081	(459)	(6.1)
Banking and Insurance	71,441	67,548	(3,893)	(5.4)
Children & Families	334,686	327,936	(6,750)	(2.0)
Community Affairs	38,127	37,515	(612)	(1.6)
Corrections	1,053,054	1,020,307	(32,747)	(3.1)
Education	72,183	71,186	(997)	(1.4)
Environmental Protection	231,011	216,286	(14,725)	(6.4)
Health & Senior Services	60,880	64,615	3,735	6.1
Human Services	522,883	497,040	(25,843)	(4.9)
Labor and Workforce Development <sup>(a)</sup>	82,644	81,851	(793)	(1.0)
Law & Public Safety	566,036	546,574	(19,462)	(3.4)
Military & Veterans' Affairs	91,551	87,943	(3,608)	(3.9)
Public Advocate	17,130	16,834	(296)	(1.7)
State	36,636	31,469	(5,167)	(14.1)
Transportation	100,614	61,764	(38,850)	(38.6)
Treasury <sup>(a)</sup>	467,361	452,879	(14,482)	(3.1)
Miscellaneous Commissions	1,456	1,456	-	-
<b>Total Executive Branch</b>	<b>\$ 3,760,501</b>	<b>\$ 3,594,968</b>	<b>\$ (165,533)</b>	<b>(4.4)</b>
<b>Interdepartmental</b>	<b>2,166,463</b>	<b>1,798,341</b>	<b>(368,122)</b>	<b>(17.0)</b>
<b>Legislature</b>	<b>74,644</b>	<b>73,815</b>	<b>(829)</b>	<b>(1.1)</b>
<b>Judiciary</b>	<b>641,007</b>	<b>648,385</b>	<b>7,378</b>	<b>1.2</b>
<b>Total</b>	<b>\$ 6,642,615</b>	<b>\$ 6,115,509</b>	<b>\$ (527,106)</b>	<b>(7.9)</b>

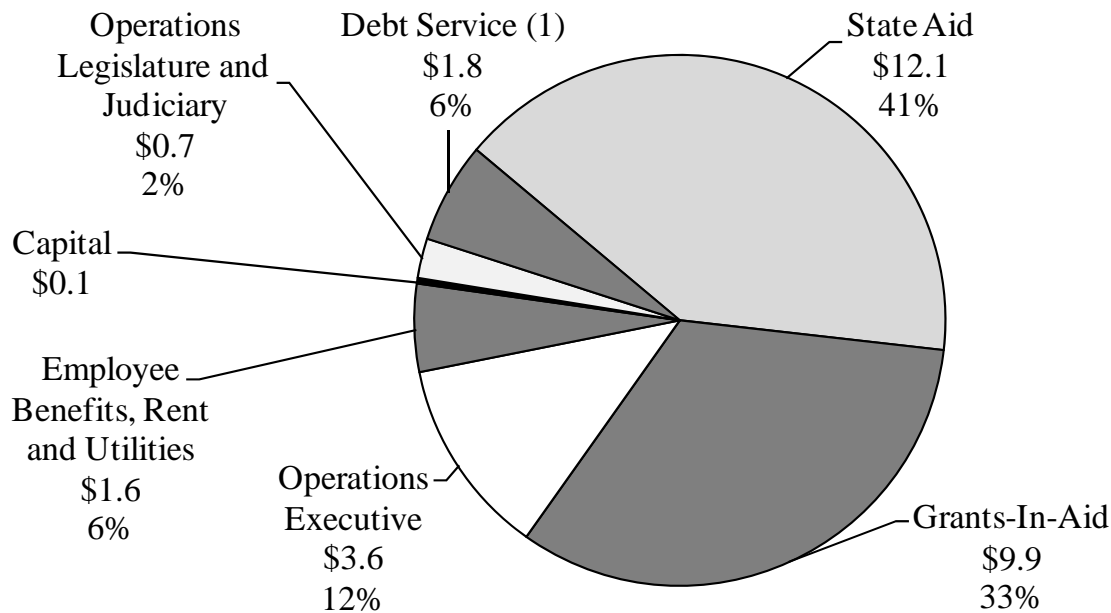
<sup>(a)</sup> FY2009 includes appropriations shifted from Department of Personnel.  
 Departmental budgets will be further impacted by Statewide Savings Initiatives reflected in Interdepartmental, \$1922 million and procurement savings, \$25 million.  
 Growth in Judiciary for incarceration diversion programs generates savings in the Department of Corrections, Grants in Aid



## ***Where Does the Money Go?***

### ***State Aid and Grants Represent Nearly Three Quarters of the Budget***

(In Billions)



***Total Budget is \$29.8 Billion***

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

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

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

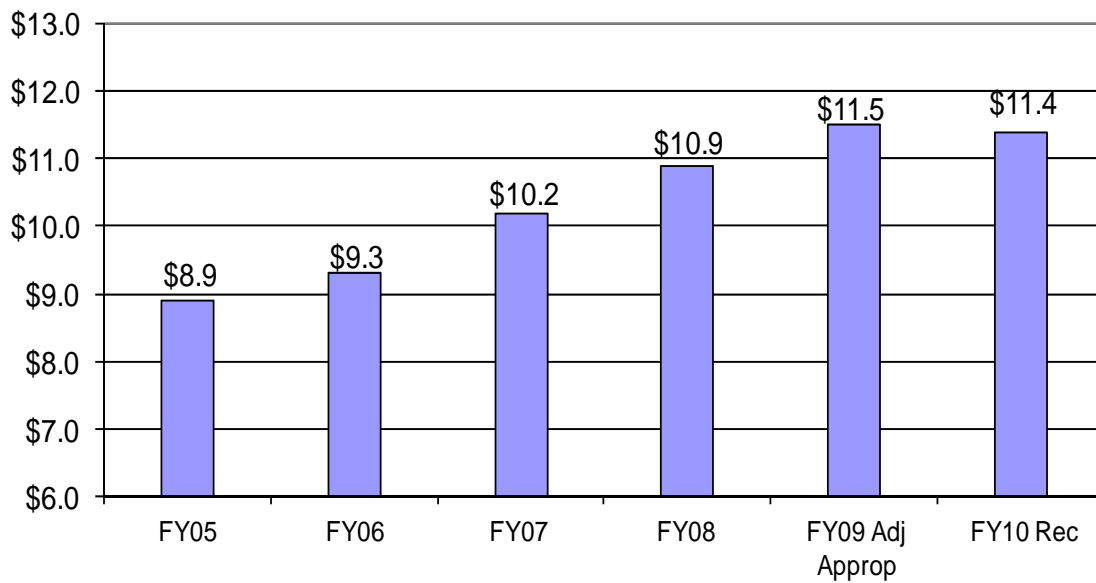
***Operations Executive:*** includes funding for adult prisons and juvenile facilities, State Police and other law enforcement programs, Human Services institutions, veterans homes, Children and Families and the Public Advocate Departments.

<sup>(1)</sup> Total Debt Service is \$2.5 billion; School Construction Debt is reflected in State Aid.

## D. Focusing on Key Services

### *State Aid for Education* *(Includes Pension Contributions)*

(In Billions)



State Aid for Education has increased 28% since 2005.

FY 10 includes \$1.05 billion in federal stimulus funding.

## School Aid

### **Education Remains Governor Corzine's Top Priority**

Governor Corzine fought to fund the new school funding formula for the Fiscal 2010 Budget as well as make other strategic investments in education. In total, direct school aid will increase by about \$300 million in fiscal 2010, which translates into a real increase in funding reaching the classroom. This is notable in light of current economic circumstances, particularly considering the decreases in school aid that other states have been forced to make.

### **Supporting the New School Funding Formula (SFRA)**

The new school funding formula distributes aid to all school districts on a more equitable and predictable basis than the prior funding formulas or other methods used by the State prior to the School Funding Reform Act (SFRA).

For the 2009-10 school year, the caps on increases in aid for districts above and below adequacy have been adjusted, due to the extraordinary fiscal circumstances the State is facing. Increases will be capped at 5% for districts with budgets below the adequacy budget benchmark. All districts currently spending above the adequacy benchmark will not receive an increase in state aid under the formula.

The total increase in formula aid is about \$151 million with 171 districts receiving increases.

### **Expanding Preschool: The Right Decision in Difficult Times**

Governor Corzine has also kept his commitment to a phase-in of the preschool expansion with a \$25 million increase in the FY 2010 Budget for the newly-created Preschool Incentive Aid. This is in addition to \$596 million invested in existing preschool programs, the vast majority of which is spent on the Abbott preschool programs. This is an extraordinary investment and commitment in light of the current economic circumstances. It is based on the Governor's longstanding recognition of the need for high quality early childhood education to help close the achievement gap for students before they reach kindergarten and his recognition of the need to replicate Abbott preschool opportunities for students in Non-Abbott districts.

The new \$25 million in Preschool Incentive Aid will be available to the "universal" Non-Abbott preschool districts for preschool expansion for the 2009-2010 school year. The "universal districts" are those in District Factor Group A and B, as well as districts with 40% or more at-risk students among District Factor Group C and D. These districts are not required to provide preschool in the 2009-10 school year. However, Preschool Incentive Aid is being provided to leverage new federal funds to begin phase-in of the preschool expansion set forth in the School Funding Reform Act (SFRA). Eligible districts must meet specified criteria to access these funds for preschool expansion: first, the districts must provide full-day kindergarten and second, the districts must use their new Title I funds made available under the federal recovery act, the American Recovery and Reinvestment Act (ARRA), for preschool. Additional criteria and information will be specified by the NJ Department of Education.

Given constraints on state resources, state funds are not available for FY 2010 for the "targeted" districts (districts that are only required to serve at-risk students) for preschool expansion. As a result, "targeted" districts will not be required to begin offering preschool to at-risk students in the fall of 2009. However, the Governor strongly encourages the "targeted" districts to use their new Title I funds provided by the ARRA to support preschool. Additional guidance forthcoming from the U.S. Department of Education should help districts determine the best way to use their Title I dollars to support preschool expansion.

## School Aid

- For the second consecutive year, the Budget invests additional resources into New Jersey's school classrooms, increasing direct school aid by over \$300 million to \$8.8 billion.
- The Administration continues its commitment to early childhood education by including \$52 million more for existing preschool programs.
- The Budget also includes \$25 million in funding for newly created Preschool Incentive Aid. These funds will be available to non-Abbott districts with high concentrations of poverty for expansion in the 2009-2010 school years if they commit their new recovery Title 1 funds to preschool.

***School Aid***  
***\$ 304 Million Increase in Funding for Classrooms***  
***School Aid Represents 35% of Total Budget***  
(In Millions)

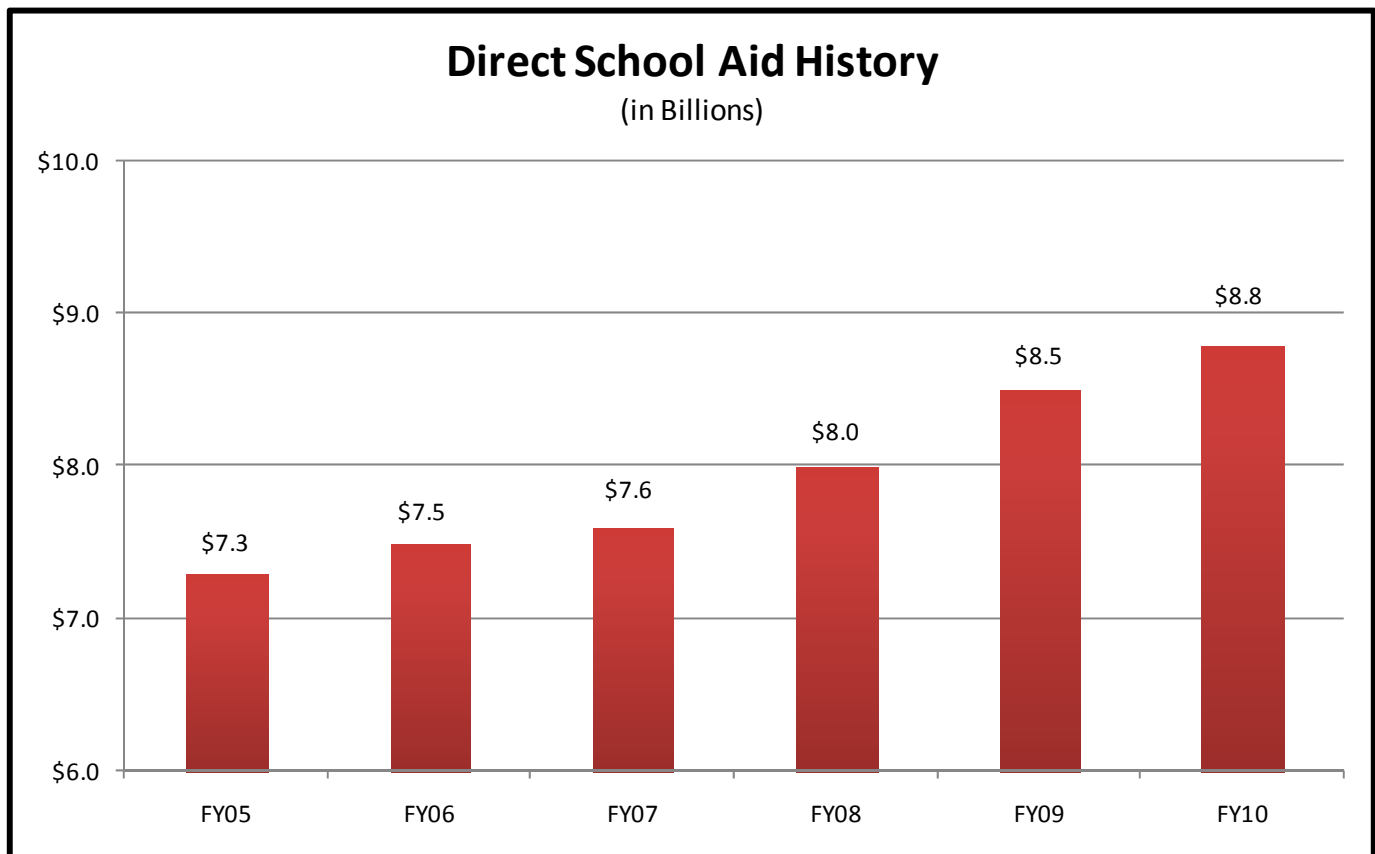
	FY 2009 Adjusted Approp.	FY 2010 Budget*	\$ Change
Formula Aid	\$ 7,795.4	\$ 7,946.4	\$ 151.0
Preschool Programs	543.8	596.1	52.3
Preschool Incentive Aid	-	25.0	25.0
Extraordinary Special Education Aid	52.0	130.0	78.0
Adult Education	10.0	-	(10.0)
Other Aid	124.5	132.5	8.0
<b>Total Direct School Aid</b>	<b>\$ 8,525.7</b>	<b>\$ 8,830.0</b>	<b>\$ 304.3</b>
Teachers' Pension and Annuity Fund	\$ 693.3	\$ 128.6	\$ (564.7)
Post Retirement Medical	750.1	775.5	25.4
Debt Service on Pension Obligation Bonds	112.5	122.3	9.8
Teachers' Social Security	735.3	774.0	38.7
<b>Total Direct State Payments for Education</b>	<b>\$ 2,291.2</b>	<b>\$ 1,800.4</b>	<b>\$ (490.8)</b>
School Construction and Renovation Fund	\$ 559.5	\$ 655.9	\$ 96.4
Debt Service Aid	103.1	99.2	(3.9)
<b>Total School Building Aid</b>	<b>\$ 662.6</b>	<b>\$ 755.1</b>	<b>\$ 92.5</b>
<b>Total School Aid</b>	<b>\$ 11,479.5</b>	<b>\$ 11,385.5</b>	<b>\$ (94.0)</b>

\* Includes \$1,057 million in federal stimulus funding.

## Providing Services for Our Children and Young Adults

### School Aid

- The School Funding Reform Act has provided a total of over \$665 million in increased formula aid in FY 2009 and FY 2010. Direct aid increased by \$795 million in that same period.



## Maintaining Support for Higher Education

- Overall support for Higher Education increases by 2%.
- The largest area of percentage growth is in student financial assistance, which is expected to grow rapidly as more people turn to higher education in response to shrinking employment opportunities due to the recession.
- Debt service costs are declining, as higher education facilities bonds mature and are paid off.
- Major growth is funded for UMDNJ-Stabilization support, institutional fringe benefits, and Student Assistance (Tuition Aid Grants).
- Tuition Aid Grants growth is supported in Fiscal 2010 by federal Fiscal Stabilization Funds from the stimulus bill.
- Operating support for institutions (all sectors) is reduced by 5% - but implementation of furlough days by public colleges and universities in fiscal 2010 could yield savings to more than offset reductions in operating support.

### *Higher Education*

(In Millions)

	<b>FY 2009 Adjusted Approp.</b>	<b>FY 2010 Budget</b>	<b>Change</b>	
			<b>\$</b>	<b>%</b>
<b>Colleges and Universities</b>				
Senior Public Colleges and Universities	\$ 1,456.7	\$ 1,481.8	\$ 25.1	1.7
County Colleges	221.6	219.2	(2.4)	(1.1)
Independent Colleges and Universities	18.4	17.5	(0.9)	(5.0)
<b>Student Financial Assistance</b>	<b>288.5</b>	<b>322.4</b>	<b>33.9</b>	<b>11.7</b>
<b>Educational Opportunity Fund</b>	<b>41.2</b>	<b>41.2</b>	<b>-</b>	<b>-</b>
<b>Facility and Capital Improvement Programs</b>	<b>88.1</b>	<b>76.4</b>	<b>(11.7)</b>	<b>(13.3)</b>
<b>Other Programs</b>	<b>10.4</b>	<b>9.3</b>	<b>(1.1)</b>	<b>(10.7)</b>
<b>Total Higher Education</b>	<b>\$ 2,124.9</b>	<b>\$ 2,167.8</b>	<b>\$ 42.9</b>	<b>2.0</b>



# Higher Education

(In Millions)

	<b>FY 2009 Adjusted Approp.</b>	<b>FY 2010 Budget</b>	<b>\$ Change</b>
<b>Senior Public Institutions</b>			
Rutgers University	\$ 309.5	\$ 294.0	\$ (15.5)
UMDNJ	218.5	218.5	-
UMDNJ - Stabilization	-	30.9	30.9
NJIT	45.1	42.1	(3.0)
Thomas Edison State College	5.6	5.3	(0.3)
Rowan University	36.2	34.4	(1.8)
New Jersey City University	30.7	29.1	(1.5)
Kean University	39.4	37.4	(2.0)
William Paterson University	38.7	36.7	(1.9)
Montclair State University	45.5	43.2	(2.3)
College of New Jersey	34.5	32.8	(1.7)
Ramapo College of New Jersey	19.0	18.0	(0.9)
Richard Stockton College of New Jersey	23.5	22.3	(1.2)
<b>Subtotal Senior Publics Direct Aid</b>	<b>\$ 846.2</b>	<b>\$ 844.9</b>	<b>\$ (1.3)</b>
Senior Publics Salary Funding	-	-	-
Senior Publics Net Fringe Benefits	610.5	636.9	26.4
<b>Total Senior Publics</b>	<b>\$ 1,456.7</b>	<b>\$ 1,481.8</b>	<b>\$ 25.1</b>
<b>County Colleges</b>			
Operating Support <sup>(a)</sup>	\$ 149.1	\$ 141.6	\$ (7.5)
Fringe Benefits	34.5	36.3	1.8
Chapter 12 Debt Service	38.0	41.3	3.3
<b>Total County Colleges</b>	<b>\$ 221.6</b>	<b>\$ 219.2</b>	<b>\$ (2.4)</b>
<b>Total Independent Colleges and Universities</b>	<b>\$ 18.4</b>	<b>\$ 17.5</b>	<b>\$ (0.9)</b>
<b>Student Financial Assistance</b>			
Tuition Aid Grants (TAG) <sup>(b)</sup>	\$ 250.5	\$ 283.2	\$ 32.7
Part-time TAG for County Colleges	6.0	7.1	1.1
NJSTARS I & II	14.7	17.8	3.1
EOF Grants and Scholarships	41.2	41.2	-
Loan Forgiveness for Mental Health Workers	3.5	3.5	-
Other Student Aid Programs	13.9	10.8	(3.1)
<b>Total Student Financial Assistance</b>	<b>\$ 329.7</b>	<b>\$ 363.6</b>	<b>\$ 33.9</b>
<b>Other Programs</b>			
Capital Grants and Facilities Support <sup>(c)</sup>	\$ 88.1	\$ 76.4	\$ (11.7)
All Other Programs	10.4	9.3	(1.1)
<b>Total Other Programs</b>	<b>\$ 98.5</b>	<b>\$ 85.7</b>	<b>\$ (12.9)</b>
<b>Grand Total Higher Education</b>	<b>\$ 2,124.9</b>	<b>\$ 2,167.8</b>	<b>\$ 42.9</b>

<sup>(a)</sup> Includes funding from Supplemental Workforce Fund for Basic Skills of \$16.0 million in FY 2009 and \$14.0 million in FY 2010.

<sup>(b)</sup> Includes funding from Federal Fiscal Stabilization of \$34.08 million in FY 2010.

<sup>(c)</sup> Includes use of off-budget fund balances totaling \$1 million in FY 2009.

Note: Implementation of furlough days by public colleges and universities in FY 2010 could yield savings to more than offset reductions in operating support.

## Protecting the Most Vulnerable of Our Population

### Department of Children and Family Growth

- Growth in the Department of Children and Families of \$368 million represents an increase of over 50% during the Corzine Administration, largely for the requirements of the Modified Settlement Agreement (which mandates DCF to meet specific requirements agreed to by both parties).

### NJ FamilyCare /KidCare

- Between fiscal 2006 and fiscal 2009, enrollment was re-opened to parents with incomes between 100% and 200% of federal poverty level. Beginning January 2006, the Governor's initiative to promote health insurance to children has increased their enrollment.

### Divisions of Developmental Disabilities and Mental Health Services

- Between fiscal 2006 and 2009, growth was provided in community-based services to address the U.S. Supreme Court's *Olmstead* decision, to provide services for developmentally disabled clients on the Community Services Waiting List, and to provide prior year cost of living increases to community providers.
- Additionally, growth was provided to state institutions for salary increases for employees at the five state psychiatric hospitals and seven state developmental centers, and increased support for the six county psychiatric hospitals.
- Finally, savings also were achieved from maximizing federal and dedicated revenues, management efficiencies, overtime reductions, and shifts of several programs to other departments and divisions within Human Services.

## ***Major Changes Between FY 2006 Appropriations Act & FY 2010 Governor's Budget Message***

(In Millions)

School Aid	\$ 973
Rebates / Senior Property Tax Freeze	<u>557</u>
Subtotal Property Tax Relief	1,530
Children and Families	368
Business Employment Incentive Program	194
Family Care / Kid Care	193
Employee and Retiree Taxes and Benefits*	159
Mental Health / Developmental Disabilities	113
NJ Transit	23
Other Increases and Decreases	<u>(659)</u>
Total	<u><u>\$ 1,921</u></u>

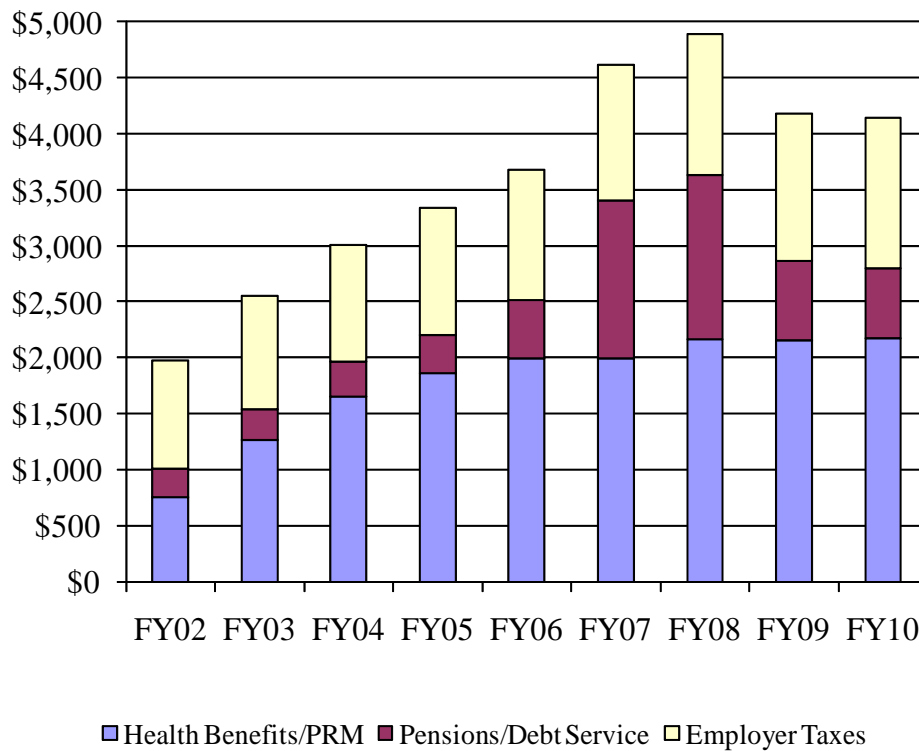
*\*State Employees & Higher Education Employees only*

## Employee Benefit costs

- The costs for employee benefits continue to represent a significant dedication of state resources
- Growth has been contained in fiscal 2010 through a temporary reduction in funding for pensions. The lower contributions are necessary to sustain the Administrations's first priorities—nurturing our children, honoring seniors, and protecting the most vulnerable.

### *Employee Benefit Costs*

(In Millions)



Footnote: FY09 reflects the revised proposed spending for pensions.





## CHAPTER 4: FISCAL YEAR 2010 BUDGET SOLUTIONS

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The Fiscal 2010 Budget achieves balance through the largest reduction in modern state history.

Faced with the worst economic crisis in seven decades, the Corzine Administration undertook a painstaking, line-by-line review of state spending. If the budget is adopted intact, about 850 of the 2,400 line items - nearly 40% - will be trimmed or eliminated.

The result: A budget that makes the right choices, after many painful decisions, to close a \$7 billion projected shortfall. State workers, taxpayers, mayors, hospital administrators, college and universities all are being asked to play a small part in helping their government manage through this unprecedented crisis.

Despite the size of the overall reduction, the budget succeeds in dedicating precious public resources to our children, our elderly, the jobless, the poor, and other vulnerable residents. The safety of our citizens remains a top priority.

In comparison to the current year adjusted appropriation, the proposed Fiscal 2010 Budget slashes total spending by \$3.4 billion to \$29.8 billion. The budget is \$1 billion smaller than the first one recommended by Governor Corzine four years ago. It is the second year in a row the Governor has sought a budget that is less than the one he signed the year before.

The budget would have been \$6 billion higher if growth had gone unchecked. This increase was offset by nearly \$4 billion in cuts or growth deferrals and \$2.2 billion in federal stimulus funds. The Fiscal 2010 Budget reduces the cost of State Operations by \$380 million. A proposed salary freeze and a proposed workforce furlough will result in \$420 million in savings.

With federal stimulus, the Budget still provides \$15.7 billion in property tax relief, more than half the budget. This includes \$11.4 billion in support for preschool-12 education. Direct school aid will rise by \$304 million - one of the few increases in the budget, and the largest.

The Fiscal 2010 Budget maintains Homestead Rebates for nearly 1.9 million households, including senior citizens who earn \$150,000 or less as well as non-seniors who earn \$75,000 or less. More than 1 million homeowners will receive an average check of more than \$1,000.

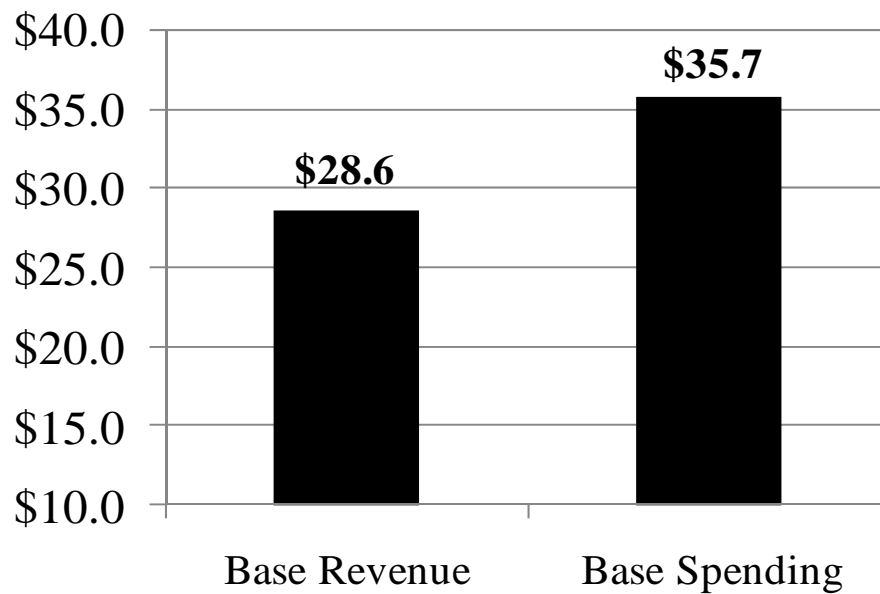
It sets aside a \$500 million reserve as a buffer against further unexpected downturns.

Despite the harsh fiscal climate, the Fiscal 2010 Budget contributes \$400 million into the state pension funds. Over the four-year term, the Corzine Administration has contributed more than \$3.4 billion into the retirement systems. That exceeds combined state payments from fiscal 1993 through fiscal 2006. For these same four years, this Administration will have contributed more to the defined benefit plans than the combined prior 15 years.

To help offset a historically large falloff in revenues, it requires some temporary, limited tax increases, including a one-year increase in the income tax rate for those earning more than \$500,000. Only 1% of all taxpayers must pay the higher rate.

## ***FY 2010 Base Revenue vs. Base Spending***

(In Billions)



FY 2010 projected base spending exceeded base revenues by \$7.2 billion or 25% before solutions.

## *The FY 2010 Budget*

(In Millions)

	<b>FY2009 Adjusted Approp.</b>	<b>FY 2010 Budget</b>	<b>Change \$</b>	<b>%</b>
<b>Opening Surplus</b>	<b>\$ 1,308</b>	<b>\$ 702</b>	<b>\$ (606)</b>	<b>(46.3)</b>
Revenues				
Income	11,309	11,343	34	0.3
EITC Expansion	(60)	(55)	5	(8.3)
Sales	7,925	8,085	160	2.0
Corporate	2,350	2,030	(320)	(13.6)
Other	8,456	8,238	(218)	(2.6)
			-	
<b>Total Revenues</b>	<b>\$ 29,980</b>	<b>\$ 29,641</b>	<b>(339)</b>	<b>(1.1)</b>
Lapses	1,760			
Enhanced Medicaid Funding	533			
Long Term Obligation and Capital Expenditure Fund	365			
<b>Total Resources</b>	<b>\$ 33,946</b>	<b>\$ 30,343</b>	<b>\$ (3,603)</b>	<b>(10.6)</b>
Appropriations				
Original	\$ 32,868	\$ 29,841	(3,027)	(9.2)
Supplemental	376			
<b>Total Appropriations</b>	<b>\$ 33,244</b>	<b>\$ 29,841</b>	<b>\$ (3,403)</b>	<b>(10.2)</b>
<b>Fund Balance</b>	<b>\$ 702</b>	<b>\$ 502</b>	<b>(200)</b>	<b>(28.5)</b>

Fiscal Year 2009 projected spending \$31 billion



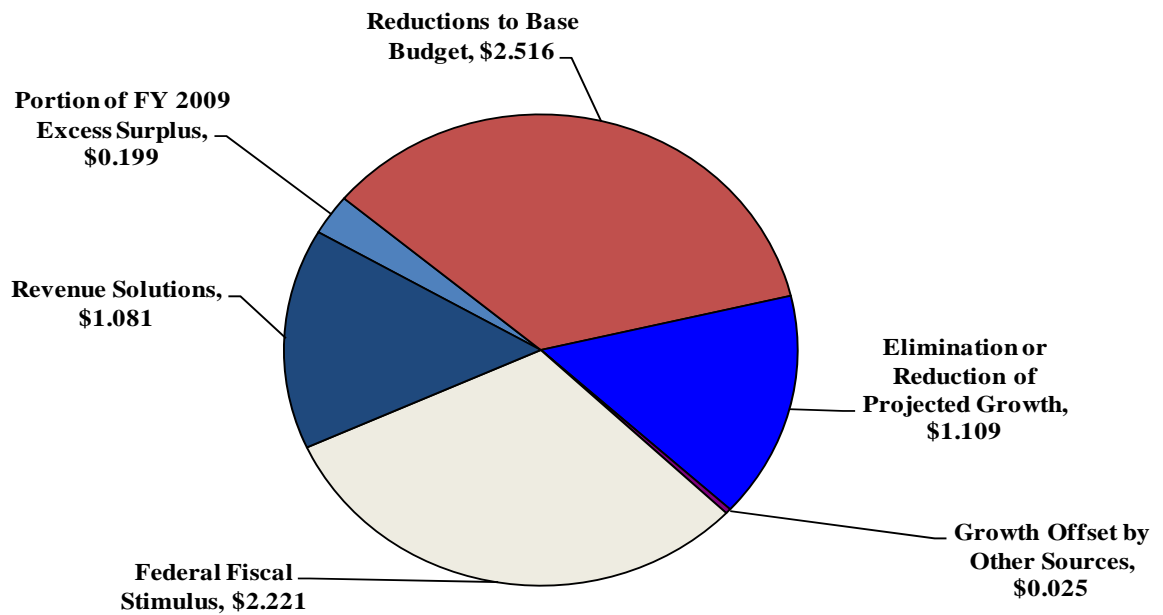
## ***How FY 2010 Budget Balanced***

(In Thousands)

FY 2009 Adjusted Appropriation	\$33,244,317
FY 2010 Net Growth	<u>2,467,288</u>
FY 2010 Total Projected Model	35,711,605
FY 2010 Base Revenue	<u>28,560,514</u>
FY 2010 Projected Structural Gap	\$7,151,091
ACTIONS TO CLOSE STRUCTURAL GAP	\$7,151,091
<b>Reductions to Base Budget</b>	<b>\$2,516,089</b>
Pensions	895,306
Homeowner and Tenant Rebates	517,100
Debt Restructuring	361,000
Operating Budget and Interdepartmental	184,485
Furlough and Other Employee Actions	156,600
Medicaid/PAAD	85,847
NJ Transit	62,000
Municipal and County Aid	50,545
Higher Education	22,199
Hospitals	20,800
Other	160,207
<b>Elimination or Reduction of Projected Growth</b>	<b>\$1,108,976</b>
Limit School Aid Increases	306,575
Salary Freezes for Public Employees Including Colleges	261,939
No Inflationary Increase for Municipal Aid	103,841
Offset FamilyCare Inflation with Federal SCHIP Funding	85,000
No Inflationary Increase for Rebates	77,700
No Rate Inflation for Nursing Homes	50,030
No Inflationary Increase for Higher Education	30,183
Other	193,708
<b>Federal Fiscal Stimulus</b>	<b>\$2,220,892</b>
Enhanced Medicaid Funding	1,060,000
Fiscal Stabilization	1,091,000
NJ Transit	59,100
Other	10,792
<b>Revenue Solutions</b>	<b>\$1,080,783</b>
Revenue Adjustments-Policy	916,500
Other Revenue Actions	164,283
<b>Added Reductions in FY 2009 to Generate Excess Surplus</b>	<b>\$199,460</b>
<b>Growth Offset by Other Sources</b>	<b>\$24,891</b>

## ***FY 2010 Actions to Close the Gap***

(In Billions)



**Total \$7.2 billion**

Of the \$7.2 billion in solutions used to eliminate the FY 2010 deficit, only 15% relate to revenue initiatives.

## ***FY 2010 Deferrals/Decreases***

(In Millions)

### **DEFERRALS**

Salary Freezes for Public and College Employees	\$261.9
No Inflation for Municipal Aid	103.8
No Inflation for Homestead Rebates	77.7
No Rate Inflation for Nursing Homes	50.0
No Growth in Higher Education Operating	30.2
No New Community Provider COLA	28.7

### **DECREASES**

Pension Contribution	\$895.3
Homeowner and Tenant Rebates	517.1
Employee Related Savings/Operating	341.1
NJ FamilyCare (due to increased federal funds)	85.0
NJ Transit	62.0
Municipal and County Aid	50.5
College and University Operating Support	39.8
Savings from Enhanced Medicaid Fraud Prevention	25.0
Savings from Smarter Procurements	25.0
Hospital Reductions	20.8

## ***FY 2010 Increases***

(In Millions)

School Aid (excludes school construction)	\$374.3
School Construction Debt Service	96.4
Governor's Economic Recovery Program	75.2
Tuition Aid Grants / NJ STARS	37.0
Olmstead Funding (Mental Health / Developmental Disabilities)	20.7
Aid to County Psychiatric Hospitals	15.1

Includes only a sampling of increases

## ***Fiscal Year 2010 Revenue Solutions***

(In Millions)

### Tax Policy Changes

#### Gross Income Tax

One-year tax rate increase for incomes over \$500,000	\$ 620	
One-year suspension of Property Tax Deduction for Non-Seniors with incomes greater than \$150,000	160	
Tax Lottery winnings > \$10k	8	
	<hr/> 788	
Corporation Business Tax - extend 4% surcharge that was to expire	80	
Cigarette Tax - increase of 12.5 cents to \$2.70/pack	26	
Alcohol Tax - 25% increase excluding beer	22	
	<hr/>	\$ 916

### Alternate Use of Other Funds

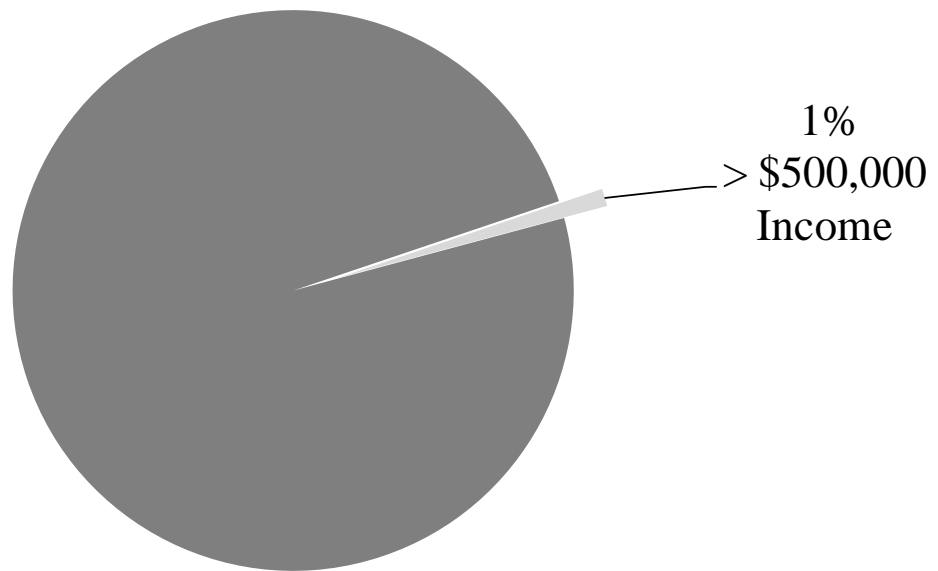
State Disability Benefit Fund	50	
Workers' Compensation Security Fund	20	
Enterprise Zone Assistance Fund	14	
New Home Warranty Security Fund	10	
Unemployment Compensation Auxiliary Fund	2	
Motor Vehicle Fees	20	
	<hr/>	116

### Other

Mental Health Hospital County Share - increase from 12.5% to 15%	5	
Casino Revenue Fund - unclaimed slot machine vouchers	4	
Lottery - NJ Powerball	40	
	<hr/>	<hr/> 49

Total Revenue Solutions	<hr/>	<hr/> \$ 1,081
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## *Impact of Proposed Income Tax Increase*



Approximately 44,000 of the nearly 3.9 million income tax filers and taxpayers not required to file State income tax returns will be impacted by the proposed change.

# Appropriations Comparison

(In Thousands)

	<b>FY 2009 Adjusted Approp.</b>	<b>FY 2010 Budget</b>	<b>Change \$</b>	<b>%</b>
Chief Executive	\$ 5,268	\$ 4,684	\$ (584)	(11.1)
Agriculture	22,463	24,629	2,166	9.6
Banking and Insurance	71,441	67,548	(3,893)	(5.4)
Children and Families (a)	1,089,292	1,092,294	3,002	0.3
Community Affairs	1,150,936	1,109,903	(41,033)	(3.6)
Corrections	1,196,087	1,189,378	(6,709)	(0.6)
Education (b)	11,570,338	10,413,691	(1,156,647)	(10.0)
Environmental Protection	434,178	370,092	(64,086)	(14.8)
Health and Senior Services (a)	1,602,124	1,243,878	(358,246)	(22.4)
Human Services (a)	4,958,236	4,592,365	(365,871)	(7.4)
Labor & Workforce Development (c)	306,130	147,029	(159,101)	(52.0)
Law and Public Safety	609,539	591,184	(18,355)	(3.0)
Military and Veterans' Affairs	94,725	91,292	(3,433)	(3.6)
Public Advocate	17,130	16,834	(296)	(1.7)
State (b)	1,283,674	1,258,396	(25,278)	(2.0)
Transportation	1,386,832	1,283,197	(103,635)	(7.5)
Treasury (c)	3,440,393	2,670,238	(770,155)	(22.4)
Miscellaneous Commissions	1,456	1,456	-	-
Subtotal Executive Branch	\$ 29,240,242	\$ 26,168,088	\$ (3,072,154)	(10.5)
Interdepartmental	\$ 3,288,424	\$ 2,950,469	\$ (337,955)	(10.3)
Legislature	\$ 74,644	\$ 73,815	\$ (829)	(1.1)
Judiciary	\$ 641,007	\$ 648,385	\$ 7,378	1.2
Total	\$ 33,244,317	\$ 29,840,757	\$ (3,403,560)	(10.2)

(a) FY 2010 appropriations are net of \$1,060 million in federal stimulus.

(b) FY 2010 appropriations are net of a total of \$1,091 million in savings in DOE (\$1,057 million) and Higher Education/State (\$34 million) from federal stimulus.

(c) FY 2009 includes appropriations shifted from Department of Personnel.

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

Fiscal Year 2009 projected spending \$31 billion

## ***Hospital Funding – State and Federal***

(In Millions)

	<b>FY 2009 Adjusted Approp.</b>	<b>F Y 2010 Budget</b>	<b>Change</b>
Charity Care	\$605.0	\$605.0	\$ -
Health Care Stabilization Fund	44.0	40.0	(4.0)
Hospital Relief Offset Payments	198.0	191.6	(6.4)
Cancer Grants	48.0	38.4	(9.6)
Graduate Medical Education	68.0	60.0	(8.0)
Hospital Asset Transformation Program	12.5	16.5	4.0
<b>TOTAL</b>	<b>\$975.5</b>	<b>\$951.5</b>	<b>(\$24.0)</b>

State support for hospitals declines by only 2.5% in FY 2010 while maintaining level funding for Charity Care.



