

**DEPARTMENT OF THE TREASURY
OVERVIEW**

The Department of the Treasury, whose fiscal 1999 Direct State Services budget is recommended at \$280.6 million, is a complex and multifaceted Department. The mission of the Department primarily encompasses: (1) Revenue Collection and Generation, which consists of collecting taxes and operating instant and on-line lottery games that are projected to generate \$680 million for aid to education and institutions; (2) Asset Management, which includes advising the Governor on budgeting State revenues and preparing the State budget, accounting for and distributing revenue to all State departments, preparing the State's financial statements, investing and managing 160 funds with a market value of approximately \$75 billion, maintaining and preserving State owned facilities, and buying and selling the State's real property holdings; (3) Statewide Support Services, which comprises operating and developing computer and telecommunications systems for all State departments; providing pension and health benefit services for over 580,000 public employees (active and retired); purchasing approximately \$1 billion worth of goods and services for all State departments; overseeing 4,700 term contracts used by municipalities and school districts; supervising the design, construction, and restoration of State facilities; negotiating and administering 355 leased facilities; maintaining and managing the vehicles in the State motor fleet; purchasing, storing, and delivering over \$56 million of food and supplies to State departments, institutions and correctional facilities; and overseeing the printing and mail services operations of State agencies.

Organizationally within the Department of the Treasury, but autonomous in their operations, are the Board of Public Utilities, the Casino Control Commission, and the Office of Student Assistance. Beginning in fiscal 1999, the New Jersey Commerce and Economic Growth Commission, the Commission on Science and Technology, the Office of Administrative Law, the Office of the Public Defender, the State Legal Services Office, and the Division of Wage Reporting will also be organizationally within the Department, but autonomous in their operations. These agencies are being administratively reassigned from other departments in order to better focus on their respective missions.

Another agency being administratively reassigned to the Department of the Treasury is the Division of Commercial Recording. By consolidating this program into the Department's Division of Revenue, the State will provide a one-stop arrangement for much of the commercial business industry's interaction with State government. This initiative will streamline businesses' reporting requirements by creating a central point for collecting corporate taxes and contributions for Unemployment Insurance, Temporary Disability, and Workers' Compensation, and for obtaining Commercial Recording services such as annual reports and trade names.

This Budget includes \$25 million in Grants-in-Aid funding for an urban community development initiative to help rebuild New Jersey's cities. This funding will allow municipalities to recapture development rights and restore formerly abandoned buildings to the tax rolls.

The Department of Treasury's Budget is a significant source of State Aid to New Jersey municipalities. In fiscal 1999, \$761 million in State Aid is recommended. The Energy Tax Receipts Property Tax Relief Act replaced the method of distributing certain funds awarded to the municipalities from the State's taxation of regulated gas and electric utilities, water and sewer utilities, and certain telecommunications companies. The new system of taxation will replace the old system of franchise and gross receipts paid by the utilities, and provide \$745 million to municipalities in fiscal 1999. In addition, this Budget provides \$53.6 million to fully fund local property tax deductions for senior and disabled homeowners and veterans.

This Budget also includes \$323.6 million for continuation of the Homestead Rebate Program. Senior citizens and disabled persons are eligible for rebates up to \$500, subject to income restrictions. Other households within a more stringent income limit are eligible for a \$90 homeowner's rebate or a \$30 tenant's rebate.

The Casino Control Commission is responsible for the regulation of the operations of the 12 existing casino hotel complexes in Atlantic City. This includes the licensing of all employees and ancillary companies conducting business with the casino industry. The fiscal 1999 Budget recommendation will provide \$22.5 million in funding from the Casino Control Fund for these activities. The Casino Control Fund is supported by licensing fees.

The Board of Public Utilities (BPU) regulates the rates for such essential services as natural gas, electricity, water, sewer, and telecommunications including cable television. The \$20.3 million allocated to the BPU in fiscal 1999, which is derived entirely from assessments levied against various utilities conducting business within the state, will enable the board to effectively confront and manage such issues as consumer protection, energy tax reform, deregulation of energy and telecommunications services, and the restructuring of utility rates to encourage energy conservation and competitive pricing in industry as a lure for economic stimulation.

The Office of Student Assistance administers student financial aid programs, including Tuition Aid Grants (TAG). With funding of \$141.7 million plus an estimated \$4.5 million in prior year balances and \$0.7 million in federal State Student Incentive Grant funding, TAG will provide approximately 50,700 awards to lower and middle income students at New Jersey's public and independent colleges. The fiscal 1999 Budget also funds the NJBEST college savings program to help New Jersey families save for the cost of higher education.

The Budget provides \$4.2 million in additional funds to support the second year of the pilot program, the Distinguished Scholars Program, that recruits New Jersey's highest achieving high school students to attend colleges and universities in the State, and recognizes, values and supports their commitment to achievement.

TREASURY

Year Ending June 30, 1997					Year Ending June 30, 1999			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		1998 Adjusted Approp.	Requested	Recom- mended
93,137	4,187	1,880	99,204	99,165	Financial Administration			
12,737	2,467	-276	14,928	14,923	Taxation Services and Administration	79,204	73,840	73,840
—	—	590	590	581	Administration of State Lottery	13,041	12,582	12,582
4,156	391	163	4,710	4,671	Administration of State Revenues	22,855	15,325	15,325
					Management of State Investments	5,594	5,253	5,253
<u>110,030</u>	<u>7,045</u>	<u>2,357</u>	<u>119,432</u>	<u>119,340</u>	<i>Subtotal</i>	<u>120,694</u>	<u>107,000</u>	<u>107,000</u>
					General Government Services			
5,014	183	935	6,132	6,115	Purchasing and Inventory Management	5,007	19,951	19,951
27,235	929	-682	27,482	25,813	Pensions and Benefits	24,921	24,700	24,700
8,842	914	-237	9,519	9,000	Property Management and Construction			
					– Property Management Services	8,599	8,495	8,495
1,783	325	-17	2,091	2,059	Risk Management	1,647	1,624	1,624
3,235	1	-40	3,196	3,069	Adjudication of Administrative			
					Appeals	2,769	2,769	2,769
2,452	343	-17	2,778	2,764	Commercial Recording	2,315	2,315	2,315
<u>48,561</u>	<u>2,695</u>	<u>-58</u>	<u>51,198</u>	<u>48,820</u>	<i>Subtotal</i>	<u>45,258</u>	<u>59,854</u>	<u>59,854</u>
					Management and Administration			
920	31	49	1,000	995	Public Contracts Affirmative Action			
					Office	1,034	1,011	1,011
4,283	5,964	1,543	11,790	10,760	Management and Administrative			
					Services	4,709	4,598	4,598
<u>5,203</u>	<u>5,995</u>	<u>1,592</u>	<u>12,790</u>	<u>11,755</u>	<i>Subtotal</i>	<u>5,743</u>	<u>5,609</u>	<u>5,609</u>
					Protection of Citizens' Rights			
5,941	1	-124	5,818	5,776	Appellate Services to Indigents	6,030	6,380	6,380
46,373	2,166	769	49,308	48,414	Trial Services to Indigents and			
					Special Programs	48,992	51,517	51,517
1,992	—	32	2,024	2,021	Mental Health Screening Services	2,192	2,192	2,192
119	65	61	245	237	Dispute Settlement	127	127	127
1,949	3	204	2,156	2,152	Management and Administrative			
					Services	2,120	2,120	2,120
<u>56,374</u>	<u>2,235</u>	<u>942</u>	<u>59,551</u>	<u>58,600</u>	<i>Subtotal</i>	<u>59,461</u>	<u>62,336</u>	<u>62,336</u>
<u>272,897</u>	<u>40,020</u>	<u>1,224</u>	<u>314,141</u>	<u>303,211</u>	Total Appropriation	<u>276,924</u>	<u>280,592</u>	<u>280,592</u>

30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT

36. HIGHER EDUCATIONAL SERVICES

OBJECTIVES

1. Assist in ensuring that access to an affordable college education is maintained for all eligible New Jersey students.
2. Provide efficient delivery of Tuition Aid Grants and Scholarship Program awards to qualifying New Jersey students.
3. Guarantee federal student loans for New Jersey students attending both in-state and out-of-state institutions as well as for non-resident students attending school in New Jersey.
4. Provide supplementary student loan assistance to New Jersey resident students and their families as well as to non-resident students attending New Jersey institutions through the New Jersey College Loans to Assist State Students (NJCLASS) Program.
5. Provide policy leadership in the area of student financial aid.
6. Act as information clearinghouse for state and federal program and regulatory issues.
7. Maintain federal and state program fiscal records.

PROGRAM CLASSIFICATIONS

46. **Student Assistance Programs.** The Office of Student Assistance (OSA) was created “in but not of” the Department of the Treasury by the Higher Education Restructuring Act of 1994 (P.L. 1994, c.48) and charged with administering the student assistance programs established under the Student Assistance Board and the Higher Education Assistance Authority as well as other student assistance programs as determined by law. The Governor appoints the Executive Director of the OSA, who acts as the appointing authority and is responsible for the operation of all student assistance programs. The Executive Director also regularly consults with the Commission on Higher Education concerning student assistance matters.

“Student Assistance Programs” include all student financial assistance programs for eligible residents of the State that are administered under the Executive Director, Office of Student Assistance, and the administrative costs of these financial aid programs. Administrative funds cover all program operations, including computing, printing, mailing, research, and personnel costs.

In fiscal 1998, New Jersey developed a new college savings program, the New Jersey Better Educational Savings Trust (NJBEST), to help families finance the cost of higher education. Interest earned on NJBEST college savings is exempt from New Jersey tax, and federal tax on these earnings will be deferred until funds are withdrawn from the program. In addition, a student who saves a minimum amount through NJBEST for at least four years and who attends college in New Jersey will have a \$500 scholarship added to his or her NJBEST account by the State.

Tuition Aid Grants (TAG) are awarded under the New Jersey Higher Education Tuition Aid Act, N.J.S.18A:71–41 et seq., to all eligible New Jersey residents attending public and independent colleges and universities in New Jersey. Awards for fiscal year 1999 are estimated to range from \$830 to \$4,710 in the public sector or up to \$5,970 in the independent sector. Award size decreases as family ability to pay increases. Ability to pay is determined by a national need analysis system adjusted to meet New Jersey needs, maintained and administered based on responses to the Free

Application for Federal Student Aid (FAFSA). The TAG program is the broad-based state student assistance program which provides for coordination with Federal Aid programs. As such, a TAG grant may be held in conjunction with a Federal award, an EOF grant, or State Scholarship award.

Part-time TAG awards are available to students with special needs through the Part-time TAG for EOF Students program. In fiscal year 1999, this program will be expanded to include all county colleges that currently participate in the EOF program and one additional four-year institution.

State scholarships are awarded under the Garden State Scholarship Act of 1977, N.J.S.18A:71–26.1 et seq., to academically meritorious students at participating New Jersey institutions of higher education. Awards under the Coordinated Garden State Scholarship Programs, which include the Garden State Scholarship, Edward J. Bloustein Distinguished Scholars and Urban Scholars programs, range up to \$1,000 per year. No awards are available for use outside of New Jersey. Awards are renewable annually based on continued good academic standing.

The Public Tuition Benefits Program (N.J.S.18A:71–77 et seq.) pays college tuition for the surviving spouse or child of a fire fighter, police officer, first aid rescue squad member, or other law enforcement, civil defense or disaster control worker killed in the line of duty. Benefits received under this program are equal to the cost of tuition at public institutions, or equal to the highest level of tuition charged at public institutions for recipients attending independent institutions.

The Minority Academic Careers Program (N.J.S.18A:72F–1 et seq. and N.J.S.18A:72M–1 et seq.) promotes increased numbers of minority faculty at New Jersey institutions by providing up to \$40,000 in loan redemptions for eligible participants who complete their terminal degree and teach at a New Jersey college or university. The undergraduate component of the program seeks to encourage minority students to pursue an academic career path. Faculty advisors are assigned to participating students and the students are eligible for a \$2,000 stipend during their senior year of undergraduate study.

The Veterinary Medicine Education Program (N.J.S.18A:63A–1 et seq.) provides opportunities for New Jersey residents to enroll in veterinary programs at out-of-state institutions because New Jersey does not have its own school of veterinary medicine. The Office of Student Assistance is authorized to enter into contracts with out-of-state schools for the admission of New Jersey students.

Within OSA, the Higher Education Assistance Authority (N.J.S.18A:72–1 et seq.) administers State loan programs and federally regulated programs providing for the guarantee or insuring of loans made by banks, savings and loan associations, credit unions, or other qualified lenders to qualified persons to assist them in meeting the cost of postsecondary education. Various loans are available through the Federal Family Education Loan Program. Loan amounts available for eligible students vary depending upon financial need, grade level, program length, and aggregate borrowing limits. Federal interest subsidies are available to certain eligible students. Parent borrowers with no adverse credit history may borrow up to the cost of education minus aid, with no limit to the aggregate amount borrowed. In addition, the NJHEAA also offers consolidated loans which combine the outstanding loan payments from certain previously disbursed federal guaranteed loans.

A legislatively mandated reserve requirement (N.J.S.18A:72-17) necessitates that the reserve fund shall not be less than either the amount required to acquire defaulted loans during the current fiscal year, or the encumbered reserves required to be maintained on all approved loans outstanding that were approved prior to the effective date of the act, whichever is greater. Federal mandates also require that guarantee agencies maintain minimum reserve levels as part of the agency's guaranty agreement. Additionally, federal regulations restrict the use of any reserve funds to purposes directly associated with the administration of the federal student loan programs as defined within those regulations.

The New Jersey College Loans to Assist State Students (NJCLASS) loan program (N.J.S.18A:72-34 et seq.) is a program of the NJHEAA established to supplement aid available for New Jersey undergraduate and graduate students and/or out-of-state students attending a New Jersey institution. The program is funded from the proceeds of tax exempt bonds issued by the NJHEAA. Under the NJCLASS loan program, the NJHEAA makes student loans to eligible borrowers from the proceeds of the bonds. The NJHEAA reviews all applications to determine the applicants' ability to repay the loan and services loans after disbursement. The interest rate paid by borrowers is set with each bond issue in relation to bond market conditions. There is no restriction on family income. The amount borrowed may not exceed a student's estimated cost of attendance minus all other financial assistance received by the student for the academic period for which the loan is intended.

