



## Appendices



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

----- Recommended Fiscal Year 2019 -----

	Expended Fiscal 2017	Adjusted Appropriation Fiscal 2018	Requested Fiscal 2019	General Fund	Property Tax Relief Fund	Total
<b>Formula Aid Programs:</b>						
Equalization Aid.....	\$ 6,088,951	\$ 6,208,660	\$ 6,289,660	\$ 2,127	\$ 6,287,533	\$ 6,289,660
Supplemental Enrollment Growth Aid.....	4,141	4,141	---	---	---	---
Per Pupil Growth Aid.....	13,460	13,460	---	---	---	---
PARCC Readiness .....	13,460	13,460	---	---	---	---
Professional Learning Community Aid.....	13,427	13,427	---	---	---	---
Educational Adequacy Aid.....	82,397	82,397	82,397	---	82,397	82,397
Host District Support Aid.....	25,860	27,683	---	---	---	---
Security Aid.....	199,525	199,526	265,725	---	265,725	265,725
Adjustment Aid.....	566,024	535,605	522,049	---	522,049	522,049
Preschool Education Aid.....	655,517	655,517	688,086	---	688,086	688,086
Preschool Education Expansion Aid.....	---	25,000	50,000	---	50,000	50,000
Under Adequacy Aid.....	16,763	16,763	---	---	---	---
School Choice.....	53,690	55,038	60,421	---	60,421	60,421
Special Education Categorical Aid.....	769,628	780,335	887,842	---	887,842	887,842
Transportation Aid.....	195,780	195,992	321,960	---	321,960	321,960
<b>Less:</b>						
Growth Savings - Payment Changes.....	(8,565)	(10,317)	(33,714)	---	(33,714)	(33,714)
Assessment of EDA Debt Service.....	(26,529)	(26,529)	(26,529)	---	(26,529)	(26,529)
<b>Subtotal, Formula Aid Programs.....</b>	<b>\$ 8,663,529</b>	<b>\$ 8,790,158</b>	<b>\$ 9,107,897</b>	<b>\$ 2,127</b>	<b>\$ 9,105,770</b>	<b>\$ 9,107,897</b>
<b>School Facilities Projects:</b>						
School Building Aid.....	\$ 45,630	\$ 40,572	\$ 33,709	\$ ---	\$ 33,709	\$ 33,709
School Construction Debt Service Aid.....	72,542	89,887	95,118	---	95,118	95,118
School Construction and Renovation Fund.....	786,816	918,767	1,067,092	---	1,067,092	1,067,092
<b>Subtotal, School Facilities Projects.....</b>	<b>\$ 904,988</b>	<b>\$ 1,049,226</b>	<b>\$ 1,195,919</b>	<b>\$ ---</b>	<b>\$ 1,195,919</b>	<b>\$ 1,195,919</b>
<b>TOTAL FORMULA AID.....</b>	<b>\$ 9,568,517</b>	<b>\$ 9,839,384</b>	<b>\$ 10,303,816</b>	<b>\$ 2,127</b>	<b>\$ 10,301,689</b>	<b>\$ 10,303,816</b>
<b>Other Aid to Education:</b>						
Nonpublic School Aid.....	\$ 101,381	\$ 101,603	\$ 97,803	\$ 97,803	\$ ---	\$ 97,803
Charter School Aid.....	46,413	53,199	55,454	---	55,454	55,454
Commercial Valuation Stabilization Aid.....	32,000	32,000	32,000	---	32,000	32,000
Payment for Children with Unknown District of Residence.....	38,500	41,000	41,500	---	41,500	41,500
Extraordinary Special Education Costs Aid.....	169,974	195,000	195,000	---	195,000	195,000
General Vocational Aid.....	4,455	4,860	4,860	4,860	---	4,860
County Vocational Partnership Grant Program...	1,300	3,000	---	---	---	---
Lead Testing for Schools.....	---	7,000	---	---	---	---
Other Aid.....	12,675	28,413	300	---	300	300
<b>Subtotal, Other Aid to Education.....</b>	<b>\$ 406,698</b>	<b>\$ 466,075</b>	<b>\$ 426,917</b>	<b>\$ 102,663</b>	<b>\$ 324,254</b>	<b>\$ 426,917</b>
<b>Subtotal, Department of Education.....</b>	<b>\$ 9,975,215</b>	<b>\$ 10,305,459</b>	<b>\$ 10,730,733</b>	<b>\$ 104,790</b>	<b>\$ 10,625,943</b>	<b>\$ 10,730,733</b>
<b>Direct State Payments for Education:</b>						
Teachers' Pension and Annuity Fund.....	\$ 1,083,157	\$ 719,396	\$ 1,111,690	\$ ---	\$ 1,111,690	\$ 1,111,690
Teachers' Pension and Annuity Fund - Post Retirement Medical.....	928,588	970,058	1,012,382	---	1,012,382	1,012,382
Teachers' Pension and Annuity Fund - Non-Contributory Insurance.....	41,934	38,770	39,044	---	39,044	39,044
Affordable Care Act Fees.....	1,386	784	278	---	278	278
Debt Service on Pension Obligation Bonds.....	210,750	226,217	243,809	---	243,809	243,809
Post Retirement Medical Other Than TPAF.....	211,306	225,469	235,488	---	235,488	235,488
Teachers' Social Security Assistance.....	750,779	758,351	774,696	---	774,696	774,696
<b>Subtotal, Direct State Payments for Education</b>	<b>\$ 3,227,900</b>	<b>\$ 2,939,045</b>	<b>\$ 3,417,387</b>	<b>\$ ---</b>	<b>\$ 3,417,387</b>	<b>\$ 3,417,387</b>
<b>TOTAL.....</b>	<b>\$ 13,203,115</b>	<b>\$ 13,244,504</b>	<b>\$ 14,148,120</b>	<b>\$ 104,790</b>	<b>\$ 14,043,330</b>	<b>\$ 14,148,120</b>

