

The State of New Jersey

BUDGET IN BRIEF

Summary of Budget Recommendations



Fiscal Year

2022

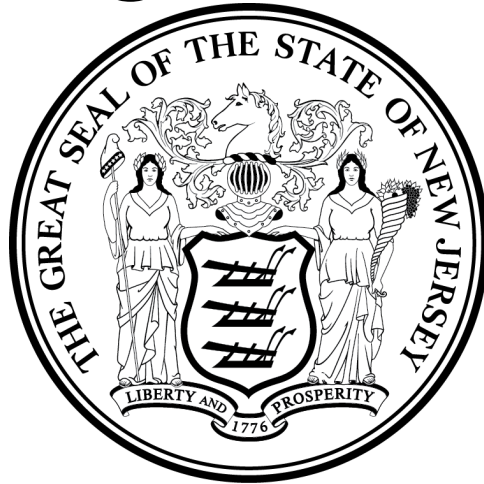
Building a Stronger & Fairer Post-Pandemic New Jersey

PHILIP D. MURPHY, GOVERNOR

SHEILA Y. OLIVER, LT. GOVERNOR

State of New Jersey

The Governor's FY2022 Budget Budget in Brief



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February 2021

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STATE OF NEW JERSEY

PHILIP D. MURPHY
GOVERNOR

**FISCAL 2022 BUDGET
OF
PHILIP D. MURPHY
GOVERNOR OF NEW JERSEY
TRANSMITTED TO THE FIRST ANNUAL SESSION
OF THE TWO HUNDRED NINETEENTH LEGISLATURE**

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

In accordance with the provisions of C.52:27B-20, I hereby present my budget recommendations for fiscal 2022.

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

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

Respectfully submitted,

A handwritten signature in blue ink that reads "Phil Murphy".

PHILIP D. MURPHY
Governor of New Jersey

Attest:

A handwritten signature in black ink that reads "Parimal Garg".

Parimal Garg
Chief Counsel to the Governor

February 23, 2021

A Letter from Governor Philip D. Murphy

Dear Senate President Sweeney, Assembly Speaker Coughlin, Members of the 219th Legislature, and the People of New Jersey:

Today, I present my proposed Fiscal Year 2022 Budget for the State of New Jersey. Even as we continue to confront the challenges presented by the COVID-19 pandemic, we cannot – and we will not – allow our state to sit still. We won't allow New Jersey to be pulled backward.

This is the time to look ahead. This is the time for us to lean into the policies that can fix our inequities. It is the time for us to also lean into the economic policies that will not just get us through the remaining months of the pandemic, but which will supercharge our reemergence from it and the recovery that awaits.

When our administration took office in 2018, no one had any clue of what 2020 had in store for our state, our nation, and our world. But the decisions we've made over the past three years have proven right not just for those times, but for the times we are facing now.

We worked in partnership to institute numerous reforms and advances that are all paying off. Yet, underpinning those successes are the fiscal decisions we have made which have strengthened our economic foundation.

We instituted the budget practices and policies we did because, after years of neglect, our fiscal house needed to be restored. Those decisions are even more important and impactful now. We have been clear in how – and where and why – we would invest. Our budgets have been long-term plans focused on our future success.

Because of our focus on people and not politics, the budget I am presenting today can achieve our goals for the year to come with no increases in taxes.

In this budget, we will achieve full funding of our annual pension obligation for the first time since 1996 – a total payment of nearly \$6.4 billion. Making this payment is keeping our word to hundreds of thousands of retirees who depend on their pensions. And it is keeping our word to all taxpayers that this administration would deal with our longstanding fiscal issues honestly and transparently.

The budget would also increase our investment in our public schools by \$700 million. With this investment, our administration will have increased investment in our pre-K through 12 classrooms by more than \$1.5 billion across our four budgets, meeting our obligations to our students, educators, and communities.

Every dollar in new state funding is a dollar that doesn't have to be placed on the shoulders of local property taxpayers, plain and simple. And because of this focus on delivering real and lasting property tax relief, since we've taken office, the budgets we've presented have contributed to three of the lowest year-over-year increases in property taxes on record.

This funding increase also acknowledges the fact that some students have fallen behind due to the burden of remote learning and will help stem the learning loss we know has happened.

We are expanding our investment in pre-K by another \$50 million, including more than \$25 million so more districts can offer free pre-K programs for the families they serve.

This budget is prepared to support New Jerseyans through every stage of life. We are investing directly in the First Lady's strategic efforts to combat our maternal and infant health crisis and the racial disparities that drive it. We are proposing a new Cover All Kids initiative, strategically using our federal Medicaid funds to provide health care coverage for every child.

We propose opening the child and dependent care tax credit to families with incomes up to \$150,000, up from \$60,000. For many families, this expansion will make their tax credit bigger to allow them to recoup more of the costs of child care.

And, under this budget, more seniors would benefit from an expansion of the popular, and more necessary than ever before, Pharmaceutical Assistance for the Aged and Disabled (PAAD) program to make prescription drugs more affordable.

We will continue our work restoring NJ TRANSIT to make it function better for commuters and to make it a point of pride for attracting, growing, and keeping new jobs and industries. And for the fourth year in a row, NJ TRANSIT's riders will not see a fare hike.

This year, we'll make a new promise to our residents, through the Garden State Guarantee, to provide the first two years of study at one of our four-year public colleges and universities tuition-free to thousands of eligible students.

And because we know that not every job in our state's future will require an advanced degree – especially those in our rapidly expanding clean energy economy – we will maintain our strong investments in job training and apprenticeship programs.

Through this budget, we're ready to deploy almost \$200 million over the next two years in direct grants, loans, loan guarantees, and other tools for countless Main Street small businesses. And, by making all the federal support our businesses received through the Paycheck Protection Program tax-exempt and making the expenses those funds went to cover tax deductible, our small businesses will pay even less in taxes.

Safer roads and bridges. Improved mass transit. Clean energy, including the South Jersey Wind Port that will make our state a hub of manufacturing and logistics. A \$75 million commitment to upgrade the schools where our children learn. All of this is in this budget.

And, we are maintaining our commitment to ensuring that the Affordable Housing Trust Fund goes to the cause of providing families an affordable home, whether they rent or own. And we are increasing our investment in mortgage down payment assistance for qualified first-time homebuyers.

This is a budget purpose-built to fix the inequities that have been allowed to exist for far too long and to spark our economic growth for the long-term. This is a budget many thought could never be written, continuing our mission to secure the full promise of our state for every New Jerseyan and every family.

Other administrations kicked the can down the road. We're done kicking. Today, we're finally picking it up.

Sincerely,



Philip D. Murphy
Governor

Chapter One: Building Back, Moving Forward

In 2018, Governor Murphy charted a course to build a stronger and fairer state for every New Jersey family and has remained laser-focused on this goal. Though the coronavirus pandemic hit our state especially hard, the decisions the Governor made during his first three years of the administration built the foundation for an aggressive recovery from the public health crisis in 2021. The Murphy Administration has remained committed to making New Jersey the best state to live and raise a family. It has done so by committing to responsiveness and fiscal responsibility; by emphasizing affordability for child care, higher education, housing, and health care; by investing in pre-K through 12 education, infrastructure, and economic growth; and by promoting New Jersey's values of equality, innovation, and compassion.

This Administration has made major progress toward these goals across all sectors of government. We are moving our state forward after years of neglect, and giving every resident the same opportunities for success. For Fiscal Year 2022 (FY2022), the Governor proposes a budget that will allow New Jersey to emerge from the pandemic healthier and more resilient, while making sure our state remains a leader for generations to come.

Confronting the State's Challenges

Due to its proximity to New York City and a population density that leads the nation, New Jersey became an epicenter for the pandemic last year. Over 22,000 lives have been lost to the virus, and hundreds of thousands fewer New Jerseyans are employed now than they were last winter. This virus has been a blow to the entire state, but has hit some communities harder than others. Communities of color, in particular, struggled prior to the pandemic and have suffered exceptionally from the health and economic impacts of the virus. This budget speaks directly to the needs of these communities in recovering. The coronavirus has also exposed many of our government's long-standing problems, including decades of fiscal gimmickry and neglect of state capacity. The Murphy Administration is committed to addressing these challenges, and will continue to achieve real change.

Recovering from the Coronavirus

- *Delivering for Residents:* New Jersey has set and met ambitious goals for daily testing and contact tracing. The State has built a vast network of nearly 300 vaccination sites tasked with reaching the highest risk individuals and frontline essential workers. It has delivered over 1.5 million doses through mega sites, county and local sites, pharmacies, and community health centers. To advance our state's recovery, the budget makes new investments into nursing facilities, the Department of Health's staffing and IT capacity, and our Motor Vehicle Commission and Unemployment Insurance system.
- *Distributing Emergency Relief:* Since last March, the State has expended over \$2 billion in federal funds to maintain operations and support tens of thousands of small businesses, renters, and child care providers. The State looks forward to working with the new federal administration to make sure that New Jersey has the necessary resources to respond to the pandemic and ensure security for our educators, police officers, firefighters, paramedics, and others who have faced the pandemic head-on.
- *Targeting Vulnerable Communities:* The Murphy Administration has strived to ensure that all residents are assisted through its coronavirus response. These efforts include the recent

Building Back, Moving Forward

launch of a community-based vaccination partnership in some of our most diverse and socio-economically challenged communities, a \$60 million mission to close the digital divide that has helped over 230,000 disadvantaged students access needed technology, and an economic relief strategy that provided critical lifelines to minority and women-owned businesses.

Restoring New Jersey's Capacity

- *Making the Full Pension Payment:* The proposed FY2022 budget includes an additional \$1.6 billion for the State's pension system, or 100 percent of the Actuarially Determined Contribution. This is the first time the State has made its full contribution since FY1996. Making the pension payment means keeping the government's word to the hundreds of thousands of our retirees who depend on their pension, and it shows that the Administration is dealing with its fiscal issues honestly and transparently.
- *Modernizing Government:* The Administration continues to seek savings across government and employee health benefits to maintain high-quality at the lowest possible cost. The FY2022 budget expands on permit modernization efforts across departments to make government more accessible. It also increases capital spending by \$67 million to keep more of the State's buildings and institutions in a state of good repair.

Advancing our Affordability Agenda

Governor Murphy is committed to making New Jersey a more affordable place to live for all its residents. Over the past three years, the Governor has made New Jersey a vastly better place for countless middle-class and working families. New Jersey is now on its third year of a \$15 per hour minimum wage phase-in, and property taxes have seen the lowest cumulative increase for any governor at this point in his term on record.

The FY2022 budget includes significant middle-class tax relief, as well as new investments in health care, child care, higher education, and housing.

Lowering Costs for Seniors and the Middle Class

- *Distributing Middle Class Tax Relief:* In FY2022, over 760,000 New Jersey families will receive an up to \$500 tax rebate due to the millionaires tax enacted by the Governor and the Legislature last fall. This budget also supports the expanded Veterans' Property Tax Deductions approved through last year's ballot measure.
- *Cutting Taxes for Working Families and Seniors:* Governor Murphy pushed for the creation of the Child and Dependent Care Credit (CDCC) in 2018. This budget makes the CDCC refundable and expands eligibility to families making up to \$150,000. These changes will more than double the number of eligible families and significantly increase the size of the credit for the lowest-income recipients. After expanding the Earned Income Tax Credit (EITC) from 35 to 40 percent of the federal credit, the Governor proposes making senior citizens without dependents eligible for the EITC this year.
- *Ensuring Access to Health Care:* By creating a State-Based Exchange and creating the NJ Health Plan Savings subsidies, New Jersey has made health care more accessible and affordable for hundreds of thousands of residents. This budget invests an additional \$25 million into these subsidies. This budget additionally provides new supports for both children and seniors. It

launches the Cover All Kids initiative, which will eventually cover the 88,000 children without health insurance in New Jersey. It also raises the income threshold by \$10,000 for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) and Senior Gold programs, which will benefit over 20,000 seniors.

Making College and Housing More Affordable

- *Expanding Higher Education:* This budget re-proposes the Garden State Guarantee, which will increase our outcomes-based funding formula allocation by nearly \$50 million so that four-year public colleges and universities can complement our community colleges in providing two years of free tuition to students with annual household incomes of less than \$65,000. The budget also supports increased enrollment for Community College Opportunity Grants (CCOGs) and the Educational Opportunity Fund (EOF), so that more students can benefit from these successful programs.
- *Constructing Housing Opportunities:* The budget ensures that the Affordable Housing Trust Fund continues to help renters and homeowners, through current programs like the Small Projects Grant and new pilots to advance workforce rental housing and risk-sharing arrangements. The budget will also invest \$20 million into the Housing and Mortgage Finance Authority's Down Payment Assistance (DPA) program, which will help the Authority provide nearly 2,000 mortgages for first time homebuyers.

Investing in Our Future

The Governor's budget proposes major new investments into pre-K through 12 education, infrastructure, and economic development. Some of these investments build on prior year initiatives that have shown clear results for New Jerseyans. Due to our public education investments, the largest number of school districts have kept school levies below two percent since 2014. Due to our NJ TRANSIT investments, for the fourth straight year, commuters will see no fare hike. The Governor also proposes new investments to ensure an equitable recovery. As the State rebuilds post-pandemic, these investments will be critical to keeping New Jersey the best state to raise a family.

Leading on Public Education and Workforce Training

- *Bolstering Pre-K through 12 Education:* This year, the Murphy Administration proposes spending \$624 million more on direct pre-K through 12 education aid than it did in FY2021, including investing \$25 million more into Extraordinary Special Education Aid and creating a \$50 million Stabilization Aid program. The Administration has increased direct pre-K through 12 spending by nearly \$1.5 billion since 2018. The Department of Education has approved over 6,500 preschool seats in over 100 new districts, with 1,800 more seats in 25 new districts expected in FY2022.
- *Strengthening our Workforce:* The proposed budget will continue to use the Workforce Development Partnership Fund to support programs like the New Jersey Apprenticeship Network. It will also help fund the new Pay It Forward Fund in partnership with the New Jersey CEO Council, and provide seed funding to implement Future of Work Task Force initiatives like Lifelong Learning Accounts and worker training stipends. The new Office of Climate Action and the Green Economy will also lead on addressing climate

Building Back, Moving Forward

change, ensuring New Jersey's clean energy future, and transitioning to a green economy while prioritizing equity and environmental justice.

Supercharging our Economic Recovery

- *Reviving Small Businesses:* This budget includes \$100 million over two years for the Main Street Recovery Finance Program, which was created by the historic incentives legislation enacted in January. It also includes a nearly \$100 million economic development package that boosts grant programs in multiple departments and launches the EDA's Black and Latino Seed Fund to increase access to capital in underserved minority communities.
- *Highlighting our State's Assets:* The budget includes an additional \$20 million for the Department of State's Arts and Culture programs and an additional \$20 million for beach replenishment, so that New Jersey continues to be a compelling state to live in and visit.
- *Rebuilding our Infrastructure:* This budget makes significant investments in multiple types of infrastructure, including a \$200 million direct appropriation for the Offshore Wind Port and a \$200 million appropriation to replace borrowing for current Schools Development Authority (SDA) projects. The Governor is also creating a new Capital Maintenance and Emergent Needs Grants program at the SDA and continuing the Drinking Water and Clean Water Infrastructure Fund created last year.

Embracing New Jersey Values

Governor Murphy has consistently said that we cannot have a stronger New Jersey without a fairer New Jersey. This budget doubles down on our commitments to our children, vulnerable populations, women's health, and criminal justice reform. The pandemic's unequal impacts on our society have made these financial supports more important than ever.

Protecting our Most Vulnerable

- *Supporting Youth Mental Health:* The Governor proposes annualizing last year's rate increase to the Children's System of Care, so that the State pays \$108 million more than it did in FY2020. These funds are rebalancing out of home and in-community service rates for the first time in 15 years so that the State can better serve children with emotional and behavioral health care needs and maintain its portfolio of providers.
- *Providing Critical Services:* The budget includes \$86.1 million in increased provider payments to account for 2021 and 2022's phase-ins toward a \$15 minimum wage. In FY2021, the Governor dedicated \$94 million toward residential providers for individuals with intellectual and developmental disabilities so they could respond to increased pressures due to the coronavirus. In the first half of FY2022, the Governor will dedicate an additional \$57 million toward this effort.

Expanding Opportunities

- *Defending Women's Health:* This budget supports the new Reproductive Health Care Fund, which will cover costs for contraceptive, prenatal, labor, and delivery care for those currently unable to receive medical assistance. It also advances the First Lady's Nurture NJ initiative, both by expanding Medicaid coverage for 365 days post-partum and by creating a new pilot program to provide rental assistance for expecting mothers. Since 2018, the

Governor will have provided almost \$74 million toward Family Planning Services, after these programs were defunded in the prior administration.

- *Transforming Criminal Justice:* The Governor's budget continues New Jersey's leadership on ending mass incarceration and providing second chances to those with criminal records. This budget proposes new investments into our youth services commissions, correctional facilities, youth and adult workforce training programs, and re-entry programs. It also provides funding to end the prohibition on income assistance for those with drug convictions.

The FY2022 Budget

A Summary of the State Budget

The FY2022 budget presented by Governor Murphy recommends appropriations totaling \$44.83 billion.

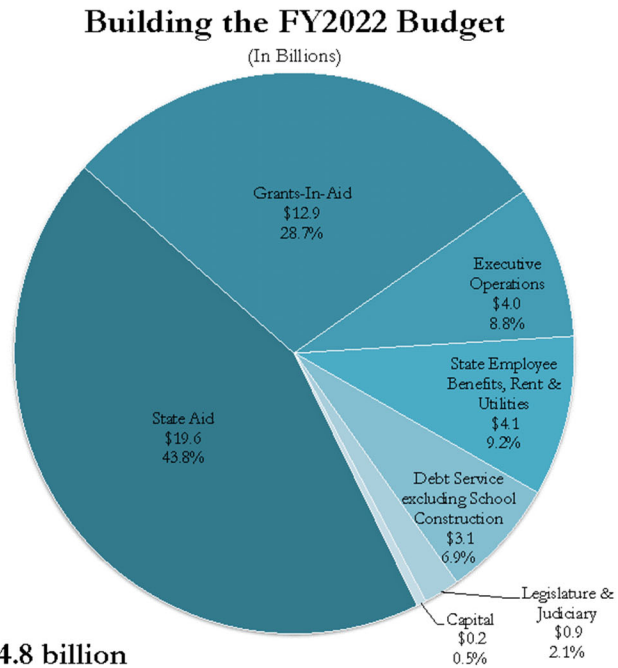
FY2022 Budget

(In Millions)

	FY2021	FY2022	Change	
	Adjusted		Budget	\$
	Approp.	Budget	\$	%
Opening Surplus (Undesignated)	\$ 2,158	\$ 4,920		
Open Space Reserve	97	43		
Surplus Revenue Fund	7	1,422		
Revenues				
Income	\$ 15,279	\$ 16,257	978	6.4
Sales	10,623	10,910	287	2.7
Corporation	3,439	3,721	282	8.2
Business Alternative Income Tax	1,919	1,300	(619)	(32.3)
Other	8,649	8,673	24	0.3
Total Revenues	\$ 39,909	\$ 40,861	952	2.4
Borrowing	4,288	-		
Lapses	1,141	-		
Total Resources	\$ 47,600	\$ 47,246		
Appropriations				
Original	\$ 40,343	\$ 44,833		
Supplemental	872	-		
Total Appropriations	\$ 41,215	\$ 44,833	3,618	8.8
Ending Open Space Reserve	(43)	(220)		
Ending Surplus Revenue Fund Balance	(1,422)	-		
Projected Ending Surplus (Undesignated)	\$ 4,920	\$ 2,193		

The FY2022 Budget

- Nearly half of the State budget will be distributed as property tax relief through school aid to districts, or municipal aid payments to towns and cities across New Jersey. Appropriations of this type are referred to in the budget as State Aid, and total \$19.6 billion.
- Over half of the remaining budget, or 28.7 percent of the total, is used by State government to purchase services that directly benefit residents in need. These services, which include health care coverage for low-income residents and community-based support for those with disabilities, are categorized as Grants-In-Aid and total \$12.9 billion.
- Debt Service (excluding school construction, which is a form of State Aid) will be \$3.1 billion, approximately seven percent of the budget.
- Executive Operations, which represents the various direct costs of running State government, is \$4.0 billion, or 8.8 percent of the total FY2022 budget.



Executive Operations: includes adult prison and juvenile facilities, State Police and law enforcement, children and families, human services and mental health institutions, and veterans' homes.

Grants-In-Aid: includes property tax relief programs, NJ FamilyCare, PAAD, nursing home and long-term services and supports, and support for higher education.

State Aid: includes education aid programs, school construction debt, municipal aid, general assistance, and aid to county colleges.

The revenues that will support the FY2022 budget are anticipated to be \$40.86 billion. These estimates represent growth of 2.4 percent, or close to \$1 billion, over revised FY2021 figures.

Pension and Benefits Systems

Pensions

In FY2022, the Governor proposes making the first full pension contribution since FY1996. The recommended contribution, including contributions from the State lottery, totals approximately \$6.39 billion and meets 100 percent of the Actuarially Determined Contribution (ADC).

Governor Murphy is proud to have kept his word to the hundreds of thousands of retirees who depend on their pensions. The combined

Governor Murphy Provides Unprecedented Support to the Pension Systems

(In Thousands)

Governor	Defined Benefit Pension Contribution
Whitman	\$ 963,934
DiFrancesco	563
McGreevey	101,424
Codey	165,026
Corzine	2,175,596
Christie	8,758,628 *
Murphy	18,185,891 *

*Includes approximately \$1 billion in annual Lottery Enterprise contributions starting in FY2018

pension contributions by the Murphy Administration in four years will approximately total an unprecedented \$18 billion. This is \$9.4 billion more than the prior Governor contributed over two terms and approximately \$1.6 billion more than the FY2021 contribution.

By making the full contribution ahead of schedule, Governor Murphy will significantly reduce the State’s long term obligation and demonstrate to residents and investors that New Jersey is serious about meeting its financial obligations.

Health Benefits

Despite significant challenges, the Administration has continued its successful efforts to preserve the highest quality of care at the lowest possible cost. The pandemic has introduced new challenges due to the increased costs of COVID-19 treatment and testing and the negative impact of delayed care. In FY2022, the Governor proposes an appropriation of \$3.16 billion, which is nearly the same as that in FY2019 despite an increase of over 15,000 more lives covered. This achievement has been accomplished through collaboration with stakeholders, initiatives aimed at preventing excessive billing, and greater oversight from our vendors. It also contrasts with a national annual trend of five percent increases for health care costs.

The Administration is pleased to collaborate with its partners in labor and the Legislature to control costs. In July, Governor Murphy signed Chapter 44, which created a new plan to decrease costs and generate savings for members as well as the State and local governments.

\$830 Million in Employee Health Care Savings During the Murphy Administration

A look at actual health care costs vs. what they would have been were it not for the concerted effort to produce savings



The FY2022 Budget

In FY2022, the Administration will continue to assess how to improve quality and value while generating savings. It will leverage value-based and alternative payment models to improve the quality and efficiency of care. Two strategies include bundled payment programs and reference-based pricing.

Bundled payment programs, delivered through a Centers of Excellence approach, encourage care coordination and efficiency through a single payment that encompasses all physician and facility services. Increasing access to the highest quality procedures, surgical services, or courses of treatment will result in better health outcomes and member satisfaction with fewer complications.

Similarly, reference-based pricing a limited and select group of services can reduce costs and price variations without impacting services.

Savings Initiatives

In addition to the above health benefits reforms, the budget includes approximately \$250 million in departmental savings, and one-time reductions of approximately \$700 million due to the availability of federal resources in FY2022. The Administration was pleased to work with its partners in the Legislature to enact P.L.2021, c.4, which reforms the State procurement process to permit reverse auctions for the procurement of goods and services outside of contracts for covered health care services. The Administration is also supportive of current legislation that will apply a risk reduction model to prescription drug services under the Medicaid program.

In FY2022, Medicaid will take steps to develop and deploy new ways of paying for primary care for Medicaid beneficiaries, including payments to providers who agree to serve as a medical home for their patients.

Capital Investments

To start addressing necessary repairs across state facilities and institutions, the Commission on Capital Budgeting and Planning recommended the Murphy Administration's proposal to increase funds by \$67 million in FY2022. The State would only be able to support ten projects with the traditional capital expenditure but will be able to support over 30 more projects with this increased appropriation.

Much of this spending will support critical improvements like fire safety and roof replacements in sites that include our psychiatric hospitals, correctional facilities, and developmental centers.

Pre-K to 12 Education

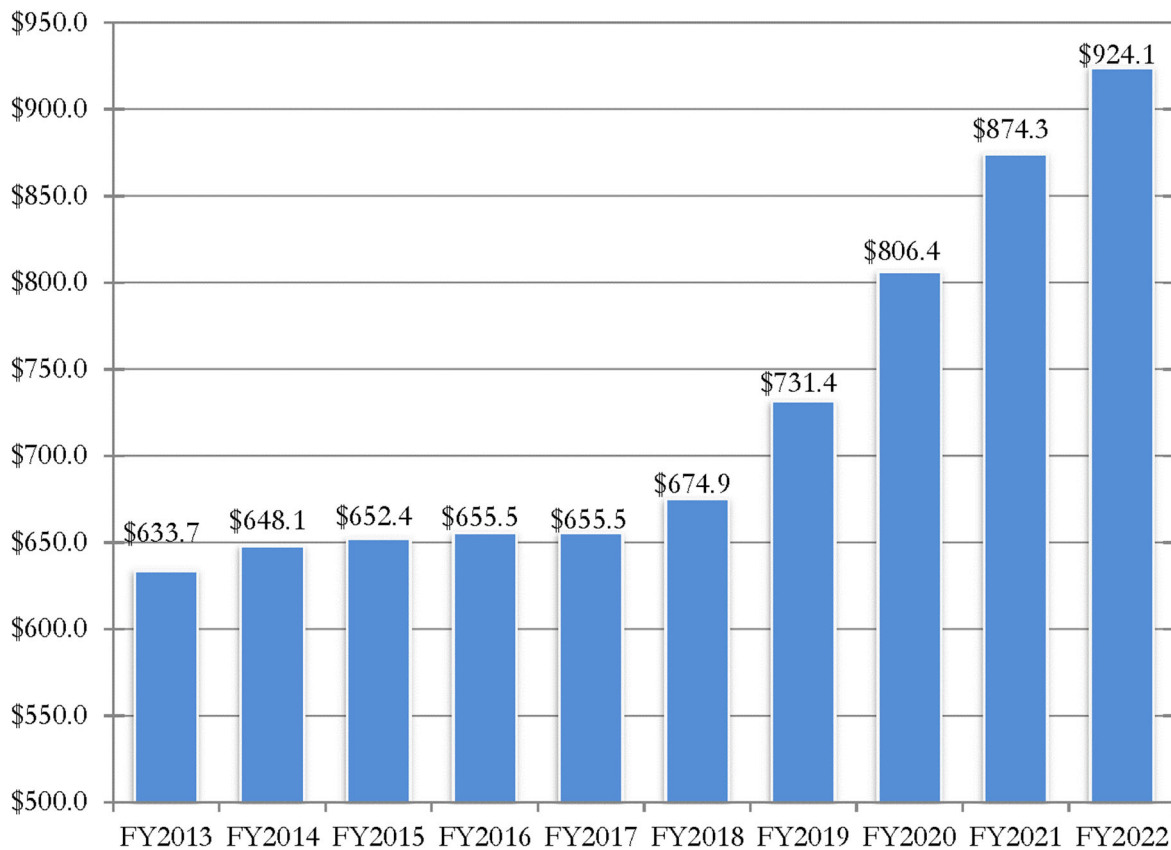
The Fiscal Year 2022 budget provides \$18.1 billion in funding for pre-K to 12 education (including \$852.2 million from the Lottery Enterprise Contribution Act), an increase of \$1.740 billion over the previous year. This includes an increase in direct payments for education for pension and health benefits payments, representing the highest amount of School Aid funding provided in New Jersey history.

Pre-K

The Governor’s Budget continues efforts to expand pre-K education. Since 2018, Governor Murphy has invested an additional \$243.6 million to support high-quality preschool education. In FY2022, the Governor proposes \$50 million in new spending, and \$26 million of that amount will be used to assist approximately 30 new districts that are ready to launch programs. The State’s investment in the first three years of the Governor’s first term helped make early education accessible for almost 6,600 more three and four-year olds in over 100 districts.

History of Preschool Aid

(In Millions)



FY2020 Preschool Education Aid included \$5 million for preschool wrap-around care. This program has been shifted to a standalone appropriation starting in FY2021.

FY2013 through FY2020 represents the amount that was expended.

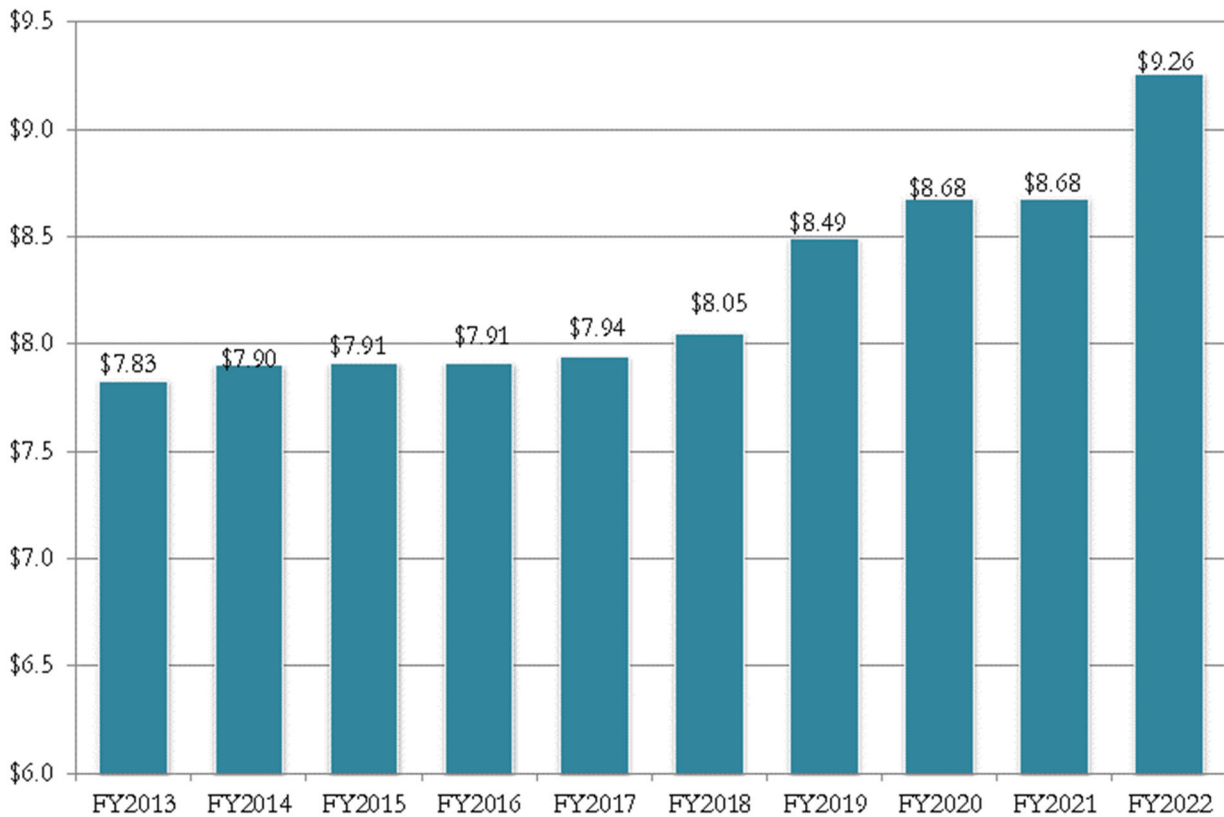
■ Preschool Education Aid

The FY2022 Budget

Formula Aid

This budget represents year four of a seven-year plan designed in partnership with the Legislature and contains a year-over-year increase of over \$578.1 million, including reallocations of aid from overfunded districts to underfunded districts. This sizable increase demonstrates the Governor's commitment to keeping New Jersey on a path toward fully funding the statutory school funding formula.