47. **Support to Independent Institutions.** The Independent College and University Assistance Act (N.J.S.18A:72B-15 et seq.) provides financial assistance to fourteen eligible New Jersey independent colleges and universities based on the number of New Jersey students enrolled at these institutions. This funding helps to ensure that this valuable sector of the State's system of higher education will continue to provide educational opportunities for New Jersey citizens.

48. **Aid to County Colleges.** (N.J.S.18A:64A-1 et seq.) The New Jersey system of community colleges was established by statute in 1962, and the first county colleges were opened four years later in Atlantic, Cumberland, Middlesex, and Ocean counties. Today there are 19 institutions: one community college in each of 18 counties, and a bi-county college serving Somerset and Hunterdon counties. They enroll more than 122,000 full-time and part-time credit students and 200,000 non-credit students annually, providing access to higher education for a broad range of New Jersey residents who would otherwise be denied the advantages associated with a college education.

State aid is appropriated for county college operational costs and is distributed among the institutions by the State in consultation with the Council of County Colleges according to a formula that includes categorical support and differential funding based on program costs. Aid in amounts not to exceed one-half of project costs may also be provided for capital projects under P.L. 1971, Chapter 12. In addition, some fringe benefit costs of certain county college employees are paid by the State.

49. **Miscellaneous Higher Education Programs.** Includes three key programs that assist New Jersey's institutions of higher education, both public and private, in keeping pace with technological changes and responding to industry and work force needs. The \$55 million Higher Education Technology Bond fund provides support for critical technology needs and complements the State's other facility and equipment bond funds. The Equipment Leasing Fund Act (P.L. 1993, c. 136) established a \$100 million fund to finance the purchase of scientific, engineering, technical, computer, communications, and instructional equipment. The State pays three-quarters of the debt service on Equipment Leasing Fund bonds, and the colleges pay the remaining share. The Higher Education Facilities Trust Fund Act (P.L. 1993, c. 375) established a \$220 million fund to finance the construction, renovation or improvement of instructional, laboratory, communication, and research facilities. The State pays the entire cost of debt service on Higher Education Facilities Trust Fund bonds.

EVALUATION DATA

	Actual FY 1996	Actual FY 1997	Revised FY 1998	Budget Estimate FY 1999
PROGRAM DATA				
Student Assistance Programs				
Veterinary Medical Education Program				
Student enrollment	79	82	88	92
Schools with contracts	4	8	8	8
Coordinated Garden State Scholarship Programs				
Garden State Scholarships (a)	4,567	3,925	2,640	1,421
Garden State Scholarships (Value)	\$2,285,447	\$1,961,963	\$1,320,000	\$710,500
Edward J. Bloustein Distinguished Scholars (a)	3,992	4,120	4,363	4,567
Edward J. Bloustein Distinguished Scholars (Value)	\$3,995,071	\$4,119,383	\$4,363,000	\$4,567,000
Urban Scholars (a)	2,497	2,465	2,293	2,077
Urban Scholars (Value)	\$2,498,333	\$2,463,299	\$2,293,000	\$2,077,000
Public tuition benefits (a)	16	12	40	40
Public tuition benefits (Value)	\$38,309	\$30,562	\$65,000	\$65,000
Part-time tuition aid grants for Educational				
Opportunity Fund Students	567	580	596	830
Part-time tuition aid grants for Educational				
Opportunity Fund Students (Value)	\$444,914	\$419,078	\$445,000	\$620,000
Tuition aid grants (b)	51,426	51,588	49,551	50,674
Tuition aid grants (Value)	\$131,738,931	\$132,230,557	\$132,599,000	\$142,903,000
County Colleges	15,806	15,260	13,900	14,349
County Colleges (Value)	\$22,599,770	\$21,528,842	\$20,200,000	\$22,120,000
State Colleges	13,840	13,829	13,208	13,495

TREASURY

	Actual FY 1996	Actual FY 1997	Revised FY 1998	Budget Estimate FY 1999
State Colleges (Value)	\$27,605,525	\$27,165,915	\$26,500,000	\$28,589,000
Rutgers/NJIT/UMDNJ	11,618	11,967	11,680	11,881
Rutgers/NJIT/UMDNJ (Value)	\$36,429,439	\$37,231,971	\$37,499,000	\$40,241,000
Independent colleges	10,162	10,532	10,763	10,949
Independent colleges (Value)	\$45,104,197	\$46,303,829	\$48,400,000	\$51,953,000
Total awards— All programs (c)	63,065	62,690	59,483	59,609
Total awards— All programs (Value)	\$141,001,005	\$141,224,842	\$141,085,000	\$150,942,500
Guaranteed Student Loan Program				
Loans outstanding—June 30	796,417	772,664	750,568	729,700
Loans outstanding—June 30 (Value)	\$2,214,038,442	\$2,148,005,778	\$2,086,577,866	\$2,028,566,310
Parent Loans for Undergraduate Students				
Loans Outstanding—June 30	59,343	60,978	63,066	65,284
Loans Outstanding—June 30 (Value)	\$282,413,327	\$290,195,172	\$300,129,820	\$310,688,015
Consolidated Loans				
Loans Outstanding—June 30	13,294	23,672	25,837	27,967
Loans Outstanding—June 30 (Value)	\$151,405,495	\$269,600,798	\$294,262,502	\$318,520,423
New Jersey College Loans to Assist State Students (NJCLASS)				
Loans Outstanding—June 30	15,481	17,693	21,253	25,948
Loans Outstanding—June 30 (Value)	\$68,514,059	\$79,188,344	\$105,150,305	\$139,948,504

PERSONNEL DATA

Affirmative Action Data

Male Minority	11	12	13	15
Male Minority %	20.0	21.0	25.0	26.0
Female Minority	27	30	37	39
Female Minority %	20.0	21.0	26.0	27.0
Total Minority	38	42	50	54
Total Minority %	20.0	21.0	26.0	26.0

Position Data

Filled Positions by Funding Source

State Supported	32	31	28	30
Federal	144	152	151	177
All Other	11	10	10	15
Total Positions	187	193	189	222

Filled Positions by Program Class

Student Assistance Programs	187	193	189	222
Total Positions	187	193	189	222

Notes: Student Assistance Programs expenditure and award recipients data for fiscal year 1996 and fiscal year 1997 represent actual counts as of November 1997. Further payments and adjustments are anticipated as institutional payments and reconciliation reports are processed. Expenditure estimates for fiscal year 1998 are based upon appropriation levels and current enrollment information as of November 1997.

Actual fiscal years 1996 and 1997 and revised fiscal year 1998 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1999 reflects the number of positions funded.

- (a) Programs funded partially or totally through a transfer of funds.
- (b) Includes funds received under the federal State Student Incentive Grant (SSIG) Program.
- (c) Totals include all programs; students may be counted more than once if they are receiving aid from more than one program.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 1997					Year Ending June 30, 1999			
Orig. & (S)Supplemental	Reapp. & (R)Recepts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	1998 Adjusted Approp.	Requested	Recommended
Distribution by Program								
2,233	---	-39	2,194	2,194	46	2,537	2,537	2,537
2,233	---	-39	2,194	2,194		2,537 ^(a)	2,537	2,537
Distribution by Object								
Personal Services:								
1,181	---	345	1,526	1,526		1,241	1,241	1,241
1,181	---	345	1,526	1,526		1,241	1,241	1,241
55	---	-11	44	44		43	43	43
874	---	-352	522	522		800	804	804
23	---	-1	22	22		22	22	22
Special Purpose:								
79	---	---	79	79	46	75	71	71
---	---	---	---	---	46	350	350	350
79	---	---	79	79		425	421	421
21	---	-20	1	1		6	6	6
OTHER RELATED APPROPRIATIONS								
147,475	7,213	---	154,688	141,239		147,475	151,695	151,695
149,708	7,213	-39	156,882	143,433		150,012	154,232	154,232
Federal Funds								
13,637	---	---	13,637	13,637	46	14,502	14,813	14,813
15 ^S	873	---	14,525	12,722		14,502	14,813	14,813
13,652	873	---	14,525	12,722		14,502	14,813	14,813
All Other Funds								
---	4,022	---	4,022	4,022	46	1,275	1,679	1,679
---	1,239 ^R	217	5,478	1,246		1,275	1,679	1,679
---	5,261	217	5,478	1,246		1,275	1,679	1,679
163,360	13,347	178	176,885	157,401		165,789	170,724	170,724

Notes: (a) The fiscal year 1998 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Salary Increases and Other Benefits account.

LANGUAGE RECOMMENDATIONS

At any time prior to the issuance and sale of bonds or other obligations by the New Jersey Higher Education Assistance Authority, the State Treasurer is authorized to transfer from any available moneys in any fund of the Treasury of the State to the credit of any fund of the Authority such sums as the State Treasurer deems necessary. Any sums so transferred shall be returned to the same fund of the Treasury of the State by the State Treasurer from the proceeds of the sale of the first issue of Authority bonds or other Authority obligations.

HIGHER EDUCATIONAL SERVICES

Of the amounts hereinabove for Higher Educational Services, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule in the Governor's budget first shall be charged to the State Lottery Fund.

TREASURY

50. ECONOMIC PLANNING, DEVELOPMENT AND SECURITY 51. ECONOMIC PLANNING AND DEVELOPMENT

OBJECTIVES

- To promote the expansion and growth of commerce and industry in order to create employment and economic growth in New Jersey.
- To collect, analyze, and disseminate economic data for the purpose of generating a coordinated projection of economic conditions for State government.

PROGRAM CLASSIFICATIONS

- Economic Research.** The Office of Research works in coordination with other Department research units to collect and synthesize economic data. The autonomous Council of Economic Advisors prepares economic analyses and forecasts for the executive and legislative branches.

38. Economic Development. Economic development entities that operate outside the New Jersey Commerce and Economic Growth Commission include the Motion Picture and Television Development Commission, the New Jersey Redevelopment Authority, and the Economic Development Authority (EDA).

Services provided by the Motion Picture and Television Development Commission include facilitating cooperation from all governmental agencies and private sector groups for applications, locations, production and auxiliary facilities in the production of motion picture and television projects.

The Redevelopment Authority issues loans, loan guarantees, and grants to assist in the revitalization of the State's urban areas.

EDA provides long-term, low-interest financing to private companies for constructing, acquiring, enlarging, and equipping industrial plants and certain other business facilities.

EVALUATION DATA

	Actual FY 1996	Actual FY 1997	Revised FY 1998	Budget Estimate FY 1999
PROGRAM DATA				
Economic Development				
Motion Picture and Television Development				
Total film/television productions	525	555	570	585
Direct spending by companies (millions)	\$43.00	\$50.00	\$53.00	\$58.00
Economic Development Authority				
Projects closed	271	275	260	260
Total generated capital investment (millions)	\$911.60	\$1,361.00	\$875.00	\$875.00
Value of Authority Assistance(millions)	\$587.10	\$793.70	\$575.00	\$575.00
Construction employment	7,702	9,055	7,500	7,500
Permanent employment	4,300	3,855	3,900	3,900

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	7	7	7	7
Total Positions	7	7	7	7

Filled Positions by Program Class

Economic Research	3	3	3	3
Motion Picture	4	4	4	4
Total Positions	7	7	7	7

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 1997					Year Ending June 30, 1999				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1998 Adjusted Approp.	Requested	Recom- mended	
291	57	-85	263	233	Distribution by Program				
9,314	—	-28	9,286	9,285	Economic Research	13	256	256	256
9,605	57	-113	9,549	9,518	Economic Development	38	286	286	286
					Total Appropriation		542 ^(a)	542	542
					Distribution by Object				
					Personal Services:				
446	—	-109	337	337	Salaries and Wages	427	427	427	
446	—	-109	337	337	Total Personal Services	427	427	427	

Year Ending June 30, 1997					Year Ending June 30, 1998			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	1998 Adjusted Approp.	Requested	Recommended
34	—	-19	15	15		27	27	27
41	—	-1	40	39		35	35	35
6	—	11	17	17		5	5	5
75	57	—	132	102				
9,000 ^S	—	—	9,000	9,000				
9,075	57	—	9,132	9,102		45	45	45
3	—	5	8	8		3	3	3

Notes: (a) The fiscal year 1998 appropriation has been adjusted for the allocation of salary program.

LANGUAGE RECOMMENDATIONS

The unexpended balance as of June 30, 1998 for the Council of Economic Advisors is appropriated.

50. ECONOMIC PLANNING, DEVELOPMENT AND SECURITY

51. ECONOMIC PLANNING AND DEVELOPMENT

2041. NEW JERSEY COMMERCE AND ECONOMIC GROWTH COMMISSION

OBJECTIVES

- To promote the expansion and growth of commerce and industry in order to create employment and economic growth in New Jersey.
- To provide leadership in advertising and marketing the benefits and resources of the State to ensure continued economic growth.
- To synthesize economic data and business information for the benefit of business and industry located within the State.
- To provide managerial, financial, procurement and economic development assistance to small, minority and women-owned businesses.
- To encourage and assist businesses and industries to export and to promote foreign investment in New Jersey.

PROGRAM CLASSIFICATIONS

- International Trade.** The Division of International Trade is a catalyst for all activities relating to New Jersey's role in international trade. It is responsible for the development and implementation of trade policy and programs to promote the State and its products and services. The primary functions of the Division are the attraction of foreign companies and the promotion and expansion of the New Jersey export market and through these functions the creation of jobs in New Jersey.
- Development for Small Businesses, Women and Minority Businesses.** The Division assists and fosters the growth of small, women and minority-owned enterprises in the State. The Division participates in workshops, conferences, and seminars sponsored by the private sector and other public agencies. The Division also provides guidance for financial assistance and serves as an information clearinghouse for the small business community.

Through its Set-Aside and Certification Office, the Division administers two State-mandated programs which promote public procurement for small, women and minority-owned businesses.