# APPENDIX

## PROPERTY TAX RELIEF (millions)

	FY 2018	FY 2019	Change	
	Adjusted Approp.	Budget	\$	%
<b>School Aid</b>	\$ 12,972.4	\$ 14,043.3	1,070.9	8.3
<b>Municipal Aid</b>				
Consolidated Municipal Property Tax Relief Aid (CMPTRA) /				
Energy Tax Receipts.....	\$ 1,427.7	\$ 1,427.7	---	---
Transitional Aid to Localities.....	87.0	102.0	15.0	17.2
Open Space Payments in Lieu of Taxes (PILOT).....	6.5	6.5	---	---
Meadowlands Tax-Sharing Payments-CY2016 Arrears.....	3.0	---	(3.0)	(100.0)
<b>Subtotal, Municipal Aid</b> .....	<b>\$ 1,524.2</b>	<b>\$ 1,536.2</b>	<b>12.0</b>	<b>0.8</b>
<b>Other Local Aid</b>				
Transportation Trust Fund - Local Project Aid.....	\$ 200.0	\$ 200.0	---	---
County College Aid.....	199.8	204.0	4.2	2.1
Employee Benefits on behalf of Local Governments .....	184.6	210.0	25.4	13.8
Support of Patients in County Psychiatric Hospitals.....	105.2	105.2	---	---
Garden State Preservation Trust Fund.....	31.3	31.3	---	---
General Assistance Administration.....	26.6	26.6	---	---
Supplemental Nutrition Assistance Program Administration.....	25.3	25.3	---	---
Essex County Jail Substance Use Disorder Programs.....	20.0	20.0	---	---
County Administration Funding.....	17.1	24.6	7.5	43.9
Municipal Rehabilitation and Economic Recovery.....	14.1	14.1	---	---
Child Support Administration.....	9.5	9.5	---	---
Aid to Counties in Lieu of Insurance Premiums Tax Payments.....	7.9	7.9	---	---
Library Aid.....	7.4	7.4	---	---
School Lunch Aid - State Aid Grants.....	5.6	5.6	---	---
South Jersey Port Corporation Property Tax Reserve Fund.....	5.1	5.1	---	---
County Prosecutor Funding Initiative Pilot Program.....	4.0	---	(4.0)	(100.0)
County Environmental Health Act.....	2.7	2.7	---	---
Union County Inmate Rehabilitation Services.....	2.5	---	(2.5)	(100.0)
County Offices on Aging.....	2.5	2.5	---	---
Essex Crime Prevention.....	2.0	2.0	---	---
Mosquito Control, Research, Administration and Operations.....	1.3	1.3	---	---
Consolidation Implementation.....	1.0	---	(1.0)	(100.0)
General Obligation Debt Service.....	---	23.4	23.4	100.0
Transportation Assistance for Senior Citizens and Disabled Residents.....	---	18.6	18.6	100.0
Eligibility and Enrollment Services.....	---	4.0	4.0	100.0
<b>Subtotal, Other Local Aid</b> .....	<b>\$ 875.5</b>	<b>\$ 951.1</b>	<b>75.6</b>	<b>8.6</b>
<b>Property Taxpayer Relief Programs</b> <sup>(a)</sup>				
Senior and Disabled Citizens' Property Tax Freeze.....	207.6	204.4	(3.2)	(1.5)
Homestead Benefit Program.....	156.0	143.5	(12.5)	(8.0)
Veterans' Property Tax Deductions.....	48.5	45.7	(2.8)	(5.8)
Senior and Disabled Citizens' Property Tax Deductions.....	9.9	9.0	(0.9)	(9.1)
<b>Subtotal, Property Taxpayer Relief Programs</b> .....	<b>\$ 422.0</b>	<b>\$ 402.6</b>	<b>(19.4)</b>	<b>(4.6)</b>
<b>GRAND TOTAL, PROPERTY TAX RELIEF (b)</b> .....	<b>\$ 15,794.1</b>	<b>\$ 16,933.2</b>	<b>1,139.1</b>	<b>7.2</b>

### Notes:

(a) FY 2019 continues these programs unaltered. The change amount reflects the change in forecasted costs.

(b) FY 2018 and FY 2019 exclude \$776.7 million and \$805.8 million, respectively, in pension contributions funded from the Lottery Enterprise Contribution Act.