History of Formula Aid (In Billions)



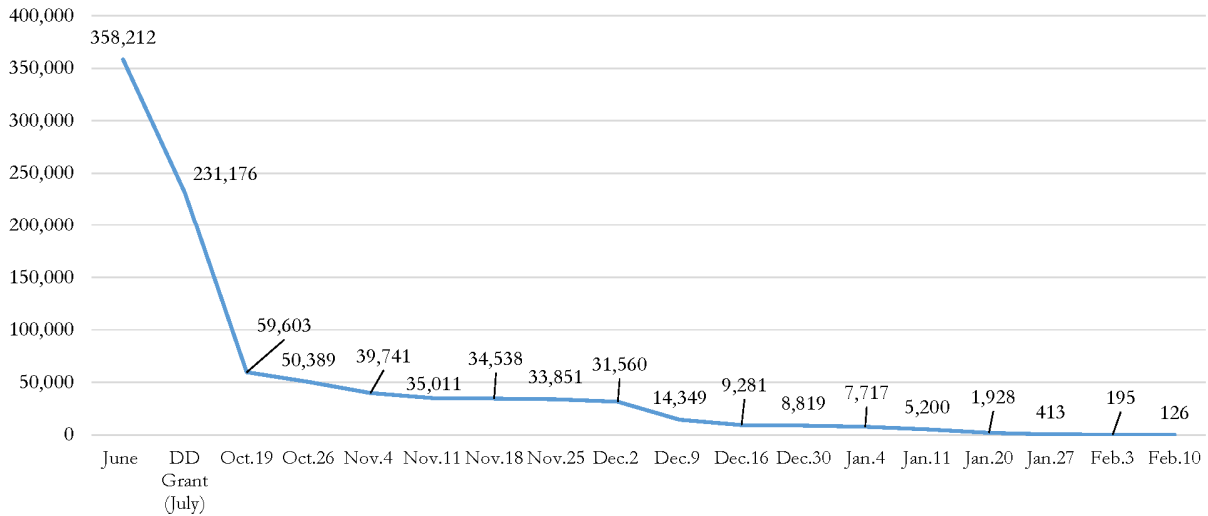
Amounts include Equalization Aid, Adjustment Aid, Educational Adequacy Aid, School Choice Aid, Security Aid, Special Education Categorical Aid, Transportation Aid and, starting in FY2020, Vocational Expansion Stabilization Aid.

FY2013 through FY2020 represents the amount that was expended.

Coronavirus Response

The Murphy Administration has provided substantial support to school districts throughout the pandemic. This includes allocating \$100 million of Coronavirus Relief Fund (CRF) dollars for school safety and re-opening and \$60 million of federal funds to close the digital divide. As of the GBM, the State has essentially closed the digital divide, providing technological access to over 230,000 students statewide.

Digital Divide Progress
Students Identified in Need of a Device or Connectivity



The State has also provided nearly \$30 million in Elementary and Secondary School Emergency Relief (ESSER I) state set-aside funds to assist school communities with their on-going response to the pandemic. As part of its ESSER II program, the State will provide nearly \$120 million in set-aside funds to provide learning acceleration and mental health grants to public schools as well as other academic supports and funding to assist non-Title I school districts, special services school districts, educational service commissions, and jointure commissions with their emergent pandemic needs. The Department of Education will also hire full-time employees to address longer-term learning loss and mental health issues.

This month, the State opted into the federal Emergency Assistance for Non-Public Schools (EANS) program, which taps into more than \$68 million to support COVID-19 related needs of New Jersey’s non-public elementary and secondary education schools.

Additional Supports

The Governor’s budget includes \$50 million for Stabilization Aid, which will help districts that are implementing plans to adjust to new funding levels as determined by the school funding reform legislation that the Governor worked with the Legislature to enact in 2018. It also makes a new \$25 million investment into Extraordinary Special Education Aid. This third consecutive year of growth will provide additional budgetary relief for over 500 school districts.

School Facilities

To ensure that schools statewide remain safe and welcoming places to learn, the Governor proposes directing \$75 million into the Schools Development Authority’s (SDA) capital maintenance and emergent needs grants program. These grants help school districts undertake emergent facility and system repairs, such as replacing boilers, electrical systems, and roofs.

The FY2022 budget also includes a \$200 million General Fund appropriation for the SDA to reduce the State’s planned debt issuance. This appropriation will go toward current projects, and may allow the State to issue debt for the SDA for one year beyond what was expected.

Higher Education

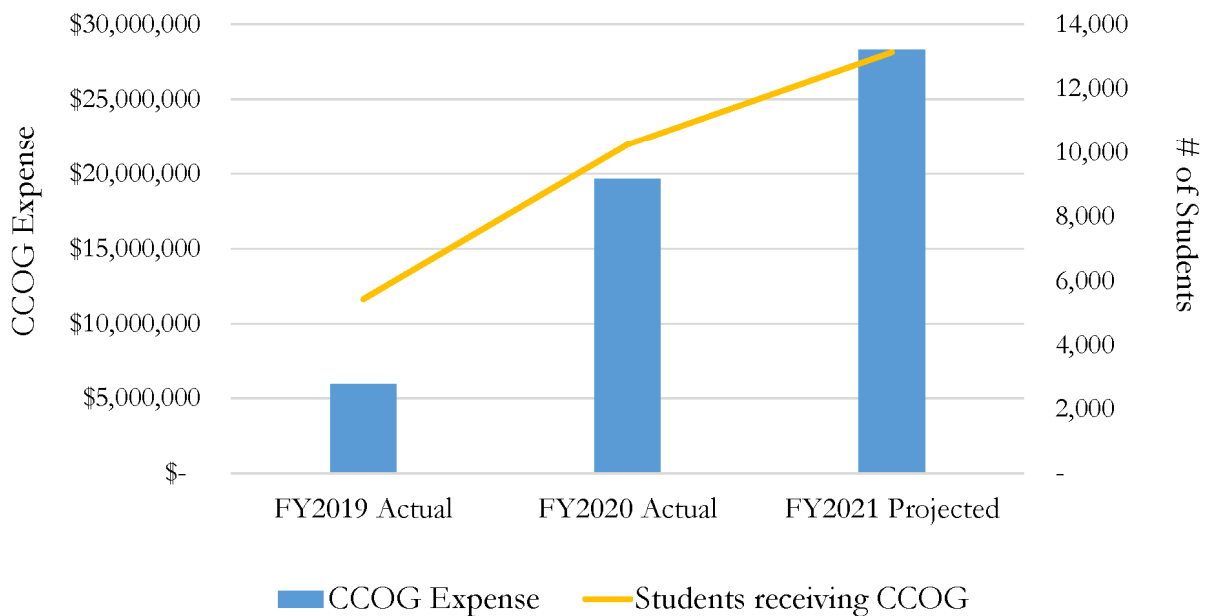
The Governor’s budget provides a total of almost \$2.6 billion (including \$131.2 million from the Lottery Enterprise Contribution Act) towards direct support of higher education institutions and for programs that provide financial assistance to students.

The pandemic has been especially difficult for institutions of higher education. The State used the entire first round of the federal Governor’s Emergency Education Relief Fund (GEER) entirely to support institutions of higher education and dedicated over \$225 million of the Coronavirus Relief Fund to students and institutions managing economic hardship. The State will use the second round of GEER, totaling nearly \$30 million, to provide competitive grants to ensure student success and address student food insecurity.

The Office of the Secretary of Higher Education (OSHE) has continued to advance initiatives related to the state plan for higher education and is increasingly responsible for enhanced oversight of colleges and universities. In October, the Administration appointed the State’s first student loan ombudsperson in the Division of Banking and Insurance (DOBI) to assist student loan borrowers and help resolve disputes with student loan servicers.

The State will soon codify the Community College Opportunity Grant. The Governor created the program in his first budget, and enrollment has increased by over 140 percent since Spring 2019. For the first time in 13 years, the Governor also proposes increasing county college operating aid by \$5 million. The New Jersey Council of Colleges will work with OSHE to ensure that new funds advance the Administration’s student success and equity priorities.

CCOG by Academic Year



The Governor is proposing the Garden State Guarantee initiative, which will add a total of \$50 million to the outcomes-based funding formula and implementation needs so that four-year public colleges and universities can complement our State’s community colleges in providing two years of free tuition to students whose annual household income is less than \$65,000.

The budget also continues funding for the Tuition Aid Grants (TAG) program to ensure access to needed financial assistance to over 67,700 students who qualify. The Governor proposes increasing the Educational Opportunity Fund (EOF) for the fourth consecutive year of his term. In FY2022, an increase of almost \$2.8 million will cover an additional 2,147 undergraduates in their fall and spring semesters. For the first time in the 53 year history of the EOF program, with this investment New Jersey will fully fund the identifiable undergraduate student capacity needs for the academic year.

Educational Opportunity Fund Programs

(In Thousands)

	FY2019	FY2020	FY2021	FY2022
Appropriation				
Opportunity Grants	\$30,554	\$31,679	\$32,679	\$34,329
Supplementary Education Program Grants	\$14,768	\$15,893	\$16,393	\$17,509
Total Appropriation	\$45,322	\$47,572	\$49,072	\$51,838
Opportunity Grants Recipients				
Academic Year - Undergraduate	13,247	13,605	14,050	16,087
Graduate Program	252	283	302	302
Summer Program	4,565	4,679	4,780	4,830
Winter Program	622	673	700	760
Total Opportunity Grants	18,686	19,240	19,832	21,979

Property Tax Relief and Community Affairs

Almost half of the FY2022 budget recommendation, or nearly \$21.2 billion, is allocated to direct and indirect property tax relief programs. These programs include school aid, municipal aid, and direct property tax relief to residents.

Funding for Property Tax Relief

9.6% Increase

(In Millions)

<u>Programs</u>	FY2021	FY2022	Change	
	<u>Adjusted</u> <u>Approp.</u>	<u>Budget</u>	<u>\$</u>	<u>%</u>
School Aid	\$ 15,502.4	\$ 17,232.4	1,730.0	11.2
Municipal Aid	1,590.7	1,590.7	-	-
Other Local Aid	1,019.3	1,096.0	76.7	7.5
Direct Property Taxpayer Relief	1,194.6	1,248.3	53.7	4.5
Total Property Tax Relief	\$ 19,307.0	\$ 21,167.4	1,860.4	9.6

FY2021 and FY2022 School Aid amounts exclude \$842.5 million and \$852.2 million, respectively, in pension contributions funded from the Lottery Enterprise Contribution Act.

Property taxes have increased by just 4.9 percent since Governor Murphy took office, the lowest cumulative increase for any governor at this point in one term since average property taxes have been measured. The Murphy Administration has seen three of the six lowest year-over-year increases in property taxes over the past two decades.

Cumulative 3-Year Increase in Average Property Taxes

<u>Years</u>	<u>Governor</u>	<u>Increase</u>
2001-2004	McGreevey	20.5%
2004-2006	Codey	14.8%
2005-2008	Corzine	17.0%
2009-2012	Christie	8.3%
2017-2020	Murphy	4.9%

As part of overall property tax relief funding included in the budget, there are several programs that provide property tax deductions and credits directly to homeowners. These include the Homestead Benefit Program and the Senior and Disabled Citizens' Property Tax Freeze program.

Direct Property Taxpayer Relief Programs

(In Millions)

	FY2021	FY2022	Change	
	Adjusted Approp.		Budget	\$
Property Tax Deduction Act	\$ 652.2	\$ 709.9	57.7	8.8
Senior and Disabled Citizens' Property Tax Freeze	219.7	219.7	0.0	- *
Homestead Benefit Program	275.0	260.0	-15.0	(5.5) *
Veterans' Property Tax Deductions	39.9	51.5	11.6	29.1 *
Senior and Disabled Citizens' Property Tax Deductions	7.8	7.2	-0.6	(7.7) *
Total Property Taxpayer Relief Programs	<u>\$ 1,194.6</u>	<u>\$ 1,248.3</u>	<u>53.7</u>	<u>4.5</u>

* FY2022 continues these programs unaltered, except for the expanded eligibility for the Veterans' Property Tax Deductions program.

Municipal Aid

The Murphy Administration has been a strong partner in helping local governments weather the public health emergency. In late August, Governor Murphy signed legislation so local governments could issue Coronavirus Relief Bonds, providing them with the flexibility to continue providing essential services. The Administration used the Coronavirus Relief Fund (CRF) to cover the Federal Emergency Management Agency (FEMA) cost share of counties who did not receive their own federal aid and to assist with their testing costs. It also created the Local Government Emergency Fund, which allocated \$60 million for nearly 200 local governments facing increased costs providing public services.

Municipal Aid

(In Millions)

	FY2021	FY2022	Change	
	Adjusted		Budget	\$
	<u>Approp.</u>	<u>Budget</u>	<u>\$</u>	<u>%</u>
Consolidated Municipal Property Tax Relief Aid (CMPTRA) / Energy Tax Receipts	\$ 1,435.2	\$ 1,437.0	1.8	0.1
Transitional Aid to Localities	124.6	122.8	(1.8)	(1.4)
Trenton Capital City Aid	10.0	10.0	-	-
Shared Services and School District Consolidation Study and Implementation Grants	10.0	10.0	-	-
Open Space Payments In Lieu of Taxes (PILOT)	6.5	6.5	-	-
Highlands Protection Fund Aid	4.4	4.4	-	-
Total Municipal Aid	<u>\$1,590.7</u>	<u>\$1,590.7</u>	<u>-</u>	<u>-</u>

The Local Assistance Bureau (LAB), which DCA created in 2018 to re-balance its local government oversight, has now undertaken nearly 100 on-site project-based engagements; issued over two dozen guidance documents; and provided courses on economic development, budgeting, and ethics and compliance for governing bodies across the state.

Shared Services

The Murphy Administration and the Governor’s Shared Service Czars have remained committed to advancing shared services throughout the pandemic. Local Government Services (LGS) created the Local Efficiency Achievement Program (LEAP) in 2020. The division seeded six shared service coordinator positions and funded nearly two dozen projects with \$1.5 million. Across FY2021 and FY2022, LGS will spend up to \$20 million on LEAP grants. In FY2022, the Governor’s budget includes a new \$10 million fund in the Department of Education for Regional School District Consolidation Grants.

Rental Assistance and Affordable Housing

Rental and Utilities Assistance

The novel coronavirus has exacerbated the nation’s affordable housing crisis, and the Murphy Administration has worked to provide short- and long-term assistance. In May, Governor Murphy and Lieutenant Governor Oliver announced the COVID-19 Emergency Rental Assistance Program (CVERAP). As of mid-February, CVERAP had officially approved rental payments for approximately 15,080 households representing \$91.3 million in Coronavirus Relief Fund monies.

The Murphy Administration also used its CRF dollars to set up two other rental assistance programs: The COVID-19 Housing Assistance Program in the Department of Human Services has provided \$10.5 million to over 1,600 residents to date, and the Housing Mortgage and Finance Agency’s (HMFA) Small Landlord Assistance Program has provided 885 applicants with \$4.65 million in grants to assist with back rent and operating costs for more than 1,400 rental units.

The Administration will soon release its plan for spending its over \$350 million share of the new federal Emergency Rental Assistance Program, which will help renters avoid eviction by paying off rent arrears and assisting with rent payments going forward.

To help address the increase in residents falling behind on utilities payments, DCA is currently distributing \$15 million of Coronavirus Relief Fund dollars to Universal Service Fund (USF) and Low Income Home Energy Assistance Program (LIHEAP) participants with arrearages to decrease their utility obligations. DCA is also distributing over \$25 million in additional LIHEAP funds received from the federal stimulus bills.

Affordable Housing

Governor Murphy ended the previous administration's complete diversion of the Affordable Housing Trust Fund (AHTF), devoting those funds exclusively to support housing affordability.

In December, DCA announced its first awards to assist small-scale housing developments to develop nearly 100 affordable homeownership and rental units statewide. In FY2022, the Administration will use the AHTF to maintain funding for the small project grant program and to provide gap financing through HMFA to produce more multifamily and mixed income projects.

The Administration will also invest \$20 million of AHTF carry-forward into HMFA's Down Payment Assistance program, replacing expiring federal funds, to help nearly 2,000 moderate-income families and essential workers across the state afford to buy a first home.

DCA will dedicate \$5 million from the AHTF to streamline housing permitting and construction review processes at the state and municipal level to spur additional housing supply.

Economic Growth

Coronavirus Response

Governor Murphy has led on providing small businesses critical assistance as they face unprecedented challenges during the pandemic. The Economic Development Authority (EDA) responded quickly to this pressing need last March with a suite of new grant and lending programs.

Since then, the EDA has provided more than \$224 million in COVID-19 relief to nearly 55,000 small businesses. The State has directed nearly \$200 million of the Coronavirus Relief Fund into EDA's Small Business Emergency Assistance Grant program, and its Personal Protective Equipment (PPE) Access program has approved over \$5.5 million in PPE discounts for nearly 9,000 businesses since last fall.

The Murphy Administration also developed a suite of Main Street/Commercial Corridors programs through DCA and the New Jersey Redevelopment Authority (NJRA). The Governor has allocated over \$12 million to help Main Street New Jersey, the Neighborhood Preservation Program, and Neighborhood Revitalization Tax Credit recipients, and the NJRA created a \$15.5 million Small Business Lease Emergency Assistance Grant program that has helped over 1,000 small businesses and commercial property owners weather the pandemic to date.

The FY2022 Budget

Business and Community Resources

In January Governor Murphy signed the New Jersey Economic Recovery Act (ERA) of 2020, which will aid small businesses and propel New Jersey's economic recovery and growth for much of the next decade. The ERA creates nine new programs, including the game-changing Innovation Evergreen Fund, and updates seven others. Because of the ERA, the Governor's budget appropriates \$50 million in both FY2021 and FY2022 for the Main Street Recovery Finance Program, which will provide grants, loans, loan guarantees, and technical assistance to small and micro-businesses.

The FY2022 budget also includes a new multi-departmental Economic Growth initiative that will boost economic recovery in our communities, provide access to capital for minority-owned businesses, and help government support sustainable economic growth. This nearly \$100 million initiative includes:

- \$25 million for EDA's lending programs such as Premier Lender and Microbusinesses;
- \$20 million for the NJRA's Urban Site Acquisition Fund and Redevelopment Investment Fund, the first State investment in the NJRA since 2002;
- \$15 million for Permit Modernization across State departments and for local governments;
- \$13.5 million for the Department of Transportation's Local Aid and Economic Development Grants, including the Transit Village, Safe Streets to Transit, and Bikeways programs;
- \$10 million for EDA's Black and Latino Seed Fund initiative;
- \$6.5 million for DCA's Neighborhood Preservation Program and Main Street New Jersey, allowing each to expand to significantly more communities;
- \$5 million for the Department of State's Business Marketing Initiative;
- \$3.2 million for the Commission on Science, Innovation and Technology;
- \$1 million for EDA's NJ Ignite; and
- \$500,000 for the Small Business Bonding Readiness Assistance Program

EDA will also continue to strengthen programs that Governor Murphy has supported. The Angel Investor Tax Credit—which the ERA expands—saw record application levels in 2020, and applicants hit the current legislative cap of \$25 million for the first time in program history. The Film and Digital Media Tax Credit, which the ERA also expands, has supported nearly 30 projects with almost \$100 million in credits since 2018.

Public Bank

The FY2022 budget will continue to advance the Governor's mission to create a public bank for New Jersey, which the Public Bank Implementation Board has been working on since late 2019. The State's authorities will pursue two pilot programs to test concepts and impact as part of previously-mentioned efforts: a Loan Loss Reserve Pilot as part of EDA's small business and lending programs and a Multifamily Mortgage Risk-Share Pilot to support financing for priority projects at HMFA. The Board will continue its efforts and will now have State funds for research projects and business plan development.

Labor and Workforce Development

Unemployment Assistance

Since March the Department of Labor and Workforce Development (DOL) has been at the forefront of mitigating the impacts of the pandemic on New Jersey's workforce. DOL received an unprecedented two million initial unemployment claims since March 2020, and has now distributed nearly \$23 billion of pandemic-related jobless relief benefits to New Jersey workers.

To ensure that residents can receive their benefits, Governor Murphy proposes doubling the "Unemployment Processing Modernization and Improvements" appropriation. These funds will expand on the department's current work to upgrade the claims processing system, improve claimant communications, and continue a project with the United States Digital Service (USDS) to develop cloud-based real time analytics services.

DOL is also utilizing CRF funds to implement Governor Murphy's actions to protect workers during the pandemic, particularly Executive Order 192 that set basic worker protection standards across all industries, created a mechanism for reporting violations and enforcing the standards, and launched a worker training program in partnership with Rutgers and community-based organizations.

Workforce Development

DOL will again allocate over \$22 million from the Workforce Development Partnership Fund (WDPF) to help residents pursue employment and build new skills. The WDPF will continue to fund Murphy Administration initiatives like the New Jersey Apprenticeship Network and New Jersey Career Network, and it will support new initiatives for recent immigrants and youth and adults recently involved with the criminal justice system.

Since Governor Murphy took office, there has been a 64 percent increase in apprenticeship programs. New Jersey now has nearly 9,000 apprentices in over 1,000 programs—a seven-year high for both figures.

The budget and the WDPF also provide nearly \$6 million for the Pay It Forward Fund, a unique public-private funding mechanism that will support low-income and underserved individuals with workforce training and wrap-around services in exchange for repayment once they secure higher-wage jobs. New Jersey will be the first state to dedicate public resources to this type of fund, which is also being supported with funding from the New Jersey CEO Council, an informal coalition of CEOs from some of the state's largest companies.

The budget includes implementation support for priorities of the Future of Work Task Force, which is chaired by the State's Chief Innovation Officer. This \$10 million appropriation will support a pilot for Lifelong Learning Accounts, a savings account that helps pay for education and training expenses, and worker training grants.

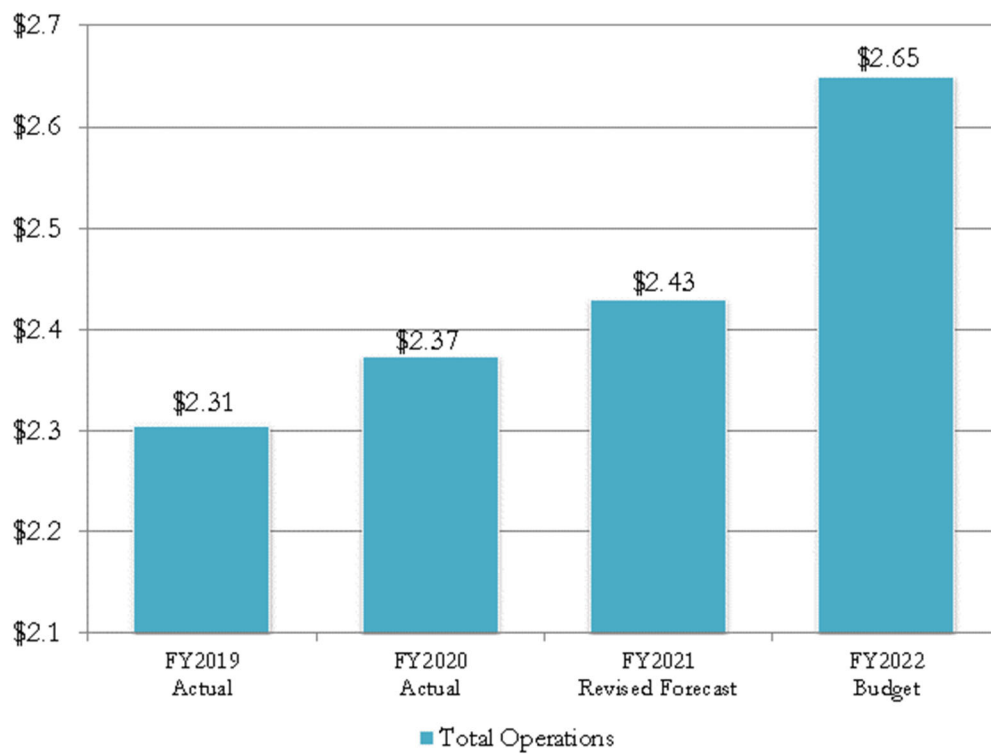
Transportation

NJ TRANSIT

In FY2022, NJ TRANSIT is projected to spend \$2.65 billion, or nine percent over the FY2021 revised forecast and 15 percent over FY2019. The pandemic has been devastating for mass transit. NJ TRANSIT's train ridership declined by approximately 75 percent, and bus ridership declined by approximately 50 percent. As the agency recovers, Governor Murphy is committing to a fourth consecutive year with no fare hike.

NJ TRANSIT Operations

(In Billions)



The agency has received over \$2 billion in critical support from the State's congressional delegation while advancing major long-term projects. In June 2020, NJ TRANSIT released its first ever 10-year strategic plan, as well as a 5-year capital plan. Both documents had been identified as key steps in advancing long term goals and projects for the organization.

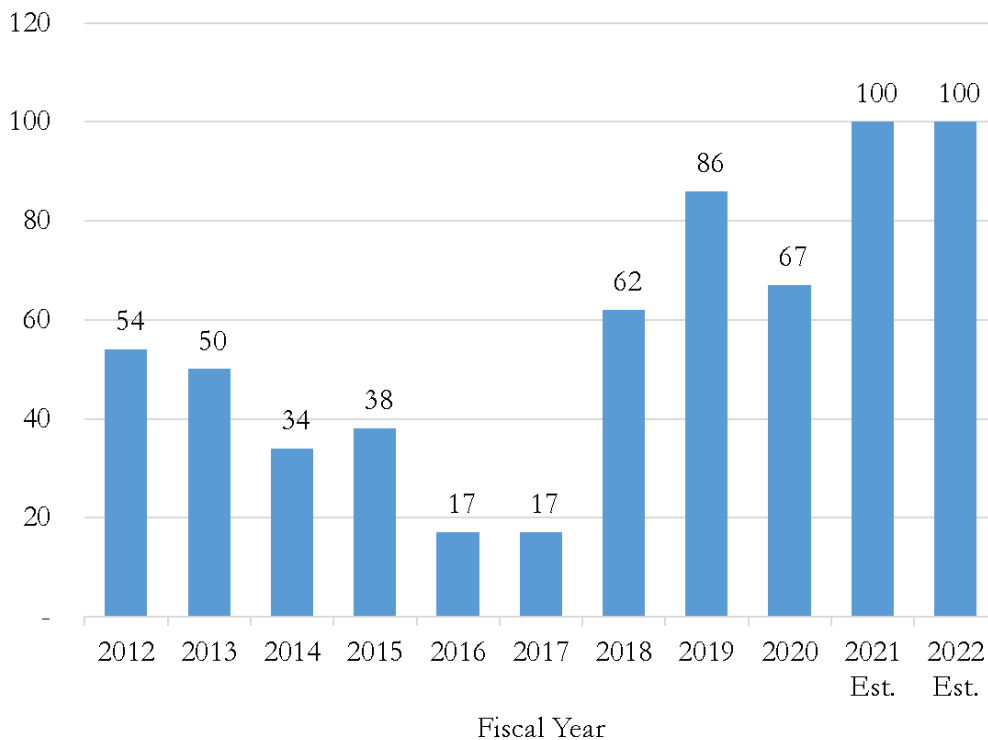
In December 2020, NJ TRANSIT met the federal Positive Train Control system deadline accelerating years of work into three years after nearly a decade of neglect from the previous administration.

NJ TRANSIT will be able to reduce its capital-to-operating transfer in FY2022 by nearly \$100 million to the lowest it has been in over 15 years. These freed-up funds will help advance critical infrastructure projects statewide. Over the past year, NJ TRANSIT advanced some major capital projects, including the \$600 million Raritan River Bridge Replacement Project and the Portal North

Bridge Project. In January 2021, NJ TRANSIT and the Federal Transit Administration (FTA) signed a Full Funding Grant Agreement for Portal. This \$1.8 billion project will be a critical early step in advancing the slate of projects included within the Gateway Program.

NJ TRANSIT will continue to train locomotive engineers in FY2022 to improve safety and reliability. This year, the agency will finally have a full complement of over 390 engineers. Over the past three years, NJ TRANSIT has initiated 11 locomotive engineer training classes, compared to just ten classes in the previous seven years combined.

Engineer Trainees Hired



Transportation Capital Program

Governor Murphy’s FY2022 budget appropriates \$2 billion for the State Transportation Capital Program. The budget includes \$1.24 billion for crucial investments in State and local highway and bridge projects, and another \$760 million for NJ TRANSIT capital projects. Governor Murphy will also continue to support the program with \$883 million of pay-as-you-go funding, which significantly reduces the Transportation Trust Fund Authority’s historical reliance on debt.

Since 2018, NJDOT has invested over \$5.7 billion to support maintaining our local, county, and state highways in a state of good repair.

Motor Vehicle Commission

Since 2018, the Motor Vehicle Commission (MVC) has made significant strides in updating its systems and shifting thirty transactions online for customer convenience, including license renewals and replacements. Because of these efforts, fewer than ten percent of registration renewals are now done in person.

In FY2022, the Administration will continue to invest in MVC, and the Commission will use \$6.5 million to streamline operations for new drivers, create a case management system to streamline internal operations, and automate the annual business license process.

Starting in May, the MVC will begin issuing standard New Jersey licenses without regard to immigration status.

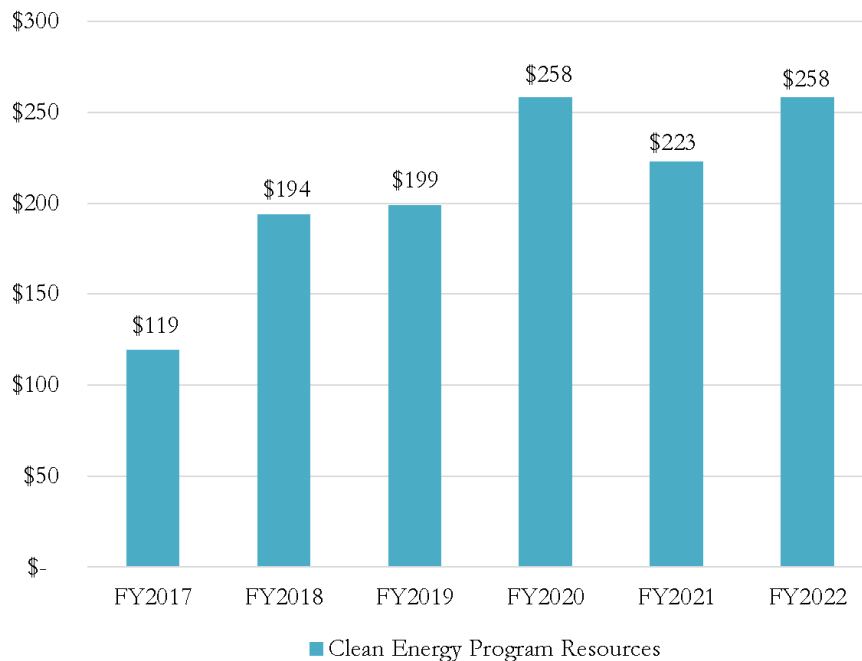
Energy and Environment

Clean Energy

In FY2022, the Clean Energy Program will have \$258 million to use to support programming, compared to an average of \$177 million under the Christie Administration.