**Use of Non-Recurring Resources**  
(In Millions)

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	Gov Budget FY 2010
Tobacco Securitization	\$ 1,557	\$ 1,612	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Revenue Securitization	-	-	1,930	-	-	-	-	-
Unemployment Insurance Fund	325	325	100	350	-	-	-	-
Millionaire's Tax - Retroactive Impact	-	-	156	-	-	-	-	-
PAAD Waiver	147	148	-	-	-	-	-	-
CBT Accelerated Payments	651	-	-	-	-	-	-	-
Car Registration Acceleration	-	-	16	22	22	6	-	-
Unclaimed Property	100	-	-	-	-	-	-	-
Securities Enforcement Collections	-	10	2	-	-	-	-	-
Real Estate Guarantee	-	1	-	-	-	-	-	-
NJ Redevelopment Authority	-	9	-	-	-	-	-	-
Hotel Revenue State Share	-	25	-	-	-	-	-	-
Economic Development Authority	-	30	2	2	-	-	-	-
Catastrophic Illness in Children Relief Fund	-	4	-	-	-	-	5	-
Educational Facilities Authority	-	-	2	-	-	-	-	-
Federal TANF Balances	70	86	18	-	-	-	-	-
VOI/TIS Federal Funds	12	13	-	-	-	-	-	-
Cash Management Fund	20	-	-	12	-	-	-	-
Free Public Schools	25	-	-	-	-	-	-	-
Meadowlands Commission	62	-	-	-	-	-	-	-
Sanitary Landfill Contingency	6	6	-	-	-	-	-	-
Second Injury Fund	20	-	-	5	-	-	-	-
Surplus Lines	43	-	-	-	-	-	-	-
UMDNJ Self Insurance Fund	77	-	-	-	-	-	-	-
UEZ Balances	37	-	-	-	-	-	6	-
Mutual Workers' Compensation Fund	-	-	5	-	-	-	-	-
Petroleum Surcharge Fund	-	-	-	5	-	-	-	-
PAAD / ADDP Rebate Receivable	-	-	-	56	-	-	-	-
PAAD Medicare D Administration	-	-	-	5	-	-	-	-
Bond Refinancing	-	-	-	150	-	-	-	-
Benefit Enhancement Fund / Pensions	-	126	265	385	-	-	-	-
Asset Sales	-	-	-	200	-	-	-	-
Family Care *	-	-	-	-	-	-	55	-
Tobacco Settlement Fund	-	-	-	10	13	-	-	-
New Home Warranty Security Fund	-	-	-	20	-	-	10	10
Phase-out of Casino Comps	-	-	-	43	-	-	-	-
Public Records Preservation Fund	-	-	-	5	-	10	-	-
G.O. / Bldg. Authority Refinance Savings	-	-	-	266	-	-	-	-
Health Benefits / Rx Fund Balance	-	-	-	60	-	-	-	-
Health Care Subsidy Fund	-	-	-	-	-	12	6	-
Passaic River Litigation - Spill Fund	-	-	-	-	-	-	6	6
Higher Education Capital Improvement Fund	-	-	-	-	-	-	1	-
Market Transition Facility	-	-	-	-	-	11	-	-
Supplemental Workforce Fund	-	-	-	-	-	6	-	-
Cigarette Tax Revenue (Non-Pledged)	-	-	-	-	-	42	-	-
Cigarette and MVC Revenues	-	-	-	243	-	-	-	-
Tobacco Settlement Debt Restructuring	-	-	-	-	-	56	-	-
Workers Compensation Security Fund	-	-	5	-	-	-	-	20
Recycling Fund	-	-	-	-	-	-	7	-
Emergency Services Fund	-	-	-	-	-	-	6	-
Body Armour Fund	-	-	-	-	-	-	5	-
Emergency Medical Tech. Training	-	-	-	-	-	-	4	-
Unclaimed County Deposits	-	-	-	-	-	-	3	-
Worker and Community Right to Know	-	-	-	-	-	-	3	-
Fund Shifts (various)	-	-	-	-	44	-	-	-
Total, Dedicated fund Diversions	\$ 3,152	\$ 2,395	\$ 2,501	\$ 1,839	\$ 79	\$ 143	\$ 117	\$ 36
General Fund Surplus **	15	-	463	44	794	1,597	500	200
Federal Stimulus / Fiscal Stabilization	106	433	-	-	-	-	250	1,091
Grand Total ***	\$ 3,273	\$ 2,828	\$ 2,964	\$ 1,883	\$ 873	\$ 1,740	\$ 867	\$ 1,327

Comparing Approp Act to Approp Act

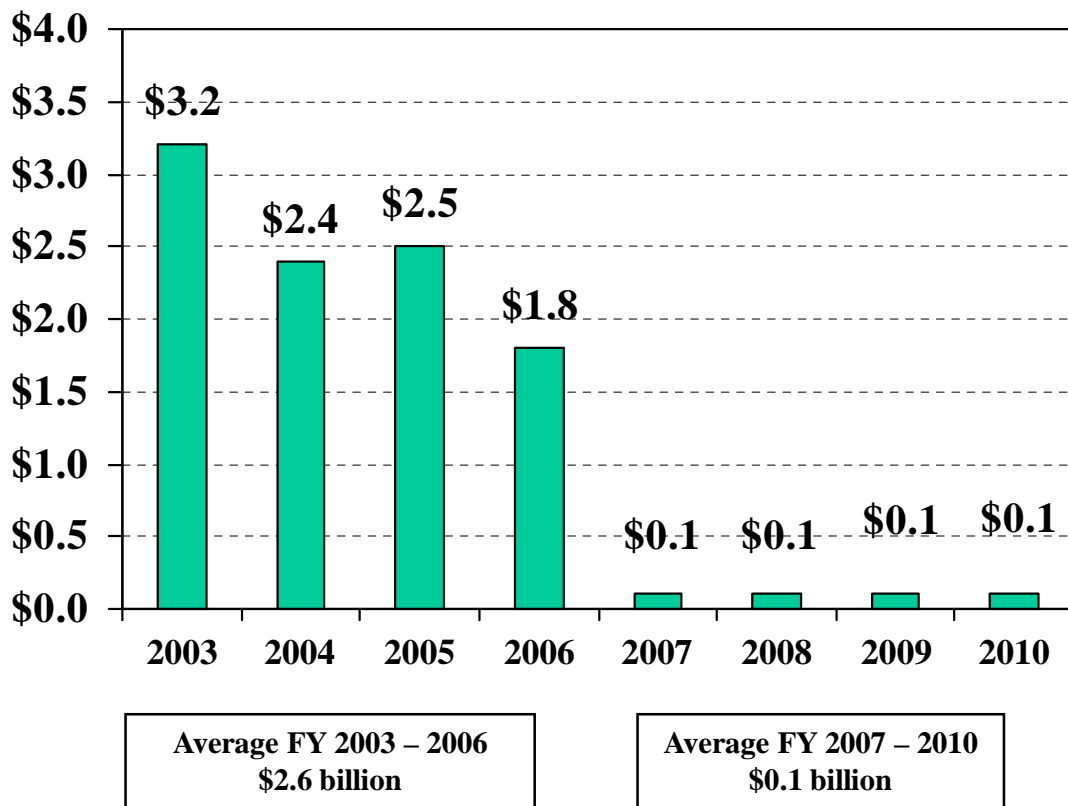
\* FY 2008 Budget assumed federal funding shortfall which did not materialize.

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

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

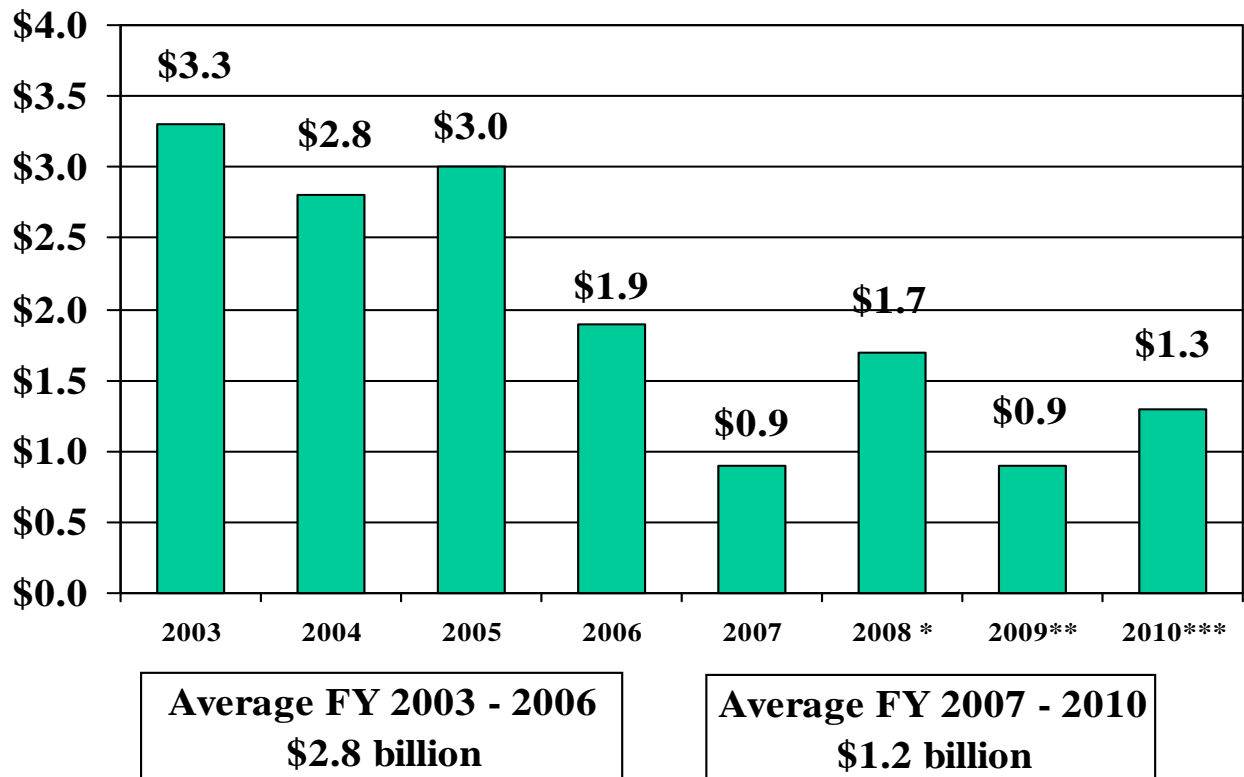
## ***Average Annual Diversions from Dedicated Funds Down by 96% Compared to FY 2003 – FY 2006***

(In Billions)



## ***Diversions from Dedicated Funds, Federal Stimulus and Prior Year Surpluses***

(In Billions)



\* Includes \$650 million of deferred Sales Tax revenue.

\*\* FY09 includes \$250 million in federal stimulus-stabilization funds.

\*\*\* FY10 includes \$1.1 billion in federal stimulus-stabilization funds.



## CHAPTER 5: PROPERTY TAX OVERVIEW

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Governor Corzine has taken important steps to alleviate the property tax burden, which, to many, is New Jersey's most pressing problem.

In 2007, in conjunction with the Legislature, he enacted a new law requiring local officials to limit annual increases in property tax levies. The goal was 4 percent, with several exceptions that would permit higher levies. The so-called "levy cap" law took full effect in 2008.

In the five years before the new limits were put in place, the total levy rose by an annual average of 6.6 percent. In 2008, the school levy - by far the largest part of most local property tax bills - rose by just 3 percent. The growth of the total levy - including municipal and county taxes - was limited to 4.9 percent. While higher than the desired goal of 4 percent, it was the lowest rate of growth in a decade. Had the 2008 levy instead risen by the 6.6 percent five-year average, local taxpayers would have paid nearly \$378 million more in property taxes.

The stabilizing effect of the Governor's policies is also reflected in average tax bills, where growth in 2008 was limited to 3.7 percent. In the previous five years, the average annual increase was 6.5 percent. At that rate, last year's statewide average tax bill would have been \$193 higher.

Looking at another measure, in 2005, average bills increased by 10 percent or more in 82 municipalities. As further evidence that 2007 property tax reforms are taking hold, that number fell to 20 last year. In 2005, average bills rose 4 percent or less in just 114 municipalities. Last year, the number jumped to 266. That's nearly half of all New Jersey municipalities.

The proposed Fiscal 2010 Budget furthers the Governor's commitment to try to ease the property tax burden.

With federal assistance, more than half the budget - \$15.7 billion - is dedicated to programs that reduce the burden on property taxpayers.

This includes \$11.4 billion in support for preschool - 12 education. Direct school aid will rise by \$304 million - one of the few increases in the budget, and the largest.

The current global recession will force temporary reductions in direct property tax relief payments to state residents in the 2010 budget year. Even so, no previous administration will have provided more direct relief to property taxpayers. Counting payments planned for the new budget year, taxpayers will have received a record \$6.9 billion during Governor Corzine's administration.

The Fiscal 2010 Budget allots nearly \$1.7 billion for property tax relief through direct cash payments or credits to State residents.

The largest of the state's direct property tax relief programs is the Homestead Property Tax Credit/Rebate program for homeowners and tenants. Despite severe budget constraints, this Budget still allocates \$1.174 billion for fiscal 2010.

The homeowner's portion of the Fiscal 2010 Homestead Credits/Rebates for Homeowners program is recommended at \$1.044 billion.

In excess of one million homeowners will receive rebates at an overall average of more than \$1,000 per homeowner. An estimated 500,000 seniors will receive average checks of \$1,250, while more than 500,000 non-seniors will receive average rebate checks of \$800. Overall, nearly 782,000 homeowners will receive the same rebate levels that they received in fiscal 2009.

Funding for Homestead Property Tax Rebates for Tenants totals \$129 million. More than 800,000 tenants will also continue to receive direct property tax relief in the form of rebates from the Homestead Rebates for Tenants program.

The Fiscal 2010 Budget also funds the Senior Property Tax Freeze program. Spending rises by \$3.5 million to \$172.5 million. Senior Freeze checks averaged in excess of \$1,000 last year. The Governor and Legislature also enacted legislation last year that raised the income eligibility.

While many other states have reduced aid support for public education during these difficult economic times, Governor Corzine's budget increases direct aid by approximately \$300 million. This increase will provide vitally important resources for the classroom. No district will receive less than it received in FY 2009, and 171 school districts will receive increases. This aid will help ease the local burden for funding educational programs through the property tax.

Also in the Fiscal 2010 Budget, municipal aid has been held essentially flat at \$1.803 billion. Governor Corzine and the Legislature also adopted several other reforms that will have a lasting impact on property taxes.

The efforts of the State Comptroller will have a strong deterrent effect on wasteful spending, and will continue rooting out mismanagement at all levels of government. This will save taxpayer dollars.

Last September, Governor Corzine enacted legislation that mandates sweeping pension and health benefit reforms at both the State and local levels of government. Local savings alone will exceed \$1.6 billion through 2022.

Governor Corzine also has proposed legislation that would give municipalities, towns, counties and school boards a temporary break from their full pension contributions at a time when local budgets are under the financial strain of a global recession. It would protect property taxpayers from having to shoulder an additional \$500 million in budgetary costs to local governments at a time when many households and businesses are experiencing severe fiscal stress.

Since its initial meeting last summer, the Local Unit Alignment, Reorganization and Consolidation Commission have worked hard to identify service areas ripe for municipal cost-sharing. Those areas include health, courts and emergency management. During the Corzine Administration, municipalities have received 104 grants totaling nearly \$7.6 million through the Sharing Available Resources Efficiently (SHARE) program.

## ***Funding for Property Tax Relief***

### ***More Than Half of Budget Funds Property Tax Relief***

(In Millions)

<u><b>Programs</b></u>	<u><b>FY 2009 Adjusted Approp.</b></u>	<u><b>FY 2010 Budget</b></u>	<u><b>\$ Change</b></u>
School Aid	\$ 11,479.5	\$ 11,385.5 *	\$ (94.0)
Municipal Aid	1,834.3	1,803.1	(31.2)
Other Local Aid	888.4	810.5	(77.9)
Direct Taxpayer Relief	<u>2,439.5</u>	<u>1,726.1</u>	<u>(713.4)</u>
<b>Total Direct Aid</b>	<u><b>\$ 16,641.8</b></u>	<u><b>\$ 15,725.2</b></u>	<u><b>\$ (916.5)</b></u>

\* Includes \$1,057 million in federal stimulus funding.

- Funding for Property Tax Relief still makes up more than half of the State Budget.
- There is an increase of \$304 million in Formula Aid, \$93 million in school building aid, and \$74 million in other aid. The net decrease in School Aid primarily reflects the deferral of pension contributions.
- Last year's growth in average residential property tax bills was limited to 3.7% compared to an average increase of 6.5% over the preceding five years.

## Direct Property Tax Relief Is Preserved for Senior Citizens and Those with Incomes under \$75,000

- The reduction in Direct Property Tax Relief exclusively affects non-senior residents of the state while preserving and even increasing direct tax relief for senior citizens. Eligibility for the Senior Tax Freeze program is expanded to include 20,000 more seniors.
- In fiscal 2010, homestead rebates for seniors and mid-income non-seniors remain at this year's level, providing a rebate of 20% of the property tax bill for seniors under \$100,000 in income and non-seniors under \$50,000 in income. Higher income seniors (over \$100,000) will continue to receive rebates at 10% and, for one year, non-seniors up to \$75,000 will be reduced to two-thirds of what they received this year.
- Temporary cuts in homestead rebates affect non-seniors over \$50,000 in income, with rebates for non-seniors over \$75,000 in income temporarily eliminated.
- The property tax deduction on the State's income tax is preserved for all seniors and for non-seniors with incomes less than \$150,000.

### *Direct Property Tax Relief*

(In Millions)

	<u>FY 2009 Adjusted Approp.</u>	<u>FY 2010 Budget</u>	<u>\$ Change</u>
Homestead Property Tax Credits/Rebates for Homeowners	\$ 1,583.5	\$ 1,044.4	\$ (539.1)
Homestead Rebates for Tenants	124.0	129.2	5.2
Senior/Disabled Citizens Property Tax Freeze	169.0	172.5	3.5
Property Tax Deduction Act	471.0	291.0	(180.0)
Municipal Reimbursement - Veterans' Tax Deductions	71.5	69.5	(2.0)
Municipal Reimbursement - Senior/Disabled Citizens' Tax Deductions	20.5	19.5	(1.0)
<b>Total Direct Property Tax Relief</b>	<u><b>\$ 2,439.5</b></u>	<u><b>\$ 1,726.1</b></u>	<u><b>\$ (713.4)</b></u>

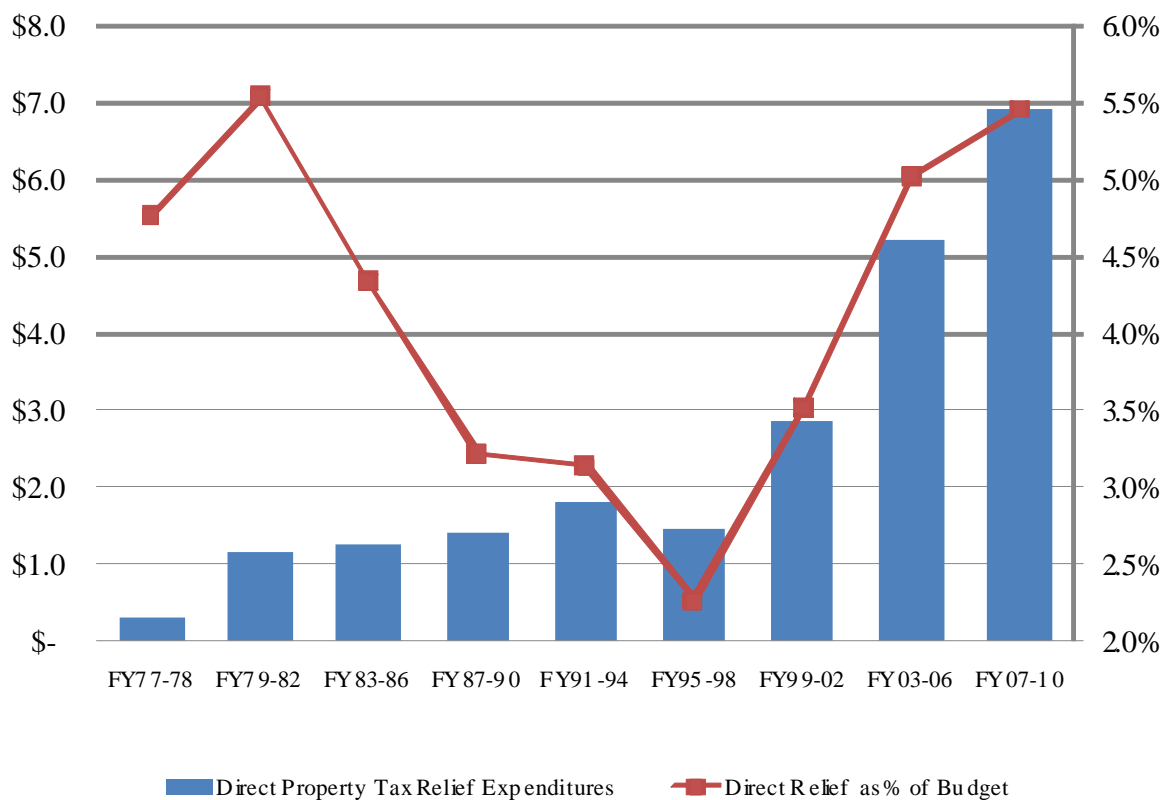
## Governor Corzine Increased Funding for Direct Property Tax Relief

- During Governor Corzine's Administration, spending on direct property tax relief programs has increased by approximately 33% to nearly \$7 billion, from the previous four year period total spending of \$5 billion.
- This comprises 5.5% of the four-year total State budget – the highest percentage for any administration since Governor Byrne (FY 1979-1982).

### *Direct Property Tax Relief Expenditures FY 1977 – FY 2010*

*Corzine Administration Provided Nearly \$7 Billion  
in Direct Property Tax Relief*

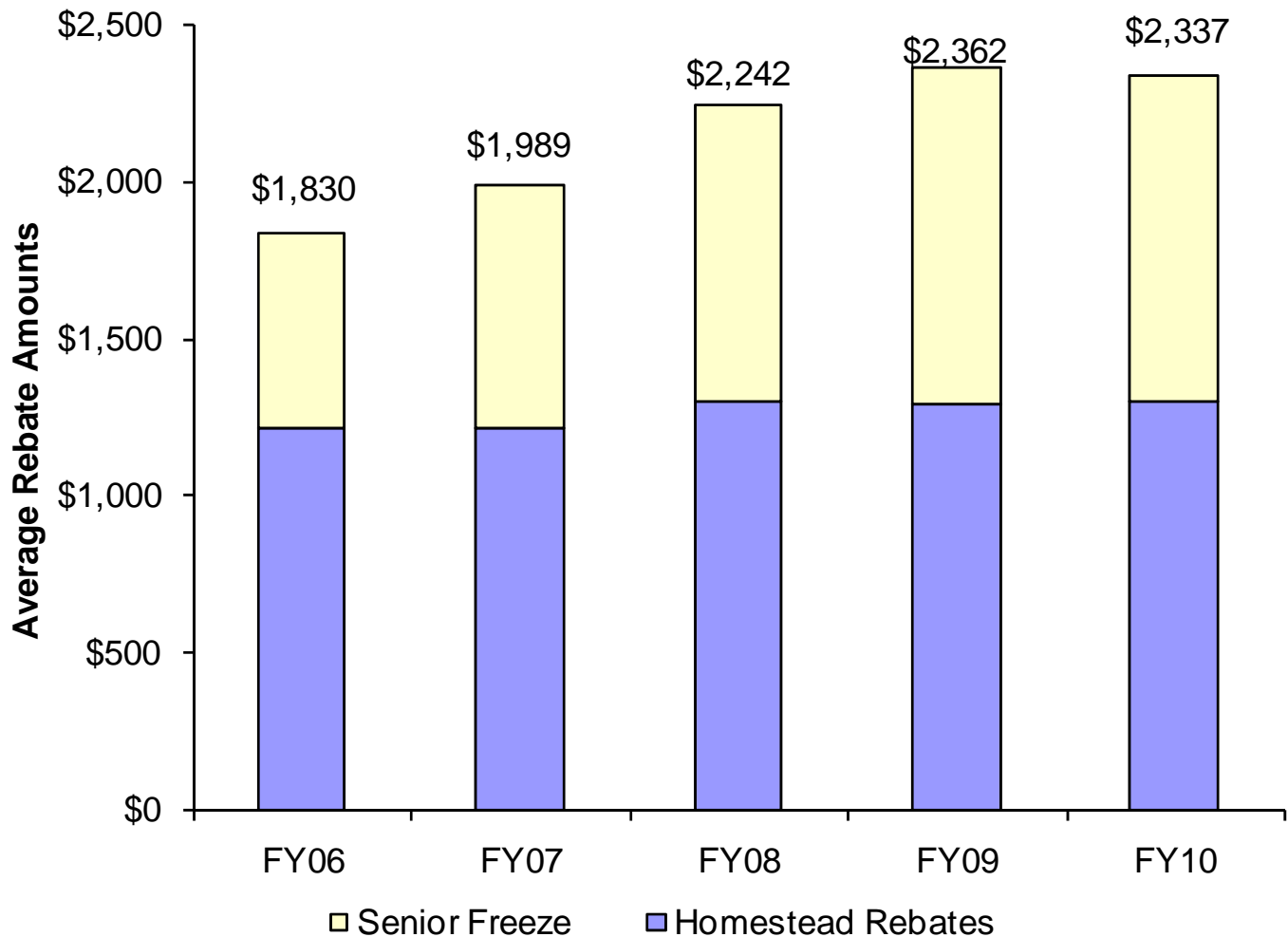
(In Billions)



Programs Included: Homestead Rebates for Homeowners, Homestead Rebates for Tenants, Senior Tax Freeze, NJSAVER, Senior and Disabled Citizens' Property Tax Deduction and Veterans' Property Tax Deduction.



## Substantial Property Tax Relief for Senior Homeowners Continues



- The average combined reimbursement for property taxes to senior homeowners eligible for both the Homestead Rebate and Senior Property Tax Freeze program will be over \$2,300 in fiscal 2010.
- The Senior Freeze program is expanded to include seniors with incomes up to \$70,000 in fiscal 2010, an estimated increase of 20,000 seniors, with the average benefit for all 166,000 program recipients estimated at over \$1,000.
- The Fiscal 2010 Homestead Rebate program will provide the same benefit level to seniors as in fiscal 2009, with average checks of \$1,300 for those with incomes up to \$70,000.

## ***FY 2010***

### ***Property Tax Relief Benefit Levels***

<b>Homeowner Income (Seniors)</b>	<b>Projected Recipients</b>	<b>Percent of Property Taxes</b>	<b>Average Benefit</b>
\$0-100,000	468,000	20%	\$1,295
\$100,001-150,000	36,000	10%	\$763

<b>Homeowner Income (Non-Seniors)</b>	<b>Projected Recipients</b>	<b>Percent of Property Taxes</b>	<b>Average Benefit</b>
\$0-50,000	278,000	20%	\$890
\$50,001-75,000	232,000	13.34%	\$670

<b>Tenant Income (Seniors)</b>	<b>Projected Recipients</b>	<b>Maximum Benefit</b>
\$0-100,000	108,000	\$860

<b>Tenant Income (Non-Seniors)</b>	<b>Projected Recipients</b>	<b>Maximum Benefit</b>
\$0-50,000	622,000	\$80
\$50,001-75,000	117,000	\$54

<b>Senior Freeze</b>	<b>Projected Recipients</b>	<b>Average Check</b>
First Time Recipients	40,000	\$225
Repeat Recipients	126,000	\$1,298

- In fiscal 2010, homestead rebates for seniors and mid-income non-seniors remain at this year's level, providing a rebate of 20% of the property tax bill for seniors under \$100,000 in income and non-seniors under \$50,000 in income. Higher income seniors (over \$100,000) will continue to receive rebates at 10% and, for one year, non-seniors up to \$75,000 will be reduced to two-thirds of what they received this year.
- Rebates for tenants are unchanged for seniors, temporarily reduced to two-thirds for non-seniors with incomes between \$50,000 and \$75,000, and temporarily eliminated for non-seniors with incomes over \$75,000.

## ***Municipal Aid***

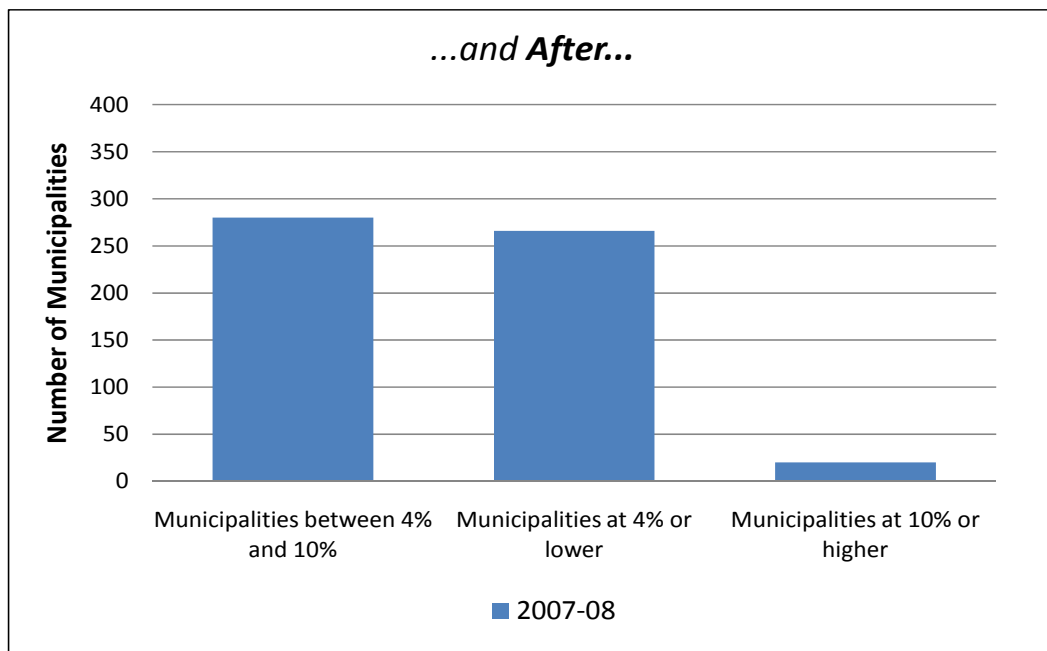
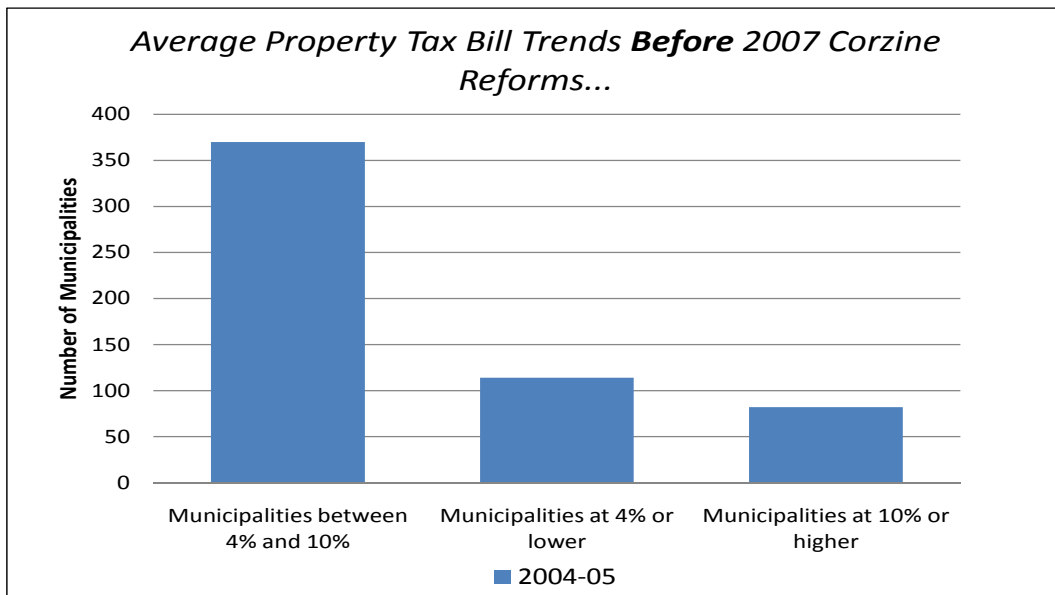
(In Millions)

	<b>FY 2009 Adjusted Approp.</b>	<b>FY 2010 Budget</b>	<b>\$ Change</b>
Consolidated Municipal Property Tax Relief Aid (CMPTRA) / Energy Tax Receipts	\$ 1,597.4	\$ 1,565.3	\$ (32.1)
Special Municipal Aid	145.4	142.4	(2.9)
Trenton Capital City Aid	35.6	34.9	(0.7)
Extraordinary Aid	25.0	24.5	(0.5)
Consolidation Fund / SHARE	3.0	8.0	5.0
Highlands Protection Fund Aid	12.0	12.0	-
Open Space - Payment In Lieu of Taxes (PILOT)	10.0	10.0	-
Regional Efficiency Aid Program (REAP)	6.0	6.0	-
<b>Total Direct Municipal Aid</b>	<b><u>\$ 1,834.3</u></b>	<b><u>\$ 1,803.1</u></b>	<b><u>\$ (31.2)</u></b>

- The largest pot of municipal funding - \$1.6 billion available from Consolidated Municipal Property Tax Relief Aid and Energy Tax Receipts is being reduced by 2 percent. The reduction is being allocated using principles also used to allot most education aid. Municipalities with low tax rates and high incomes will receive 95 percent of their funding, while those with high tax rates and low incomes will receive 100 percent.
- The recommended municipal aid reduction can be offset by local pension deferral savings and federal stimulus funds from the Community Oriented Police Services (COPS) program.
- The total municipal aid reduction represents less than 0.5% of total spending by municipalities last year.
- The median impact on average residential tax bills due to the reduction in Consolidated Municipal Property Tax Relief Aid (CMPTRA) and Energy Tax Receipts aid will be only about \$8.

## Impact of 4% Local Spending Cap

- In 2005, average property tax bills increased by 4% or less in only 114 municipalities. That number jumped to 266 municipalities last year (nearly half of all New Jersey municipalities).
- In 2005, average property tax bill increased by 10% or more in 82 municipalities. That number dropped to only 20 municipalities last year.



## School Aid

- For the second consecutive year, the Budget invests additional resources into New Jersey's school classrooms, increasing direct school aid by over \$300 million to \$8.8 billion.
- The Administration continues its commitment to early childhood education by including \$52 million more for existing preschool programs.
- The Budget also includes \$25 million in funding for newly created Preschool Incentive Aid. These funds will be available to non-Abbott districts with high concentrations of poverty for expansion in the 2009-2010 school years if they commit their new recovery Title 1 funds to preschool.

### ***School Aid***

#### ***\$ 304 Million Increase in Funding for Classrooms***

#### ***School Aid Represents 35% of Total Budget***

(In Millions)

	<b>FY 2009 Adjusted Approp.</b>	<b>FY 2010 Budget*</b>	<b>\$ Change</b>
Formula Aid	\$ 7,795.4	\$ 7,946.4	\$ 151.0
Preschool Programs	543.8	596.1	52.3
Preschool Incentive Aid	-	25.0	25.0
Extraordinary Special Education Aid	52.0	130.0	78.0
Adult Education	10.0	-	(10.0)
Other Aid	124.5	132.5	8.0
<b>Total Direct School Aid</b>	<b>\$ 8,525.7</b>	<b>\$ 8,830.0</b>	<b>\$ 304.3</b>
Teachers' Pension and Annuity Fund	\$ 693.3	\$ 128.6	\$ (564.7)
Post Retirement Medical	750.1	775.5	25.4
Debt Service on Pension Obligation Bonds	112.5	122.3	9.8
Teachers' Social Security	735.3	774.0	38.7
<b>Total Direct State Payments for Education</b>	<b>\$ 2,291.2</b>	<b>\$ 1,800.4</b>	<b>\$ (490.8)</b>
School Construction and Renovation Fund	\$ 559.5	\$ 655.9	\$ 96.4
Debt Service Aid	103.1	99.2	(3.9)
<b>Total School Building Aid</b>	<b>\$ 662.6</b>	<b>\$ 755.1</b>	<b>\$ 92.5</b>
<b>Total School Aid</b>	<b>\$ 11,479.5</b>	<b>\$ 11,385.5</b>	<b>\$ (94.0)</b>

\* Includes \$1,057 million in federal stimulus funding.



## CHAPTER 6: MANAGEMENT EFFICIENCY & SAVINGS MEASURES

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Whether in good or bad economic times, government must apply constant pressure to improve operational efficiency, both to ensure the wisest use of tax dollars and to achieve the standard of best practices. Given today's extraordinary fiscal challenges, this Administration has intensified these efforts. Every dollar saved and stretched helps to preserve a critical service or function.

Most prominently, Governor Corzine has dramatically reduced the size of the State workforce. In the first half of Fiscal 2009 alone, the total number of staff has declined by 1,900 or nearly 3%. Since the start of this Administration in Fiscal 2007, head count has been reduced by a total of nearly 4,000 in the Executive Branch, representing an annualized savings of approximately \$312 million in salary and fringe benefits across all fund sources. In order to meet the continuing demands to spend less on the operations of State Government, the Fiscal 2010 Budget assumes additional workforce-centered reductions through \$420 million in savings from a proposed salary freeze and proposed workforce furlough. For the third straight year, operational budgets for State departments have been reduced. The Fiscal 2010 Budget assumes more than \$380 million in year-to-year spending reductions on departmental operations.

The Fiscal 2010 Budget continues the \$25 million procurement savings program initiated in the current year and adds a new, centrally-budgeted \$40 million savings target for management efficiencies across all State departments. In addition, agencies have been individually challenged to identify new ways to accomplish their mission at less cost. Some of their more innovative responses are highlighted below and on the pages that follow.

The Fiscal 2009 Appropriation Act reduced the Interdepartmental Rent Budget by \$25 million and directed departments to implement "smarter procurement" initiatives to reduce operational costs. As noted in the chart entitled "FY2009 Procurement Efficiencies", that goal was successfully attained through a mixture of strategies, including office rent savings, contract reform, and demand reduction. Notable initiatives included:

- Treasury's renegotiation of long-term office leases will net \$2.3 million in rent abatements;
- Reform of Human Services' unit dose drug contract at various institutions will save \$450,000 by adjusting pharmacy staffing at the Division of Development Disabilities and Mental Health residential facilities and moving to 30-day prescriptions that maximize reimbursements from Medicare and third-party insurance;
- The Office of Information Technology's (OIT) restructuring of mainframe maintenance contracts with top suppliers will save \$600,000;
- Elimination of 450 parking spots due to statewide staff attrition will save \$700,000, half of which is from State funds; and
- Treasury's Office of Energy Savings will use a new system to comprehensively monitor all utility costs, saving an estimated \$2.7 million by targeting conservation measures at high-use State facilities.

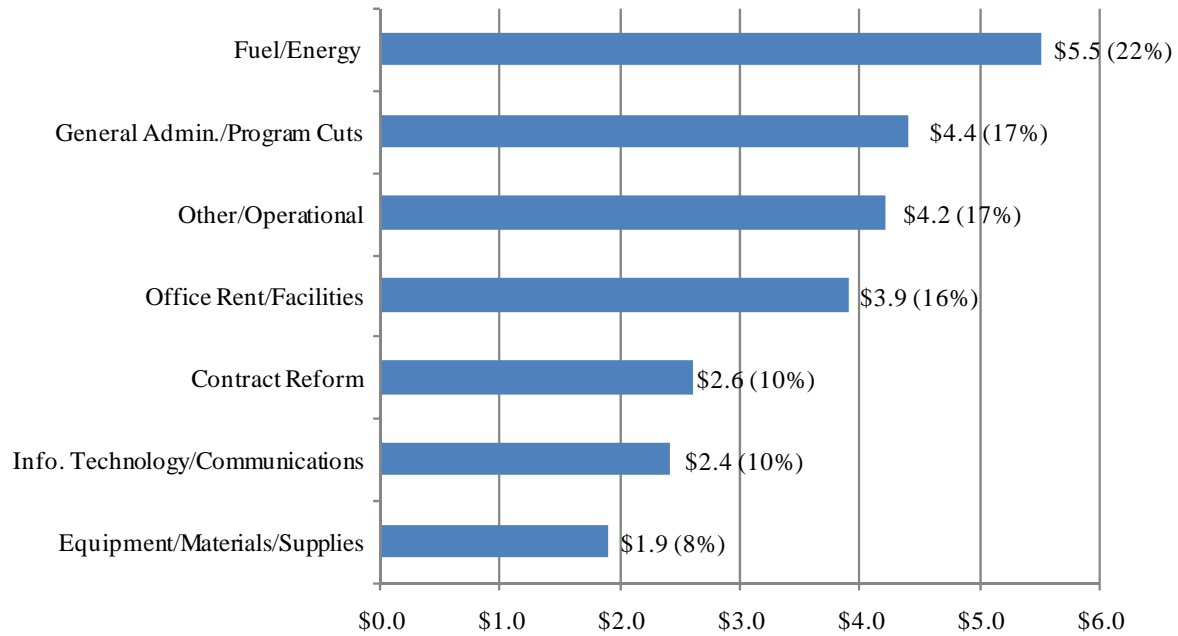
To expand this procurement efficiency effort in Fiscal 2010, the Office of the Treasurer has arranged cross-agency teams to examine unique savings opportunities that span multiple departments in areas such as food purchasing, courier and mail services, hardware maintenance, and consolidation of printing and forms. Though these services are typically low-profile in nature, they contain untapped opportunities for savings by eliminating redundancy, reforming contracts, and purchasing cooperatively. The food group alone identified savings totaling \$500,000 in Fiscal 2009 by consolidating across institutional programs (e.g., Corrections, Human Services), substituting less expensive products, and controlling food portions. Each team reports periodically to a Senior Governance Council staffed with high level officials from the Treasurer's Office, Governor's Office and the Office of Management and Budget (OMB), thus maintaining momentum and an ongoing expectation of innovation, creativity, and accomplishment.

Mirroring similar efforts by private business and other states, the Office of the Treasurer plans to engage vendors who do business with the State in a dialogue designed to produce deeper discounts on a variety of products and services. This initiative will include forums, some of which will be arranged by industry sector, to identify management changes that the State could implement to reduce the current cost of doing business. Those savings will be passed along to the State in the form of pricing adjustments. In addition, a special renegotiation effort will focus on high-volume vendors.

In addition, the ongoing moratorium on the purchase of furniture and personal computers was expanded to include all equipment as well as materials and supplies, information technology and professional services. Approval of OMB, the Treasurer's Office, and in some cases OIT is now required, and agencies are regularly asked to rethink such purchases, justifying their importance and whether they could be addressed in a less expensive manner.

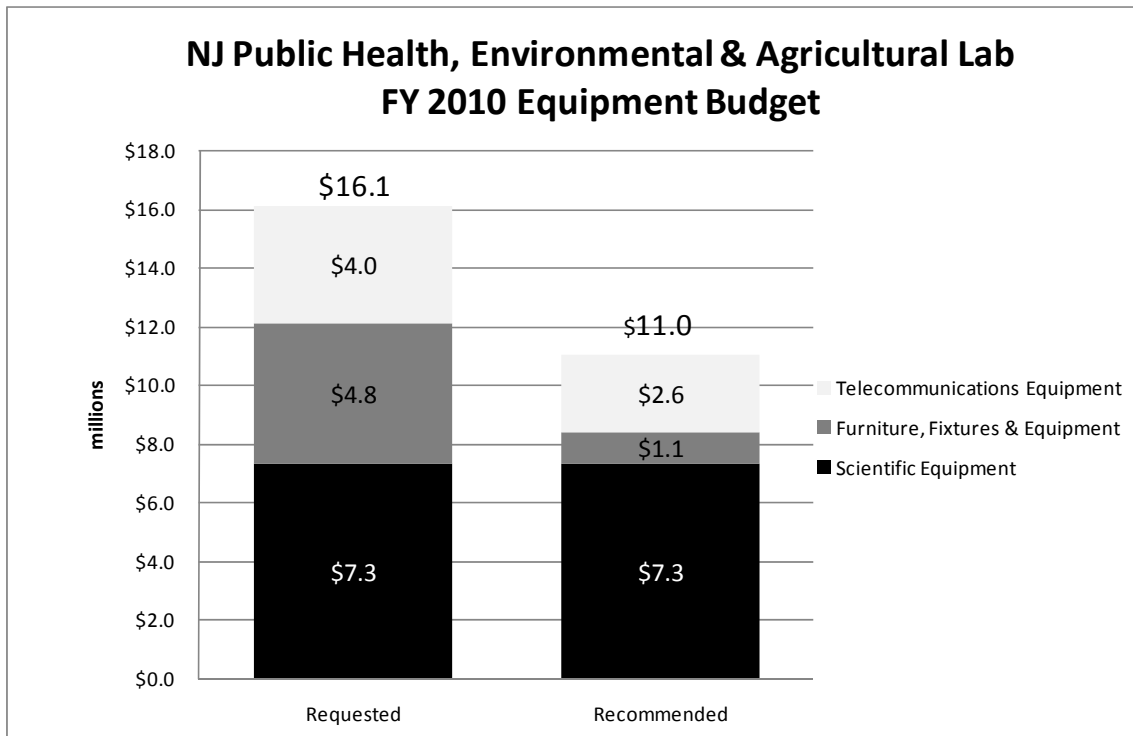
The remainder of this section provides prime examples of agency-inspired efficiencies, all of which yielded significant budget savings or cost avoidance in Fiscal 2010. Several of these initiatives -- including the reduction of State staff, a planned reduction of State cars, and program audits to reduce fraud -- address issues that were prominently mentioned by citizens who forwarded budget savings ideas to the website (<http://www.state.nj.us/governor/home/index.shtml>) established by the Governor's Office for that purpose.

## FY2009 \$25 Million Procurement Efficiencies (In Millions)



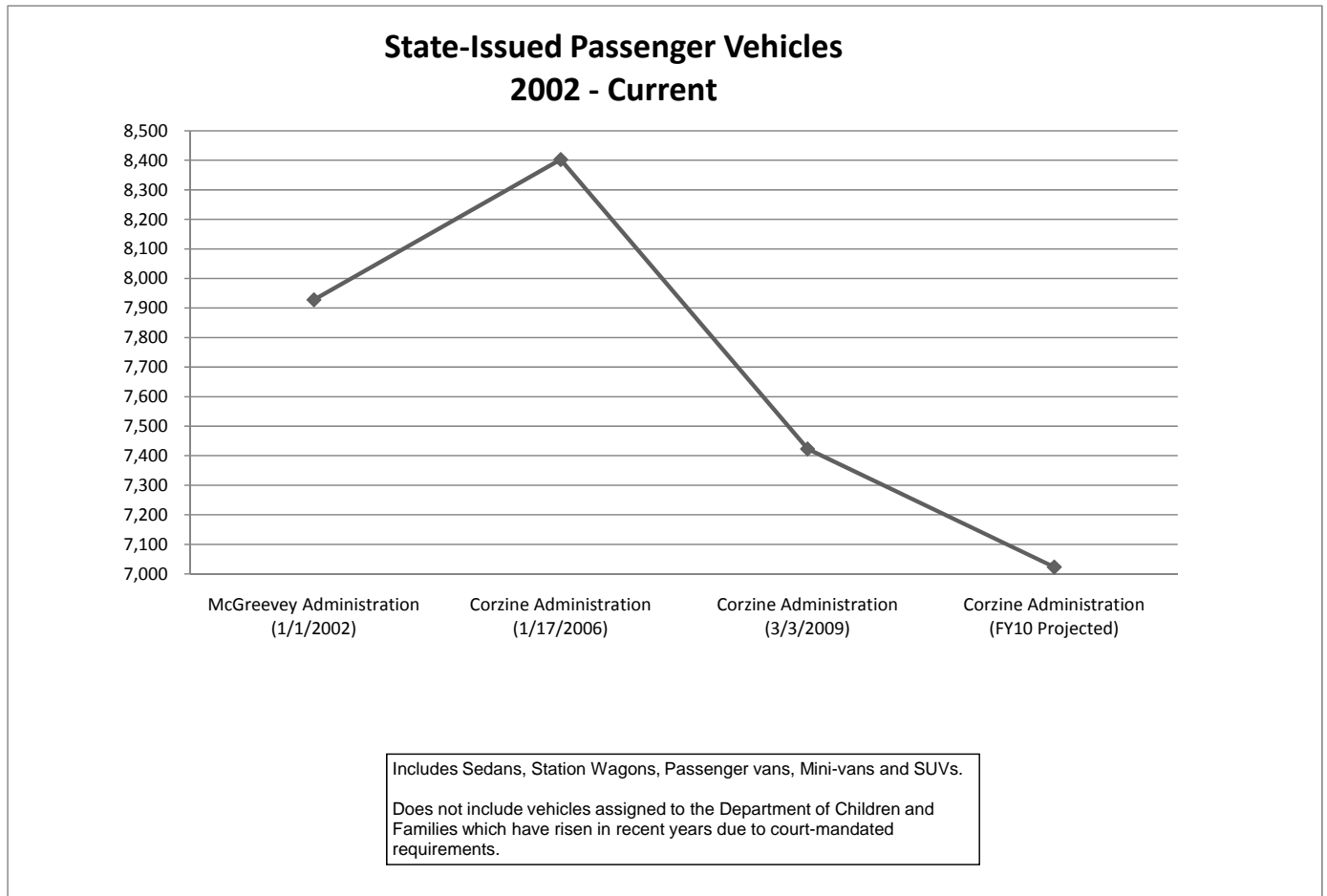
\$25 million procurement savings continues into FY2010





## New Health and Agriculture Lab – Equipment

- Total FY2010 request reduced by \$5.1m (32%), from \$16.1m to \$11.0m:
  - \$7.3m - scientific equipment fully approved by Capital Commission
  - \$1.1m - furniture, fixtures and equipment, 77% less than original request (\$4.8m)
  - \$2.6m - telecommunications equipment, 35% less than original request (\$4m)
- Efficiencies:
  - Substituted used furniture from surplus property, Health/Agriculture administration building and Sierra Park Lab;
  - Reduced requested quantities to minimal amounts;
  - Life cycle of existing computers and telecommunications equipment was lengthened;
  - Requested equipment for a full service cafeteria was removed.
- Funding via a line of credit with a debt service payment of \$1.6 million in fiscal 2010 in DHSS budget;
- Joint effort by the Division of Property Management and Construction, the Office of Management and Budget, the Departments of Health and Senior Services and Agriculture, and the Office of Information Technology.