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## CASINO REVENUE FUND

The Casino Revenue Fund (CRF) was established in 1976 with the provision that State revenues derived from casino gambling would be applied solely for the purpose of “providing funding for reductions in property taxes, rental, telephone, gas, electric, and municipal utilities charges of eligible senior citizens and disabled residents of the State in accordance with such formulae as the Legislature shall by law provide.” The Fund’s authorized use was expanded in 1981 to include additional or expanded health services or benefits and transportation services or benefits to eligible senior and disabled residents.

Total CRF resources of \$237.6 million, including \$172,000 from the Casino Simulcasting Fund, are projected for fiscal 2019. This total also includes revenues from Internet gaming, which was launched in November 2013.

The summary and projection table on the following page displays CRF revenues and the programs receiving Fund appropriations over the past several years. Some CRF appropriations have been shifted to the General Fund during that time (see the “General Fund/Property Tax Relief Fund Support” section of the table).

### **BUDGET INITIATIVES AND ONGOING PROGRAMS**

The following programs are currently receiving significant funding through the Casino Revenue Fund:

- Developmental Disabilities Residential Care  
— \$205.7 million
- Community Based Senior Programs  
— \$14.7 million
- Pharmaceutical Assistance to the Aged and Disabled (PAAD)  
— \$9.6 million
- Disability Services Personal Assistance  
— \$3.7 million
- Sheltered Workshop Transportation  
— \$2.2 million

# APPENDIX

## CASINO REVENUE FUND SUMMARY AND PROJECTION (thousands)

	<u>Fiscal 2015</u>	<u>Fiscal 2016</u>	<u>Fiscal 2017</u>	<u>Revised 2018</u>	<u>Budget 2019</u>
Opening Surplus .....	\$ ---	\$ ---	\$ 7,479	\$ 4,622	\$ ---
Revenues .....	205,964	209,243	218,484	225,127	237,382
Lapses and Adjustments (a) .....	63,887	2,421	167	(4,723)	172
<b>TOTAL RESOURCES .....</b>	<b><u>\$ 269,851</u></b>	<b><u>\$ 211,664</u></b>	<b><u>\$ 226,130</u></b>	<b><u>\$ 225,026</u></b>	<b><u>\$ 237,554</u></b>
<b>MEDICAL ASSISTANCE</b>					
Community Based Senior Programs .....	14,737	14,748	14,748	14,748	14,748
Hearing Aid Assistance .....	23	120	120	120	120
Human Services Administration .....	850	871	871	871	871
PAAD -- Expanded .....	9,261	8,625	8,176	9,558	9,558
Personal Assistance .....	3,734	3,734	3,734	3,734	3,734
Statewide Birth Defects Registry .....	516	529	529	529	529
<b>TRANSPORTATION ASSISTANCE</b>					
Senior Citizens and Disabled Residents .....	18,264	18,824	17,523	17,801	---
Sheltered Workshop Transportation .....	2,196	2,196	2,196	2,196	2,196
<b>HOUSING PROGRAMS</b>					
Developmental Disabilities .....	220,178	154,446	173,519	175,377	205,706
<b>OTHER PROGRAMS</b>					
Home Health Aide Certification .....	92	92	92	92	92
<b>TOTAL APPROPRIATIONS .....</b>	<b><u>\$ 269,851</u></b>	<b><u>\$ 204,185</u></b>	<b><u>\$ 221,508</u></b>	<b><u>\$ 225,026</u></b>	<b><u>\$ 237,554</u></b>
<b>ENDING SURPLUS .....</b>	<b><u>\$ 0</u></b>	<b><u>\$ 7,479</u></b>	<b><u>\$ 4,622</u></b>	<b><u>\$ 0</u></b>	<b><u>\$ 0</u></b>
<b>GENERAL FUND/PROPERTY TAX RELIEF FUND SUPPORT</b>					
Developmental Disabilities .....	291,508	296,743	274,826	274,482	255,211
Managed Long Term Services and Supports .....	215,602	315,258	381,538	451,196	853,128
PAAD -- Expanded .....	65,700	53,404	53,547	49,672	40,854
Personal Care/Community Programs .....	31,721	35,977	40,507	38,007	38,007
Senior and Disabled Citizens' Property Tax Freeze .....	203,572	205,707	204,900	207,600	204,400
SOBRA for Aged and Disabled .....	237,629	244,164	264,984	283,371	302,830
<b>TOTAL GENERAL FUND SUPPORT .....</b>	<b><u>\$ 1,045,732</u></b>	<b><u>\$ 1,151,253</u></b>	<b><u>\$ 1,220,302</u></b>	<b><u>\$ 1,304,328</u></b>	<b><u>\$ 1,694,430</u></b>

**Notes:**

(a) Lapses and Adjustments include Interest Earnings, Casino Simulcasting Funds, and shifts in General Fund support.