FY2017 - FY2022 Clean Energy Program Resources

(In Millions)



In June 2020, the BPU approved a comprehensive energy efficiency program, targeting energy reductions with a focus on workforce development and job creation. To ensure equity in all the clean energy work across the agency, BPU created the Office of Clean Energy Equity.

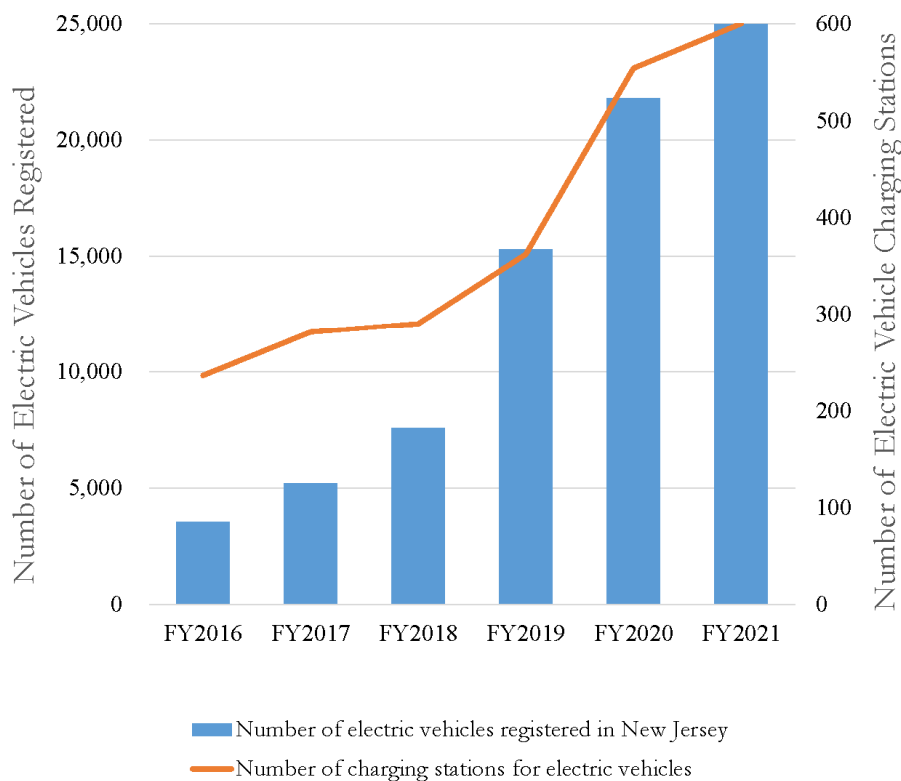
Last summer, the Governor also announced the New Jersey Wind Port, the United States' first purpose-built offshore wind port. At full build-out, the New Jersey Wind Port will support up to 1,500 manufacturing, assembly, and operation jobs. Although this project will be supported through multiple funding sources, the FY2022 budget includes a \$200 million General Fund appropriation

for the Wind Port to reduce the State’s debt issuance and provide early capital before the Wind Port generates sufficient revenue on its own.

This year NJ committed to spending over \$100 million of proceeds from the State’s participation in the Regional Greenhouse Gas Initiative and the Volkswagen Mitigation Fund to fund clean electrification projects in the state. These projects are primarily focused on medium and heavy duty electric vehicles, especially in environmental justice communities. Using a portion of the RGGI funds, EDA created the New Jersey Zero Emission Incentive Program (NJ ZIP) program to provide incentives for businesses in Newark and Camden to purchase electric trucks.

The light duty electric vehicle incentive program, created in January 2020 and administered by the BPU, awarded \$30 million in rebates and incentivized more than 5,000 electric vehicles. The Administration continues to make progress on its goal of 330,000 registered light-duty electric vehicles by 2025.

Green and Clean Energy - Electric Vehicles

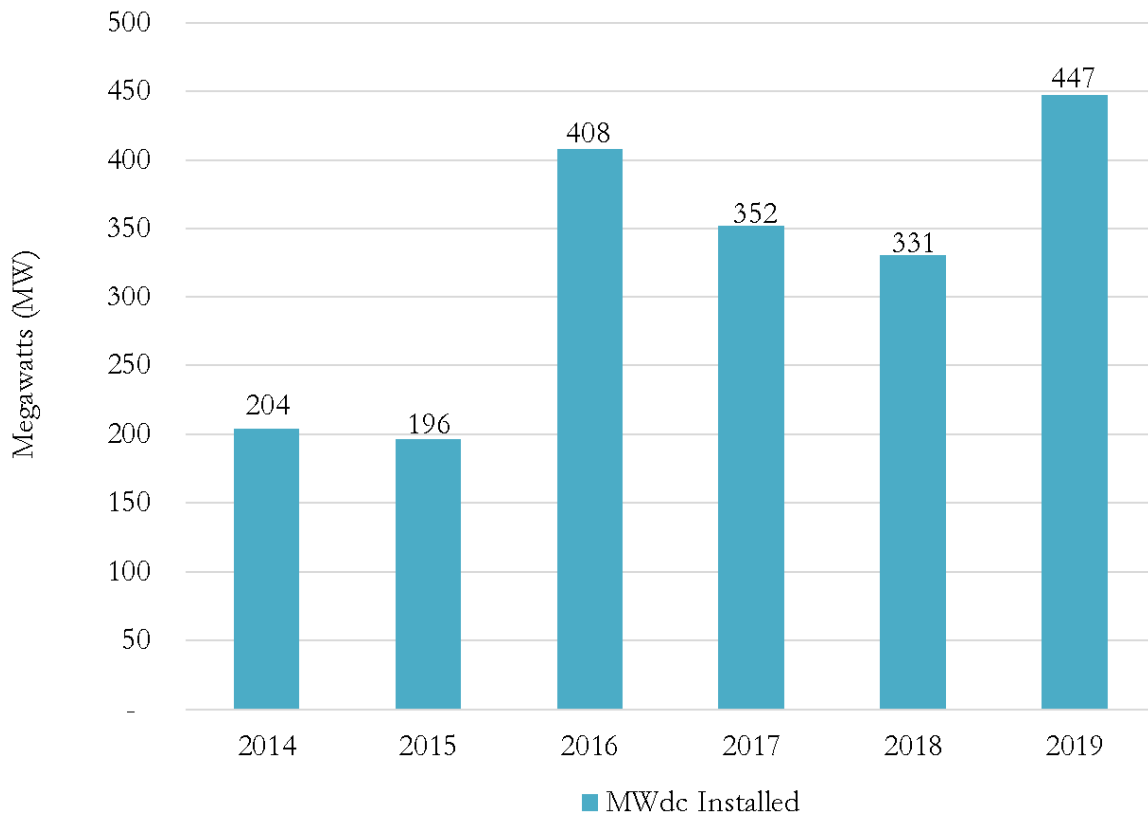


In February 2021, the Governor created the Office of Climate Action and the Green Economy to oversee and coordinate the Administration’s climate change work, as well as lead the work on a just transition to a green economy. The Office will direct key initiatives such as offshore wind and the NJ Council on the Green Economy. The Governor’s budget provides funding for the Office and will support its work developing a statewide strategy that aligns the clean energy transition with equitable green jobs workforce development.

The State has also made progress in encouraging solar energy. 2019 was a record-breaking year for New Jersey’s solar energy program, with the most solar capacity installed in a single year and solar now serving five percent of the state’s energy needs. In January, the Governor celebrated the state’s first community solar project, which advances his environmental justice and clean energy efforts.

Megawatts of Solar Capacity Installed

(MWdc Installed by Calendar Year)



Environmental Protection

The FY2022 budget continues last year’s \$60 million investment for “Drinking Water and Clean Water Infrastructure” to support safe and modern water projects statewide. DEP is using this year’s fund to match the federal Clean Water State Revolving Fund grant and to leverage an estimated \$236 million through the NJ Infrastructure Bank for drinking water projects.

The proposed budget also includes \$20 million more for the Shore Protection Fund for beach replenishment projects to match federal funds provided through the US Army Corps of Engineers (USACE). These sand-placement projects are critical for the State’s tourism sector and protect life, property, and infrastructure from storm damage and sea-level rise.

In September the Governor signed historic environmental justice legislation, and this budget supports new staff who can assess environmental and public health stressors in overburdened communities. It also supports new staff who will protect our residents' health by monitoring lead and copper contaminants in drinking water.

To support critical environmental needs, DEP's FY2022 State-funded full-time employee (FTE) count will increase from 996 in FY2021 to 1,116 in FY2022. Total employees will increase from 2,544 to 2,811. While the Department's proposed budget appears to show a decrease in funding, a significant portion of DEP's funding will come from constitutionally dedicated Corporation Business Tax (CBT) revenue supplementals that have been provided separately from the Governor's budget each year since FY2017. Excluding the CBT supplementals, the DEP will spend approximately \$26 million more in FY2022 (excluding debt service) than what is provided in the FY2021 Adjusted Appropriation.

The Governor is not proposing increased bear hunt fees for FY2022, as the New Jersey Fish and Game Council has proposed changes to the state's Game Code that would end bear hunting in New Jersey in 2021.

Agriculture

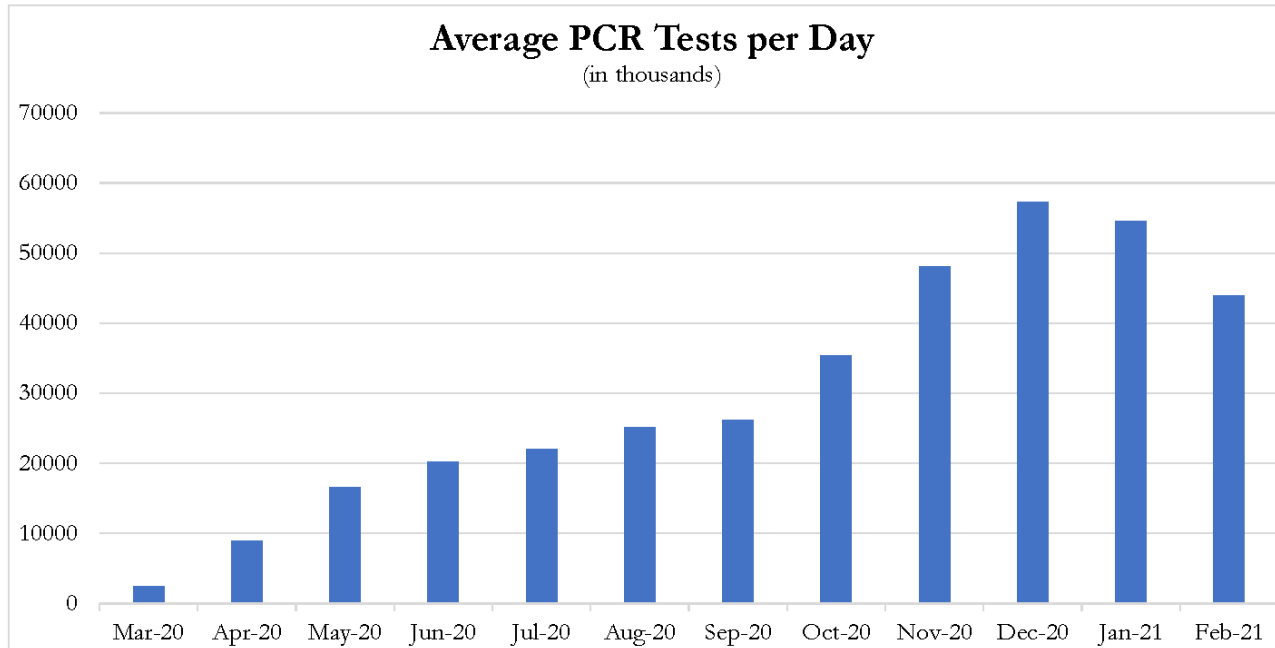
The Department of Agriculture (NJDA) has distributed \$25 million of Coronavirus Relief Fund monies to the State's six Emergency Feeding Organizations (EFOs) to help address increased food insecurity caused by the pandemic. These funds have allowed the EFOs to purchase over 19 million meals to feed New Jersey families. The Governor's budget maintains the FY2021 Appropriation Act's record support for Food and Hunger Programs spending.

In FY2022, NJDA will develop a roadmap for statewide urban agricultural strategies, and it will hire a Humane Enforcement Chief to work with local law enforcement officers and prosecutors to protect animal welfare.

Health Care and Social Services

COVID Response

Although New Jersey has been uniquely devastated by COVID, it has also led an aggressive response. The Governor ensured that the State reached a 25,000 PCR tests per day benchmark by May, and in December 2020 the State averaged 58,000 daily tests.



The State co-developed a contact tracer training program with Rutgers School of Public Health and increased the number of contact tracers from 300 to 3,500 statewide. The State distributed over 82 million pieces of personal protective equipment (PPE) during the pandemic, and the Governor has led a massive undertaking to build up the state’s inventory for future disasters.

The Administration has directed funding toward the most pressing public health needs. This includes \$32 million to over 100 local health departments to build capacity in communicable disease and COVID response, as well as \$155 million in state and federal funds to help long-term care facilities and staff with their coronavirus response.

The Department of Health invested \$613 million worth of Federal funding to support enhanced testing capacity across the state and in its Public Health Laboratory, and to improve communicable disease reporting platforms to withstand higher volumes. The Governor also proposes investing nearly \$10 million in DOH staffing and IT capacity in the FY2022 budget.

One of the State’s strongest tools in overcoming this pandemic is the COVID-19 vaccine. With a focus on equity and a mission to vaccinate 70 percent of the eligible adult population by the summer, the Administration has built a vast network of nearly 300 vaccination sites tasked with reaching the highest risk individuals and frontline essential workers. Over 1.6 million doses have been delivered through our mega sites, county and local sites, pharmacies, and community health centers. As of this report, over 480,000 individuals are fully vaccinated, including 30 percent of the State’s population over age 65. With nearly 2,000 additional sites in the queue to start vaccinating, the State is set to vaccinate every willing person once the vaccine supply expands.

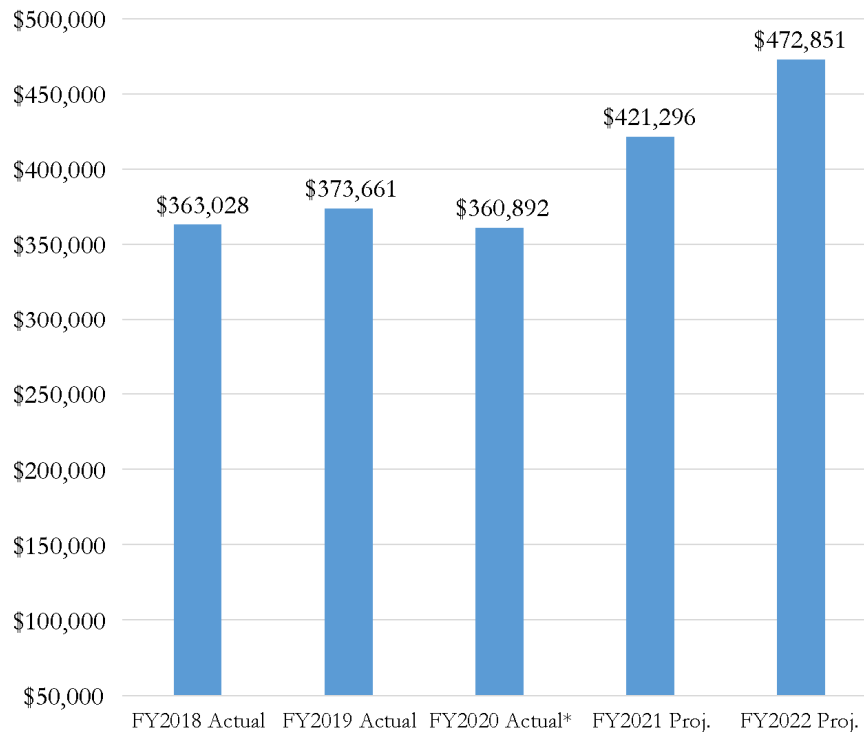
Youth Services

This budget continues FY2021’s critical investment in the Department of Children and Families’ Children’s System of Care (CSOC). The Murphy Administration will have increased funding to support increased CSOC rates by nearly \$108 million since 2020. These funds support nearly 60,000

children with emotional and behavioral health challenges, intellectual and developmental disabilities, and substance use challenges. These increases acknowledge the needs of some of New Jersey’s most vulnerable youth, as well as the importance of the services that providers offer.

Children’s System of Care State Expenditures for Services

(In Thousands)



*FY2020 Actual reflects the impact of the COVID-19 pandemic.

Child Protection and Permanency (CP&P) is responsible for investigating allegations of child abuse and neglect and, if necessary, arranging for the child’s protection and family’s treatment. The FY2022 budget includes a total of \$1 billion in State and federal funds for the operations and services provided by the Division.

DCF has continued to safely reduce the use of family separation as a tool of the State’s child protection system by prioritizing prevention services. As a result, the Murphy Administration has reduced the number of children living in foster care by approximately 37 percent to date.

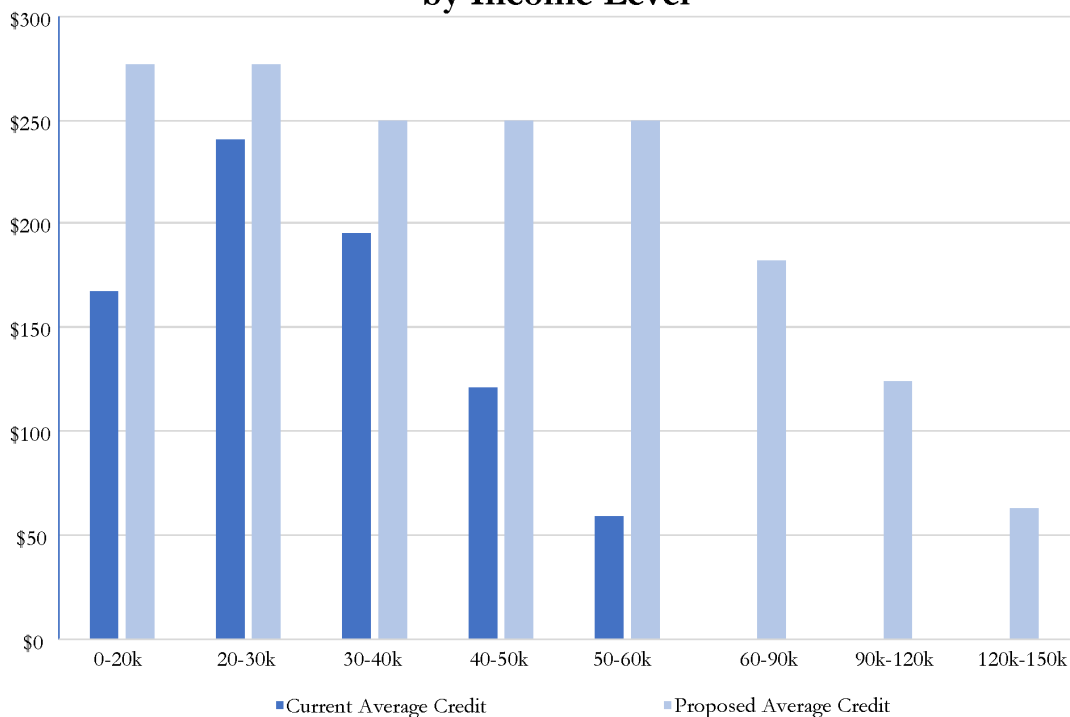
Child Care

The Murphy Administration has spent nearly \$200 million of Coronavirus Relief Funds on child care capacity since last fall, in addition to increased federal Child Care Development Block Grant (CCDBG) Funds. Over 3,000 child care providers received grants to meet new COVID-19 health and safety and stabilize their operations, and a similar amount received enhanced subsidy payments between September and February. Child care is a cornerstone of our economy. The industry employs nearly 5 percent of women in the workforce in New Jersey, allows families to fully engage in the economy, and provides critical care and education services to children.

The Department of Human Services also created a new tuition assistance program to pay for the care of over 5,000 school-age children due to remote and hybrid learning school schedules and paid for full-time care for school-age children in the State’s subsidy program.

Since this Administration enacted the child and dependent care tax credit (CDCC) in 2018, it has put approximately \$30 million back into the strained family budgets of over 70,000 taxpayers. This budget proposes expanding this credit so that it is both available for families making up to \$150,000 and refundable. This will benefit over 80,000 more families, and increase the average credit for those making under \$20,000 by \$110.

Child and Dependent Care Credit Summary by Income Level

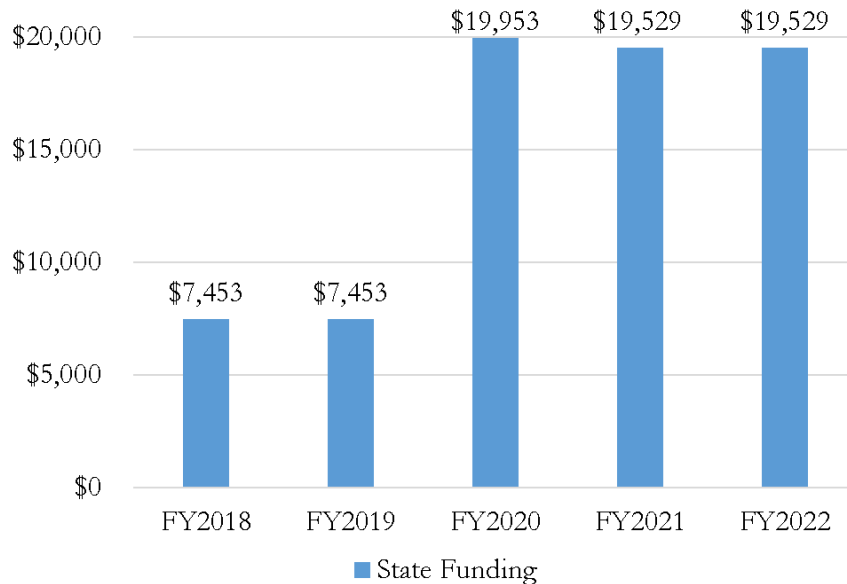


The budget also proposes two pilot programs that will aid child care providers immediately. The first will use \$4.45 million to allow providers to make needed capital improvements to their facilities in exchange for participating in Grow NJ Kids, the State’s child care quality rating and improvement system. The second appropriation of \$550,000 will allow for a pilot of shared services collaborations in Central and South Jersey to reduce providers’ administrative costs.

Family Planning and Maternal Health

Governor Murphy proposes spending \$19.5 million on family planning services in FY2022. He will have spent nearly \$74 million in his first term through DOH on women’s health facilities that received no funding during the Christie administration.

Family Planning Services (In Thousands)



Amounts include original and supplemental appropriations made available for Family Planning Services.

In FY2022, the Governor proposes creating the Reproductive Health Care Fund in the Department of Human Services, which will cover costs for contraceptive, prenatal, labor, and delivery care for those currently unable to receive medical assistance. This \$19 million fund will replace the current supplemental prenatal program, which currently cannot support patients for a full year.

The budget also includes funding so that New Jersey Medicaid can provide a year of postpartum coverage. If this proposal is approved by the federal Centers for Medicare & Medicaid Services (CMS), New Jersey would be one of the only states to provide this level of continuous access to health care for all people in the postpartum period.

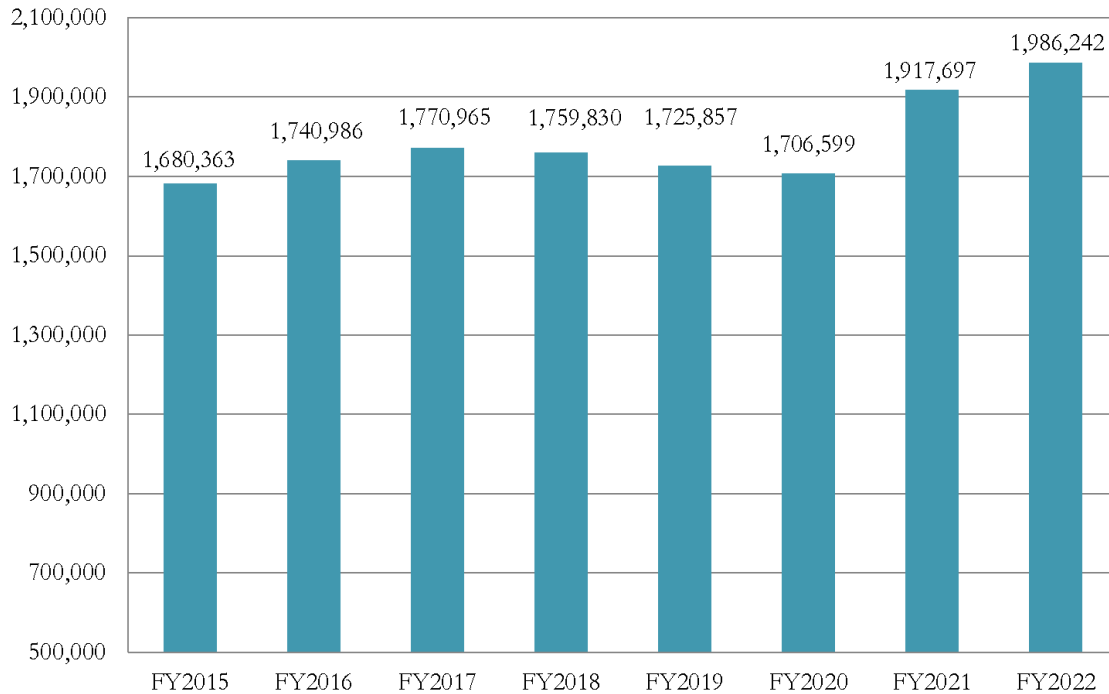
In January, First Lady Tammy Murphy unveiled the Nurture NJ Maternal and Infant Health Plan to reduce New Jersey’s high rates of maternal and infant mortality and eliminate the racial disparities responsible for these deaths. To advance this work, the proposed budget includes \$2 million for a pilot program that will provide State Rental Assistance Payments (SRAP) and wrap-around services for eligible New Jersey pregnant women. The budget also funds a doula registry, to support the certification of our doula workforce and ensure quality of care, and a landscape analysis of the birthing workforce and services available that impact the primary social determinants of health to get a baseline understanding of need.

NJ FamilyCare

The FY2022 budget includes over \$4.7 billion in state funding to provide comprehensive health care coverage for more than 1.9 million low-income residents. Since the enactment of the Families First Coronavirus Response Act, the state has benefited from an increased Medicaid Federal Medical Assistance Percentage (FMAP) and the Governor is grateful that the Biden Administration will likely

maintain this increase until at least the end of the calendar year. FamilyCare enrollment is projected to increase by 16 percent from FY2020.

NJ FamilyCare Enrollment



This year the Murphy Administration will launch the Cover All Kids initiative, so that New Jersey can launch a plan to cover the nearly 90,000 uninsured children in New Jersey. In FY2022, the Department of Human Services (DHS) will eliminate the waiting list and premiums for the Children’s Health Insurance Premium (CHIP) and start an enhanced outreach campaign so that eligible children enroll in Medicaid and CHIP. DHS would also expand coverage to children who are currently ineligible due to family immigration status.

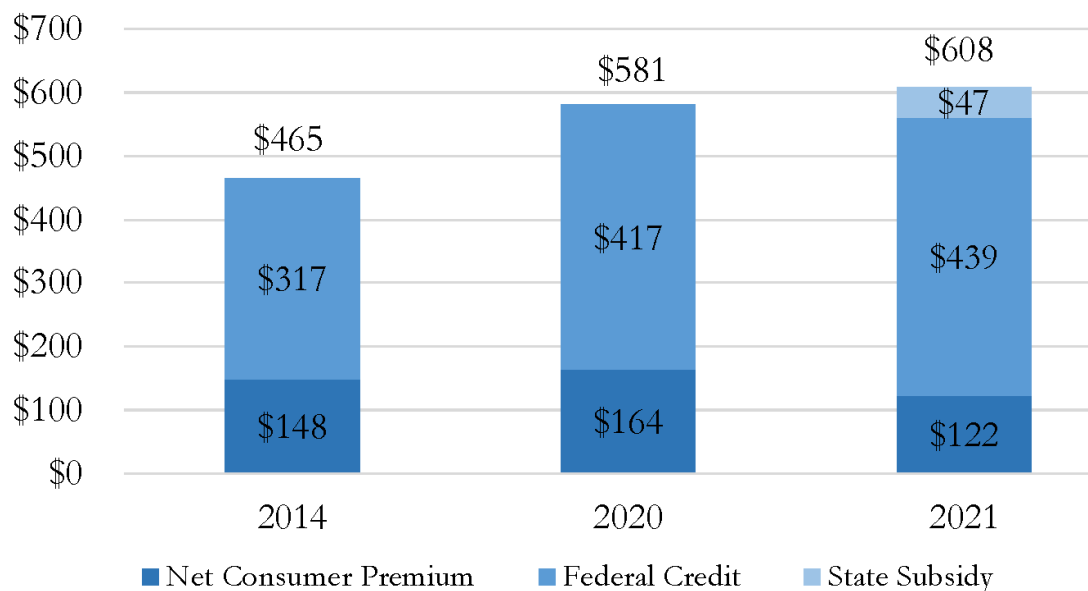
Access to Health Care

Ensuring that our residents have access to quality, affordable health insurance has been a top priority of the Administration since day one.

In October, the Governor announced the launch of New Jersey’s official health insurance marketplace, Get Covered New Jersey. By transitioning to a State-Based Exchange, the Murphy Administration is retaining more funding so it can build on the Affordable Care Act and operate an exchange that is tailored and efficient for New Jersey residents.

Due to the enactment of the Health Insurer Assessment in July, New Jersey is one of only four states to offer additional financial assistance for those enrolling in coverage. The state subsidies, now called New Jersey Health Plan Savings, are available for New Jerseyans whose annual income is up to 400 percent of the Federal Poverty Level. The current average monthly premium for those receiving financial help is the lowest in years at \$122 a month per person.

Average Monthly Premiums



In the most recent open enrollment period, nearly 270,000 residents signed up through the State-Based Exchange—this was more than nine percent more than in 2020, and eight in ten customers received financial help. New Jersey will likely spend \$125 million on state subsidies in Plan Year 2021. In FY2022, the Governor proposes spending an additional \$25 million to help residents afford coverage.

In February, the Governor signed Executive Order 217, which in part directs the Office of Health Care Affordability and Transparency (OHCAT) and DOBI to develop plans for the implementation of both health care cost growth benchmarks and health insurance affordability standards. In FY2022, the OHCAT will continue its work on leading administration-wide affordability and accessibility options.

As the Administration works to develop longer term drug savings opportunities for residents, it will also aim to provide more immediate relief for seniors. The Governor proposes increasing the income eligibility for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) and Senior Gold programs by \$10,000. This will increase the number of seniors and others eligible by more than 20,000 residents.

Mental Health and Addiction Services

The Murphy Administration continues its major investments in response to the overdose epidemic in FY2022. Since the start of this Administration, over \$250 million dollars have been dedicated to stand up over 30 ongoing programs across eight departments and offices. The Murphy Administration remains committed to combating the overdose epidemic through a patient-centered, data-driven, and compassionate approach.

These investments have laid a strong foundation for saving lives. There was a 42 percent decrease in the opioid prescription rate between 2015 to 2020, and the State has increased annual Naloxone kit

The FY2022 Budget

distribution by about eight times the 2017 baseline of 5,015. Although there was not an overall acceleration of overdose deaths in 2020, lives are lost due to this crisis daily. The Administration will remain vigilant, especially as residents process the COVID-19 crisis and require public mental health and recovery services.