- Economic Development.** The Division of Economic Development (N.J.S.A. 52:27H-20 et seq.) develops and administers comprehensive marketing and support programs, including targeted industry promotion, designed to attract new business and jobs into the state. Out-of-state firms and foreign-owned New Jersey companies which are considering relocating or expanding a business utilize the Division to access public and private resources that provide a broad range of services, from financial, technical and regulatory assistance to employee training and site selection.

To advance goals for business retention and expansion, the Office of Accounts Management has been created to provide the State's businesses with a single point of contact for continuous, seamless service and attention to their needs. Account managers work proactively with the State's businesses to identify new opportunities and facilitate interactions with various State agencies.

The Office of Sustainability promotes the expansion and creation of environmentally sustainable businesses by providing low and no interest loans, recommending changes in laws and regulations, and promoting the use of sustainable business products and services within the State's procurement system.

The Office of Maritime Resources serves as the primary facilitator among government agencies, independent authorities, and non-governmental organizations for the development, funding, implementation, and operation of programs and projects affecting the State's maritime industry.

The Urban Enterprise Zone (UEZ) Program Office administers the State's UEZ Program (N.J.S.A. 52:27H-64 et seq.). More than 6500 New Jersey businesses participate in twenty-seven zones designated in the State's most distressed urban areas.

TREASURY

99. **Management and Administrative Services.** The Office of the President is responsible for formulating and directing policies of the Commission to ensure that business and industry are provided an optimum climate in which to grow and prosper, to promote job creation and economic growth, and to market the benefits and

resources for business development. Administrative Operations provides the necessary support and staff services for the Commission's data administration, accounting, supplies, mail distribution, and building management.

EVALUATION DATA

	Actual FY 1996	Actual FY 1997	Revised FY 1998	Budget Estimate FY 1999
PROGRAM DATA				
International Trade				
Total value of New Jersey exports (billions)	\$20.90	\$21.26	\$23.60	\$26.43
Jobs generated through exporting	360,000	299,000	322,000	364,000
Export Promotion Program				
Export sales generated (millions)	\$35.00	\$126.97	\$339.57	\$173.53
State tax revenue generated (millions)	\$3.50	\$4.17	\$11.53	\$5.80
Jobs generated through program	2,300	1,736	4,806	2,429
Inward Investment Program				
State tax revenue generated from investments (millions)	\$5.10	\$7.56	\$2.32	\$2.55
Jobs generated through investments	579	992	965	1,061
Development for Small Businesses and Women and Minority Businesses				
Set-Aside and Certification Set-Aside Office				
Vendors registered (paid)	12,000	6,219	6,850	7,500
Applications certified	1,000	603	700	800
Set-Aside Contracts awarded (millions)	\$463.70	\$774.72	\$813.45	\$854.12
Jobs created and retained	11,545	19,291	20,255	21,268
Tax revenue generated by Set-Aside Program (millions)	\$27.90	\$46.48	\$48.81	\$51.25
Economic Development				
Division Totals				
Jobs generated (new/expansion/retention)	15,500	11,600	15,000	17,000
Companies (new/expansion/retention)	63	74	80	90
Urban Enterprise Zone Program				
Number of zones designated	20	27	27	27
Participating businesses	5,322	6,028	6,569	6,897
Total number of jobs created (cumulative)	36,358	42,291	42,900	45,045
Private investment generated (billions/cumulative)	\$6.00	\$6.70	\$7.30	\$8.03
Zone Assistance Fund projects	131	110	150	242
Value of projects (millions)	\$35.00	\$30.00	\$45.00	\$71.00
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	12	12	13	13
Male Minority %	12.0%	12.0%	11.2%	11.2%
Female Minority	18	18	16	16
Female Minority %	18.0%	18.0%	13.8%	13.8%
Total Minority	30	30	29	29
Total Minority %	30%	30%	25%	25%
Position Data				
State Supported	60	64	69	84
All Other	10	13	14	16
Total Positions	70	77	83	100
Filled Positions by Program Class				
International Trade	11	10	9	10
Development for Small Businesses and Women and Minority Businesses	10	11	11	11

	Actual FY 1996	Actual FY 1997	Revised FY 1998	Budget Estimate FY 1999
Economic Development	37	41	51	67
Management and Administrative Services	12	15	12	12
Total Positions	70	77	83	100

Notes: Actual fiscal years 1996 and 1997 and Revised fiscal year 1998 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1999 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 1997					Year Ending June 30, 1999				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1998 Adjusted Approp.	Requested	Recom- mended	
Distribution by Program									
858	1	-44	815	815	18	770	876	876	
1,092	1	-59	1,034	1,023					
2,377	35	124	2,536	2,535	20	1,052	1,052	1,052	
922	---	33	955	945	38	4,322	4,416	4,416	
5,249	37	54	5,340	5,318	99	666	640	640	
Total Appropriation						6,810^(a)	6,984	6,984	
Distribution by Object									
Personal Services:									
2,816	---	167	2,983	2,983		2,412	2,386	2,386	
2,816	---	167	2,983	2,983		2,412	2,386	2,386	
58	---	-19	39	30		45	45	45	
350	---	-50	300	300		250	237	237	
69	---	-7	62	51		51	51	51	
Special Purpose:									
40	---	-2	38	38	18	40	40	40	
130	---	-9	121	121	18	130	130	130	
---	---	---	---	---	18	37	---	---	
---	---	---	---	---	18	---	150	150	
500	---	---	500	500	20	500	500	500	
---	33 ^R	---	33	33	38	---	---	---	
250	---	-20	230	229	38	250	350	350	
1,000	---	---	1,000	1,000	38	1,000	1,000	1,000	
---	---	---	---	---	38	600	600	600	
---	---	---	---	---	38	1,460 ^(b)	1,460	1,460	
30	---	---	30	30	99	30	30	30	
1,950	33	-31	1,952	1,951		4,047	4,260	4,260	
6	4	-6	4	3		5	5	5	

OTHER RELATED APPROPRIATIONS

750	1,025	---	1,775	1,775	Total Grants-in-Aid	650	550	550	
5,999	1,062	54	7,115	7,093	Total General Fund	7,460	7,534	7,534	
Federal Funds									
---	1,000	---	1,000	1,000	Economic Development	---	---	---	
---	1,000	---	1,000	1,000	Total Federal Funds	---	---	---	

TREASURY

Year Ending June 30, 1997					Year Ending June 30, 1998				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	1998 Adjusted Approp.	Requested	Recommended	
					All Other Funds				
—	166 309 ^R	-166	309	309	Urban Programs	08	450	450	450
—	87 68 ^R	—	155	118	International Trade	18	30	10	10
—	746 323 ^R	-20	1,049	254	Development for Small Businesses and Women and Minority Businesses	20	250	250	250
—	302 1,478 ^R	166	1,946	1,711	Economic Development	38	2,092	2,092	2,092
—	3,479	-20	3,459	2,392	Total All Other Funds		2,822	2,802	2,802
5,999	5,541	34	11,574	10,485	GRAND TOTAL		10,282	10,336	10,336

Notes: (a) The fiscal year 1998 appropriation has been adjusted for the allocation of salary program, has been reduced to reflect the transfer of staff to the Department of Personnel, and has been reduced to reflect the transfer of funds to the Salary Increases and Other Benefits account.

(b) The Business Ombudsman and Regulatory Affairs account has been merged with the Accounts Management System account.

LANGUAGE RECOMMENDATIONS

Such sums as are necessary for advertising and promotion shall be allocated from the Department of State's Travel and Tourism Advertising and Promotion account to the New Jersey Commerce and Economic Growth Commission for the International Trade and Economic Development programs, subject to the approval of the Director of the Division of Budget and Accounting.

Subject to the approval of the Director of the Division of Budget and Accounting, of the sums hereinabove appropriated, or otherwise made available, for the Office of Sustainability, the President of the New Jersey Commerce and Economic Growth Commission is authorized to contract with the New Jersey Economic Development Authority which shall finance loans to sustainable businesses.

There is appropriated from the Enterprise Zone Assistance Fund such sums as are necessary for administrative services provided by the New Jersey Commerce and Economic Growth Commission in accordance with the provisions of section 11 of P.L.1993, c.367 (C.52:27H-65.1), subject to the approval of the Director of the Division of Budget and Accounting.

The amount necessary to provide employer rebate awards as a result of the "New Jersey Urban Enterprise Zone Act," P.L.1983, c.303 (C.52:27H-60 et seq.), are appropriated from the Enterprise Zone Assistance Fund subject to the approval of the Director of the Division of Budget and Accounting.

Subject to the approval of the Director of the Division of Budget and Accounting, there is appropriated to the New Jersey Economic Development Authority from the General Fund such sums as may be necessary to fund the Business Employment Incentive Program, the amount of which shall not exceed the total amount of revenues received as withholdings, as defined in section 2 of P.L.1996, c.26 (C.34:1B-125), from all businesses receiving grants pursuant to the "Business Employment Incentive Program Act," P.L.1996, c.26 (C.34:1B-124 et seq.), as certified by the Director of the Division of Taxation. The Authority shall provide the Joint Budget Oversight Committee, on or before November 1, 1998, with a report of the grants funded in the prior fiscal year including, but not limited to, a summary of each grant agreement and the amount of each grant funded in that year.

Subject to the approval of the Director of the Division of Budget and Accounting, there is appropriated to the New Jersey Commerce and Economic Growth Commission from the General Fund such sums as may be necessary, as certified by the Commission President and the Director of the Division of Taxation, to fund business relocation grants made under the "Business Relocation Assistance Grant Act," the amount of which shall not exceed the new income tax revenues as defined in section 2 of P.L.1996, c.25 (C.34:1B-113). In addition to the report required pursuant to section 10 of P.L.1996, c.25 (C.34:1B-1.1), the President shall provide the Joint Budget Oversight Committee, on or before November 1, 1998, with a report of the grants funded in the prior fiscal year including, but not limited to, a summary of each grant agreement and the amount of each grant funded in that year.

Notwithstanding the provisions of the Casino Control Act (N.J.S.A. 5:12-181) and the Local Development Financing Fund Act (N.J.S.A. 34:1B-48) which govern the use of funds set aside for the New Jersey Development Authority for Small Businesses, Minorities' and Women's Enterprises, the amount hereinabove for the Small Business Outreach/Technical Assistance account is appropriated from the New Jersey Development Authority for Small Businesses, Minorities' and Women's Enterprises.

50. ECONOMIC PLANNING, DEVELOPMENT AND SECURITY
51. ECONOMIC PLANNING AND DEVELOPMENT
2042. NEW JERSEY COMMISSION ON SCIENCE AND TECHNOLOGY

OBJECTIVES

1. To promote further development of New Jersey's academic research capabilities in priority fields, and to identify and evaluate new fields of opportunity;
2. To enhance the transfer of technology from the academic research environment to implementation in business settings;
3. To encourage business development through Commission programs designed to provide assistance for science and technology-oriented businesses, and to facilitate the establishment of new enterprises in science and technology fields;
4. To support the preparation of a workforce which is technology-literate, consistent with the mandate of the Commission.

PROGRAM CLASSIFICATIONS

24. **The New Jersey Commission on Science and Technology**, enacted under Public Law 1985, Chapter 102, was established to encourage the development of scientific and technological programs, stimulate academic-industrial collaboration, and coordinate activities of technological centers and business facilities. The primary mission of the Commission is to create an environment which leads to accelerated economic development, with emphasis on applications of science and technology to industry. The principal goals of Commission activity are the creation of new jobs and the revitalization of industry, in an environment which encourages new enterprises, particularly those which are oriented toward the adoption of the most advanced scientific and technological techniques.

EVALUATION DATA

	Actual FY 1996	Actual FY 1997	Revised FY 1998	Budget Estimate FY 1999
PROGRAM DATA				
New Jersey Commission on Science and Technology				
Business Assistance				
Technology Transfer Program				
Companies Assisted	—(a)	6	7	35
Company Matching (\$000s)	—(a)	\$1,660	\$715	\$5,000
New Jersey Manufacturing Extension Program				
Firms assisted	—(a)	125	350	350
Jobs created or retained	—(a)	500	1,400	1,400
Non-State Matching (\$000s)	—(a)	\$2,000	\$2,000	\$2,000
Washington Liaison				
Phase I Small Business Innovation Research (SBIR)				
Awards	90	100	100	100
Federal Funding Leveraged (\$000s)	\$6,729	\$7,200	\$7,200	\$7,200
Business Incubators				
Companies supported	53	92	94	95
Employment at incubator companies	151	345	340	350
Matching (\$000s)	\$394	\$630	\$630	\$630
SBIR Bridge Loan Program				
Bridge loans issued	7	2	4	4
Federal Phase II Funding Leveraged (\$000s)	\$1,800	\$600	\$1,200	\$1,200
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	6	6	6	6
Total Positions	6	6	6	6

Notes: Actual fiscal years 1996 and 1997 and Revised fiscal year 1998 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1999 reflects the number of positions funded.

(a) Program started in fiscal year 1997.

The Board assures the safety, adequacy and availability of utility services by conducting hearings which result in the promulgation of rules, regulations and orders, and their enforcement through inspections and investigations. Regular tests are conducted by engineering personnel to minimize the possibility of disruptions or discontinuance of essential services. A new Division of Service Evaluation was created in 1996 to ensure the safety and reliability of services as a result of the increase in the competition within the marketplace.

- 55. **Regulation of Cable Television.** Assists local jurisdictions in preparing legislation, franchise agreements and consents; regulates operating and competitive practices to assure reasonable uniformity, reliability, economy and quality of cable television services; cooperates with other states and the Federal government in promoting and coordinating beneficial uses of cable television through balanced programming, including local and educational services.
- 56. **Energy Resource Management.** Develops and Implements State's energy policies and associated programs, including funding

mechanisms to support energy conservation projects, energy education and outreach, energy data collection and analysis and evaluation of energy use and supply.