**9-1-1 SYSTEM AND EMERGENCY RESPONSE FEE**  
(thousands)

The estimated revenue from the mobile telecommunications service and telephone exchange service fee in fiscal year 2019 totals \$135 million. In accordance with the enabling legislation (P.L.2004, c.48), these funds will be deposited into the 9-1-1 System and Emergency Response Trust Fund account and applied to offset a portion of the cost of related programs listed below:

<b>Department of Law and Public Safety</b>	
Emergency Operations Center and Hamilton TechPlex Maintenance.....	\$ 3,773
Office of Homeland Security and Preparedness.....	9,478
Rural Section Policing.....	66,063
Urban Search and Rescue.....	1,000
Division of State Police - Remaining Operating Budget.....	239,881
 <b>Department of Military and Veterans' Affairs</b>	
Military Services - National Guard Support Services.....	3,607
 <b>Department of the Treasury</b>	
Office of Emergency Telecommunication Services (OETS).....	4,000
Statewide 9-1-1 Emergency Telecommunication System.....	26,822
<b>Total, State Appropriations.....</b>	<b>\$ 354,624</b>

# APPENDIX

## NEW JERSEY TRANSPORTATION CAPITAL PLAN (thousands)

The New Jersey Transportation Capital Plan funds the development and preservation of the State's transportation infrastructure through the Transportation Trust Fund Authority (P.L.1984, c.73 as amended), federal transportation system appropriations and third-party sources. The Transportation Trust Fund Authority funds State highway and bridge projects and public transportation projects outlined in the Department of Transportation's annual capital plan. Funds appropriated to the Authority are composed of toll road authority contributions, motor fuels taxes, petroleum products gross receipts taxes, and sales and use taxes. The Authority issues bonds to supplement State appropriations.

	FY 2017 Expended	FY 2018 Adjusted Approp.	Year Ending ----- June 30, 2019 -----	
			Requested	Recommended
<i>Total, State Transportation Funds</i> .....	\$ 1,741,740	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
<i>Total, Federal Highway &amp; Public Transportation Trust Funds</i> .....	1,532,020	1,622,546	1,634,900	1,634,900
<i>Third-Party Funds - NJ DOT (a)</i> .....	302,831	5,988	8,245	8,245
<i>Third-Party Funds - NJ Transit (a)</i> .....	17,523	17,801	18,586	18,586
<b>SUBTOTAL</b> .....	<b>\$ 3,594,114</b> <sup>(b)</sup>	<b>\$ 3,646,335</b>	<b>\$ 3,661,731</b>	<b>\$ 3,661,731</b> <sup>(c)</sup>
<i>Port Authority of New York &amp; New Jersey (PANYNJ)</i> .....	374,218	---	---	---
<b>TOTAL TRANSPORTATION CAPITAL PLAN</b> .....	<b>\$ 3,968,332</b> <sup>(b)</sup>	<b>\$ 3,646,335</b>	<b>\$ 3,661,731</b>	<b>\$ 3,661,731</b> <sup>(c)</sup>

### STATE TRANSPORTATION FUNDS - DISTRIBUTION

#### By Project Type

State Highway Projects - NJ DOT.....	\$ 798,132	\$ 813,840	\$ 802,300	\$ 802,300
Local Aid Highway Projects .....	173,207	510,160	437,700	437,700
Public Transportation Projects - NJ Transit.....	770,401	676,000	760,000	760,000
<b>Total, State Transportation Funds</b> .....	<b>\$ 1,741,740</b>	<b>\$ 2,000,000</b>	<b>\$ 2,000,000</b>	<b>\$ 2,000,000</b>

#### NJ DOT & NJ Transit Project List by Transportation Asset Category

Airport Assets.....	2,300	4,000	4,000	4,000
Bridge Assets.....	247,644	274,612	345,830	345,830
Capital Program Delivery.....	165,646	169,460	179,200	179,200
Congestion Relief.....	19,700	88,839	33,300	33,300
Local System Support.....	273,178	534,213	441,270	441,270
Mass Transit Assets.....	734,178	574,604	629,200	629,200
Multimodal Programs.....	8,388	37,500	48,400	48,400
Road Assets.....	218,526	217,200	195,000	195,000
Safety Management.....	17,604	26,900	32,200	32,200
Transportation Support Facilities.....	54,576	72,672	91,600	91,600
<b>Total, State Transportation Funds</b> .....	<b>\$ 1,741,740</b>	<b>\$ 2,000,000</b>	<b>\$ 2,000,000</b>	<b>\$ 2,000,000</b>

### FEDERAL HIGHWAY, PUBLIC TRANSPORTATION AND THIRD-PARTY FUNDS - DISTRIBUTION

#### By Project Type

State Highway Projects - NJ DOT.....	\$ 1,548,743	\$ 978,357	\$ 1,045,945	\$ 1,045,945
Public Transportation Projects - NJ Transit.....	677,849	667,978	615,786	615,786
<b>Total, Federal Highway, Public Transportation &amp; Third-Party Funds</b> .....	<b>\$ 2,226,592</b>	<b>\$ 1,646,335</b>	<b>\$ 1,661,731</b>	<b>\$ 1,661,731</b>