The Attorney General has promised to hold accountable manufacturers, distributors, and marketers for their actions that have fueled the opioid crisis, and New Jersey will start to direct settlement funds towards supporting individuals and families impacted by the overdose epidemic and strengthening mental health services this calendar year.

This budget also proposes using funds to increase the number of residencies for training psychiatrists, expand harm reduction services, and to pilot a comprehensive program through the Mental Health Advisory Committee that supports justice system-involved individuals with mental health conditions. It includes an additional \$5 million to close a long-standing disparity in rental subsidies for this population.

Developmental Disabilities

Since the start of the pandemic, the Murphy Administration has continued its commitment to supporting individuals with intellectual and developmental disabilities and their providers. The budget includes \$41.7 million in increased provider payments to account for 2021 and 2022's phases toward a \$15 minimum wage.

In FY2021, the Governor dedicated \$94 million toward residential providers for individuals with intellectual and developmental disabilities so they could respond to increased pressures due to the coronavirus. In the first half of FY2022, the Governor will dedicate an additional \$57 million toward this effort.

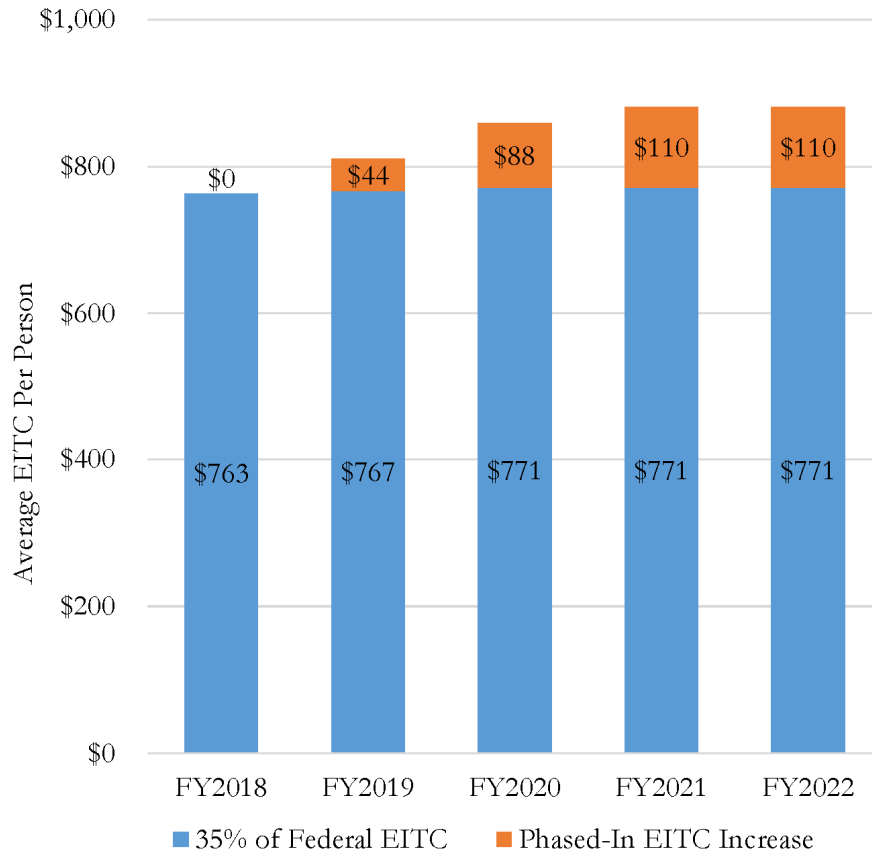
The Administration also created funding supports for providers to cover increased costs related to COVID-19 through the Coronavirus Relief Fund and other testing programs.

Income Assistance

The Governor was pleased to work with his partners in the Legislature last year to enact a full millionaires tax. Because of this new revenue, the FY2022 budget includes an up to \$500 rebate to approximately 760,000 New Jersey families.

The Governor has also provided meaningful middle class tax relief by boosting the Earned Income Tax Credit from 35 percent to 40 percent since 2018. Last year, the Governor led on expanding eligibility to an additional 60,000 New Jersey residents by lowering the minimum age from 25 to 21. In FY2022, Governor Murphy proposes expanding eligibility to those 65 and older without dependents, which is projected to help another 70,000 residents.

EITC Increases to 40% of Federal Benefit



Meaningful federal aid is needed to address increased enrollment in income assistance programs, which is projected to be 20 percent higher than it was in March 2020.

The Murphy Administration is proud to be responsible for the first meaningful increases in WorkFirst NJ benefits in 30 years. This budget includes new funding for Temporary Assistance for Needy Families (TANF) reforms such as increasing the child-support pass through, covering children when a parent is on sanction status, and covering intensive case management.

The Administration also dedicated \$10 million of CRF dollars to county boards of social services to ensure they could serve residents throughout the pandemic.

Public Health

The FY2022 budget includes nearly \$10 million to strengthen the Department of Health’s programmatic and operational staffing needs and to improve analytics and IT capacity, including the Communicable Disease Reporting & Surveillance System (CDRSS).

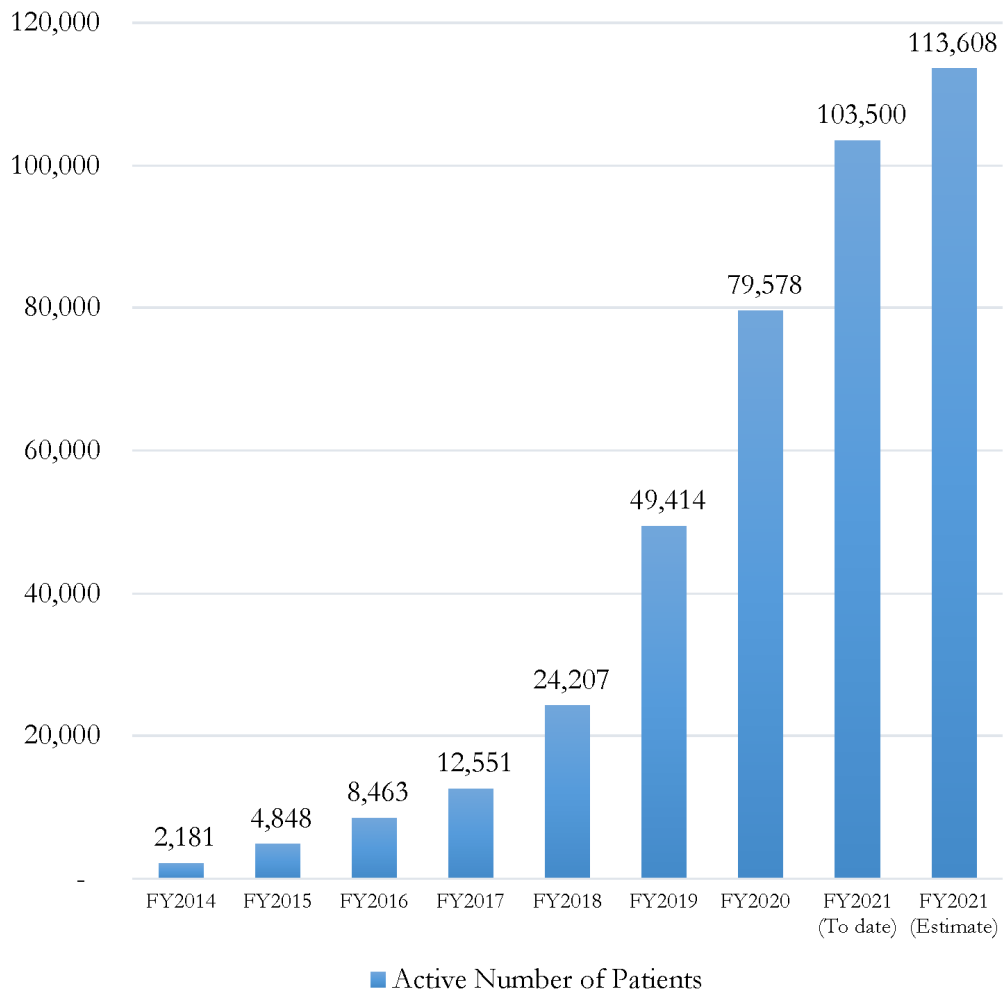
During the public health emergency, the State has dedicated CRF toward additional infection control surveys in long term care facilities. This budget includes an increase in funding for surveying assisted living residences on quality and safety, and increases the capacity of the Office of the Long-Term Care Ombudsman for the first time in over ten years. This growth will bolster the Office’s

The FY2022 Budget

unique position to ensure the health, safety, and dignity of residents in long-term care, especially as they face extended isolation during the public health crisis.

In FY2022, the Cannabis Regulatory Commission will assume oversight of the medical marijuana program and lead the development, regulation, and enforcement of activities related to adult-use cannabis. The budget supports the Commission’s needs for hiring and materials necessary for carrying out its duties. Since the Governor took office in 2018, over 85,000 more patients have been able to receive marijuana for health needs.

Medical Marijuana Patients



Hospital Funding

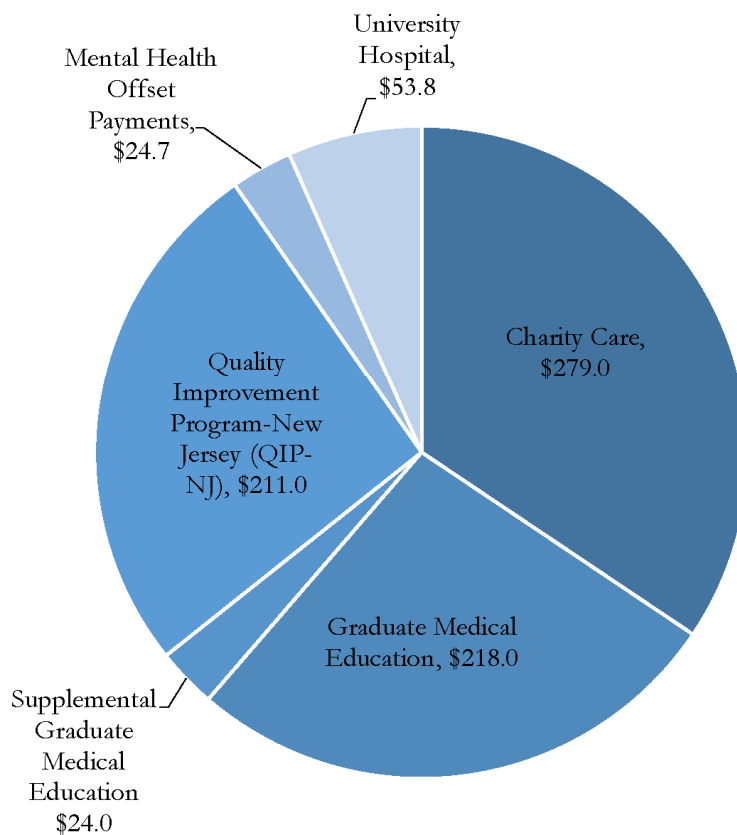
A total of \$269 million—plus a one year \$10 million boost to assist with pandemic-related costs—is recommended to be distributed through the Charity Care program to all hospitals in New Jersey, while focusing the majority of resources on those safety net facilities that provide the greatest volume of care to the uninsured relative to their total patient group.

The budget also maintains last year’s \$9 million investment in the Regional Coordinator Hospitals, which have enhanced the State's response to the pandemic by fostering ties between local hospitals and health care facilities.

To ensure New Jersey residents have continued access to a highly qualified pool of physicians, the budget maintains \$218 million for the Graduate Medical Education program, and \$24 million for Supplemental Graduate Medical Education. These funds are available to hospitals that train doctors and encourage robust medical education programs by offsetting a portion of the significant costs associated with the training of New Jersey’s next generation of physicians.

FY2022 Hospital Funding

(In Millions)



Law and Public Safety

Criminal Justice Reform

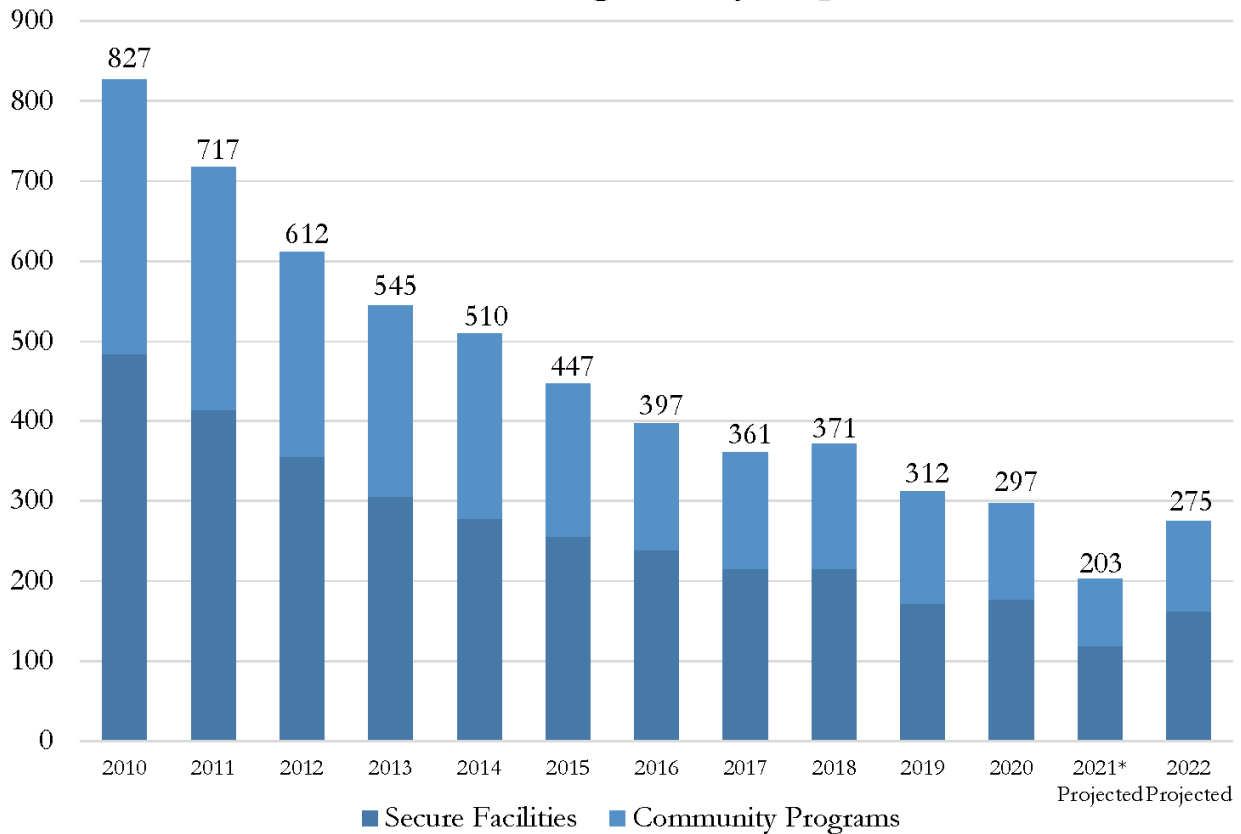
Although there is still much work to be done, Governor Murphy has made tremendous progress on addressing the inequities in our justice system in his first three years. The proposed budget includes funding for both front-end and back-end criminal justice reforms to continue progress.

Proposed front-end funding will support lessening the burden on individuals seeking expungement of criminal records, equipping local police officers with body-worn cameras, and developing software to make law enforcement forfeiture actions more transparent.

Proposed back-end funding allows incarcerated individuals placed in isolated confinement to undergo daily examinations by health professionals as well as supports implementation of the “Earn Your Way Out” law.

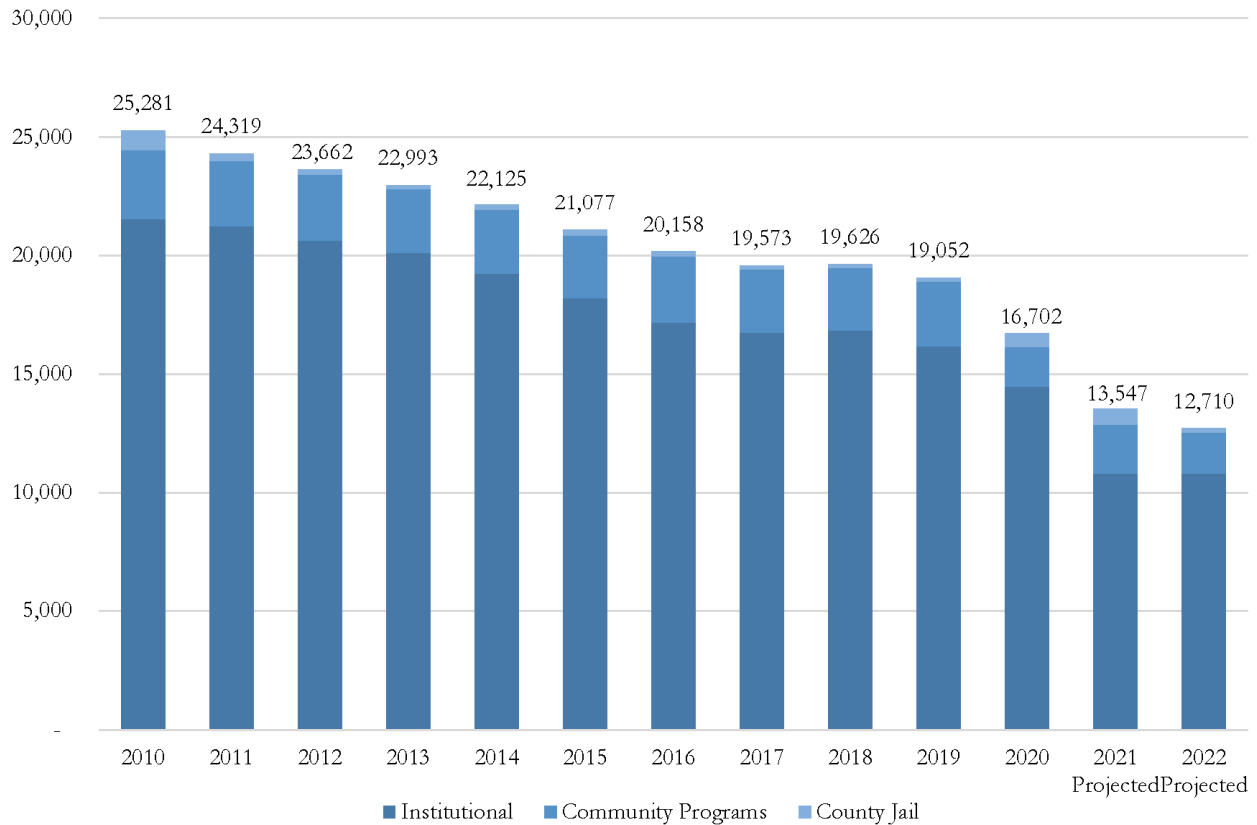
To protect the health of those in the State’s custody and staff throughout the pandemic, the Governor signed Executive Order 124 and enacted Public Health Emergency Credit legislation in 2020 to reduce the State’s adult prison and youth facility populations and enable more social distancing. Because of these releases and other criminal justice reform policies, the DOC population is now just over 13,000 compared to nearly 19,500 when the Governor took office.

Juvenile Justice Commission Resident Average Daily Population



*The decrease in FY2021 is partially due to delays in sentencing as a result of the COVID-19 pandemic.

Department of Corrections Incarcerated Population



This decreased population will allow the Administration to responsibly consolidate and close a DOC facility in three consecutive years and reduce contract spending. As a result of the dramatic decrease in DOC’s population—including a nearly 80 percent reduction in DOC’s residential community release program population—the State will reduce overall spending in administrative and contracted categories, taking into account projected future population fluctuations. The State will re-allocate these savings into services for incarcerated people and committed youth that will support the educational, workforce, and transitional needs of individuals, thus better preparing them for successful transition into communities upon release.

New and increased investments across the Juvenile Justice Commission and Department of Corrections include:

- \$5 million to improve internet infrastructure for DOC’s incarcerated people to access education, employment, and legal materials;
- \$4.2 million more for our counties’ Youth Services Commissions and their work to reduce juvenile delinquency;
- \$3 million for the New Jersey Locally Empowered, Accountable, and Determined (NJ LEAD) grants program so DOC can fund non-profits that facilitate re-entry;

The FY2022 Budget

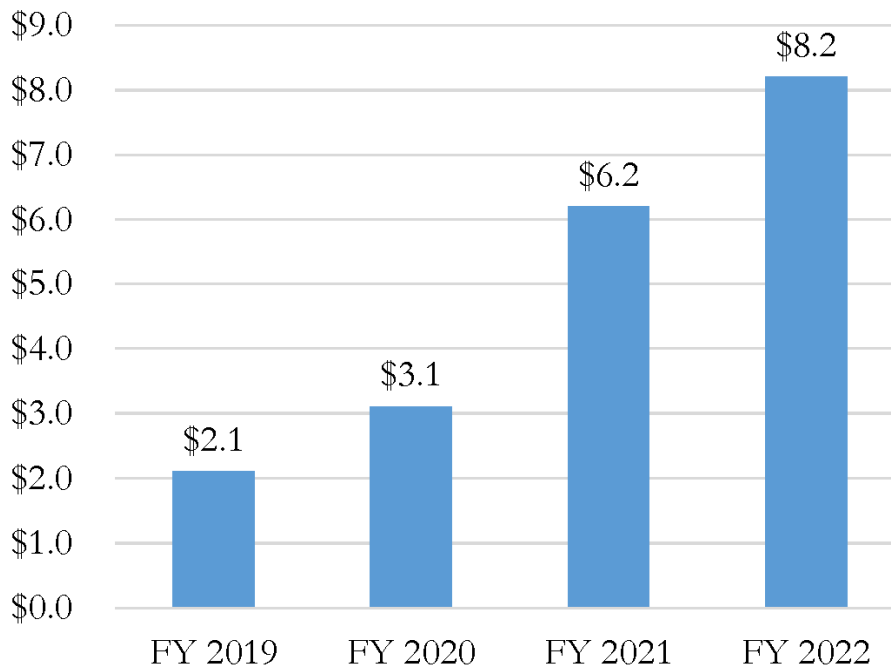
- A new total of \$2.25 million for the Scholarship and Transformative Education in Prison Program (NJ STEP), which will complement legislation signed by Governor Murphy last year that provides Tuition Aid Grants (TAG) for incarcerated residents pursuing higher education;
- \$2 million for IT modernization and security improvements in adult correctional facilities; and
- At least \$2 million in support from the Department of Labor’s Workforce Development Partnership Fund (WDPF) for a new HVACR career training program at JJC and an apprenticeship program and other career services for DOC.

The budget proposal will provide additional funding to the Division of Family Development in DHS to support the removal of the drug conviction prohibition for General Assistance (GA) clients. This will allow more recently released individuals to access critical emergency housing and cash assistance services.

Immigrant Rights

The Governor’s budget continues support for the Office of New Americans, which he announced on Independence Day 2019 to advance immigrant and refugee integration. It increases funding for legal representation for individuals facing detention or deportation based on immigration status to \$8.2 million.

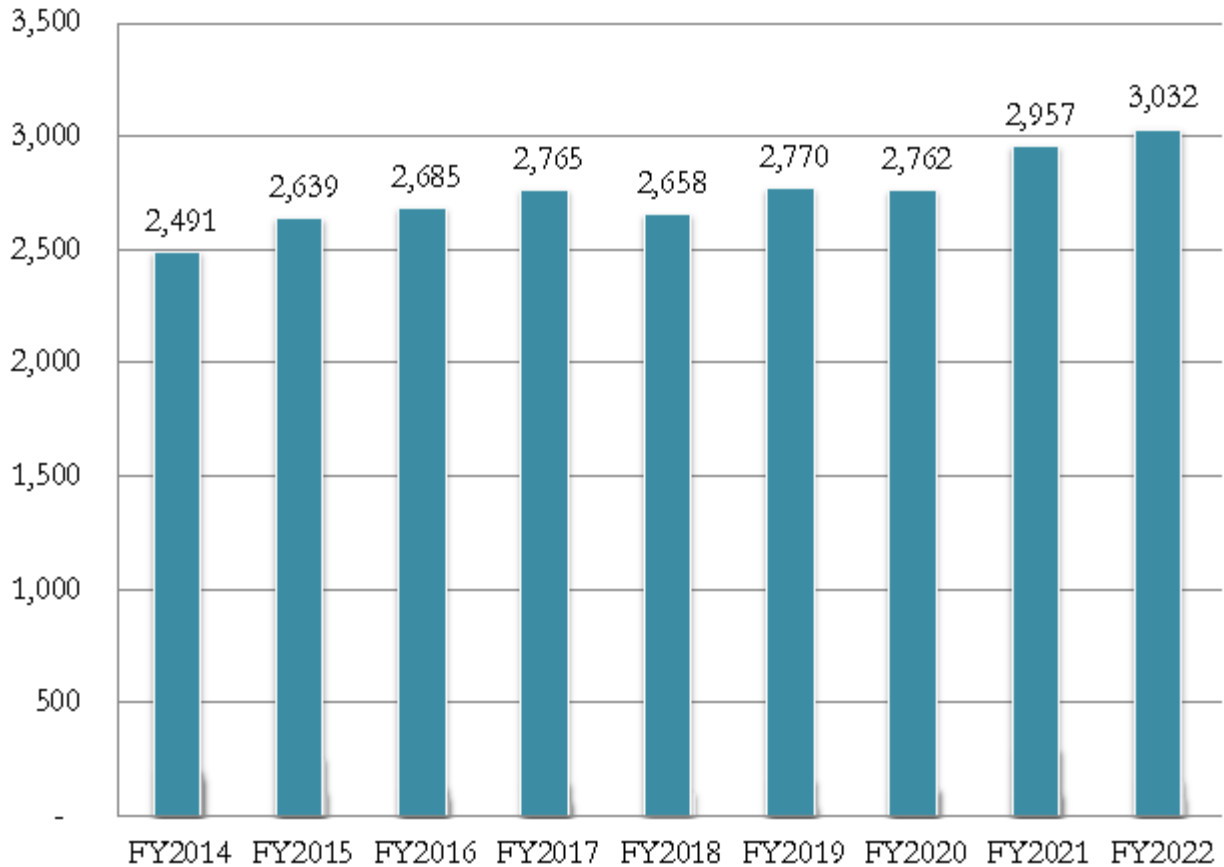
Legal Assistance for Immigration Status Matters (In Millions)



New Jersey State Police

The FY2022 budget provides \$4.5 million towards the 163rd State Trooper recruit class. NJSP received support from the CRF to improve its radio technology as a critical part of its pandemic response.

End of Year State Trooper Count



Department of State

The Murphy Administration allocated \$30 million of Coronavirus Relief Fund monies through the Department of State to ensure that the State could support fair and free elections in 2020 and 2021. The 2020 election, which was primarily vote-by-mail, shattered turnout records with more than 4.6 million votes cast. The budget proposal includes funds to help county and local governments implement early voting if the relevant legislation advances.

In FY2022, the Murphy Administration proposes an extra \$20.7 million to the Departments' arts and cultural projects, historical heritage programs, and tourism promotion. This is a 59 percent

increase over FY2021, and these funds will provide critical assistance to organizations that have been uniquely harmed by the pandemic. The Administration previously provided \$5 million of CRF to the Council on the Arts to help arts organizations facing staggering losses.

Military and Veterans Affairs

Governor Murphy's budget demonstrates a continued commitment to assist New Jersey's 326,000 veterans, providing a total of \$11.1 million for veterans' housing and support services, as well as \$2.5 million for grants geared towards improving veterans' access to health care.

Federal Funds Overview

New Jersey received about \$5.6 billion in 2020 in funds directly allocated to the State from federal stimulus bills. The largest categories of funds are the Coronavirus Relief Fund (CRF), FEMA reimbursement, and funds received through the Centers for Disease Control and Prevention's (CDC) Epidemiology and Laboratory Capacity (ELC) cooperative agreement.

In July, Governor Murphy signed Executive Order 166, which created the Governor's Disaster Recovery Office (GDRO). The GDRO has provided oversight and accountability in the State's administration of federal COVID-19 resources. Working in conjunction with the Office of the State Comptroller and Accountability Officers at each State agency, the GDRO coordinates various federal funding streams to optimize limited funding and to protect that funding by ensuring that adequate controls are in place to guard against fraud, waste, and abuse.

On December 27, then-President Trump signed the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSA). This law extends the eligibility date for CRF from December 30, 2020 to December 31, 2021. Due to this late change, the Murphy Administration had expended the vast majority of funds for relief programs and state operations as described in this chapter.

The current allocation plan is below. The Murphy Administration is currently reviewing department spending and awaiting written guidance from the federal government about FEMA cost-share and CDC funding eligibility so the State can re-allocate any available funds toward additional pandemic relief for residents and small businesses and for emergent State needs. Additional adjustments to allocations may be made as necessary based on the updated guidance.

Detailed Table of CRF Allocations

Department	Program	Estimated Spend
Child Care, K-12, and Higher Education		\$ 625,000
Human Services/Children and Families	Child Care Capacity	250,000
Secretary of Higher Education	Higher Education Fund	225,000
Education	School Re-Opening and Remote Learning	100,000
Education	Digital Divide	50,000
Social Services and Health Care Supports		\$ 280,000
Health	Testing and Public Health Response	135,000
Agriculture	Food Banks	25,000
Human Services/Children and Families	Substance Use/Mental Health	25,000
Human Services/Children and Families/Labor	Provider Reimbursement and PPE Support	20,000
Human Services/Children and Families	Increased Income Assistance	20,000
Human Services	Pandemic EBT Expansion	20,000
Community Affairs	Utilities Assistance	15,000
Health	Long-Term Care Surveys/Resilience	10,000
Human Services	County Benefits Administration	10,000
COVID-Related Emergency Spending		\$ 212,000
Law and Public Safety	FEMA Related spending	100,000
Law and Public Safety	Emergency Projects/Radio Upgrades	72,000
Various	Department FEMA Match	20,000
Law and Public Safety	FEMA match for 12 counties	20,000
Local Government, Economic Development, and Housing Assistance		\$ 447,000
Economic Development Authority	Small Business Grants, Economic Development	221,000
Community Affairs	Emergency Rental Assistance	90,000
Community Affairs	Local Government Emergency Fund	60,000
NJ Redevelopment Authority	Small Business Lease Emergency Assistance Grant	15,500
Economic Development Authority	Sustain and Serve	14,000
Human Services	Emergency Housing Aid and Homelessness Prevention	14,000
Community Affairs	Commercial Corridors/Main Street Relief	12,500
Labor	Workforce Training and Worker Protection	5,000
Economic Development Authority	Business PPE Purchase Enabling	5,000
State	Council on the Arts	5,000
Housing Mortgage Financing Authority	Small Landlord Program	5,000
Payroll, Health Benefits, and State Capacity		\$ 830,000
Various	Direct Care and Public Safety staff salaries	490,000
Treasury	COVID Claims and Testing	150,000
Health/Human Services	Emergency Rates	50,000
Various	Department Reimbursements	50,000
NJ Transit	Eligible Reimbursements	30,000
State	Elections Administration	30,000
Treasury	Increased Interest Payments	25,000
Office of Information Technology	Telework/IT	5,000
Total Allocation		\$ 2,394,000

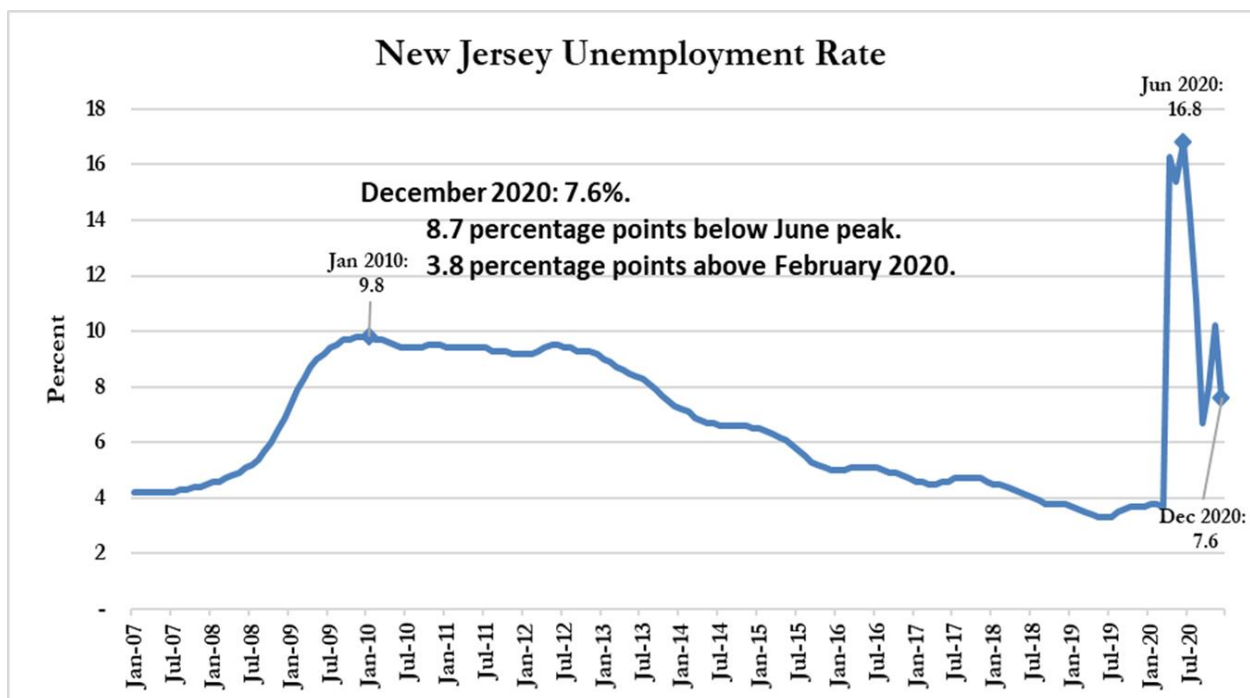
FY2021 and FY2022 Revenues

Economic Performance and Outlook

The COVID-19 pandemic upended the economic outlook for New Jersey and the nation. Calendar Year 2020 started off well with the New Jersey labor market adding 15,500 jobs in the first two months. This represented a continuation of the strong job growth of 2019 when 52,400 jobs were added; the second highest annual total since 2011. Economic growth in New Jersey strengthened in both 2018 and 2019, with real GDP expanding by an average of 1.5 percent per year, which was expected to continue into 2020.