## State-Issued Passenger Vehicles

The Fiscal 2010 Budget includes a reduction of an estimated 400 cars which, together with previous recalls under this Administration, will shrink the total fleet by nearly 1400 cars (17%) from 8,400 to 7,000.

- From the start of this Administration through fiscal 2009, a reduction of 980 vehicles (12%) was implemented.
- The 400 vehicles to be eliminated in fiscal 2010 represent an additional cut of 5%, representing vehicles that are aged, underutilized, or recalled from certain administrative assignments.
- The salvage value of the 400 cars to be withdrawn in fiscal 2009 is estimated at \$600,000.

## **Department of Treasury – Other Efficiencies**

### **Elimination of Commercial Gasoline Credit Cards**

- State-issued credit cards used by State employees to purchase motor fuel at commercial gas stations have been eliminated, generating savings of \$240,000 in fiscal 2010. Instead, the 1,100 State employees who use these cards must now refuel at one of the 72 State-operated filling stations to take full advantage of bulk-pricing discounts of about 77 cents per gallon. This savings initiative was identified by a cross agency team designed to develop procurement efficiencies.

### **Printing and Postage Savings through Elimination of Certain Tax Forms**

- The Divisions of Taxation and Revenue within the Department of Treasury continue to take advantage of paperless filing technologies, saving over \$300,000 in fiscal year 2010 printing and postage costs by eliminating the mailing of various printed forms, including the Corporation Business Tax Booklet, the Income Tax Withholding Table Booklet, and the Quarterly Employers Report package. Also eliminated are the Income Tax Return Form NJ-1040, the Tenant Homestead Rebate Application Form TR-1040, and Partnership Return Booklets to electronic filers.

## Department of Human Services

### Institutional Non-Salary Savings

Total savings of \$1.8 million is projected in energy and other operating costs at three Human Services institutions, including:

- \$1 million from moving from the 130-year old Greystone Park Psychiatric Hospital to a more consolidated campus with modern climate control and security systems that will reduce utility costs and enhance patient safety.
- \$800,000 in utility and maintenance savings from contracted professional services improvements at Ancora and Hagedorn facilities.

<b>Psychiatric Hospital Non-Salary Savings by Institution (\$000's)</b>		
<b>Hospital</b>	<b>Savings</b>	<b>Reason</b>
Greystone Park	\$1,000	Move to new, modern, consolidated, energy efficient campus
Ancora	\$200	Energy and contracted professional services savings
Hagedorn	\$600	Energy, maintenance, and contracted professional services savings
<b>Total</b>	<b>\$1,800</b>	

### Developmental Center Cottage Closures

- Based on the decrease in patients from FY2006 – 2009 at the seven state developmental centers, five residential cottages at these centers will be closed in FY2009, generating \$1.3 million in overtime savings in FY2010.
- Affected staff will either move to other cottages at the same campus or will assist clients in the Division of Developmental Disabilities' community programs.

<b>Developmental Center Census, FY2006 - 2009</b>								
	<b>Greenbrook</b>	<b>Vineland</b>	<b>North Jersey</b>	<b>Woodbine</b>	<b>New Lisbon</b>	<b>Woodbridge</b>	<b>Hunterdon</b>	<b>Total</b>
<b>FY2006</b>	<b>99</b>	<b>478</b>	<b>398</b>	<b>506</b>	<b>513</b>	<b>477</b>	<b>591</b>	<b>3,061</b>
<b>FY2007</b>	<b>103</b>	<b>472</b>	<b>394</b>	<b>508</b>	<b>499</b>	<b>461</b>	<b>589</b>	<b>3,027</b>
<b>FY2008</b>	<b>100</b>	<b>465</b>	<b>394</b>	<b>504</b>	<b>476</b>	<b>435</b>	<b>578</b>	<b>2,950</b>
<b>FY2009 (Proj.)</b>	<b>95</b>	<b>474</b>	<b>383</b>	<b>485</b>	<b>403</b>	<b>405</b>	<b>571</b>	<b>2,816</b>

## **Department of Human Services – Other Efficiencies**

### **Reduce Human Services' Community Provider Ceilings**

- Fiscal 2010 appropriations to third party providers serving Department of Human Services' clients were reduced by \$8.2 million in the Divisions of Developmentally Disabled (\$7 million) and Mental Health (\$1.2 million) if historical spending (e.g., Fiscal 2008) was less than the projected Fiscal 2010 contracted amount. This pro-active approach replaces the current practice of recovering under-spending after the end of the fiscal year and not reducing future year appropriations.

### **General Assistance Compliance Review**

- To ensure that only those who are eligible are receiving benefits, the Division of Family Development will review case management practices at county welfare agencies to verify client eligibility and the accuracy of cash benefits and emergency assistance payments, saving an estimated \$3.6 million.

### **Federally Qualified Health Centers Efficiencies**

- Enhanced audits of community health centers will ensure that federally- mandated Medicaid add-on payments made to these facilities are being properly calculated, yielding savings of \$1.3 million.

### **Medicaid Client Eligibility Efficiencies**

- New requirements will ensure that individuals receiving services from the State enroll in the federally-funded Medicare program if they are eligible. This will save \$6 million in State funds by shifting costs for health care and prescription drugs to the federal government.

## **Other Efficiencies**

### **Space Utilization Initiatives**

- Treasury's Division of Property and Management and Construction identified \$4.3 million in total rent consolidation savings in fiscal 2010, including:
- Elimination or consolidation of 14 leases will generate savings of \$3.3 million, most prominently in the Departments of Health and Senior Services (\$950,000) and Law and Public Safety (\$400,000).
- Fiscal 2010 annualized savings from 11 lease eliminations completed in fiscal 2009 total another \$980,000.

### **State Health Benefits Program (SHBP) Dependent Audit**

- Consistent with practices used in the private sector, recent Benefits Reform Legislation (P.L. 2008, c.89) called for a Dependent Eligibility Verification Audit of the State Health Benefit Program to ensure that only eligible employees, retirees, and their dependents, are receiving health care coverage under the program. It is expected that coverage for as many as 10,000 to 15,000 ineligible dependents will be terminated as a result of this audit. The Budget assumes \$9 million will be saved in fiscal 2010 from this initiative.



## CHAPTER 7: REVENUE FORECASTS & PROPOSED REVENUE ENHANCEMENTS

Total revenues for fiscal 2010 are expected to be \$29.6 billion, which is \$339 million or approximately 1.1% below the revised fiscal 2009 anticipated levels. Base revenues are expected to remain weak in fiscal 2010. Most economic indicators for the nation and New Jersey are projected to remain weak in 2009 as compared to what they were in 2008, but show some improvement in 2010.

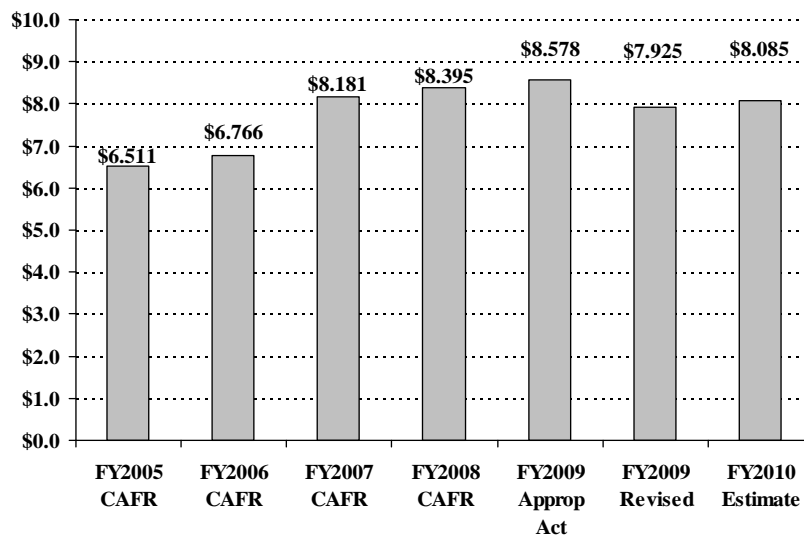
### Sales Tax

The forecast of \$8.1 billion in Sales Tax revenue for fiscal 2010 is an increase of \$160 million over the revised fiscal 2009 level. The basic underlying growth rate of 2.0% reflects the anticipated improvements in the economy and consumer spending in fiscal 2010 in part due to the federal economic stimulus package.

If fiscal 2010 sales tax did not include the changes enacted in fiscal 2007, the fiscal 2010 sales tax estimate would be approximately \$6.5 billion. This is below the actual fiscal 2006 sales tax revenue of \$6.8 billion.

### *Sales Tax*

(In Billions)



FY2007 had a change in tax policy.

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

Sales Tax excludes the tax on energy

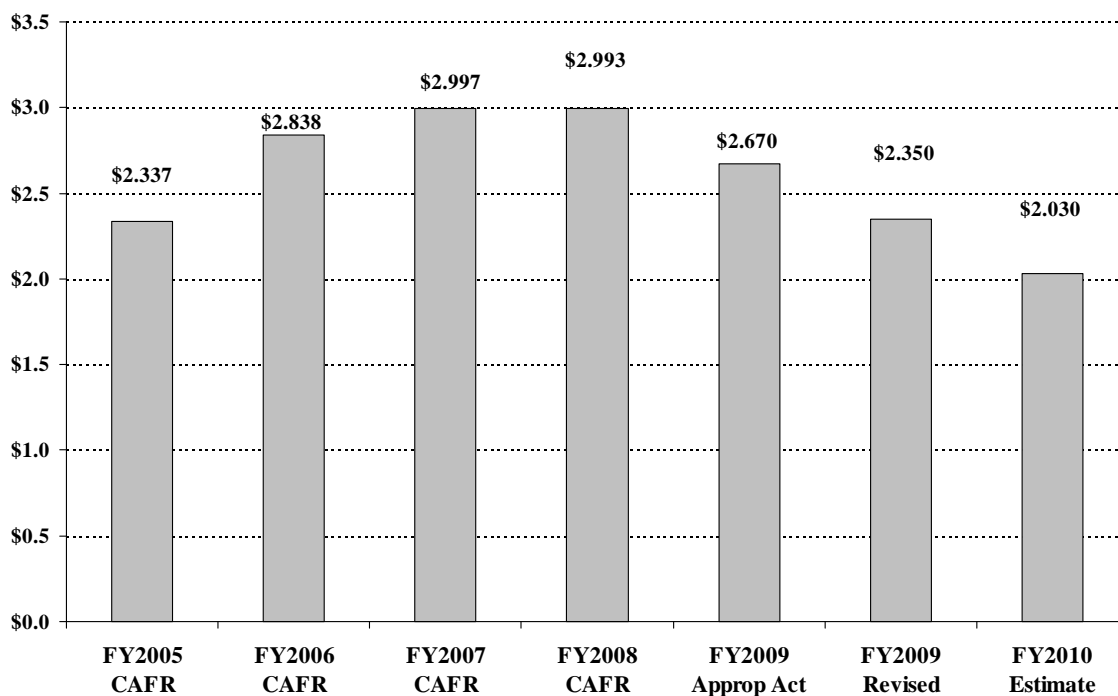
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## Corporation Business Tax

The fiscal 2010 Corporation Business Tax (CBT) revenue forecast of \$2.0 billion represents a decrease of \$320 million (-13.6%), compared with the revised fiscal 2009 level. It includes \$80 million for the extension of the 4% surcharge, which was due to expire June 30, 2009. It also assumes slower growth in payments for calendar year 2009 associated with the anticipated slowdown in corporate pre-tax profit growth. Pre-tax profit is projected to decrease 14.5% in 2008, followed by another 15% decline in 2009. In addition there has been a significant increase in CBT refunds in the current fiscal year, which is running over \$300 million for fiscal 2009 compared to a year ago. The baseline growth, excluding the impact of the extension of the 4% surcharge of \$80 million, is a negative 17% over a year ago.

### *Corporation Business Tax*

(In Billions)



Corporation Business Tax excludes the tax on energy  
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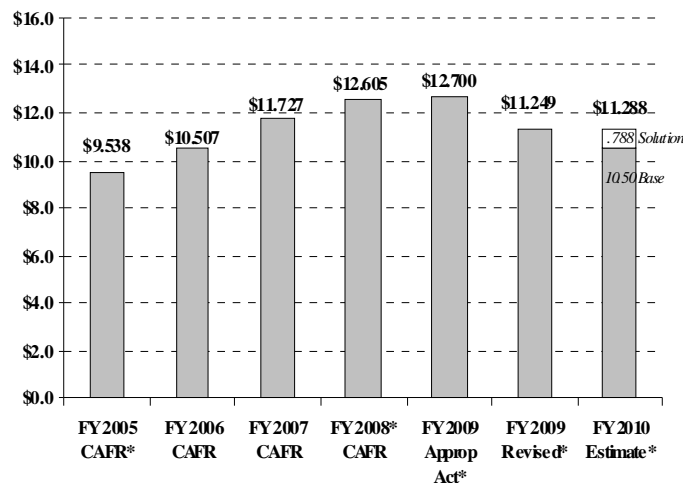
## Gross Income Tax

The fiscal 2010 forecast of \$11.3 billion is an increase of \$39 million over the revised fiscal 2009 level. This forecast includes additional revenues of approximately \$788 million from the following sources: \$620 million from increasing the top tax rate to 10.25% for one year; \$160 million for the one year suspension of the property tax deduction for non-seniors with incomes greater than \$150,000; and \$8 million for taxing lottery winnings greater than \$10,000. This forecast includes a \$55 million decline, to take into account the expansion of the New Jersey Earned Income Tax Credit (EITC). The basic underlying growth rate of negative 6.7% over the revised fiscal 2009 level reflects the weakening income growth trends and the probability of a weak financial market. New Jersey Total Income, which is the tax base, increased by 7.3% and 10.2% in tax years 2006 and 2007, respectively. The tax base is projected to moderate at a negative 0.8% in tax year 2008 and decline at approximately a 7% rate in tax year 2009, reflecting the recessionary outlook for personal income anticipated by a number of independent economic forecasting services. Households reporting over \$100,000 in total income account for almost 86% of the income tax revenue. Growth in income for these households is expected to decrease by approximately 1.7% in tax year 2008; followed by a steeper decline of around 10.2% in tax year 2009 before improving to an increase of around 9.9% in tax year 2010. These trends are significantly below the double-digit average annual growth rate of 13% experienced in the 2004-2007 expansionary period, following the last economic recession.

The eligibility requirements for the New Jersey EITC have changed-- beginning with tax year 2007 the benefits are available to all taxpayers who are eligible for the federal credit. The percentage used to calculate the expanded NJEITC program was increased from 20% in tax year 2007 to 22.5% of the applicant's federal earned income tax credit for tax year 2008. The Corzine Administration understands how important this program is in these difficult economic times. The Governor has proposed EITC be increased further to 25% of the federal earned income credit for tax year 2009 and beyond.

### *Base Income Tax Revenue Below Actual FY 2006 Collections*

(In Billions)



\*These revenues include changes in tax policy.

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

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

FY 2009 – EITC Expansion (\$60 million)

FY 2010 – EITC Expansion (\$55 million), one-year rate increase on income over \$500k (\$620m); one-year suspension of property tax deduction for non-seniors with incomes greater than \$150,000 (\$160m).

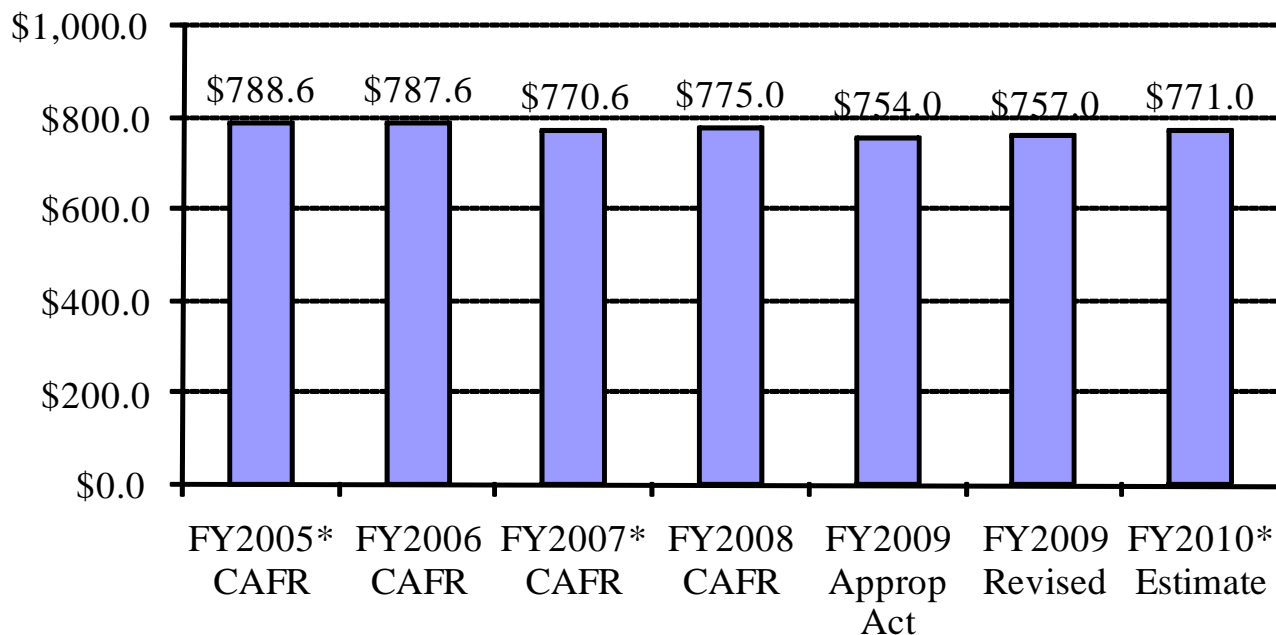


## Cigarette Tax

For fiscal 2010, the gross cigarette tax collections are estimated to be \$771 million. This estimate assumes a decline in consumption and an increase in the tax rate of 12.5 cents to a rate of \$2.70 per pack. From the fiscal 2010 gross collections, \$370 million is dedicated to the Health Care Subsidy Fund to assist hospitals with charity care and other uncompensated care disproportionate share payments. Also, \$145.7 million has been pledged to bondholders with the issuance of the Cigarette Tax Revenue Bonds, Series 2004. The remaining funds of \$255.3 million are available to support the General Fund.

### ***CIGARETTE TAX GROSS COLLECTIONS***

(In Millions)

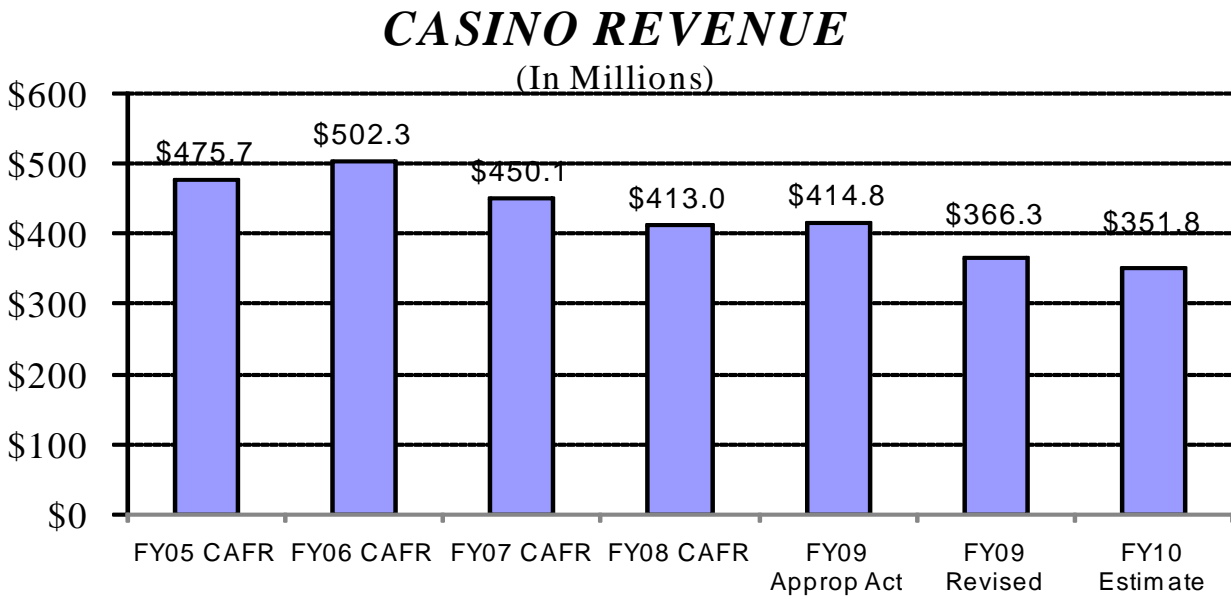


\*Includes change in tax rate.

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## Casino Revenue

The fiscal 2010 Casino Revenue forecast of \$351.8 million represents a decrease of \$14.5 million from the revised fiscal 2009 level, and includes \$4 million of revenue from unclaimed slot machine vouchers. The decline in casino revenue for fiscal 2010 is primarily due to the continuation of difficult economic conditions, increased regional slot machine competition, the anticipation of a full smoking ban effective October 2009, and a statutory reduction in the Comp Tax.



## **Revenue Initiatives**

As a global recession batters the economy, Governor Corzine remains focused on long-term fiscal stability while he confronts this short-term crisis. The fallout from the downturn came swiftly and harshly, creating a \$7 billion shortfall in a budget that would have already been austere under any other conditions.

To address this shortfall, Governor Corzine's Fiscal 2010 Budget relies on a mixture of solutions, with the largest offset coming from \$4 billion in cuts and restraints in government spending. The Fiscal 2010 Budget also benefits from more than \$2 billion in federal stimulus funding to meet critical health care and educational needs.

The imposition of deep cuts, along with additional federal aid, however, fell short of bringing full balance to the Budget. In order to avert even deeper spending reductions, and their damaging effects on education, the health care safety net, public safety and the most vulnerable, the solutions to the Fiscal 2010 Budget shortfall include additional revenues. The revenues are largely temporary, to enable the State to bridge the gap between revenues and expenditures, and to provide a path from these extraordinarily difficult times to a return of stability in the global economy.

## **Tax Policy Changes**

### **Gross Income Tax**

#### **1) One-year Rate Increase for Incomes over \$500,000 (\$620 million)**

A one-year tax rate increase to 10.25% is proposed for incomes greater than \$500,000 and is estimated to generate \$620 million. Only 1% of the nearly 3.9 million filers and taxpayers not required to file state income tax returns will be impacted by this change.

#### **2) One-year Suspension of Property Tax Deduction (\$160 million)**

The one-year elimination of the property tax deduction for the 325,000 non-senior recipients above \$150,000 is estimated to generate \$160 million. Nearly 1.5 million non-senior recipients below \$150,000 in income will continue to receive the deduction as will the nearly 340,000 senior citizens.

Wealthier taxpayers will realize a larger portion of the loss of the deduction. For instance, taxpayers with an income of \$500,000 and up, who are subject to the top income tax rate, will no longer receive a tax deduction worth \$897.

#### **3) Tax Lottery Winnings (\$8 million)**

\$8 million is expected to be generated by taxing lottery winnings in excess of \$10,000.

### **Corporation Business Tax (\$80 million)**

The Fiscal 2010 Budget assumes that a 4% surcharge, which was effective July 1, 2006 through June 30, 2009, is extended.

### **Cigarette Tax (\$26 million)**

The Fiscal 2010 Budget assumes additional revenue from increasing the cigarette tax from \$2.575 per pack of 20 cigarettes to \$2.70 per pack. This proposed increase assumes an effective date of July 1, 2009.

### **Alcoholic Beverage Excise (\$22 million)**

The Fiscal 2010 Budget assumes additional revenue from increasing the alcoholic beverage excise tax by 25%, excluding beer. This proposed increase assumes an effective date of July 1, 2009.

### **Alternate Use of Other Funds**

The Fiscal 2010 Budget assumes the alternate use of \$116 million of other funds:

\$20 million      Motor Vehicle Fees

Receipts derived from the proposed increase in various motor vehicle fees will be diverted in fiscal 2010 from the Motor Vehicle Commission to the General Fund. The fees are comprised of transactions, processes and services including: vehicle and boat titles, motorcycle registrations, commercial driver's license permits, driver improvement programs, and abstracts.

\$14 million      Enterprise Zone Assistance Fund

The Enterprise Zone Assistance Fund has not contributed its share of the constitutionally dedicated sales tax to the Property Tax Relief Fund since this dedication began in July 2006. Instead, the General Fund has made the contribution on the zones' behalf. The \$14 million to be transferred to the General Fund represents the Enterprise Zone Assistance Fund share of the sales tax dedication for fiscal 2010.

For the following funds, balances are available for transfer to the General Fund:

\$50 million      State Disability Benefit Fund

\$20 million      Workers' Compensation Security Fund

\$10 million      New Home Warranty Security Fund

\$2 million      Unemployment Compensation Auxiliary Fund

### **Other**

#### **Mental Health Hospital County Share (\$5 million)**

This increase in revenue is the result of an increase in the share of costs that county psychiatric hospitals pay for patients at both county and State institutions from 12.5% to 15% beginning January 1, 2010.

#### **Casino Revenue Fund (\$4 million)**

The Fiscal 2010 Budget assumes additional revenue of \$4 million from unclaimed slot machine vouchers. Any obligation owed to a patron by a casino as a result of a gaming transaction would expire in one year, with 25% distributed to the Casino Revenue Fund and 75% to the casino licensee.

#### **Lottery (\$40 million)**

An increase of \$40 million was included in the Fiscal 2010 Budget, which is based on the Lottery joining the Powerball multi-state game effective October 1, 2009.

## ***FY 2010 Revenues***

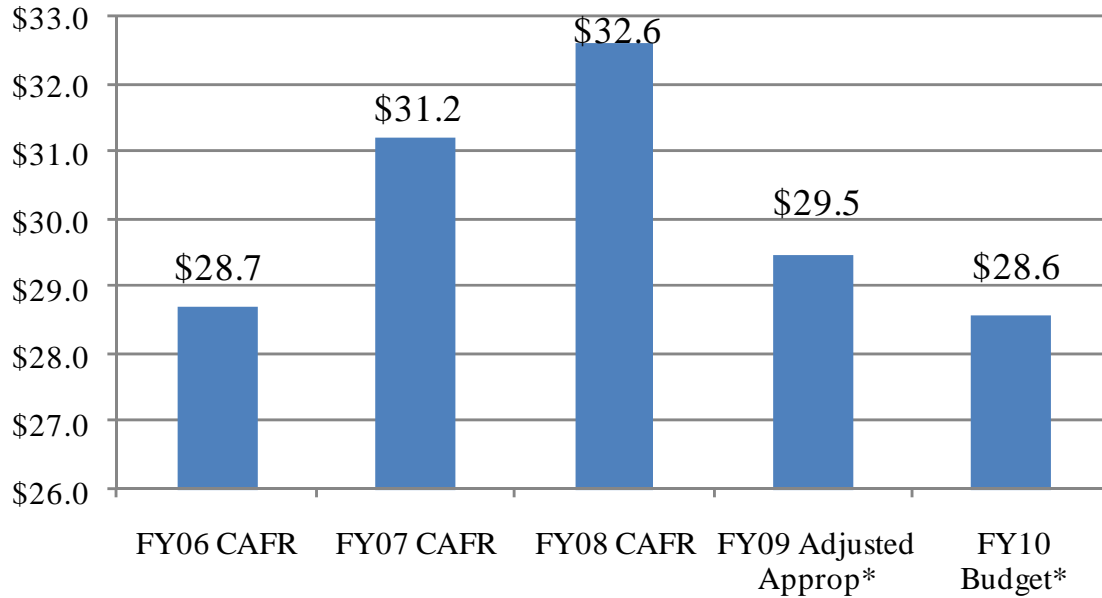
(In Millions)

	<b>FY 2009</b>	<b>FY 2010</b>	<b>Change</b>	
	<b>Adjusted</b>	<b>Budget</b>	<b>\$</b>	<b>%</b>
	<b>Revenues</b>			
Income	\$ 11,249	\$ 11,288	\$ 39	0.3
Sales	7,925	8,085	160	2.0
Corporate	2,350	2,030	(320)	(13.6)
Other*	<u>8,456</u>	<u>8,238</u>	<u>(218)</u>	(2.6)
<b>Total</b>	<b><u>\$ 29,980</u></b>	<b><u>\$ 29,641</u></b>	<b><u>\$ (339)</u></b>	<b>(1.1)</b>

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

## ***Revenue History*** ***FY 2010 Base Revenue Below*** ***FY 2006 Actual Revenue***

(In Billions)



\*Without solutions

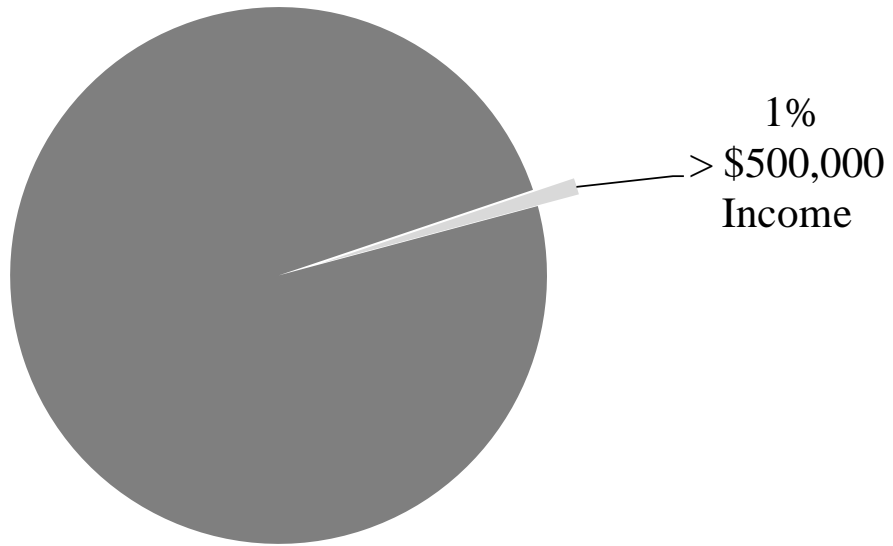
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## ***Fiscal Year 2010 Revenue Solutions***

(In Millions)

Tax Policy Changes		
Gross Income Tax		
One-year tax rate increase for incomes over \$500,000	\$	620
One-year suspension of Property Tax Deduction for Non-Seniors with incomes greater than \$150,000		160
Tax Lottery winnings > \$10k		8
		<hr/> 788
Corporation Business Tax - extend 4% surcharge that was to expire		80
Cigarette Tax - increase of 12.5 cents to \$2.70/pack		26
Alcohol Tax - 25% increase excluding beer		22
	\$	<hr/> 916
Alternate Use of Other Funds		
State Disability Benefit Fund		50
Workers' Compensation Security Fund		20
Enterprise Zone Assistance Fund		14
New Home Warranty Security Fund		10
Unemployment Compensation Auxiliary Fund		2
Motor Vehicle Fees		20
		<hr/> 116
Other		
Mental Health Hospital County Share - increase from 12.5% to 15%		5
Casino Revenue Fund - unclaimed slot machine vouchers		4
Lottery - NJ Powerball		40
		<hr/> 49
Total Revenue Solutions	\$	<hr/> <hr/> 1,081

## *Impact of Proposed Income Tax Increase*



Approximately 44,000 of the nearly 3.9 million income tax filers and taxpayers not required to file state income tax returns will be impacted by the proposed change.





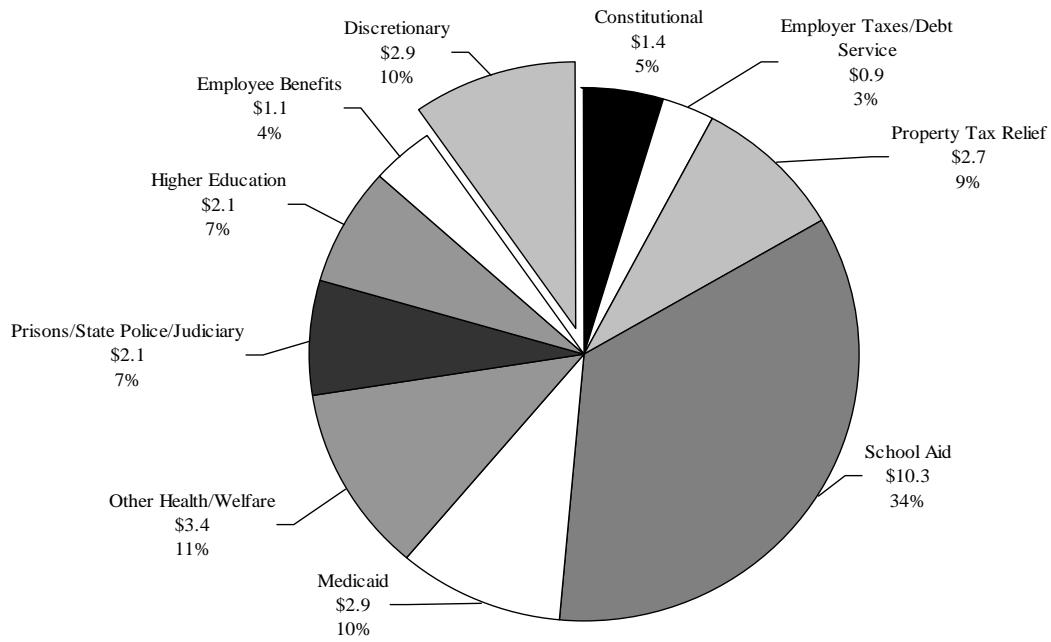


# APPENDIX I: FISCAL 2010 BUDGET DETAILS

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## ***Fiscal Year 2010***

(In Billions)

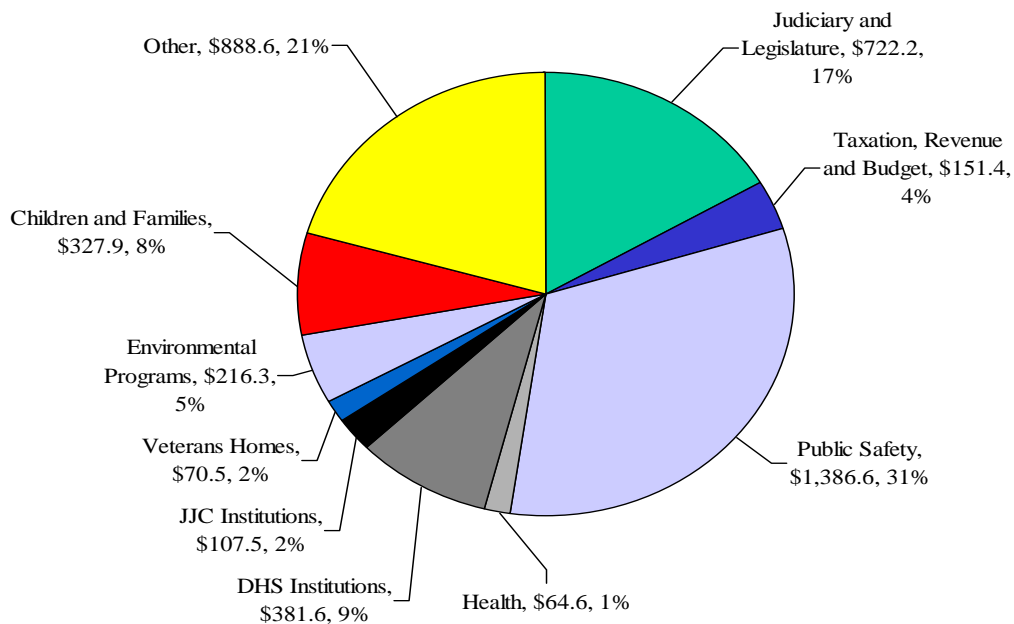


**Total Spending \$29.8 Billion**

Employer Taxes/Debt Service includes debt service for general obligation and miscellaneous contract bonds.

## *Operations Budgets*

(In Millions)

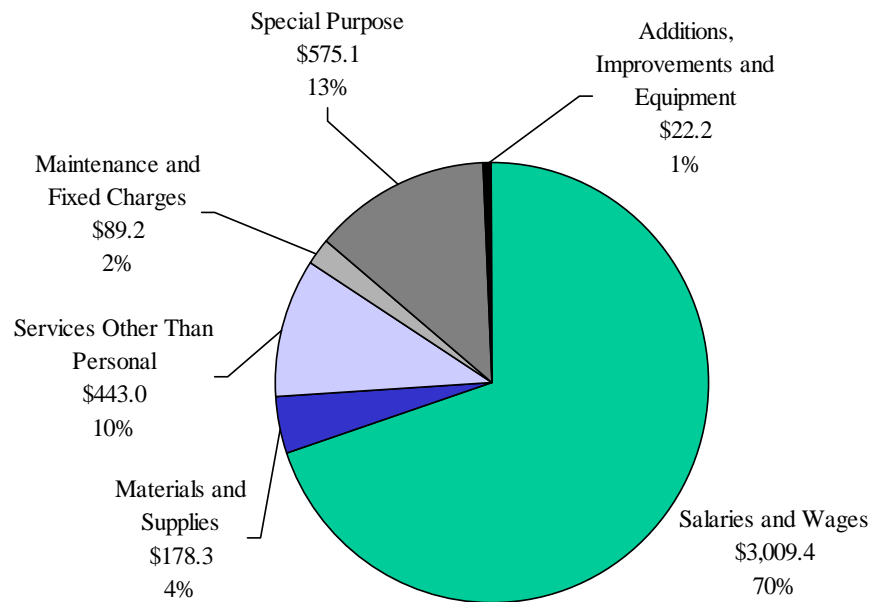


Total Operating Budget is \$4.3 billion

Operating budgets will be further impacted by management efficiencies, employee actions, and procurement savings.

## *Operating Split between Salaries and Other Costs*

(In Millions)



Total Operating Budget is \$4.3 billion

Operating budgets will be further impacted by management efficiencies, employee actions, and procurement savings.

# *Comparison of Budget Message to Prior Fiscal Year Appropriations Act*

<u>Fiscal Year</u>	<u>ORIGINAL BUDGET</u>	<u>PRIOR YEAR</u>	<u>\$</u>	<u>%</u>
	<u>RECOMMENDATIONS</u>	<u>APPROPRIATIONS ACT</u>	<u>CHANGE</u>	<u>CHANGE</u>
2010	\$ 29,840.8	\$ 32,868.6	\$ (3,027.8)	-9.21%
2009	\$ 32,968.6	\$ 33,470.9	\$ (502.3)	-1.50%
2008	\$ 33,291.7	\$ 30,818.7	\$ 2,473.0	8.02%
2007	\$ 30,874.5	\$ 27,919.9	\$ 2,954.6	10.58%
2006	\$ 27,412.3	\$ 28,027.3	\$ (615.0)	-2.19%
2005	\$ 26,259.8	\$ 24,003.2	\$ 2,256.6	9.40%
2004	\$ 23,701.8	\$ 23,401.7	\$ 300.1	1.28%
2003	\$ 23,663.2	\$ 22,920.7	\$ 742.5	3.24%
2002	\$ 23,153.4	\$ 21,419.7	\$ 1,733.7	8.09%
2001	\$ 21,252.8	\$ 19,514.4	\$ 1,738.4	8.91%
2000	\$ 19,160.5	\$ 18,123.8	\$ 1,036.8	5.72%
1999	\$ 17,953.3	\$ 16,786.6	\$ 1,166.7	6.95%
1998	\$ 16,420.9	\$ 15,977.8	\$ 443.0	2.77%
1997	\$ 15,984.7	\$ 15,994.6	\$ (9.9)	-0.06%
1996	\$ 15,987.4	\$ 15,280.7	\$ 706.7	4.63%
1995	\$ 15,377.4	\$ 15,466.9	\$ (89.6)	-0.58%
1994	\$ 15,649.6	\$ 14,625.5	\$ 1,024.1	7.00%
1993	\$ 15,706.7	\$ 14,651.5	\$ 1,055.2	7.20%
1992	\$ 14,310.5	\$ 12,423.8	\$ 1,886.7	15.19%
1991	\$ 12,145.6	\$ 11,995.0	\$ 150.6	1.26%
1990	\$ 12,090.0	\$ 11,775.1	\$ 314.9	2.67%
1989	\$ 11,806.2	\$ 10,396.5	\$ 1,409.7	13.56%
1988	\$ 10,179.9	\$ 9,279.4	\$ 900.5	9.70%
1987	\$ 9,281.5	\$ 8,681.2	\$ 600.3	6.92%
1986	\$ 8,824.5	\$ 7,693.3	\$ 1,131.2	14.70%
1985	\$ 7,574.6	\$ 6,771.8	\$ 802.8	11.86%
1984	\$ 6,799.6	\$ 6,181.7	\$ 617.9	10.00%
1983	\$ 6,373.4	\$ 5,691.3	\$ 682.1	11.99%
1982	\$ 5,635.1	\$ 5,107.1	\$ 528.0	10.34%
1981	\$ 4,736.4	\$ 4,652.1	\$ 84.4	1.81%
1980	\$ 4,655.5	\$ 4,394.4	\$ 261.2	5.94%
1979	\$ 4,407.3	\$ 4,010.6	\$ 396.6	9.89%
1978	\$ 4,001.7	\$ 2,853.3	\$ 1,148.4	40.25%
1977	\$ 2,762.8	\$ 2,698.1	\$ 64.7	2.40%
1976	\$ 2,816.1	\$ 2,756.1	\$ 60.0	2.18%
1975	\$ 2,753.0	\$ 2,385.7	\$ 367.3	15.40%
1974	\$ 2,380.6	\$ 2,047.7	\$ 332.9	16.26%
1973	\$ 2,406.8	\$ 1,779.3	\$ 627.5	35.27%
1972	\$ 1,784.0	\$ 1,557.5	\$ 226.5	14.54%
1971	\$ 1,590.1	\$ 1,334.4	\$ 255.7	19.16%
1970	\$ 1,361.9	\$ 1,088.5	\$ 273.4	25.12%
1969	\$ 1,064.2	\$ 992.7	\$ 71.5	7.20%
1968	\$ 998.8	\$ 876.6	\$ 122.2	13.94%
1967	\$ 906.1	\$ 639.4	\$ 266.8	41.72%
1966	\$ 646.8	\$ 584.1	\$ 62.7	10.73%
1965	\$ 589.9	\$ 543.8	\$ 46.1	8.48%
1964	\$ 547.5	\$ 499.4	\$ 48.1	9.63%
1963	\$ 500.0	\$ 467.2	\$ 32.7	7.01%
1962	\$ 467.4	\$ 431.8	\$ 35.6	8.24%
1961	\$ 431.4	\$ 405.1	\$ 26.2	6.47%
1960	\$ 403.3	\$ 388.6	\$ 14.7	3.78%
1959	\$ 399.7	\$ 342.5	\$ 57.2	16.71%
1958	\$ 342.5	\$ 320.8	\$ 21.6	6.74%
1957	\$ 315.5	\$ 284.4	\$ 31.1	10.92%
1956	\$ 257.3	\$ 234.8	\$ 22.5	9.58%
1955	\$ 235.4	\$ 219.7	\$ 15.8	7.18%
1954	\$ 219.3	\$ 210.7	\$ 8.6	4.10%
1953	\$ 196.4	\$ 176.8	\$ 19.6	11.09%
1952	\$ 169.7	\$ 164.1	\$ 5.6	3.43%
1951	\$ 164.1	\$ 159.5	\$ 4.6	2.88%

## *Comparison of Budget Message to Adjusted Appropriation*

<u>Fiscal Year</u>	<u>ORIGINAL BUDGET</u>	<u>PRIOR YEAR</u>	<u>\$</u>	<u>%</u>
	<u>RECOMMENDATIONS</u>	<u>ADJUSTED APPROPRIATION</u>	<u>CHANGE</u>	<u>CHANGE</u>
2010	\$ 29,840.8	\$ 33,244.3	\$ (3,403.5)	-10.24%
2009	\$ 32,968.6	\$ 33,619.3	\$ (650.7)	-1.94%
2008	\$ 33,291.7	\$ 31,060.4	\$ 2,231.3	7.18%
2007	\$ 30,874.5	\$ 28,265.3	\$ 2,609.2	9.23%
2006	\$ 27,412.3	\$ 28,400.4	\$ (988.2)	-3.48%
2005	\$ 26,259.8	\$ 24,542.3	\$ 1,717.5	7.00%
2004	\$ 23,701.8	\$ 24,042.8	\$ (341.0)	-1.42%
2003	\$ 23,663.2	\$ 23,319.6	\$ 343.6	1.47%
2002	\$ 23,153.4	\$ 21,733.6	\$ 1,419.7	6.53%
2001	\$ 21,252.8	\$ 19,974.8	\$ 1,278.0	6.40%
2000	\$ 19,160.5	\$ 18,363.5	\$ 797.1	4.34%
1999	\$ 17,953.3	\$ 17,039.1	\$ 914.2	5.37%
1998	\$ 16,420.9	\$ 16,217.8	\$ 203.1	1.25%
1997	\$ 15,984.7	\$ 16,109.1	\$ (124.4)	-0.77%
1996	\$ 15,987.4	\$ 15,503.6	\$ 483.8	3.12%
1995	\$ 15,377.4	\$ 15,499.9	\$ (122.5)	-0.79%
1994	\$ 15,649.6	\$ 14,745.4	\$ 904.3	6.13%
1993	\$ 15,706.7	\$ 15,003.7	\$ 703.0	4.69%
1992	\$ 14,310.5	\$ 12,577.1	\$ 1,733.5	13.78%
1991	\$ 12,145.6	\$ 12,148.0	\$ (2.5)	-0.02%
1990	\$ 12,090.0	\$ 11,877.0	\$ 213.0	1.79%
1989	\$ 11,806.2	\$ 10,497.3	\$ 1,308.9	12.47%
1988	\$ 10,179.9	\$ 9,289.6	\$ 890.2	9.58%
1987	\$ 9,281.5	\$ 8,996.9	\$ 284.6	3.16%
1986	\$ 8,824.5	\$ 7,923.0	\$ 901.5	11.38%
1985	\$ 7,574.6	\$ 6,886.1	\$ 688.5	10.00%
1984	\$ 6,799.6	\$ 6,288.6	\$ 511.0	8.13%
1983	\$ 6,373.4	\$ 5,743.5	\$ 630.0	10.97%
1982	\$ 5,635.1	\$ 5,124.7	\$ 510.4	9.96%
1981	\$ 5,114.2	\$ 4,736.4	\$ 377.7	7.97%
1980	\$ 4,655.5	\$ 4,413.0	\$ 242.6	5.50%
1979	\$ 4,407.3	\$ 4,062.4	\$ 344.9	8.49%
1978	\$ 4,001.7	\$ 3,381.0	\$ 620.7	18.36%
1977	\$ 2,762.8	\$ 2,704.5	\$ 58.4	2.16%
1976	\$ 2,816.1	\$ 2,765.5	\$ 50.6	1.83%
1975	\$ 2,753.0	\$ 2,402.1	\$ 350.9	14.61%
1974	\$ 2,380.6	\$ 2,072.1	\$ 308.5	14.89%
1973	\$ 2,406.8	\$ 1,823.6	\$ 583.2	31.98%
1972	\$ 1,784.0	\$ 1,609.0	\$ 175.0	10.87%
1971	\$ 1,590.1	\$ 1,358.3	\$ 231.8	17.06%
1970	\$ 1,361.9	\$ 1,136.0	\$ 225.9	19.88%
1969	\$ 1,064.2	\$ 1,005.3	\$ 58.9	5.86%
1968	\$ 998.8	\$ 890.5	\$ 108.4	12.17%
1967	\$ 906.1	\$ 647.9	\$ 258.2	39.85%
1966	\$ 646.8	\$ 590.2	\$ 56.6	9.59%
1965	\$ 589.9	\$ 549.9	\$ 40.0	7.27%
1964	\$ 547.5	\$ 510.3	\$ 37.1	7.28%
1963	\$ 500.0	\$ 470.8	\$ 29.2	6.21%
1962	\$ 467.4	\$ 437.7	\$ 29.7	6.79%
1961	\$ 431.4	\$ 407.2	\$ 24.2	5.95%
1960	\$ 403.3	\$ 393.5	\$ 9.8	2.49%
1959	\$ 399.7	\$ 336.3	\$ 63.3	18.84%
1958	\$ 342.5	\$ 323.7	\$ 18.8	5.80%
1957	\$ 315.5	\$ 298.1	\$ 17.3	5.81%
1956	\$ 257.3	\$ 221.8	\$ 35.5	16.03%
1955	\$ 235.4	\$ 223.2	\$ 12.2	5.46%
1954	\$ 219.3	\$ 220.8	\$ (1.4)	-0.65%
1953	\$ 196.4	\$ 183.7	\$ 12.7	6.90%
1952	\$ 169.7	\$ 168.9	\$ 0.8	0.50%
1951	\$ 164.1	\$ 164.3	\$ (0.2)	-0.13%

## SUMMARY OF APPROPRIATIONS MAJOR INCREASES AND DECREASES

This table summarizes the major increases and decreases in the Fiscal 2010 Budget and is organized by category.