#### NJ DOT & NJ Transit Project List by Transportation Asset Category

Bridge Assets.....	761,475	211,400	184,700	184,700
Capital Program Delivery.....	27,800	37,100	35,900	35,900
Congestion Relief.....	252,003	350,400	358,000	358,000
Local System Support.....	118,485	136,789	200,520	200,520
Mass Transit Assets.....	635,183	580,458	528,366	528,366
Multimodal Programs.....	176,382	17,688	42,845	42,845
Road Assets.....	198,396	258,600	202,900	202,900
Safety Management.....	56,868	53,900	108,500	108,500
<b>Total, Federal Highway, Public Transportation &amp; Third-Party Funds</b> .....	<b>\$ 2,226,592</b>	<b>\$ 1,646,335</b>	<b>\$ 1,661,731</b>	<b>\$ 1,661,731</b>

#### Notes:

- (a) Third-party funds represent funding provided from other sources, including but not limited to, bi-state and autonomous authorities, private entities and local governments.
- (b) FY 2017 expended is derived from the FY 2017 Transportation Capital Program.
- (c) The specific projects represented by these amounts will be outlined in the Draft FY 2019 Transportation Capital Program, to be issued in April 2018, and finalized in the FY 2019 Transportation Capital Program when the FY 2019 Budget is adopted.



**STATE OF NEW JERSEY**  
**STATEMENT OF GENERAL LONG-TERM DEBT**  
**June 30, 2017**  
(thousands)

	<u>ACT OF</u>	<u>AUTHORIZED</u>	<u>UNISSUED</u>	<u>RETIRED <sup>(a)</sup></u>	<u>OUTSTANDING</u>
Clean Waters Bonds.....	1976	\$ 120,000	\$ 3,400	\$ 116,570	\$ 30
Natural Resources Bonds.....	1980	145,000	9,600	135,400	---
Energy Conservation Bonds.....	1980	50,000	1,600	48,400	---
Water Supply Bonds.....	1981	350,000	73,150	274,015	2,835
Hazardous Discharge Bonds.....	1981	100,000	43,000	57,000	---
New Jersey Green Acres Bonds.....	1983	135,000	14,500	120,500	---
Refunding Bonds (b).....	1985	6,265,655	---	5,349,590	916,065
Pinelands Infrastructure Trust Bonds.....	1985	30,000	6,750	23,075	175
Hazardous Discharge Bonds.....	1986	200,000	38,000	153,340	8,660
Green Acres, Cultural Centers and Historic Preservation Bonds.....	1987	100,000	1,000	99,000	---
New Jersey Open Space Preservation Bonds.....	1989	300,000	18,000	276,925	5,075
Public Purpose Buildings and Community-Based Facilities Construction Bonds.....	1989	125,000	5,000	120,000	---
Stormwater Management and Combined Sewer Overflow Abatement Bonds.....	1989	50,000	9,500	37,045	3,455
New Jersey Green Acres, Clean Water, Farmland and Historic Preservation Bonds.....	1992	345,000	12,880	330,590	1,530
Green Acres, Farmland and Historic Preservation and Blue Acres Bonds.....	1995	340,000	18,000	319,405	2,595
Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration and Delaware Bay Area Economic Development Bonds.....	1996	300,000	72,800	187,960	39,240
Dam, Lake, Stream, Flood Control, Water Resources, ..... and Wastewater Treatment Project Bonds.....	2003	200,000	38,750	155,065	6,185
Green Acres, Farmland, Blue Acres, and Historic Preservation Bonds.....	2007	200,000	13,500	125,480	61,020
Green Acres, Water Supply and Floodplain Protection,..... and Farmland and Historic Preservation Bonds.....	2009	400,000	88,800	26,530	284,670
Building Our Future Bonds.....	2012	750,000	---	41,550	708,450
<b>Total Long-Term Debt.....</b>		<b>\$ 10,505,655</b>	<b>\$ 468,230</b>	<b>\$ 7,997,440</b>	<b>\$ 2,039,985</b>

**Notes:**

- (a) The amounts shown under the "Retired" column include bonds for which provision for payment has been made through the issuance of refunding bonds.  
(b) The amount shown under the "Authorized" column represents the aggregate amount of refunding bonds issued. The refunding bond act does not limit the amount of refunding bonds which may be issued, provided certain other restrictions are met. The issuance of refunding bonds may defease bonds previously issued under any bond act.

Excludes bonds that have no amounts unissued or outstanding.

**STATE APPROPRIATIONS LIMITATION ACT  
(CAP Law)**

The State Appropriations Limitation Act (P.L.1990, c.94), commonly called the CAP Law, limits the growth of appropriations in the Direct State Services section of the budget, which encompasses the operations of State government. Exempt from the limitation are Grants-In-Aid; State Aid to counties, municipalities, local school districts and other instrumentalities; federal funds appropriations; Capital Construction; Debt Service; and monies deposited in and expended from the Property Tax Relief Fund, the Casino Control Fund, the Casino Revenue Fund and the Gubernatorial Elections Fund.

The State may exceed the maximum appropriations if a bill making an appropriation is agreed to by a two-thirds vote of all members of each legislative body.

Under the formula in the law, the maximum appropriation for fiscal year 2019 is computed by multiplying the base year appropriation (fiscal 2018) subject to the percentage limitation by the average three-year growth rate in per capita personal income calculated on a fiscal basis. The fiscal 2019 CAP is calculated using 3.47%.