- 97. **Regulatory Support Services.** Provides economic analysis of conditions affecting regulated utilities to the Board of Public Utilities and its technical divisions and conducts audits of regulated utilities.
- 99. **Management and Administrative Services.** The Board of Public Utilities is a regulatory authority with a statutory mandate to ensure safe, adequate, and proper public utility service at the most equitable rates for all customers in New Jersey. Specifically, the Board has regulatory authority over the electric, gas, telecommunications, water and sewer, and cable television industries. To accomplish its mandate, the Board regulates rates for such utilities by conducting comprehensive reviews to determine the fairness and reasonableness of rates. The Board also has general supervisory responsibility for monitoring utility service, responding to utility consumer complaints and investigating utility accidents.

EVALUATION DATA

	Actual FY 1996	Actual FY 1997	Revised FY 1998	Budget Estimate FY 1999
PROGRAM DATA				
Utility Regulation				
Utilities Regulated				
Electric	5	5	5	5
Gas	5	5	5	4
Telephone and telegraph	26	26	23	23
Water and sewer	86	86	90	90
Municipal water companies	171	171	171	171
Cases Pending June 30				
Cable TV	297	297	305	333
Electric	88	88	116	127
Gas	55	55	83	99
Telephone	125	125	155	140
Water and sewer	76	76	79	81
Customer Relations				
Consumer Complaints (phone calls)	14,046	14,060	14,017	14,017
Consumer Complaints (walk-ins)	436	450	442	442
Consumer Information Requests	19,067	14,127	14,137	14,137
Service Evaluation				
One-Call Cases Handled	3,961	4,000	4,100	4,100
Meter Tests Conducted	129	193	132	132
Gas Pipeline Inspections	624	669	583	583
Informal Service Investigations	130	423	149	149
Regulation of Cable Television				
Cable television systems	49	49	45	44
Cable television subscribers (thousands)	2,237	2,237	2,237	2,300
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	287	285	287	299
Federal	15	18	18	23
All Other	3	—	1	—
Total Positions	305	303	306	322
Filled Positions by Program Class				
Temporary Disability Insurance	26	31	34	33
Utility Regulation	95	93	95	104
Regulation of Cable Television	32	30	29	28

TREASURY

	Actual FY 1996	Actual FY 1997	Revised FY 1998	Budget Estimate FY 1999
Energy Resource Management	18	18	19	23
Regulatory Support Services	62	61	62	62
Management and Administrative Services	72	70	67	72
Total Positions	305	303	306	322

Notes: Actual fiscal years 1996 and 1997 and Revised fiscal year 1998 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1999 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 1997					Year Ending June 30, 1999				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1998 Adjusted Approp.	Requested	Recom- mended	
Distribution by Program									
3,658	1,075	—	4,733	3,781	53	3,658	3,658	3,658	
5,707	1,440	-74	7,073	5,436	54	5,971	5,724	5,724	
1,404	246	22	1,672	1,474	55	1,480	1,480	1,480	
3,104	49	183	3,336	3,285	97	3,237	3,380	3,380	
<u>5,856</u>	<u>935</u>	<u>42</u>	<u>6,833</u>	<u>6,421</u>	99	<u>5,930</u>	<u>6,034</u>	<u>6,034</u>	
19,729	3,745	173	23,647	20,397		20,276^(a)	20,276	20,276	
Distribution by Object									
Personal Services:									
	2,812								
<u>16,263</u>	<u>51^R</u>	<u>313</u>	<u>19,439</u>	<u>17,082</u>		<u>16,853</u>	<u>17,045</u>	<u>17,045</u>	
16,263	2,863	313	19,439	17,082		16,853	17,045	17,045	
353	290	-124	519	255		353	320	320	
2,287	238	35	2,560	2,237		2,240	2,064	2,064	
530	88	-49	569	495		535	556	556	
Special Purpose:									
<u>40</u>	<u>—</u>	<u>-10</u>	<u>30</u>	<u>27</u>		<u>40</u>	<u>40</u>	<u>40</u>	
40	—	-10	30	27		40	40	40	
256	266	8	530	301		255	251	251	

OTHER RELATED APPROPRIATIONS

Federal Funds									
600	668	—	1,268	727	54	600	600	600	
<u>1,425</u>	<u>2,044</u>	<u>—</u>	<u>3,469</u>	<u>2,666</u>	56	<u>2,225</u>	<u>2,225</u>	<u>2,225</u>	
2,025	2,712	—	4,737	3,393		2,825	2,825	2,825	
All Other Funds									
—	115	—	115	—	56	—	—	—	
<u>—</u>	<u>115</u>	<u>—</u>	<u>115</u>	<u>—</u>		<u>—</u>	<u>—</u>	<u>—</u>	
21,754	6,572	173	28,499	23,790		23,101	23,101	23,101	

Notes: (a) The fiscal year 1998 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Employee Benefits and Salary Increases and Other Benefits accounts.

LANGUAGE RECOMMENDATIONS

In addition to the sum hereinabove, such other sums as the Director of the Division of Budget and Accounting shall determine are appropriated on behalf of the Board of Public Utilities under P.L.1968, c.173 (C. 48:2-59 et seq.) and P.L.1972, c. 186 (C. 48:5A-32 et seq.), or other applicable statutes with respect to assessment of public utilities or the cable television industry.

Receipts derived from fees are appropriated.

TREASURY

Year Ending June 30, 1997					Year Ending June 30, 1999				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	1998 Adjusted Approp.	Requested	Recommended	
---	---	---	---	---	All Other Funds				
---	---	---	---	---	Temporary Disability Insurance	52	279	279	279
---	---	---	---	---	Unemployment Insurance	80	707	707	707
---	---	---	---	---	Total All Other Funds		986	986	986
3,632	---	---	3,632	3,632	GRAND TOTAL		4,618	4,618	4,618

LANGUAGE RECOMMENDATIONS

The Director of the Division of Budget and Accounting is hereby authorized to transfer such sums as are necessary between the Department of Labor and the Department of the Treasury for the administration of revenue collection and processing functions related to the Unemployment Insurance, Temporary Disability Insurance, Workers Compensation, and Special Compensation Programs.

The amounts hereinabove for the Temporary Disability Insurance program are payable out of the State Disability Benefits Fund, and in addition to the amounts hereinabove, there are appropriated out of the State Disability Benefits Fund such additional sums as may be required to administer the Temporary Disability Insurance program, subject to the approval of the Director of the Division of Budget and Accounting.

Such sums as may be necessary to collect the contributions pursuant to the Health Care Reform Act, P.L. 1996 c.28(C26B:2H-18.51 et al.) are appropriated from the Health Care Subsidy Fund, subject to the approval of the Director of the Division of Budget and Accounting.

Such sums as may be necessary to collect the contributions related to the Workforce Development Partnership program shall be appropriated from receipts received pursuant to the New Jersey Employment and Workforce Development Act," P.L. 1992, c44.

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL

72. GOVERNMENTAL REVIEW AND OVERSIGHT

OBJECTIVES

- To assist the Governor's Employee Relations Policy Council in all matters regarding relations between the State and its employees.
- To plan for, formulate and monitor the annual State Budget.
- To assure financial responsibility and accountability and provide current, relevant financial information for management and the public.

PROGRAM CLASSIFICATIONS

- 02. Employee Relations and Collective Negotiations (Executive Order No. 4, 1970).** Staff assistance is provided to the Governor and her decisions are implemented concerning employee relations. Through the Governor's Employee Relations Policy Council, assistance in the development of overall policy and execution of policies is provided. Negotiations with unions and other representatives of State employees are conducted. Agencies are assisted and advised concerning employee relations activities.

- 07. Office of Management and Budget (NJSA 52:27B-12,-33).** Coordinates the annual agency-based planning process, identifies and projects trends affecting the demand for services, provides information and planning support for the process of allocating available financial and human resources, and evaluates strategic and long-term issues arising from the ability to provide services.

Plans for the most beneficial use of fiscal resources to meet the needs of the citizens of New Jersey within the policy framework set by the Governor in the immediate budget year. Provides continuous studies of State fiscal requirements. Based on these studies and on

official requests for appropriations by State departments, determines the necessity and advisability of budget requests and formulates the annual budget submitted by the Governor to the Legislature. Develops and reviews State agency responses on proposed federal legislation and regulations to ensure that the broad State interest and fiscal policy is taken into account.

Performs statewide studies to ensure that agencies serving the same clients coordinate programs and resources, thus avoiding unnecessary funding of duplication of effort. Analyzes programs and activities that cross departmental boundaries which may not be at the core of government responsibilities or need, and therefore may be appropriate for elimination or revision for cost reduction.

Also provides for capital and development planning, evaluation of capital construction projects, research into financing of capital facilities and project review relative to coordinating federally financed construction projects for State, local and private agencies.

Provides for the receipt, processing, recording and reporting of all financial data of the State's various funds, in accordance with existing statutes and generally accepted accounting principles. All financial transactions and requests for payment are reviewed for propriety before entry into the computerized accounting system, from which official State monthly and annual fiscal reports are prepared. Bank accounts are reconciled with the accounting system. Also includes the Payroll unit, which is responsible for assuring that State employees are paid accurately and on a timely basis. An internal audit unit is engaged in developing procedures, revising accounting systems, and enhancing accounting controls and monitoring financial activities of various State agencies.

EVALUATION DATA

	Actual FY 1996	Actual FY 1997	Revised FY 1998	Budget Estimate FY 1999
PROGRAM DATA				
Office of Management and Budget				
Checks issued	13,100,000	13,600,000	13,600,000	13,600,000
Revenue items processed	205,000	209,000	220,000	220,000
Number of Checks Avoided by Electronic Funds Transfer	1,001,000	1,115,000	1,130,000	1,150,000
Unqualified Opinions on the Consolidated Financial Reports (Last Five Years)	4	5	5	5
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	256	246	225	233
Total Positions	256	246	225	233
Filled Positions by Program Class				
Employee Relations and Collective Negotiations	7	7	7	8
Office of Management and Budget	249	239	218	225
Total Positions	256	246	225	233

Notes: Actual fiscal years 1996 and 1997 and Revised fiscal year 1998 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1999 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 1997						Year Ending June 30, 1999		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	1998 Adjusted Approp.	Requested	Recommended
489	—	215	704	684	Distribution by Program			
13,470	18,209	-3,935	27,744	24,679	03	531	521	521
13,959	18,209	-3,720	28,448	25,363	07	13,112	12,973	12,973
						13,643 ^(a)	13,494	13,494
					Distribution by Object			
					Personal Services:			
12,199	223 ^R	-354	12,068	12,024		12,173	11,961	11,961
12,199	223	-354	12,068	12,024		12,173	11,961	11,961
297	—	-1	296	294		167	304	304
835	—	4,879	5,714	5,712		716	719	719
97	—	-37	60	59		97	77	77
					Special Purpose:			
—	15,356 ^R	-15,356	—	—	07	—	—	—
—	—	7,646	7,646	6,712	07	—	—	—
45	—	—	441	425		45	—	—
396 ^S	—	—	441	425	07	371 ^S	401	401
29	—	—	29	29	07	29	32	32
470	15,356	-7,710	8,116	7,166		445	433	433
61	2,630	-497	2,194	108		45	—	—

TREASURY

Year Ending June 30, 1997					Year Ending June 30, 1999				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	1998 Adjusted Approp.	Requested	Recommended	
OTHER RELATED APPROPRIATIONS									
All Other Funds									
—	22,409	-11,612	10,797	—	Office of Management and Budget	07	5,416	5,453	5,453
—	22,409	-11,612	10,797	—	Total All Other Funds				
13,959	40,618	-15,332	39,245	25,363	GRAND TOTAL				
							19,059	18,947	18,947

Notes: (a) The fiscal year 1998 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Salary Increases and Other Benefits account.

LANGUAGE RECOMMENDATIONS

Such sums as may be necessary for administrative expenses incurred in processing federal benefit payments are appropriated from such sums as may be received or receivable for this purpose.

In addition to the amounts hereinabove, there are appropriated such additional sums as may be necessary for an independent audit of the State's general fixed asset account group, performance audits, and the single audit.

There are appropriated, out of receipts derived from the investment of State funds, such sums as may be necessary for bank service charges, custodial costs, mortgage servicing fees and advertising bank balances under section 1 of P.L.1956, c.174 (C.52:18-16.1).

There are appropriated out of revenues derived from the collection of fees charged for the issuance of dishonored checks, such sums as are necessary to defray administrative processing costs associated with such checks.

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL

73. FINANCIAL ADMINISTRATION

OBJECTIVES

- To administer the tax laws of the State so that all properly due taxes are collected.
- To manage unclaimed property in the State as effectively as possible.
- To enhance revenue collection through integrated receipts processing and aggressive management of public accounts receivable.
- To maximize revenues from the State lottery and minimize illegal organized gambling.
- To invest and reinvest funds of the various State agencies and pension funds as effectively as possible.
- To insure that legalized gambling in New Jersey maintains the highest standard of integrity and serves as an effective method for rebuilding and developing existing facilities in Atlantic City, in order to provide a meaningful and permanent contribution to the resort, convention, and tourist industry of New Jersey.

PROGRAM CLASSIFICATIONS

- Taxation Services and Administration (NJSA 54:1-2).** Services include general administration, payment and accounting records, issuance of licenses and administration of local property and public utility functions. Specific functions performed include auditing tax returns and taxpaying entities; performing office and field audits; preparing tax refunds, certificates of tax lien search and certificates of tax lien release; holding taxpayer hearings and conferences; providing revenue analysis, research, and statistics for tax administration. Provides services involving bankruptcies, judgments, bulk sales, liens, levies, seizures, proclamations and

reinstatements; investigates tax related matters having criminal and/or civil potential; renders taxpayer service to the public.