Categories of recommended appropriations are defined as follows:

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

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

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

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

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

## APPROPRIATIONS MAJOR INCREASES AND DECREASES (\$ In Millions)

	<u>Increases</u>	<u>Decreases</u>	<u>Net Change</u>
<b>State Operations</b>			
Salary Increases - State Employees (Prior to Savings from Employee Actions)	\$ 188.844		
State Active and Retiree Employee Health Benefits	167.924		
Debt Service	12.189		
Employer Taxes	10.547		
Department of Corrections Inflation	8.678		
Judiciary Drug Court and Intensive Supervision for Reduced Prison Costs	7.378		
Relocation of Health Lab	4.150		
West Nile Virus - Laboratory	0.640		
Amistad Commission	0.100		
Program Costs to Divert Technical Parole Violators	0.097		
<b>Subtotal - State Operations Increases</b>	<u>\$ 400.547</u>		
Pensions		\$ (253.993)	
Executive Branch Wage Freeze/Other Actions Including FICA		(162.038)	
Executive Branch Furlough Days/Other Actions Including FICA		(129.200)	
Management Efficiencies		(40.000)	



**APPROPRIATIONS**  
**MAJOR INCREASES AND DECREASES**  
**(\$ In Millions)**

	<u><b>Increases</b></u>	<u><b>Decreases</b></u>	<u><b>Net Change</b></u>
Judicial Branch Wage Freeze/Other Actions		(28.651)	
Procurement Savings		(25.000)	
Department of Human Services Efficiencies		(23.346)	
Hiring Freeze		(21.535)	
Judicial Branch Furlough Days/Other Actions Including FICA		(21.500)	
Rent Savings		(21.445)	
State Health Benefit Efficiencies		(21.000)	
Department of Transportation Efficiencies		(15.101)	
Managers' Wage Freeze		(14.345)	
Corporation Business Tax Dedication		(10.204)	
Non-Recurring Early Retirement Costs		(8.833)	
Office of Information Technology Efficiencies		(4.888)	
Nuclear Facilities Security Detail		(4.530)	
Division of State Police		(4.100)	
Office of Education Phase Out of Regional Day Schools		(4.000)	
Fuel and Utilities		(3.400)	
Department of Law and Public Safety/ELEC Efficiencies		(3.384)	
Travel & Tourism		(3.287)	
Department of Children & Families Efficiencies		(2.750)	
Department of Environmental Protection Efficiencies		(2.120)	
Legislature Furlough Days/Other Actions Including FICA		(1.900)	
Department of Treasury Efficiencies		(1.679)	
Subsidy to the Hunters and Anglers Fund		(1.500)	
Closure of Developmental Center Cottages		(1.250)	
Anti-Smoking Program		(1.040)	
Department of Education Efficiencies		(0.891)	
Insurance Savings - Property and Casualty Policies		(0.847)	
Trenton Complex - Maintenance Services		(0.800)	
New Jersey Knowledge Initiative		(0.551)	
Department of Military and Veterans Affairs Efficiencies		(0.539)	
Chief Executive Efficiencies		(0.520)	
Firefighting Equipment Replacement		(0.500)	
Department of Community Affairs Efficiencies		(0.371)	
State Recycling Fund - Offset Recycling Contract Costs		(0.358)	
Department of Labor and Workforce Development Efficiencies		(0.335)	
Higher Education Administrative Efficiencies		(0.287)	
Jersey Fresh		(0.250)	

**APPROPRIATIONS**  
**MAJOR INCREASES AND DECREASES**  
**(\$ In Millions)**

	<u><b>Increases</b></u>	<u><b>Decreases</b></u>	<u><b>Net Change</b></u>
Department of Agriculture Efficiencies		(0.209)	
Criminal Disposition Commission		(0.150)	
Challenge Youth Program		(0.130)	
Washington Office Efficiencies		(0.119)	
Insurance Fraud Prosecution Services		(0.106)	
Sentencing Commission		(0.100)	
Maintenance of Old Barracks		(0.075)	
Holocaust Commission		(0.072)	
Camp Marcella		(0.069)	
Italian American Heritage Commission		(0.025)	
Other (Net)		(84.330)	
<b><i>Subtotal - State Operations Decreases</i></b>		<u><b>\$ (927.653)</b></u>	
<b><i>Net Change (State Operations)</i></b>			<u><b>\$ (527.106)</b></u>

**Grants-In-Aid**

Medicaid/General Assistance Health Care	\$ 241.724
NJ FamilyCare	158.821
Governor's Economic Stimulus: InvestNJ	55.200
Child Welfare Reform	49.130
Tuition Aid Grants	33.873
Active and Retiree Employee Health Benefits - Higher Education	33.307
UMDNJ - Stabilization	30.850
Developmental Disabilities and Mental Health Community Placements	12.001
Employer Taxes - Higher Education	11.410
Governors' Economic Stimulus: Legal Services of New Jersey	9.200
AIDS Drug Distribution Program	6.100
Governor's Economic Stimulus: NJ SHARES	5.000
Hospital Asset Transformation Program	4.009
Medical Emergency Preparedness for BioTerrorism	4.000
Health Care Subsidy Fund	3.500
Governor's Economic Stimulus: Senior Tax Freeze	3.500
NJSTARS I & II	3.087
Gubernatorial Election Costs	2.800
Governor's Economic Stimulus: Food Assistance	2.000
Eliminate NJ FamilyCare Premiums for Low Income Children	1.200
Early Childhood Intervention	1.000

**APPROPRIATIONS**  
**MAJOR INCREASES AND DECREASES**  
**(\$ In Millions)**

	<u><b>Increases</b></u>	<u><b>Decreases</b></u>	<u><b>Net Change</b></u>
Governor's Economic Stimulus: Community Health Law Project	0.300		
World Trade Center Scholarship	0.200		
Other (Net)	8.120		
<b><i>Subtotal - Grants-In-Aid Increases</i></b>	<u><b>\$ 680.332</b></u>		
Enhanced Medicaid Funding		\$ (1,060.000)	
Homestead Rebates		(533.900)	
Unemployment Compensation Insurance		(150.000)	
NJ Transit Subsidy		(62.000)	
Tuition Aid Grants - Federal Fiscal Stabilization Funds		(34.080)	
Colleges and Universities		(32.303)	
Anti-Fraud and Enhanced Utilization Efficiencies		(25.000)	
Pharmaceutical Assistance for Aged/Disabled (PAAD) and Senior Gold		(22.550)	
Medicaid/PAAD Pharmaceutical Savings		(22.362)	
Medical Day Care Reimbursement		(18.000)	
Pensions - Higher Education		(13.904)	
Enhanced 911 Grants		(12.425)	
DDD Enhanced Efficiencies		(12.000)	
Cancer Programs		(9.600)	
Commission on Science and Technology Grants		(9.250)	
Reform Co-payment for After School/Summer Child Care		(7.964)	
Debt Service		(7.480)	
Corporation Business Tax Dedication		(7.227)	
Fringe Savings from Wage Freeze - Senior Public Employees		(7.036)	
Child Behavioral Health		(7.000)	
Federally Qualified Health Centers		(6.750)	
Lead Hazard Control Assistance Fund		(6.000)	
Early Intervention Program - Federal Stimulus		(5.400)	
Federal Stimulus - Foster Care Assistance Revenue		(5.392)	
Cultural Programs		(4.813)	
Medicaid Rx \$2 Co-Payment with \$10 Monthly Maximum		(4.597)	
New Jersey After 3		(4.020)	
Hospital/Health Care Stabilization Fund		(4.000)	
Hospital Graduate Medical Education		(4.000)	
Conform Medicaid Coverage of Drugs to Medicare Part D		(3.520)	
Vocational Rehabilitation Grants		(3.487)	
Discontinue Medicaid/PAAD coverage of Erectile Dysfunction Drugs		(3.300)	

**APPROPRIATIONS**  
**MAJOR INCREASES AND DECREASES**  
**(\$ In Millions)**

	<u><b>Increases</b></u>	<u><b>Decreases</b></u>	<u><b>Net Change</b></u>
Hospital Relief Offset		(3.200)	
Outstanding Scholars Recruitment Program		(3.003)	
Department of Children and Families Contract Efficiencies		(2.901)	
WorkFirst New Jersey		(2.541)	
Smart Future Planning Grants		(2.295)	
Education Incentive Component of Juvenile Detention Alternative Initiative		(2.100)	
Immigration and Customs Enforcement (ICE) Initiative - Corrections		(2.037)	
Substance Abuse Surplus		(2.000)	
Contract Efficiencies Family Development		(1.584)	
Federal Stimulus - Addressing Violence Against Women		(1.500)	
Modify Sliding Scale Copays in AIDS Drug Distribution Program		(1.356)	
NJ FamilyCare Outreach		(1.000)	
Historical Grants		(0.826)	
Governor's Literacy Grant		(0.780)	
NJIT Out-of-State Tuition Reduction		(0.752)	
Medicare Part "D" Coordination Project Funding Suspension		(0.644)	
Business Incubator Network		(0.630)	
Postpartum Education Program		(0.500)	
Special Needs		(0.500)	
Sheltered Workshop Employment Placement Incentive Program		(0.450)	
Center for Hispanic Policy Research and Development		(0.410)	
Family Planning Services		(0.399)	
EDA - Division of Business Assistance, Marketing and International Trade		(0.320)	
NJ Youth Corps Grant		(0.308)	
Liberty Science Center		(0.300)	
Tourette Syndrome		(0.300)	
Court Appointed Special Advocates		(0.289)	
Veterinary Medicine Education Program		(0.263)	
EDA - New Jersey Small Business Development Centers		(0.250)	
Newark Museum		(0.243)	
Minority Faculty Advancement		(0.242)	
Office for Prevention of Mental Retardation and Developmental Disabilities		(0.180)	
Cultural Trust		(0.155)	
Battleship NJ		(0.150)	
Office of Faith Based Initiatives		(0.150)	
Grants to Displaced Homemaker Centers		(0.120)	
Rape Prevention		(0.100)	

**APPROPRIATIONS**  
**MAJOR INCREASES AND DECREASES**  
**(\$ In Millions)**

	<u><b>Increases</b></u>	<u><b>Decreases</b></u>	<u><b>Net Change</b></u>
Operation CeaseFire		(0.085)	
Education of Language Minority Students (ELMS)		(0.084)	
Phase-Out Subsidy for Teacher Board Certification		(0.065)	
Recreation for the Handicapped		(0.065)	
Camp Marcella		(0.052)	
Hispanic Women's Resource Centers		(0.050)	
Jersey Fresh Matching Grants		(0.050)	
Low Vision Aids		(0.050)	
Ellis Island		(0.045)	
Special Olympics		(0.045)	
Alzheimer's Disease Program		(0.045)	
Cleft Palate Programs		(0.036)	
Defer Equipment Replacement		(0.035)	
Job Training Center for Urban Women Act		(0.030)	
Chronic Renal Disease Services		(0.025)	
New Jersey Council for the Humanities		(0.025)	
Services to Victims of Huntington's Disease		(0.016)	
ASPIRA		(0.010)	
<b>Subtotal - Grants-In-Aid Decreases</b>		<u><b>\$ (2,144.951)</b></u>	
<b>Net Change (Grants-In-Aid)</b>			<u><b>\$(1,464.619)</b></u>
<b>State Aid</b>			
Education Formula Aid	\$ 152.883		
School Construction and Renovation Fund Debt Service	96.326		
Extraordinary Special Education	78.000		
Preschool Formula Aid	52.255		
General Assistance (GA) and Supplemental Security Income (SSI)	41.253		
Local School Districts Teacher Social Security Payments	38.750		
Other School Aid	36.888		
Teachers' Post-Retirement Medical	25.402		
Preschool Incentive Aid	25.000		
Mental Health State Aid	16.906		
Debt Service	12.572		
Increase Food Stamp Eligibility - County Administration Cost	8.625		
Consolidation Fund	5.000		
County College Employee Benefits	1.746		

**APPROPRIATIONS**  
**MAJOR INCREASES AND DECREASES**  
**(\$ In Millions)**

	<u><b>Increases</b></u>	<u><b>Decreases</b></u>	<u><b>Net Change</b></u>
School Lunch Program	0.675		
County Prosecutors and Officials Salary Increase	0.419		
County Boards of Taxation	0.064		
<b><i>Subtotal - State Aid Increases</i></b>	<u><b>\$ 592.764</b></u>		
Federal Fiscal Stabilization Funding		\$ (1,056.920)	
Teachers' Pension and Annuity Fund		(564.709)	
Local Employee Benefits		(48.576)	
Consolidated Municipal Property Tax Relief Aid		(32.090)	
SDA New Facilities Transition Aid		(13.240)	
Nonpublic Aid Reduction		(11.131)	
Eliminate Adult Education Aid		(10.000)	
Voter Verified Paper Audit Trail (VVPAT)		(10.000)	
County College Operating Support		(7.455)	
Eliminate Integration Assistance Aid		(5.000)	
General Assistance Compliance Review Efficiencies		(4.300)	
Homeland Security		(4.000)	
Charter School Per Pupil Hold Harmless Aid		(3.243)	
Senior and Veterans' Property Tax Deduction Revised Projections		(3.000)	
Special Municipal Aid		(2.910)	
Elderly and Handicapped Transportation Services		(2.785)	
Reduce State Share of County Psychiatric Hospital Costs		(1.827)	
Cap Aid in Lieu of Payments - No CPI		(1.200)	
Eliminate State Aid Payments for Adult Literacy		(0.922)	
Per Capita State Aid		(0.797)	
Trenton Capital City Aid		(0.715)	
Eliminate Aid for Nonpublic School Transportation Over 20 Miles		(0.649)	
Eliminate State Aid Payments for Vocational Education - Apprenticeship		(0.600)	
County Inmate Rehabilitation Services		(0.575)	
Extraordinary Aid		(0.500)	
State Library Network Aid		(0.478)	
Domestic Violence Police Training Cost Reimbursement Grants		(0.250)	
Relocation Assistance Program		(0.250)	
Homeland Security Advertising		(0.250)	
Virtual Library Aid		(0.130)	
Safe and Secure Neighborhoods Program		(0.100)	
Educational Information and Resource Center		(0.045)	

**APPROPRIATIONS**  
**MAJOR INCREASES AND DECREASES**  
**(\$ In Millions)**

	<u><b>Increases</b></u>	<u><b>Decreases</b></u>	<u><b>Net Change</b></u>
Pinelands Commission		(0.016)	
<b><i>Subtotal - State Aid Decreases</i></b>		<u><b>\$ (1,788.663)</b></u>	
<b><i>Net Change (State Aid)</i></b>			<u><b>\$(1,195.899)</b></u>
<b>Capital Construction</b>			
Fire Safety Code Compliance-Albert Wagner State Prison	\$ 8.800		
Modular Unit Replacement Program-Bayside	7.975		
HR 6 Flood Control	6.500		
Fire Suppression Systems-Juvenile Justice Commission	3.000		
Fire Safety Code Compliance-Vineland	2.500		
Other (Net)	9.904		
<b><i>Subtotal - Capital Construction Increases</i></b>	<u><b>\$ 38.679</b></u>		
Corporation Business Tax Dedication		\$ (25.085)	
Shore Protection		(6.250)	
<b><i>Subtotal - Capital Construction Decreases</i></b>		<u><b>\$ (31.335)</b></u>	
<b><i>Net Change (Capital Construction)</i></b>			<u><b>\$ 7.344</b></u>
<b>Debt Service</b>			
General Obligation Debt Service	\$ 137.720		
<b><i>Subtotal - Debt Service Increases</i></b>	<u><b>\$ 137.720</b></u>		
Debt Service Restructuring		\$ (361.000)	
<b><i>Subtotal - Debt Service Decreases</i></b>		<u><b>\$ (361.000)</b></u>	
<b><i>Net Change (Debt Service)</i></b>			<u><b>\$ (223.280)</b></u>
<b>GRAND TOTAL</b>	<u><b>\$ 1,850.042</b></u>	<u><b>\$ (5,253.602)</b></u>	<u><b>\$(3,403.560)</b></u>

**TABLE I**  
**SUMMARY OF FISCAL YEAR 2009-10 APPROPRIATION RECOMMENDATIONS**  
(thousands of dollars)

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

	<b>2009 Adjusted Approp.</b>	<b>2010 Recommended</b>	<b>----- Change ----- Dollar</b>	<b>Percent</b>
<b>GENERAL FUND AND PROPERTY TAX RELIEF FUND</b>				
<b>State Aid and Grants</b>	<b>24,751,943</b>	<b>22,105,288</b>	<b>(2,646,655)</b>	<b>% (10.7)</b>
<b>State Operations</b>				
Executive Branch	3,684,099	3,523,434	(160,665)	(4.4)
Legislature	74,644	73,815	(829)	(1.1)
Judiciary	641,007	648,385	7,378	1.2
Interdepartmental	2,166,463	1,798,341	(368,122)	(17.0)
<b>Total State Operations</b>	<b>6,566,213</b>	<b>6,043,975</b>	<b>(522,238)</b>	<b>% (8.0)</b>
<b>Capital Construction</b>	<b>1,206,313</b>	<b>1,213,657</b>	<b>7,344</b>	<b>0.6</b>
<b>Debt Service</b>	<b>270,897</b>	<b>47,617</b>	<b>(223,280)</b>	<b>(82.4)</b>
<b>TOTAL GENERAL FUND AND PROPERTY TAX RELIEF FUND</b>	<b>32,795,366</b>	<b>29,410,537</b>	<b>(3,384,829)</b>	<b>% (10.3)</b>
<b>CASINO CONTROL FUND</b>	<b>75,439</b>	<b>70,571</b>	<b>(4,868)</b>	<b>(6.5)</b>
<b>CASINO REVENUE FUND</b>	<b>368,432</b>	<b>351,769</b>	<b>(16,663)</b>	<b>(4.5)</b>
<b>GUBERNATORIAL ELECTIONS FUND</b>	<b>5,080</b>	<b>7,880</b>	<b>2,800</b>	<b>55.1</b>
<b>GRAND TOTAL STATE APPROPRIATIONS</b>	<b>33,244,317</b>	<b>29,840,757</b>	<b>(3,403,560)</b>	<b>% (10.2)</b>

**TABLE II**  
**SUMMARY OF FISCAL YEAR 2009-10 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.*

<b>—Year Ending June 30, 2008—</b>						<b>Year Ending —June 30, 2010—</b>		
<b>Orig. &amp; (S)Supple- mental</b>	<b>Reapp. &amp; (R)Recpts.</b>	<b>Transfers &amp; (E)Emer- gencies</b>	<b>Total Available</b>	<b>Expended</b>		<b>2009 Adjusted Approp.</b>	<b>Requested</b>	<b>Recom- mended</b>
6,598,221	703,179	68,162	7,369,562	6,830,581	<b>General Fund</b>	6,566,213	6,048,547	6,043,975
9,543,477	456,278	-36,715	9,963,040	9,461,587	Direct State Services	9,351,252	8,603,067	8,428,111
1,316,617	66,361	-627	1,382,351	1,273,884	Grants-in-Aid	1,998,751	1,766,473	1,740,177
1,964,634	244,585	-685,451	1,523,768	1,263,168	State Aid	1,206,313	1,213,657	1,213,657
438,797	---	-1	438,796	428,668	Capital Construction	270,897	47,617	47,617
					Debt Service			
<b>19,861,746</b>	<b>1,470,403</b>	<b>- 654,632</b>	<b>20,677,517</b>	<b>19,257,888</b>	<b>Total General Fund</b>	<b>19,393,426</b>	<b>17,679,361</b>	<b>17,473,537</b>
<b>14,211,700</b>	<b>6</b>	<b>-131,916</b>	<b>14,079,790</b>	<b>13,853,937</b>	<b>Property Tax Relief Fund</b>	<b>13,401,940</b>	<b>11,937,000</b>	<b>11,937,000</b>
<b>74,039</b>	<b>624</b>	<b>---</b>	<b>74,663</b>	<b>71,556</b>	<b>Casino Control Fund</b>	<b>75,439</b>	<b>70,571</b>	<b>70,571</b>
<b>433,103</b>	<b>12,331</b>	<b>---</b>	<b>445,434</b>	<b>428,567</b>	<b>Casino Revenue Fund</b>	<b>368,432</b>	<b>351,769</b>	<b>351,769</b>
<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>Gubernatorial Elections Fund</b>	<b>5,080</b>	<b>7,880</b>	<b>7,880</b>
<b>34,580,588</b>	<b>1,483,364</b>	<b>- 786,548</b>	<b>35,277,404</b>	<b>33,611,948</b>	<b>GRAND TOTAL STATE APPROPRIATIONS</b>	<b>33,244,317</b>	<b>30,046,581</b>	<b>29,840,757</b>



**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, 2008						Year Ending June 30, 2010		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2009 Adjusted Approp.	Requested	Recom- mended
<b><u>DIRECT STATE SERVICES</u></b>								
<b>Legislative Branch</b>								
11,859	4,783	137	16,779	11,382	Senate	11,459	11,459	11,459
18,274	2,424	137	20,835	18,589	General Assembly	17,902	17,902	17,902
30,111	5,719	640	36,470	31,776	Legislative Support Services	29,787	28,958	28,958
15,233	6,743	---	21,976	15,723	Legislative Commission	15,496	15,496	15,496
<b>75,477</b>	<b>19,669</b>	<b>914</b>	<b>96,060</b>	<b>77,470</b>	<b>Total Legislative Branch</b>	<b>74,644</b>	<b>73,815</b>	<b>73,815</b>
<b>Executive Branch</b>								
5,056	1,215	186	6,457	5,125	Chief Executive	5,268	4,684	4,684
9,238	3,895	174	13,307	12,019	Department of Agriculture	7,540	7,081	7,081
70,311	1,179	655	72,145	68,640	Department of Banking and Insurance	71,441	67,548	67,548
309,450	3,413	18,508	331,371	327,709	Department of Children and Families	334,686	327,936	327,936
38,878	31,490	-5,491	64,877	60,129	Department of Community Affairs	38,127	37,515	37,515
974,226	5,321	33,167	1,012,714	998,676	Department of Corrections	1,053,054	1,020,307	1,020,307
77,233	1,602	5,052	83,887	79,662	Department of Education	72,183	71,186	71,186
245,229	58,318	4,969	308,516	280,379	Department of Environmental Protection	231,011	216,286	216,286
70,116	14,691	12,481	97,288	90,090	Department of Health and Senior Services	60,880	64,615	64,615
69,245	14,661	12,346	96,252	89,146	(From General Fund)	60,009	63,744	63,744
871	30	135	1,036	944	(From Casino Revenue Fund)	871	871	871
482,764	101,361	96,508	680,633	547,969	Department of Human Services	522,883	497,040	497,040
81,594	62,883	276	144,753	136,836	Department of Labor and Workforce Development	82,644	81,851	81,851
550,995	158,201	28,150	737,346	644,046	Department of Law and Public Safety	566,036	546,574	546,574
506,304	157,817	28,150	692,271	600,463	(From General Fund)	519,945	502,483	502,483
44,599	384	---	44,983	43,491	(From Casino Control Fund)	45,999	43,999	43,999
92	---	---	92	92	(From Casino Revenue Fund)	92	92	92
89,379	6,362	2,479	98,220	95,046	Department of Military and Veterans' Affairs	91,551	87,943	87,943
19,202	6,988	-187	26,003	17,981	Department of the Public Advocate	17,130	16,834	16,834
40,816	3,350	942	45,108	41,901	Department of State	36,636	36,041	31,469
96,832	5,282	5,136	107,250	105,874	Department of Transportation	100,614	61,764	61,764
486,670	110,671	-49,178	548,163	504,931	Department of the Treasury	467,361	452,879	452,879
457,230	110,431	-49,178	518,483	476,866	(From General Fund)	437,921	426,307	426,307
29,440	240	---	29,680	28,065	(From Casino Control Fund)	29,440	26,572	26,572
1,444	1	8	1,453	1,452	Miscellaneous Commissions	1,456	1,456	1,456
<b>3,649,433</b>	<b>576,223</b>	<b>153,835</b>	<b>4,379,491</b>	<b>4,018,465</b>	<b>Total Executive Branch</b>	<b>3,760,501</b>	<b>3,599,540</b>	<b>3,594,968</b>
3,574,431	575,569	153,700	4,303,700	3,945,873	(From General Fund)	3,684,099	3,528,006	3,523,434
74,039	624	---	74,663	71,556	(From Casino Control Fund)	75,439	70,571	70,571
963	30	135	1,128	1,036	(From Casino Revenue Fund)	963	963	963
<b>Interdepartmental Accounts</b>								
171,931	2,290	4,000	178,221	171,152	Property Rentals	169,687	123,691	123,691
114,989	1,388	---	116,377	98,151	Insurance and Other Services	116,907	113,060	113,060
1,771,123	60,843	-15	1,831,951	1,822,441	Employee Benefits	1,778,031	1,464,843	1,464,843
13,271	1,845	57,388	72,504	57,373	Other Interdepartmental Accounts	16,675	27,675	27,675
223,145	30,672	-145,101	108,716	10,784	Salary Increases and Other Benefits	19,333	10,500	10,500
59,456	627	-16,840	43,243	41,863	Utilities and Other Services	65,830	58,572	58,572
<b>2,353,915</b>	<b>97,665</b>	<b>-100,568</b>	<b>2,351,012</b>	<b>2,201,764</b>	<b>Total Interdepartmental Accounts</b>	<b>2,166,463</b>	<b>1,798,341</b>	<b>1,798,341</b>

Year Ending June 30, 2008						Year Ending June 30, 2010		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2009 Adjusted Approp.	Requested	Recom- mended
<b><u>DIRECT STATE SERVICES</u></b>								
<b>Judicial Branch</b>								
594,398	10,276	14,116	618,790	605,474	The Judiciary	641,007	648,385	648,385
<b>594,398</b>	<b>10,276</b>	<b>14,116</b>	<b>618,790</b>	<b>605,474</b>	<b>Total Judicial Branch</b>	<b>641,007</b>	<b>648,385</b>	<b>648,385</b>
<b>6,673,223</b>	<b>703,833</b>	<b>68,297</b>	<b>7,445,353</b>	<b>6,903,173</b>	<b>Total Direct State Services</b>	<b>6,642,615</b>	<b>6,120,081</b>	<b>6,115,509</b>
6,598,221	703,179	68,162	7,369,562	6,830,581	(From General Fund)	6,566,213	6,048,547	6,043,975
74,039	624	---	74,663	71,556	(From Casino Control Fund)	75,439	70,571	70,571
963	30	135	1,128	1,036	(From Casino Revenue Fund)	963	963	963
<b><u>GRANTS-IN-AID</u></b>								
<b>Executive Branch</b>								
5,175	1,340	908	7,423	6,211	Department of Agriculture	4,050	6,000	6,000
754,909	196	-9,036	746,069	713,941	Department of Children and Families	754,606	764,118	764,118
54,255	18,639	6,975	79,869	77,173	Department of Community Affairs	65,360	56,235	56,235
151,098	424	-35	151,487	134,162	Department of Corrections	120,033	129,871	129,871
31,688	---	-1,271	30,417	29,564	Department of Education	18,653	13,488	13,488
35,947	38,845	1,100	75,892	9,352	Department of Environmental Protection	22,161	14,934	14,934
1,666,074	19,639	-14,348	1,671,365	1,602,579	Department of Health and Senior Services	1,531,692	1,169,711	1,169,711
1,386,146	7,338	-14,213	1,379,271	1,327,258	(From General Fund)	1,330,138	981,791	981,791
279,928	12,301	-135	292,094	275,321	(From Casino Revenue Fund)	201,554	187,920	187,920
4,012,026	296,779	-15,917	4,292,888	4,099,864	Department of Human Services	4,004,856	3,599,296	3,599,296
3,899,182	296,779	-15,917	4,180,044	3,987,022	(From General Fund)	3,874,399	3,468,839	3,468,839
112,844	---	---	112,844	112,842	(From Casino Revenue Fund)	130,457	130,457	130,457
332,175	---	-500	331,675	331,670	Department of Labor and Workforce Development	221,964	65,178	65,178
329,735	---	-500	329,235	329,230	(From General Fund)	219,524	62,982	62,982
2,440	---	---	2,440	2,440	(From Casino Revenue Fund)	2,440	2,196	2,196
28,085	663	-299	28,449	25,801	Department of Law and Public Safety	32,503	31,330	31,330
28,085	663	-299	28,449	25,801	(From General Fund)	27,423	23,450	23,450
---	---	---	---	---	(From Gubernatorial Elections Fund)	5,080	7,880	7,880
3,044	3	106	3,153	2,566	Department of Military and Veterans' Affairs	3,174	3,174	3,174
1,245,381	11,976	10,837	1,268,194	1,253,686	Department of State	1,212,182	1,366,965	1,203,478
298,200	3,217	143	301,560	298,284	Department of Transportation	358,200	296,200	296,200
2,820,211	75,036	-2,540	2,892,707	2,622,797	Department of the Treasury	2,305,288	1,821,476	1,810,007
408,286	75,036	-2,540	480,782	379,399	(From General Fund)	428,788	475,376	463,907
2,411,925	---	---	2,411,925	2,243,398	(From Property Tax Relief Fund)	1,876,500	1,346,100	1,346,100
<b>11,438,268</b>	<b>466,757</b>	<b>- 23,877</b>	<b>11,881,148</b>	<b>11,207,650</b>	<b>Total Executive Branch</b>	<b>10,654,722</b>	<b>9,337,976</b>	<b>9,163,020</b>
8,631,131	454,456	-23,742	9,061,845	8,573,649	(From General Fund)	8,438,691	7,663,423	7,488,467
2,411,925	---	---	2,411,925	2,243,398	(From Property Tax Relief Fund)	1,876,500	1,346,100	1,346,100
395,212	12,301	-135	407,378	390,603	(From Casino Revenue Fund)	334,451	320,573	320,573
---	---	---	---	---	(From Gubernatorial Elections Fund)	5,080	7,880	7,880
<b>Interdepartmental Accounts</b>								
745,995	83	-300	745,778	738,282	Employee Benefits	768,514	792,709	792,709
---	1,739	-1,634	105	---	Other Interdepartmental Accounts	---	---	---
11,047	---	-11,047	---	---	Salary Increases and Other Benefits	---	---	---
155,304	---	---	155,304	149,648	Aid to Independent Authorities	144,047	146,935	146,935
<b>912,346</b>	<b>1,822</b>	<b>- 12,981</b>	<b>901,187</b>	<b>887,930</b>	<b>Total Interdepartmental Accounts</b>	<b>912,561</b>	<b>939,644</b>	<b>939,644</b>
<b>Judicial Branch</b>								
---	---	8	8	8	The Judiciary	---	---	---
---	---	8	8	8	<b>Total Judicial Branch</b>	<b>---</b>	<b>---</b>	<b>---</b>

Year Ending June 30, 2008						Year Ending June 30, 2010		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2009 Adjusted Approp.	Requested	Recommended
					<b>GRANTS-IN-AID</b>			
12,350,614	468,579	-36,850	12,782,343	12,095,588	<b>Total Grants-in-Aid</b>	11,567,283	10,277,620	10,102,664
9,543,477	456,278	-36,715	9,963,040	9,461,587	(From General Fund)	9,351,252	8,603,067	8,428,111
2,411,925	---	---	2,411,925	2,243,398	(From Property Tax Relief Fund)	1,876,500	1,346,100	1,346,100
395,212	12,301	-135	407,378	390,603	(From Casino Revenue Fund)	334,451	320,573	320,573
---	---	---	---	---	(From gubernatorial Elections Fund)	5,080	7,880	7,880
					<b>STATE AID</b>			
					<b>Executive Branch</b>			
11,727	3,162	---	14,889	10,969	Department of Agriculture	10,873	11,548	11,548
1,212,608	7,981	-132,436	1,088,153	1,062,832	Department of Community Affairs	1,047,449	1,016,153	1,016,153
52,281	7,981	-699	59,563	52,131	(From General Fund)	199,956	196,465	196,465
1,160,327	---	-131,737	1,028,590	1,010,701	(From Property Tax Relief Fund)	847,493	819,688	819,688
20,000	---	---	20,000	20,000	Department of Corrections	23,000	22,425	22,425
10,896,738	1,293	633	10,898,664	10,850,527	Department of Education	11,479,502	10,328,617	10,328,617
639,355	1,287	812	641,454	626,146	(From General Fund)	976,961	725,291	725,291
10,257,383	6	-179	10,257,210	10,224,381	(From Property Tax Relief Fund)	10,502,541	9,603,326	9,603,326
21,044	291	112	21,447	21,257	Department of Environmental Protection	19,358	19,342	19,342
11,216	291	112	11,619	11,429	(From General Fund)	9,358	9,342	9,342
9,828	---	---	9,828	9,828	(From Property Tax Relief Fund)	10,000	10,000	10,000
9,552	---	---	9,552	9,413	Department of Health and Senior Services	9,552	9,552	9,552
409,166	8,315	379	417,860	414,258	Department of Human Services	430,497	491,154	491,154
261,122	8,315	379	269,816	266,214	(From General Fund)	430,497	491,154	491,154
148,044	---	---	148,044	148,044	(From Property Tax Relief Fund)	---	---	---
1,522	---	---	1,522	1,481	Department of Labor and Workforce Development	1,522	---	---
24,000	7,562	-1,431	30,131	17,053	Department of Law and Public Safety	11,000	6,650	6,650
47,565	---	---	47,565	36,781	Department of State	34,856	27,890	23,449
36,928	---	200	37,128	37,128	Department of Transportation	33,018	30,233	30,233
---	---	200	200	200	(From General Fund)	---	---	---
36,928	---	---	36,928	36,928	(From Casino Revenue Fund)	33,018	30,233	30,233
462,470	37,763	---	500,233	439,652	Department of the Treasury	456,582	424,042	402,187
238,277	37,763	---	276,040	222,067	(From General Fund)	291,176	266,156	244,301
224,193	---	---	224,193	217,585	(From Property Tax Relief Fund)	165,406	157,886	157,886
13,153,320	66,367	-132,543	13,087,144	12,921,351	<b>Total Executive Branch</b>	13,557,209	12,387,606	12,361,310
1,316,617	66,361	-627	1,382,351	1,273,884	(From General Fund)	1,998,751	1,766,473	1,740,177
11,799,775	6	-131,916	11,667,865	11,610,539	(From Property Tax Relief Fund)	11,525,440	10,590,900	10,590,900
36,928	---	---	36,928	36,928	(From Casino Revenue Fund)	33,018	30,233	30,233
13,153,320	66,367	-132,543	13,087,144	12,921,351	<b>Total State Aid</b>	13,557,209	12,387,606	12,361,310
1,316,617	66,361	-627	1,382,351	1,273,884	(From General Fund)	1,998,751	1,766,473	1,740,177
11,799,775	6	-131,916	11,667,865	11,610,539	(From Property Tax Relief Fund)	11,525,440	10,590,900	10,590,900
36,928	---	---	36,928	36,928	(From Casino Revenue Fund)	33,018	30,233	30,233
					<b>CAPITAL CONSTRUCTION</b>			
					<b>Legislative Branch</b>			
---	2,341	---	2,341	3	Legislative Support Services	---	---	---
---	2,341	---	2,341	3	<b>Total Legislative Branch</b>	---	---	---
					<b>Executive Branch</b>			
250	1,799	---	2,049	1,049	Department of Agriculture	---	---	---
---	9,632	---	9,632	5,214	Department of Children and Families	---	240	240
3,936	8,928	---	12,864	948	Department of Corrections	---	16,775	16,775
2,800	2,869	---	5,669	1,234	Department of Education	---	400	400
117,024	121,265	-16,589	221,700	94,995	Department of Environmental Protection	101,913	77,078	77,078
---	161	---	161	17	Department of Health and Senior Services	---	---	---
2,800	15,522	---	18,322	2,967	Department of Human Services	---	4,875	4,875
3,800	10,461	---	14,261	4,604	Department of Law and Public Safety	---	6,630	6,630

Year Ending June 30, 2008					Year Ending June 30, 2010		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2009 Adjusted Approp.	Requested	Recom- mended
<b>CAPITAL CONSTRUCTION</b>							
1,318	4,481	2,152	7,951	4,249	Department of Military and Veterans' Affairs	---	175
---	468	-63	405	402	Department of State	---	---
895,000	191	---	895,191	895,000	Department of Transportation	895,000	895,000
6,500	18,877	-4,569	20,808	8,888	Department of the Treasury	---	---
<b>1,033,428</b>	<b>194,654</b>	<b>-19,069</b>	<b>1,209,013</b>	<b>1,019,567</b>	<b>Total Executive Branch</b>	<b>996,913</b>	<b>1,001,173</b>
<b>Interdepartmental Accounts</b>							
247,137	47,590	17,687	312,414	243,598	Capital Projects - Statewide	209,400	212,484
684,069	---	-684,069	---	---	Long Term Obligation and Capital Expenditure Fund	---	---
<b>931,206</b>	<b>47,590</b>	<b>-666,382</b>	<b>312,414</b>	<b>243,598</b>	<b>Total Interdepartmental Accounts</b>	<b>209,400</b>	<b>212,484</b>
<b>1,964,634</b>	<b>244,585</b>	<b>-685,451</b>	<b>1,523,768</b>	<b>1,263,168</b>	<b>Total Capital Construction</b>	<b>1,206,313</b>	<b>1,213,657</b>
<b>DEBT SERVICE</b>							
<b>Executive Branch</b>							
56,790	---	8,941	65,731	65,730	Department of Environmental Protection	59,735	42,452
382,007	---	-8,942	373,065	362,938	Department of the Treasury	211,162	5,165
<b>438,797</b>	<b>---</b>	<b>-1</b>	<b>438,796</b>	<b>428,668</b>	<b>Total Executive Branch</b>	<b>270,897</b>	<b>47,617</b>
<b>438,797</b>	<b>---</b>	<b>-1</b>	<b>438,796</b>	<b>428,668</b>	<b>Total Debt Service</b>	<b>270,897</b>	<b>47,617</b>
<b>34,580,588</b>	<b>1,483,364</b>	<b>-786,548</b>	<b>35,277,404</b>	<b>33,611,948</b>	<b>GRAND TOTAL- STATE APPROPRIATIONS</b>	<b>33,244,317</b>	<b>30,046,581</b>
19,861,746	1,470,403	-654,632	20,677,517	19,257,888	(From General Fund)	19,393,426	17,473,537
74,039	624	---	74,663	71,556	(From Casino Control Fund)	75,439	70,571
14,211,700	6	-131,916	14,079,790	13,853,937	(From Property Tax Relief Fund)	13,401,940	11,937,000
433,103	12,331	---	445,434	428,567	(From Casino Revenue Fund)	368,432	351,769
---	---	---	---	---	(From gubernatorial Elections Fund)	5,080	7,880

**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.

	2008 Expenditures	2009 Adjusted Appropriation	2010 Requested	2010 Recommended
<b>General Fund--</b>				
<b>Direct State Services--</b>				
Personal Services .....	3,136,778	3,055,778	2,767,925	2,765,409
Materials and Supplies .....	253,657	239,486	230,592	230,492
Services Other Than Personal .....	521,393	453,853	450,123	450,051
Maintenance and Fixed Charges .....	264,044	275,276	203,827	203,749
Improvements and Equipment .....	52,646	30,077	26,889	26,884
Employee Pension and Health Benefits .....	1,822,441	1,778,031	1,657,043	1,657,043
Special Purpose .....	779,622	733,712	712,148	710,347
<b>Total Direct State Services .....</b>	<b>6,830,581</b>	<b>6,566,213</b>	<b>6,048,547</b>	<b>6,043,975</b>

	2008 Expenditures	2009 Adjusted Appropriation	2010 Requested	2010 Recom- mended
<b>Grants-in-Aid--</b>				
Employee Benefits-Colleges and Universities .....	738,282	768,514	792,709	792,709
Rutgers, The State University .....	328,804	309,523	333,381	294,047
University of Medicine and Dentistry of New Jersey .....	231,112	218,548	259,098	249,398
New Jersey Institute of Technology .....	49,098	45,134	47,841	42,125
State Colleges and Universities .....	292,572	272,985	368,072	259,335
Other Higher Education Programs .....	84,004	93,836	82,224	82,224
Student Aid-Scholarships and Grants .....	306,452	329,798	329,612	329,612
Support of Independent Higher Education Institutions .....	21,672	19,628	30,177	18,708
Correctional Facilities .....	134,162	120,033	129,871	129,871
Support of the Arts .....	27,953	22,305	17,094	17,094
Transit Subsidy .....	298,200	358,200	296,200	296,200
Welfare Support Programs .....	275,289	271,638	263,090	263,090
Medicaid .....	3,628,382	3,560,954	2,835,058	2,835,058
Pharmaceutical Assistance Programs .....	18,294	97,710	83,814	83,814
Children and Families .....	713,941	754,606	764,118	764,118
Services for the Developmentally Disabled .....	571,172	558,107	553,153	553,153
Community Mental Health Services .....	301,109	328,655	340,823	340,823
AIDS Programs .....	23,264	30,551	34,513	34,513
Other Health and Human Services Programs .....	482,871	356,922	336,179	336,179
Economic Development .....	347,745	354,296	402,050	402,050
Other Grants-In-Aid .....	587,209	479,309	303,990	303,990
<i>Total Grants-in-Aid .....</i>	<i>9,461,587</i>	<i>9,351,252</i>	<i>8,603,067</i>	<i>8,428,111</i>
<b>State Aid--</b>				
Aid to County Colleges .....	176,732	169,604	185,760	163,905
Educational .....	626,146	976,961	725,291	725,291
Cash Assistance and County Welfare Administration .....	266,182	306,681	352,259	352,259
Health and Senior Services and Human Services .....	9,445	133,368	148,447	148,447
Aid to Counties and Municipalities .....	135,383	357,434	293,643	289,202
Other State Aid .....	59,996	54,703	61,073	61,073
<i>Total State Aid .....</i>	<i>1,273,884</i>	<i>1,998,751</i>	<i>1,766,473</i>	<i>1,740,177</i>
<b>Capital Construction--</b>				
Transportation Trust Fund .....	895,000	895,000	895,000	895,000
Environmental .....	43,650	25,000	18,750	18,750
Educational .....	1,234	---	400	400
Institutional .....	3,915	---	21,650	21,650
Constitutionally Dedicated Projects .....	152,115	174,913	149,828	149,828
All Other .....	167,254	111,400	128,029	128,029
<i>Total Capital Construction .....</i>	<i>1,263,168</i>	<i>1,206,313</i>	<i>1,213,657</i>	<i>1,213,657</i>
<b>Debt Service--</b>				
Principal .....	265,941	113,112	32,431	32,431
Interest .....	162,727	157,785	15,186	15,186
<i>Total Debt Service .....</i>	<i>428,668</i>	<i>270,897</i>	<i>47,617</i>	<i>47,617</i>
<i>Total General Fund .....</i>	<i>19,257,888</i>	<i>19,393,426</i>	<i>17,679,361</i>	<i>17,473,537</i>
<b>Property Tax Relief Fund--</b>				
Aid to County Colleges .....	33,021	38,026	41,358	41,358
Educational .....	10,224,381	10,502,541	9,603,326	9,603,326
Direct Property Tax Relief .....	2,327,550	1,968,500	1,435,100	1,435,100
Aid to Municipalities .....	1,268,985	892,873	857,216	857,216
<i>Total Property Tax Relief Fund .....</i>	<i>13,853,937</i>	<i>13,401,940</i>	<i>11,937,000</i>	<i>11,937,000</i>