The calculation results in a maximum increase of \$243 million over the fiscal 2018 Adjusted Appropriation, or a maximum appropriation of \$6.678 billion for Direct State Services for fiscal 2019. The Governor’s recommendation for fiscal 2019, for items under the CAP, is \$6.435 billion, or \$243 million under the CAP limit. Data used to compute the appropriation limit are presented in the accompanying tables.

**STATE INCOME**  
(in millions)

Fiscal 2014	\$499,405
Fiscal 2015	\$525,386
Fiscal 2016	\$545,541
Fiscal 2017	\$555,509

Source: United States Department of Commerce, Bureau of Economic Analysis

**STATE POPULATION**

Fiscal 2014	8,938,175
Fiscal 2015	8,958,013
Fiscal 2016	8,944,469
Fiscal 2017	9,005,644

Source: United States Department of Commerce, Census Bureau

**STATE PER CAPITA PERSONAL INCOME**

	<b>Personal Income</b>	<b>Percentage Change</b>
Fiscal 2014	55,873	
Fiscal 2015	58,650	4.97%
Fiscal 2016	60,992	3.99%
Fiscal 2017	61,685	1.14%
Three-Year Average		3.47%

Source: United States Department of Commerce, Census Bureau

**COMPUTATION OF FISCAL 2019 CAP  
SUBJECT TO EXPENDITURE LIMITATION LAW PERCENTAGE**  
(thousands)

<b>Adjusted Appropriations for Fiscal 2018 .....</b>	<b>\$ 35,917,934</b>
Less Statutory Exemptions:	
Grants-In-Aid .....	(9,945,174)
State Aid .....	(500,537)
Capital Construction .....	(1,431,176)
Debt Service .....	(326,370)
Property Tax Relief Fund .....	(15,794,083)
Casino Control Fund.....	(50,043)
Casino Revenue Fund.....	(225,026)
Gubernatorial Elections Fund.....	(19,680)
Less: Defined Benefit Pension Contributions.....	(677,320)
Less: Funding In Accordance with Court Settlements .....	(345,345)
Less: Federal Funds Support of Employee Benefits.....	(149,023)
<b>Fiscal 2018 Base Subject to Percentage Limitation .....</b>	<b>\$ 6,454,157</b>
Per Capita Personal Income Growth Rate .....	3.47%
Maximum Increase in Appropriation for Fiscal 2019.....	\$ 223,959
Maximum Appropriation for Fiscal 2019.....	6,678,116
Fiscal 2019 Recommendation.....	7,868,271
Less: Defined Benefit Pension Contributions.....	(918,586)
Less: Funding In Accordance with Court Settlements .....	(351,497)
Less: Federal Funds Support of Employee Benefits.....	(163,180)
<b>Amount of Fiscal 2019 Appropriation Subject to the CAP Limitation.....</b>	<b>\$ 6,435,008</b>
<b>Amount Over/(Under) the CAP Limitation .....</b>	<b>\$ (243,108)</b>

**DEBT SERVICE SCHEDULE**  
(thousands)

The schedule below lists all debt service payments to be made from State appropriations in fiscal year 2019, including general obligation debt as well as other debt subject to appropriation.

<b>Department of Education</b>	
School Construction and Renovation Fund.....	\$ 1,162,210
Pension Obligation Bonds.....	243,809
<b>Department of Environmental Protection</b>	
General Obligation Bonds.....	42,615
<b>Department of Health</b>	
Hospital Asset Transformation Program.....	8,539
University Hospital.....	12,064
<b>Department of Human Services</b>	
Mental Health Bonds - Human Services Facilities.....	1,040
<b>Higher Educational Services</b>	
Higher Education Capital Improvement Program.....	68,435
County College Debt Service (P.L.1971, c.12).....	34,286
Higher Education Facilities Trust.....	19,963
Equipment Leasing Fund.....	14,432
Pension Obligation Bonds.....	10,698
Technology Infrastructure Fund.....	3,733
<b>Department of Transportation</b>	
Transportation Trust Fund.....	1,348,180
<b>Department of the Treasury</b>	
General Obligation Bonds.....	281,947
Pension Obligation Bonds.....	24,047
South Jersey Port Corporation Debt Service Reserve Fund.....	17,440
Public Library Project Fund.....	3,727
<b>Interdepartmental</b>	
Pension Obligation Bonds.....	181,303
Open Space Preservation.....	97,686
Capital Leases.....	89,100
New Jersey Building Authority.....	74,654
New Jersey Sports and Exposition Authority.....	63,665
Line of Credit (all agencies).....	54,591
Greystone Psychiatric Hospital.....	21,479
Municipal Rehabilitation and Economic Recovery.....	14,142
Liberty Science Center.....	9,799
Economic Development Authority.....	53,027
Interest on Short Term Notes.....	6,000
Biomedical Research Bonds.....	3,481
Lafayette Yard.....	2,585
Interest on Interfund Borrowing.....	100
<b>Total Debt Service Appropriation.....</b>	<b>\$ 3,968,777</b>