- Administration of State Lottery (NJSA 5:9-1).** Daily and weekly lotteries are conducted. Lottery programs are continually reviewed so that State revenues are maximized.
- Administration of Revenues (Executive Reorganization Plan 001-97).** Oversees and coordinates collection and processing of revenues arising from state taxation, motor vehicle licensing and regulation and environmental protection laws and regulations. Centrally manages the collection and processing of delinquencies owed to the State by motorists, taxpayers, professional license holders and violators of state statute and regulation.
- Management of State Investments (NJSA 52:18A-79).** Activities involve investment and reinvestment of State funds, including the various State pension funds, the State Disability Benefits Fund, the General Investment Fund, and the State of New Jersey Cash Management Fund, together with the control of principal proceeds and interest receipts. Detailed reports of operations are published monthly and an annual report is presented to the Governor and Legislature. Investment functions are provided to other State agencies involving investment accounts.
- Administration of Casino Gambling (NJSA 5:12-1).** The Casino Control Commission is responsible for the collection of all license fees and taxes imposed by the Act. It promulgates regulations and carries on a continuous study of existing and developing methods to control the casino gaming and casino source industries, prevents the material involvement of undesirable persons in casino gaming, conducts hearings pertaining to Civil Violations of the Act or its regulations and levies and collects all penalties appropriate thereto.

EVALUATION DATA

	Actual FY 1996	Actual FY 1997	Revised FY 1998	Budget Estimate FY 1999
PROGRAM DATA				
Taxation Services and Administration				
Taxpayer Information Services				
Telephone inquiries	1,883,625	1,418,583	1,500,000	1,600,000
Correspondence	30,000	39,015	40,000	42,000
Tax Services (High Level Technical Requests)				
Telephone inquiries	14,182	12,794	14,400	14,400
Correspondence	8,966	8,851	9,100	9,100
Enforcement				
Audits				
Average Number of Auditors	390	361	400	390
Assessment Amount	\$479,246,146	\$293,718,797	\$360,000,000	\$375,000,000
Audits completed	91,241	104,519	100,000	102,000
Average Assessment/Auditor (a)	\$1,228,836	\$813,626	\$900,000	\$962,000
Compliance				
Number of Collectors	249	242	285	280
Collections	\$161,263,822	\$82,111,411	\$184,000,000	\$182,000,000
Number of Closed Cases	331,834	992,165	379,905	373,240
Average Collection Per Collector (b)	\$647,646	\$339,303	\$645,614	\$650,000
Bankruptcy Claims	1,163	1,026	2,200	2,500
Judgments	7,208	6,007	6,200	6,500
Deferred Payment Plans	3,236	1,196	1,615	2,067
Criminal Investigations				
Prosecution Recommendations	98	115	120	122
Assessment Amount	\$4,632,004	\$1,469,186	\$4,440,630	\$4,516,121
Billings Mailed				
Individual	164,480	266,524	250,000	240,000
Business	140,219	225,838	183,000	202,000
Refunds Reviewed				
Individual	50,335	51,271	52,000	53,000
Business	8,290	3,300	4,000	4,400
Property Administration				
Real Estate Appraisals-Inheritance tax	552	502	550	575
Municipal Audit	—	3	100	125
Sales Ratio Study				
Sales Prescreened	134,170	222,503	225,000	230,000
Sales Investigated	21,965	21,505	7,500	7,500
Intestates/Escheated Estates	141	134	130	150
Administration of State Lottery				
Agents	5,300	5,130	6,000	6,600
Drawings	950	968	1,000	1,000
Net Sales (millions)	\$1,588	\$1,556	\$1,644	\$1,668
Cents Spent to Generate One Sales Dollar	8.4/1	8.3/1	7.9/1	7.9/1
Cents Spent to Generate One Government Dollar	20.1/1	19.8/1	19.7/1	19.7/1
Government Revenue as a Percent of Sales	41.7%	41.8%	40.3%	40.3%
Sales as a Percent of State Personal Income63%	.63%	.63%	.63%
Government Revenue as a Percent of Personal Income26%	.26%	.26%	.26%
Administration of State Revenues				
Processing and Accounting Activity				
Returns Processed				
Individual	4,969,610	4,845,182	4,800,000	4,800,000
Homestead rebates	2,180,241	2,910,967	2,900,000	2,900,000
Business	3,988,520	3,959,597	3,800,000	3,800,000
Checks processed	7,353,210	5,200,000	5,000,000	5,000,000
SOIL Setoffs	190,745	200,000	200,000	200,000

TREASURY

	Actual FY 1996	Actual FY 1997	Revised FY 1998	Budget Estimate FY 1999
Average Refund Processing Time (in weeks)	9	7	6	6
Licenses Processed	22,738	23,000	33,000	33,000
Business Taxpayers Registered	67,839	70,000	70,000	70,000
Taxpayer Registration				
Registration File Updates	46,805	50,000	45,000	45,000
Correspondence Processed	58,561	70,000	65,000	65,000
Management of State Investments				
Transactions	45,413	43,944	45,000	47,000
Market value of investments as of 6/30 (millions)	\$53,505	\$64,693	\$70,000	\$75,000
Cash Management Returns	5.60%	5.47%	5.50%	5.50%
Net investment earnings, cash basis (millions)	\$3,248	\$3,015	\$3,100	\$3,500
Funds managed	137	149	155	160

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	1,667	1,663	1,702	1,751
All Other	372	375	367	393
Total Positions	2,039	2,038	2,069	2,144

Filled Positions by Program Class

Taxation Services and Administration	1,477	1,475	1,238	1,279
Administration of State Lottery	152	151	147	149
Administration of State Revenues	—	—	285 ^(c)	292
Management of State Investments	69	69	65	70
Administration of Casino Gambling	341	343	334	354
Total Positions	2,039	2,038	2,069	2,144

Notes: Actual fiscal years 1996 and 1997 and Revised fiscal year 1998 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1999 reflects the number of positions funded.

(a) Calculated based on the average number of auditors throughout the entire year.

(b) Outside vendor collections not included in this internal productivity measure.

(c) Reflects reorganization resulting from the statewide consolidation of revenue administration functions.

APPROPRIATIONS DATA

(thousands of dollars)

Year Ending June 30, 1997					Year Ending June 30, 1999				
Orig. & ^(S) Supple- mental	Reapp. & ^(R) Recpts.	Transfers & ^(E) Emer- gencies	Total Available	Expended	Prog. Class.	1998 Adjusted Approp.	Requested	Recom- mended	
Distribution by Program									
93,137	4,187	1,880	99,204	99,165					
					15	79,204	73,840	73,840	
12,737	2,467	-276	14,928	14,923					
					16	13,041	12,582	12,582	
—	—	590	590	581					
					17	22,855	15,325	15,325	
4,156	391	163	4,710	4,671					
					19	5,594	5,253	5,253	
110,030	7,045	2,357	119,432	119,340		120,694^(b)	107,000	107,000	
Distribution by Object									
Personal Services:									
65,760						72,994			
6,600 ^S	606 ^R	-1,907	71,059	71,049		1,260 ^S	74,230	74,230	
72,360	606	-1,907	71,059	71,049		74,254	74,230	74,230	

Year Ending June 30, 1997						Year Ending June 30, 1999			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	1998 Adjusted Approp.	Requested	Recommended	
2,328	—	2,161	4,489	4,486		2,363			
21,202	1,692					1,970 ^S	4,936	4,936	
12,090 ^S	782 ^R	1,133	36,899	36,899		19,174			
1,659	—	-152	1,507	1,495		21,038 ^S	26,079	26,079	
						1,393	1,513	1,513	
31	—	—	31	31					
—	3,020	—	3,020	3,020	15	62	62	62	
—	—	590	590	581	15	—	—	—	
31	3,020	590	3,641	3,632	17	—	—	—	
						62	62	62	
						40			
360 ^S	945	532	1,837	1,779		400 ^S	180	180	

OTHER RELATED APPROPRIATIONS

<u>22,510</u>	<u>2,331</u>	<u>—</u>	<u>24,841</u>	<u>24,121</u>	<i>Total Casino Control Fund – Direct State Services</i>	<u>22,510</u>	<u>22,510</u>	<u>22,510</u>
132,540	9,376	2,357	144,273	143,461	TOTAL STATE APPROPRIATIONS	143,204	129,510	129,510
					All Other Funds			
	38							
—	2,474 ^R	—	2,512	2,512	Taxation Services and Administration	15	3,146	3,146
—	—	—	—	—	Administration of State Lottery	16	720	720
—	7,001	—	7,001	6,983	Administration of State Revenues	17	8,900	8,800
—	<u>9,513</u>	<u>—</u>	<u>9,513</u>	<u>9,495</u>	Total All Other Funds	<u>12,766</u>	<u>12,666</u>	<u>12,666</u>
132,540	18,889	2,357	153,786	152,956	GRAND TOTAL	155,970	142,176	142,176

Notes: (a) Reflects reorganization resulting from the statewide consolidation of revenue administration functions.

(b) The fiscal year 1998 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Salary Increases and Other Benefits account.

LANGUAGE RECOMMENDATIONS

So much of the receipts derived from the sale of confiscated equipment, materials and supplies under the “Cigarette Tax Act,” P.L. 1948, c.65(C.54:40A-1 et seq.), as may be necessary for confiscation, storage, disposal and other related expenses thereof, are appropriated.

There are appropriated from the investment earnings of general obligation bond proceeds, such sums as may be necessary for the payment of debt service administrative costs.

Notwithstanding the provision of any law to the contrary, there shall be no retroactive payment for refunds due under P.L.1997,c.134(C58:10-23.11h) for the period from January 1, 1996, through June 26, 1997, appropriated from the Spill Compensation Fund.

Of the amounts hereinabove for Economic Research, \$31,000 are payable out of the State Disability Benefits Fund, and in addition to the amounts hereinabove there are appropriated out of the State Disability Benefits Fund such additional sums as may be required to administer Economic Research, subject to the approval of the Director of the Division of Budget and Accounting.

Upon certification of the Director of the Division of Taxation, the State Treasurer shall pay, upon warrants of the Director of the Division of Budget and Accounting, such claims for refund as may be necessary under the provisions of Title 54 of the Revised Statutes, as amended and supplemented.

Such sums as may be necessary for the administration of the homestead property tax reimbursement established pursuant to P.L.1997, c.348 are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding any other law to the contrary, there are appropriated out of the receipts in the Solid Waste Services Tax Fund and the Resource Recovery Investment Tax Fund such sums as may be necessary for the cost of administration and collection of taxes pursuant to P.L. 1985, c. 38 (C.13:1E-136 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.

Such sums as are required for the acquisition of equipment essential to the modernization of processing tax returns, are appropriated from tax collections, subject to the approval of the Joint Budget Oversight Committee and the Director of the Division of Budget and Accounting.

The amount necessary to provide administrative costs incurred by the Division of Taxation to meet the statutory requirements of the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.) is appropriated from the Enterprise Zone Assistance Fund, subject to the approval of the Director of the Division of Budget and Accounting.

Pursuant to the provisions of section 12 of P.L. 1992, c.165 (40:54D-12) there are appropriated such sums as may be required to compensate the Department of the Treasury for costs incurred in administering the "Tourism Improvement and Development District Act", P.L. 1992 c.165.(40:54D-12 et seq.).

In addition to the amounts appropriated hereinabove, such additional sums as may be necessary are appropriated to fund costs of the collection and processing of debts, taxes and other fees and charges owed to the State, including but not limited to the services of auditors and attorneys and enhanced compliance programs, subject to the approval of the Director of the Division of Budget and Accounting. The Director of the Division of Budget and Accounting shall provide the Joint Budget Oversight Committee with written reports on the detailed appropriation and expenditure of sums appropriated pursuant to this provision.

Notwithstanding any provision of any other law to the contrary, there are available out of fees derived from the cost of collection (C.54:49-12.1) such sums as may be required for compliance and enforcement activities associated with the collection process as promulgated by the Taxpayers' Bill of Rights (P.L.1992 c.175).

There are appropriated, out of revenues derived from escheated property under the various escheat acts, such sums as may be necessary to administer such acts and such sums as may be required for refunds.

There are appropriated out of the State Lottery Fund such sums as may be necessary for costs required to implement the "State Lottery Law," P.L. 1970, c.13 (C.5:9-1 et seq.) and for payment for commissions, prizes and expenses of developing and implementing games pursuant to section 7 of P.L. 1970, c.13 (C. 5:9-7).

In addition to the amounts hereinabove, State Lottery Fund receipts in excess of anticipated contributions to education and State institutions, and reimbursement of administrative expenditures, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee.

Notwithstanding the provisions of any other law to the contrary, there are appropriated out of receipts derived from communications fees such sums as may be necessary for telecommunications costs required in the administration of the State Lottery.

Notwithstanding the provisions of any other law to the contrary, there are appropriated out of receipts derived from the sale of advertising by the State Lottery, such sums as may be necessary for advertising costs required in the administration of the State Lottery pursuant to P.L.1970, c.13 (C5:9-1 et seq.).

There are appropriated, out of receipts derived from service fees billed to authorities for the handling of investment transactions, such sums as may be necessary to administer the above investment activity.

There are appropriated, out of receipts derived from the investments of State funds, such sums as may be necessary for bank service charges, custodial costs, mortgage servicing fees and advertising bank balances under section 1 of P.L. 1956, c.174 (C.52:18-16.1).

Notwithstanding the provisions of any law to the contrary, the expenses of administration for the various retirement systems and employee benefit programs administered by the Division of Pensions and Benefits and the Division of Investments shall be charged to the pension and health benefits funds established by law to receive employer contributions or payments or to make benefit payments under the programs, as the case may be. In addition to the amounts hereinabove, there are appropriated such sums as may be necessary for administrative costs, which shall include bank service charges, investment services, and other such costs as are related to the management of the pension and health benefit programs as the Director of the Division of Budget and Accounting, shall determine. In addition, revenue resulting from such charges to the various pensions and health benefit funds, payable on a schedule to be determined by the Director of the Division of Budget and Accounting, shall be credited to the General Fund as anticipated revenue.