	2008 Expenditures	2009 Adjusted Appropriation	2010 Requested	2010 Recom- mended
<b>Casino Control Fund--</b>				
Enforcement .....	43,491	45,999	43,999	43,999
Administration .....	28,065	29,440	26,572	26,572
<b>Total Casino Control Fund .....</b>	<b>71,556</b>	<b>75,439</b>	<b>70,571</b>	<b>70,571</b>
<b>Casino Revenue Fund--</b>				
Medicaid .....	108,079	125,500	125,500	125,500
Pharmaceutical Assistance Programs .....	232,359	158,518	144,884	144,884
Programs for Senior Citizens and the Disabled .....	88,129	84,414	81,385	81,385
<b>Total Casino Revenue Fund .....</b>	<b>428,567</b>	<b>368,432</b>	<b>351,769</b>	<b>351,769</b>
<b>Gubernatorial Elections Fund--</b>				
Public Financing of Gubernatorial General Election .....	---	5,080	7,880	7,880
<b>Total Gubernatorial Elections Fund .....</b>	<b>---</b>	<b>5,080</b>	<b>7,880</b>	<b>7,880</b>
<b>GRAND TOTAL STATE APPROPRIATIONS .....</b>	<b>33,611,948</b>	<b>33,244,317</b>	<b>30,046,581</b>	<b>29,840,757</b>

**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, 2008					Year Ending June 30, 2010		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2009 Adjusted Approp.	Requested	Recom- mended
<b>GENERAL FUND</b>							
<b>Direct State Services</b>							
<b>10. Public Safety and Criminal Justice</b>							
325,513	21,745	22,292	369,550	361,153	12. Law Enforcement	335,256	322,313
7,245	7,388	-1,730	12,903	11,329	13. Special Law Enforcement Activities	6,181	5,989
16,435	4,914	-1,024	20,325	17,426	14. Military Services	14,225	10,986
594,398	10,276	14,116	618,790	605,474	15. Judicial Services	641,007	648,385
894,797	5,148	30,778	930,723	918,228	16. Detention and Rehabilitation	964,153	932,808
61,815	140	1,470	63,425	62,166	17. Parole	70,989	69,681
99,132	47	6,982	106,161	106,150	18. Juvenile Services	107,492	107,492
35,791	335	468	36,594	35,517	19. Central Planning, Direction and Management	34,071	30,958
2,035,126	49,993	73,352	2,158,471	2,117,443	Total Appropriation	2,173,374	2,128,612
<b>20. Physical and Mental Health</b>							
41,679	6,074	2,128	49,881	47,529	21. Health Services	36,909	40,644
8,444	8,121	-4,869	11,696	11,114	22. Health Planning and Evaluation	6,565	6,565
283,070	2,640	42,819	328,529	327,598	23. Mental Health Services	315,906	304,434
24,249	9,979	2,915	37,143	29,184	24. Special Health Services	23,489	26,511
3,498	5	5,224	8,727	8,692	25. Health Administration	3,135	3,135
15,624	461	9,863	25,948	21,811	26. Senior Services	13,400	13,400
1,263	---	---	1,263	1,263	27. Disability Services	1,293	1,293
377,827	27,280	58,080	463,187	447,191	Total Appropriation	400,697	395,982

Year Ending June 30, 2008					Year Ending June 30, 2010		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2009 Adjusted Approp.	Requested	Recom- mended
<b>30. Educational, Cultural, and Intellectual Development</b>							
---	---	---	---	---	---	---	---
111,586	77,252	24,736	213,574	110,821	31. Direct Educational Services and Assistance		
					32. Operation and Support of Educational Institutions	120,228	106,498
10,112	767	1,034	11,913	11,899	33. Supplemental Education and Training Programs	13,169	12,738
56,770	1,262	-3,012	55,020	51,062	34. Educational Support Services	49,387	48,499
16,873	219	7,764	24,856	24,692	35. Education Administration and Management	18,785	18,676
3,244	1	1	3,246	3,140	36. Higher Educational Services	2,498	2,207
30,106	131	1,033	31,270	31,125	37. Cultural and Intellectual Development Services	27,707	27,476
228,691	79,632	31,556	339,879	232,739	Total Appropriation	231,774	216,094
<b>40. Community Development and Environmental Management</b>							
27,099	31,303	-5,581	52,821	48,327	41. Community Development Management	29,173	28,930
70,268	7,732	5,485	83,485	77,215	42. Natural Resource Management	61,431	58,886
44,866	8,587	-3,472	49,981	47,724	43. Science and Technical Programs	44,447	37,689
48,749	24,805	-475	73,079	64,122	44. Site Remediation and Waste Management	49,080	45,167
36,920	13,339	-1,608	48,651	41,123	45. Environmental Regulation	35,851	34,273
20,892	4	1,477	22,373	22,373	46. Environmental Planning and Administration	19,939	20,008
24,810	3,851	3,562	32,223	29,098	47. Compliance and Enforcement	21,539	21,539
9,238	3,895	174	13,307	12,019	49. Agricultural Resources, Planning, and Regulation	7,540	7,081
282,842	93,516	-438	375,920	342,001	Total Appropriation	269,000	253,573
<b>50. Economic Planning, Development, and Security</b>							
4,249	28	1,451	5,728	5,439	51. Economic Planning and Development	4,231	4,115
97,276	3,669	1,933	102,878	95,540	52. Economic Regulation	99,504	94,009
68,264	30,410	-115	98,559	79,985	53. Economic Assistance and Security	69,129	66,384
21,278	39,076	-34	60,320	55,726	54. Manpower and Employment Services	20,964	20,869
313,044	3,413	39,110	355,567	351,717	55. Social Services Programs	337,769	330,973
504,111	76,596	42,345	623,052	588,407	Total Appropriation	531,597	516,350
<b>60. Transportation Programs</b>							
93,742	5,093	4,968	103,803	102,446	61. State and Local Highway Facilities	97,903	59,289
3,090	189	168	3,447	3,428	64. Regulation and General Management	2,711	2,475
96,832	5,282	5,136	107,250	105,874	Total Appropriation	100,614	61,764
<b>70. Government Direction, Management, and Control</b>							
60,244	12,926	914	74,084	61,747	71. Legislative Activities	59,148	58,319
26,763	75,988	-65,502	37,249	23,898	72. Governmental Review and Oversight	27,323	27,195
170,092	15,658	549	186,299	178,970	73. Financial Administration	164,151	159,969
2,503,200	116,229	-95,771	2,523,658	2,356,901	74. General Government Services	2,298,022	1,924,732
3,914	187	-33	4,068	3,976	75. State Subsidies and Financial Aid	2,953	2,703
54,805	5,473	9,887	70,165	60,994	76. Management and Administration	45,195	42,854
15,233	6,743	---	21,976	15,723	77. Legislative Commissions and Committees	15,496	15,496
2,834,251	233,204	-149,956	2,917,499	2,702,209	Total Appropriation	2,612,288	2,231,268
<b>80. Special Government Services</b>							
165,597	136,228	4,584	306,409	217,097	82. Protection of Citizens' Rights	169,543	167,947
72,944	1,448	3,503	77,895	77,620	83. Services to Veterans	77,326	76,957
238,541	137,676	8,087	384,304	294,717	Total Appropriation	246,869	244,904
6,598,221	703,179	68,162	7,369,562	6,830,581	Total Direct State Services - General Fund	6,566,213	6,048,547
						6,043,975	



Year Ending June 30, 2008					Year Ending June 30, 2010			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2009 Adjusted Approp.	Requested	Recom- mended	
<b>Grants-In-Aid</b>								
<b>10. Public Safety and Criminal Justice</b>								
2,915	663	---	3,578	930	12. Law Enforcement	2,615	1,030	1,030
35	---	---	35	35	14. Military Services	---	---	---
---	---	8	8	8	15. Judicial Services	---	---	---
114,420	424	-35	114,809	97,500	16. Detention and Rehabilitation	82,951	92,789	92,789
36,678	---	---	36,678	36,662	17. Parole	37,082	37,082	37,082
25,120	---	-299	24,821	24,821	18. Juvenile Services	24,808	22,420	22,420
179,168	1,087	-326	179,929	159,956	Total Appropriation	147,456	153,321	153,321
<b>20. Physical and Mental Health</b>								
246,615	6,102	-2,332	250,385	240,932	21. Health Services	234,740	225,935	225,935
201,462	---	-2,000	199,462	179,462	22. Health Planning and Evaluation	62,462	60,462	60,462
299,859	---	1,250	301,109	301,109	23. Mental Health Services	328,655	340,823	340,823
2,612,173	235,794	-25,043	2,822,924	2,680,463	24. Special Health Services	2,580,778	2,217,824	2,217,824
938,069	1,236	-9,881	929,424	906,864	26. Senior Services	1,032,936	695,394	695,394
90,970	---	106	91,076	90,812	27. Disability Services	75,395	36,054	36,054
4,389,148	243,132	-37,900	4,594,380	4,399,642	Total Appropriation	4,314,966	3,576,492	3,576,492
<b>30. Educational, Cultural, and Intellectual Development</b>								
10,000	---	-1,271	8,729	8,500	31. Direct Educational Services and Assistance	---	---	---
546,436	40,327	9,358	596,121	571,172	32. Operation and Support of Educational Institutions	558,107	553,153	553,153
4,256	---	21	4,277	4,277	33. Supplemental Education and Training Programs	4,298	4,114	4,114
21,688	---	---	21,688	21,064	34. Educational Support Services	18,653	13,488	13,488
1,326,684	28,292	11,373	1,366,349	1,313,661	36. Higher Educational Services	1,289,350	1,450,303	1,275,347
36,727	---	-741	35,986	35,986	37. Cultural and Intellectual Development Services	27,943	21,841	21,841
1,945,791	68,619	18,740	2,033,150	1,954,660	Total Appropriation	1,898,351	2,042,899	1,867,943
<b>40. Community Development and Environmental Management</b>								
33,745	18,578	6,975	59,298	56,650	41. Community Development Management	48,650	48,650	48,650
---	15	---	15	---	42. Natural Resource Management	---	---	---
3,100	2,231	2,000	7,331	1,352	43. Science and Technical Programs	---	---	---
8,000	---	---	8,000	8,000	44. Site Remediation and Waste Management	---	---	---
24,847	36,599	-900	60,546	---	45. Environmental Regulation	22,161	14,934	14,934
5,175	1,340	908	7,423	6,211	49. Agricultural Resources, Planning, and Regulation	4,050	6,000	6,000
74,867	58,763	8,983	142,613	72,213	Total Appropriation	74,861	69,584	69,584
<b>50. Economic Planning, Development, and Security</b>								
195,091	58,713	-4,174	249,630	201,017	51. Economic Planning and Development	220,186	262,641	262,641
70,840	---	---	70,840	64,891	52. Economic Regulation	70,840	75,840	75,840
532,307	10,632	2,579	545,518	535,289	53. Economic Assistance and Security	421,638	263,090	263,090
69,735	---	-500	69,235	69,230	54. Manpower and Employment Services	69,524	62,982	62,982
813,363	10,235	8,860	832,458	785,213	55. Social Services Programs	814,867	816,049	816,049
1,681,336	79,580	6,765	1,767,681	1,655,640	Total Appropriation	1,597,055	1,480,602	1,480,602
<b>60. Transportation Programs</b>								
298,200	---	---	298,200	298,200	62. Public Transportation	358,200	296,200	296,200
---	3,217	143	3,360	84	64. Regulation and General Management	---	---	---
298,200	3,217	143	301,560	298,284	Total Appropriation	358,200	296,200	296,200



Year Ending June 30, 2008					Year Ending June 30, 2010			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2009 Adjusted Approp.	Requested	Recom- mended	
<b>70. Government Direction, Management, and Control</b>								
922,566	1,822	-11,142	913,246	891,355	74. General Government Services	927,107	941,460	941,460
---	48	---	48	---	75. State Subsidies and Financial Aid	---	---	---
32,942	7	-22,084	10,865	10,856	76. Management and Administration	9,682	9,435	9,435
955,508	1,877	-33,226	924,159	902,211	Total Appropriation	936,789	950,895	950,895
<b>80. Special Government Services</b>								
16,450	---	---	16,450	16,450	82. Protection of Citizens' Rights	20,400	29,900	29,900
3,009	3	106	3,118	2,531	83. Services to Veterans	3,174	3,174	3,174
19,459	3	106	19,568	18,981	Total Appropriation	23,574	33,074	33,074
9,543,477	456,278	-36,715	9,963,040	9,461,587	Total Grants-In-Aid - General Fund	9,351,252	8,603,067	8,428,111
<b>State Aid</b>								
<b>10. Public Safety and Criminal Justice</b>								
9,000	802	---	9,802	9,086	12. Law Enforcement	1,000	900	900
---	---	---	---	---	13. Special Law Enforcement Activities	---	---	---
20,000	---	---	20,000	20,000	16. Detention and Rehabilitation	23,000	22,425	22,425
15,000	6,760	-1,431	20,329	7,967	19. Central Planning, Direction and Management	10,000	5,750	5,750
44,000	7,562	-1,431	50,131	37,053	Total Appropriation	34,000	29,075	29,075
<b>20. Physical and Mental Health</b>								
2,400	---	---	2,400	2,261	21. Health Services	2,400	2,400	2,400
---	3,544	---	3,544	32	23. Mental Health Services	123,816	138,895	138,895
7,152	---	---	7,152	7,152	26. Senior Services	7,152	7,152	7,152
9,552	3,544	---	13,096	9,445	Total Appropriation	133,368	148,447	148,447
<b>30. Educational, Cultural, and Intellectual Development</b>								
167,532	692	812	169,036	168,013	31. Direct Educational Services and Assistance	470,707	483,633	483,633
4,860	1	---	4,861	4,858	33. Supplemental Education and Training Programs	4,860	4,860	4,860
466,963	594	---	467,557	453,275	34. Educational Support Services	501,394	236,798	236,798
177,959	---	---	177,959	176,732	36. Higher Educational Services	169,604	185,760	163,905
18,520	---	---	18,520	18,469	37. Cultural and Intellectual Development Services	17,826	20,860	16,419
835,834	1,287	812	837,933	821,347	Total Appropriation	1,164,391	931,911	905,615
<b>40. Community Development and Environmental Management</b>								
16,925	1,010	-699	17,236	17,168	41. Community Development Management	14,175	13,925	13,925
7,763	291	112	8,166	7,981	46. Environmental Planning and Administration	6,658	6,642	6,642
3,453	---	---	3,453	3,448	47. Compliance and Enforcement	2,700	2,700	2,700
11,727	3,162	---	14,889	10,969	49. Agricultural Resources, Planning, and Regulation	10,873	11,548	11,548
39,868	4,463	-587	43,744	39,566	Total Appropriation	34,406	34,815	34,815
<b>50. Economic Planning, Development, and Security</b>								
---	---	---	---	---	51. Economic Planning and Development	---	---	---
261,122	4,771	379	266,272	266,182	53. Economic Assistance and Security	306,681	352,259	352,259
1,522	---	---	1,522	1,481	54. Manpower and Employment Services	1,522	---	---
---	---	---	---	---	55. Social Services Programs	---	---	---
262,644	4,771	379	267,794	267,663	Total Appropriation	308,203	352,259	352,259

Year Ending June 30, 2008					Year Ending June 30, 2010		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2009 Adjusted Approp.	Requested	Recom- mended
<b>60. Transportation Programs</b>							
---	---	200	200	200	64. Regulation and General Management	---	---
---	---	200	200	200	Total Appropriation	---	---
<b>70. Government Direction, Management, and Control</b>							
29,045	---	---	29,045	18,312	74. General Government Services	17,030	7,030
95,674	44,734	---	140,408	80,298	75. State Subsidies and Financial Aid	307,353	262,936
124,719	44,734	---	169,453	98,610	Total Appropriation	324,383	269,966
1,316,617	66,361	-627	1,382,351	1,273,884	Total State Aid - General Fund	1,998,751	1,766,473
<b>Capital Construction</b>							
<b>10. Public Safety and Criminal Justice</b>							
---	191	---	191	---	11. Vehicular Safety	---	---
---	3,533	---	3,533	1,140	12. Law Enforcement	---	2,630
1,000	2,605	2,152	5,757	3,918	14. Military Services	---	---
---	108	---	108	---	16. Detention and Rehabilitation	---	---
3,800	6,928	---	10,728	3,464	18. Juvenile Services	---	4,000
3,936	8,820	---	12,756	948	19. Central Planning, Direction and Management	---	16,775
8,736	22,185	2,152	33,073	9,470	Total Appropriation	---	23,405
<b>20. Physical and Mental Health</b>							
---	150	---	150	17	21. Health Services	---	---
---	3,457	---	3,457	1,291	23. Mental Health Services	---	---
---	11	---	11	---	25. Health Administration	---	---
---	3,618	---	3,618	1,308	Total Appropriation	---	---
<b>30. Educational, Cultural, and Intellectual Development</b>							
2,400	3,561	---	5,961	1,606	32. Operation and Support of Educational Institutions	---	400
---	597	---	597	---	33. Supplemental Education and Training Programs	---	---
400	805	---	1,205	255	35. Education Administration and Management	---	---
---	405	---	405	402	37. Cultural and Intellectual Development Services	---	---
2,800	5,368	---	8,168	2,263	Total Appropriation	---	400
<b>40. Community Development and Environmental Management</b>							
52,714	58,869	-4,739	106,844	43,650	42. Natural Resource Management	44,554	38,426
64,310	62,396	-12,000	114,706	51,345	44. Site Remediation and Waste Management	57,359	38,652
---	---	150	150	---	46. Environmental Planning and Administration	---	---
250	1,799	---	2,049	1,049	49. Agricultural Resources, Planning, and Regulation	---	---
117,274	123,064	-16,589	223,749	96,044	Total Appropriation	101,913	77,078
<b>50. Economic Planning, Development, and Security</b>							
---	1	---	1	---	52. Economic Regulation	---	---
---	9,632	---	9,632	5,214	55. Social Services Programs	---	240
---	9,633	---	9,633	5,214	Total Appropriation	---	240

Year Ending June 30, 2008					Year Ending June 30, 2010			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2009 Adjusted Approp.	Requested	Recom- mended	
<b>60. Transportation Programs</b>								
895,000	---	---	895,000	895,000	61. State and Local Highway Facilities	895,000	895,000	895,000
895,000	---	---	895,000	895,000	Total Appropriation	895,000	895,000	895,000
<b>70. Government Direction, Management, and Control</b>								
---	2,341	---	2,341	3	71. Legislative Activities	---	---	---
937,706	66,529	-671,014	333,221	252,486	74. General Government Services	209,400	212,484	212,484
2,800	9,971	---	12,771	1,049	76. Management and Administration	---	4,875	4,875
940,506	78,841	-671,014	348,333	253,538	Total Appropriation	209,400	217,359	217,359
<b>80. Special Government Services</b>								
318	1,876	---	2,194	331	83. Services to Veterans	---	175	175
318	1,876	---	2,194	331	Total Appropriation	---	175	175
1,964,634	244,585	-685,451	1,523,768	1,263,168	Total Capital Construction	1,206,313	1,213,657	1,213,657
<b>Debt Service</b>								
<b>40. Community Development and Environmental Management</b>								
56,790	---	8,941	65,731	65,730	46. Environmental Planning and Administration	59,735	42,452	42,452
56,790	---	8,941	65,731	65,730	Total Appropriation	59,735	42,452	42,452
<b>70. Government Direction, Management, and Control</b>								
382,007	---	-8,942	373,065	362,938	76. Management and Administration	211,162	5,165	5,165
382,007	---	-8,942	373,065	362,938	Total Appropriation	211,162	5,165	5,165
438,797	---	-1	438,796	428,668	Total Debt Service	270,897	47,617	47,617
19,861,746	1,470,403	-654,632	20,677,517	19,257,888	Total General Fund	19,393,426	17,679,361	17,473,537
<b>PROPERTY TAX RELIEF FUND</b>								
<b>Grants-In-Aid</b>								
<b>70. Government Direction, Management, and Control</b>								
7,925	---	---	7,925	7,925	74. General Government Services	---	---	---
2,404,000	---	---	2,404,000	2,235,473	75. State Subsidies and Financial Aid	1,876,500	1,346,100	1,346,100
2,411,925	---	---	2,411,925	2,243,398	Total Appropriation	1,876,500	1,346,100	1,346,100
2,411,925	---	---	2,411,925	2,243,398	Total Grants-In-Aid - Property Tax Relief Fund	1,876,500	1,346,100	1,346,100
<b>State Aid</b>								
<b>20. Physical and Mental Health</b>								
122,039	---	---	122,039	122,039	23. Mental Health Services	---	---	---
122,039	---	---	122,039	122,039	Total Appropriation	---	---	---
<b>30. Educational, Cultural, and Intellectual Development</b>								
7,479,701	6	35,804	7,515,511	7,506,828	31. Direct Educational Services and Assistance	7,753,420	6,921,530	6,921,530
38,948	---	---	38,948	38,948	33. Supplemental Education and Training Programs	---	---	---
2,738,734	---	-35,983	2,702,751	2,678,605	34. Educational Support Services	2,749,121	2,681,796	2,681,796
33,464	---	---	33,464	33,021	36. Higher Educational Services	38,026	41,358	41,358
10,290,847	6	-179	10,290,674	10,257,402	Total Appropriation	10,540,567	9,644,684	9,644,684

Year Ending June 30, 2008					Year Ending June 30, 2010			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2009 Adjusted Approp.	Requested	Recom- mended	
<b>40. Community Development and Environmental Management</b>								
9,828	---	---	9,828	9,828	46. Environmental Planning and Administration	10,000	10,000	10,000
9,828	---	---	9,828	9,828	Total Appropriation	10,000	10,000	10,000
<b>50. Economic Planning, Development, and Security</b>								
26,005	---	---	26,005	26,005	53. Economic Assistance and Security	---	---	---
26,005	---	---	26,005	26,005	Total Appropriation	---	---	---
<b>70. Government Direction, Management, and Control</b>								
1,351,056	---	-131,737	1,219,319	1,195,265	75. State Subsidies and Financial Aid	974,873	936,216	936,216
1,351,056	---	-131,737	1,219,319	1,195,265	Total Appropriation	974,873	936,216	936,216
11,799,775	6	-131,916	11,667,865	11,610,539	Total State Aid - Property Tax Relief Fund	11,525,440	10,590,900	10,590,900
14,211,700	6	-131,916	14,079,790	13,853,937	Total Property Tax Relief Fund	13,401,940	11,937,000	11,937,000
<b>CASINO CONTROL FUND</b>								
<b>Direct State Services</b>								
<b>10. Public Safety and Criminal Justice</b>								
44,599	384	---	44,983	43,491	12. Law Enforcement	45,999	43,999	43,999
44,599	384	---	44,983	43,491	Total Appropriation	45,999	43,999	43,999
<b>70. Government Direction, Management, and Control</b>								
29,440	240	---	29,680	28,065	73. Financial Administration	29,440	26,572	26,572
29,440	240	---	29,680	28,065	Total Appropriation	29,440	26,572	26,572
74,039	624	---	74,663	71,556	Total Direct State Services - Casino Control Fund	75,439	70,571	70,571
74,039	624	---	74,663	71,556	Total Casino Control Fund	75,439	70,571	70,571
<b>CASINO REVENUE FUND</b>								
<b>Direct State Services</b>								
<b>20. Physical and Mental Health</b>								
871	30	135	1,036	944	26. Senior Services	871	871	871
871	30	135	1,036	944	Total Appropriation	871	871	871
<b>80. Special Government Services</b>								
92	---	---	92	92	82. Protection of Citizens' Rights	92	92	92
92	---	---	92	92	Total Appropriation	92	92	92
963	30	135	1,128	1,036	Total Direct State Services - Casino Revenue Fund	963	963	963
<b>Grants-In-Aid</b>								
<b>20. Physical and Mental Health</b>								
529	---	---	529	529	21. Health Services	529	529	529
279,399	12,301	-135	291,565	274,792	26. Senior Services	201,025	187,391	187,391
80,328	---	---	80,328	80,328	27. Disability Services	97,941	97,941	97,941
360,256	12,301	-135	372,422	355,649	Total Appropriation	299,495	285,861	285,861

Year Ending June 30, 2008					Year Ending June 30, 2010			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2009 Adjusted Approp.	Requested	Recom- mended	
<b>30. Educational, Cultural, and Intellectual Development</b>								
32,516	---	---	32,516	32,514	32. Operation and Support of Educational Institutions	32,516	32,516	32,516
32,516	---	---	32,516	32,514	Total Appropriation	32,516	32,516	32,516
<b>50. Economic Planning, Development, and Security</b>								
2,440	---	---	2,440	2,440	54. Manpower and Employment Services	2,440	2,196	2,196
2,440	---	---	2,440	2,440	Total Appropriation	2,440	2,196	2,196
395,212	12,301	-135	407,378	390,603	Total Grants-In-Aid - Casino Revenue Fund	334,451	320,573	320,573
<b>State Aid</b>								
<b>60. Transportation Programs</b>								
36,928	---	---	36,928	36,928	62. Public Transportation	33,018	30,233	30,233
36,928	---	---	36,928	36,928	Total Appropriation	33,018	30,233	30,233
36,928	---	---	36,928	36,928	Total State Aid - Casino Revenue Fund	33,018	30,233	30,233
433,103	12,331	---	445,434	428,567	Total Casino Revenue Fund	368,432	351,769	351,769
<b>GOVERNMENTAL FUNDS</b>								
<b>GRAND TOTAL STATE APPROPRIATIONS</b>								
34,580,588	1,483,364	-786,548	35,277,404	33,611,948	GRAND TOTAL STATE APPROPRIATIONS	33,244,317	30,046,581	29,840,757

## GRANTS-IN-AID

### Summary of Appropriations by Department (thousands of dollars)

Year Ending June 30, 2008						Year Ending June 30, 2010		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2009 Adjusted Approp.	Requested	Recom- mended
5,175	1,340	908	7,423	6,211	Department of Agriculture	4,050	6,000	6,000
754,909	196	-9,036	746,069	713,941	Department of Children and Families	754,606	764,118	764,118
54,255	18,639	6,975	79,869	77,173	Department of Community Affairs	65,360	56,235	56,235
151,098	424	-35	151,487	134,162	Department of Corrections	120,033	129,871	129,871
31,688	---	-1,271	30,417	29,564	Department of Education	18,653	13,488	13,488
35,947	38,845	1,100	75,892	9,352	Department of Environmental Protection	22,161	14,934	14,934
1,386,146	7,338	-14,213	1,379,271	1,327,258	Department of Health and Senior Services	1,330,138	981,791	981,791
3,899,182	296,779	-15,917	4,180,044	3,987,022	Department of Human Services	3,874,399	3,468,839	3,468,839
329,735	---	-500	329,235	329,230	Department of Labor and Workforce Development	219,524	62,982	62,982
28,085	663	-299	28,449	25,801	Department of Law and Public Safety	27,423	23,450	23,450
3,044	3	106	3,153	2,566	Department of Military and Veterans' Affairs	3,174	3,174	3,174
1,245,381	11,976	10,837	1,268,194	1,253,686	Department of State	1,212,182	1,366,965	1,203,478
298,200	3,217	143	301,560	298,284	Department of Transportation	358,200	296,200	296,200
408,286	75,036	-2,540	480,782	379,399	Department of the Treasury	428,788	475,376	463,907
912,346	1,822	-12,981	901,187	887,930	Interdepartmental Accounts	912,561	939,644	939,644
---	---	8	8	8	The Judiciary	---	---	---
<b>9,543,477</b>	<b>456,278</b>	<b>-36,715</b>	<b>9,963,040</b>	<b>9,461,587</b>	<b>Total Appropriation - Grants-in-Aid</b>	<b>9,351,252</b>	<b>8,603,067</b>	<b>8,428,111</b>

## STATE AID

### Summary of Appropriations by Department (thousands of dollars)

Year Ending June 30, 2008						Year Ending June 30, 2010		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2009 Adjusted Approp.	Requested	Recom- mended
11,727	3,162	---	14,889	10,969	Department of Agriculture	10,873	11,548	11,548
52,281	7,981	-699	59,563	52,131	Department of Community Affairs	199,956	196,465	196,465
20,000	---	---	20,000	20,000	Department of Corrections	23,000	22,425	22,425
639,355	1,287	812	641,454	626,146	Department of Education	976,961	725,291	725,291
11,216	291	112	11,619	11,429	Department of Environmental Protection	9,358	9,342	9,342
9,552	---	---	9,552	9,413	Department of Health and Senior Services	9,552	9,552	9,552
261,122	8,315	379	269,816	266,214	Department of Human Services	430,497	491,154	491,154
1,522	---	---	1,522	1,481	Department of Labor and Workforce Development	1,522	---	---
24,000	7,562	-1,431	30,131	17,053	Department of Law and Public Safety	11,000	6,650	6,650
47,565	---	---	47,565	36,781	Department of State	34,856	27,890	23,449
---	---	200	200	200	Department of Transportation	---	---	---
238,277	37,763	---	276,040	222,067	Department of the Treasury	291,176	266,156	244,301
<b>1,316,617</b>	<b>66,361</b>	<b>-627</b>	<b>1,382,351</b>	<b>1,273,884</b>	<b>Total Appropriation - State Aid</b>	<b>1,998,751</b>	<b>1,766,473</b>	<b>1,740,177</b>

## CAPITAL CONSTRUCTION

### Summary of Appropriations by Department (thousands of dollars)

Year Ending June 30, 2008						Year Ending June 30, 2010		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2009 Adjusted Approp.	Requested	Recom- mended
---	2,341	---	2,341	3	Legislature	---	---	---
250	1,799	---	2,049	1,049	Department of Agriculture	---	---	---
---	9,632	---	9,632	5,214	Department of Children and Families	---	240	240
3,936	8,928	---	12,864	948	Department of Corrections	---	16,775	16,775
2,800	2,869	---	5,669	1,234	Department of Education	---	400	400
117,024	121,265	-16,589	221,700	94,995	Department of Environmental Protection	101,913	77,078	77,078
---	161	---	161	17	Department of Health and Senior Services	---	---	---
2,800	15,522	---	18,322	2,967	Department of Human Services	---	4,875	4,875
3,800	10,461	---	14,261	4,604	Department of Law and Public Safety	---	6,630	6,630
1,318	4,481	2,152	7,951	4,249	Department of Military and Veterans' Affairs	---	175	175
---	468	-63	405	402	Department of State	---	---	---
895,000	191	---	895,191	895,000	Department of Transportation	895,000	895,000	895,000
6,500	18,877	-4,569	20,808	8,888	Department of the Treasury	---	---	---
931,206	47,590	-666,382	312,414	243,598	Interdepartmental Accounts	209,400	212,484	212,484
<b>1,964,634</b>	<b>244,585</b>	<b>-685,451</b>	<b>1,523,768</b>	<b>1,263,168</b>	<b>Total Appropriation - Capital Construction</b>	<b>1,206,313</b>	<b>1,213,657</b>	<b>1,213,657</b>

## DEBT SERVICE

(thousands of dollars)

Year Ending June 30, 2008						Year Ending June 30, 2010		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2009 Adjusted Approp.	Requested	Recom- mended
171,722	---	-3,641	168,081	162,727	Interest on Bonds	157,785	127,437	127,437
267,075	---	3,640	270,715	265,941	Bond Redemption	248,112	281,180	281,180
<b>438,797</b>	<b>---</b>	<b>-1</b>	<b>438,796</b>	<b>428,668</b>	<b>Total Appropriation</b>	<b>405,897</b>	<b>408,617</b>	<b>408,617</b>
721	---	---	721	721	Water Conservation Bonds (P.L. 1969, c. 127)	---	---	---
100	---	53	153	153	Clean Waters Bonds (P.L. 1976, c. 92)	105	103	103
277	---	69	346	346	State Land Acquisition and Development Bonds (P.L. 1978, c. 118)	433	452	452
236	---	---	236	236	Energy Conservation Bonds (P.L. 1980, c. 68)	40	45	45
1,731	---	---	1,731	1,731	Natural Resources Bonds (P.L. 1980, c. 70)	1,729	2,164	2,164
587	---	---	587	587	Hazardous Discharge Bonds (P.L. 1981, c. 275)	336	341	341
318	---	---	318	318	Community Development Bonds (P.L. 1981, c. 486)	---	---	---
100	---	---	100	100	1983 New Jersey Green Acres Bonds (P.L. 1983, c. 354)	---	---	---
1,338	---	---	1,338	1,338	Resource Recovery and Solid Waste Disposal Facility Bonds (P.L. 1985, c. 330)	1,341	1,341	1,341
10,164	---	---	10,164	10,164	Hazardous Discharge Bonds (P.L. 1986, c. 113)	7,897	7,897	7,897
806	---	243	1,049	1,049	Green Acres, Cultural Centers and Historic Preservation Bonds (P.L. 1987, c. 265)	1,330	1,343	1,343

Year Ending June 30, 2008						Year Ending June 30, 2010		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2009 Adjusted Approp.	Requested	Recom- mended
1,954	---	---	1,954	1,954	Jobs, Education and Competitiveness Bonds (P.L. 1988, c. 78)	1,407	1,511	1,511
3,614	---	---	3,614	3,614	Bridge Rehabilitation and Improvement and Railroad Right-of-way Preservation Bonds (P.L. 1989, c. 180)	2,120	2,123	2,123
682	---	166	848	848	Stormwater Management and Combined Sewer Overflow Abatement Bonds (P.L. 1989, c. 181)	1,040	1,122	1,122
4,903	---	---	4,903	4,903	New Jersey Open Space Preservation Bonds (P.L. 1989, c. 183)	1,976	1,977	1,977
1,736	---	---	1,736	1,736	Public Purpose Buildings and Community-Based Facilities Construction Bonds (P.L. 1989, c. 184)	1,734	1,848	1,848
13,748	---	93	13,841	13,841	Green Acres, Clean Water, Farmland and Historic Preservation Bonds (P.L. 1992, c. 88)	7,497	7,292	7,292
8,646	---	155	8,801	8,801	Developmental Disabilities Waiting List Reduction and Human Services Facilities (P.L. 1994, c. 108)	6,742	5,784	5,784
16,512	---	182	16,694	16,694	Green Acres, Farmland and Historic Preservation and Blue Acres Bonds (P.L. 1995, c. 204)	13,515	13,912	13,912
5,121	---	2,441	7,562	7,561	Port of New Jersey Revitalization, Dredging Bonds (P.L. 1996, c. 70)	10,343	10,386	10,386
3,809	---	---	3,809	3,809	Urban and Rural Centers Unsafe Buildings Demolition Bonds (P.L. 1997, c. 125)	3,808	---	---
24,853	---	---	24,853	24,853	Statewide Transportation and Local Bridge Bond Act of 1999 (P.L. 1999, c. 181)	24,855	28,578	28,578
---	---	5,694	5,694	5,694	Dam, Lake, Stream, Water Resources, and Wastewater Treatment Project Bonds (P.L. 2003, c. 162)	12,193	12,208	12,208
189,925	---	---	189,925	185,151	Refunding Bonds (P.L. 1985, c. 74, as amended by P.L. 1992, c. 182)	180,212	209,915	209,915
132,467	---	---	132,467	132,466	Refunding Bonds (P.L. 1985, c. 74, as amended by P.L. 1992, c. 182)	125,244	98,275	98,275
14,449	---	-9,097	5,352	---	Payments on Future Bond Sales	---	---	---
<b>438,797</b>	<b>---</b>	<b>-1</b>	<b>438,796</b>	<b>428,668</b>	<b>Subtotal Appropriation</b>	<b>405,897</b>	<b>408,617</b>	<b>408,617</b>
---	---	---	---	---	Savings from Retirement and/or Defeasance of Bonds	(135,000)	(361,000)	(361,000)
<b>438,797</b>	<b>---</b>	<b>-1</b>	<b>438,796</b>	<b>428,668</b>	<b>Total Appropriation - Debt Service</b>	<b>270,897</b>	<b>47,617</b>	<b>47,617</b>



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

	----- Fiscal Year Ending June 30 -----	
	<b>2009</b>	<b>2010</b>
	<b>Estimated</b>	<b>Estimated</b>
Beginning Balances July 1		
Undesignated Fund Balances		
General Fund .....	\$ 469,827	\$ 699,059
Surplus Revenue Fund .....	734,707	---
Property Tax Relief Fund .....	98,947	---
Gubernatorial Elections Fund .....	1,090	---
Casino Control Fund .....	3,007	2,507
Casino Revenue Fund .....	---	---
<i>Total Undesignated Fund Balances</i> .....	<u>1,307,578</u>	<u>701,566</u>
State Revenues		
General Fund .....	17,653,081	17,281,757
Property Tax Relief Fund .....	11,885,000	11,937,000
Gubernatorial Elections Fund .....	700	700
Casino Control Fund .....	74,939	70,071
Casino Revenue Fund .....	366,321	351,769
<i>Total State Revenues</i> .....	<u>29,980,041</u>	<u>29,641,297</u>
Other Adjustments		
General Fund		
Balances lapsed .....	1,622,445	---
From/(To) Property Tax Relief Fund .....	(41,778)	---
From/(To) Surplus Revenue Fund .....	392,200	---
From/(To) Gubernatorial Elections Fund .....	(3,290)	(7,180)
Property Tax Relief Fund		
Balances lapsed .....	668,708	---
From/(To) General Fund .....	41,778	---
From/(To) Surplus Revenue Fund .....	342,507	---
From (To) Long Term Obligation and Capital		
Expenditure Fund .....	365,000	
Surplus Revenue Fund		
From/(To) General Fund .....	(392,200)	---
From/(To) Property Tax Relief Fund .....	(342,507)	---
Gubernatorial Elections Fund		
From/(To) General Fund .....	3,290	7,180
Casino Control Fund		
Balances lapsed .....	1,718	---
From/(To) Casino Revenue Fund .....	(1,718)	---
Casino Revenue Fund		
Balances lapsed .....	393	---
From/(To) Casino Control Fund .....	1,718	---
<i>Total Other Adjustments</i> .....	<u>2,658,264</u>	<u>---</u>
<i>Total Available</i> .....	<u>33,945,883</u>	<u>30,342,863</u>
Appropriations		
General Fund .....	19,393,426	17,473,537
Property Tax Relief Fund .....	13,401,940	11,937,000
Gubernatorial Elections Fund .....	5,080	7,880
Casino Control Fund .....	75,439	70,571
Casino Revenue Fund .....	368,432	351,769
<i>Total Appropriations</i> .....	<u>33,244,317</u>	<u>29,840,757</u>
Ending Balances June 30		
Undesignated Fund Balances		
General Fund .....	699,059	500,099
Surplus Revenue Fund .....	---	---
Property Tax Relief Fund .....	---	---
Gubernatorial Elections Fund .....	---	---
Casino Control Fund .....	2,507	2,007
Casino Revenue Fund .....	---	---
<i>Total Undesignated Fund Balances</i> .....	<u>\$ 701,566</u>	<u>\$ 502,106</u>

**STATE REVENUES**  
**FISCAL YEARS 2009 AND 2010 ESTIMATES**  
(thousands of dollars)

	<b>2009</b>	<b>2009</b>	<b>2009</b>	<b>2010</b>	<b>2009 to 2010</b>
	<b>Approp Act</b>	<b>Revised</b>	<b>Change</b>	<b>Estimate</b>	<b>Change</b>
<b>Major Taxes</b>					
Sales Tax	\$ 8,578,000	\$ 7,925,000	\$ (653,000)	\$ 8,085,000	\$ 160,000
Sales Tax Dedication	(683,000)	(636,000)	47,000	(649,000)	(13,000)
Sales Energy	558,000	523,300	(34,700)	627,200	103,900
Corporate Business	2,670,000	2,350,000	(320,000)	2,030,000	(320,000)
Corporation Business-Energy	141,600	92,300	(49,300)	111,500	19,200
Motor Fuels	557,830	542,560	(15,270)	553,420	10,860
Motor Vehicle Fees	391,725	380,500	(11,225)	400,050	19,550
Transfer Inheritance	671,870	671,870	---	671,870	---
Insurance Premium	446,640	466,000	19,360	475,320	9,320
Cigarette	234,404	236,809	2,405	255,293	18,484
Petroleum Products Gross Receipts	229,800	224,380	(5,420)	228,860	4,480
Public Utility Excise (Reform)	10,751	12,234	1,483	12,234	---
Corporation Banks and Financial Institutions	86,350	54,580	(31,770)	54,580	---
Alcoholic Beverage Excise	93,320	93,790	470	117,310	23,520
Realty Transfer	352,740	260,000	(92,740)	234,000	(26,000)
Tobacco Products Wholesale Sales	16,860	13,920	(2,940)	14,200	280
<b>Total Major Taxes</b>	<b>14,356,890</b>	<b>13,211,243</b>	<b>(1,145,647)</b>	<b>13,221,837</b>	<b>10,594</b>
<b>Miscellaneous Taxes, Fees, Revenues</b>					
Assessment on Real Property Greater Than \$1 Million	122,460	91,110	(31,350)	82,000	(9,110)
Medicaid Uncompensated Care	454,819	493,014	38,195	490,270	(2,744)
Good Driver	79,000	72,300	(6,700)	72,300	---
Hotel/Motel Occupancy Tax	90,000	80,000	(10,000)	85,000	5,000
Investment Earnings	18,000	---	(18,000)	---	---
Public Utility GRFT	87,225	87,550	325	87,550	---
TEFA	245,653	234,489	(11,164)	239,679	5,190
Fringe Benefit Recoveries	474,165	434,700	(39,465)	447,450	12,750
Federal Stabilization-Federal Economic Stimulus	---	250,000	250,000	---	(250,000)
Other Miscellaneous	1,188,685	1,211,340	22,655	1,096,549	(114,791)
<b>Total Miscellaneous Taxes, Fees, Revenues</b>	<b>2,760,007</b>	<b>2,954,503</b>	<b>194,496</b>	<b>2,600,798</b>	<b>(353,705)</b>
<b>Interfund Transfers</b>					
State Lottery Fund	888,000	888,000	---	928,800	40,800
Tobacco Settlement Fund	62,068	68,440	6,372	63,845	(4,595)
Other Funds	427,908	530,895	102,987	466,477	(64,418)
<b>Total Interfund Transfers</b>	<b>1,377,976</b>	<b>1,487,335</b>	<b>109,359</b>	<b>1,459,122</b>	<b>(28,213)</b>
<b>Total State Revenues General Fund</b>	<b>18,494,873</b>	<b>17,653,081</b>	<b>(841,792)</b>	<b>17,281,757</b>	<b>(371,324)</b>
<b>Property Tax Relief Fund</b>					
Gross Income Tax	12,760,000	11,309,000	(1,451,000)	11,343,000	34,000
EITC Expansion	(60,000)	(60,000)	---	(55,000)	5,000
Sales Tax Dedication	683,000	636,000	(47,000)	649,000	13,000
<b>Total Property Tax Relief Fund</b>	<b>13,383,000</b>	<b>11,885,000</b>	<b>(1,498,000)</b>	<b>11,937,000</b>	<b>52,000</b>
Casino Control Fund	75,139	74,939	(200)	70,071	(4,868)
Casino Revenue Fund	414,759	366,321	(48,438)	351,769	(14,552)
Gubernatorial Elections	700	700	---	700	---
<b>TOTAL STATE REVENUES</b>	<b>\$ 32,368,471</b>	<b>\$ 29,980,041</b>	<b>\$ (2,388,430)</b>	<b>\$ 29,641,297</b>	<b>\$ (338,744)</b>

**SCHEDULE 1  
STATE REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
<b>Major Taxes:</b>			
Sales .....	8,915,515	8,448,300	8,712,200
Less: Sales Tax Dedication .....	(665,992)	(636,000)	(649,000)
Corporation Business .....	3,062,447	2,442,300	2,141,500
Transfer Inheritance .....	698,694	671,870	671,870
Motor Fuels .....	563,266	542,560	553,420
Insurance Premium .....	512,690	466,000	475,320
Motor Vehicle Fees .....	400,853	380,500	400,050
Cigarette .....	251,248	236,809	255,293
Realty Transfer .....	320,751	260,000	234,000
Petroleum Products Gross Receipts .....	230,667	224,380	228,860
Alcoholic Beverage Excise .....	93,101	93,790	117,310
Corporation Banks and Financial Institutions .....	70,851	54,580	54,580
Tobacco Products Wholesale Sales .....	14,360	13,920	14,200
Public Utility Excise (Reform) .....	12,234	12,234	12,234
<i>Total Major Taxes</i> .....	<u>14,480,685</u>	<u>13,211,243</u>	<u>13,221,837</u>
<b>Miscellaneous Taxes, Fees, and Revenues:</b>			
Executive Branch--			
Department of Agriculture:			
Animal Disease Control .....	225	---	---
Environmental Services .....	198	---	---
Fertilizer Inspection Fees .....	564	366	366
Garden State Farmland Preservation Fund .....	670	---	---
Milk Control Licenses and Fees .....	684	---	---
Miscellaneous Revenue .....	385	7	7
<i>Total Department of Agriculture</i> .....	<u>2,726</u>	<u>373</u>	<u>373</u>
Department of Banking and Insurance:			
Actuarial Services .....	120	55	55
Banking - Assessments .....	10,369	10,000	9,140
Banking - Examination Fees .....	2	---	---
Banking - Licenses and Other Fees .....	3,181	2,850	2,850
FAIR Act Administration .....	23,348	21,000	21,000
Fraud Fines .....	1,495	1,500	1,500
HMO Covered Lives .....	1,571	1,595	1,595
Insurance - Examination Billings .....	2,076	2,500	2,500
Insurance - Special Purpose Assessment .....	12,091	13,000	10,513
Insurance Fraud Prevention .....	30,958	32,894	32,454
Insurance Licenses and Other Fees .....	40,210	44,480	30,480
Public Adjusters Licensing .....	72	---	---
Real Estate Commission .....	7,849	10,000	7,500
<i>Total Department of Banking and Insurance</i> .....	<u>133,342</u>	<u>139,874</u>	<u>119,587</u>
Department of Children and Families:			
Child Care Licensing/Adoption Law .....	307	340	340
Marriage License Fees .....	1,257	1,260	1,260
<i>Total Department of Children and Families</i> .....	<u>1,564</u>	<u>1,600</u>	<u>1,600</u>
Department of Community Affairs:			
Affordable Housing and Neighborhood Preservation - Fair Housing .....	21,775	20,975	20,975
Boarding Home Fees .....	765	---	---
Construction Fees .....	25,138	16,049	13,754
Divorce Filing Fees .....	1,564	1,500	1,500
Fire Safety .....	26,921	16,217	16,217
Housing Inspection Fees .....	11,333	9,031	9,031
Miscellaneous Revenue .....	92	---	---
NJ Meadowlands Commission .....	110	---	---
Planned Real Estate Development Fees .....	1,919	828	828
Truth In Renting .....	149	---	---
<i>Total Department of Community Affairs</i> .....	<u>89,766</u>	<u>64,600</u>	<u>62,305</u>
Department of Corrections:			
Miscellaneous Revenue .....	<u>75</u>	<u>---</u>	<u>---</u>