**HEALTH CARE SUBSIDY FUND**  
(thousands)

	Actual FY 2016	Actual FY 2017	Budget FY 2018	Budget FY 2019
<b>FUND BALANCE JULY 1</b> .....	\$ 13,446	\$ 4,678	\$ 7,989	\$ 2,000
<b>REVENUES</b>				
<b>Provider Taxes</b>				
HMO Premiums Assessment.....	185,101	196,106	204,074	212,236
.53% Hospital Assessment.....	115,480	121,040	130,000	133,000
Ambulatory Care Facility Assessment.....	54,935	56,572	56,635	56,635
Cosmetic Medical Procedures Tax (a).....	19	78	---	---
<b>Other Revenue Sources</b>				
Cigarette Tax.....	396,500	396,500	396,500	396,500
Alcohol Excise Tax.....	22,000	22,000	22,000	22,000
Investment Earnings.....	156	487	50	50
<b>TOTAL REVENUES</b> .....	<b>\$ 774,191</b>	<b>\$ 792,783</b>	<b>\$ 809,259</b>	<b>\$ 820,421</b>
<b>TOTAL RESOURCES</b> .....	<b>\$ 787,637</b>	<b>\$ 797,461</b>	<b>\$ 817,248</b>	<b>\$ 822,421</b>
<b>EXPENDITURES</b>				
Charity Care.....	502,000	302,000	252,000	252,000
Children's Health Insurance Program (CHIP).....	68,076	16,754	9,118	22,285
Federally Qualified Health Centers.....	30,408	29,102	32,000	32,000
Hospital Mental Health Offset Payments.....	12,251	12,284	12,327	12,327
Delivery System Reform Incentive Payments.....	28,835	20,655	20,655	20,655
NJ FamilyCare.....	171,772	411,000	518,630	508,636
<b>TOTAL EXPENDITURES</b> .....	<b>\$ 813,342</b>	<b>\$ 791,795</b>	<b>\$ 844,730</b>	<b>\$ 847,903</b>
<i>General Fund Support</i> .....	(30,383)	(2,323)	(29,482)	(27,482)
<b>NET EXPENDITURES</b> .....	<b>\$ 782,959</b>	<b>\$ 789,472</b>	<b>\$ 815,248</b>	<b>\$ 820,421</b>
<i>Projected Surplus/Deficit</i> .....	<b>\$ 4,678</b>	<b>\$ 7,989</b>	<b>\$ 2,000</b>	<b>\$ 2,000</b>
<b>Federal Funds Appropriated for Programs Above</b>				
Children's Health Insurance Program (CHIP).....	319,410	412,780	433,719	442,128
Hospital Mental Health Offset Payments.....	12,251	12,284	12,237	12,237
Delivery System Reform Incentive Payments.....	75,120	83,300	83,300	83,300

**Notes:**

(a) The tax on cosmetic surgery procedures was eliminated in FY15, but revenues from prior fiscal years continue to be collected irregularly.

### WORKFORCE

The fiscal 2019 budget supports a small increase in the number of full-time employees across all branches of State government. The budget displays significant position growth from the 2018 filled level only in programs impacted by enacted legislation or the Administration's priorities. Examples are listed below.

The Department of Health reflects an overall increase of 137 State funded positions. This increase is needed to allow the Ann Klein Forensic Center to operate with the staffing required to keep its Joint Commission Accreditation, to allow the Department to coordinate and implement the State's mental health and addiction-related services and programs, and to operate the four psychiatric hospitals, which were moved from the Department of Human Services to the Department of Health as part of former Governor Christie's Reorganization Plan No. 001-2017.

Non-state funded growth of 32, within the Department of Labor and Workforce Development, is largely attributable to the Administration's workforce priorities. These staff will provide support for new and expanded programs under the Workforce Development Partnership Fund, in order to prepare workers for middle-skills jobs, upgrade workers' skills to keep them employed, and incentivize businesses to invest in New Jersey.

State and non-State funded growth of 85 in the Department of Law and Public Safety, is largely due to the graduation of the 158<sup>th</sup> State Trooper class, net of attrition. The 158<sup>th</sup> class is expected to graduate in July 2018. The fiscal 2019 budget provides funding for the academy training costs of the 159<sup>th</sup> State Trooper class.

The pretrial detention constitutional amendment for bail reform took effect on January 1, 2017. As a result, the fiscal 2019 budget supports additional State funded positions within the Office of the Public Defender and additional non-State funded positions within the Judiciary. Although these positions were included in the fiscal 2018 budget, the agencies have not yet staffed to the level required for this purpose. The fiscal 2019 budget also supports additional State funded positions in Judiciary due to the enactment of P.L.2016, c.103, which further support the implementation of bail reform.