The positive outlook changed quickly. The U.S. Department of Health and Human Services declared a public health emergency on January 31st, which was followed by a declaration of a national emergency by the President of the United States on March 13th. New Jersey declared its own state of emergency on March 9th (Executive Order #103). However, the rapid spread of the virus across the country forced many states to strengthen restrictions by issuing “stay-at-home” orders. New Jersey issued its order on Saturday, March 21st (Executive Order #107), while New York and Pennsylvania followed shortly after.

Payroll employment in New Jersey declined by a total of 831,300 jobs, or 19.6 percent, during March and April as a result of the pandemic restrictions. Other states suffered similar declines with employment falling by 19.8 percent in New York and 18.3 percent in Pennsylvania. New Jersey’s real



Revenue Outlook

GDP deteriorated at a seasonally adjusted annual rate of 36.0 percent in the second quarter of 2020, in line with New York's 36.4 percent decline and Pennsylvania's 35.9 percent decline.

Job growth rebounded when states began to re-open their economies in May. Payroll employment grew by an average of 114,500 jobs per month in New Jersey from May to July. However, the pace of growth subsequently moderated, averaging 69,100 jobs per month in August and September, before turning negative, on average, over the last three months of 2020 (-700 jobs per month), as the State entered the second wave of the pandemic. The state's unemployment rate, which had soared to 16.8 percent in June, improved to 7.6 percent by December.

Through December, the New Jersey labor market recovered 57.7 percent of the total jobs lost from this past spring, which is above both New York (45.6 percent) and Pennsylvania (54.9 percent). The brunt of the economic impact of the COVID-19 pandemic has been borne by workers in low-wage sectors. The leisure & hospitality services sector (hotels, restaurants, & bars); trade, transportation & utilities sector (retail trade); and other services sector accounted for 57.1 percent of job losses in March and April. The leisure & hospitality services sector has recovered only 54.9 percent of total jobs lost as of December.

Real GDP recovered in the third quarter with economic activity in New Jersey growing at a seasonally adjusted annual rate of 41.1 percent, which was faster than the 40.8 percent rate of Pennsylvania and 33.0 percent rate of New York. The housing market has been a bright spot during the recovery. While, according to the estimates of New Jersey Realtors, single-family home sales in New Jersey were 19.1 percent lower year-over-year from March to June, they rebounded in July and August, up 6.0 percent over the same period during the prior year. Sales then rapidly accelerated beginning in September, higher by 34.0 percent on average over the last four months of 2020. Transaction prices have also risen sharply, with the average price of a single-family home sale in 2020 reaching nearly \$475,000, which is 16.3 percent higher than in 2019.

The substantial federal stimulus provided to businesses and households in the spring provided necessary support to the economic recovery. New Jersey residents received \$6.7 billion in Economic Impact Payments last spring, while businesses received \$17.4 billion in Paycheck Protection Program (PPP) loans through August. Unemployed workers in New Jersey received \$14.1 billion in unemployment insurance benefits through newly established federal programs, including this past fall's Lost Wage Assistance Program that was funded by the Federal Emergency Management Agency (FEMA).

New Jersey's Personal Income grew at a 40.8 percent annual rate in the second quarter of 2020 due to the significant federal stimulus, even though wage and salary income declined by 31.3 percent. Wages and salaries rebounded in the third quarter, increasing at a 26.6 percent annual rate because of the strong job growth. However, Personal Income declined at an 8.7 percent annual rate in the third quarter due to the phase-out of federal aid.

The economic outlook has improved recently for both New Jersey and the United States, though the virus continues to determine the path of the economic recovery. Members of the Federal Open Market Committee estimate real GDP in the U.S. to grow 4.2 percent in 2021 according to their December 2020 projection. Economists surveyed by the Wall Street Journal are forecasting real GDP growth of 4.9 percent for the U.S. in 2021 according to their most recent survey, which is more than a full percentage point over the December average forecast of 3.7 percent. The improved outlook is based

on the expectation of additional federal stimulus this spring as well as continued success in the rollout of the vaccine

FY2022 Revenues

(In Millions)

	FY2021	FY2021	FY2022	Change from Revised	
	Approp. Act	Revised	Projected	\$	%
Income	\$ 15,015	\$ 15,279	\$ 16,257	978	6.4
Sales	9,869	10,623	10,910	287	2.7
Corporation	3,247	3,439	3,721	282	8.2
Business Alternative Income Tax	-	1,919	1,300	(619)	(32.3)
Other	8,344	8,649	8,673	24	0.3
Total *	\$ 36,475	\$ 39,909	\$ 40,861	952	2.4

* FY2021 figures do not reflect proceeds from the COVID-19 General Obligation Emergency bond issue.

FY2022 Revenues Recovering from the Pandemic

The Governor's FY2022 budget reflects the beginning of the State's recovery from a once-in-a-century pandemic. The COVID-19 pandemic ground both the State's economy and tax revenue collections to a halt last spring. At their worst points, Sales Tax revenues plunged an unprecedented 29 percent, Realty Transfer Fees fell 27 percent, Casino Tax revenues collapsed by 66 percent, and Motor Fuels Tax collections fell by 59 percent. In addition, New Jersey matched the federal decision to postpone the April 15th tax filing deadline until July, which shifted the timing of billions of dollars of revenue collections. Before the pandemic, State revenue collections had been running a robust \$1.3 billion above the same period in the prior year. Only one quarter later at the end of the traditional 12-month fiscal period ending June 30th, 2020, that revenue growth had evaporated as total collections fell below FY2019, finishing \$1.44 billion short of the FY2020 target.

Revenue Outlook

The initial outlook for FY2021 was even worse. State forecasts made in mid-May, during the darkest days of the health mandated spring economic closures, projected revenues to fall \$7.2 billion below FY2021 proposed levels (and a combined \$9.9 billion over two years, FY2020 and FY2021). Independent forecasters such as Moody's Analytics modeled two-year revenue shortfalls ranging between \$9.6 billion and \$13.2 billion for New Jersey.

However, health mandated economic closures began to ease over the summer, and the unparalleled federal fiscal stimulus provided households with a significant income boost (discussed in the economic overview above). Even with growing concerns about a second wave of COVID-19 infections during the fall and winter, the State's forecast of the FY2021 revenue shortfall eased to \$5.6 billion in August and to \$4.3 billion when revenues were re-certified in early November.

The economic downturn has continued to abate, and the tax revenue impact of the second wave of COVID-19 cases has proven manageable. While State GDP remained below pre-pandemic levels and New Jersey's labor market had recovered only 57.7 percent of the pandemic job losses, other indicators improved. Consumer spending rebounded above pre-pandemic levels, the housing market surged in recent months, employee wage withholding collections began to grow, and the stock markets reached record levels.

Due to these factors, and also owing to a one-time boost from the new Pass-Through Business Alternative Income Tax (discussed below), the FY2021 revenue forecast has improved substantially. The revised revenue total for the current fiscal year of \$39.9 billion represents an increase of \$3.4 billion from the Appropriations Act level, excluding the \$4.288 billion in COVID-19 General Obligation Emergency bonds. Nevertheless, this total of \$39.9 billion is still nearly \$1.3 billion below the FY2021 GBM target of 12 months ago.

FY2022 revenues will continue to grow off the pandemic-weakened levels of FY2021, nominally increasing to \$40.9 billion, up 2.4 percent from FY2021. However, since the one-time impact of the Pass-Through Business Alternative Income Tax in FY2021 will not recur, baseline revenues excluding this factor are projected to grow by about \$1.6 billion in FY2022, or 4.0 percent above the adjusted FY2021 level. Specific revenue details are discussed below.

Pass-Through Business Alternative Income Tax

The new Pass-Through Business Alternative Income Tax (PTBAIT) was enacted last January (P.L.2019, c.320). PTBAIT provides tax relief to New Jersey taxpayers who have been negatively impacted by the cap on the federal deduction for state and local taxes (SALT). The new tax allows pass-through entities to elect to pay tax on proceeds that are distributed to its owners. In return, owners are subsequently able to claim a tax credit against their Corporation Business Tax (CBT) or Gross Income Tax (GIT) liability equal to their share of the pass-through entity's tax liability.

In the long run, the tax is expected to be revenue neutral on an annual basis because any taxes paid by the pass-through entity will result in equivalent tax credits for its members. The offsetting payments and credits are currently projected to each equal about \$1.3 billion annually. However, during the initial period in FY2021 the State is forecast to receive gross payments of about \$1.9 billion, or \$606 million in net additional PTBAIT payments that exceed the anticipated GIT and CBT credits due to the delayed timing of some of those credits. While the offsetting payments and credits from Tax Year 2020 are both anticipated during FY2021, initial quarterly estimated PTBAIT payments for Tax Year

2021 are also expected this spring. However, the offsetting credits for those estimated spring payments are not expected until the following spring during FY2022, yielding an estimated net \$606 million one-time impact in FY2021 which is not expected to recur in future fiscal years.

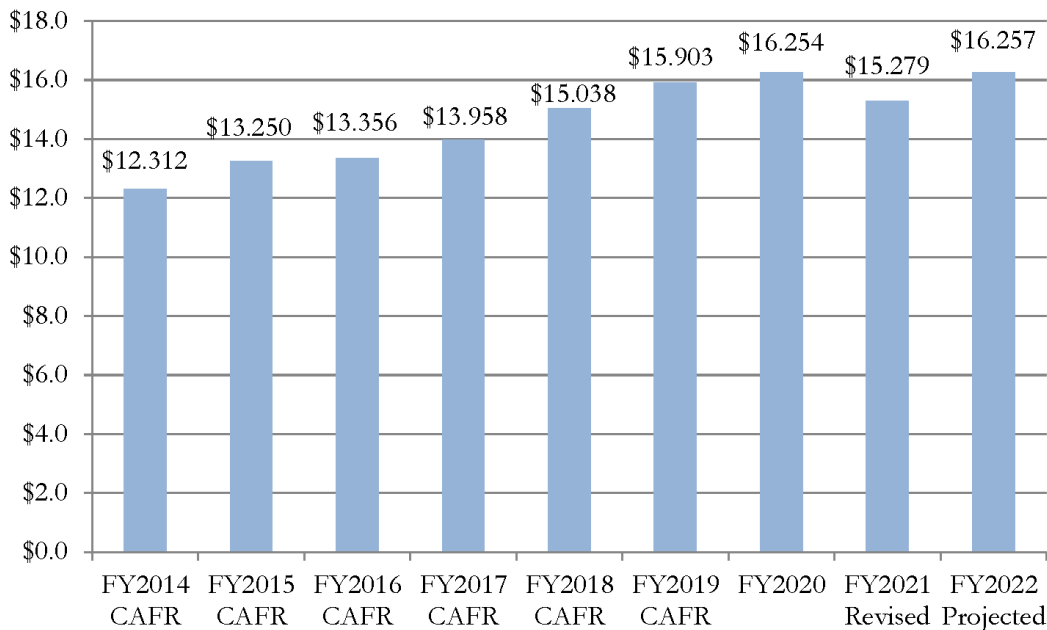
Gross Income Tax

Due to lingering effects from the pandemic-induced recession, FY2021 Gross Income Tax (GIT) revised revenues are projected to decline 6.0 percent from FY2020 levels to \$15.3 billion. However, that revised forecast is \$263.3 million more than the amount certified in the Appropriations Act. Solid growth in withholdings from employee wages has exceeded prior projections, as the protracted job losses from the pandemic have been concentrated among low-wage workers. Taxpayers with gross income under \$50,000 per year account for about 52 percent of returns but only about 8 percent of withholding collections. On the other hand, middle and higher income employment levels have largely recovered to pre-pandemic levels, boosting withholding collections. Similarly, the vigorous rebound in the stock markets during the second half of 2020 has likely moderated the recessionary impact on higher income taxpayers.

The FY2021 GIT forecast includes the extension of the “millionaires tax” or the 10.75 percent marginal levy on income between \$1 million and \$5 million, which is now estimated to yield \$514 million. Additionally, the impact of the new PTBAIT tax credits is expected to reduce GIT collections by an estimated \$853 million. These credits are not an overall loss to the State, as the corresponding amount is submitted separately by taxpayers through their annual PTBAIT payments.

Gross Income Tax

(In Billions)



Revenue Outlook

The FY2022 GIT revenue estimate of \$16.3 billion assumes total net collections grow by 6.4 percent. GIT growth resumes off the lower levels seen during the pandemic, returning to the FY2020 level. Annual PTBAIT credits will continue to constrain net GIT collections, but overall State revenues are unchanged because of the annual PTBAIT payments.

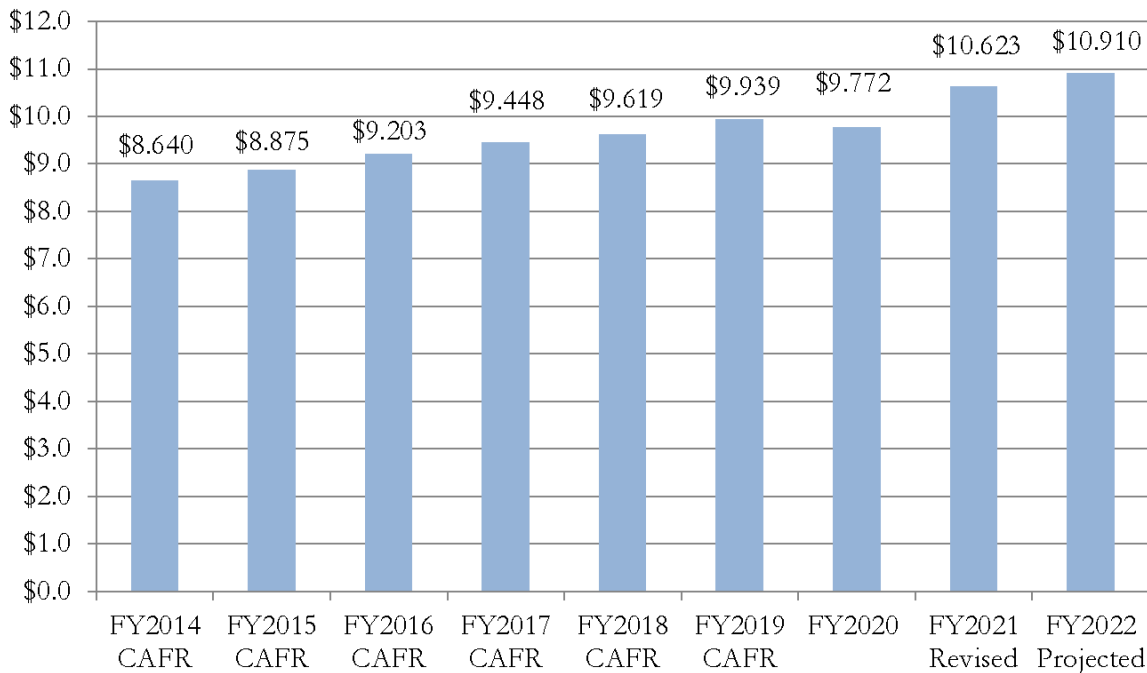
The FY2022 GIT forecast also includes two new proposed tax benefit enhancements. The Child and Dependent Care Credit will be increased and extended to include incomes up to \$150,000. The benefit will also be made refundable. Total tax savings are estimated to rise from about \$11.5 million under current law to about \$28.7 million, an increase of \$17.2 million for families. Also, the Earned Income Tax Credit will be extended to certain senior taxpayers, for an estimated new benefit of about \$8.2 million.

Sales Tax

FY2021 Sales and Use Tax revised revenues of \$10.6 billion are projected to grow 8.7 percent over FY2020 levels. This strong growth follows the sharp revenue downturn in the spring of 2020 during the peak of the pandemic-induced economic closures. The revised FY2021 forecast is \$753.7 million higher than the amount certified in the Appropriations Act.

Sales Tax

(In Billions)



Sales Tax excludes the tax on energy.

Sales Tax collections experienced historically unprecedented declines when the pandemic began in the latter part of FY2020, averaging an 18.7 percent drop during the months of April, May, and June. But consumer spending rebounded in subsequent months, driven by extraordinary federal stimulus payments, pent-up demand, and a shift in spending from non-taxable services to taxable goods. While employment and GDP remain below pre-pandemic levels, retail sales have risen above pre-pandemic levels, boosting FY2021 Sales Tax collections. Additionally, remote sellers realized substantial growth as consumers moved to online shopping during the pandemic. In FY2019, partial-year collections from remote sellers and online marketplaces yielded revenues of about \$161 million while FY2020 collections reached \$408 million for the full fiscal year. Continuing this trend, FY2021 collections are expected to surge to about \$545.7 million, a substantial increase boosted by pandemic-induced changes in consumption patterns. These factors all contributed to the strong Sales Tax rebound in FY2021.

Consumer spending is expected to expand in FY2022, but at a more modest pace as the recovery from the pandemic continues. The substantial federal stimulus payments, even if supplemented by pending federal legislation, will likely end by the second half of 2021, mitigating the strength of additional consumption growth in FY2022. Consumers are also likely to switch consumption back toward pre-pandemic levels of non-taxable services rather than taxable goods. Therefore, Sales Tax revenue is projected to rise 2.7 percent in FY2022, up \$287.1 million and reaching a total of \$10.9 billion. Within the Sales Tax total, the third full year of collections from certain remote sellers is expected to yield a total of about \$480 million, as pandemic-induced consumption patterns ease.

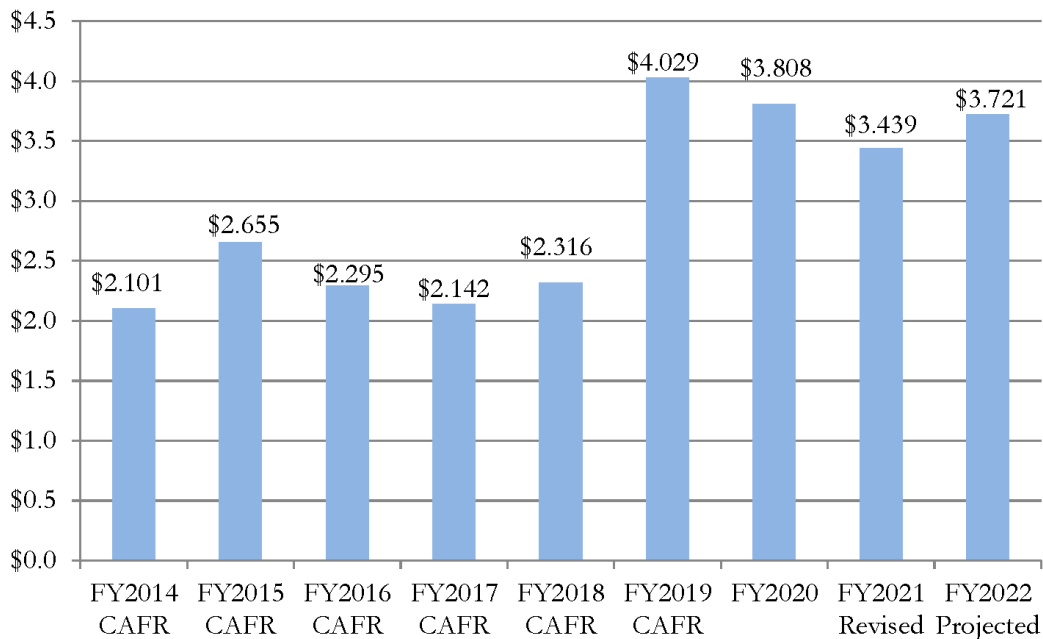
Corporation Business Tax

The FY2021 Corporation Business Tax (CBT) revised revenue projection of \$3.4 billion represents a decline of 9.7 percent below FY2020 levels, due to the pandemic-induced recession’s impact. However, the revised amount is \$191.9 million above the amount certified in the FY2021 Appropriations Act due to multiple factors pushing in opposite directions.

CBT revenues have been buffeted by both economic and statutory changes. Tax Year 2020 was squeezed by the pandemic recession, driving corporations to substantially reduce quarterly estimated payments, which were down 15.5 percent from the comparable period in Tax Year 2019. Similarly, final tax payments are expected to be reduced this coming spring. However, payment trends have been down by less than previously forecasted, boosting overall collections. On the other hand, revenue reductions are additionally expected due to an estimated \$460 million in tax credits under the new PTBAIT. However, these credits are not an overall loss to the State, as the corresponding amount is submitted separately by taxpayers through their annual PTBAIT payments. Finally, the 2.5 percent CBT surtax, extended through Tax Year 2023 is forecast to increase net CBT revenues by \$261 million in FY2021.

Corporation Business Tax

(In Billions)



Corporation Business Tax excludes the tax on energy.

FY2022 CBT revenue collections of \$3.7 billion are anticipated to be up \$282.8 million from FY2021 levels, an increase of 8.2 percent. Growth is expected to rebound off the lower collections during the pandemic, while the annual impact of the surtax continues and the effects from the PTBAIT credits stabilize.

Other Major Tax Revenues

The various economic and federal stimulus factors discussed above that have improved the State's outlook for the largest revenues such as the Gross Income Tax, the Sales and Use Tax, and the Corporation Business Tax, have also brightened the outlook for many of the smaller revenue sources. Among the most significant are the following:

- **Realty Transfer Fee.** Revenue collections fell substantially last spring, but have subsequently surged as pent-up demand combined with historically low interest rates have spurred a strong recovery in home sales. The revised FY2021 forecast of \$464.5 million is \$103.1 million higher than the original certification. Likewise, the revised forecast for the Assessment on Real Property Valued Greater than \$1 Million of \$175.7 million is \$44.4 million above the certification. Although the real estate market is projected to remain above pre-pandemic levels in FY2022, revenue collections are expected to moderate off the FY2021 peaks to \$408.0 million for the Realty Transfer Fee and to \$168.0 million for the Assessment on \$1 Million Properties.
- **Transfer Inheritance Tax.** As with many revenues, collections dropped sharply last spring, likely due in part to pandemic induced delays in estate processing. Since then, revenues have jumped, and the revised FY2021 forecast of \$524.0 million is \$165.3 million above the certified level. For FY2022, collections are expected to moderate back to \$468.0 million, which is well above pre-pandemic levels.
- **Cigarette Tax.** Cigarette sales have more than held up during the pandemic, actually halting a decades-long downward trend, in part due to a shift in consumption patterns away from electronic cigarettes and back to regular cigarettes. Accordingly, the revised FY2021 on-budget forecast of \$92.1 million is \$42.1 million above the certified level. For FY2022, on-budget collections are expected to return to the historical pattern of decline, yielding an estimated \$71.7 million. The bulk of cigarette tax collections are dedicated to certain off-budget accounts.
- **Alcohol Beverage Tax.** Alcohol sales were not impacted by the pandemic in the same way as most consumer spending. Sales for home use rose substantially, more than offsetting the loss of sales at restaurants and bars. Indeed, since alcohol taxes are volume taxes, tax receipts were pushed higher by the increase in consumption. Therefore, the revised FY2021 forecast of \$146.1 million is \$25.9 million above the certified level. For FY2022, collections are expected to moderate back to \$130.0 million, closer to pre-pandemic levels.
- **Casino Revenue.** At the start of the pandemic, as casinos were closed, tax revenues plummeted. However, online wagering and sports betting activity grew substantially, and even as the casinos re-opened, strong online activity continued. The revised FY2021 forecast of \$326.3 million is \$66.6 million above the certified level. For FY2022, collections are expected to grow to \$338.5 million.

FY2022 Budget by Department

(In Thousands)

Department	FY2021	FY2022	Change	
	Adjusted Approp.		Budget	\$
Chief Executive	\$ 7,745	\$ 7,745	-	-
Agriculture	101,579	47,403	(54,176)	(53.3)
Banking and Insurance	64,013	89,513	25,500	39.8
Children and Families	1,219,411	1,258,858	39,447	3.2
Community Affairs	980,247	1,002,326	22,079	2.3
Corrections	1,088,858	1,084,654	(4,204)	(0.4)
Education	12,394,923	13,464,781	1,069,858	8.6
Environmental Protection	540,002	423,158	(116,844)	(21.6)
Health	1,141,319	1,040,089	(101,230)	(8.9)
Human Services	6,821,138	7,285,132	463,994	6.8
Labor and Workforce Development	179,562	199,687	20,125	11.2
Law and Public Safety	735,311	739,059	3,748	0.5
Military and Veterans' Affairs	97,729	99,504	1,775	1.8
State	1,468,247	1,553,145	84,898	5.8
Transportation	2,043,483	1,770,112	(273,371)	(13.4)
Treasury	2,300,259	2,743,771	443,512	19.3
Miscellaneous Commissions	789	989	200	25.3
Total Executive Branch	\$ 31,184,615	\$ 32,809,926	1,625,311	5.2
Interdepartmental	4,976,255	6,237,097	1,260,842	25.3
Local Pensions and Health Benefits - Education and Treasury	3,487,384	4,464,939	977,555	28.0
General Obligation Debt Service - Environmental Protection and Treasury	641,205	395,207	(245,998)	(38.4)
Legislature	97,570	97,570	-	-
Judiciary	828,014	828,014	-	-
Total Appropriations *	\$ 41,215,043	\$ 44,832,753	3,617,710	8.8

*FY2021 and FY2022 exclude approximately \$1.1 billion in pension contributions funded from the Lottery Enterprise Contribution Act.

Direct State Services by Department

(In Thousands)

Department	FY2021		Change	
	Adjusted Approp	FY2022 Budget	\$	%
Chief Executive	\$ 7,745	\$ 7,745	-	-
Agriculture	6,882	7,269	387	5.6
Banking and Insurance	64,013	89,513	25,500	39.8
Children and Families	323,353	321,595	(1,758)	(0.5)
Community Affairs	48,138	49,638	1,500	3.1
Corrections	951,154	955,138	3,984	0.4
Education	89,405	90,926	1,521	1.7
Environmental Protection	250,372	253,151	2,779	1.1
Health	411,051	416,835	5,784	1.4
Human Services	288,952	278,633	(10,319)	(3.6)
Labor and Workforce Development	107,020	117,145	10,125	9.5
Law and Public Safety	644,842	690,644	45,802	7.1
Military and Veterans' Affairs	95,134	96,909	1,775	1.9
State	44,772	54,414	9,642	21.5
Transportation	137,812	52,812	(85,000)	(61.7)
Treasury	491,737	530,840	39,103	8.0
Miscellaneous Commissions	789	989	200	25.3
Total Executive Branch	\$ 3,963,171	\$ 4,014,196	51,025	1.3
Interdepartmental*	3,611,405	4,510,608	899,203	24.9
Legislature	97,570	97,570	-	-
Judiciary	828,014	828,014	-	-
Total Direct State Services	\$ 8,500,160	\$ 9,450,388	950,228	11.2

*FY2021 and FY2022 exclude \$112.0 million and \$112.5 million, respectively, in pension contributions funded from the Lottery Enterprise Contribution Act. Excluding that component, the total pension contributions for State Employees represent 44.3% of the FY2022 Interdepartmental Direct State Services budget.

School Aid

(In Millions)

	FY2021	FY2022	Change	
	Adjusted Approp.		Budget	\$
Aid to Schools				
Formula Aid	\$ 8,680.5	\$ 9,258.6	\$ 578.1	6.7
Preschool Education Aid	874.2	924.1	49.9	5.7
Commercial Valuation Stabilization Aid	20.0	20.0	-	-
Extraordinary Special Education Aid	275.0	300.0	25.0	9.1
Stabilization Aid	-	50.0	50.0	100.0
School Building Aid	21.3	20.2	(1.1)	(5.2)
Debt Service Aid	110.1	115.7	5.6	5.1
Other Aid	231.6	147.9	(83.7)	(36.1)
Total Aid to Schools	\$ 10,212.7	\$ 10,836.5	\$ 623.8	6.1
Direct State Payments for Education				
Teachers' Pension and Annuity Fund	\$ 2,060.5	\$ 3,004.2	\$ 943.7	45.8
Post Retirement Medical	1,142.0	1,136.5	(5.5)	(0.5)
Debt Service on Pension Obligation Bonds	250.6	268.8	18.2	7.3
Teachers' Social Security	821.8	839.8	18.0	2.2
Total Direct State Payments for Education	\$ 4,274.9	\$ 5,249.3	\$ 974.4	22.8
School Construction Debt Service	\$ 1,014.8	\$ 1,146.6	\$ 131.8	13.0
Total School Aid (included in GBM)	\$ 15,502.4	\$ 17,232.4	\$ 1,730.0	11.2
Additional Support from the Lottery Enterprise Contribution Act (Teachers' Pension Payments)	\$ 842.5	\$ 852.2	\$ 9.7	1.2
Grand Total School Aid	\$ 16,344.9	\$ 18,084.6	\$ 1,739.7	10.6

Higher Education

(In Thousands)

	FY 2021 Adj. Approp	FY 2022 Budget	Change \$	%
College and Universities				
Senior Public Institutions				
Operating Support	731,706	732,906	1,200	0.2
Outcomes-Based Allocation	35,343	80,343	45,000	127.3
Fringe Benefits	713,283	748,962	35,679	5.0
Independent Colleges and Universities	3,000	3,000	-	0.0
Community Colleges				
Operating Support ^(a)	117,357	139,123	21,766	18.5
Fringe Benefits	53,599	53,325	(274)	(0.5)
Total Colleges and Universities	\$ 1,654,288	\$ 1,757,659	\$ 103,371	6.2
Student Financial Assistance				
Tuition Aid Grants	437,887	437,887	-	0.0
Garden State Guarantee Implementation	-	5,000	5,000	-
Community College Opportunity Grant	21,200	27,000	5,800	27.4
Student Success Incentive Funding	5,000	5,000	-	0.0
Part-Time Tuition Aid Grants for County Colleges	8,737	8,737	-	0.0
NJSTARS I & II	6,907	6,907	-	0.0
EOF Grants and Scholarships	49,072	51,838	2,766	5.6
Governor's Urban Scholarship Program	945	945	-	0.0
Other Student Aid Programs	2,260	2,260	-	0.0
Total Student Financial Assistance	\$ 532,008	\$ 545,574	13,566	2.5
Facilities and Capital	\$ 141,344	\$ 142,074	730	0.5
Other Programs	\$ 10,232	\$ 11,954	1,722	16.8
Lottery Enterprise Contribution Act ^(b)	\$ 129,818	\$ 131,187	1,369	1.1
Total Higher Education	\$ 2,467,690	\$ 2,588,448	120,758	4.9

Notes:

(a) Includes funding from the Supplemental Workforce Fund for Basic Skills of \$33.8 million in FY2021 and \$23.8 million in FY2022.