**SCHEDULE 1**  
**STATE REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
Department of Education:			
Audit Recoveries .....	1,239	800	500
Audit of Enrollments .....	42	205	135
Federal Stabilization - Federal Economic Stimulus .....	---	250,000	---
Local School District Loan Recoveries - NJEDA .....	7,010	6,867	5,495
Nonpublic Schools Handicapped and Auxiliary Recoveries .....	13,913	6,000	6,000
Nonpublic Schools Textbook Recoveries .....	1,368	1,200	1,200
School Construction Inspection Fees .....	499	500	500
State Board of Examiners .....	5,770	4,925	5,125
<i>Total Department of Education</i>	<i>29,841</i>	<i>270,497</i>	<i>18,955</i>
Department of Environmental Protection:			
Air Pollution Fees - Minor Sources .....	7,643	6,270	6,300
Air Pollution Fees - Title V Operating Permits .....	12,576	10,300	10,200
Air Pollution Fines .....	7,373	2,500	2,250
Clean Water Enforcement Act .....	3,328	2,500	2,500
Coastal Area Facility Review Act .....	1,890	2,100	2,100
Endangered Species Tax Checkoff .....	239	158	158
Environmental Infrastructure Financing Program Administrative Fee .....	6,889	5,000	5,000
Excess Diversion .....	320	230	230
Freshwater Wetlands Fees .....	4,001	3,082	3,507
Freshwater Wetlands Fines .....	603	300	400
Garden State Green Acres Preservation Trust Fund .....	321	---	---
Hazardous Discharge Site Cleanup .....	9,128	---	---
Hazardous Waste Fees .....	2,904	3,539	3,624
Hazardous Waste Fines .....	668	550	550
Highlands Permitting .....	542	543	551
Hunters' and Anglers' Licenses .....	13,212	11,000	11,000
Industrial Site Recovery Act .....	704	815	630
Laboratory Certification Fees .....	801	800	2,400
Laboratory Certification Fines .....	82	80	80
Lake Restoration Fund .....	228	---	---
Marina Rentals .....	1,206	885	885
Marine Lands - Preparation and Filing Fees .....	2,776	159	159
Medical Waste .....	4,635	4,400	4,400
Miscellaneous Revenue .....	74	---	---
NJ Economic Development Authority .....	1,000	---	---
New Jersey Pollutant Discharge Elimination System/Stormwater Permits .....	22,034	16,700	16,700
New Jersey Spill Compensation Fund .....	5,729	---	---
Parks Management Fees and Permits .....	6,172	4,300	4,300
Parks Management Fines .....	123	125	125
Pesticide Control Fees .....	4,492	4,400	4,400
Pesticide Control Fines .....	85	90	90
Pollution Prevention Fund .....	195	---	---
Radiation Protection Fees .....	3,885	5,825	3,268
Radiation Protection Fines .....	164	110	110
Radon Testers Certification .....	223	200	200
Safe Drinking Water Fund .....	4	---	---
Shellfish and Marine Fisheries .....	8	8	9
Solid Waste - Utility Regulation Assessments .....	5,105	3,100	3,100
Solid Waste Fines .....	944	550	500
Solid Waste Management Fees .....	7,294	10,054	7,081
Solid and Hazardous Waste Disclosure .....	266	---	---
Spring Meadow Golf Course .....	250	250	250
Stream Encroachment .....	3,758	2,710	3,210
Toxic Catastrophe Prevention Fees .....	1,456	1,500	1,587
Toxic Catastrophe Prevention Fines .....	101	80	80
Treatment Works Approval .....	1,625	1,890	1,890
Underground Storage Tanks Fees .....	1,457	1,200	1,100
Water Allocation .....	5,143	2,050	2,050
Water Supply Fund .....	19	---	---
Water Supply Management Regulations .....	1,720	1,700	1,700
Water/Wastewater Operators Licenses .....	202	210	210
Waterfront Development Fees .....	3,315	2,638	2,638
Waterfront Development Fines .....	18	10	20
Well Permits/Well Drillers/Pump Installers Licenses .....	2,410	1,100	1,100
Wetlands .....	105	44	44
Worker Community Right to Know - Fees .....	394	---	---
Worker Community Right to Know - Fines .....	60	100	100
<i>Total Department of Environmental Protection</i>	<i>161,899</i>	<i>116,155</i>	<i>112,786</i>

**SCHEDULE 1**  
**STATE REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2008 Actual	2009 Estimated	2010 Estimated
Department of Health and Senior Services:			
Admission Charge Hospital Assessment .....	6,000	6,000	6,000
Clinical Laboratory .....	654	---	---
Consumer Health Penalties .....	5,245	---	---
Health Care Reform .....	1,200	1,200	1,200
Licenses, Fines, Permits, Penalties and Fees .....	7,857	790	790
Miscellaneous Revenue .....	322	400	400
Pharmaceutical Assistance to the Aged and Disabled - Recoveries .....	1,236	---	---
<i>Total Department of Health and Senior Services</i>	<i>22,514</i>	<i>8,390</i>	<i>8,390</i>
Department of Human Services:			
Commission for the Blind .....	698	---	---
Early Periodic Screening, Diagnosis and Treatment .....	2,148	---	---
Family Care II .....	239	---	---
General Assistance Prescription Drug Rebates .....	12,474	---	---
Interim Assistance .....	641	---	---
Medicaid Uncompensated Care - Acute .....	289,881	277,254	274,510
Medicaid Uncompensated Care - Mental Health .....	39,798	37,075	37,075
Medicaid Uncompensated Care - Psychiatric .....	175,701	178,685	178,685
Medical Assistance - Federal Match on PAAD/Medicaid Dual Eligibles .....	457	---	---
Medical Assistance - Recoveries .....	1,139	---	---
Miscellaneous Revenue .....	856	1,500	1,500
Patients' and Residents' Cost Recovery - Developmental Disabilities .....	17,442	19,020	19,020
Patients' and Residents' Cost Recovery - Psychiatric Hospitals .....	70,799	73,534	82,568
Payments for Medical Assistance Recipients - Prescription Drugs .....	186,148	---	---
Purchased Institutional Care .....	4,202	---	---
School Based Medicaid .....	24,023	---	---
<i>Total Department of Human Services</i>	<i>826,646</i>	<i>587,068</i>	<i>593,358</i>
Department of Labor and Workforce Development:			
Examination Fees .....	2,253	---	---
Miscellaneous Revenue .....	133	155	155
New Jersey Workforce Development Partnership Fund - WDP Program .....	2,528	---	---
New Jersey Workforce Development Partnership Fund - WorkFirst NJ .....	25,115	---	---
Special Compensation Fund .....	2,457	1,798	1,798
State Disability Benefits Fund .....	9,735	---	---
Urban Enterprise Zone Administration Cost .....	26	---	---
Workers' Compensation Assessment .....	21,041	13,198	12,829
Workplace Standards - Licenses, Permits and Fines .....	14,780	4,720	4,351
<i>Total Department of Labor and Workforce Development</i>	<i>78,068</i>	<i>19,871</i>	<i>19,133</i>
Department of Law and Public Safety:			
Beverage Licenses .....	10,143	3,960	3,960
Charities Registration Section .....	1,758	695	695
Consumer Affairs .....	6,471	---	---
Controlled Dangerous Substances .....	830	100	100
EDA School Construction Recoveries .....	---	166	166
Forfeiture Funds .....	250	250	250
General Client Services .....	29,805	---	---
Legal Services .....	34,852	---	---
Legalized Games of Chance Control .....	2,132	1,200	1,200
Miscellaneous Revenue .....	565	55	55
New Jersey Cemetery Board .....	198	22	124
Pleasure Boat Licenses .....	2,695	2,695	2,695
Private Employment Agencies .....	740	258	258
Retired Officer Handgun Permit .....	253	---	---
Securities Enforcement .....	13,169	8,994	8,994
State Board of Architects .....	1,065	360	553
State Board of Audiology and Speech-Language Pathology Advisory .....	815	14	501
State Board of Certified Public Accountants .....	574	850	39
State Board of Chiropractors .....	1,124	72	618
State Board of Cosmetology and Hairstyling .....	1,785	2,398	520
State Board of Court Reporting .....	220	5	130
State Board of Dentistry .....	4,558	180	1,486
State Board of Electrical Contractors .....	581	684	280
State Board of HVAC Contractors .....	---	---	20
State Board of Marriage Counselor Examiners .....	504	362	228
State Board of Master Plumbers .....	234	283	52

**SCHEDULE 1**  
**STATE REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
State Board of Medical Examiners .....	6,139	4,403	1,995
State Board of Mortuary Science .....	517	191	233
State Board of Nursing .....	10,933	4,114	6,431
State Board of Occupational Therapists and Assistants .....	745	13	449
State Board of Ophthalmic Dispensers and Ophthalmic Technicians .....	665	11	423
State Board of Optometrists .....	124	239	17
State Board of Orthotics and Prosthetics .....	3	33	1
State Board of Pharmacy .....	1,257	1,195	358
State Board of Physical Therapy .....	1,164	20	618
State Board of Polysomnography .....	---	50	35
State Board of Professional Engineers and Land Surveyors .....	1,747	225	992
State Board of Professional Planners .....	233	117	130
State Board of Psychological Examiners .....	189	256	59
State Board of Public Movers and Warehousemen .....	237	---	---
State Board of Real Estate Appraisers .....	2,021	78	456
State Board of Respiratory Care .....	368	22	208
State Board of Social Workers .....	378	633	52
State Board of Veterinary Medical Examiners .....	255	211	33
State Police - Fingerprint Fees .....	15,650	3,694	3,694
State Police - Nuclear Facilities Security Detail .....	2,568	1,432	---
State Police - Other Licenses .....	295	295	295
State Police - Private Detective Licenses .....	265	220	220
Victim and Witness Advocacy Fund .....	1,356	---	---
Victims of Violent Crime Compensation .....	9,283	430	430
Weights and Measures - General .....	4,134	2,612	2,612
<i>Total Department of Law and Public Safety</i>	<i>175,847</i>	<i>44,097</i>	<i>42,665</i>
Department of Military and Veterans' Affairs:			
Miscellaneous Revenue .....	2,964	---	---
Nuclear Facilities Security Detail .....	4,985	2,340	---
Soldiers' Homes .....	38,979	44,093	45,622
<i>Total Department of Military and Veterans' Affairs</i>	<i>46,928</i>	<i>46,433</i>	<i>45,622</i>
Department of the Public Advocate:			
Licenses, Fines, Permits, Penalties and Fees .....	16	---	---
Office of Dispute Settlement Mediation .....	57	50	50
Rate Counsel .....	7,447	6,561	6,561
<i>Total Department of the Public Advocate</i>	<i>7,520</i>	<i>6,611</i>	<i>6,611</i>
Department of State:			
Governor's Teaching Scholars Program Loan Repayment .....	55	76	44
Miscellaneous Revenue .....	9	9	9
New Jersey World Trade Center Scholarship Program .....	11	---	---
<i>Total Department of State</i>	<i>75</i>	<i>85</i>	<i>53</i>
Department of Transportation:			
Air Safety Fund .....	723	965	965
Applications and Highway Permits .....	2,553	1,300	1,300
Autonomous Transportation Authorities .....	24,504	24,500	24,500
Drunk Driving Fines .....	469	350	350
Good Driver .....	75,570	72,300	72,300
Interest on Purchase of Right of Way .....	37	5	5
Logo Sign Program Fees .....	420	300	300
Miscellaneous Revenue .....	49	---	---
Outdoor Advertising .....	2,229	740	740
Placarded Railcar .....	188	---	---
Rental Receipts - Tenant Relocation Program .....	381	---	---
<i>Total Department of Transportation</i>	<i>107,123</i>	<i>100,460</i>	<i>100,460</i>
Department of the Treasury:			
Amnesty .....	---	100,000	---
Assessment on Real Property Greater Than \$1 Million .....	118,689	91,110	82,000
Assessments - Cable TV .....	4,886	4,770	4,770
Assessments - Public Utility .....	31,953	30,760	29,158
Casino Fines .....	662	---	---
Coin Operated Telephones .....	4,428	4,800	4,800
Commercial Recording - Expedited .....	3,284	2,153	2,153

**SCHEDULE 1**  
**STATE REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2008	2009	2010
	Actual	Estimated	Estimated
Commissions (Notary) .....	1,629	1,600	1,600
Communication Fee - Lottery .....	33	---	---
Cost Assessment .....	5,927	---	---
Criminal Disposition .....	658	---	---
Domestic Security .....	33,951	31,000	31,000
Dormitory Safety Trust Fund - Debt Service Recovery .....	---	5,694	5,680
Equipment Leasing Fund - Debt Service Recovery .....	3,532	2,289	1,002
Escrow Interest - Construction Accounts .....	61	35	35
Fur Clothing Tax .....	1,640	200	---
General Revenue - Fees (Commercial Recording and UCC) .....	52,314	48,600	48,600
Higher Education Capital Improvement Fund - Debt Service Recovery .....	---	15,298	15,298
Hotel/Motel Occupancy Tax .....	86,285	80,000	85,000
Human Resource Development Institute .....	2,554	---	---
Investment Earnings .....	117,738	---	---
MVC Securitization .....	131	---	---
Miscellaneous Revenue .....	13,132	2,300	2,300
NJ Public Records Preservation .....	34,992	15,500	17,100
Nuclear Emergency Response Assessment .....	5,335	5,424	4,346
Office of Information Technology Receipts .....	60,944	---	---
Public Defender Client Receipts .....	5,236	3,400	3,400
Public Utility Fines .....	1,308	1,000	1,000
Public Utility Gross Receipts and Franchise Taxes (Water/Sewer) .....	87,557	87,550	87,550
Railroad Tax - Class II .....	2,998	3,700	3,700
Railroad Tax - Franchise .....	1,476	1,300	1,300
Sale of Real Property .....	215	---	---
State Disability Benefits Fund .....	65	---	---
State Lottery Fund .....	2,740	---	---
Stormwater Management-Combined Sewer Overflow .....	950	---	---
Surplus Property .....	1,930	1,500	1,500
Tax Audit Services - Uncollected Revenue Recovery .....	320	---	---
Tax Referral Cost Recovery Fee .....	6,091	5,400	5,400
Telephone Assessment .....	130,245	132,000	137,000
Tire Clean-Up Surcharge .....	9,637	10,000	10,000
Transitional Energy Facilities Assessment .....	257,222	234,489	239,679
<i>Total Department of the Treasury</i> .....	<i>1,092,748</i>	<i>921,872</i>	<i>825,371</i>
Other Sources:			
Miscellaneous Revenue .....	13,273	500	500
Interdepartmental Accounts:			
Administration and Investment of Pension and Health Benefit Funds - Recoveries ....	3,114	3,114	3,114
Employee Maintenance Deductions .....	419	300	300
Fringe Benefit Recoveries from Colleges and Universities .....	144,819	158,000	155,780
Fringe Benefit Recoveries from Federal and Other Funds .....	233,178	250,000	259,470
Fringe Benefit Recoveries from School Districts .....	51,384	26,700	32,200
Indirect Cost Recoveries - DEP Other Funds .....	8,520	8,100	8,100
MTF Revenue Fund .....	30,806	40,500	35,500
Miscellaneous Revenue .....	67	---	---
Rent of State Building Space .....	2,923	2,900	2,900
Social Security Recoveries from Federal and Other Funds .....	64,724	66,000	76,000
Standard Offer Payments - Utilities .....	525	---	---
<i>Total Interdepartmental Accounts</i> .....	<i>540,479</i>	<i>555,614</i>	<i>573,364</i>
Judicial Branch--			
The Judiciary:			
Civil Arbitration Program .....	2,602	---	---
Court Fees .....	68,764	70,403	69,665
Miscellaneous Revenue .....	615	---	---
<i>Total Judiciary</i> .....	<i>71,981</i>	<i>70,403</i>	<i>69,665</i>
<i>Total Miscellaneous Taxes, Fees, and Revenues</i> .....	<i>3,402,415</i>	<i>2,954,503</i>	<i>2,600,798</i>
Interfund Transfers:			
Beaches and Harbor Fund .....	46	46	46
Body Armor Replacement Fund .....	---	5,000	---
Catastrophic Illness In Children-Relief Fund .....	---	5,000	---
Clean Energy Fund .....	10,000	10,000	10,000



**SCHEDULE 1**  
**STATE REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2008	2009	2010
	Actual	Estimated	Estimated
<b>Interfund Transfers (cont)</b>			
Clean Waters Fund .....	18	36	36
Correctional Facilities Construction Fund .....	25	15	15
Correctional Facilities Construction Fund of 1987 .....	31	13	13
Cultural Centers and Historic Preservation Fund .....	49	50	50
Dam, Lake, Stream and Flood Control Project Fund - 2003 .....	271	300	300
Developmental Disabilities Waiting List Reduction Fund .....	324	235	185
Dredging and Containment Facility Fund .....	375	405	405
Emergency Flood Control Fund .....	15	13	12
Emergency Medical Technicians Training .....	---	4,000	---
Emergency Service Fund .....	---	6,000	---
Energy Conservation Fund .....	12	15	15
Enterprise Zone Assistance Fund .....	12,067	53,234	21,016
Fund for the Support of Free Public Schools .....	4,940	2,540	2,540
Garden State Farmland Preservation Trust Fund .....	1,692	1,867	1,867
Garden State Green Acres Preservation Trust Fund .....	4,787	5,416	5,416
Garden State Historic Preservation Trust Fund .....	453	616	616
Hazardous Discharge Fund .....	8	4	4
Hazardous Discharge Site Cleanup Fund .....	14,773	17,465	17,465
Housing Assistance Fund .....	181	160	84
Human Services Facilities Construction Fund .....	2	---	---
Jobs, Education and Competitiveness Fund .....	85	43	23
Judiciary Bail Fund .....	1,551	768	768
Judiciary Child Support and Paternity Fund .....	328	265	265
Judiciary Probation Fund .....	399	216	216
Judiciary Special Civil Fund .....	130	65	65
Judiciary Superior Court Miscellaneous Fund .....	209	170	170
Legal Services Fund .....	11,204	11,000	11,000
Medical Malpractice Reinsurance Recovery Fund .....	---	---	1,800
Mortgage Assistance Fund .....	840	725	496
Motor Vehicle Security Responsibility Fund .....	10	13	3
NJ Bridge Rehab. and Improvement and R.R. Right-of-Way Preservation Fund .....	266	185	185
Natural Resources Fund .....	144	78	78
New Home Warranty Security Fund .....	---	10,000	10,000
New Jersey Green Acres Fund - 1983 .....	849	850	850
New Jersey Spill Compensation Fund .....	14,879	15,783	15,783
New Jersey Workforce Development Partnership Fund .....	13,540	32,654	17,654
Pollution Prevention Fund .....	1,496	1,549	1,549
Public Purpose Buildings Construction Fund .....	7	8	8
Public Purpose Buildings and Community-Based Facilities Construction Fund .....	132	60	60
Safe Drinking Water Fund .....	2,215	2,433	2,433
School Fund Investment Account .....	3,808	4,160	4,160
Shore Protection Fund .....	428	295	295
Solid Waste Service Tax Fund .....	8	8	8
State Disability Benefit Fund .....	102,867	79,768	79,524
State Land Acquisition and Development Fund .....	19	---	---
State Lottery Fund .....	882,058	888,000	928,800
State Lottery Fund - Administration .....	20,210	22,118	22,118
State Recreation and Conservation Land Acquisition and Development Fund .....	19	20	20
State Recycling Fund .....	---	7,000	1,000
State of New Jersey Cash Management Fund .....	2,798	2,798	2,798
Statewide Transportation and Local Bridge Fund .....	1,032	1,000	1,000
Supplemental Workforce Fund for Basic Skills .....	1,998	2,000	2,000
Tobacco Settlement Fund .....	117,548	68,440	63,845
Unclaimed County Deposits Trust Fund .....	---	3,000	---
Unclaimed Personal Property Trust Fund .....	244,900	106,500	101,000
Unclaimed Utility Deposits Trust Fund .....	144	150	150
Unemployment Compensation Auxiliary Fund .....	26,559	29,357	28,057
Universal Services Fund .....	73,137	72,616	72,646
Wage and Hour Trust Fund .....	107	75	75
Water Conservation Fund .....	31	31	31
Water Supply Fund .....	4,022	4,321	4,321
Worker and Community Right to Know Fund .....	3,281	6,383	3,783
Workers' Compensation Security Fund .....	---	---	20,000
<i>Total Interfund Transfers</i> .....	<i>1,583,327</i>	<i>1,487,335</i>	<i>1,459,122</i>
<b>Total State Revenues General Fund</b> .....	<b>19,466,427</b>	<b>17,653,081</b>	<b>17,281,757</b>



**SCHEDULE 1  
STATE REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
<b>PROPERTY TAX RELIEF FUND</b>			
Gross Income Tax .....	12,605,545	11,249,000	11,288,000
Sales Tax Dedication .....	665,992	636,000	649,000
<i>Total Property Tax Relief Fund .....</i>	<u>13,271,537</u>	<u>11,885,000</u>	<u>11,937,000</u>
<b>CASINO CONTROL FUND</b>			
Investment Earnings .....	462	300	300
License Fees .....	72,511	74,639	69,771
<i>Total Casino Control Fund .....</i>	<u>72,973</u>	<u>74,939</u>	<u>70,071</u>
<b>CASINO REVENUE FUND</b>			
Casino Simulcasting Fund .....	546	500	500
Gross Revenue Tax .....	383,183	343,519	335,154
Investment Earnings .....	1,345	---	200
Other Casino Taxes and Fees .....	27,911	22,302	15,915
PAAD Recoveries .....	12,301	---	---
<i>Total Casino Revenue Fund .....</i>	<u>425,286</u>	<u>366,321</u>	<u>351,769</u>
<b>GUBERNATORIAL ELECTIONS FUND</b>			
Taxpayers' Designations .....	520	700	700
<b><i>TOTAL STATE REVENUES .....</i></b>	<b><u>33,236,743</u></b>	<b><u>29,980,041</u></b>	<b><u>29,641,297</u></b>

**SCHEDULE 2**  
**OTHER REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
<b>Dedicated:</b>			
Executive Branch--			
Chief Executive:			
State Authority Review and Oversight .....	409	900	750
Department of Agriculture:			
Animal Disease Control .....	---	227	227
Commodity Distribution .....	1,645	1,501	1,501
Dairy Fee Administration .....	665	660	660
Development Potential Transfer Bank Administration .....	53	125	125
Environmental Services .....	---	140	140
Food Distribution Assessment .....	21	15	15
Fruit and Vegetable Grading Service .....	508	500	500
Future Farmers of America - Student Loans from Department of Education .....	80	75	74
Garden State Preservation Trust .....	---	1,029	1,029
Horse Breeding and Development Fund .....	327	320	300
Marketing and Development Services .....	---	724	724
Northeast Center for Risk Management Education - University of Delaware .....	14	---	---
Nursery Inspection Program .....	---	265	265
Organic Certification .....	235	225	225
Plant Pest and Disease Control .....	---	13	13
Poultry Service .....	704	608	408
Sire Stakes .....	4,423	4,000	4,000
Standardbred Breeder Awards .....	173	170	170
Stormwater Discharge Administration .....	193	187	244
Wine Promotion Program .....	136	90	90
Miscellaneous .....	290	247	250
<i>Total Department of Agriculture</i>	<i>9,467</i>	<i>11,121</i>	<i>10,960</i>
Department of Banking and Insurance:			
Bryce Curry Memorial Scholarship Fund .....	22	---	---
Health Insurance Security and Privacy Collaboration (HISPC) .....	153	---	---
Individual Health Care Program Assessments .....	4,073	---	---
Public Adjusters Licensing .....	---	52	52
Small Employer Health Benefits .....	530	380	444
Supervision and Examination of Financial Institutions .....	---	400	---
Miscellaneous .....	89	---	---
<i>Total Department of Banking and Insurance</i>	<i>4,867</i>	<i>832</i>	<i>496</i>
Department of Children and Families:			
Adopt U.S. Kids .....	23	---	---
Children's Trust Fund .....	---	280	280
Criminal History Record Checks .....	395	120	120
Domestic Violence Fund .....	631	---	---
Education Consolidation Improvement Act - General and Administration .....	11	---	---
Education Services .....	56,384	53,878	49,704
Legally Responsible Relatives - Probation Supplement .....	4,540	2,054	2,054
Old Age Survivors Insurance .....	2,696	1,492	1,492
Treatment Homes - Title IV-E .....	240	---	---
<i>Total Department of Children and Families</i>	<i>64,920</i>	<i>57,824</i>	<i>53,650</i>
Department of Community Affairs:			
Boarding Home Regulation and Assistance .....	---	975	975
Comfort Partners Program .....	2,564	4,800	4,800
Fire Certification Program .....	88	342	194
Grants to Displaced Homemaker Centers .....	722	688	688
Historic Preservation License .....	26	25	25
Housing Code Enforcement .....	---	770	2,400
Housing Opportunities for Persons with AIDS .....	627	1,318	1,452
Housing Services .....	56,189	31,225	26,000
Lead Hazard Control Assistance Fund .....	812	1,012	1,018
Neighborhood Revitalization Tax Credit .....	7,181	7,500	7,500
New Home Warranty Program .....	4,821	5,408	5,310
New Jersey Meadowlands Commission - Operations .....	---	125	125
Paterson Housing Opportunities for Persons with AIDS Program .....	899	987	1,079
Prevention of Homelessness .....	165	243	243
Reduced Cigarette Ignition Propensity & Firefighter Protection Fund .....	169	60	60
Subcontract with the City of Camden - Section 8 .....	563	637	701
Truth in Renting .....	---	100	100

**SCHEDULE 2**  
**OTHER REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
Uniform Construction Code .....	---	6,700	11,100
Uniform Fire Code .....	---	9,500	9,785
Universal Service Fund .....	3,892	4,600	5,060
Urban Enterprise Zone Authority Administration .....	---	2,685	2,685
Miscellaneous .....	1,562	1,400	1,400
<i>Total Department of Community Affairs</i>	<i>80,280</i>	<i>81,100</i>	<i>82,700</i>
Department of Corrections:			
Administration and Support Services .....	28,880	24,586	23,870
Auto Theft Penalty Collections .....	7	---	---
Nicholson - Female Integration and Reentry Management (FIRM) .....	24	---	76
Nicholson Foundation - Distance Learning Pilot Program .....	5	---	---
Nicholson Foundation - Reentry Grant .....	86	122	135
Nicholson Foundation - Reentry Initiative Expansion .....	26	71	71
Nicholson Foundation Grant - Reentry and Access to Programs .....	5	235	235
Nicholson Foundation Reentry Initiative and Research Study .....	119	---	---
Workplace Literacy - Learning Lab Program .....	543	---	---
Miscellaneous .....	291	---	---
<i>Total Department of Corrections</i>	<i>29,986</i>	<i>25,014</i>	<i>24,387</i>
Department of Education:			
Compliance and Auditing .....	901	850	850
Comprehensive Eye Exam Fund .....	10	---	---
Katzenbach One on One Aides .....	555	604	576
Katzenbach PLUS Program .....	766	1,097	784
Katzenbach Partnership Programs .....	128	---	---
Katzenbach Summer Program .....	249	320	400
Marie H. Katzenbach School for the Deaf - Tuition from Local Boards .....	9,357	10,679	10,652
NJSIAA Steriod Testing .....	---	50	50
Professional Development and Licensure .....	---	1,491	1,389
Rental of Vacant Building Space .....	428	262	334
School District Deficit Relief .....	1,000	5,686	1,075
State Action for Education Leadership Project .....	75	---	---
Miscellaneous .....	118	41	41
<i>Total Department of Education</i>	<i>13,587</i>	<i>21,080</i>	<i>16,151</i>
Department of Environmental Protection:			
Administrative Costs - Natural Resources Damages .....	1,076	1,819	1,337
Administrative Costs Water Supply Bond Act of 1981 - Management .....	---	84	102
Administrative Costs Water Supply Bond Act of 1981 - Planning and Standards .....	---	9	10
Administrative Costs Water Supply Bond Act of 1981 - Watershed and Aquifer .....	---	56	54
Air Pollution Monitoring and Control Programs .....	---	---	410
B.L. England Environmental Project Donation .....	1,500	---	---
Battleship New Jersey Memorial Fund .....	180	170	168
Battleship New Jersey Tax Check-Off .....	67	65	64
Delaware Bay Oyster Revitalization Project .....	112	112	110
Delaware Estuary Ecological Systems Mapping .....	9	---	---
Drinking Water State Revolving Fund - Capacity Development .....	491	450	450
Drinking Water State Revolving Fund - Operator Certification .....	356	400	400
Drinking Water State Revolving Fund - Program Administration .....	708	800	800
Drinking Water State Revolving Fund - Small System Technical Assistance .....	361	400	400
Drinking Water State Revolving Fund - Source Water Program Administration .....	331	150	150
Endangered and Nongame Species Wildlife Fund .....	178	125	150
Environmental Infrastructure Trust Loan Fund .....	---	1,592	1,729
Environmental Inspection of Child Care Facilities .....	629	770	860
Exotic and Nongame Species Inspection Fund .....	166	163	160
Expenses of the Delaware and Raritan Canal Commission .....	---	---	480
Farley Marina Escrow .....	2,200	1,200	1,200
Forest Resource Management Special Revenue .....	288	250	250
Global Warming Solutions Fund - Administration .....	---	1,839	2,786
Green Acres / Open Space Administration .....	---	419	431
HR-6 Flood Control .....	670	600	600
Hazardous Discharge Site Cleanup Fund - Responsible Party .....	---	10,970	10,437
Hazardous Discharge Site Remediation Fund - Grants to Child Care Centers .....	394	370	370
Historic Preservation Fund .....	100	50	50
Hunters' and Anglers' License Fund .....	---	2,000	2,000
Landscape Irrigation Contractor Certification .....	60	148	62
Liberty State Park - Central Parking .....	212	250	250
Liberty State Park License Plates .....	57	50	50
Low Emission Vehicle Program .....	151	120	120

**SCHEDULE 2**  
**OTHER REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
Mammography Quality Standards Act .....	191	321	306
Marina Rentals .....	---	415	440
New Jersey Shade Tree and Community Forestry Program .....	77	80	80
New Jersey Waterfowl Stamp Act .....	100	100	100
Northern Pine Snake Mgmt - Stafford Business Park .....	---	---	5
Nuclear Emergency Response .....	---	---	685
Nuclear Regulatory Commission - Agreement State Program .....	---	---	2,500
Ocean/Wind Power Ecological Baseline Study .....	2,000	---	---
Office of Dredging and Sediment Technology .....	---	241	280
Ohio Edison Settlement for Environmentally Beneficial Projects .....	520	520	670
Oil Spill Prevention .....	---	1,147	1,302
Oyster Cultch Fund .....	152	120	130
PSE&G/D&R Canal Pole Line .....	275	---	---
Palisades Interstate Park Commission (PIPC) - Court Fund Revenue .....	---	1,506	1,502
Palisades Interstate Park Commission (PIPC) - Gas Station Revenue .....	---	2,613	2,603
Palisades Interstate Park Commission (PIPC) - Operating Fund Revenue .....	---	745	750
Parks Management .....	---	1,400	2,740
Parks Management Revolving Fund .....	1,093	1,275	1,275
Pesticide Control .....	---	600	600
Pinelands Preservation .....	63	56	60
Pollution Prevention .....	---	630	645
Private Dredging Disposal .....	---	50	50
Private Underground Tank Administrative Costs - Constitutional Dedication .....	---	1,000	1,000
Recycling of Solid Waste .....	---	358	892
Remediation Management and Response .....	---	6,161	6,722
Safe Drinking Water Fund .....	---	1,279	1,272
Sedge Island .....	48	30	35
Shellfish Enforcement .....	119	120	120
Shellfish Enhancement and Management .....	110	110	110
Shellfish Management .....	27	40	40
Shore Protection Fund Projects .....	3,620	3,300	4,000
Shore Protection License Plates .....	893	900	1,000
Skylands Manor .....	262	270	270
Solid Waste Utility Regulation .....	---	1,300	1,300
Spring Meadow Golf Course .....	971	960	1,050
State Public Water System Supervision Program .....	1,036	1,000	1,000
State Revolving Fund - Administrative Costs .....	1,343	1,112	1,200
Statewide Development .....	52	60	60
Tidelands Peak Demands .....	---	3,626	3,622
UMDNJ Radiation Preparedness .....	60	60	41
Urban Forest Energy Efficiency Initiative .....	669	4,000	4,000
Water Allocation .....	---	2,975	3,181
Water Pollution Control .....	---	4,900	4,900
Water/Wastewater Operators Licenses .....	---	35	257
Waterfront Development Shellfish Mitigation .....	190	---	---
Well Permits, Well Driller, Pump Installer Licenses .....	---	1,000	1,000
Wetlands .....	---	10	10
Worker and Community Right to Know Act .....	---	548	551
Miscellaneous .....	440	333	418
<i>Total Department of Environmental Protection</i> .....	<u>24,607</u>	<u>72,737</u>	<u>81,214</u>
Department of Health and Senior Services:			
AIDS Drug Distribution Program Copays .....	---	---	1,356
AIDS Drug Distribution Program Rebates .....	25,000	25,000	25,000
Administrative Overhead - Non State Program .....	1,497	1,400	1,500
Animal Population Control Program .....	262	270	270
Brain Injury Research Fund .....	4,643	3,600	3,600
Breast Cancer Screening .....	73	---	---
Certificate of Need Program .....	1,145	667	667
Child Care / School Certification Program .....	---	1,500	1,500
Clinical Laboratory Improvement Services .....	169	150	150
Consumer Health Penalties .....	---	5,175	5,175
Early Intervention Program (EIP) Copays .....	---	7,000	7,000
Electronic Death Registration Support Fund .....	360	600	600
Emergency Medical Services .....	48	79	79
Emergency Medical Services for Children .....	150	154	154
Emergency Medical Technician Training Fund .....	108	1,800	200
First Response Emergency Medical Technician Cardiac Training Program .....	65	125	125
Gerber Infant Cereal and Infant Juice Rebates .....	890	---	---
Governor's Council for Medical Research and Treatment of Autism .....	14,792	4,000	4,000

**SCHEDULE 2**  
**OTHER REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2008	2009	2010
	Actual	Estimated	Estimated
Health Care Cost Reduction Fund .....	32,342	40,000	40,000
Health Care Planning .....	8,442	7,200	7,200
Laboratory Services .....	---	650	650
Licenses, Fines, Permits, Penalties and Fees .....	---	6,485	6,485
Live Long Live Well .....	---	150	150
Managed Care Oversight .....	100	---	---
New Jersey Emergency Medical Services Helicopter Response Program .....	---	2,884	3,100
New Jersey Health Information Technology Commission .....	---	1,000	1,000
New Jersey Turnpike Authority / Garden State Parkway Food Inspections .....	247	273	273
Newborn Screening, Follow-up, and Treatment .....	3,492	3,306	3,306
Nursing Home Provider Assessment Fee .....	135,065	136,000	136,000
Office of the Public Guardian .....	584	1,106	1,344
Osteosarcoma Surveillance Study .....	7	25	25
Ovarian Cancer Study .....	29	---	---
Rabies Control Program .....	486	475	475
Race and Risk Factors for Early / Aggressive Breast Cancer .....	50	100	100
Wholesale Drug Program .....	---	2,166	2,166
Women, Infants, and Children (WIC) Rebates .....	38,579	40,000	40,000
Worker and Community Right to Know .....	---	764	614
Miscellaneous .....	4,302	6,131	6,137
<i>Total Department of Health and Senior Services</i>	<u>272,927</u>	<u>300,235</u>	<u>300,401</u>
Department of Human Services:			
Administration and Support Services .....	---	772	772
Alcohol Education Rehabilitation and Enforcement Fund .....	1,489	2,344	3,844
Alcohol Treatment Fund Program .....	7,500	7,500	7,500
Catastrophic Illness in Children Relief Fund .....	7,909	1,256	1,290
Child Support Incentive Funding .....	12,389	24,516	5,746
Children's Trust Fund .....	---	519	---
Client Copayments - Developmental Disabilities .....	47,631	45,530	45,530
Drug Enforcement Demand Reduction Fund .....	---	350	350
Family Care - Children .....	62,663	---	---
Governor's Council on Alcoholism and Drug Abuse .....	18,085	17,500	17,400
Improvement Methods for Skilled Nursing Care .....	50	---	---
Licensing Fees .....	264	---	---
Management and Administrative Services .....	---	725	725
Mental Health Contract Fees .....	274	324	324
New Jersey Health Care Hospital Payments .....	654,764	548,888	545,233
New Jersey Ramps Project .....	33	---	---
Olmstead Residential Services .....	---	449	449
Partnership for a Drug Free New Jersey .....	---	1,000	1,000
Penalties Collected from Violators of Danielle's Law .....	5	---	---
Personal Needs Allowance .....	---	600	600
Racing Commission Funds for Compulsive Gambling Treatment .....	200	200	200
SSA Reimbursement to Enhance Vocational Rehabilitation .....	757	500	500
Traumatic Brain Injury .....	3,871	---	---
Work First New Jersey Support Services .....	19,999	20,000	20,000
Miscellaneous .....	58	---	---
<i>Total Department of Human Services</i>	<u>837,941</u>	<u>672,973</u>	<u>651,463</u>
Department of Labor and Workforce Development:			
Adult Literacy Administration .....	1,998	---	---
Asbestos Notification Fees .....	---	500	500
Council on Gender Parity .....	---	72	72
Division of Workers Compensation Uninsured Employers .....	1,911	2,616	2,690
Enforcement of Workplace Standards - Receipts .....	---	5,757	6,293
General Administration and State and Local Government Operations .....	---	1,300	1,300
New Jersey Builders' Utilization for Labor Diversity .....	---	---	500
Private Disability Insurance Plan .....	---	1,280	1,524
Public Works Contractor Registration .....	---	1,932	1,932
Reengineering Study - State Disability Insurance Plan .....	---	1,000	1,000
Reimbursement to Unemployment Insurance for Joint Tax Functions .....	---	4,900	9,900
Special Compensation Fund .....	149,726	145,530	145,530
State Disability Insurance Plan .....	---	4,100	6,942
Unemployment Insurance Program - Collection Activities .....	---	4,000	2,500
Urban Enterprise Zones - Employer Rebate Awards .....	89	---	---
Work First New Jersey Work Activities .....	---	25,500	25,500
Workers' Compensation .....	---	8,017	8,386
Workforce Development Partnership - Counselors .....	---	412	412
Workforce Development Partnership Program .....	---	1,742	1,742

**SCHEDULE 2**  
**OTHER REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
Workforce Literacy and Basic Skills Program .....	---	276	276
Miscellaneous .....	699	---	---
<i>Total Department of Labor and Workforce Development</i>	<i>154,423</i>	<i>208,934</i>	<i>216,999</i>
Department of Law and Public Safety:			
Atlantic County Detention Center .....	2,189	2,399	2,377
Backstretch Benevolence .....	193	200	200
Body Armor Replacement Fund - Administrative Costs .....	47	75	75
Charity Racing Day for the Developmentally Disabled .....	133	133	133
Claims - Victims of Crime .....	---	9,281	9,281
Commercial Vehicle Enforcement Program .....	---	9,096	9,096
Commissions Award Program .....	2,314	2,500	2,500
Consumer Affairs .....	317	350	330
Consumer Affairs Charitable Registrations Program .....	---	1,065	1,065
Consumer Affairs Legalized Games of Chance .....	---	600	600
Consumer Affairs Weights and Measures Program .....	---	1,885	1,885
Controlled Dangerous Substance Registration Program .....	---	730	730
Criminal Disposition and Revenue Collection Fund .....	---	658	658
Criminal Justice Cost Recovery .....	---	106	106
Delaware River Joint Toll Bridge Commission .....	2,105	---	---
Department of Transportation - State Police Construction Detail .....	---	11,648	11,648
Division of Consumer Affairs - Appropriated Receipts .....	---	8,820	6,305
Drunk Driving Enforcement Fund - MVC Reimbursement .....	96	150	150
Election Law Enforcement .....	13	140	140
FBI Mitochondrial DNA Testing .....	1,107	923	923
Fines Account - Miscellaneous Settlements .....	725	100	100
Forfeiture Program .....	3,698	2,530	2,530
Insurance Fraud Operations .....	27,981	29,771	29,771
Investigative Unit .....	382	487	487
Juvenile Detention Alternatives - Annie E. Casey Foundation .....	205	---	200
Law Enforcement Officers Training and Equipment Fund .....	784	750	750
Lobbying Annual Fees .....	361	350	350
Medical Examiner Services .....	8,541	9,983	10,482
New Jersey Emergency Medical Service Helicopter Program .....	---	6,057	6,057
New Jersey Turnpike Authority .....	29,704	33,748	33,748
New Jersey Turnpike Authority (Parkway) .....	29,271	31,026	31,026
Nicholson Foundation .....	19	---	---
Noncriminal Records Checks .....	---	15,647	15,647
Northeast Hazardous Waste Project-Resource Conservation and Recovery Act .....	406	155	155
Pari-Mutuel Racing in Accordance with N.J.S.A. 5:5-37 .....	354	416	416
Pre-Race Blood Testing and Chemical Testing Program .....	3,069	3,750	3,750
Private Employment Agencies .....	---	525	525
Protection of Civil Rights .....	---	70	64
Public Health Law Social Distancing Project .....	27	---	---
Racing Officials .....	1,026	1,005	1,005
Regulation of Alcoholic Beverages .....	---	9,299	9,299
Regulation of Racing Activities .....	3,230	2,989	2,989
Retired Officers Handgun Permits .....	---	253	253
Safe and Secure Neighborhoods Program .....	8,230	7,100	7,100
Securities Enforcement Fund .....	---	8,643	7,428
Security Officer Registration Account .....	1,485	1,500	1,500
Sexual Assault Nurse Examiner Program .....	53	76	76
South Jersey Transportation Authority .....	6,812	7,220	7,220
State Athletic Control .....	1,049	500	500
State Facilities Education Act (SFEA) .....	31,612	35,306	34,749
State Forensic Laboratory Fund Program .....	1,134	1,074	1,074
State Police Central Lab Operations .....	---	1,034	1,034
State Police DNA Laboratory Enhancement .....	9,301	8,200	8,200
State Police Equine Lab Unit .....	---	1,170	1,170
State Police Operations .....	---	45	45
State Police Purchase and Maintenance of Law Enforcement Helicopters .....	---	14,000	19,225
State Police Recruit Training .....	---	7,000	---
State Veterinarians New Jersey Racing Commission .....	864	1,001	1,001
Steiger Fellow Fund .....	5	---	---
Victim and Witness Advocacy Fund .....	---	1,350	1,350
Miscellaneous .....	2,848	3,278	3,350
<i>Total Department of Law and Public Safety</i>	<i>181,690</i>	<i>298,167</i>	<i>292,828</i>

**SCHEDULE 2**  
**OTHER REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2008 Actual	2009 Estimated	2010 Estimated
Department of Military and Veterans' Affairs:			
Burial Services .....	---	550	500
Distance Learning Center .....	4	15	---
Energy Program Receipts .....	31	75	75
New Jersey National Guard Support Services .....	---	1,600	1,600
PATH Security .....	714	950	---
POW/MIA Medal Receipts .....	3	2	2
Transitional Housing .....	---	590	590
World War II Memorial Dedications .....	229	85	91
Miscellaneous .....	254	60	65
<i>Total Department of Military and Veterans' Affairs</i>	<u>1,235</u>	<u>3,927</u>	<u>2,923</u>
Department of the Public Advocate:			
New Home Owner's Warranty .....	273	251	251
Rate Counsel - Insurance .....	133	149	149
Residential Warranty Corporation .....	174	158	158
<i>Total Department of the Public Advocate</i>	<u>580</u>	<u>558</u>	<u>558</u>
Department of State:			
Americorps - Homeland Security Match .....	10	---	---
Extraordinary Programming .....	396	400	368
Governor's School .....	238	---	---
Law Enforcement Officers Memorial Fund .....	352	325	325
Leasing of Space on NJN Transmitter Towers .....	1,246	1,208	1,250
NJBEST Administration & Scholarships .....	470	569	984
NJN - TV Food Network/Time Warner Capital Project .....	1,300	---	700
New Jersey College Loans to Assist State Students (NJCLASS) .....	5,145	6,780	7,451
New Jersey Workforce Development Coalition Initiative .....	944	707	646
New Jersey World Trade Center Scholarship Program .....	---	11	11
Primary Care Physician/Dentist Loan Redemption Program .....	2,000	---	---
Public Broadcasting Services .....	9,289	9,568	9,017
Records Management .....	1,300	1,300	1,300
Rental of NJN Studio and Production Facilities .....	1,182	1,400	1,150
Sale or Rental of NJN Productions .....	107	48	75
Student Loan Expense Reimbursement Program for Obstetrician/Gynecologists .....	949	---	---
Voter Verified Paper Record Testing .....	139	---	---
War Memorial .....	1,329	1,227	1,195
Miscellaneous .....	210	65	65
<i>Total Department of State</i>	<u>26,606</u>	<u>23,608</u>	<u>24,537</u>
Department of Transportation:			
Airport Safety Fund Administration .....	---	400	400
Applications and Highway Permits .....	---	1,310	1,310
Commercial Vehicle Enforcement Program .....	12,166	---	---
Cost of "Cause" Plates .....	291	---	---
County and Other Shared Projects .....	29,941	---	---
Highway Safety Fund .....	2,038	2,000	2,000
In-Terminal School Bus Inspection Program .....	1,304	1,300	1,300
Logo Sign Program .....	---	110	110
Motor Vehicle Services .....	271,678	262,954	267,230
Motorbus Regulation .....	650	766	772
Motorcycle Safety Education Fund .....	485	310	456
NJ Board of Pilot Commissioners .....	740	590	245
NJ Medical Service Helicopter Response Act .....	28,284	---	---
Office of Maritime Resources .....	2,615	2,500	2,500
Omnibus Safety Enforcement Fund .....	18	---	---
Outdoor Advertising Program .....	---	640	640
Placarded Railcar Program .....	---	110	200
Rental Receipts, Tenant Relocation Program .....	---	360	360
Security Responsibility .....	16,200	16,500	16,500
<i>Total Department of Transportation</i>	<u>366,410</u>	<u>289,850</u>	<u>294,023</u>
Department of the Treasury:			
Annual Licensing Fee - Office of Administrative Law Publications .....	851	680	680
Atlantic City Electric Company Audit .....	79	---	---
CATV Universal Access Fund .....	289	---	---
Capital City Redevelopment Corporation .....	185	301	301
Cigarette Tax Securitization .....	153,744	194,000	194,000
Clean Energy Program .....	741	1,300	1,300