## STATE FUNDED WORKFORCE

	FY 2017 Actual	FY 2018 1/19/18	FY 2019 Funded Positions
AGRICULTURE.....	87	86	87
BANKING AND INSURANCE.....	---	---	---
CHIEF EXECUTIVE OFFICE.....	110	115	112
CHILDREN AND FAMILIES.....	4,812	4,808	4,812
COMMUNITY AFFAIRS.....	84	84	84
CORRECTIONS (Balance).....	7,559	7,614	7,614
- Parole Board.....	581	561	570
EDUCATION.....	405	375	381
ENVIRONMENTAL PROTECTION.....	971	953	990
HEALTH (Balance).....	357	437	470
- Mental Health and Addiction Services.....	4,241	4,365	4,469
HUMAN SERVICES (Total).....	3,571	3,273	3,288
- Management and Budget.....	315	248	248
- Medical Assistance.....	150	138	138
- Disability Services.....	13	11	13
- Family Development.....	170	146	147
- Commission for the Blind and Visually Impaired .....	179	178	178
- Deaf and Hard of Hearing .....	4	5	5
- Developmental Disabilities .....	2,534	2,355	2,365
- Division of Aging.....	206	192	194
LABOR AND WORKFORCE DEVELOPMENT (Balance).....	171	165	168
- Public Employee Relations Commission .....	33	30	33
- Civil Service Commission.....	233	224	229
LAW AND PUBLIC SAFETY (Balance).....	4,245	4,313	4,365
- Office of Homeland Security and Preparedness .....	76	71	71
- Election Law Enforcement Commission .....	65	67	63
- State Ethics Commission.....	10	9	11
- Juvenile Justice Commission.....	945	945	941
MILITARY AND VETERANS' AFFAIRS.....	1,226	1,268	1,288
MISCELLANEOUS COMMISSIONS.....	1	1	1
STATE (Balance).....	145	133	144
- Secretary of Higher Education.....	15	15	18
- Student Assistance.....	---	---	---
TRANSPORTATION.....	1,576	1,609	1,620
- Motor Vehicle Commission.....	---	---	---
TREASURY (Balance).....	2,261	2,277	2,297
- Office of State Comptroller.....	89	90	94
- Casino Control Commission.....	---	---	---
- Office of Administrative Law.....	75	88	87
- Office of Information Technology.....	---	---	---
- Public Defender.....	1,206	1,214	1,268
- Board of Public Utilities .....	---	---	---
<b>SUBTOTAL, EXECUTIVE BRANCH.....</b>	<b>35,150</b>	<b>35,190</b>	<b>35,575</b>
LEGISLATURE.....	436	439	442
- SCI .....	43	43	47
JUDICIARY .....	7,244	7,272	7,276
<b>GRAND TOTAL.....</b>	<b>42,873</b>	<b>42,944</b>	<b>43,340</b>

# APPENDIX

## NON-STATE FUNDED WORKFORCE

	FY 2017 Actual	FY 2018 1/19/18	FY 2019 Funded Positions
AGRICULTURE.....	112	118	118
BANKING AND INSURANCE.....	459	453	515
CHIEF EXECUTIVE OFFICE.....	---	---	---
CHILDREN AND FAMILIES.....	1,812	1,858	1,862
COMMUNITY AFFAIRS.....	798	780	820
CORRECTIONS (Balance).....	219	189	205
- Parole Board.....	---	---	---
EDUCATION.....	322	309	309
ENVIRONMENTAL PROTECTION.....	1,697	1,674	1,702
HEALTH (Balance).....	718	715	720
- Mental Health and Addiction Services.....	80	72	73
HUMAN SERVICES (Total).....	3,427	3,268	3,253
- Management and Budget.....	200	199	189
- Medical Assistance.....	300	289	289
- Disability Services.....	8	9	11
- Family Development.....	145	163	163
- Commission for the Blind and Visually Impaired .....	87	91	91
- Deaf and Hard of Hearing.....	---	---	---
- Developmental Disabilities.....	2,580	2,414	2,378
- Division of Aging.....	107	103	132
LABOR AND WORKFORCE DEVELOPMENT (Balance).....	2,513	2,435	2,467
- Public Employee Relations Commission.....	---	---	---
- Civil Service Commission.....	---	---	---
LAW AND PUBLIC SAFETY (Balance).....	1,967	1,960	1,993
- Office of Homeland Security and Preparedness .....	23	28	29
- Election Law Enforcement Commission.....	---	---	---
- State Ethics Commission.....	---	---	---
- Juvenile Justice Commission.....	166	147	150
MILITARY AND VETERANS' AFFAIRS.....	151	158	159
STATE (Balance).....	6	5	6
- Secretary of Higher Education.....	3	3	3
- Student Assistance.....	138	143	143
TRANSPORTATION.....	1,576	1,558	1,570
- Motor Vehicle Commission.....	2,061	2,112	2,112
TREASURY (Balance).....	697	794	833
- Office of State Comptroller.....	36	38	47
- Casino Control Commission.....	40	38	43
- Office of Administrative Law.....	9	10	10
- Office of Information Technology.....	730	628	631
- Public Defender.....	1	1	---
- Board of Public Utilities .....	230	213	247
MISCELLANEOUS COMMISSIONS.....	---	---	---
<b>SUBTOTAL, EXECUTIVE BRANCH.....</b>	<b>19,991</b>	<b>19,707</b>	<b>20,020</b>
LEGISLATURE.....	---	---	---
- SCI.....	---	---	---
JUDICIARY .....	1,529	1,632	1,718
<b>GRAND TOTAL.....</b>	<b>21,520</b>	<b>21,339</b>	<b>21,738</b>



**A supplementary display of Other Governmental Funds and Proprietary Funds can be found online at the following address:**

[www.state.nj.us/treasury/omb/publications/19budget](http://www.state.nj.us/treasury/omb/publications/19budget)

# **NOTES**