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL

74. GENERAL GOVERNMENT SERVICES

OBJECTIVES

1. To centralize all press and public relations services.
2. To provide a means for State, local and county governments and school districts to effect economy by purchasing against State contracts through cooperative purchasing.
3. To provide maintenance and operation services for the preservation and protection of the buildings in the Capitol Complex.
4. To provide for centralized management of the rental and lease of real property, disposal of surplus State real property and purchase of real property, and effective management of employee housing.
5. To plan, program, design and supervise the construction of buildings and facilities for the various State agencies.
6. To administer all employee benefit programs at minimum cost.
7. To operate a central motor pool fleet at the lowest possible cost and provide State agencies with safe operating vehicles.
8. To provide printing services to State agencies.
9. To provide food service in the State House Complex cafeterias and other State owned facilities in the Trenton area.
10. To provide risk management, loss prevention and claims services, and management of the fire and casualty insurance program to all State agencies.

11. To warehouse commodities by purchasing in large volume shipments, making goods available on request at the lowest possible prices, and to coordinate on a State-wide basis the assembling, distribution, and sale of State-owned surplus personal property.
12. To provide a mail processing/delivery system at minimum cost.
13. To provide for the recording, filing, processing and control of documents required or permitted to be filed under various statutes.

PROGRAM CLASSIFICATIONS

04. **Public Information Services.** Executive Order No. 30 dated January 14, 1976, centralized all press and public relations services of the various departments of State government.

09. **Purchasing and Inventory Management (NJSA 52:18A-3).** Division of Purchase and Property, pursuant to the provisions of the law, administers a centralized statewide purchasing system, including the setting of purchasing standards and specifications; makes available contracts for products and services to school districts, municipalities, and other political subdivisions through the cooperative purchasing program; contracts major lease/purchase arrangements through the Master Lease Program; maintains a centralized distribution center to permit bulk purchases for all State departments; performs testing and inspection functions; supervises the disposition of State surplus property.

12. **Property Management and Construction – Construction Management Services (NJSA 52:18A).** Accomplishes all architectural and engineering design and construction supervision of new facilities, as well as the renovation and rehabilitation of existing facilities; provides technical advice and assistance to all State agencies in preliminary planning, programming, design, layout and cost estimating; administers construction and professional service contracts associated with building programs; provides for field supervision on State construction projects; insures that all building programs are completed, in accordance with the predetermined goals and objectives of the State agencies within established budgets; carries out all related contract administration services, including the processing of change orders, pre-qualification of contractors, public advertising, awarding of bids, processing of invoices and payments to contractors; prepares and maintains central contract files and all other records, including plans and specifications.

21. **Pensions and Benefits (NJSA 52:18A-95 et seq.).** Eligibility determinations are made for those who are required or optionally permitted to participate in the benefit programs. Certification of membership, of rates involving employer and employee contributions and the proper designation of beneficiaries for the several benefit schedules are provided.

Monies are accounted for in individual accounts of members, and to the credit of the several systems in the general and subsidiary ledgers. A complete and proper accounting of all disbursements to eligible employers and employees and their beneficiaries is provided.

22. **Capital City Redevelopment Corporation (NJSA 52:9Q-9 et seq.).** The Capital City Redevelopment Corporation (CCRC) was created to guide a revitalization effort in the Capital district of downtown Trenton, and to act as a central facilitator of the implementation of the Renaissance Plan.

26. **Property Management and Construction – Property Management Services.** Disposal of surplus real property and purchase of all real property (exclusive of Department of Transportation highway and public transportation requirements and Department of Environmental Protection “Green Acres” and water supply acquisitions) is a responsibility of the Office of Property Management. In addition, Property Management Services is charged with meeting and securing all leased office, warehouse and other State space requirements. Also, Property Management Services provides, in the Trenton area, full maintenance services for 34 State-owned buildings, including the State Records Storage Center, the Richard J. Hughes Justice Complex, Mary G. Roebling, William Ashby, War Memorial, and the Environmental Protection buildings; also provides renovation and alteration services under \$39,600.

37. **Risk Management.** Operates to reduce the adverse impact of catastrophic pure loss on State operations and budgets through a combination of risk management and loss prevention techniques. Administers claims against the State and its employees under Title 59, Tort Claims Act, R.S. 34 Workers Compensation statute and various Federal statutes and laws. Risk Management also administers claims on behalf of the State against others responsible for damage to the State, its employees and property.

40. **Office of Telecommunications and Information Systems (OTIS).** The Office of Telecommunications and Information Systems has operational responsibility for the State’s major data centers and for developing the Garden State Network, a statewide integrated communications network capable of carrying data and voice transmissions. The Hub houses this telecommunications network, as well as providing data processing disaster recovery.

41. **Automotive Services.** Pursuant to Executive Order No. 33, dated June 7, 1991, the State Central Motor Pool administers central fleet management and maintains and operates central facilities for the repair and storage of State-owned motor vehicles. The pool has legal ownership of the vehicles and prescribes rules for the efficient and economical operation of the fleet. Since the pool is self-supporting, rental fees based on usage are billed to the using State agencies. The revenues collected are then used to purchase replacement vehicles and also cover all costs of the pool operation.

43. **Printing Services.** The Treasury Print Shop operates as a revolving fund, with costs of labor and materials reimbursed by various agencies including the Department of the Treasury, the Office of the Chief Executive, the Legislature, Department of Law and Public Safety and Department of Banking.

44. **Capitol Post Office.** The Capitol Post Office also operates as a revolving fund providing postal services to all State departments.

50. **Commercial Recording.** The Division of Commercial Recording (NJSA52:16A-36 et seq.) provides essential services to the public and legal communities. These include filing and processing information permitted and/or required under Title 14A Corporations General; Title 15A, Associations Not for Profit, and Title 16, Corporations and Associations Not for Profit; and the issuing of regulations, in addition to a number of other similar functions. Through its Expedited Services, information is provided via telephone or accelerated responses, both of which are supported by additional charges to the consumer.

62. **State Cafeterias.** Provides food services on a receipt basis as dedicated funds.

TREASURY

EVALUATION DATA

	Actual FY 1996	Actual FY 1997	Revised FY 1998	Budget Estimate FY 1999
PROGRAM DATA				
Purchasing and Inventory Management				
Vendor purchases	\$903,941,427	\$958,540,755	\$987,296,978	\$1,016,915,887
Term Contracts	4,800	4,429	4,562	4,699
Pensions and Benefits				
Membership, All Funds				
Beginning Balance, All Funds	402,060	400,164	401,023	403,887
Added	21,288	26,859	26,993	27,128
Removed	23,184	26,000	24,129	25,113
Ending balance	400,164	401,023	403,887	405,902
Beneficiaries, All Funds				
Beginning Balance, All Funds	149,865	156,029	161,262	171,333
Added	9,479	11,054	11,275	11,501
Removed	3,315	5,821	1,204	6,518
Ending balance	156,029	161,262	171,333	176,316
Total Members	556,193	562,285	575,220	582,218
Loans				
Number	135,886	135,132	140,755	146,612
Loans Receivable (thousands)	\$742,242	\$825,503	\$906,165	\$994,708
Assets, all funds (thousands)	\$37,864,274	\$60,084,066	\$65,713,642	\$71,870,682
Benefit payments (thousands)	\$3,502,564	\$3,453,016	\$3,599,769	\$3,752,759
Lump sum death benefit payments (thousands)	\$83,677	\$96,003	\$101,696	\$107,727
Membership, Other Systems				
Supplemental annuity	4,280	4,118	4,013	3,910
Health benefits	292,995	258,127	258,500	258,500
Drug plan	118,922	107,550	106,112	106,112
Dental plan	81,525	80,955	82,038	82,038
Property Management and Construction – Property Management Services				
Leased facilities	420	393	377	355
Area in square feet	6,700,000	6,300,000	6,000,000	5,800,000
State-owned space maintained (square feet)	4,800,000	4,900,000	4,900,000	5,000,000
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	782	773	710	725
All Other	3	5	5	3
Total positions	785	778	715	728
Filled Positions by Program Class				
Purchasing and Inventory Management	116	119	99	98
Travel Services	3	3	—	—
Pensions and Benefits	372	372	335	344
Capital City Redevelopment Corporation	4	3	3	3
Property Management	175	167	164	165
Commercial Recording	65	64	67	61
Risk Management	50	50	47	57
Total Positions	720	778	715	728

Notes: Actual fiscal years 1996 and 1997 and revised fiscal year 1998 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1999 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 1997					Year Ending June 30, 1998				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	1998 Adjusted Approp.	Requested	Recommended	
Distribution by Program									
5,014	183	935	6,132	6,115					
					09	5,007	19,951	19,951	
27,235	929	-682	27,482	25,813	21	24,921	24,700	24,700	
8,842	914	-237	9,519	9,000					
					26	8,599	8,495	8,495	
1,783	325	-17	2,091	2,059	37	1,647	1,624	1,624	
<u>2,452</u>	<u>343</u>	<u>-17</u>	<u>2,778</u>	<u>2,764</u>	50	<u>2,315</u>	<u>2,315</u>	<u>2,315</u>	
45,326	2,694	-18	48,002	45,751		42,489^(a)	57,085	57,085	
Distribution by Object									
Personal Services:									
29,419	85					27,814			
<u>145^S</u>	<u>484^R</u>	<u>310</u>	<u>30,443</u>	<u>30,442</u>		<u>320^S</u>	<u>28,063</u>	<u>28,063</u>	
29,564	569	310	30,443	30,442		28,134	28,063	28,063	
1,766	67	-909	924	918		1,065	898	898	
9,745						11,133			
1,985 ^S	589	418	12,737	11,632		1,250 ^S	11,576	11,576	
	293								
1,106	464 ^R	71	1,934	1,513		755	1,396	1,396	
Special Purpose:									
—	—	—	—	—	09	—	15,000	15,000	
128	—	-8	120	120	21	128	128	128	
—	—	52	52	52	21	—	—	—	
—	157 ^R	-60	97	—	26	—	—	—	
—	309 ^R	-306	3	—	37	—	—	—	
128	466	-322	272	172		128	15,128	15,128	
152									
880 ^S	246	414	1,692	1,074		24	24	24	
OTHER RELATED APPROPRIATIONS									
—	<u>10,706</u>	<u>350</u>	<u>11,056</u>	<u>3,986</u>		<u>5,402</u>	<u>12,371</u>	<u>7,521</u>	
45,326	13,400	332	59,058	49,737		47,891	69,456	64,606	
All Other Funds									
—	56								
—	323 ^R	1	380	323	22	350	420	420	
—	1,036								
—	2,456 ^R	55	3,547	2,846	26	2,529	2,529	2,529	
—	5,509								
—	3,386 ^R	—	8,895	4,891	50	2,500	2,500	2,500	
—	105								
—	71 ^R	—	176	24	62	—	—	—	
—	110 ^R	—	110	143	63	—	—	—	
—	<u>13,052</u>	<u>56</u>	<u>13,108</u>	<u>8,227</u>		<u>5,379</u>	<u>5,449</u>	<u>5,449</u>	
45,326	26,452	388	72,166	57,964		53,270	74,905	70,055	

Notes: (a) The fiscal year 1998 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Salary Increases and Other Benefits account.

LANGUAGE RECOMMENDATIONS

- Receipts in excess of those anticipated from the over-the-counter surcharges are appropriated to meet the costs of the Division of Commercial Recording, subject to the approval of the Director of the Division of Budget and Accounting.
- The unexpended balance in the Department of the Treasury, Secretary of State Fund as of June 30, 1998, and notwithstanding the provisions of P.L. 1987, c.435, receipts in excess of the amount anticipated from fees are appropriated to meet the costs of Elections Management and Coordination in the Department of Law and Public Safety, the Office of the Secretary of State in the Department of State, and the Division of Commercial Recording in the Department of the Treasury, subject to the approval of the Director of the Division of Budget and Accounting. Such sums as the Director of the Division of Budget and Accounting shall determine shall be transferred or credited from the fund to Elections Management and Coordination in the Department of Law and Public Safety, the Office of the Secretary of State in the Department of State, and the Division of Commercial Recording in the Department of the Treasury, for this purpose.
- The Director of the Division of Budget and Accounting is empowered to transfer or credit to any central data processing center any appropriation made to any department which had been appropriated or allocated to such department for its share of costs of such data processing center including the replacement of data processing equipment and the purchase of additional data processing equipment.
- There are appropriated, out of receipts derived from service fees billed to political subdivisions for the operating costs of the cooperative purchasing program, such sums as may be necessary to administer and operate the above purchasing activity.
- Notwithstanding the provision of any other law to the contrary, there are appropriated from receipts derived from vendor registration fees sufficient sums for services and expenses related to the development, letting and administration of commodity or service contracts.
- There are appropriated, out of receipts derived from service fees billed to authorities for the handling of insurance procurement and risk management services, such sums as may be necessary to administer the above insurance and risk management activities.
- Notwithstanding the provisions of any other law to the contrary, there are appropriated, out of the receipts derived from third party subrogation, such sums as may be necessary for the administrative expenses of this program.
- Notwithstanding the provisions of section 15 of article 6 of P.L. 1944, c.112 (C.52:27B-67), revenues in excess of the anticipation derived from the sale of surplus state vehicles are available for the replacement of Central Motor Pool temporary assignment vehicles, subject to the approval of the Director of the Division of Budget and Accounting.
- Proceeds derived from travel commissions are credited to defray administrative costs incurred as a result of the management of the travel contract.
- The Director of the Division of Budget and Accounting is empowered to transfer or credit to the Capitol Post Office revolving fund any appropriation made to any department for postage costs appropriated or allocated to such departments for their share of costs of the Capitol Post Office.
- The Director of the Division of Budget and Accounting is empowered to transfer or credit to the Print Shop revolving fund any appropriation made to any department for printing costs appropriated or allocated to such departments for their share of costs of the Print Shop and the Office of Printing Control.
- The unexpended balance in the State Purchase Fund as of June 30, 1998, and the reimbursements thereto, are appropriated for the purpose of making payments for purchases under R.S.52:25-1 et seq., and for the expenses of handling, storing and transporting purchases so made and for administration of the Distribution Center.
- There are appropriated out of revenues received from the sale of surplus property, sufficient sums for the administrative costs of the Distribution Center-Surplus Property Unit.
- There are available from the savings in property rental accounts derived from warehouse space consolidation and elimination, such sums as may be required to implement and administer the warehouse space utilization program in the Division of Property Management and Construction, subject to the approval of the Director of the Division of Budget and Accounting.
- From the receipts derived from the sale of real property, such sums are appropriated for the costs incurred in the selling of the real property, including appraisal, survey, advertising, and other costs related to the disposal, subject to the approval of the Director of the Division of Budget and Accounting.
- In addition to the amounts hereinabove, there are appropriated by way of estimated receipts, an amount not to exceed \$500,000, to provide building modifications and tenant services which fall outside the scope of basic building maintenance in State owned facilities under the auspices of the Division of Property Management and Construction, subject to the approval of the Director of the Division of Budget and Accounting.
- The unexpended balances in excess of \$200,000 in the Management of the DEP Properties account as of June 30, 1998 are appropriated for the same purpose.
- Receipts derived from the leasing of State surplus real property are appropriated for the maintenance of leased property subject to the approval of the Director of the Division of Budget and Accounting, provided that a sum not to exceed \$100,000 shall be available for the administrative expenses of the program.
- Receipts from employee maintenance charges in excess of \$700,000 are appropriated for maintenance of employee housing and associated relocation costs; provided, however, that a sum not to exceed \$155,000 shall be available for management of the program, the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated out of receipts derived from lease proceeds billed to the occupants of the James J. Howard Marine Science Laboratory, such sums as may be required to operate and maintain the facility and for the payment of interest and/or principal due from the issuance of bonds for this facility.