(b) Supports fringe benefits of State-supported employees at Senior Public Institutions and Community Colleges.

**SUMMARY OF APPROPRIATIONS;
MAJOR INCREASES AND DECREASES**

This table summarizes the major increases and decreases in the fiscal year 2022 budget and is organized by category.

Categories of recommended appropriations are defined as follows:

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

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

State Aid consists of payments to or on behalf of counties, municipalities, and school districts to assist them in carrying out their local responsibilities. This category of expenditure includes school aid and municipal aid. It also includes funding for county colleges, local public assistance, and county psychiatric hospital costs.

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

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

**APPROPRIATIONS;
MAJOR INCREASES AND DECREASES
(millions of dollars)**

	<u>Increases</u>	<u>Decreases</u>	<u>Net Change</u>
State Operations			
Pensions - State Employees.....	\$ 543.110		
State Active and Retiree Employee Health Benefits.....	229.223		
Central Salary Program.....	124.930		
State Police - Replace One-Time Resources.....	28.060		
NJ Health Plan Savings Subsidies.....	25.000		
Debt Service.....	23.992		
Tax System Modernization.....	19.500		
Tort Claims Liability Fund.....	15.000		
Next Generation 9-1-1.....	13.000		
Permit Modernization.....	7.500		
Internet Infrastructure for Inmates.....	5.000		
State Police - 163rd Recruit Class.....	4.500		
Department of Health Staffing Increases.....	4.200		
Unemployment Processing Modernization and Improvements.....	3.875		
Hep C Treatment of Offenders with Substance Use Disorder.....	3.700		
Earn Your Way Out - Parole.....	3.067		
Business Marketing Initiative.....	3.000		
Other (Net).....	38.171		
Subtotal - State Operations Increases	<u>\$ 1,094.828</u>		
Winter Operations.....		\$ (95.000)	
Corrections Consolidation & Efficiencies Savings.....		(14.000)	

**APPROPRIATIONS;
MAJOR INCREASES AND DECREASES
(millions of dollars)**

	<u>Increases</u>	<u>Decreases</u>	<u>Net Change</u>
Employer Taxes.....		(13.703)	
Procurement Efficiencies.....		(10.000)	
Developmental Centers - Shift to Non-State Funds.....		(8.611)	
Psychiatric Hospitals - Shift to Non-State Funds.....		(3.286)	
Subtotal - State Operations Decreases		\$ (144.600)	
Net Change (State Operations)			\$ 950.228

Grants-In-Aid

Middle Class Tax Rebate Program.....	\$ 319.000
NJ Family Care Health Care.....	271.019
Offshore Wind Port Project, Direct Appropriation.....	200.000
SDA Project Funding, Direct Appropriation.....	200.000
NJ FamilyCare - Replacement of One-Time Savings Initiatives.....	164.800
Continue 10% Nursing Facility Rate Increase.....	87.000
Costs Due to Minimum Wage Increase.....	85.871
SDA Capital Maintenance and Emergent Needs Grants.....	75.000
Pensions - Higher Education.....	64.126
Children's System of Care - Stabilization and Rate Rebalancing.....	62.857
Continue 20% Division of Developmental Disabilities Residential Provider Rate Increase.....	56.756
Higher Education Funding Formula.....	50.000
Child Care - Trend and Replace One-Time Resources.....	43.842
State Active and Retiree Employee Health Benefits.....	26.528
Lending Partnerships.....	25.000
Cover All Kids Initiative.....	20.000
NJSEA - Keegan Landfill Capping and Ventilation.....	20.000
Supplemental Prenatal Program.....	15.000
Gubernatorial Elections Fund - General Election.....	14.886
Local Aid and Economic Development Grants.....	13.500
Enhanced Charity Care Payment.....	10.000
Future of Work Initiatives.....	10.000
Redevelopment Investment Fund.....	10.000
Urban Site Acquisition Fund.....	10.000
Black and Latino Seed Fund.....	10.000
University Hospital Capital Growth.....	8.500
Medicaid Expansion - 365 Days Postpartum.....	8.500
Community College Opportunity Grant.....	7.000
Expand Pharmaceutical Assistance to the Aged Income Limits.....	6.850
Legal Services of New Jersey.....	6.000
Mental Health Supportive Housing Subsidies.....	5.178
Pay It Forward Fund.....	5.000
Child Care Provider Pilot Programs.....	5.000
Earn Your Way Out - Parole.....	4.737
Youth Service Commissions - Juvenile Justice.....	4.200
Union County - Clark Reservoir.....	4.000
Newark West Side Community Center.....	4.000
Wildwood Boardwalk.....	4.000
Garret Mountain Reservation Improvement Project.....	3.400

**APPROPRIATIONS;
MAJOR INCREASES AND DECREASES
(millions of dollars)**

	<u>Increases</u>	<u>Decreases</u>	<u>Net Change</u>
AIDS Grants.....	3.000		
Newark Homeless Housing Program.....	3.000		
Coalition to End Domestic Violence.....	3.000		
Release Support Partnership Program.....	3.000		
Hudson County Reentry Pilot Program.....	3.000		
<i>Subtotal - Grants-In-Aid Increases</i>	<u>\$ 1,956.550</u>		
NJ Transit State Subsidy - Shift to Non-State Resources.....		\$ (286.146)	
NJ FamilyCare Net Shift to Non-State Resources.....		(281.813)	
Developmental Disabilities Trend and Shift to Non-State Resources.....		(70.995)	
Division of Child Protection and Permanency Trend.....		(22.851)	
Preserve New Jersey.....		(19.005)	
Homestead Benefit Program Trend.....		(15.000)	
Children's System of Care - Shift to Non-State Resources.....		(10.820)	
Medicaid Prescription Drug Utilization Savings.....		(10.000)	
Corrections Community Services Trend.....		(10.000)	
Employer Taxes.....		(8.146)	
Debt Service.....		(7.249)	
Temporary Suspension of Transfers from County Jails.....		(4.200)	
Other (Net).....		(86.129)	
<i>Subtotal - Grants-In-Aid Decreases</i>		<u>\$ (832.354)</u>	
<i>Net Change (Grants-In-Aid)</i>			<u>\$ 1,124.196</u>
State Aid			
Pensions.....	\$ 960.814		
School Aid Increase.....	578.104		
Debt Service.....	156.255		
Stabilization Aid.....	50.000		
Preschool Education Aid.....	49.901		
Pensions - Local Employees.....	44.675		
Extraordinary Special Education Aid.....	25.000		
Employer Taxes.....	18.079		
Support of Patients in County Psychiatric Hospitals.....	15.504		
Extend Veterans Property Tax Deduction to Peacetime Veterans.....	15.456		
Regional School District Consolidation.....	10.000		
General Assistance - Remove Drug Conviction Prohibition.....	6.840		
County Colleges Operating Aid.....	5.000		
Neighborhood Preservation (P.L.1975, c.248 and c.249).....	5.000		
Lead Testing For Schools.....	5.000		
<i>Subtotal - State Aid Increases</i>	<u>\$ 1,945.628</u>		
Charter School Aid Trend.....		\$ (33.568)	
Post Retirement Medical.....		(10.607)	
Supplemental Security Income Trend.....		(7.799)	
Veterans' Property Tax Deduction Trend.....		(3.856)	
Vote By Mail Application Legislation.....		(3.000)	
Other (Net).....		(65.526)	
<i>Subtotal - State Aid Decreases</i>		<u>\$ (124.356)</u>	
<i>Net Change (State Aid)</i>			<u>\$ 1,821.272</u>

**APPROPRIATIONS;
MAJOR INCREASES AND DECREASES
(millions of dollars)**

	<u>Increases</u>	<u>Decreases</u>	<u>Net Change</u>
Capital Construction			
Debt Service.....	\$ 81.571		
Capital Improvements, Statewide.....	48.107		
Beach Replenishment Projects.....	20.000		
State House Complex Generators.....	8.000		
Capital Security Committee.....	5.000		
CBT Appropriation Adjustment: Capital.....	4.007		
Life Safety, Emergency and IT Projects.....	3.875		
135 W. Hanover Street - Interior Renovations.....	3.500		
Other (Net).....	0.250		
<i>Subtotal - Capital Construction Increases</i>	<u>\$ 174.310</u>		
Preserve New Jersey.....		\$ (200.298)	
Economic Development and Infrastructure Improvement Revolving Fund.....		(6.000)	
<i>Subtotal - Capital Construction Decreases</i>		<u>\$ (206.298)</u>	
<i>Net Change (Capital Construction)</i>			<u>\$ (31.988)</u>
Debt Service			
General Obligation Debt Service.....		\$ (245.998)	
<i>Subtotal - Debt Service Decreases</i>		<u>\$ (245.998)</u>	
<i>Net Change (Debt Service)</i>			<u>\$ (245.998)</u>
GRAND TOTAL	<u>\$ 5,171.316</u>	<u>\$ (1,553.606)</u>	<u>\$ 3,617.710</u>

TABLE I
SUMMARY OF FISCAL YEAR 2021-22 APPROPRIATION RECOMMENDATIONS
(thousands of dollars)

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

	2021 Adjusted Approp.	2022 Recommended	----- Change ----- Dollar	Percent
GENERAL FUND AND PROPERTY TAX RELIEF FUND				
State Aid and Grants	29,820,766	32,694,054	2,873,288	9.6 %
State Operations				
Executive Branch	3,901,311	3,950,842	49,531	1.3
Legislature	97,570	97,570	-	0.0
The Judiciary	828,014	828,014	-	0.0
Interdepartmental	3,611,405	4,510,608	899,203	24.9
Total State Operations	8,438,300	9,387,034	948,734	11.2 %
Capital Construction	1,966,096	1,934,108	(31,988)	(1.6)
Debt Service	641,205	395,207	(245,998)	(38.4)
TOTAL GENERAL FUND AND PROPERTY TAX RELIEF FUND	40,866,367	44,410,403	3,544,036	8.7 %
CASINO CONTROL FUND	60,897	62,391	1,494	2.5
CASINO REVENUE FUND	276,032	338,479	62,447	22.6
GUBERNATORIAL ELECTIONS FUND	11,747	21,480	9,733	82.9
GRAND TOTAL STATE APPROPRIATIONS	41,215,043	44,832,753	3,617,710	8.8 %

TABLE II
SUMMARY OF FISCAL YEAR 2021-22 APPROPRIATION RECOMMENDATIONS
(thousands of dollars)

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

Year Ending June 30, 2020						Year Ending June 30, 2022		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2021 Adjusted Approp.	Requested	Recom- mended
8,066,444	612,700	224,433	8,903,577	7,941,661	General Fund			
10,169,109	131,558	-21,934	10,278,733	10,077,425	Direct State Services	8,438,300	9,388,059	9,387,034
695,328	72,131	55,571	823,030	693,949	Grants-in-Aid	11,142,485	12,382,810	12,209,499
1,595,962	224,951	-52,236	1,768,677	1,395,707	State Aid	2,898,606	3,579,494	3,576,044
315,515	---	---	315,515	315,509	Capital Construction	1,734,832	1,702,844	1,702,844
					Debt Service	641,205	395,207	395,207
20,842,358	1,041,340	205,834	22,089,532	20,424,251	Total General Fund	24,855,428	27,448,414	27,270,628
17,297,346	2,796	-180,846	17,119,296	17,031,103	Property Tax Relief Fund	16,010,939	17,151,591	17,139,775
55,767	1,766	---	57,533	50,458	Casino Control Fund	60,897	62,391	62,391
262,822	46	---	262,868	262,529	Casino Revenue Fund	276,032	338,479	338,479
---	3	---	3	---	Gubernatorial Elections Fund	11,747	21,480	21,480
38,458,293	1,045,951	24,988	39,529,232	37,768,341	GRAND TOTAL STATE	41,215,043	45,022,355	44,832,753
					APPROPRIATIONS			

TABLE III
SUMMARY OF APPROPRIATIONS BY ORGANIZATION

(thousands of dollars)

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

Year Ending June 30, 2020					Year Ending June 30, 2022			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended		2021 Adjusted Approp.	Requested	Recommended
<u>DIRECT STATE SERVICES</u>								
Legislative Branch								
16,077	5,796	---	21,873	14,538	Senate	16,690	16,690	16,690
22,717	9,098	---	31,815	22,177	General Assembly	23,208	23,208	23,208
29,881	4,589	1,899	36,369	33,071	Legislative Support Services	40,514	40,514	40,514
12,272	9,056	---	21,328	17,075	Legislative Commissions	17,158	17,158	17,158
80,947	28,539	1,899	111,385	86,861	Total Legislative Branch	97,570	97,570	97,570
Executive Branch								
5,929	1,809	1	7,739	7,253	Chief Executive	7,745	7,745	7,745
5,995	9,969	4,745	20,709	10,932	Department of Agriculture	6,882	7,269	7,269
140,613	1,031	1	141,645	89,630	Department of Banking and Insurance	64,013	89,513	89,513
290,701	4,773	22,909	318,383	311,742	Department of Children and Families	323,353	321,595	321,595
42,864	31,490	-1,797	72,557	62,102	Department of Community Affairs	48,138	49,638	49,638
933,274	15,382	65,198	1,013,854	880,272	Department of Corrections	951,154	955,138	955,138
87,732	4,141	365	92,238	89,408	Department of Education	89,405	90,926	90,926
247,506	66,027	7,731	321,264	271,918	Department of Environmental Protection	250,372	253,151	253,151
367,715	13,304	9,000	390,019	331,683	Department of Health	411,051	416,835	416,835
290,260	34,648	35,738	360,646	324,719	Department of Human Services	288,952	278,633	278,633
289,389	34,602	35,738	359,729	323,917	(From General Fund)	288,081	277,762	277,762
871	46	---	917	802	(From Casino Revenue Fund)	871	871	871
98,271	33,872	1,053	133,196	120,761	Department of Labor and Workforce Development	107,020	117,145	117,145
628,654	155,002	60,975	844,631	702,036	Department of Law and Public Safety	644,842	690,644	690,644
580,062	153,626	60,975	794,663	656,785	(From General Fund)	591,450	635,571	635,571
48,500	1,376	---	49,876	45,159	(From Casino Control Fund)	53,300	54,981	54,981
92	---	---	92	92	(From Casino Revenue Fund)	92	92	92
93,275	11,755	1	105,031	84,596	Department of Military and Veterans' Affairs	95,134	96,909	96,909
43,988	1,169	5,788	50,945	44,699	Department of State	44,772	55,439	54,414
62,793	9,113	5,150	77,056	72,387	Department of Transportation	137,812	52,812	52,812
477,663	43,901	5,781	527,345	476,818	Department of the Treasury	491,737	530,840	530,840
470,396	43,511	5,781	519,688	471,519	(From General Fund)	484,140	523,430	523,430
7,267	390	---	7,657	5,299	(From Casino Control Fund)	7,597	7,410	7,410
665	---	12	677	673	Miscellaneous Commissions	789	989	989
3,817,898	437,386	222,651	4,477,935	3,881,629	Total Executive Branch	3,963,171	4,015,221	4,014,196
3,761,168	435,574	222,651	4,419,393	3,830,277	(From General Fund)	3,901,311	3,951,867	3,950,842
55,767	1,766	---	57,533	50,458	(From Casino Control Fund)	60,897	62,391	62,391
963	46	---	1,009	894	(From Casino Revenue Fund)	963	963	963
Interdepartmental Accounts								
187,002	1,295	10,940	199,237	198,275	Property Rentals	189,451	182,032	182,032
126,728	569	---	127,297	113,826	Insurance and Other Services	126,228	141,228	141,228
2,880,161	5,000	159,025	3,044,186	2,914,003	Employee Benefits	3,199,941	3,967,300	3,967,300
29,742	6,689	-625	35,806	25,902	Other Interdepartmental Accounts	23,192	22,525	22,525
149,800	95,645	-115,286	130,159	9,810	Salary Increases and Other Benefits	11,000	135,930	135,930
61,593	37	-14,500	47,130	41,087	Utilities and Other Services	61,593	61,593	61,593

Appendix

Year Ending June 30, 2020					Year Ending June 30, 2022			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended		2021 Adjusted Approp.	Requested	Recommended
3,435,026	109,235	39,554	3,583,815	3,302,903	<u>DIRECT STATE SERVICES</u>			
Total Interdepartmental Accounts					3,611,405	4,510,608	4,510,608	
Judicial Branch								
789,303	39,352	-39,671	788,984	721,620	The Judiciary	828,014	828,014	828,014
789,303	39,352	-39,671	788,984	721,620	Total Judicial Branch	828,014	828,014	828,014
8,123,174	614,512	224,433	8,962,119	7,993,013	Total Direct State Services			
8,066,444	612,700	224,433	8,903,577	7,941,661	(From General Fund)	8,438,300	9,388,059	9,387,034
55,767	1,766	---	57,533	50,458	(From Casino Control Fund)	60,897	62,391	62,391
963	46	---	1,009	894	(From Casino Revenue Fund)	963	963	963
GRANTS-IN-AID								
Executive Branch								
14,918	645	---	15,563	14,958	Department of Agriculture	25,213	26,918	26,918
853,322	1,063	16,352	870,737	844,486	Department of Children and Families	896,058	937,263	937,263
78,411	9,207	7,886	95,504	72,579	Department of Community Affairs	104,808	139,503	139,503
100,334	1,419	---	101,753	98,959	Department of Corrections	114,204	106,016	106,016
9,910	---	---	9,910	2,225	Department of Education	5,585	282,100	282,100
9,910	---	---	9,910	2,225	(From General Fund)	5,085	281,600	281,600
---	---	---	---	---	(From Property Tax Relief Fund)	500	500	500
2,025	2,796	-384	4,437	3,441	Department of Environmental Protection	1,214	4,614	4,614
618,507	12,234	2,117	632,858	630,004	Department of Health	730,268	623,254	623,254
617,978	12,234	2,117	632,329	629,475	(From General Fund)	729,752	622,738	622,738
529	---	---	529	529	(From Casino Revenue Fund)	516	516	516
5,673,734	66,651	47,990	5,788,375	5,707,162	Department of Human Services	6,140,634	6,594,698	6,594,698
5,410,600	66,651	47,990	5,525,241	5,444,388	(From General Fund)	5,864,277	6,255,894	6,255,894
4,000	---	---	4,000	3,864	(From Property Tax Relief Fund)	4,000	4,000	4,000
259,134	---	---	259,134	258,910	(From Casino Revenue Fund)	272,357	334,804	334,804
73,542	---	2,003	75,545	75,122	Department of Labor and Workforce Development	72,542	82,542	82,542
71,346	---	2,003	73,349	72,926	(From General Fund)	70,346	80,346	80,346
2,196	---	---	2,196	2,196	(From Casino Revenue Fund)	2,196	2,196	2,196
18,364	145	---	18,509	17,302	Department of Law and Public Safety	87,469	45,415	45,415
18,364	142	---	18,506	17,302	(From General Fund)	75,722	23,935	23,935
---	3	---	3	---	(From gubernatorial Elections Fund)	11,747	21,480	21,480
2,664	---	---	2,664	2,637	Department of Military and Veterans' Affairs	2,595	2,595	2,595
1,239,946	18,050	-45,349	1,212,647	1,205,118	Department of State	1,380,470	1,630,037	1,458,726
457,466	2,082	31	459,579	458,423	Department of Transportation	386,146	113,500	113,500
564,280	16,283	---	580,563	531,407	Department of the Treasury	768,139	1,129,966	1,127,966
203,980	16,208	---	220,188	180,249	(From General Fund)	273,439	650,266	648,266
360,300	75	---	360,375	351,158	(From Property Tax Relief Fund)	494,700	479,700	479,700
9,707,423	130,575	30,646	9,868,644	9,663,823	Total Executive Branch			
9,081,264	130,497	30,646	9,242,407	9,047,166	(From General Fund)	9,929,329	10,875,225	10,701,914
364,300	75	---	364,375	355,022	(From Property Tax Relief Fund)	499,200	484,200	484,200
261,859	---	---	261,859	261,635	(From Casino Revenue Fund)	275,069	337,516	337,516
---	3	---	3	---	(From gubernatorial Elections Fund)	11,747	21,480	21,480
Interdepartmental Accounts								
963,642	---	-12,580	951,062	946,184	Employee Benefits	1,066,428	1,149,716	1,149,716
40,000	---	-40,000	---	---	Other Interdepartmental Accounts	43,992	43,992	43,992
93,067	1,061	-190	93,938	92,714	Aid to Independent Authorities	116,889	328,032	328,032

Appendix

Year Ending June 30, 2020					Year Ending June 30, 2022			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended		2021 Adjusted Approp.	Requested	Recommended
					<u>CAPITAL CONSTRUCTION</u>			
---	4,049	3,832	7,881	1,533	Department of Corrections	---	---	---
---	135	---	135	23	Department of Education	---	---	---
209,019	154,092	-3,984	359,127	68,099	Department of Environmental Protection	276,192	152,169	152,169
---	4,158	---	4,158	402	Department of Health	---	---	---
---	1,088	3,861	4,949	225	Department of Human Services	---	---	---
---	1,501	3,859	5,360	1,737	Department of Law and Public Safety	---	---	---
---	1,891	1,442	3,333	1,253	Department of Military and Veterans' Affairs	---	---	---
1,412,200	---	---	1,412,200	1,412,198	Department of Transportation	1,496,095	1,577,190	1,577,190
1,212,200	---	---	1,212,200	1,212,198	(From General Fund)	1,296,095	1,377,190	1,377,190
200,000	---	---	200,000	200,000	(From Property Tax Relief Fund)	200,000	200,000	200,000
---	---	300	300	---	Department of the Treasury	---	---	---
1,680,205	167,549	-49,051	1,798,703	1,485,814	Total Executive Branch	1,828,555	1,729,359	1,729,359
1,480,205	167,549	-49,051	1,598,703	1,285,814	(From General Fund)	1,628,555	1,529,359	1,529,359
200,000	---	---	200,000	200,000	(From Property Tax Relief Fund)	200,000	200,000	200,000
					<u>Interdepartmental Accounts</u>			
147,021	57,402	-3,185	201,238	141,100	Capital Projects - Statewide	137,541	204,749	204,749
115,757	57,402	-3,185	169,974	109,893	(From General Fund)	106,277	173,485	173,485
31,264	---	---	31,264	31,207	(From Property Tax Relief Fund)	31,264	31,264	31,264
147,021	57,402	-3,185	201,238	141,100	Total Interdepartmental Accounts	137,541	204,749	204,749
115,757	57,402	-3,185	169,974	109,893	(From General Fund)	106,277	173,485	173,485
31,264	---	---	31,264	31,207	(From Property Tax Relief Fund)	31,264	31,264	31,264
1,827,226	224,951	-52,236	1,999,941	1,626,914	Total Capital Construction	1,966,096	1,934,108	1,934,108
1,595,962	224,951	-52,236	1,768,677	1,395,707	(From General Fund)	1,734,832	1,702,844	1,702,844
231,264	---	---	231,264	231,207	(From Property Tax Relief Fund)	231,264	231,264	231,264
					<u>DEBT SERVICE</u>			
					<u>Executive Branch</u>			
42,626	---	---	42,626	42,623	Department of Environmental Protection	34,821	32,069	32,069
301,760	---	---	301,760	301,757	Department of the Treasury	606,384	363,138	363,138
272,889	---	---	272,889	272,886	(From General Fund)	606,384	363,138	363,138
28,871	---	---	28,871	28,871	(From Property Tax Relief Fund)	---	---	---
344,386	---	---	344,386	344,380	Total Executive Branch	641,205	395,207	395,207
315,515	---	---	315,515	315,509	(From General Fund)	641,205	395,207	395,207
28,871	---	---	28,871	28,871	(From Property Tax Relief Fund)	---	---	---
344,386	---	---	344,386	344,380	Total Debt Service	641,205	395,207	395,207
315,515	---	---	315,515	315,509	(From General Fund)	641,205	395,207	395,207
28,871	---	---	28,871	28,871	(From Property Tax Relief Fund)	---	---	---
38,458,293	1,045,951	24,988	39,529,232	37,768,341	GRAND TOTAL - STATE APPROPRIATIONS	41,215,043	45,022,355	44,832,753
20,842,358	1,041,340	205,834	22,089,532	20,424,251	(From General Fund)	24,855,428	27,448,414	27,270,628
55,767	1,766	---	57,533	50,458	(From Casino Control Fund)	60,897	62,391	62,391
17,297,346	2,796	-180,846	17,119,296	17,031,103	(From Property Tax Relief Fund)	16,010,939	17,151,591	17,139,775
262,822	46	---	262,868	262,529	(From Casino Revenue Fund)	276,032	338,479	338,479
---	3	---	3	---	(From Gubernatorial Elections Fund)	11,747	21,480	21,480

DEBT SERVICE
(thousands of dollars)

Year Ending June 30, 2020						Year Ending June 30, 2022		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2021 Adjusted Approp.	Requested	Recom- mended
67,361	---	---	67,361	67,355	Interest on Bonds	424,620	250,697	250,697
277,025	---	---	277,025	277,025	Bond Redemption	216,585	144,510	144,510
344,386	---	---	344,386	344,380	Total Appropriation	641,205	395,207	395,207
11	---	---	11	11	Clean Waters Bonds (P.L. 1976, c. 92)	---	---	---
1,040	---	---	1,040	1,040	Water Supply Bonds (P.L. 1981, c. 261)	551	---	---
243,699	---	---	243,699	243,698	Refunding Bonds (P.L. 1985, c. 74, as amended by P.L. 1992, c. 182)	181,463	100,903	100,903
63	---	---	63	63	Pinelands Infrastructure Trust Bonds (P.L. 1985, c. 302)	---	---	---
748	---	---	748	748	Hazardous Discharge Bonds (P.L. 1986, c. 113)	1,151	745	745
423	---	---	423	422	Stormwater Management and Combined Sewer Overflow Abatement Bonds (P.L. 1989, c. 181)	446	260	260
525	---	---	525	525	New Jersey Open Space Preservation Bonds (P.L. 1989, c. 183)	349	346	346
562	---	---	562	562	Green Acres, Clean Water, Farmland and Historic Preservation Bonds (P.L. 1992, c. 88)	---	---	---
224	---	---	224	223	Green Acres, Farmland and Historic Preservation and Blue Acres Bonds (P.L. 1995, c. 204)	222	226	226
3,434	---	---	3,434	3,434	Port of New Jersey Revitalization, Dredging Bonds (P.L. 1996, c. 70)	3,685	3,303	3,303
1,425	---	---	1,425	1,425	Dam, Lake, Stream, Water Resources, and Wastewater Treatment Project Bonds (P.L. 2003, c. 162)	263	260	260
10,667	---	---	10,667	10,667	Green Acres, Farmland, Blue Acres, and Historic Preservation Bonds (P.L. 2007, c. 119)	3,417	3,423	3,423
23,504	---	---	23,504	23,503	Green Acres, Water Supply and Floodplain Protection, and Farmland and Historic Preservation Bonds (P.L. 2009, c. 117)	24,737	23,506	23,506
57,433	---	---	57,433	57,432	Building our Future Bonds (P.L. 2012, c. 41)	57,437	57,437	57,437
---	---	---	---	---	New Jersey Library Construction Bonds (P.L. 2017, c. 149)	2,752	---	---
---	---	---	---	---	Securing our Children's Future Bonds (P.L. 2018, c. 119)	4,732	4,732	4,732
---	---	---	---	---	COVID-19 General Obligation Emergency Bonds (P.L. 2020, c. 60)	---	166,304	166,304
628	---	---	628	627	Payments on Future Bond Sales	360,000	33,762	33,762
344,386	---	---	344,386	344,380	Total Appropriation	641,205	395,207	395,207

SUMMARY
ESTIMATED REVENUES, EXPENDITURES AND UNDESIGNATED FUND BALANCES
BUDGETED STATE FUNDS
(thousands of dollars)

	----- Fiscal Year Ending June 30 -----		
	2021 Estimated	2022 Estimated	Change
Beginning Balances July 1			
Undesignated Fund Balances			
General Fund	2,154,543	4,920,029	2,765,486
Surplus Revenue Fund	6,665	1,421,869	1,415,204
Property Tax Relief Fund	1,829	---	(1,829)
Casino Control Fund	---	---	---
Casino Revenue Fund	---	---	---
Gubernatorial Elections Fund	1,096	---	(1,096)
<i>Total Undesignated Fund Balances</i>	<u>2,164,133</u>	<u>6,341,898</u>	<u>4,177,765</u>
State Revenues			
General Fund	27,671,239	23,319,734	(4,351,505)
Property Tax Relief Fund	16,139,540	17,139,775	1,000,235
Casino Control Fund	59,391	62,391	3,000
Casino Revenue Fund	326,259	338,479	12,220
Gubernatorial Elections Fund	700	700	---
<i>Total State Revenues</i>	<u>44,197,129</u>	<u>40,861,079</u>	<u>(3,336,050)</u>
Other Adjustments			
General Fund			
Balances lapsed	1,061,042	---	(1,061,042)
From/(To) Property Tax Relief Fund	208,618	---	(208,618)
From/(To) Casino Control Fund	91	---	(91)
From/(To) Casino Revenue Fund	50,690	---	(50,690)
From/(To) Gubernatorial Elections Fund	(9,951)	(20,780)	(10,829)
From/(To) Surplus Revenue Fund	(1,415,204)	1,421,869	2,837,073
From/(To) Reserved Fund Balance	54,389	(177,423)	(231,812)
Property Tax Relief Fund			
Balances lapsed	78,188	---	(78,188)
From/(To) General Fund	(208,618)	---	208,618
Casino Control Fund			
Balances lapsed	1,597	---	(1,597)
From/(To) General Fund	(91)	---	91
Casino Revenue Fund			
Balances lapsed	463	---	(463)
From/(To) General Fund	(50,690)	---	50,690
Gubernatorial Elections Fund			
Balances lapsed	---	---	---
From/(To) General Fund	9,951	20,780	10,829
Surplus Revenue Fund			
Balances lapsed	---	---	---
From/(To) General Fund	1,415,204	(1,421,869)	(2,837,073)
<i>Total Other Adjustments</i>	<u>1,195,679</u>	<u>(177,423)</u>	<u>(1,373,102)</u>
<i>Total Available</i>	<u>47,556,941</u>	<u>47,025,554</u>	<u>(531,387)</u>
Appropriations			
General Fund	24,855,428	27,270,628	2,415,200
Property Tax Relief Fund	16,010,939	17,139,775	1,128,836
Casino Control Fund	60,897	62,391	1,494
Casino Revenue Fund	276,032	338,479	62,447
Gubernatorial Elections Fund	11,747	21,480	9,733
<i>Total Appropriations</i>	<u>41,215,043</u>	<u>44,832,753</u>	<u>3,617,710</u>
Ending Balances June 30			
Undesignated Fund Balances			
General Fund	4,920,029	2,192,801	(2,727,228)
Surplus Revenue Fund	1,421,869	---	(1,421,869)
Property Tax Relief Fund	---	---	---
Casino Control Fund	---	---	---
Casino Revenue Fund	---	---	---
Gubernatorial Elections Fund	---	---	---
<i>Total Undesignated Fund Balances</i>	<u>6,341,898</u>	<u>2,192,801</u>	<u>(4,149,097)</u>