**SCHEDULE 2**  
**OTHER REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
Commerce Commission Off-Shore Wind Study Nonprofit Contributions . . . . .	70	---	---
Contract Compliance and Equal Employment Opportunity in Public Contracts . . . . .	---	278	573
Division of Developmental Disabilities Community Placement and Services . . . . .	36,333	36,300	36,300
Domestic Security . . . . .	22,634	22,600	22,600
Drug Abuse Education Fund . . . . .	807	600	600
Economic Recovery Fund . . . . .	21,606	21,604	21,604
Energy Tax Receipts . . . . .	788,492	788,492	788,492
Judicial Hearings Receipts . . . . .	2,966	3,809	3,809
Management Audit - N.J. Natural Gas . . . . .	197	---	---
Management Audit - United Water . . . . .	82	---	---
Management Consulting Analysis Gas Utilities . . . . .	1,090	---	---
Management of DEP Properties . . . . .	---	515	515
Management of State Investments . . . . .	11,686	11,226	11,226
New Jersey Public Records Preservation . . . . .	7,528	11,200	12,400
Nextel Rebanding . . . . .	244	---	---
Office of Information Technology Indirect Cost Recoveries . . . . .	4,150	4,850	5,000
Office of Management and Budget . . . . .	21,025	9,119	9,085
Ombudsman . . . . .	309	451	451
Other Capital Building Services . . . . .	2,686	2,685	2,685
Other Distributed Taxes . . . . .	6,882	4,168	4,168
Pensions and Benefits . . . . .	48,321	40,739	40,701
Prequalification Fees . . . . .	---	130	130
Property Management and Construction - Property Management Services . . . . .	136	135	135
Public Finance Activities . . . . .	---	700	700
Real Property Leasing Out Program . . . . .	---	265	265
Royalties - Office of Administrative Law Publications . . . . .	369	365	370
Small Business Registration . . . . .	---	260	360
State Pension System Audit . . . . .	---	225	---
State Technology Advancement Collaborative . . . . .	87	---	---
Taxation Compliance and Enforcement Activities . . . . .	---	5,015	5,000
Third Party Subrogation - Property Damage . . . . .	---	850	850
Unclaimed Property Trust Fund . . . . .	6,176	6,920	6,920
Urban Enterprise Zone (UEZ) Authority Administrative Expenses . . . . .	4,034	1,801	1,797
Vendor Surcharge Collection - Motor Vehicle Commission . . . . .	11,000	11,000	11,000
Workforce Initiatives and Development . . . . .	---	2,200	2,200
Miscellaneous . . . . .	208	782	782
<i>Total Department of the Treasury</i>	<u>1,155,007</u>	<u>1,185,565</u>	<u>1,186,999</u>
Interdepartmental Accounts:			
Petroleum Overcharge Reimbursement Fund . . . . .	---	3,500	3,500
Utilities and Other Services . . . . .	---	560	918
<i>Total Interdepartmental Accounts</i>	<u>---</u>	<u>4,060</u>	<u>4,418</u>
The Judiciary:			
Atlantic Victim Impact . . . . .	14	---	---
Automated Traffic System for Municipal Courts . . . . .	27,844	23,000	23,000
Civil Courts . . . . .	607	765	872
Comprehensive Enforcement Program . . . . .	3,198	2,900	3,100
Court Adult Probation System . . . . .	592	500	500
Court Technology Improvement Fund . . . . .	13,591	12,300	12,300
Electronic Access To Court Records . . . . .	2,357	1,000	1,000
Family Courts . . . . .	425	400	400
Information Services . . . . .	445	516	516
Iolta Teen Star Program . . . . .	4	---	---
Juvenile Accountability Block Grant - Union Night Watch . . . . .	21	---	---
Mercer County State Incentive Program . . . . .	43	---	---
Phase Out Program Juvenile Justice Partnership . . . . .	112	---	---
Special Civil Part Certified Mailers . . . . .	3,291	2,250	2,500
State Bar Foundation Artwork Projects . . . . .	8	---	---
Supreme Court . . . . .	13,722	16,748	17,656
Miscellaneous . . . . .	620	15	15
<i>Total Judiciary</i>	<u>66,894</u>	<u>60,394</u>	<u>61,859</u>
<i>Total Dedicated</i>	<u>3,291,836</u>	<u>3,318,879</u>	<u>3,307,316</u>



**SCHEDULE 2  
OTHER REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
<b>Federal:</b>			
Executive Branch--			
Department of Agriculture:			
Agricultural Mediation Grant - USDA .....	17	25	25
Aquaculture .....	---	---	50
Asian Longhorned Beetle Monitoring .....	497	3,000	3,000
Child Care .....	57,818	70,825	70,875
Child Nutrition - School Breakfast .....	36,849	45,000	50,000
Child Nutrition - School Lunch .....	157,509	180,000	190,000
Child Nutrition - School Lunch Equipment - Federal Economic Stimulus .....	---	2,000	---
Child Nutrition - Special Milk .....	848	1,200	1,400
Child Nutrition - Summer Programs .....	5,960	10,428	9,178
Child Nutrition Administration .....	3,595	4,670	4,970
Cooperative Gypsy Moth Suppression .....	---	1,450	1,450
Farm Risk Management Education Program .....	253	272	272
Farmland Preservation .....	2,272	4,500	4,500
Fish Inspection Service .....	105	160	160
Food Stamp - The Emergency Food Assistance Program (TEFAP) .....	576	2,250	1,550
Fresh Fruit and Vegetable Program .....	---	---	2,000
Indemnities - Avian Influenza .....	519	575	490
National Animal Identification Infrastructure .....	152	100	74
South Jersey Rural Economic Development Corporation - Ethanol .....	163	---	---
Specialty Crop Block Grant Program .....	117	152	---
TEFAP - Federal Economic Stimulus .....	---	2,200	---
TEFAP Administrative Funds - Federal Economic Stimulus .....	---	544	544
Team Nutrition Training .....	---	200	200
Various Federal Programs and Accruals .....	7,726	1,551	1,369
<i>Total Department of Agriculture</i>	<u>274,976</u>	<u>331,102</u>	<u>342,107</u>
Department of Children and Families:			
Children's Justice Act .....	112	458	458
Restricted Federal Grants .....	9,106	8,795	10,645
Title IV-B Child Welfare Services .....	5,978	5,500	5,500
Title IV-E Foster Care .....	109,660	97,703	105,958
Title IV-E Foster Care - Federal Economic Stimulus .....	---	4,044	5,392
Various Federal Programs and Accruals .....	3	500	500
<i>Total Department of Children and Families</i>	<u>124,859</u>	<u>117,000</u>	<u>128,453</u>
Department of Community Affairs:			
Community Services Block Grant .....	13,244	17,825	17,825
Community Services Block Grant - Federal Economic Stimulus .....	---	27,400	---
Emergency Shelter Grants Program .....	2,532	1,650	1,650
Emergency Shelter Grants Program - Federal Economic Stimulus .....	---	10,221	---
Fair Housing Initiatives Grant .....	---	100	---
Lead-Based Paint Abatement in Low and Moderate Income Housing .....	589	---	---
Low Income Home Energy Assistance Program .....	107,409	188,113	188,113
Moderate Rehabilitation Housing Assistance .....	7,349	11,679	12,213
National Affordable Housing - HOME Investment Partnerships .....	10,859	7,611	7,611
National Field-Generated Training, Technical Assistance and Demonstration .....	---	125	---
National Fire Academy Training Program .....	42	28	28
Section 8 Housing Voucher Program .....	188,263	292,600	198,582
Shelter Plus Care Program .....	1,818	6,961	4,965
Small Cities Block Grant Program .....	6,087	8,360	8,360
Small Cities Block Grant Program - Federal Economic Stimulus .....	---	1,945	---
Transitional Housing - Homeless .....	52	136	136
Weatherization Assistance Program .....	4,006	5,169	6,374
Weatherization Assistance Program - Federal Economic Stimulus .....	---	121,800	---
Various Federal Programs and Accruals .....	21,835	---	---
<i>Total Department of Community Affairs</i>	<u>364,085</u>	<u>701,723</u>	<u>445,857</u>
Department of Corrections:			
Counterterrorism Prison Intelligence .....	4	400	---
Crime and Justice Research .....	49	---	---
Federal Re-Entry Initiative .....	---	---	500
Justice and Mental Health Collaboration Program - DOJ .....	---	200	200
National Institute of Justice Grant for Corrections Research-Escape Study .....	---	383	300
National Institute of Justice Grant for Corrections Research-Megan's Law Study .....	13	400	---
Offender Workforce Development Specialist Training - Federal Award .....	---	25	25
Prison Rape Elimination Grant .....	127	---	300

**SCHEDULE 2  
OTHER REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
Prisoner Re-Entry Initiative Grant - Atlantic County .....	367	---	---
Prisoner Re-Entry Initiative for 200 parolees returning to Trenton area .....	---	135	200
Project In-Side .....	336	608	561
Promoting Responsible Fatherhood .....	149	407	407
Serious and Violent Offender Reentry Initiative .....	493	---	---
Sex Offender Management Grant-Risk Assessment and Deterance .....	15	---	---
State Criminal Alien Assistance Program .....	6,457	6,598	6,304
Various Federal Programs and Accruals .....	-1,277	60	---
<i>Total Department of Corrections</i>	<u>6,733</u>	<u>9,216</u>	<u>8,797</u>
Department of Education:			
21st Century Schools .....	26,176	20,175	20,175
AIDS Prevention Education .....	231	700	700
Adult Basic Education - Administration/Discretionary .....	---	1,085	1,125
Bilingual and Compensatory Education - Homeless Children and Youth .....	1,174	1,321	1,300
Bilingual and Compensatory Education - Homeless Children and Youth - Stimulus ...	---	---	436
Byrd Scholarship Program .....	1,154	1,135	1,135
Character Education Partnership .....	595	725	725
Drug-Free Schools and Communities - Administration .....	1,142	1,390	1,390
Drug-Free Schools and Communities - Discretionary .....	6,764	5,560	5,560
Enhancing Education Through Technology .....	3,480	5,293	5,058
Enhancing Education Through Technology - Federal Economic Stimulus .....	---	---	12,048
Even Start .....	2,701	1,250	1,250
General Formula Aid - Federal Economic Stimulus .....	---	---	1,056,920
Head Start Collaboration .....	---	175	175
Improving America's Schools Act - Consolidated Administration .....	4,148	5,428	5,341
Individuals with Disabilities Education Act Basic State Grant .....	342,066	343,600	352,271
Individuals with Disabilities Education Act Basic State Grant - Stimulus Funds .....	---	---	360,691
Individuals with Disabilities Education Act Preschool Grants .....	11,696	11,198	11,191
Individuals with Disabilities Education Act Preschool Grants - Stimulus Funds .....	---	---	11,805
Language Acquisition Discretionary Admin .....	17,336	18,600	18,600
Mathematics and Science Partnerships Grants .....	4,444	3,020	3,020
Migrant Education - Administration/Discretionary .....	2,175	1,964	1,900
Public Charter Schools .....	1,855	3,960	3,960
School Improvement Grants .....	---	9,585	9,490
School Improvements Grants - Federal Economic Stimulus .....	---	---	61,155
State Assessments .....	12,148	9,791	9,791
State Data Grants .....	302	---	---
State Grants for Improving Teacher Quality .....	57,040	65,410	63,348
State Improvement Grant - Administration .....	647	---	---
Step Up - Teacher Recruitment .....	414	---	---
Title I - Comprehensive School Reform .....	397	---	---
Title I - Grants to Local Educational Agencies .....	213,179	290,000	291,000
Title I - Grants to Local Educational Agencies - Federal Economic Stimulus .....	---	---	183,015
Title I - Part D, Neglected and Delinquent .....	2,302	2,729	1,620
Title I - Reading First State Grant .....	19,948	6,750	7,008
Title V - Innovative Program Strategies .....	2,469	---	---
Vocational Education - Basic Grants - Administration .....	22,095	24,323	24,332
Vocational Education Technical Preparation .....	1,528	2,263	2,263
Various Federal Programs and Accruals .....	38,253	1,114	1,075
<i>Total Department of Education</i>	<u>797,859</u>	<u>838,544</u>	<u>2,530,873</u>
Department of Environmental Protection:			
Air Pollution Maintenance Program .....	5,523	6,500	7,000
Artificial Reef Program - PSE&G/NJPDES Permit Fees .....	829	925	925
Asian Longhorned Beetle Project .....	122	2,300	2,300
Assessing New Jersey's Bays .....	45	---	200
Assistance to Firefighters - Wildfire and Arson Prevention .....	---	200	200
Atlantic Coastal Cooperative Program .....	81	---	---
Atlantic Coastal Fisheries .....	292	300	300
Avian Influenza .....	133	110	150
Beach Monitoring and Notification .....	322	600	600
Benthic Indicators for Nearshore Coastal Waters .....	47	400	400
BioWatch Monitoring .....	324	750	750
Boat Access (Fish and Wildlife) .....	582	1,000	1,000
Brownfields .....	826	2,000	2,000
Brownfields - Harrison Avenue Landfill .....	200	---	---
CO2 Sequestration .....	---	---	500
Chronic Wasting Disease .....	93	150	150
Clean Vessels .....	459	1,000	1,000

**SCHEDULE 2**  
**OTHER REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
Clean Water State Revolving Fund .....	---	28,000	28,000
Clean Water State Revolving Fund - Federal Economic Stimulus .....	---	161,400	---
Coastal Estuarine Land Program .....	---	4,000	4,000
Coastal Zone Management Implementation .....	2,401	3,400	3,400
Community Assistance Program .....	230	250	250
Consolidated Forest Management .....	359	1,080	1,080
Defensible Space .....	5	400	400
Diesel Emission Reduction Act - Federal Economic Stimulus .....	---	1,700	---
Drinking Water State Revolving Fund .....	3,293	22,200	22,500
Drinking Water State Revolving Fund - Federal Economic Stimulus .....	---	43,154	---
Electronic Vessel Trip Reporting .....	45	170	170
Endangered Species .....	61	85	85
Endangered and Nongame Species Program State Wildlife Grants .....	2,120	1,065	1,065
Firewise in the Pines .....	27	200	200
Fish and Wildlife Action Plan .....	---	---	75
Fish and Wildlife Health .....	106	150	150
Fish and Wildlife Technical Guidance .....	---	---	100
Forest Legacy .....	26	5,040	5,040
Forest Resource Management - Cooperative Forest Fire Control .....	651	1,700	1,750
Grassland Habitat Project .....	---	200	200
Gypsy Moth Suppression .....	150	350	420
Hazardous Waste - Resource Conservation Recovery Act .....	6,802	4,895	4,895
Historic Preservation Survey and Planning .....	813	950	950
Hunters' and Anglers' License Fund .....	3,826	6,680	6,780
Land and Water Conservation Fund .....	7,913	3,000	3,000
Leaking Underground Storage Tanks - Federal Economic Stimulus .....	---	4,968	---
Marine Fisheries Investigation and Management .....	875	1,365	1,365
Multimedia .....	905	750	750
NJ Landowner Incentive .....	265	1,480	1,300
National Coastal Wetlands Conservation .....	928	2,000	2,000
National Dam Safety Program (FEMA) .....	25	90	90
National Geologic Mapping Program .....	112	200	200
National Recreational Trails .....	1,534	1,900	1,900
New Jersey's Landscape Project .....	---	---	200
Nonpoint Source Implementation (319H) .....	2,939	4,000	4,000
Northeast Wildlife Teamwork Strategy .....	---	---	50
Offshore Beach Replenishment .....	---	150	150
Particulate Monitoring Grant .....	1,373	1,000	1,000
Pesticide Technology .....	862	550	550
Pinelands Grant - Acquisition .....	---	1,000	1,000
Preliminary Assessments/Site Inspections .....	899	1,500	1,900
Radon Program .....	652	500	500
Rare Wildlife Strategy Implementation .....	24	1,500	1,500
Remedial Action Support Agency Assistance .....	1,160	---	---
Remedial Planning Support Agency Assistance .....	2,717	---	---
Shortnose Sturgeon Research .....	67	200	200
Southern Pine Beetle .....	17	100	100
State Recreational Trails .....	100	8,725	7,475
State Wetlands Conservation Plan .....	81	250	250
State Wildlife Grant Projects .....	---	1,000	1,000
State and EPA Data Management Grant .....	180	2,300	2,300
Superfund Grants .....	4,182	30,450	40,450
Underground Storage Tanks .....	1,587	2,055	1,800
Urban Community Air Toxics Program .....	112	800	800
Voluntary Cleanup Program .....	234	---	---
Voluntary Cleanup Site Specific .....	228	---	---
Water Monitoring and Planning .....	603	550	550
Water Monitoring and Planning - Federal Economic Stimulus .....	---	1,618	---
Water Pollution Control Program .....	5,214	4,025	4,275
Water Pollution S106 Enhancements .....	---	250	250
Wildland and Urban Interface II .....	---	100	100
Wildlife Habitat Incentives (WHIP) .....	107	150	150
Wildlife Management Area Planning .....	183	300	300
Various Federal Programs and Accruals .....	-14,428	911	1,795
<i>Total Department of Environmental Protection</i>	<u>52,443</u>	<u>383,041</u>	<u>182,235</u>

**SCHEDULE 2**  
**OTHER REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
Department of Health and Senior Services:			
Abstinence Education - Family Health Services (FHS) .....	97	---	---
Adult Viral Hepatitis Prevention .....	19	200	200
Aging & Disability Resource Center Grant .....	116	---	---
Asthma Surveillance and Coalition Building .....	296	457	457
Bioterrorism Hospital Emergency Preparedness .....	14,266	11,576	11,576
Birth Defects Surveillance Program .....	155	250	250
Breastfeeding Peer Counseling .....	307	300	300
CDC Nutrition - Physical Activity & Obesity (NPAO) .....	---	923	923
Childhood Lead Poisoning .....	1,048	1,400	1,400
Chronic Disease Prevention and Health Promotion Programs - Public Health .....	1,380	1,900	1,900
Clinical Laboratory Improvement Amendments Program .....	495	490	490
Comprehensive AIDS Resources Grant .....	46,226	49,550	49,550
Core Injury Prevention and Control Program .....	---	300	300
Demonstration Program to Conduct Health Assessments .....	411	627	627
Early Hearing Detection and Intervention (EHDI) Tracking, Research .....	188	210	210
Early Intervention Program (Part C) - Federal Economic Stimulus .....	---	---	5,400
Early Intervention for Infants and Toddlers with Disabilities (Part H) .....	9,860	13,000	13,000
Elderly Nutrition (Meals on Wheels) - Federal Economic Stimulus .....	---	---	1,097
Eliminating Disparities in Perinatal Health .....	631	500	500
Emergency Medical Services for Children (EMSC) Partnership Grants .....	34	214	214
Emergency Preparedness For Bioterrorism .....	28,117	30,886	30,886
Enhanced HIV/AIDS Surveillance-Perinatal .....	175	212	212
Enhanced Title XIX - Federal Economic Stimulus .....	---	180,606	319,071
Environmental Tools for Dementia Care .....	156	150	150
Family Planning Program - Title X .....	3,495	4,200	4,200
Federal Lead Abatement Program .....	374	454	424
Food Emergency Response Network - E. Coli in Ground Beef .....	---	165	165
Food Inspection .....	514	477	477
Fundamental & Expanded Occupational Health .....	205	674	674
HIV/AIDS Events without Care in New Jersey .....	338	373	373
HIV/AIDS Prevention and Education Grant .....	12,804	18,000	15,000
HIV/AIDS Surveillance Grant .....	3,648	3,175	3,175
Housing Opportunities For Persons With AIDS .....	1,620	2,150	2,150
Housing Opportunities for Incarcerated Persons with AIDS .....	453	1,763	2,101
Immunization Project .....	5,800	7,786	7,786
Immunization Project - Federal Economic Stimulus .....	---	---	2,871
Lead Training and Certification Enforcement Program .....	145	82	82
Maternal and Child Health (MCH) Early Childhood Comprehensive System .....	140	140	140
Maternal and Child Health Block Grant .....	11,608	12,663	13,000
Medicare/Medicaid Inspections of Nursing Facilities .....	11,025	16,672	16,672
Minority AIDS Demo .....	---	67	67
Morbidity and Risk Behavior Surveillance .....	419	500	500
National Cancer Prevention and Control - Public Health .....	4,527	7,271	7,271
National Family Caregiver Program .....	5,332	5,200	5,200
New Jersey's Reducing Health Disparities Initiative .....	227	160	160
Nurse Aide Certification Program .....	---	1,000	1,000
Nursing Facilities Transition Grant .....	---	600	600
Older Americans Act - Title III .....	33,464	34,236	34,236
Pediatric AIDS Health Care Demonstration Project .....	2,134	2,850	2,850
Pregnancy Risk Assessment Monitoring System .....	116	750	750
Preventative Health and Health Services Block Grant .....	2,419	4,351	4,351
Public Employees Occupational Safety and Health - State Plan .....	---	900	900
Rape Prevention and Education Program .....	1,397	1,616	1,366
Research on Ecology of Lyme Disease in US .....	234	295	295
Senior Farmers Market Nutrition Program .....	609	1,000	1,000
Supplemental Food - Women, Infants and Children (WIC) Federal Economic Stimulus .....	---	---	6,000
Supplemental Food Program - Women, Infants, and Children (WIC) .....	119,156	135,000	135,000
Surveillance, Epidemiology and End Results (SEER) .....	619	1,319	1,319
Traumatic Brain Injury Surveillance .....	---	105	105
Tuberculosis Control Program .....	4,830	6,095	6,095
United States Department of Agriculture (USDA) Older Americans Act - Title III .....	3,672	4,000	4,000
Universal Newborn Hearing Screening .....	204	250	250
Venereal Disease Project .....	2,952	3,882	3,882
Vital Statistics Component .....	484	1,100	1,100
West Nile Virus - Laboratory .....	---	200	200
West Nile Virus - Public Health .....	850	1,942	1,942
Women, Infants, and Children (WIC) Farmer's Market Nutrition Program .....	1,001	2,600	2,600
Various Federal Programs and Accruals .....	1,807	7,699	7,700
<i>Total Department of Health and Senior Services</i>	<i>342,599</i>	<i>587,513</i>	<i>738,742</i>

**SCHEDULE 2**  
**OTHER REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
Department of Human Services:			
Access to Recovery .....	2,797	---	---
Block Grant Mental Health Services .....	11,339	11,505	11,487
Child Care Block Grant .....	104,397	115,280	108,415
Child Care Federal Stimulus Funding .....	---	12,410	17,100
Child Support Enforcement Program .....	133,407	179,145	172,926
Child Support Incentive Funding .....	---	---	15,456
Child Support Title IV-D - Federal Economic Stimulus .....	---	12,000	16,000
Developmental Disabilities Council .....	1,556	1,621	1,621
Enhanced Title XIX - Federal Economic Stimulus .....	---	419,394	740,929
Food Stamp Administration - Federal Economic Stimulus .....	---	1,676	2,235
Food Stamp Program .....	90,622	91,598	103,156
Foster Grandparents Program .....	798	1,153	1,192
Independent Living .....	1,320	1,069	1,034
Independent Living - Federal Economic Stimulus .....	---	---	39
Projects for Assistance in Transition from Homelessness (PATH) .....	1,923	1,922	1,922
Refugee Resettlement Program .....	4,706	5,615	3,780
Restraint and Seclusion Federal Grant .....	48	---	---
Services for Older Blind Individuals - Federal Economic Stimulus .....	---	---	513
Social Services Block Grant .....	49,454	51,215	48,996
Strategic Prevention Framework .....	103	2,093	2,093
Substance Abuse Block Grant .....	50,066	51,882	51,882
Temporary Assistance to Needy Families Block Grant .....	417,814	445,135	455,501
Title XIX Child Residential .....	57,529	85,073	98,629
Title XIX Community Care Waiver .....	273,342	311,314	315,171
Title XIX ICF/MR .....	313,387	325,411	333,806
Title XIX Medical Assistance .....	3,541,113	3,694,845	3,973,641
Title XX Urban Empowerment Zone .....	1,974	---	---
Title XXI Children's Health Insurance Program .....	309,390	342,370	535,286
Vocational Rehabilitation - Federal Economic Stimulus .....	---	---	946
Vocational Rehabilitation Act, Section 120 .....	11,918	11,718	12,133
Various Federal Programs and Accruals .....	134,210	5,073	5,263
<i>Total Department of Human Services</i>	<i>5,513,213</i>	<i>6,180,517</i>	<i>7,031,152</i>
Department of Labor and Workforce Development:			
Adult and Continuing Education - Workforce Investment Act .....	16,147	20,071	20,071
Comprehensive Services for Independent Living .....	153	600	600
Current Employment Statistics .....	2,509	2,978	2,375
Disability Determination Services .....	51,197	54,100	56,025
Disabled Veterans' Outreach Program .....	2,209	2,900	3,000
Employment Services .....	22,350	26,100	25,744
Employment Services - Federal Economic Stimulus .....	---	10,663	---
Employment Services - One-Stop Shopping .....	14	350	---
Employment Services Cost Reimbursable Grants - Migrant Housing .....	---	50	50
Employment Services Grants - Alien Labor Certification .....	476	2,403	2,202
Employment Services Reemployment Services .....	---	1,100	---
Federal Public Employees Occupational Safety and Health Act .....	1,496	2,250	2,250
High Growth Grants - Federal Economic Stimulus .....	---	15,000	---
Independent Living - Federal Economic Stimulus .....	---	309	---
Local Veterans' Employment Representatives .....	1,002	1,700	1,600
National Council on Aging - Senior Community Services Employment Project .....	2,733	3,020	3,020
National Emergency Grant - Federal Economic Stimulus .....	---	4,000	---
Navigator Project .....	794	---	---
Occupational Informational Coordinating Program .....	---	175	---
Occupational Safety Health Act - On-Site Consultation .....	1,534	2,800	2,800
Occupational Safety and Health Administration Data Collection Survey .....	---	74	---
Old Age and Survivor Insurance Disability Determination Services .....	---	1,000	1,000
One Stop Labor Market Information .....	672	1,068	673
Redesigned Occupational Safety and Health (ROSH) .....	256	269	201
Rehabilitation of Supplemental Security Income Beneficiaries .....	1,887	2,000	2,000
Senior Employment Program - Federal Economic Stimulus .....	---	3,420	---
Supported Employment .....	593	975	975
Technical Assistance Training .....	---	1,700	1,700
Technology Related Assistance Project .....	618	400	550
Trade Act - Federal Economic Stimulus .....	---	8,674	8,674
Trade Adjustment Assistance Project .....	2,878	4,200	4,200
Unemployment Insurance .....	112,058	151,607	151,640
Unemployment Insurance - Federal Economic Stimulus .....	---	14,773	---
Vocational Rehabilitation - Federal Economic Stimulus .....	---	7,564	---
Vocational Rehabilitation Act of 1973 .....	48,734	48,825	50,325

**SCHEDULE 2**  
**OTHER REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
WIA - WIRED Initiative .....	252	---	---
Work Opportunity Tax Credit .....	723	750	750
Workforce Investment Act .....	38,792	72,643	72,434
Workforce Investment Act - Federal Economic Stimulus .....	---	62,929	---
Workforce Investment Act Title IIID Discretionary Funding .....	407	4,000	4,000
Workforce Investment Act- Title IIC Youth Training .....	21,460	---	---
Various Federal Programs and Accruals .....	23,240	280	190
<i>Total Department of Labor and Workforce Development</i>	<i>355,184</i>	<i>537,720</i>	<i>419,049</i>
Department of Law and Public Safety:			
Americorps .....	---	---	101
Anti Trafficking Task Force .....	80	600	600
Anti-Gang Initiative .....	333	1,000	1,000
Buffer Zone Protection Program .....	1,978	1,000	1,000
Bulletproof Vest Partnership .....	73	850	850
Byrne Discretionary Grant - Statewide Response to Violent Crime Reduction .....	---	750	750
Child Passenger Protection Education .....	10	---	---
Child Safety/Child Booster Seats .....	441	4,000	4,000
Citizen Corps Program .....	282	360	360
Convicted Offender In-House (DNA) .....	874	1,400	1,400
DNA Capacity Enhancement Program Formula Grant .....	457	614	614
Domestic Marijuana Eradication Suppression Program .....	80	82	82
Domestic Preparedness Equipment .....	21,710	---	---
Drunk Driver Prevention .....	1,981	7,972	7,972
Edward Byrne Memorial Grant .....	2,840	---	---
Emergency Food and Shelter - Federal Economic Stimulus .....	---	---	2,800
Emergency Management Performance Grant - Non Terrorism .....	1,229	7,500	7,500
Enforcing Underage Drinking Laws .....	485	350	350
Equal Employment Opportunity Commission .....	389	400	400
Fatality Analysis Reporting System (FARS) .....	---	230	230
Flood Disaster Assistance .....	17,165	---	---
Flood Mitigation Assistance .....	3,005	3,500	3,500
Flood Warning Systems Enhancement Project .....	84	---	---
Forensic Casework DNA Backlog Reduction .....	508	---	---
Gang Prevention Coordination Assistance .....	---	350	350
Hazardous Materials Transportation .....	290	492	492
High Intensity Drug Trafficking Area (HIDTA) .....	---	50	50
High Risk Youth Offender Re-Entry Initiative .....	---	1,000	---
Highway Traffic Safety .....	5,162	8,915	8,915
Homeland Security Grant Program .....	18,633	25,670	28,194
Incident Command .....	876	1,500	1,500
Innovative Seat Belt Use .....	8	---	---
Internet Crimes Against Children .....	301	700	700
Internet Crimes Against Children - Federal Economic Stimulus .....	---	---	969
Justice Assistance Grant (JAG) .....	7,637	10,000	10,000
Justice Assistance Grant (JAG) - Federal Economic Stimulus .....	---	---	29,800
Juvenile Accountability Incentive Block Grant (JAIBG) .....	2,620	1,230	1,078
Juvenile Justice Delinquency Prevention .....	1,550	2,333	1,484
Medicaid Fraud Unit .....	3,050	4,745	4,745
Metropolitan Medical Response System .....	---	642	642
Motorcycle Safety .....	131	1,140	1,140
National Criminal History Program - Office of the Attorney General .....	---	160	160
Northeast Hazardous Waste Project-Resource Conservation and Recovery Act .....	147	128	128
Occupant Protection Grant .....	814	4,500	4,500
Paul Coverdell National Forensic Science Improvement .....	490	331	331
Port Security Grant Program - Delaware Bay (Camden/Phila) .....	815	3,000	4,200
Port Security Grant Program - New York/New Jersey .....	698	8,000	8,000
Pre-Disaster Mitigation Grant (Competitive) .....	435	3,000	3,000
Prevent Operations of Motor Vehicles by Intoxicated Persons .....	46	---	---
Project Safe Neighborhoods .....	945	1,060	1,060
Public Safety Interoperability Communications Grant Program .....	---	1,600	1,400
Racial Profiling Prevention .....	---	3,000	1,000
Radiological Dispersal Device Protective Measures Program .....	1,373	---	---
Recreational Boating Safety .....	1,881	3,000	3,000
Regional Catastrophic Preparedness Grant .....	---	2,000	2,000
Repetitive Flood Claim Program - FEMA .....	1,796	---	---
Residential Treatment for Substance Abuse .....	284	1,000	1,000
Safety Belt Performance Grants .....	2,213	10,492	10,492
Safety Incentive Grants .....	34	---	---
State Traffic Safety Information System .....	658	5,500	5,500



**SCHEDULE 2**  
**OTHER REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2008	2009	2010
	Actual	Estimated	Estimated
State Victim Assistance Academy Initiative . . . . .	---	100	100
Title V Funding . . . . .	224	1,500	50
UASI Nonprofit Security Grant Program (NSGP) . . . . .	---	1,100	835
Urban Area Security Initiative . . . . .	19,895	38,000	36,000
Victim Assistance Grants . . . . .	12,199	12,000	12,000
Victim Assistance Grants - Federal Economic Stimulus . . . . .	---	---	1,074
Victim Compensation Award . . . . .	---	6,000	2,500
Victim Compensation Award - Federal Economic Stimulus . . . . .	---	---	1,411
Violence Against Women Act-Criminal Justice . . . . .	3,066	4,000	4,000
Violence Against Women Act-Criminal Justice - Federal Economic Stimulus . . . . .	---	---	6,200
Warren Grove Fire - 2007 . . . . .	746	---	---
Various Federal Programs and Accruals . . . . .	-18,658	494	494
<i>Total Department of Law and Public Safety</i>	<u>124,363</u>	<u>199,340</u>	<u>234,003</u>
Department of Military and Veterans' Affairs:			
Administrative Services Activities . . . . .	88	60	60
Antiterrorism Program Manager . . . . .	106	110	100
Armory Renovations and Improvements . . . . .	2,070	3,900	4,000
Army Facilities Service Contracts . . . . .	2,423	2,695	2,877
Army National Guard Electronic Security System . . . . .	72	300	300
Army National Guard Statewide Security Agreement . . . . .	488	550	600
Army National Guard Sustainable Range Program . . . . .	185	150	150
Army Training and Technology Lab . . . . .	740	920	1,130
Atlantic City Air Base - Service Contracts . . . . .	2,875	3,159	3,373
Atlantic City Environmental . . . . .	37	116	90
Atlantic City Operations and Maintenance . . . . .	102	130	150
Atlantic City Sustainment, Restoration and Modernization . . . . .	777	580	650
Brigadier General Doyle Memorial Cemetery Building Project . . . . .	---	7,500	8,700
Combined Logistics Facility . . . . .	5,070	---	---
Coyle Field Atlantic City . . . . .	23	26	27
Dining Facility Operations . . . . .	157	150	150
Facilities Support Contract . . . . .	5,536	6,625	7,078
Federal Distance Learning Program . . . . .	76	150	160
Fire Fighter/Crash Rescue Service Cooperative Funding Agreement . . . . .	2,428	1,686	1,878
Hazardous Waste Environmental Protection Program . . . . .	532	800	800
McGuire Air Force Base - Service Contracts . . . . .	2,917	2,438	3,315
McGuire Air Force Base Environmental . . . . .	49	70	90
McGuire Operations and Maintenance . . . . .	62	105	110
Medicare Part A Receipts for Resident Care and Operational Costs . . . . .	6,269	6,300	6,300
National Guard Communications Agreement . . . . .	407	900	950
Natural and Cultural Resources Management . . . . .	2	5	5
New Jersey National Guard Challenge Youth Program . . . . .	2,232	3,250	3,100
Training and Equipment - Pool Sites . . . . .	444	450	500
Transitional Housing . . . . .	---	360	360
Veterans' Education Monitoring . . . . .	---	690	595
Warren Grove Sustainment Restoration & Modernization . . . . .	4	6	7
Warren Grove/Coyle Field . . . . .	41	65	70
Various Federal Programs and Accruals . . . . .	723	70	66
<i>Total Department of Military and Veterans' Affairs</i>	<u>36,935</u>	<u>44,316</u>	<u>47,741</u>
Department of the Public Advocate:			
Guardianship Program . . . . .	---	223	223
Department of State:			
American Indian Programs . . . . .	---	150	150
Americorps Grants . . . . .	1,785	4,680	3,980
College Access Challenge Grant Program . . . . .	---	274	1,920
Election Assistance for Persons with Disabilities . . . . .	---	315	315
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) . . . . .	4,901	3,500	3,500
Institute of Museum Services - General Support Grant . . . . .	---	125	---
Leveraging Educational Assistance Partnership . . . . .	1,839	1,803	1,803
National Endowment for the Arts Partnership . . . . .	---	891	895
National Health Service Corps - Student Loan Repayment Program . . . . .	175	---	---
National Historical Publications and Records Commission Grants . . . . .	---	57	---
National Telecommunications Information Agency . . . . .	725	600	600
Public Telecommunications Facilities Program - WNJB/WNJS Transmitter Upgrade . . . . .	249	---	---
Save America's Treasures Grant . . . . .	75	---	---
Student Loan Administrative Cost Deduction and Allowance . . . . .	18,238	18,360	19,270
Tuition Assistance Grants - Federal Economic Stimulus . . . . .	---	---	34,080
Various Federal Programs and Accruals . . . . .	-401	---	---

**SCHEDULE 2**  
**OTHER REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
<i>Total Department of State</i>	<u>27,586</u>	<u>30,755</u>	<u>66,513</u>
Department of Transportation:			
Airport Fund	---	2,000	1,500
Boating Safety (New Jersey Maritime Program)	---	1,600	1,600
Commercial Drivers' License Information System Modernization	---	300	300
Commercial Drivers' License Program	---	1,445	1,445
Commercial Vehicle Information Systems Network	---	2,000	1,000
Federal Rail Administration	---	491	950
Highway Planning and Research	13,144	18,600	18,600
Metropolitan Planning Funds	16,088	12,200	12,200
Motor Carrier Safety Assistance Program	4,695	14,910	15,410
NJ Transportation Planning Assistance	---	5,100	4,600
New Jersey Maritime Program	---	1,600	1,600
Odometer Fraud Grant	---	38	38
Performance & Registration Information Systems Management	---	500	500
Real ID Demonstration Grant	---	1,600	1,600
Supportive Services Highway Construction Training Program	---	500	500
<i>Total Department of Transportation</i>	<u>33,927</u>	<u>62,884</u>	<u>61,843</u>
Department of the Treasury:			
Clean Energy Fund - Federal Economic Stimulus	---	30,000	59,900
Diamond Shamrock Oil Overcharge Settlement	---	717	717
Division of Gas Expansion	402	600	600
NJ Partnership for the National Map	4	---	---
Office of the Medicaid Inspector General	---	2,297	2,297
State Energy Conservation - Federal Economic Stimulus	---	6,000	12,000
State Energy Conservation Program	2,693	2,675	2,675
Wind Powering America - Wind Working Group	12	---	---
Various Federal Programs and Accruals	-292	200	200
<i>Total Department of the Treasury</i>	<u>2,819</u>	<u>42,489</u>	<u>78,389</u>
The Judiciary:			
Drug Court Grant	---	2,200	---
Family Safe Havens Grant	---	400	---
Juvenile Drug Court Grant	72	---	---
State Justice Training Grant	20	---	---
Various Federal Programs and Accruals	1,096	2,535	1,325
<i>Total Judiciary</i>	<u>1,188</u>	<u>5,135</u>	<u>1,325</u>
<i>Total Federal Funds</i>	<u>8,058,769</u>	<u>10,071,518</u>	<u>12,317,302</u>
<b>Revolving:</b>			
Department of Community Affairs:			
Administration and Support Services	498	650	650
Housing Services	206	495	---
Liquid Petroleum Gas Education and Safety Board	121	315	250
Uniform Construction Code	9,454	9,375	11,700
Various Revolving Funds	71	---	---
<i>Total Department of Community Affairs</i>	<u>10,350</u>	<u>10,835</u>	<u>12,600</u>
Department of Corrections:			
Culinary Arts Vocational Program	103	135	135
Farm Operations	12,250	11,130	11,130
Institutional Care and Treatment	484	500	520
State Use	19,291	18,750	18,750
<i>Total Department of Corrections</i>	<u>32,128</u>	<u>30,515</u>	<u>30,535</u>
Department of Education:			
Administration and Support Services	1,682	1,720	1,720
General Education Development	331	350	350
Professional Development and Licensure	405	---	---
<i>Total Department of Education</i>	<u>2,418</u>	<u>2,070</u>	<u>2,070</u>



**SCHEDULE 2  
OTHER REVENUES**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
Department of Environmental Protection:			
Administration and Support Services .....	257	127	160
Pesticide Control .....	285	300	300
Publicly-Funded Site Remediation .....	153	---	---
<i>Total Department of Environmental Protection</i>	<u>695</u>	<u>427</u>	<u>460</u>
Department of Health and Senior Services:			
Administration and Support Services .....	6,761	6,500	6,500
Laboratory Services .....	9,405	10,125	11,125
<i>Total Department of Health and Senior Services</i>	<u>16,166</u>	<u>16,625</u>	<u>17,625</u>
Department of Human Services:			
Administration and Support Services .....	1,099	903	903
Income Maintenance Management .....	6,229	5,525	5,525
<i>Total Department of Human Services</i>	<u>7,328</u>	<u>6,428</u>	<u>6,428</u>
Department of Labor and Workforce Development:			
Administration and Support Services .....	905	---	---
Planning and Analysis .....	20	---	---
<i>Total Department of Labor and Workforce Development</i>	<u>925</u>	<u>---</u>	<u>---</u>
Department of Law and Public Safety:			
Criminal Justice .....	125	275	275
State Police Operations .....	1	---	---
<i>Total Department of Law and Public Safety</i>	<u>126</u>	<u>275</u>	<u>275</u>
Department of State:			
Museum Services .....	19	---	---
Records Management .....	642	465	450
<i>Total Department of State</i>	<u>661</u>	<u>465</u>	<u>450</u>
Department of Transportation:			
Administration and Support Services .....	330	---	---
Department of the Treasury:			
Adjudication of Administrative Appeals .....	892	895	895
Automotive Services .....	30,809	25,957	25,957
Capitol Post Office .....	1,902	1,648	1,648
Escrow - Construction Management Services .....	1,373	---	---
Printing Services .....	2,330	2,324	2,324
Property Management and Construction - Construction Management Services .....	2,301	4,425	4,425
Public Information Services .....	1,001	1,001	1,001
Purchasing and Inventory Management .....	53,692	50,920	50,920
<i>Total Department of the Treasury</i>	<u>94,300</u>	<u>87,170</u>	<u>87,170</u>
<i>Total Revolving</i> .....	<u>165,427</u>	<u>154,810</u>	<u>157,613</u>
<b><i>Total Other Revenues General Fund</i></b> .....	<u><b>11,516,032</b></u>	<u><b>13,545,207</b></u>	<u><b>15,782,231</b></u>

**SPECIAL TRANSPORTATION FUND**

**General:**

Transportation Trust Fund - Federal .....	756,691	1,108,329	1,122,592
Transportation Trust Fund - Federal Economic Stimulus .....	---	800,000	---
Transportation Trust Fund - Local Highway Funds .....	126,189	224,241	208,151
Transportation Trust Fund - Public Transportation .....	597,149	685,000	692,000
Transportation Trust Fund - State Highway Funds .....	706,064	690,759	699,849
<i>Total Special Transportation Fund</i> .....	<u>2,186,093</u>	<u>3,508,329</u>	<u>2,722,592</u>
<b><i>TOTAL OTHER REVENUES</i></b> .....	<u><b>13,702,125</b></u>	<u><b>17,053,536</b></u>	<u><b>18,504,823</b></u>

**SCHEDULE 3**  
**EXPENDITURES BUDGETED**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2008	2009	2010
	Actual	Estimated	Estimated
<b>GENERAL FUND</b>			
<b>Legislative Branch</b>			
Senate .....	11,382	11,459	11,459
General Assembly .....	18,589	17,902	17,902
Office of Legislative Services .....	31,779	29,787	28,958
Legislative Commissions .....	6,056	5,595	5,595
State Capitol Joint Management Commission .....	9,587	9,901	9,901
Clean Ocean and Shore Trust Committee .....	80	---	---
	<u>77,473</u>	<u>74,644</u>	<u>73,815</u>
<b>Executive Branch</b>			
Chief Executive .....	5,125	5,268	4,684
Department of Agriculture .....	30,248	22,463	24,629
Department of Banking and Insurance .....	68,640	71,441	67,548
Department of Children and Families .....	1,046,864	1,089,292	1,092,294
Department of Community Affairs .....	189,433	303,443	290,215
Department of Corrections .....	1,153,786	1,196,087	1,189,378
Department of Education .....	736,606	1,067,797	810,365
Department of Environmental Protection .....	461,885	424,178	360,092
Department of Health and Senior Services .....	1,425,834	1,399,699	1,055,087
Department of Human Services .....	4,804,172	4,827,779	4,461,908
Department of Labor and Workforce Development .....	467,547	303,690	144,833
Department of Law and Public Safety .....	647,921	558,368	539,213
Department of Military and Veterans' Affairs .....	101,861	94,725	91,292
Department of the Public Advocate .....	17,981	17,130	16,834
Department of State .....	1,332,770	1,283,674	1,258,396
Department of Transportation .....	1,299,358	1,353,814	1,252,964
Department of the Treasury .....	1,450,158	1,369,047	1,139,680
Miscellaneous Commissions .....	1,452	1,456	1,456
	<u>15,241,641</u>	<u>15,389,351</u>	<u>13,800,868</u>
<b>Interdepartmental Accts</b>			
Inter-Departmental Services .....	704,412	705,871	654,742
Employee Benefits .....	2,560,723	2,546,545	2,257,552
Other Interdepartmental Accounts .....	57,373	16,675	27,675
Salary Increases and Other Benefits .....	10,784	19,333	10,500
	<u>3,333,292</u>	<u>3,288,424</u>	<u>2,950,469</u>
<b>Judicial Branch</b>			
The Judiciary .....	605,482	641,007	648,385
	<u>605,482</u>	<u>641,007</u>	<u>648,385</u>
<b>Total General Fund .....</b>	<b><u>19,257,888</u></b>	<b><u>19,393,426</u></b>	<b><u>17,473,537</u></b>
<b>CASINO CONTROL FUND - DIRECT STATE SERVICES</b>			
Department of Law and Public Safety .....	43,491	45,999	43,999
Department of the Treasury .....	28,065	29,440	26,572
<b>Total Casino Control Fund - Direct State Services .....</b>	<b><u>71,556</u></b>	<b><u>75,439</u></b>	<b><u>70,571</u></b>
<b>CASINO REVENUE FUND</b>			
Department of Health and Senior Services .....	276,265	202,425	188,791
Department of Human Services .....	112,842	130,457	130,457
Department of Labor and Workforce Development .....	2,440	2,440	2,196
Department of Law and Public Safety .....	92	92	92
Department of Transportation .....	36,928	33,018	30,233
<b>Total Casino Revenue Fund .....</b>	<b><u>428,567</u></b>	<b><u>368,432</u></b>	<b><u>351,769</u></b>

**SCHEDULE 3  
EXPENDITURES BUDGETED**

(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
<b>GUBERNATORIAL ELECTIONS FUND - GRANTS-IN-AID</b>			
Department of Law and Public Safety .....	---	5,080	7,880
<b>PROPERTY TAX RELIEF FUND</b>			
Department of Community Affairs .....	1,010,701	847,493	819,688
Department of Education .....	10,224,381	10,502,541	9,603,326
Department of Environmental Protection .....	9,828	10,000	10,000
Department of Human Services .....	148,044	---	---
Department of the Treasury .....	2,460,983	2,041,906	1,503,986
<i>Total Property Tax Relief Fund</i> .....	<u>13,853,937</u>	<u>13,401,940</u>	<u>11,937,000</u>
<b>GRAND TOTAL EXPENDITURES BUDGETED</b> .....	<u><b>33,611,948</b></u>	<u><b>33,244,317</b></u>	<u><b>29,840,757</b></u>

**SCHEDULE 4**  
**EXPENDITURES NOT BUDGETED**  
(thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2008 Actual	2009 Estimated	2010 Estimated
<b>GENERAL FUNDS</b>			
<b>Dedicated Funds</b>			
Chief Executive .....	608	900	750
Department of Agriculture .....	10,129	11,121	10,960
Department of Banking and Insurance .....	4,759	832	496
Department of Children and Families .....	57,559	57,824	53,650
Department of Community Affairs .....	146,178	81,100	82,700
Department of Corrections .....	29,930	25,014	24,387
Department of Education .....	13,500	21,080	16,151
Department of Environmental Protection .....	33,161	72,737	81,214
Department of Health and Senior Services .....	264,391	300,235	300,401
Department of Human Services .....	827,869	672,973	651,463
Department of Labor and Workforce Development .....	168,795	208,934	216,999
Department of Law and Public Safety .....	226,692	298,167	292,828
Department of Military and Veterans' Affairs .....	857	3,927	2,923
Department of the Public Advocate .....	462	558	558
Department of State .....	37,009	23,608	24,537
Department of Transportation .....	341,131	289,850	294,023
Department of the Treasury .....	1,198,560	1,185,565	1,186,999
Interdepartmental Accounts .....	45	4,060	4,418
The Judiciary .....	57,063	60,394	61,859
<i>Total Dedicated Funds</i> .....	<u>3,418,698</u>	<u>3,318,879</u>	<u>3,307,316</u>
<b>Federal Funds</b>			
Legislature .....	2	---	---
Department of Agriculture .....	274,538	331,024	342,029
Department of Children and Families .....	365,537	397,783	434,445
Department of Community Affairs .....	369,831	705,592	449,784
Department of Corrections .....	8,648	11,272	10,914
Department of Education .....	784,458	832,253	2,526,268
Department of Environmental Protection .....	48,303	383,263	182,458
Department of Health and Senior Services .....	1,556,271	1,841,795	2,089,996
Department of Human Services .....	3,960,402	4,519,014	5,242,265
Department of Labor and Workforce Development .....	384,319	565,725	446,754
Department of Law and Public Safety .....	122,285	204,994	239,329
Department of Military and Veterans' Affairs .....	65,583	44,316	47,741
Department of the Public Advocate .....	1,132	1,650	1,650
Department of State .....	37,883	31,252	67,010
Department of Transportation .....	25,603	59,104	58,063
Department of the Treasury .....	2,522	43,717	79,617
The Judiciary .....	86,801	98,764	98,979
<i>Total Federal Funds</i> .....	<u>8,094,118</u>	<u>10,071,518</u>	<u>12,317,302</u>
<b>Revolving Funds</b>			
Legislature .....	2	---	---
Department of Community Affairs .....	13,744	10,835	12,600
Department of Corrections .....	32,399	30,515	30,535
Department of Education .....	2,425	2,070	2,070
Department of Environmental Protection .....	774	427	460
Department of Health and Senior Services .....	17,357	16,625	17,625
Department of Human Services .....	6,359	6,428	6,428
Department of Labor and Workforce Development .....	1,450	---	---
Department of Law and Public Safety .....	2	275	275
Department of State .....	617	465	450
Department of Transportation .....	260	---	---
Department of the Treasury .....	109,110	87,170	87,170
<i>Total Revolving Funds</i> .....	<u>184,499</u>	<u>154,810</u>	<u>157,613</u>
<i>Total Expenditures General Fund</i> .....	<u>11,697,315</u>	<u>13,545,207</u>	<u>15,782,231</u>
<b>SPECIAL TRANSPORTATION TRUST FUND</b>			
General .....	2,246,594	3,508,329	2,722,592
<b>GRAND TOTAL EXPENDITURES NOT BUDGETED</b> .....	<b>13,943,909</b>	<b>17,053,536</b>	<b>18,504,823</b>



## **APPENDIX II: CURRENT YEAR ACTIONS TO KEEP NEW JERSEY'S BUDGET IN BALANCE— THE FISCAL 2009 PROBLEM AND SOLUTIONS**

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More than one year ago, while the Fiscal 2009 Budget was first being developed, the Corzine Administration recognized weaknesses in the nation's economy, and prudently built a budget around assumptions that New Jersey's revenue stream would feel the effects of this slowdown. Unlike many other state governments that increased spending and created new programs, New Jersey took an austere approach and enacted a budget for Fiscal 2009 that contained the largest year-to-year spending reduction in State history. The State also created a \$650 million reserve to help New Jersey reduce debt service, which is one of the recurring expenses at the core of the Budget's structural imbalance.