The unexpended balances in the State cafeteria accounts as of June 30, 1998, and receipts obtained from cafeteria operations, are appropriated for the improvement and extension of cafeteria services and facilities pursuant to section 2 of P.L.1951, c.312 (C.52:18A-19.6).

The Director of the Division of Budget and Accounting is empowered to transfer or credit to the Property Management and Construction program classification, from appropriations for construction and improvements, a sufficient sum to pay for the cost of architectural work, superintendence and other expert services in connection with such work.

Notwithstanding any law to the contrary, there are appropriated out of receipts derived from the pre-qualification service fees billed to contractors, architects, engineers, and professionals sufficient sums for expenses related to the administration of pre-qualification activities undertaken by the Division of Property Management and Construction.

In addition to the amounts hereinabove, there are appropriated such additional sums as may be necessary for independent audits of the State's pension systems, provided that such appropriations shall be reimbursed to the General Fund from the resources available to the various pension funds.

Notwithstanding the provisions of any law to the contrary, the expenses of administration for the various retirement systems and employee benefit programs administered by the Division of Pensions and Benefits and the Division of Investments shall be charged to the pension and health benefits funds established by law to receive employer contributions or payments or to make benefit payments under the programs, as the case may be. In addition to the amounts hereinabove, there are appropriated such sums as may be necessary for administrative costs, which shall include bank service charges, investment services, and any other such costs as are related to the management of the pension and health benefit programs, as the Director of the Division of Budget and Accounting, shall determine. In addition, revenue resulting from such charges to the various pensions and health benefit funds, payable on a schedule to be determined by the Director of the Division of Budget and Accounting, shall be credited to the General Fund as anticipated revenue.

The unexpended balance as of June 30, 1998 in the Pensions and Health Benefits Commission account is appropriated for the same purpose.

There are appropriated sufficient sums as may be required for the expenses of the Pensions and Health Benefits Commission, provided that such appropriation shall be reimbursed to the General fund from the resources available to the various pensions and health benefits funds.

Notwithstanding the provisions of any law to the contrary, there are appropriated from the Capital City Redevelopment Loan and Grant Fund such sums as may be required to provide for expenses, programs, and strategies which will enhance the vitality of the capital district as a place to live, visit, work and conduct business, subject to the approval of the Director of the Division of Budget and Accounting.

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL

74. GENERAL GOVERNMENT SERVICES

2026. OFFICE OF ADMINISTRATIVE LAW

OBJECTIVES

- 1. To develop and apply a fair, comprehensive and uniform system of administrative practice and procedures in the Executive Branch governing the adjudication of contested matters and the promulgation of rules and regulations.

Judicial Administration creates standards and maintains filing, docketing, record keeping, and decision making systems for more than 11,000 administrative cases; develops and administers a program for the continuing training and education of judicial corps.

Development of Administrative Procedures (C52:14B-1 et seq.)—Regulates and assists state agencies with regard to the preparation and filing of rules and regulations; and establishes standards for the New Jersey Register, the New Jersey Administrative Code.

General and Administrative Services provide support to judicial administration and administrative procedures by maintaining the case management data base and office automation systems. Budgeting and accounting, purchasing, property maintenance and personnel and payroll are other services provided by this division.

PROGRAM CLASSIFICATIONS

- 03. **Adjudication of Administrative Appeals (C52:14F-1 et seq. and C52:14B-10).** Full-time administrative law judges hold hearings and render decisions to the various agency heads for their acceptance, rejection, or modification within 45 days or lesser period where prescribed by law.

EVALUATION DATA

PROGRAM DATA	Actual FY 1996	Actual FY 1997	Revised FY 1998	Budget Estimate FY 1999
Adjudication of Administrative Appeals				
Cases pending as of July 1	4,902	4,922	4,983	5,140
Cases filed	12,413	11,660	11,757	11,500
Cases disposed of	12,393	11,599	11,600	11,600

Year Ending June 30, 1997					Year Ending June 30, 1999				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	1998 Adjusted Approp.	Requested	Recommended	
—	63 ^R	-29	34	—	Royalty—Office of Administrative Law Publications	45	—	—	
—	—	—	—	7	Other Special Purpose	—	—	—	
6	4,212	-4,138	80	13	<i>Total Special Purpose</i>	6	6	6	
26	1	-1	26	25	Additions, Improvements and Equipment	26	26	26	
LESS:									
(—)	(4,212)	(—)	(4,212)	(4,145)	<i>All Other Funds</i>	(4,085)	(4,085)	(4,085)	

OTHER RELATED APPROPRIATIONS

All Other Funds									
—	124	—	4,212	4,145	Adjudication of Administrative Appeals	45	4,085	4,085	4,085
—	4,088 ^R	—	4,212	4,145	<i>Total All Other Funds</i>	45	4,085	4,085	4,085
3,235	4,213	-40	7,408	7,214	GRAND TOTAL		6,854	6,854	6,854

Notes: (a) The fiscal year 1998 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Salary Increases and Other Benefits account.

LANGUAGE RECOMMENDATIONS

Notwithstanding any law to the contrary, the salary of the Director of the Office of Administrative Law shall be established by the Commissioner of Personnel in the "State Compensation Plan."

In addition to the amount hereinabove, such sums as may be received or receivable from any department or non-State fund source for administrative hearing costs by the Office of Administrative Law and the unexpended balance as of June 30, 1998 of such sums are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The Director of the Division of Budget and Accounting is empowered to transfer or credit to the Office of Administrative Law any appropriation made to any department for administrative hearing costs which had been appropriated or allocated to such department for its share of such costs.

Receipts derived from the annual license fee, payable to the Office of Administrative Law and the unexpended balance as of June 30, 1998 of such receipts are appropriated.

Receipts derived from the royalty payable to the Office of Administrative Law and the unexpended balance as of June 30, 1998 of such receipts are appropriated.

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL

75. STATE SUBSIDIES AND FINANCIAL AID

PROGRAM CLASSIFICATIONS

27. **Other Distributed Taxes.** Prior to passage of P.L. 1997, c. 41, net proceeds from taxes on premiums for fire insurance policies written by insurance companies of other states and countries were collected by the State and distributed to the New Jersey Firemen's Home and the New Jersey Firemen's Association (R.S.54:17-4). The collection of fire insurance premiums is now the appropriate responsibility of the New Jersey Firemen's Association.

Prior to January 1998 the State was responsible for the collection of the Public Utilities Franchise Tax and the Public Utilities Gross Receipts Tax. These funds were distributed to municipalities on the basis of utility personal property valuations. A minimum distribution of \$685 million was required by law. Legislation which

restructures the components and collection of utility taxes has eliminated the levying of gross receipts and franchise taxes for certain taxpayers. The current method of providing municipalities with utility tax revenue is discussed in the Energy Tax Receipts Property Tax Relief Fund program classification.

The State is responsible for the collection of certain insurance taxes, and for distribution of a portion of these taxes to the county in which a domestic insurance company's principal office was situated on January 1. Amounts are determined by increasing the total amount of the franchise tax on domestic insurance companies received by the county in the prior calendar year by the percentage rate of change of all taxes paid by all insurance companies pursuant to C.54:18A-1 et seq. for the current and the immediately preceding tax year.

TREASURY

28. **County Boards of Taxation.** A County Board of Taxation (R.S.54:3-1) is established in each county. Each board consists of three members, except in the first-class counties of Bergen, Essex and Hudson, the second-class county of Middlesex, and the fifth-class counties of Monmouth and Ocean, where there are five members. The board hears appeals of taxpayers from local tax assessments, certifies tax duplicates to the collectors, determines local tax rates, prepares county abstracts of ratables, promulgates equalization tables, supervises the activities of assessors and does related work in the enforcement of local property tax laws.

29. **Locally Provided Services.** Payments for local services to State property, in lieu of municipal property taxes on State property, are provided in certain cases as specified by annual appropriations laws. Payments on new State Building Authority projects and new State prisons, which began in Fiscal 1997, were integrated into the Consolidated Municipal Property Tax Relief Aid program, funded under the Department of Community Affairs, in fiscal year 1998.

State aid to densely populated municipalities (P.L. 1990, c. 85; C.52:27D-384 et seq.), which was paid from the Property Tax Relief Tax Fund, was provided to a group of municipalities with high population densities, located in the state's most densely populated counties. This program was gradually phased out over a three year period beginning in fiscal 1995.

33. **Homestead Exemptions.** The Homestead Property Tax Rebate Act of 1990 (P.L. 1990, c. 61) entitles certain New Jersey homeowners and tenants to annual rebates of property taxes on their principal residence. Under modifications first effective in Fiscal Year 1993, senior citizen, blind and disabled homeowners and tenants with incomes up to \$70,000 receive rebates in the amount by which their property taxes, or rents constituting property taxes, exceed 5 percent of their income, up to a maximum \$500. Qualified homeowners in this income range receive a minimum rebate of \$150, while qualified tenants in this income range receive a minimum rebate of \$65. Qualified homeowners with incomes between \$70,000 and \$100,000 receive rebates of \$100, and qualified tenants in this income range receive rebates of \$35. Homeowners and tenants who are neither senior citizens, nor blind nor disabled, are eligible for rebates only if their income does not exceed \$40,000. In these circumstances, homeowners' rebates are \$90 and tenants' rebates are \$30. These payments are made by the State directly to homeowners and tenants, upon annual application, by the end of October. Homestead rebates are paid from the Property Tax Relief Fund.

34. **Reimbursement of Senior/Disabled Citizens' and Veterans' Tax Exemptions.** The State provides each municipality a direct payment in reimbursement of amounts deducted from the local property tax bills of senior citizens, disabled citizens and veterans. Based on certifications made annually by county boards of taxation and confirmed by the Director of the Division of Taxation, payments for the total amount due are made to municipalities on November 1 of each year. Veterans receive a \$50 tax deduction, paid from the Property Tax Relief Fund, while disabled and senior citizens receive a \$250 deduction, paid partly from the Property Tax Relief Fund and partly from the Casino Revenue Fund.

35. **Consolidated Police and Firemen's Pension Fund.** The Consolidated Police and Firemen's Pension Fund was established (R.S.43:16-1 et seq.) to place 213 police and firemen's pension funds on an actuarial basis. The liabilities of these local funds are now being shared, two-thirds by the participating municipalities and one-third by the State. The commission administering this fund consists of two police representatives, two fire representatives, the State Treasurer and four persons appointed by the Governor.

42. **Energy Tax Receipts Property Tax Relief Fund.** The Energy Tax Receipts Property Tax Relief Act (P.L. 1997, C.167) replaced the method of distributing certain funds awarded to municipalities from the State's taxation of regulated gas and electric utilities, as well as water and sewer utilities and certain telecommunications companies. Municipalities are now guaranteed to receive an annual State Aid distribution of \$740 million, an amount which will grow by \$5 million annually until FY2002 when the appropriation will level off at \$755 million.

The new system of taxation will replace the old system of franchise and gross receipts taxes paid by these utilities prior to January 1, 1998. The new structure will be centered on the Corporation Business Tax, a Sales and Use Tax and a temporary Transitional Energy Facility Assessment. Energy utilities are subject to all three of the replacement taxes. Telecommunications utilities are subject only to the corporation business tax because they have been collecting and remitting sales and use taxes since 1990. Water and sewer utilities will remain subject to the franchise and gross receipts taxes.