STATE REVENUES
FISCAL YEARS 2021 AND 2022 ESTIMATES
(thousands of dollars)

	FY 2021 Approp Act	FY 2021 Revised	FY 2021 Change	FY 2022 Estimate	FY 2021 to FY 2022 Change
Major Revenues					
Sales Tax	\$9,869,100	\$10,622,800	\$753,700	\$10,909,900	\$287,100
Gross Income Tax	15,015,600	15,278,940	263,340	16,257,475	978,535
Energy Tax Receipts - Sales Tax	788,492	788,492	---	788,492	---
Sales Tax Dedication-PTRF	801,600	860,600	59,000	882,300	21,700
Sales-Energy	11,608	80,508	68,900	81,508	1,000
Sales Tax Dedication-General Fund	(781,100)	(842,400)	(61,300)	(864,100)	(21,700)
Corporation Business	3,246,600	3,438,500	191,900	3,721,300	282,800
Corporation Business-Energy	3,800	7,100	3,300	9,800	2,700
Business Alternative Income Tax	0	1,919,300	1,919,300	1,300,000	(619,300)
Motor Fuels	440,200	436,800	(3,400)	458,500	21,700
Transfer Inheritance	358,700	524,000	165,300	468,000	(56,000)
Motor Vehicle Fees	515,628	515,628	---	447,074	(68,554)
Casino Revenue Fund	259,644	326,259	66,615	338,479	12,220
Estate Tax	10,000	3,700	(6,300)	---	(3,700)
Insurance Premium	555,000	502,300	(52,700)	605,000	102,700
Cigarette	49,969	92,088	42,119	71,673	(20,415)
Petroleum Products Gross Receipts	1,635,140	1,621,600	(13,540)	1,789,200	167,600
Petroleum Products Gross Receipts-Capital Reserves	(791,745)	(805,610)	(13,865)	(882,510)	(76,900)
Corporation Banks and Financial Institutions	160,000	78,200	(81,800)	60,000	(18,200)
Alcoholic Beverage Excise	120,200	146,100	25,900	130,000	(16,100)
Realty Transfer	361,400	464,500	103,100	408,000	(56,500)
Tobacco Products Wholesale Sales	25,195	35,689	10,494	33,016	(2,673)
Public Utility Excise (Reform)	18,700	22,000	3,300	22,000	---
Total Major Revenues	32,673,731	36,117,094	3,443,363	37,035,107	918,013
Miscellaneous Taxes, Fees, Revenues, Transfers					
New Jersey COVID-19 State Emergency Fund – Premium	0	616,340	616,340	---	(616,340)
New Jersey COVID-19 State Emergency Fund - Borrowing	4,500,000	3,672,360	(827,640)	---	(3,672,360)
Other Energy Taxes	140,000	140,100	100	147,000	6,900
Assessment on Real Property Greater Than \$1 Million	131,300	175,700	44,400	168,000	(7,700)
Medicaid Uncompensated Care	460,565	476,655	16,090	409,608	(67,047)
Good Driver	91,938	91,938	---	81,965	(9,973)
Hotel/Motel Occupancy Tax	80,200	83,300	3,100	107,000	23,700
Fringe Benefit Recoveries	848,713	831,435	(17,278)	972,430	140,995
Interfund Transfers	526,731	528,334	1,603	475,578	(52,756)
Casino Control	60,897	59,391	(1,506)	62,391	3,000
Gubernatorial Elections Fund	700	700	---	700	---
Other Miscellaneous	1,460,145	1,403,782	(56,363)	1,401,300	(2,482)
Total Miscellaneous Taxes, Fees, Revenues, Transfers	8,301,189	8,080,035	(221,154)	3,825,972	(4,254,063)
TOTAL STATE REVENUES	\$40,974,920	\$44,197,129	\$3,222,209	\$40,861,079	(\$3,336,050)

SCHEDULE 1 STATE REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2020 Actual	2021 Estimated	2022 Estimated
Major Taxes:			
Sales	9,772,104	10,622,800	10,909,900
Energy Tax Receipts - Sales Tax	788,492	788,492	788,492
Sales - Energy	13,899	80,508	81,508
Less: Sales Tax Dedication	(798,057)	(842,400)	(864,100)
Corporation Business	3,807,935	3,438,500	3,721,300
Corporation Business - Energy	3,690	7,100	9,800
Petroleum Products Gross Receipts	1,338,378	1,621,600	1,789,200
Less: Petroleum Products Gross Receipts - Capital Reserves	(578,541)	(805,610)	(882,510)
Business Alternative Income Tax	---	1,919,300	1,300,000
Insurance Premium	622,321	502,300	605,000
Transfer Inheritance	386,734	524,000	468,000
Motor Fuels	440,369	436,800	458,500
Motor Vehicle Fees	420,275	515,628	447,074
Realty Transfer	364,742	464,500	408,000
Alcoholic Beverage Excise	121,803	146,100	130,000
Cigarette	80,082	92,088	71,673
Corporation Banks and Financial Institutions	282,984	78,200	60,000
Tobacco Products Wholesale Sales	27,283	35,689	33,016
Public Utility Excise (Reform)	18,002	22,000	22,000
Estate Tax	---	3,700	---
<i>Total Major Taxes</i>	<u>17,112,495</u>	<u>19,651,295</u>	<u>19,556,853</u>
Miscellaneous Taxes, Fees, and Revenues:			
Executive Branch--			
Department of Agriculture:			
Animal Disease Control	433	---	---
Environmental Services	91	---	---
Fertilizer Inspection Fees	855	366	366
Milk Control Licenses and Fees	247	---	---
Miscellaneous Revenue	366	2	2
Subtotal, Department of Agriculture	<u>1,992</u>	<u>368</u>	<u>368</u>
Department of Banking and Insurance:			
Actuarial Services	9	30	30
Banking - Assessments	11,852	13,145	13,145
Banking - Licenses and Other Fees	1,746	1,900	1,900
Fraud Fines	1,642	1,300	1,300
HMO Covered Lives	21	50	50
Insurance - Examination Billings	412	600	600
Insurance - Licenses and Other Fees	49,237	50,000	50,000
Insurance - Special Purpose Assessment	33,588	38,535	38,535
Insurance Fraud Prevention	24,536	28,967	29,467
Public Adjusters Licensing	4	---	---
Real Estate Commission	3,811	12,000	3,900
Subtotal, Department of Banking and Insurance	<u>126,858</u>	<u>146,527</u>	<u>138,927</u>
Department of Children and Families:			
Child Care Licensing	246	275	275
Contract Recoveries	15,320	17,500	17,500
Divorce Filing Fees	1,149	1,350	1,350
Marriage License/Civil Union Fees	1,157	1,150	1,150
Subtotal, Department of Children and Families	<u>17,872</u>	<u>20,275</u>	<u>20,275</u>
Department of Community Affairs:			
Affordable Housing and Neighborhood Preservation - Fair Housing	---	20,535	16,035
Boarding Home Fees	942	---	---
Construction Fees	22,557	19,200	17,134
Fire Safety	36,002	17,755	17,755
Housing Inspection Fees	13,289	11,057	11,057
Miscellaneous Revenue	127	---	---
New Jersey Housing and Mortgage Finance Agency	---	5,000	---
Planned Real Estate Development Fees	1,133	750	750
Subtotal, Department of Community Affairs	<u>74,050</u>	<u>74,297</u>	<u>62,731</u>

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

	-----Fiscal Year Ending June 30-----		
	2020 Actual	2021 Estimated	2022 Estimated
Department of Corrections:			
Miscellaneous Revenue	25	---	---
Department of Education:			
Audit Recoveries	52	143	120
Audit of Enrollments	1,093	1,027	1,086
Nonpublic Schools Handicapped and Auxiliary Recoveries	10,324	---	---
Nonpublic Schools Textbook Recoveries	3,945	7,485	4,027
School Construction Inspection Fees	684	890	890
State Board of Examiners	4,526	4,554	4,554
Subtotal, Department of Education	20,624	14,099	10,677
Department of Environmental Protection:			
Air Pollution Fees - Minor Sources	7,319	7,900	7,900
Air Pollution Fees - Title V Operating Permits	3,597	3,500	3,500
Air Pollution Fines	1,538	850	850
Clean Water Enforcement Act	2,623	1,900	1,900
Coastal Area Facility Review Act	2,121	1,800	1,800
Endangered Species Tax Check-Off	133	182	182
Environmental Infrastructure Financing Program Administrative Fee	4,499	5,000	5,000
Excess Diversion	164	133	150
Freshwater Wetlands Fees	3,764	3,100	3,100
Freshwater Wetlands Fines	177	225	170
Hazardous Discharge Site Cleanup	9,275	---	---
Hazardous Waste Fees	322	5,300	2,700
Hazardous Waste Fines	750	650	650
Hunters' and Anglers' Licenses	14,572	13,070	12,570
Industrial Site Recovery Act	31	50	30
Laboratory Certification Fees	2,202	2,200	2,200
Laboratory Certification Fines	78	50	50
Marina Rentals	1,143	885	885
Marine Lands - Preparation and Filing Fees	2,235	150	150
Medical Waste	5,245	5,250	5,250
Miscellaneous Revenue	1,476	---	---
New Jersey Pollutant Discharge Elimination System/Stormwater Permits	16,700	16,700	16,700
New Jersey Spill Compensation Fund	5,384	---	---
Parks Management Fees and Permits	5,342	4,300	4,300
Parks Management Fines	53	80	60
Pesticide Control Fees	5,656	4,400	4,400
Pesticide Control Fines	83	75	75
Radiation Protection Fees	3,271	5,100	3,300
Radiation Protection Fines	234	150	175
Radon Testers Certification	173	315	300
Safe Drinking Water Fund	100	---	---
Solid Waste - Utility Regulation Assessments	4,925	3,100	3,100
Solid Waste Fines	2,727	945	1,000
Solid Waste Management Fees	5,366	11,800	5,700
Solid and Hazardous Waste Disclosure	195	200	200
Stream Encroachment	5,762	3,800	3,800
Toxic Catastrophe Prevention Fees	1,183	1,713	1,700
Toxic Catastrophe Prevention Fines	143	100	100
Treatment Works Approval	1,810	1,500	1,500
Underground Storage Tanks Fees	500	500	500
Water Allocation	5,385	2,425	2,425
Water Supply Management Regulations	1,423	1,303	1,303
Water/Wastewater Operators Licenses	492	210	210
Waterfront Development Fees	2,864	3,100	3,100
Waterfront Development Fines	76	30	30
Well Permits/Well Drillers/Pump Installers Licenses	1,702	1,100	1,100
Wetlands	198	125	125
Worker Community Right to Know - Fees	256	---	---
Subtotal, Department of Environmental Protection	135,267	115,266	104,240
Department of Health:			
Admission Charge Hospital Assessment	6,000	6,000	6,000
Clinical Laboratory	1,451	---	---
Federal Funds - Graduate Medical Education	139,758	136,004	128,502
Health Care Reform	1,200	1,200	1,200

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

	-----Fiscal Year Ending June 30-----		
	2020	2021	2022
	Actual	Estimated	Estimated
Interim Assistance	273	---	---
Licenses, Fines, Permits, Penalties and Fees	11,355	5,000	5,000
Miscellaneous Revenue	172	50	50
Patients' and Residents' Cost Recovery - Psychiatric Hospitals	80,260	79,642	79,642
Subtotal, Department of Health	240,469	227,896	220,394
Department of Human Services:			
Commission for the Blind	190	---	---
Early Periodic Screening, Diagnosis and Treatment	14,723	15,631	15,631
Medicaid Uncompensated Care - Acute	296,621	245,830	196,751
Medicaid Uncompensated Care - Mental Health	28,477	28,205	26,649
Medicaid Uncompensated Care - Psychiatric	193,442	202,620	186,208
Miscellaneous Revenue	10,912	6,425	6,425
Patients' and Residents' Cost Recovery - Developmental Disabilities	13,598	12,923	12,903
School Based Medicaid	61,078	43,563	43,563
Subtotal, Department of Human Services	619,041	555,197	488,130
Department of Labor and Workforce Development:			
Council on Gender Parity	58	---	---
Examination Fees	1,885	---	---
Merit Systems Board Appeals Fees	97	---	---
Miscellaneous Revenue	142	110	85
Special Compensation Fund	1,903	1,998	2,028
State Disability Benefits Fund	2,996	---	---
Training Fees	2,084	---	---
Workers' Compensation Assessment	23,305	13,988	14,067
Workplace Standards - Licenses, Permits and Fines	13,825	6,858	6,858
Subtotal, Department of Labor and Workforce Development	46,295	22,954	23,038
Department of Law and Public Safety:			
Beverage Licenses	4,199	4,199	4,199
Casino Fines	364	---	---
Charities Registration Section	2,581	556	556
Consumer Affairs	18,014	830	830
Controlled Dangerous Substances	2,311	1,100	1,100
Criminal Disposition	203	---	---
Elevator, Escalator and Moving Walkway Mechanics Licensing Board	244	44	41
Fantasy Sports Operations Fee	1,191	1,300	1,300
Forfeiture Funds	250	250	250
Legal Services	62,770	---	---
Legalized Games of Chance Control	1,624	1,200	1,200
Miscellaneous Revenue	315	25	25
New Jersey Cemetery Board	87	2	3
Private Employment Agencies	658	258	258
Recreational Boating	1,624	2,000	2,000
Retired Officer Handgun Permit	534	---	---
Securities Enforcement	40,107	36,394	36,394
Settlements	2,059	---	---
State Board of Architects	1,180	213	405
State Board of Audiology and Speech-Language Pathology Advisory	1,317	21	543
State Board of Certified Psychoanalysts	2	1	1
State Board of Certified Public Accountants	193	756	57
State Board of Chiropractors	1,145	17	495
State Board of Cosmetology and Hairstyling	2,535	2,268	563
State Board of Court Reporting	175	12	77
State Board of Dentistry	4,817	138	2,093
State Board of Electrical Contractors	493	486	207
State Board of HVAC Contractors	1,128	54	545
State Board of Marriage Counselor Examiners	712	473	225
State Board of Massage and Bodyworks	156	338	95
State Board of Master Plumbers	169	237	45
State Board of Medical Examiners	6,431	5,899	2,070
State Board of Mortuary Science	560	103	180
State Board of Nursing	14,363	2,835	5,625
State Board of Occupational Therapists and Assistants	1,342	18	495
State Board of Ophthalmic Dispensers and Ophthalmic Technicians	711	13	203
State Board of Optometrists	75	241	21

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

	-----Fiscal Year Ending June 30-----		
	2020 Actual	2021 Estimated	2022 Estimated
State Board of Orthotics and Prosthetics	8	23	2
State Board of Pharmacy	1,577	1,269	540
State Board of Physical Therapy	1,655	22	585
State Board of Polysomnography	9	50	4
State Board of Professional Engineers and Land Surveyors	1,670	203	720
State Board of Professional Planners	308	3	135
State Board of Psychological Examiners	173	324	50
State Board of Real Estate Appraisers	1,838	17	642
State Board of Respiratory Care	568	7	252
State Board of Social Workers	421	755	72
State Board of Veterinary Medical Examiners	163	199	50
State Police - Fingerprint Fees	13,575	6,238	3,696
State Police - Other Licenses	314	333	333
State Police - Private Detective Licenses	102	185	185
Victim and Witness Advocacy Fund	568	---	---
Victims of Violent Crime Compensation	5,594	3,372	3,372
Weights and Measures - General	4,329	2,612	2,612
Subtotal, Department of Law and Public Safety	209,511	77,893	75,351
Department of Military and Veterans' Affairs:			
Miscellaneous Revenue	5,368	---	---
Soldiers' Homes	51,873	51,000	53,000
Subtotal, Department of Military and Veterans' Affairs	57,241	51,000	53,000
Department of State:			
New Jersey World Trade Center Scholarship Program	2	---	---
Department of Transportation:			
Air Safety Fund	1,730	965	965
Applications and Highway Permits	2,674	2,500	2,500
Autonomous Transportation Authorities	24,500	24,500	24,500
Casualty Losses	2,703	350	350
Drunk Driving Fines	232	400	400
Good Driver	69,661	91,938	81,965
Logo Sign Program Fees	599	300	300
Maritime Program Receipts	1,586	1,900	1,900
Miscellaneous Revenue	19	40	40
Outdoor Advertising	1,388	740	740
Placarded Railcar	108	---	---
Rental Receipts - Tenant Relocation Program	467	---	---
Subtotal, Department of Transportation	105,667	123,633	113,660
Department of the Treasury:			
Assessment on Real Property Greater Than \$1 Million	138,981	175,700	168,000
Assessments - Cable TV	3,817	4,158	4,826
Assessments - Public Utility	26,908	29,037	32,052
Asset Value Optimization	---	---	20,000
CATV Universal Access	6,601	6,600	6,600
Commercial Recording - Expedited	1,535	1,150	1,150
Commissions (Notary)	1,629	1,673	1,673
Contract Compliance Fees	617	---	---
Cost Assessment	4,571	---	---
Domestic Security	33,751	25,920	33,780
Equipment Leasing Fund - Debt Service Recovery	---	1,898	1,901
General Revenue - Fees (Commercial Recording and UCC)	94,329	100,200	100,200
Higher Education Capital Improvement Fund - Debt Service Recovery	---	24,063	24,160
Hotel/Motel Occupancy Tax	85,216	83,300	107,000
Investment Earnings	46,559	6,600	6,600
Miscellaneous Revenue	6,556	4,400	4,400
NJ Economic Development Authority	---	10,000	---
NJ Public Records Preservation	34,617	36,132	36,132
Nuclear Emergency Response Assessment	3,360	3,417	2,543
Office of Information Technology Receipts	53,304	---	---
Prequalification Fees	100	---	---
Public Defender Client Receipts	3,911	4,000	4,000
Public Finance Activities	1,388	---	---
Public Utility Fines	340	750	1,200

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

	-----Fiscal Year Ending June 30-----		
	2020 Actual	2021 Estimated	2022 Estimated
Public Utility Gross Receipts and Franchise Taxes (Water/Sewer)	136,606	140,100	147,000
Railroad Tax - Class II	4,974	5,200	5,200
Railroad Tax - Franchise	12,795	12,710	12,710
Rate Counsel	7,248	7,250	7,250
Ridesharing	32,457	23,200	36,200
Sports Betting	21,610	24,000	26,600
Surplus Property	1,285	1,700	1,700
Telephone Assessment	127,370	127,086	127,086
Tire Clean-Up Surcharge	9,532	10,400	10,400
Subtotal, Department of the Treasury	<u>901,967</u>	<u>870,644</u>	<u>930,363</u>
Other Sources:			
Miscellaneous Revenue	4,821	3,000	3,000
Interdepartmental Accounts:			
Administration and Investment of Pension and Health Benefit Funds - Recoveries	2,929	2,810	2,810
Employee Maintenance Deductions	314	300	300
Federal Fringe Benefit Recoveries from School Districts	76,125	91,255	107,391
Fringe Benefit Recoveries from Colleges and Universities/University Hospital	228,777	250,849	281,656
Fringe Benefit Recoveries from Federal and Other Funds	339,141	424,672	516,138
Indirect Cost Recoveries - DEP Other Funds	12,482	12,400	12,400
MTF Revenue Fund	1,263	---	---
Miscellaneous Revenue	19	---	---
Rent of State Building Space	3,118	2,950	2,950
Social Security Recoveries from Federal and Other Funds	64,050	64,659	67,245
Standard Offer Payments - Utilities	58	---	---
Subtotal, Interdepartmental Accounts	<u>728,276</u>	<u>849,895</u>	<u>990,890</u>
Judicial Branch--			
The Judiciary:			
Civil Arbitration Program	1,814	---	---
Court Fees	39,859	35,966	38,259
Miscellaneous Revenue	275	---	---
Pretrial Services Program - 21st Century Justice Improvement Fund	18,205	14,000	14,000
Subtotal, The Judiciary	<u>60,153</u>	<u>49,966</u>	<u>52,259</u>
<i>Total Miscellaneous Taxes, Fees, and Revenues</i>	<u>3,350,131</u>	<u>3,202,910</u>	<u>3,287,303</u>
Interfund Transfers:			
Beaches and Harbor Fund	15	1	1
Building Our Future Fund	783	52	27
Clean Energy Fund	5,000	40,000	---
Clean Waters Fund	1	---	---
Cultural Centers and Historic Preservation Fund	1	---	---
Dam, Lake, Stream and Flood Control Project Fund - 2003	91	7	3
Developmental Disabilities Waiting List Reduction Fund	28	2	3
Energy Conservation Fund	5	---	---
Enterprise Zone Assistance Fund	42,234	40,122	40,122
Fund for the Support of Free Public Schools	8,522	5,751	5,272
Garden State Green Acres Preservation Trust Fund	5,805	6,113	6,113
Hazardous Discharge Fund	3	---	---
Hazardous Discharge Site Cleanup Fund	19,533	19,749	19,749
Housing Assistance Fund	75	8	8
Jobs, Education and Competitiveness Fund	1	---	---
Judiciary Bail Fund	50	4	4
Judiciary Probation Fund	103	10	10
Judiciary Special Civil Fund	53	3	3
Judiciary Superior Court Miscellaneous Fund	48	4	3
Legal Services Fund	7,806	8,000	8,500
Mortgage Assistance Fund	385	1,508	89
Motor Vehicle Security Responsibility Fund	4	---	---
NJ Bridge Rehab. and Improvement and R.R. Right-of-Way Preservation Fund	38	3	4
Natural Resources Fund	9	1	1
New Jersey COVID-19 State Emergency Fund - Borrowing	---	3,672,360	---
New Jersey COVID-19 State Emergency Fund - Premium	---	616,340	---
New Jersey Cultural Trust	---	4,100	---
New Jersey Insurance Annuity Trust Fund	224	---	---

Appendix

SCHEDULE 1 STATE REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2020 Actual	2021 Estimated	2022 Estimated
New Jersey Spill Compensation Fund	15,056	17,833	17,833
New Jersey Workforce Development Partnership Fund	30,616	32,603	32,712
Pollution Prevention Fund	755	1,059	1,059
Public Purpose Buildings and Community-Based Facilities Construction Fund	4	---	---
Safe Drinking Water Fund	2,105	2,691	2,691
Shore Protection Fund	32	2	1
State Disability Benefit Fund	30,074	39,106	39,223
State Land Acquisition and Development Fund	5	---	---
State Owned Real Property Trust Fund	1,141	4,465	10
State Recycling Fund	3,000	3,000	---
State of New Jersey Cash Management Fund	1,556	1,556	1,556
Statewide Transportation and Local Bridge Fund	65	6	6
Supplemental Workforce Fund for Basic Skills	10,571	11,114	11,114
Unclaimed Insurance Payments on Deposit Accounts Trust Fund	96	8	8
Unclaimed Personal Property Trust Fund	210,000	210,000	210,000
Unclaimed Utility Deposits Trust Fund	52	3	3
Unemployment Compensation Auxiliary Fund	4,192	4,218	4,218
Universal Service Fund	67,650	67,650	67,650
Water Conservation Fund	13	1	1
Water Supply Fund	3,600	4,715	4,715
Worker and Community Right to Know Fund	2,304	2,866	2,866
<i>Total Interfund Transfers</i>	<u>473,704</u>	<u>4,817,034</u>	<u>475,578</u>
Total State Revenues General Fund	<u>20,936,330</u>	<u>27,671,239</u>	<u>23,319,734</u>
PROPERTY TAX RELIEF FUND			
Gross Income Tax	16,253,725	15,278,940	16,257,475
Sales Tax Dedication	820,834	860,600	882,300
<i>Total Property Tax Relief Fund</i>	<u>17,074,559</u>	<u>16,139,540</u>	<u>17,139,775</u>
CASINO CONTROL FUND			
Investment Earnings	12	---	---
License Fees	50,325	59,391	62,391
<i>Total Casino Control Fund</i>	<u>50,337</u>	<u>59,391</u>	<u>62,391</u>
CASINO REVENUE FUND			
Casino Simulcasting Fund	104	172	172
Gross Revenue Tax	135,364	153,300	162,020
Internet Gaming	103,310	145,050	145,500
Investment Earnings	1,655	---	---
Other Casino Taxes and Fees	5,837	8,096	9,029
Sports Betting	16,195	19,641	21,758
<i>Total Casino Revenue Fund</i>	<u>262,465</u>	<u>326,259</u>	<u>338,479</u>
GUBERNATORIAL ELECTIONS FUND			
Taxpayers' Designations	253	700	700
TOTAL STATE REVENUES	<u>38,323,944</u>	<u>44,197,129</u>	<u>40,861,079</u>

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

	-----Fiscal Year Ending June 30-----		
	2020 Actual	2021 Estimated	2022 Estimated
Dedicated:			
Chief Executive:			
State Authority Review and Oversight	760	775	775
Department of Agriculture:			
Animal Disease Control	---	370	375
Beneficial Insect Laboratory	---	80	80
Blueberry Council	218	310	205
Commodity Distribution	---	2,790	1,740
Cranberry Council	174	100	100
Dairy Fee Administration	888	497	516
Dairy Industry Promotion Account	76	70	70
Development Potential Transfer Bank Administration	14	50	50
Environmental Services	---	125	125
Farm Products Publicity Fund	11	25	25
Food Distribution Assessment	38	75	60
Fruit and Vegetable Grading Service	1,553	1,045	1,116
Future Farmers of America - Student Loans from Department of Education	84	145	145
Highlands Open Space Partnership Funding Program	400	---	---
Horse Breeding and Development Fund	120	170	170
Hunger Initiative/Food Assistance Program	23	30	40
Marketing and Development Services	---	916	916
NJ Farm to School Program	7	215	215
New Jersey Hemp Farming Fund	---	80	100
Nursery Inspection Program	---	200	285
Organic Certification	418	329	336
Plant Pest and Disease Control	---	35	35
Poultry Service	12	170	11
Sire Stakes	2,181	1,600	1,600
Standardbred Breeder Awards	65	122	2
Stormwater Discharge Administration Chp. 251	112	156	156
Wine Promotion Program	302	250	250
Miscellaneous	15	29	18
Subtotal, Department of Agriculture	<u>6,711</u>	<u>9,984</u>	<u>8,741</u>
Department of Banking and Insurance:			
Consumer Protection Services and Solvency Regulation	30	---	---
Individual Health Care Program Assessments	277	---	---
New Jersey Reinsurance Program	---	250	250
Small Employer Health Benefits	505	454	454
Miscellaneous	21	---	---
Subtotal, Department of Banking and Insurance	<u>833</u>	<u>704</u>	<u>704</u>
Department of Children and Families:			
Children's Trust Fund	10	180	180
Contribution to Care	581	150	150
Criminal History Record Checks	512	120	120
Displaced Homemaker - Workforce Development Partnership Fund	2,550	2,550	2,550
Domestic Violence Fund	294	315	300
Education Services	42,724	43,527	43,527
Government Benefits - Social Security	342	---	---
Grants to Displaced Homemaker Centers	574	688	670
Legally Responsible Relatives - Out-of-Home Placements	6,232	2,154	5,000
Legally Responsible Relatives - Probation Supplement	1,300	1,300	1,300
Old Age Survivors Insurance	2,132	3,692	2,092
Women's Services	---	150	100
Miscellaneous	195	---	---
Subtotal, Department of Children and Families	<u>57,446</u>	<u>54,826</u>	<u>55,989</u>
Department of Community Affairs:			
Boarding Home Regulation and Assistance	---	900	900
Community Development Block Grant-Disaster Recovery Program Income	3,329	---	---
Fire Certification Program	65	145	150
Housing Code Enforcement	---	3,076	3,434

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

	-----Fiscal Year Ending June 30-----		
	2020 Actual	2021 Estimated	2022 Estimated
Housing Services	81,491	95,003	95,003
Landscape Irrigation Contractor Certification	59	100	100
Lead Hazard Control Assistance Fund	178	180	180
Neighborhood Revitalization Tax Credit	9,160	15,000	15,000
New Home Warranty Program	1,796	2,500	2,500
Reduced Cigarette Ignition Propensity & Firefighter Protection Fund	183	60	25
Uniform Construction Code	---	6,576	7,375
Uniform Fire Code	---	19,541	19,745
Universal Service Fund	6,067	8,556	8,556
Urban Enterprise Zone Authority Administration	993	1,350	1,350
Urban Housing Assistance Program	663	---	---
Miscellaneous	4,500	5,025	5,025
Subtotal, Department of Community Affairs	<u>108,484</u>	<u>158,012</u>	<u>159,343</u>
Department of Corrections:			
Administration and Support Services	22,675	21,502	16,065
Biodegradable Materials - Clean Energy Fund	---	---	1,100
Pre-Release Employment Navigation and Re-Entry Services Program	530	530	600
State Facilities Education Act (SFEA)	2,636	2,257	2,410
Miscellaneous	652	---	---
Subtotal, Department of Corrections	<u>26,493</u>	<u>24,289</u>	<u>20,175</u>
Department of Education:			
Katzenbach One on One Aides	1,116	1,100	1,186
Katzenbach Summer Program	340	345	260
Marie H. Katzenbach School for the Deaf - Tuition from Local Boards	6,094	6,127	5,481
Office of Fiscal Accountability and Compliance	1,691	1,742	1,742
Professional Learning Recruitment and Preparation	---	226	195
Rental of Vacant Building Space	196	196	9
School District Deficit Relief	---	10,835	16,835
Miscellaneous	25	76	76
Subtotal, Department of Education	<u>9,462</u>	<u>20,647</u>	<u>25,784</u>
Department of Environmental Protection:			
Administrative Costs - Natural Resources Damages	---	1,570	1,570
Administrative Costs Water Supply Bond Act of 1981 - Watershed and Aquifer	---	44	---
Battleship New Jersey Memorial Fund	102	120	120
Board of Tree Experts	336	175	175
Coastal Area Development Review Act Program	---	100	100
Drinking Water State Revolving Fund - Capacity Development	97	125	125
Drinking Water State Revolving Fund - Operator Certification	257	125	125
Drinking Water State Revolving Fund - Program Administration	673	1,400	1,400
Drinking Water State Revolving Fund - Small System Technical Assistance	140	125	125
Drinking Water State Revolving Fund - Source Water Program Administration	62	125	125
Electronic Waste	400	750	420
Endangered and Nongame Species Wildlife Fund	97	100	100
Environmental Infrastructure Financing Program Loan Fund	---	2,600	2,600
Exotic and Nongame Species Inspection Fund	104	120	100
Expenses of the Delaware and Raritan Canal Commission	512	450	500
Forest Resource Management Special Revenue	253	250	235
Global Warming Solutions Fund - Administration	---	1,650	2,960
Green Acres/Open Space Administration	---	403	403
HR-6 Flood Control	611	---	---
Hazardous Discharge Site Cleanup Fund - Responsible Party	---	14,579	15,106
Historic Buildings Waterloo Village	---	3,200	3,200
Hunters' and Anglers' License Fund	---	1,501	1,701
Lake Hopatcong Fund	429	500	500
Low Emission Vehicle Program	151	150	150
Mammography Quality Standards Act	436	380	387
Morris Canal Improvements at Waterloo Village	---	700	700
Natural Resource Damages - Constitutional Dedication	22,015	15,000	---
New Jersey Shade Tree and Community Forestry Program	127	260	260
Nuclear Emergency Response	---	---	1,202
Nuclear Emergency Response - Decommissioning Costs	2,500	1,500	75