After the first quarter of the new fiscal year, the national economy slipped quickly, and deeply, into recession. While revenues mirrored conservative projections over much of this quarter, major tax collections soon began missing targets, and then virtually every revenue source to the Budget underperformed. Six months into the new fiscal year, as economic fundamentals showed signs of collapse, New Jersey measured a current year shortfall of about \$2.0 billion, including \$1.7 billion in revenue and more than \$275 million in new required spending.

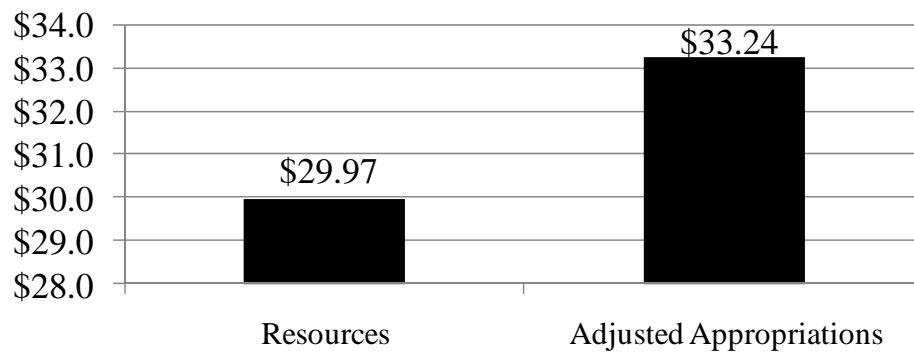
In order to address the constitutional obligation for a balanced budget, the Corzine Administration addressed the shortfall by undertaking a forensic, line-by-line review of all budgetary spending, combing through fiscal accounts of every size, government-wide to halt spending and cut appropriations in the current year. By early January, this scrubbing of the Budget yielded \$812 million in reductions, which was unprecedented for a mid-year budget adjustment. These reductions cut deeply into government operations, and included a wage freeze for managerial and rank-and-file employees. Still, the spending cuts and restraints covered a little more than one-third of the FY 2009 problem. The remainder of the shortfall was closed with the use of \$275 million of State surplus, \$365 million from the Long -Term Debt Reduction Fund, \$300 million in anticipated funds from the federal stimulus and the use of \$208 million in funds made available by a painstaking and aggressive close-out of the FY 2008 Budget.

With the economy slipping deeper into recession, monthly revenue collections continued a downward spiral, necessitating a revision of the current year shortfall in February. With Gross Income, Sales and Corporation Business Taxes all falling below estimates and significantly under collections recorded over the same periods one year ago, the current year shortfall was revised to \$3.4 billion. These collection figures were recorded in the materially significant holiday period, and traditionally are used as a baseline for the next fiscal year budget. Thus, the eroding fiscal status of the Budget required deeper current year reductions and solutions, and cast the die for the Fiscal 2010 spending plan.

An additional \$500 million of spending solutions were developed, including savings from a mandatory State employee furlough for two days in May and June. Rebalancing also was predicated on an added infusion of federal stimulus resources, redirection of available balances in a limited number of dedicated funds and the enactment of a tax amnesty program.

## ***Fiscal Year 2009 Problem \$3.27 Billion***

(In Billions)



Due to the recession's negative impact on revenues, FY 2009 adjusted appropriations exceeded available resources by 11%.

## *Summary of Problems*

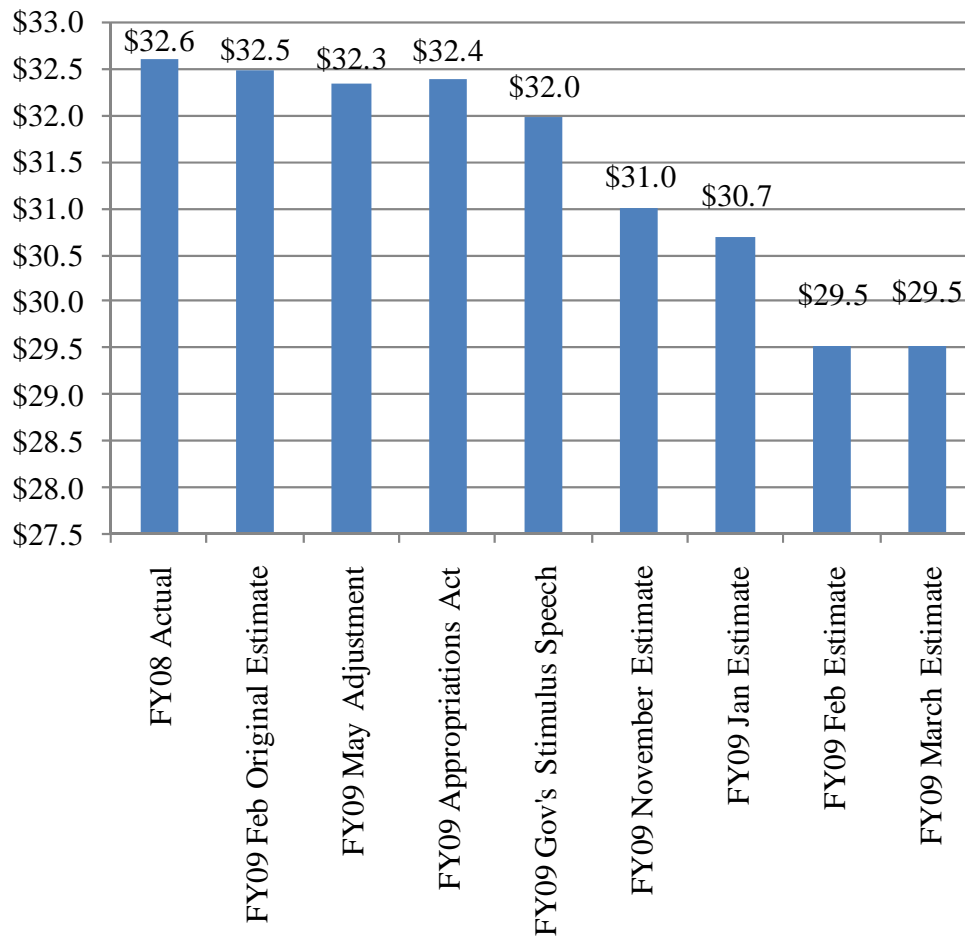
(In Thousands)

	<u>Jan 2nd</u>	<u>Added Feb 17</u>	<u>Added Mar 10</u>	<u>Total</u>
Revenue Shortfall	\$ 1,683,000	\$ 1,146,189	\$ 66,117	\$ 2,895,306
Added Spending Needs	276,308	42,282	(92,744)	\$ 225,846
Payment to UI Fund	<u>-</u>	<u>270,000</u>	<u>(120,000)</u>	<u>150,000</u>
Total	<u>\$ 1,959,308</u>	<u>\$ 1,458,471</u>	<u>\$(146,627)</u>	<u>\$ 3,271,152</u>

Revenue shortfall accounts for nearly 90% of the \$3.3 billion shortfall in FY 2009.

## *History of FY 2009 Revenues*

(In Billions)





## ***FY 2009 Revenues***

(In Millions)

	<b>FY2008 CAFR</b>	<b>FY2009 Adjusted Revenues **</b>	<b>Change to CAFR</b>	
			<b>\$</b>	<b>%</b>
Income	\$ 12,605	\$ 11,249	\$ (1,356)	(10.8)
Sales	8,395	7,925	(470)	(5.6)
Corporate	2,993	2,350	(643)	(21.5)
Other*	<u>8,591</u>	<u>8,456</u>	<u>(135)</u>	(1.6)
<b>Total</b>	<b><u>\$ 32,584</u></b>	<b><u>\$ 29,980</u></b>	<b><u>\$ (2,604)</u></b>	(8.0)

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

\*\*FY 2009 includes solutions.

CAFR - Comprehensive Annual Financial Report

## ***FY 2009 Revenues***

(In Millions)

	<b>FY2009 Approp. Act Revenues</b>	<b>FY2009 Adjusted Revenues**</b>	<b>Change \$</b>	<b>%</b>
Income	\$ 12,700	\$ 11,249	\$ (1,451)	(11.4)
Sales	8,578	7,925	(653)	(7.6)
Corporate	2,670	2,350	(320)	(12.0)
Other*	<u>8,420</u>	<u>8,456</u>	<u>36</u>	0.4
<b>Total</b>	<b><u>\$ 32,368</u></b>	<b><u>\$ 29,980</u></b>	<b><u>\$ (2,388)</u></b>	(7.4)

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

\*\*FY 2009 includes solutions.

## ***Fiscal Year 2009 Supplemental Appropriations***

(In Thousands)

### Enacted

School Facilities Transition Aid	\$13,240
NJ Family Care	1,000
Office of Legislative Services	829
Other	<u>653</u>
Subtotal	\$15,722

### Pending

Unemployment Compensation	\$150,000
Nursing Homes and Medical Day Care	76,900
State Employee Health Benefits	40,000
State Trooper Rural Patrol	17,596
Snow Removal	23,740
Short-Term Borrowing Costs	13,740
Employer Taxes	13,700
Rent and Vehicle Liability	6,700
Other	<u>17,748</u>
Subtotal	\$360,124

Total	<u><u>\$375,846</u></u>
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## *Summary of Actions*

(In Thousands)

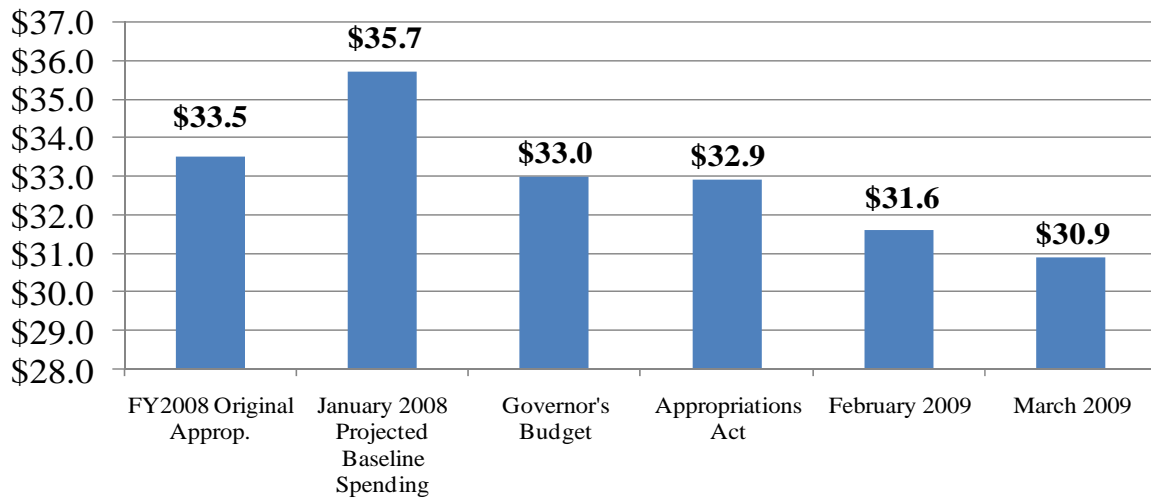
	<u>Jan 2nd</u>	<u>Added Feb 17</u>	<u>Added Mar 10</u>	<u>Total</u>
Budget Cuts	\$ 812,199	\$ 472,943	\$ 475,112	\$ 1,760,254
Transfer from Long Term Obligation and Capital Expenditure Fund to Property Tax Relief Fund	365,000	-	-	\$ 365,000
FY 08 Added Surplus	207,578	-	-	\$ 207,578
Federal Medicaid (a)	300,000	300,000	(66,990)	\$ 533,010
Additional Federal Stimulus	-	250,000	-	\$ 250,000
Balances Redirected from Trust Funds	-	156,876	-	\$ 156,876
Tax Amnesty	-	100,000	-	\$ 100,000
Total	<u>\$ 1,684,777</u>	<u>\$ 1,279,819</u>	<u>\$ 408,122</u>	<u>\$ 3,372,718</u>

(a) In March, \$66,990 of the Federal Medicaid funds were used to offset costs in the Department of Human Services.

Approximately half of the \$3.4 billion in solutions needed to balance the current year budget were derived from restraints on spending.

## ***FY 09 Budget History***

(In Billions)



## ***FY 2009 Spending Comparison***

(In Thousands)

	<b>FY 2009 Adjusted</b>		<b>Change</b>	
	<b>Approp.</b>	<b>Spending</b>	<b>\$</b>	<b>%</b>
Chief Executive	\$ 5,268	\$ 5,268	\$ -	-
Agriculture	22,463	18,267	(4,196)	(18.7)
Banking and Insurance	71,441	71,441	-	-
Children and Families <sup>(a)</sup>	1,089,292	1,089,226	(66)	-
Community Affairs	1,150,936	1,069,421	(81,515)	(7.1)
Corrections	1,196,087	1,168,309	(27,778)	(2.3)
Education	11,570,338	10,928,372	(641,966)	(5.5)
Environmental Protection	434,178	410,960	(23,218)	(5.3)
Health and Senior Services <sup>(a)</sup>	1,602,124	1,479,598	(122,526)	(7.6)
Human Services <sup>(a)</sup>	4,958,236	4,359,330	(598,906)	(12.1)
Labor & Workforce Development <sup>(b)</sup>	306,130	304,618	(1,512)	(0.5)
Law and Public Safety	609,539	593,122	(16,417)	(2.7)
Military and Veterans' Affairs	94,725	92,334	(2,391)	(2.5)
Public Advocate	17,130	14,454	(2,676)	(15.6)
State	1,283,674	1,260,638	(23,036)	(1.8)
Transportation	1,386,832	1,357,646	(29,186)	(2.1)
Treasury <sup>(b)</sup>	3,440,393	3,179,252	(261,141)	(7.6)
Miscellaneous Commissions	1,456	1,456	-	-
Subtotal Executive Branch	<u>\$ 29,240,242</u>	<u>\$ 27,403,712</u>	<u>\$ (1,836,530)</u>	(6.3)
Interdepartmental	\$ 3,288,424	\$ 2,834,440	\$ (453,984)	(13.8)
Legislature	\$ 74,644	\$ 73,144	\$ (1,500)	(2.0)
Judiciary	<u>641,007</u>	<u>639,757</u>	<u>(1,250)</u>	(0.2)
Total	<u><u>\$ 33,244,317</u></u>	<u><u>\$ 30,951,053</u></u>	<u><u>\$ (2,293,264)</u></u>	(6.9)

<sup>(a)</sup> Includes \$533 million in savings from FMAP-federal stimulus in FY 2009

<sup>(b)</sup> FY 2009 includes appropriations shifted from Department of Personnel

## **FY2009 Major Spending Reductions\***

### **Original FY2009 Appropriations Act (\$600 million net total)**

- \$600 Largest Net Changes: Homestead Rebates, Salary Increases, Family Care

### **January 2, 2009 (\$812 million total)**

- \$116 Pension Contribution Adjustment
- 94 Human Services (Contract Closeouts, Recoveries, Other)
- 75 Pension Deferral Plan for Localities – School Aid
- 56 Health (Community Centers, Early Intervention, Other)
- 47 State Rental Assistance - Adjusted Spending
- 45 Direct Property Tax Relief - Revised Need
- 39 Teachers' Health Benefits – Lower Need for Retirees
- 32 Business Employment Incentive Program – Revised Need
- 27 Salary Benefits

### **February 17, 2009 (\$473 million total)**

- \$168 Pension Contribution Adjustment
- 48 Economic Development – Adjusted Need (BEIP, Main Street)
- 41 Salary Benefits (Mandatory Furlough, Balances)
- 32 PAAD/Senior Gold – Adjusted Spending
- 26 Charity Care – Eliminate Forward Funding
- 22 Local Aid (County Solid Waste, Highlands – Adjusted Need)

### **March 10, 2009 (\$475 million total)**

- \$500 Pension Contribution Adjustment
- ( 25) Other Adjustments

\*Chart excludes federal stimulus, dedicated funds, and revenue initiatives

## ***Budget Relief from Federal Stimulus Bill***

(In Thousands)

	<b>SFY09</b>	<b>SFY10</b>	<b>Total</b>
Enhanced Medicaid Funding - Children & Families	\$ 13,585	\$ 24,000	\$ 37,585
Enhanced Medicaid Funding - Health	180,606	319,071	499,677
Enhanced Medicaid Funding - Disability Services	25,926	45,803	71,729
Enhanced Medicaid Funding - Medicaid	379,883	671,126	1,051,009
<b>Sub-Total</b>	<b>\$ 600,000</b>	<b>\$ 1,060,000</b>	<b>\$ 1,660,000</b>
DHSS - Early Intervention	-	5,400	5,400
Fiscal Stabilization	250,000	1,091,000	1,341,000
Title IV-E--Foster Care	4,044	5,392	9,436
Federal Preventive Maintenance	-	59,100	59,100
<b>Total</b>	<b>\$ 854,044</b>	<b>\$ 2,220,892</b>	<b>\$ 3,074,936</b>



**FY09 SUMMARY OF ALL REDUCTIONS**  
**(Amounts in Thousands)**

	Amount
<b>LEGISLATURE</b>	
<b>STATE COMMISSION OF INVESTIGATION</b>	
Expenses of the Commission	(\$1,500)
<b>State Commission of Investigation Subtotal</b>	(\$1,500)
<b>Legislature Subtotal</b>	(\$1,500)
<b>AGRICULTURE</b>	
School Breakfast Program -Adjusted Spending Projection	(\$3,303)
Conservation Assistance Program	(\$200)
Stormwater Discharge Permit Fees	(\$131)
Nursery Inspection Program	(\$87)
Suspension of the Jersey Fresh Advertising Grant Program	(\$50)
Beneficial Insect Laboratory	(\$47)
Conservation Cost Share Program	(\$46)
Shift of State Positions to Federal Programs	(\$38)
Cancel Contract Work and Shift to Existing State Employee	(\$24)
Soybean Integrated Pest Management	(\$8)
Renovations to the Phillip Alampi Insect Laboratory	(\$7)
Various Equipment Accounts	(\$5)
<b>Department Subtotal</b>	(\$3,946)
<b>Agriculture Subtotal</b>	(\$3,946)
<b>CHILDREN AND FAMILIES</b>	
Ewing Treatment Ctr Improvements	(\$66)
<b>Department Subtotal</b>	(\$66)
<b>Children and Families Subtotal</b>	(\$66)
<b>COMMUNITY AFFAIRS</b>	
State Rental Assistance Program -Adjusted Spending Projection	(\$47,000)
Special Municipal Aid and Extraordinary Aid - Pension Deferral Savings	(\$15,000)
Lead Hazard Control Assistance Fund - Adjusted Spending Projection	(\$6,000)
Sharing Available Resources Efficiently (SHARE) Grant Program	(\$5,200)
Consolidation Fund - Offset Rural Patrol Costs	(\$5,000)
Smart Future Planning Grants - Stop Awarding FY09 Grants	(\$1,885)
Downtown Business Improvement Loan Fund	(\$711)
Domestic Violence Training Cost Reimbursement - No Grant Awards for FY09	(\$250)
Reduced Cigarette Ignition Propensity Program	(\$196)
Contract Closeout	(\$175)
Historic Trust	(\$68)
Regional Efficiency Aid Program	(\$30)
<b>Department Subtotal</b>	(\$81,515)
<b>Community Affairs Subtotal</b>	(\$81,515)
<b>CORRECTIONS</b>	
FY09 Salary Savings from Non Hiring	(\$10,888)
Civilly Committed Sexual Offender Facility Surplus	(\$5,835)
Integrated Information Systems Development	(\$2,500)
Capital Projects - Savings	(\$1,674)
State Facilities Education Act (SFEA)	(\$1,300)
Corrections Computerized Collection Fund	(\$687)
Work Release Fund	(\$258)
Equipment Account Savings	(\$30)
Integrated Information Systems Development Contract Closeout	(\$16)
State Match for Federal Grants	(\$10)
Contract Closeout	(\$3)
<b>Department Subtotal</b>	(\$23,201)
<b>PAROLE BOARD</b>	
FY09 Salary Savings From Non-Hiring	(\$1,849)
Institutional Parole Officer Reassignment	(\$560)
Stages to Enhance Parolee Success (STEPS) Program Efficiencies	(\$400)
Gang Suppression - Savings	(\$181)
Materials & Supplies Account Savings	(\$112)
Residential Assessment Center (RAC) Electronic Monitoring - Savings	(\$75)

**FY09 SUMMARY OF ALL REDUCTIONS**  
**(Amounts in Thousands)**

	Amount
<b>Parole Board Subtotal</b>	(\$3,177)
<b>Corrections Subtotal</b>	(\$26,378)
<b>EDUCATION</b>	
Pension Deferral Plan Savings	(\$75,000)
School Construction Debt Service - Adjusted Spending Projection	(\$7,445)
School District Deficit Relief Savings	(\$7,436)
Integration Assistance Aid	(\$3,000)
Charter School Aid - Adjusted Spending Projection	(\$1,995)
Governor's Literacy Program	(\$700)
District and School Improvement Savings	(\$516)
Professional Development & Licensure	(\$317)
GED Program	(\$310)
Katzenbach School Renovation	(\$300)
NJ After 3 Savings	(\$250)
School Facilities Contract Closeout	(\$233)
Materials and Supplies Spending Freeze Savings	(\$230)
Regional Schools Sprinkler System Capital	(\$130)
Professional Development & Licensure	(\$92)
Private School Tuition Reimbursements	(\$76)
Holocaust Commission Savings	(\$72)
National Teaching Standards Board Certification Savings	(\$64)
Nonpublic Aid	(\$44)
Community Relations Committee of the United Jewish Federation of Metrowest Savings	(\$30)
Internal Auditing Aid Savings	(\$25)
Italian-American Heritage Commission Savings	(\$25)
School District Bridge Loans Savings	(\$23)
Equipment Accounts	(\$20)
Adolescent Literacy	(\$11)
State Board of Education Expenses - Reduced Spending	(\$10)
Miscellaneous Awards	(\$7)
Capital Improvement - Reduced Spending	(\$2)
<b>Department Subtotal</b>	(\$98,363)
<b>TEACHERS PENSIONS/SOCIAL SEC.</b>	
Lower Than Expected Costs For Retiree Health Benefits	(\$47,342)
<b>Teachers Pensions/Social Sec. Subtotal</b>	(\$47,342)
<b>Education Subtotal</b>	(\$145,705)
<b>ENVIRONMENTAL PROTECTION</b>	
Adjust Corporate Business Tax Appropriations for New Revenue Projections	(\$13,216)
Clean Water Enforcement Act Funds	(\$1,452)
Fringe Benefit Offset - Charge Corporate Business Tax Funded Programs and Shore Protection Funds for Associated Fringe Benefit Costs	(\$1,304)
Flood Control & Information Technology Infrastructure Capital	(\$1,057)
Reduce General Fund Subsidy to Hunters and Anglers Fund	(\$1,000)
Shift Prior Year Capital Projects to Corporate Business Tax Dedication Funding	(\$1,000)
Vehicle Purchases	(\$755)
Environmental Infrastructure Program Administration	(\$700)
Regional Greenhouse Gas Initiative	(\$640)
NJ Pollution Elimination System (NJPDES) Fees	(\$500)
Landscape Irrigation Contractor Certification	(\$366)
State Recycling Fund	(\$358)
Shellfish Management	(\$350)
Payments In Lieu of Taxes (PILOT) - Savings	(\$281)
Mosquito Control Commission	(\$261)
Geological Survey Maps & Publications	(\$195)
Various Dedicated Accounts	(\$190)
Fort Mott Ferry Lease Agreement	(\$88)
Land Use Map Sales	(\$82)
Various Capital Accounts Savings	(\$66)
Various Equipment Accounts	(\$61)
<b>Department Subtotal</b>	(\$23,922)
<b>HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL</b>	
Highlands Council - Adjusted Spending Projection	(\$100)

**FY09 SUMMARY OF ALL REDUCTIONS**  
**(Amounts in Thousands)**

	Amount
<b>Highlands Water Protection and Planning Council</b>	(\$100)
<b>Subtotal</b>	
<b>Environmental Protection Subtotal</b>	(\$24,022)
<b>HEALTH &amp; SENIOR SERVICES</b>	
PAAD/Senior Gold Adjusted Spending Projection	(\$32,100)
Eliminate Forward Funding of Charity Care	(\$25,500)
Early Intervention Program - Savings	(\$18,000)
Community Health Centers	(\$14,700)
Brain Injury Research Adjusted Spending Projection	(\$7,000)
Cancer Research - Savings	(\$7,000)
Horizon Third Party Liability Recoveries	(\$6,110)
Hospital Asset Transformation Program	(\$3,698)
End Future Year Funding Within Contracts	(\$2,404)
Various Contract Closeouts	(\$1,547)
AIDS Drug Distribution Program	(\$1,200)
Community Health Centers	(\$500)
Spending Freeze Lapses	(\$413)
Health Care Facilities Improvement Fund	(\$400)
Audit Escrow Account	(\$360)
Tourette Syndrome Association of NJ	(\$250)
Equipment	(\$232)
Anti-Smoking Programs	(\$130)
NJ KidCare Outreach	(\$112)
Capital Construction	(\$89)
Third Party Provider - Savings	(\$67)
Court Settlement	(\$14)
<b>Department Subtotal</b>	(\$121,826)
<b>Health &amp; Senior Services Subtotal</b>	(\$121,826)
<b>HUMAN SERVICES</b>	
<b>ADDICTION SERVICES</b>	
Needle Exchange Treatment - Savings	(\$9,402)
<b>Addiction Services Subtotal</b>	(\$9,402)
<b>COMMISSION FOR THE BLIND AND VISUALLY IMPAIRED</b>	
Discontinue Camp Marcella Lease	(\$29)
Contract Closeout	(\$3)
<b>Commission for the Blind and Visually Impaired</b>	(\$32)
<b>Subtotal</b>	
<b>CENTRAL OFFICE</b>	
Claims Reserve Surpluses	(\$10,182)
<b>Central Office Subtotal</b>	(\$10,182)
<b>DEVELOPMENTAL DISABILITIES</b>	
Prior Year Community Provider Contract Recoveries	(\$17,000)
Community Services Waiting List Adjusted Spending Projection	(\$8,092)
Additional Federal Revenue from New Community Services Waiver	(\$6,000)
<b>Developmental Disabilities Subtotal</b>	(\$31,092)
<b>DISABILITY SERVICES</b>	
Traumatic Brain Injury Fund Adjusted Spending Projection	(\$2,179)
<b>Disability Services Subtotal</b>	(\$2,179)
<b>MEDICAID</b>	
Special Education Medicaid Initiative (SEMI) Federal Revenue	(\$4,036)
<b>Medicaid Subtotal</b>	(\$4,036)
<b>MENTAL HEALTH SERVICES</b>	
Suspension of Forward Funding for Next Year's Grants	(\$4,500)
Use of Federal Block Grant Funding to Offset State Community Care Appropriations	(\$2,700)
Community Provider Savings	(\$1,300)
Contract Close Out	(\$2)
<b>Mental Health Services Subtotal</b>	(\$8,502)
<b>Human Services Subtotal</b>	(\$65,425)
<b>LABOR AND WORKFORCE DEVELOPMENT</b>	
Administrative Cost Recovery Account - Savings	(\$800)
Reduce Funding for Vocational Rehabilitation Placement Incentive Program	(\$438)

**FY09 SUMMARY OF ALL REDUCTIONS**  
**(Amounts in Thousands)**

	Amount
Reduce State Administration Costs	(\$254)
Contract Close Out	(\$17)
Reduce Workplace Standards Capital Improvements	(\$3)
<b>Department Subtotal</b>	(\$1,512)
<b>Labor and Workforce Development Subtotal</b>	(\$1,512)
<b>LAW &amp; PUBLIC SAFETY</b>	
Line of Credit Adjustment	(\$3,225)
Bureau of Securities	(\$2,500)
Capital Projects - Savings	(\$1,202)
Office of the Attorney General	(\$1,000)
Law Enforcement Officers Training and Equipment	(\$882)
Nuclear Facilities Security Detail	(\$800)
Division of Civil Rights	(\$750)
Contract Closeout	(\$677)
Emergency Medical Services Helicopter Response Program	(\$422)
Computer Aided Dispatch Capital Project	(\$404)
State Police Equipment	(\$150)
Criminal Disposition Commission	(\$100)
Sentencing Commission	(\$99)
Division of Criminal Justice Materials and Supplies	(\$20)
<b>Department Subtotal</b>	(\$12,231)
<b>ELECTION LAW ENFORCEMENT</b>	
Election Law Enforcement Commission - Savings	(\$882)
<b>Election Law Enforcement Subtotal</b>	(\$882)
<b>STATE ETHICS COMMISSION</b>	
State Ethics Commission - Savings	(\$230)
<b>State Ethics Commission Subtotal</b>	(\$230)
<b>OFFICE OF HOMELAND SECURITY AND PREPAREDNESS</b>	
Homeland Security Grants	(\$1,573)
<b>Office of Homeland Security and Preparedness Subtotal</b>	(\$1,573)
<b>JUVENILE JUSTICE COMMISSION</b>	
Capital Projects - Savings	(\$452)
Third Party Provider - Savings	(\$288)
Miscellaneous Accounts	(\$11)
<b>Juvenile Justice Commission Subtotal</b>	(\$751)
<b>Law &amp; Public Safety Subtotal</b>	(\$15,667)
<b>MILITARY &amp; VETERANS AFFAIRS</b>	
Nuclear Facilities Security Detail Savings	(\$1,465)
Paramus Multi-Purpose Room Project Cancelled due to No Federal Grant	(\$627)
Contract Closeout	(\$165)
Infrastructure Projects	(\$67)
Energy Program Receipts	(\$50)
Jersey City Armory Project Completed	(\$15)
Infrastructure Projects and Replacement Facility	(\$1)
Retention of US Military Infrastructure	(\$1)
<b>Department Subtotal</b>	(\$2,391)
<b>Military &amp; Veterans Affairs Subtotal</b>	(\$2,391)
<b>PERSONNEL</b>	
Contract Close Out	(\$89)
<b>Department Subtotal</b>	(\$89)
<b>Personnel Subtotal</b>	(\$89)
<b>PUBLIC ADVOCATE</b>	
<b>OFFICE OF CHILD ADVOCATE</b>	
Miscellaneous Accounts	(\$1,112)
Child Advocate	(\$54)
Contract Closeout	(\$3)
<b>Office of Child Advocate Subtotal</b>	(\$1,169)
<b>OFFICE OF PUBLIC ADVOCATE</b>	
Miscellaneous Accounts	(\$1,408)

**FY09 SUMMARY OF ALL REDUCTIONS**  
**(Amounts in Thousands)**

	Amount
Contract Closeouts	(\$99)
<b>Office of Public Advocate Subtotal</b>	(\$1,507)
<b>Public Advocate Subtotal</b>	(\$2,676)
<b>STATE</b>	
<b>COMMISSION ON HIGHER EDUCATION</b>	
Higher Education for Special Needs Students - Savings	(\$356)
Education of Language Minority Students - Savings	(\$84)
Materials and Supplies - Savings	(\$7)
<b>Commission on Higher Education Subtotal</b>	(\$447)
Voter Verified Paper Audit Trail - Shift to Pilot Program	(\$19,000)
Presidential Primary - Savings	(\$126)
Dept of State Equipment Accounts - Savings	(\$65)
Materials and Supplies - Savings	(\$42)
Department of State Miscellaneous Accounts	(\$38)
Personal Responsibility - Savings	(\$26)
Contract Closeout	(\$25)
<b>Department Subtotal</b>	(\$19,322)
<b>HIGHER ED STUDENT ASSISTANCE AUTH.</b>	
Salaries and Wages - Shift to Non-State Sources	(\$75)
Contract Closeout	(\$7)
Maintenance and Fixed Charges - Shift to Non-State Sources	(\$3)
<b>Higher Ed Student Assistance Auth. Subtotal</b>	(\$85)
<b>THE STATE LIBRARY OF NEW JERSEY</b>	
New Jersey Knowledge Initiative - Savings	(\$390)
Public Library Project Fund - Debt Service Savings	(\$10)
<b>The State Library of New Jersey Subtotal</b>	(\$400)
<b>NJ INSTITUTE OF TECHNOLOGY</b>	
NJIT Out-of-State Tuition Adjustment	(\$752)
<b>NJ Institute of Technology Subtotal</b>	(\$752)
<b>PUBLIC BROADCAST AUTHORITY</b>	
Contract Closeout	(\$86)
<b>Public Broadcast Authority Subtotal</b>	(\$86)
<b>State Subtotal</b>	(\$21,092)
<b>TRANSPORTATION</b>	
NJ Turnpike/Parkway Feeder Roads Maintenance Cost Savings	(\$4,000)
Maritime Industry Fund	(\$1,000)
Maritime Pilot Commission	(\$500)
Equipment Purchase Efficiencies	(\$247)
Suspension of Ridesharing Program	(\$240)
Administrative Overhead	(\$185)
Contract Closeout	(\$109)
Excess Rental Receipts	(\$50)
<b>Department Subtotal</b>	(\$6,331)
<b>MOTOR VEHICLE COMMISSION</b>	
Motor Vehicle Commission	(\$10,000)
License Plate Administrative Fees	(\$1,655)
Motorcycle Safety Education Fund	(\$1,200)
<b>Motor Vehicle Commission Subtotal</b>	(\$12,855)
<b>NJ TRANSIT</b>	
Reduced Fuel Costs for NJ Transit	(\$10,000)
<b>NJ Transit Subtotal</b>	(\$10,000)
<b>Transportation Subtotal</b>	(\$29,186)
<b>TREASURY</b>	
<b>BOARD OF PUBLIC UTILITIES</b>	
Capital Projects	(\$1)
<b>Board of Public Utilities Subtotal</b>	(\$1)
<b>TREASURY - CASINO CONTROL FUND</b>	
Casino Control Commission - Operational Efficiencies	(\$1,718)
<b>Treasury - Casino Control Fund Subtotal</b>	(\$1,718)

**FY09 SUMMARY OF ALL REDUCTIONS**  
**(Amounts in Thousands)**

	Amount
<b>HIGHER ED - COUNTY COLLEGES</b>	
County College Operating Aid - Offset by Supplemental Workforce Fund	(\$2,000)
Lower Than Expected Costs For Retiree Health Benefits	(\$1,042)
<b>Higher Ed - County Colleges Subtotal</b>	(\$3,042)
<b>COMMERCE &amp; ECONOMIC DEVELOPMENT</b>	
Business Employment Incentive Program (BEIP) - Adjusted Spending Projection	(\$55,000)
Small Business Development Centers Savings	(\$250)
<b>Commerce &amp; Economic Development Subtotal</b>	(\$55,250)
Facility Costs - Contract Closeout	(\$3,090)
Fair and Clean Election Fund	(\$2,985)
Governor's Council on Alcoholism and Drug Abuse	(\$2,000)
Drug Abuse Education Fund	(\$1,612)
Motor Vehicle Surcharge Collections	(\$1,002)
Central Motor Pool	(\$920)
James J. Howard Marine Sciences Laboratory	(\$750)
Distribution Center	(\$610)
Wage Garnishment Administrative Fees	(\$500)
Contract Compliance - Savings	(\$278)
Employee Housing Maintenance	(\$250)
Federal Liaison - Savings	(\$250)
Real Property Leasing Out - Savings	(\$167)
Public Records Preservation	(\$154)
Division of Revenue - Savings	(\$125)
Management of DEP Properties - Savings	(\$100)
Office of Public Communications	(\$100)
Department of Treasury - Contract Closeout	(\$68)
Capital Projects in Treasury - Contract Closeout	(\$51)
State Cafeteria	(\$50)
Suspension of Service and Retirement Awards	(\$45)
Division of Taxation - Reduction in Security Guard Services	(\$42)
Various Equipment Accounts	(\$8)
Central Motor Pool - Uniform Savings	(\$2)
<b>Department Subtotal</b>	(\$15,159)
<b>TREASURY-DIRECT PROPERTY RELIEF</b>	
Homestead Property Tax Rebates for Homeowners - Adjusted Spending Projection	(\$35,000)
Senior and Disabled Citizens' Property Tax Freeze - Adjusted Spending Projection	(\$5,000)
Reimbursement to Municipalities for Senior Citizens', Disabled Citizens', and Veterans' Tax	(\$3,329)
Deductions - Adjusted Spending Projection	
<b>Treasury-Direct Property Relief Subtotal</b>	(\$43,329)
<b>MISCELLANEOUS HIGHER ED.</b>	
New Jersey Stem Cell Research Institute	(\$13,749)
New Jersey Marine Sciences Consortium - Savings	(\$86)
Higher Education Capital Facilities - Debt Service Savings	(\$33)
<b>Miscellaneous Higher Ed. Subtotal</b>	(\$13,868)
<b>TREASURY-MUNICIPAL &amp; COUNTY AID</b>	
County Solid Waste Debt Service Assistance - Adjusted Spending Projection	(\$18,000)
Highlands Property Tax Stabilization Aid - Adjusted Spending Projection	(\$8,000)
<b>Treasury-Municipal &amp; County Aid Subtotal</b>	(\$26,000)
<b>OFFICE OF ADMINISTRATIVE LAW</b>	
Office of Administrative Law	(\$191)
<b>Office of Administrative Law Subtotal</b>	(\$191)
<b>OFFICE OF INSPECTOR GENERAL</b>	
Office of the Medicaid Inspector General	(\$1,500)
Office of the Inspector General - Salary Savings from Attrition	(\$93)
Office of the Inspector General - Equipment Savings	(\$40)
Office of the Inspector General - Suspension of Subscriptions	(\$24)
Office of the Inspector General - Increased Third Party Reimbursements	(\$21)
<b>Office of Inspector General Subtotal</b>	(\$1,678)
<b>OFFICE OF INFORMATION TECHNOLOGY</b>	
Enhanced 911 Grants - Defer Funding for Current Grant Cycle	(\$12,425)
Quality Assurance Oversight - Delayed Startup	(\$2,000)
Critical Facility Preservation - Delayed Startup	(\$1,850)

**FY09 SUMMARY OF ALL REDUCTIONS**  
**(Amounts in Thousands)**

	Amount
Data Center Consolidation - Delayed Startup	(\$1,546)
General Operations	(\$1,000)
Enhanced 911 Grants Savings	(\$673)
IT Online State Portal Web Site - Reduce Expansion	(\$409)
Geographic Information Systems	(\$379)
Contract Closeout	(\$180)
Statewide 911 Emergency Telecommunication System Savings	(\$172)
Email Systems Consolidation	(\$66)
Office of Emergency Telecommunication Services Savings	(\$50)
OIT Availability and Recovery Site	(\$41)
Professional Services Savings	(\$30)
Enhanced 911 Grants	(\$25)
Cover Vehicle Costs with Alternative Resources	(\$20)
Printing Supplies Savings	(\$10)
Cover Equipment Purchases with Alternative Resources	(\$9)
Miscellaneous Information Technology Initiatives	(\$8)
<b>Office of Information Technology Subtotal</b>	(\$20,893)
<b>OFFICE OF STATE COMPTROLLER</b>	
Office of the State Comptroller - Savings	(\$1,500)
<b>Office of State Comptroller Subtotal</b>	(\$1,500)
<b>SCIENCE AND TECHNOLOGY</b>	
Stem Cell Research Grants Savings	(\$20,700)
Commission on Science and Technology Grants - Reduce FY09 Programs	(\$12,480)
<b>Science and Technology Subtotal</b>	(\$33,180)
<b>Treasury Subtotal</b>	(\$215,809)
<b>INTER-DEPARTMENTAL</b>	
Uncommitted Capital Balances in Various State Accounts	(\$12,112)
Line of Credit Account	(\$1,540)
Statewide Security Projects	(\$750)
<b>Department Subtotal</b>	(\$14,402)
<b>EMPLOYEE BENEFITS</b>	
Pensions at \$500 Million	(\$783,780)
Unemployment Insurance - State Employees - Adjusted Spending Projection	(\$6,000)
Alternate Benefit Program - Adjusted Spending Projection	(\$3,683)
Pension Adjustment Program - Adjusted Spending Projection	(\$156)
Volunteer Emergency Survivors Pension - Adjusted Spending Projection	(\$15)
<b>Employee Benefits Subtotal</b>	(\$793,634)
<b>OTHER INTER-DEPARTMENTAL ACCOUNTS</b>	
Miscellaneous Accounts	(\$84,107)
Adjust Corporate Business Tax for New Projection	(\$17,268)
New Jersey Sports and Exposition Authority - Debt Service Savings	(\$5,447)
Advertising and Promotion Statewide	(\$3,144)
Interest on Interfund Borrowing	(\$900)
Governor's Contingency Fund	(\$850)
Military Leave Benefits	(\$380)
<b>Other Inter-departmental Accounts Subtotal</b>	(\$112,096)
<b>RENTALS AND UTILITIES</b>	
UMDNJ Self Insurance Reserve Fund - Adjusted Spending Projection	(\$8,000)
Interdepartmental Fuel & Utilities - Reduced Expenditures	(\$4,000)
Property Occupancy Costs - Contract Closeout	(\$81)
<b>Rentals and Utilities Subtotal</b>	(\$12,081)
<b>SALARY &amp; OTHER BENEFITS (ADJUSTMTS)</b>	
Salary Savings from Furlough and Other Employee Actions	(\$25,000)
Suspension of Managers' Salary Increases	(\$15,700)
Senior Public Colleges and Universities Salary Program	(\$9,621)
Salary Program Balances	(\$8,000)
Reduction in Funding for Judiciary	(\$5,540)
Wage Freeze - Executive Branch Employees	(\$4,000)
Salary Freeze for Administrative Law Judges	(\$125)
<b>Salary &amp; Other Benefits (Adjustmts) Subtotal</b>	(\$67,986)
<b>Inter-departmental Subtotal</b>	(\$1,000,199)

**FY09 SUMMARY OF ALL REDUCTIONS**  
**(Amounts in Thousands)**

	Amount
<b>JUDICIARY</b>	
Additional FY09 Judiciary Efficiencies	(\$1,250)
<b>Department Subtotal</b>	(\$1,250)
<b>Judiciary Subtotal</b>	(\$1,250)
<b>TOTAL</b>	(\$1,760,254)