Pursuant to the new law, receipts generated from the replacement revenues will be deposited in the Energy Tax Receipts Property Tax Relief Fund, a special dedicated fund, established in the State Treasury.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 1997					Year Ending June 30, 1999			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	1998 Adjusted Approp.	Requested	Recommended
---	---	---	---	---				
12,550	---	---	12,550	2,765		18,179	15,301	15,301
12,550	---	---	12,550	2,765		18,179	40,301	40,301
325,000	58	---	325,058	323,601		325,000	323,600	323,600
47,580	---	-52	47,528	45,930		36,933	36,415	36,415
					OTHER RELATED APPROPRIATIONS			
					<i>Total Grants-in-Aid</i>	---	25,000	25,000
					<i>Total State Aid</i>	18,179	15,301	15,301
					<i>Total General Fund</i>	18,179	40,301	40,301
					<i>Total Property Tax Relief Fund - Grants-in-Aid</i>	325,000	323,600	323,600
					<i>Total Property Tax Relief Fund - State Aid</i>	36,933	36,415	36,415

TREASURY

	Actual FY 1996	Actual FY 1997	Revised FY 1998	Budget Estimate FY 1999
Filled Positions by Program Class				
Public Contracts Affirmative Action Office	24	19	22	21
Management and Administrative Services	106	108	107	107
Local Government Budget Review	17	15	21	40
Federal Liaison Activities	7	7	6	6
Total Positions	154	149	156	174

Notes: Actual fiscal years 1996 and 1997 and Revised fiscal year 1998 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1999 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 1997					Year Ending June 30, 1999			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1998 Adjusted Approp.	Requested	Recom- mended
920	31	49	1,000	995	Distribution by Program			
4,283	5,964	1,543	11,790	10,760	98	1,034	1,011	1,011
5,203	5,995	1,592	12,790	11,755	99	4,709	4,598	4,598
					Total Appropriation			
					Distribution by Object			
					Personal Services:			
4,610	18	384	5,012	5,009		5,176	4,980	4,980
4,610	18	384	5,012	5,009		5,176	4,980	4,980
19	3	67	89	86		23	23	23
479	1	127	607	567		457	507	507
58	—	28	86	87		50	76	76
					Special Purpose:			
—	50	—	50	—	99	—	—	—
23	—	—	23	18	99	23	23	23
—	5,865	300	6,165	5,492	99	—	—	—
—	—	640	640	434	99	—	—	—
23	5,915	940	6,878	5,944	99	23	23	23
14	58	46	118	62		14	—	—

OTHER RELATED APPROPRIATIONS

346,435	—	—	346,435	346,421	Total Debt Service	401,007	427,445	427,445
351,638	5,995	1,592	359,225	358,176	Total General Fund	406,750	433,054	433,054
					All Other Funds			
—	1,909	—	—	—	Management and Administrative Services	99	24,672	24,672
—	25,628 ^R	-1,077	26,460	24,402	Total All Other Funds	24,672	24,672	24,672
351,638	33,532	515	385,685	382,578	GRAND TOTAL	431,422	457,726	457,726

Notes: (a) The fiscal year 1998 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Salary Increases and Other Benefits account.

(b) Additional sums in the amount of \$445,000 are provided in the recommended amounts for State departments which receive direct services from the Federal Liaison Office in Washington, D.C.

LANGUAGE RECOMMENDATIONS

The unexpended balance as of June 30, 1998 in the State Revenue Forecasting Advisory Commission account is appropriated for the same purpose.

The unexpended balance as of June 30, 1998 in the Productivity and Efficiency Program is appropriated for the same purpose.

There is appropriated from investment earnings of State funds a sum, not to exceed \$640,000, for public finance activities. There are appropriated out of receipts derived from service fees billed to authorities for the handling of Public Finance transactions such sums as may be necessary to administer the above public finance activities. Such sums as may be necessary for payment of expenses incurred by issuing officials appointed under the several bond acts of the State are appropriated for the purposes and from the sources defined in those acts. An amount equivalent to the amount due to be paid in Fiscal Year 1999 to the State by the Port Authority of New York and New Jersey pursuant to the regional economic development agreement dated January 1, 1990 among the States of New York and New Jersey and the Port Authority of New York and New Jersey is appropriated to the Economic Recovery Fund established pursuant to section 3 of P.L. 1992, c.16 (C.34:1B-7.12) for the purposes of P.L.1992, c.16 (C.34:1B-7.10 et seq.). Notwithstanding the provisions of any law to the contrary, there are appropriated from the "Drug Enforcement and Demand Reduction Fund" such sums as may be required to provide for the administrative expenses of the Governor's Council on Alcoholism and Drug Abuse and for programs and grants to other agencies, subject to the approval of the Director of the Division of Budget and Accounting. Fees collected on behalf of the Public Contracts Affirmative Action program and the unexpended balance as of June 30, 1998 of such fees are appropriated for program costs, subject to allotment by the Director of the Division of Budget and Accounting.

80. SPECIAL GOVERNMENT SERVICES
82. PROTECTION OF CITIZENS' RIGHTS

OBJECTIVES

1. To provide representation for the citizens of New Jersey in their dealings with departments and agencies of State government, other governmental agencies and regulated industries.
2. To provide for the realization of the constitutional guarantees of counsel in criminal cases for indigent defendants (C2A:158A-1 et seq.).

PROGRAM CLASSIFICATIONS

06. **Appellate Services to Indigents.** Provides that every adult and juvenile found guilty after trial is permitted a direct appeal from that conviction or adjudication. Most of the referrals to the Appellate section come from trial regions. In addition, direct applications are received for services at the appellate level. The Appellate section files notices of appeal within a court-mandated time period, orders transcripts and assigns an attorney who then reviews the transcript, interviews defendants, files motions and does the research necessary to identify the problems raised in the transcript. Representation is provided in both State and federal courts.
57. **Trial Services to Indigents and Special Programs.** Represents those indigent defendants who have been charged with indictable offenses and those indigent juveniles whose cases have been assigned to the formal calendar. The activity of the attorneys, investigative and clerical staff begins with this assignment. The court assignment is received and after indigency review, the case

opened, interviews scheduled and investigation initiated. The assigned attorney prepares the case, enters into the necessary negotiations, trial and sentencing proceedings. The recent enactment of Megan's Law necessitates the Public Defender to provide representation of indigent offenders in notification hearings. Intensive Supervision and Juvenile Intensive Supervision programs operated by the Administrative Office of the Courts are supported by Public Defender staff at probation violation hearings.

58. **Mental Health Screening Services.** Provides representation for indigent individuals who are involuntarily committed to mental hospitals beyond an initial 20-day period.
61. **Dispute Settlement.** Provides mediation and other neutral dispute resolution services in order to resolve disputes involving important public issues such as the environment, housing and resource allocation. The office is based on the premise that alternative dispute resolution procedures such as mediation often allow for a faster, less expensive and higher quality resolution of public disputes than traditional litigation.
99. **Management and Administrative Services.** Provides the centralized supervision and policy planning for the Office of the Public Defender. Budgetary policy direction is provided to allocate resources among the priorities. Administrative support is also provided in the areas of personnel, accounting, budgeting, purchasing, a central research unit and library, central motor pool control and statistical evaluation capacity for the Office of the Public Defender.

EVALUATION DATA

PROGRAM DATA

Appellate Services to Indigents

	Actual FY 1996	Actual FY 1997	Revised FY 1998	Budget Estimate FY 1999
Cases open (July 1)	2,181	2,241	2,062	1,968
Added	1,932	1,837	1,837	1,837
Closed	1,872	2,016	1,931	2,029
Private Pool	755	787	702	800
Staff	1,117	1,229	1,229	1,229
Open (June 30)	2,241	2,062	1,968	1,776
Closed cases per staff attorney	31.9	35.1	35.1	35.1

TREASURY

	Actual FY 1996	Actual FY 1997	Revised FY 1998	Budget Estimate FY 1999
Staff attorneys	35	35	35	35
Backlog (months)	13.9	13.5	12.9	11.6
Excessive Sentence Program Dispositions	661	695	695	695
Briefs filed	976	1,080	995	1,093
Dismissals	235	241	241	241
Reversals and modifications	250 ^(a)	249	249	249
Percent appeals from adverse trial decisions	3	4	4	4
Trial Services to Indigents and Special Programs				
Cases open (July 1)	56,515	64,021	73,696	82,366
Added	78,825	79,895	79,895	79,895
Closed	71,319	70,220	71,225	71,225
Private pool	7,993	8,057	9,067	9,067
Staff	63,313	62,158	62,158	62,158
Conflict	13	5	5	5
Open (June 30)	64,021	73,696	82,366	91,036
Closed cases per staff attorney	250	246	246	246
Staff attorneys	253	253	253	253
Backlog (months)	9.7	11.1	12.4	13.7
Child abuse				
Cases open (July 1)	6,899	7,675	8,532	9,838
Added	2,434	2,883	3,336	3,400
Closed	1,658	2,026	2,030	1,953
Open (June 30)	7,675 ^(a)	8,532	9,838	11,285
Institutional Abuse investigations (DYFS)	88	173	188	205
Special Hearings Unit – Megan’s Law				
Cases open (July 1)	—	75	89	100
Added	93	221	550	1,100
Closed	18	207	539	1,100
Open (June 30)	75	89	100	100
ISP/JISP Program Staff				
Cases open (July 1)	—	—	—	—
Added	1,255	1,160	1,200	1,200
Closed	1,255	1,160	1,200	1,200
Open (June 30)	—	—	—	—
Mental Health Screening Services				
Regional Representation (Civil Commitment)				
Cases Added	15,997	15,417	15,500	15,500
Cases Closed	15,526	15,426	15,500	15,500
Percentage of dispositions successful	85.4	87.2	85.0	85.0
Dispositions per staff attorney	970	964	965	965
Dispute Settlement				
Cases July 1	—	—	—	—
Added	429	444	444	444
Closed	429	444	444	444
Cases June 30	—	—	—	—
Dispositions per representative	107	111	111	111
PERSONNEL DATA				
Affirmative Action Data				
Female Minority	77	76	78	78
Female Minority %	9.2	8.9	9.2	9.2
Male Minority	200	209	209	209
Male Minority %	23.8	24.6	24.6	24.6
Total Minority	277	285	287	287
Total Minority %	33.0	33.5	33.8	33.8

	Actual FY 1996	Actual FY 1997	Revised FY 1998	Budget Estimate FY 1999
Position Data				
Filled Positions by Funding Source				
State Supported	820	822	837	848
All Other	2	2	2	2
Total Positions	822	824	839	850
Filled Positions by Program Class				
Appellate Services to Indigents	66	62	63	71
Trial Services to Indigents and Special Programs	672	671	690	691
Mental Health Screening Services	41	46	43	44
Dispute Settlement	6	6	6	6
Management and Administrative Services	37	39	37	38
Total Positions	822	824	839	850

Notes: Actual fiscal years 1996 and 1997 and Revised fiscal year 1998 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1999 reflects the number of positions funded.

(a) Fiscal year 1996 data revised to reflect revised data totals.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 1997					Year Ending June 30, 1999				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1998 Adjusted Approp.	Requested	Recom- mended	
Distribution by Program									
5,941	1	-124	5,818	5,776	06	6,030	6,380	6,380	
46,373	2,166	769	49,308	48,414	57	48,992	51,517	51,517	
1,992	—	32	2,024	2,021	58	2,192	2,192	2,192	
119	65	61	245	237	61	127	127	127	
<u>1,949</u>	<u>3</u>	<u>204</u>	<u>2,156</u>	<u>2,152</u>	99	<u>2,120</u>	<u>2,120</u>	<u>2,120</u>	
56,374	2,235	942	59,551	58,600		59,461^(b)	62,336	62,336	
Distribution by Object									
Personal Services:									
<u>40,917</u>	<u>—</u>	<u>1,672</u>	<u>42,589</u>	<u>42,589</u>		<u>43,547</u>	<u>43,547</u>	<u>43,547</u>	
40,917	—	1,672	42,589	42,589		43,547	43,547	43,547	
578	13	128	719	692		571	571	571	
						13,206			
13,242	10	703	13,955	13,883		540 ^S	16,446	16,446	
378	9	-7	380	373		338	338	338	
Special Purpose:									
—	60 669 ^R	-550	179	—	57	—	—	—	
—	6 210 ^R	—	216	—	57	—	—	—	
—	83 1,110 ^R	-947	246	—	57	—	—	—	
690	—	-70	620	610	57	690	690	690	
—	—	—	—	—	57	—	175	175	

TREASURY

Year Ending June 30, 1997					Year Ending June 30, 1998				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	1998 Adjusted Approp.	Requested	Recommended	
—	65 ^R	-57	8	—	61	—	—	—	
64	—	—	64	64	99	64	64	64	
754	2,203	-1,624	1,333	674	<i>Total Special Purpose</i>				
505	—	70	575	389	505	505	505	505	
OTHER RELATED APPROPRIATIONS									
<u>2,500</u>	<u>8,000</u>	<u>—</u>	<u>10,500</u>	<u>10,500</u>	<i>Total Grants-in-Aid</i>		<u>10,500</u>	<u>9,800</u>	<u>9,800</u>
58,874	10,235	942	70,051	69,100	<i>Total General Fund</i>		69,961	72,136	72,136
Federal Funds									
1,437	17	—	1,454	1,297	57	1,275	1,275	1,275	
200	—	—	200	200	58	200	223	223	
<u>1,637</u>	<u>17</u>	<u>—</u>	<u>1,654</u>	<u>1,497</u>	<i>Total Federal Funds</i>		<u>1,475</u>	<u>1,498</u>	<u>1,498</u>
All Other Funds									
—	—	—	—	—	57	1,555	1,555	1,555	
—	145 ^R	—	145	145	61	252	252	252	
<u>—</u>	<u>145</u>	<u>—</u>	<u>145</u>	<u>145</u>	<i>Total All Other Funds</i>		<u>1,807</u>	<u>1,807</u>	<u>1,807</u>
<u>60,511</u>	<u>10,397</u>	<u>942</u>	<u>71,850</u>	<u>70,742</u>	GRAND TOTAL		<u>73,243</u>	<u>75,441</u>	<u>75,441</u>

- Notes: (a) Fiscal 1997 appropriations and expenditure data and fiscal 1998 appropriations data added to reflect the transfer of the Office of the Public Defender from the Department of State.
 (b) The fiscal year 1998 appropriation has been adjusted for the allocation of salary program and has been adjusted to reflect a supplemental appropriation.

LANGUAGE RECOMMENDATIONS

Sums provided for legal and investigative services are available for payment of obligations applicable to prior fiscal years. Receipts from clients including Office of Dispute Settlement fees and the unexpended balances as of June 30, 1998 are appropriated subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove for the operation of the Public Defender's office there are appropriated additional sums as may be required for Trial and Appellate services to indigents, the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.

The funds appropriated to the Office of the Public Defender are available for expenses associated with the defense of pool attorneys hired by the Public Defender for the representation of indigent clients.

Notwithstanding any provision of section 2 of P.L. 1974, c.33 (C.2A:158A-5.1), or any other provision of law, or any other provision of this appropriations act, no State funds are appropriated to fund the expenses associated with the legal representation of persons before the State Parole Board or the Parole Bureau.

Lawsuit settlements and legal costs awarded by any court to the Office of the Public Defender are appropriated for the expenses associated with the representation of indigent clients.

272,897	40,020	1,224	314,141	303,211	Total Appropriation, Department of the Treasury	276,924	280,592	280,592
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