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

	-----Fiscal Year Ending June 30-----		
	2020	2021	2022
	Actual	Estimated	Estimated
Nuclear Regulatory Commission - Agreement State Program	2,687	2,200	2,500
Oil Spill Prevention	---	359	364
Oyster Cultch Fund	197	200	200
Oyster Reef Restoration	---	150	150
Palisades Interstate Park Commission (PIPC) - Court Fund Revenue	---	575	700
Palisades Interstate Park Commission (PIPC) - Gas Station Revenue	---	2,270	2,270
Palisades Interstate Park Commission (PIPC) - Operating Fund Revenue	---	882	1,139
Parks Management	---	4,100	4,100
Parks Management Revolving Fund	2,087	2,000	2,500
Pesticide Control	---	1,300	1,300
Pollution Prevention	---	274	251
Recreational Fisheries Survey	270	270	600
Recycling of Solid Waste	1,016	1,350	1,350
Regulation of Freshwater Wetlands	---	300	300
Remediation Management	---	10,076	10,259
Safe Drinking Water Fund	---	661	688
Science and Research	2,672	3,000	3,068
Shellfish Enforcement	183	170	170
Shore Protection Fund Projects	1,275	2,000	5,000
Shore Protection License Plates	456	650	650
Site Remediation Professional Licensing Board	664	625	660
Skylands Manor	187	265	265
Solid Waste Utility Regulation	---	1,900	1,900
State Public Water System Supervision Program	1,348	2,100	2,100
State Recycling Fund - County and Local Grants	21,492	24,300	24,300
State Revolving Fund - Administrative Costs	3,809	4,000	4,000
Stewardship Incentive Fund	---	4,000	4,000
Stormwater Construction Permit Fees	511	500	500
Stream Encroachment	---	300	300
Tidelands Peak Demands	---	3,654	3,803
Water Allocation	---	2,875	2,875
Water Pollution Control	---	2,400	2,400
Water/Wastewater Operators Licenses	---	250	250
Waterfront Development Shellfish Mitigation	222	145	145
Waterloo Road Amphibian Passage	---	600	600
Well Permits, Well Driller, Pump Installer Licenses	---	400	400
Worker and Community Right to Know Act	---	410	397
Miscellaneous	5,347	1,069	1,052
Subtotal, Department of Environmental Protection	73,725	130,582	121,970
Department of Health:			
AIDS Drug Distribution Program Rebates	89,073	63,000	63,000
Administrative Overhead - Non State Program	1,413	1,500	1,500
Animal Population Control Program	134	250	250
Anti-Smoking Cigarette Tax Dedication	6,016	6,165	5,904
Brain Injury Research Fund	2,931	4,000	4,000
Certificate of Need Program	381	977	977
Charity Care	269,000	269,000	279,000
Child Care / School Certification Program	402	1,100	1,100
Civil Monetary Penalty - Nursing Home Penalty Revenue	285	---	---
Clinical Laboratory Improvement Services	---	150	150
Consumer Health Penalties	---	3,719	3,724
Early Care & Education Learning Collaborative	---	500	500
Early Intervention Program (EIP) Copays	---	11,800	11,800
Electronic Death Registration Support Fund	2,088	675	675
Emergency Medical Services	125	546	546
Emergency Medical Services for Children	154	154	154
Emergency Medical Technician Training Fund	158	201	201
Federally Qualified Health Centers	35,292	32,000	32,000
First Response Emergency Medical Technician Cardiac Training Program	61	179	179
Governor's Council for Medical Research and Treatment of Autism	2,931	3,814	3,814
Health Care Facility Regulation and Oversight	---	2,900	2,900
Health Care Planning	10,267	8,900	8,900
Hospital Delivery System Reform Incentive Payments	20,655	---	---
Interim Assistance	---	353	265
Laboratory Services	---	1,500	1,500

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

	-----Fiscal Year Ending June 30-----		
	2020 Actual	2021 Estimated	2022 Estimated
Medical Examiner Services	12,366	11,750	14,250
Mental Health Fees	443	442	442
New Jersey Breast Cancer Research Fund	111	---	---
New Jersey Health Information Technology Commission	1,000	1,000	1,000
New Jersey Turnpike Authority / Garden State Parkway Food Inspections	350	350	350
Newborn Screening, Follow-up and Treatment	3,379	4,306	4,306
Osteosarcoma Surveillance Study	---	25	25
Personal Needs Allowance	---	450	450
Public Health Protection Services	---	890	890
Quality Improvement Program - New Jersey (QIP-NJ)	---	20,655	20,655
Rabies Control Program	357	475	475
Surveillance, Epidemiology, and End Results (SEER) - Patterns of Care	---	19	19
Vital Statistics	---	840	845
Wholesale Drug Program	---	100	100
Women, Infants, and Children (WIC) Rebates	33,024	40,000	40,000
Miscellaneous	4,975	6,591	6,598
Subtotal, Department of Health	<u>497,371</u>	<u>501,276</u>	<u>513,444</u>
Department of Human Services:			
Alcohol Education Rehabilitation and Enforcement Fund	1,202	1,800	1,800
Alcohol Treatment Fund Program	7,500	7,500	7,500
Catastrophic Illness in Children Relief Fund	7,448	10,084	10,161
Client Copayments - Developmental Disabilities	10,979	10,979	10,979
Commission for the Blind	---	195	195
Cop to Cop Program	400	400	400
Health Care Subsidy Fund - NJ FamilyCare	524,852	661,865	661,865
Hospital Mental Health Offset Payments	12,327	12,327	12,327
Internet Gaming Permits for Compulsive Gambling Programs	2,850	2,950	2,950
NJ FamilyCare Children	69,977	198,844	198,603
NJ FamilyCare Children - Individual Share	22,230	32,362	---
NJ FamilyCare Drug Manufacturer Rebates	998,348	860,000	860,000
Nursing Home Provider Assessment Fee	152,766	160,000	130,000
Office of the Public Guardian	---	2,757	2,757
PAAD Drug Manufacturer Rebates	52,038	52,038	50,000
Personal Needs Allowance	---	150	150
Racing Commission Funds for Compulsive Gambling Treatment	200	200	200
SSA Reimbursement to Enhance Vocational Rehabilitation	853	350	350
Senior Gold Drug Manufacturer Rebates	750	150	150
Traumatic Brain Injury	3,333	3,700	3,700
Work First New Jersey Child Care and Support Services	35,000	35,000	35,000
Work First New Jersey Emergency Utility Payments	693	4,758	4,758
Work First New Jersey Technology Investment - Child Support Incentives	16,201	15,456	38,410
Miscellaneous	138	---	144
Subtotal, Department of Human Services	<u>1,920,085</u>	<u>2,073,865</u>	<u>2,032,399</u>
Department of Labor and Workforce Development:			
Asbestos Notification Fees	---	500	500
Child Labor Enforcement	460	---	---
Council on Gender Parity	---	72	72
Data for the American Dream	500	---	---
Enforcement of Workplace Standards - Receipts	---	8,599	8,099
General Administration, Agency Services, Test Development and Analytics	---	1,500	2,500
Merit Systems Board	---	50	50
New Jersey Builders' Utilization for Labor Diversity	6,904	3,494	3,494
Private Disability Insurance Plan	---	1,388	1,388
Public Works Contractor Registration	---	1,932	1,932
Special Compensation Fund	174,108	191,706	191,906
State Disability Benefits Fund - Joint Tax Functions	---	9,000	9,000
State Disability Benefits Fund - Reengineering Study	---	1,000	1,000
State Disability Insurance Plan	---	6,844	6,844
Unemployment Compensation Auxiliary Fund	---	550	550
Unemployment Compensation Auxiliary Fund - Collection Activities	6,000	7,800	15,000
Unemployment Compensation Auxiliary Fund - Disadvantaged Youth Employment	---	50	50
Unemployment Compensation Auxiliary Fund - EITC Notification	---	150	150
Uninsured Employer's Fund	2,346	3,017	3,017

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

	-----Fiscal Year Ending June 30-----		
	2020	2021	2022
	Actual	Estimated	Estimated
Urban Enterprise Zone - Administrative Costs	---	30	30
Vocational Rehabilitation Services - Extended Employment	20,000	20,500	20,500
Vocational Rehabilitation Services - State Match	825	2,000	2,000
Workers' Compensation	---	10,433	10,533
Workforce Development Partnership Fund - Parolee Employment Placement Program	1,627	2,000	2,000
Workforce Development Partnership Fund - Work First New Jersey	17,676	21,500	21,500
Workforce Development Partnership Fund - Workforce Initiatives	7,673	22,500	22,500
Workforce Literacy and Basic Skills Program	---	276	276
Miscellaneous	4	---	---
Subtotal, Department of Labor and Workforce Development	238,123	316,891	324,891
Department of Law and Public Safety:			
Annie E. Casey Foundation	42	200	200
Anti-Discrimination Training	---	50	---
Atlantic County Detention Center	1,921	2,885	2,885
Backstretch Benevolence	114	168	168
Body Armor Replacement Fund - Administrative Costs	7	75	75
Charity Racing Day for the Developmentally Disabled	15	25	25
Consumer Affairs	403	---	---
Consumer Affairs Charitable Registration Program	---	2,372	2,088
Consumer Affairs Legalized Games of Chance	---	875	509
Consumer Affairs Weights and Measures Program	---	1,588	1,385
Controlled Dangerous Substance Registration Program	---	1,000	1,000
Criminal Disposition and Revenue Collection Fund	---	345	299
Criminal Justice Training Academy	137	185	150
Cybersecurity and Data Protection	3,134	3,066	3,066
Delaware River Joint Toll Bridge Commission	2,940	2,400	2,400
Division of Consumer Affairs - Appropriated Receipts	---	9,211	11,223
Drunk Driving Enforcement Fund - MVC Reimbursement	48	81	81
Election Law Enforcement	---	75	75
False Claims Prosecution Fund	14	---	---
Fantasy Sports	76	300	300
Forfeiture Program	1,758	4,000	4,000
Insurance Fraud Operations	10,599	12,896	12,896
Investigative Unit	583	690	690
Juvenile Justice Commission HVACR Career Education Program	---	---	750
Law Enforcement Officers Training and Equipment Fund	394	600	600
NJ Emergency Management Assistance Compact	7,574	---	---
Noncriminal Records Checks	---	10,261	10,261
Pari-Mutuel Racing in Accordance with N.J.S.A. 5:5-37	185	175	175
Pre-Race Blood Testing and Chemical Testing Program	992	1,345	1,345
Private Employment Agencies	---	469	400
Racing Commission Finger Print Fees	75	80	80
Racing Commission's Award Program	1,559	1,800	1,800
Racing Officials	826	950	950
Regulation of Alcoholic Beverages	7,747	9,735	9,417
Regulation of Racing Activities	2,349	2,840	2,840
Retired Officers Handgun Permits	---	555	555
Safe and Secure Neighborhoods Program	4,426	5,500	5,500
Securing the Cities	309	---	---
Securities Enforcement Fund	---	6,833	7,251
Security Officer Registration Account	2,350	2,609	2,609
Sexual Assault Nurse Examiner Program	27	30	30
South Jersey Transportation Authority	8,706	11,712	12,278
State Athletic Control	261	300	300
State Facilities Education Act (SFEA)	11,725	8,646	8,646
State Forensic Laboratory Fund Program	727	1,000	1,000
State Police DNA Laboratory Enhancement	5,953	8,020	8,020
State Veterinarians New Jersey Racing Commission	983	1,145	1,145
Turnpike Authority (Includes Garden State Parkway)	75,082	96,472	101,151
Victim and Witness Advocacy Fund	---	720	316
Victims of Crime Compensation	225	3,073	2,875
Miscellaneous	4,155	4,339	4,359
Subtotal, Department of Law and Public Safety	158,421	221,696	228,168

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

	-----Fiscal Year Ending June 30-----		
	2020 Actual	2021 Estimated	2022 Estimated
Department of Military and Veterans' Affairs:			
Administration and Support Services	---	225	225
Burial Services	---	800	800
Energy Program Receipts	404	500	500
Mental Health Training	---	---	370
New Jersey National Guard Support Services	---	1,525	1,625
Veterans' Haven	---	1,175	1,175
Veterans' Haven North	---	875	875
Miscellaneous	401	83	158
Subtotal, Department of Military and Veterans' Affairs	<u>805</u>	<u>5,183</u>	<u>5,728</u>
Department of State:			
Construction Apprenticeship Program (SDA)	140	275	275
Law Enforcement Officers Memorial Fund	435	200	350
Lumina Quality Assurance and Basic Needs Grant	639	---	---
NJBEST Administration & Scholarships	2,250	3,752	3,795
New Jersey College Loans to Assist State Students (NJCLASS)	21,435	28,725	29,184
Primary Care Practitioners Loan Redemption Program	2,894	100	100
Veterans Memorial Arts Center	226	205	331
WIND Council Institute Grant	---	3,000	---
Miscellaneous	154	96	104
Subtotal, Department of State	<u>28,173</u>	<u>36,353</u>	<u>34,139</u>
Department of Transportation:			
Applications and Highway Permits	---	100	100
Casualty Losses	---	1,850	1,850
Clean Energy Fund - NJ Transit Utility Costs	82,089	82,089	82,089
Commercial Vehicle Enforcement Program	21,537	30,835	25,487
Cost of "Cause" Plates	337	---	---
County and Other Shared Projects	5,687	---	---
Failure to Keep Right Surcharge	721	700	700
Highway Safety Fund	651	1,000	1,000
In-Terminal School Bus Inspection Program	996	1,712	1,307
Logo Sign Program	---	250	250
Motor Vehicle Services	265,720	414,593	355,604
Motorbus Regulation	829	979	1,006
Motorcycle Safety Education Fund	359	476	495
NJ Board of Pilot Commissioners	341	350	350
NJ Medical Service Helicopter Response Act	26,476	34,524	30,500
NJ Turnpike Authority - NJ Transit Operations	129,000	129,000	350,000
NJ Turnpike Authority - Support for Portal North Bridge	---	---	25,000
Omnibus Safety Enforcement Fund	11	25	19
Outdoor Advertising Program	---	660	880
Placarded Railcar Program	---	120	120
Port Authority of New York and New Jersey	7,210	---	---
Rental Receipts - Tenant Relocation Program	---	400	400
Security Responsibility	20,290	22,900	23,200
Texting While Driving Campaign	1,082	1,340	2,384
Transportation Trust Fund - Subaccount for Capital Reserves	578,541	805,610	882,510
Wireless Communication	2,895	2,900	2,900
Miscellaneous	55	---	---
Subtotal, Department of Transportation	<u>1,144,827</u>	<u>1,532,413</u>	<u>1,788,151</u>
Department of the Treasury:			
Administration of State Lottery	10,923	14,734	14,734
Admission Surcharge at Places of Amusement	371	400	400
Annual Licensing Fee - Office of Administrative Law Publications	865	800	700
Cannabis Regulatory Commission	4,301	4,078	4,078
Cigarette Tax Securitization	91,742	86,043	83,292
Civil Legal Services for the Poor - 21st Century Justice Improvement Fund	8,357	10,100	10,100
Clean Energy Program	2,707	4,138	5,185
Division of Developmental Disabilities Community Placement and Services	27,796	29,162	29,162
Division of Purchase and Property E-Procurement Receipts	3,561	5,000	5,000
Domestic Security	22,501	17,280	22,520

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

	-----Fiscal Year Ending June 30-----		
	2020	2021	2022
	Actual	Estimated	Estimated
Drug Abuse Education Fund	534	425	425
Economic Recovery Fund	26,605	40,100	---
Electric Vehicles Rebate	4,123	---	---
Governor's Council on Alcoholism and Drug Abuse	10,789	7,500	7,500
Judicial Hearings Receipts	3,494	4,200	4,300
Leasing of Space on NJPBA Transmitter Towers	3,264	3,096	3,096
Management Audit - New Jersey Natural Gas	---	1,500	1,500
Management of DEP Properties	---	285	285
Management of State Investments	18,328	16,600	16,600
Meadowlands Regional Assessment	6,989	2,500	3,500
Monmouth Park	263	---	---
NJBPU Basic Generation Service Project	168	330	330
NJPBA TV Food Network/Time Warner Capital Project	600	200	200
Office of Information Technology Indirect Cost Recoveries	4,734	4,000	4,000
Office of Management and Budget	16,199	15,225	15,225
Other Capital Building Services	520	---	---
Pensions and Benefits	45,401	53,851	57,254
Police and Firemen's Retirement System Board of Trustees	17,474	22,968	22,968
Prequalification Fees	---	125	125
Procurement Card Rebates	---	315	315
Property Management and Construction - Property Management Services	53	80	80
Public Broadcasting Services	1,354	1,385	1,385
Public Finance Activities	---	1,505	1,505
Rate Counsel - Insurance	69	75	75
Real Property Leasing Out Program	---	1,000	1,000
Records Management	---	2,000	2,000
Royalties - Office of Administrative Law Publications	312	249	249
Small Business Registration	222	221	221
State Based Exchange	7,925	39,113	58,592
Super Storm Sandy CDBG Reimbursement	1,086	---	---
Taxation Compliance and Enforcement Activities	10,556	16,100	16,100
The Meadowlands	1,696	---	---
Third Party Subrogation - Property Damage	---	975	975
Treasury Technology Services	5,893	5,800	5,800
Unclaimed Property Trust Fund Administration	7,890	8,395	8,395
Urban Enterprise Zone (UEZ) Authority Administrative Expenses	15	15	15
Miscellaneous	511	152	152
Subtotal, Department of Treasury	370,191	422,020	409,338
Interdepartmental Accounts:			
Petroleum Overcharge Reimbursement Fund	280	25	25
Utilities and Other Services	358	358	358
Subtotal, Interdepartmental Accounts	638	383	383
The Judiciary:			
Automated Traffic System for Municipal Courts	19,560	25,200	19,500
Civil Arbitration Program	---	2,225	---
Civil Courts	447	500	535
Comprehensive Enforcement Program	1,414	1,882	1,414
Court Adult Probation System	322	432	322
Court Technology Improvement Fund	10,198	11,700	10,200
E-Court Information System - 21st Century Justice Improvement Fund	8,273	10,000	7,500
Electronic Access to Court Records	1,930	1,761	20,000
Electronic Payment Service Fees	449	---	1,000
Family Courts	251	400	400
Foreclosure Mediation Program	689	---	1,000
Intensive Supervision Program	---	425	---
Special Civil Part Certified Mailers	1,637	1,960	1,600
Supreme Court	17,098	19,475	19,435
Miscellaneous	810	10	10
Subtotal, The Judiciary	63,078	75,970	82,916
Total Dedicated Revenues	4,705,626	5,585,869	5,813,038

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

	-----Fiscal Year Ending June 30-----		
	2020 Actual	2021 Estimated	2022 Estimated
Federal:			
Department of Agriculture:			
Child & Adult Care Coronavirus Aid, Relief, Economic Security (CARES) Act Funds	9,536	---	---
Child Care	72,605	110,700	132,840
Child Nutrition - School Breakfast	68,856	150,000	180,000
Child Nutrition - School Lunch	180,019	400,000	480,000
Child Nutrition - Special Milk	127	1,300	1,560
Child Nutrition - Summer Programs	14,324	20,797	28,677
Child Nutrition Administration	9,504	16,080	15,095
Child Nutrition Technology Grant	---	2,000	2,000
Emergency Food Assist Coronavirus Aid, Relief, Economic Security - Administration	1,647	---	---
Families First Coronavirus Response Act - Administration	110	---	---
Farm Risk Management Education Program	---	282	282
Food Stamp - The Emergency Food Assistance Program (TEFAP)	5,595	5,000	5,000
Fresh Fruit and Vegetable Program	3,660	5,910	6,075
Indemnities - Avian Influenza	105	615	615
National School Lunch Program-Equipment Assistance for School Food Authorities	528	1,000	1,000
New Jersey Animal Food Testing Program	---	641	670
Produce Safety Rule Implementation	658	755	755
School Breakfast Coronavirus Aid, Relief, Economic Security (CARES) Act Funds	25,922	---	---
School Lunch Coronavirus Aid, Relief, Economic Security (CARES) Act Funds	49,575	---	---
School Milk Coronavirus Aid, Relief, Economic Security (CARES) Act Funds	9	---	---
Specialty Crop Block Grant Program	297	1,600	1,600
Summer Food Meal Coronavirus Aid, Relief, Economic Security (CARES) Act Funds	16,130	---	---
Summer Food Sponsor Administration Coronavirus Aid, Relief, Economic Security (CARES) Act Funds	1,538	---	---
Trade Mitigation Food Purchase and Distribution Program	1,442	3,000	2,400
Trade Mitigation Program Administration	75	---	132
Various Federal Programs and Accruals	7,965	9,525	9,272
Subtotal, Department of Agriculture	<u>470,227</u>	<u>729,205</u>	<u>867,973</u>
Department of Children and Families:			
Restricted Federal Grants	17,143	47,892	42,848
Social Services Block Grant	43,947	44,886	44,886
Title IV-B Child Welfare Services	11,870	11,968	11,968
Title IV-E Foster Care	200,668	185,770	192,847
Various Federal Programs and Accruals	(20,597)	---	---
Subtotal, Department of Children and Families	<u>253,031</u>	<u>290,516</u>	<u>292,549</u>
Department of Community Affairs:			
COVID-19 HUD Housing Choice Vouchers	4,721	---	---
Community Development Block Grant - Super Storm Sandy	186,653	---	---
Community Services Block Grant	22,406	20,500	20,500
Continuum of Care Program	1,816	4,000	4,000
Emergency Solutions Grants Program	4,414	4,000	4,000
Family Self Sufficiency Program Coordinator	54	350	350
Lead-Based Paint Hazard Control	---	4,800	4,800
Low Income Home Energy Assistance Program	111,198	140,000	140,000
Mainstream 5	885	1,000	1,000
Moderate Rehabilitation Housing Assistance	4,554	9,500	9,500
National Affordable Housing - HOME Investment Partnerships	3,695	6,000	6,000
National Housing Trust Fund	3,439	8,500	8,500
Section 8 Housing Voucher Program	268,990	285,000	285,000
Small Cities Block Grant Program	2,829	8,023	8,023
Weatherization Assistance Program	5,261	7,000	7,000
Various Federal Programs and Accruals	24,488	---	---
Subtotal, Department of Community Affairs	<u>645,403</u>	<u>498,673</u>	<u>498,673</u>
Department of Corrections:			
Anti-Heroin Task Force	---	3,000	3,000
Body Worn Cameras	---	250	250
Comprehensive Opioid, Stimulant and Substance Abuse Program	---	1,225	1,225
Defense Tactical Training	---	750	750

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

	-----Fiscal Year Ending June 30-----		
	2020	2021	2022
	Actual	Estimated	Estimated
Diversity Training	---	100	100
Father/Child Visitation Program	184	283	127
Health, Safety and Wellness	---	3,000	3,000
Inmate Vocational Certifications	---	350	350
Innovative Reentry Initiatives	---	500	500
Offender Reentry	---	600	600
Prison Rape Elimination Grant	237	102	500
Promising Reentry	---	750	750
Smart Supervision	---	125	125
Special Investigations Division - Intelligence Technology	---	250	250
Special Operations Tactical Equipment	---	200	200
State Criminal Alien Assistance Program	8,834	4,300	4,500
Swift, Certain, and Fair Sanctions Program	223	150	150
Technology Enhancements	---	500	500
Various Federal Programs and Accruals	(4,561)	200	200
Subtotal, Department of Corrections	4,917	16,635	17,077
Department of Education:			
21st Century Schools	25,455	27,404	27,952
AIDS Prevention Education	106	120	120
Bilingual and Compensatory Education - Homeless Children and Youth	1,502	2,445	2,494
Career and Technical Education Teacher Pathway	38	---	---
Elementary and Secondary School Emergency Relief Fund (ESSER) - Administration ..	797	---	---
Head Start Collaboration	172	275	275
Hurricane Relief	295	---	---
Improving America's Schools Act - Consolidated Administration	3,791	5,548	5,671
Individuals with Disabilities Education Act Basic State Grant	368,408	393,061	395,999
Individuals with Disabilities Education Act Preschool Grants	11,623	11,746	11,750
Language Acquisition Discretionary Administration	17,171	20,274	20,679
Migrant Education - Administration/Discretionary	1,918	2,494	2,544
Race to the Top - Preschool Development Grant	6,778	---	---
STOP School Violence Grant	181	---	---
State Assessments	6,270	8,600	8,600
Student Support & Academic Enrichment State Grants	18,888	27,003	27,543
Supporting Effective Instruction State Grants	44,605	45,540	46,451
Title I - Grants to Local Educational Agencies	388,146	366,300	373,625
Title I - Part D, Neglected and Delinquent	1,950	1,891	1,929
Vocational Education - Basic Grants - Administration	24,230	25,794	39,210
Various Federal Programs and Accruals	(1,041)	5,216	1,830
Subtotal, Department of Education	921,283	943,711	966,672
Department of Environmental Protection:			
Air Pollution Maintenance Program	3,982	10,500	10,500
Artificial Reef Enhancement	---	1,800	1,800
Artificial Reef Program - PSE&G/NJPDES Permit Fees	373	985	985
Atlantic Brant Migration Ecology Study	40	480	480
Atlantic Coastal Fisheries	87	2,088	2,150
Beach Monitoring and Notification	157	700	700
BioWatch Monitoring	404	700	700
Boat Access (Fish and Wildlife)	---	1,000	1,000
Bobcat Hair Snare Study	66	480	480
Body-Worn Cameras	---	250	250
Bog Turtle Project	---	150	150
Brownfields	557	1,000	1,000
Clean Diesel Retrofit	383	500	500
Clean Vessels	358	1,000	1,000
Clean Water State Revolving Fund	---	68,000	70,000
Coastal Zone Management - Special Merit	---	500	500
Coastal Zone Management Implementation	1,622	4,265	4,465
Community Assistance Program	539	600	600
Connecting Habitat Across New Jersey (CHANJ) Assessments	34	400	200
Consolidated Forest Management	---	500	500
Cooperative Technical Partnership	1,474	3,000	3,000
DOT Reconstruct Ferry Slips Liberty State Park	---	6,000	6,000
Development Compensatory Mitigation Technical Manual and NJ Floristic Quality ..	---	187	187

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

	-----Fiscal Year Ending June 30-----		
	2020 Actual	2021 Estimated	2022 Estimated
Development of Coastal Ecological Restoration	---	250	300
Diesel Emissions Reduction Act - Marine Vessel Emission Reduction	---	650	650
Drinking Water State Revolving Fund	3,063	28,200	28,200
Endangered Species	57	355	355
Endangered and Nongame Species Program State Wildlife Grants	503	1,070	1,070
FEMA Port Security Grant Liberty State Park	---	1,100	1,100
Fish and Wildlife Action Plan	145	135	135
Fish and Wildlife Health	86	380	380
Forest Legacy	8	4,245	4,245
Forest Resource Management - Cooperative Forest Fire Control	---	1,250	1,500
Hazardous Waste - Resource Conservation Recovery Act	4,768	4,750	4,768
High Hazard Dams Grants/Loans	---	500	500
Historic Preservation - Super Storm Sandy	1,735	---	---
Historic Preservation Survey and Planning	1,850	3,000	3,000
Hunters' and Anglers' License Fund	1,594	21,648	22,535
Land and Water Conservation Fund - City of Trenton Soccer and Fitness Development	---	1,000	1,000
Land and Water Conservation Fund	1,968	5,000	5,000
Land and Water Conservation Fund - Camden Whitman Park Improvements	---	1,000	1,000
Landscape Restoration	---	320	320
Marine Fisheries Investigation and Management	450	6,531	6,574
Multimedia	548	750	700
NJ - FRAMES - Monmouth County	231	500	500
NJ - GIS Conservation Tools and Technical Guidance	---	3,500	3,500
NJ Outdoor Heritage Program	---	3,800	1,400
National Coastal Wetlands Conservation	605	7,000	3,500
National Dam Safety Program (FEMA)	148	120	120
National Estuary Program - Coastal Watershed Grant Program	---	220	220
National Fish and Wildlife Foundation Delaware River Program	---	---	200
National Geologic Mapping Program	157	674	674
National Recreational Trails	794	1,900	1,900
New Jersey Atlantic and Shortnose Sturgeon	9	365	365
New Jersey's Landscape Project	465	990	990
Nonpoint Source Implementation (319H)	2,934	3,830	3,830
Particulate Monitoring Grant	802	1,000	1,000
Pesticide Technology	679	500	500
Preliminary Assessments/Site Inspections	375	1,000	1,000
Radon Program	574	500	500
Readiness & Environmental Protection Integration Infrastructure Resilience & Natural Resource Enhancement	---	---	10,000
Recovery Land Acquisition	103	2,500	2,500
Remedial Planning Support Agency Assistance	341	1,000	1,000
Species of Greater Conservation Need - Mammal Research and Management	157	340	340
Statewide Habitat Restoration and Enhancement	50	1,400	700
Superfund Grants	12	5,030	5,030
Underground Storage Tank Program Standard Compliance Inspections	1,073	1,250	1,250
Underground Storage Tanks	2,486	9,000	6,000
Water Infrastructure Improvements for the Nation	---	800	800
Water Monitoring and Planning	698	1,000	1,000
Water Pollution Control Program	3,850	4,787	4,787
Wildfire Risk Reduction	---	260	500
Wildlife Management Area Conservation Program	---	2,000	2,000
Wildlife and Sport Fish Restoration Outreach	392	390	390
Wildlife and Sport Fish Restoration Partnership Exhibit Development	---	600	600
Various Federal Programs and Accruals	1,485	1,840	1,810
Subtotal, Department of Environmental Protection	<u>45,271</u>	<u>245,315</u>	<u>249,385</u>
Department of Health:			
AIDS Drug Distribution Program	---	2,000	2,000
Abstinence Education - Family Health Services (FHS)	1,655	1,700	1,700
Addressing the Opioid Crisis Statewide	1,200	1,310	1,310
Asthma Surveillance and Coalition Building	---	769	769
Bioterrorism Hospital Emergency Preparedness	4,397	14,786	14,786
Birth Defects Surveillance Program	---	508	508
Block Grant Mental Health Services	6,699	---	---
Breast and Cervical Cancer Early Detection Program	2,314	3,400	3,400
Breastfeeding Peer Counseling	618	1,271	1,271

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

	-----Fiscal Year Ending June 30-----		
	2020	2021	2022
	Actual	Estimated	Estimated
Chronic Disease Prevention and Health Promotion	868	3,350	3,350
Clinical Laboratory Improvement Amendments Program	647	617	617
Comp Cancer Supplemental	31	100	100
Comprehensive AIDS Resources Grant	61,646	46,311	46,311
Conformance with the Manufactured Food Regulatory Program Standards	333	340	340
Coordinated Integrated Initiative	---	2,255	2,255
Core Injury Prevention and Control Program	---	300	300
Cures Grant	4,278	---	---
Early Hearing Detection and Intervention (EHDI) Tracking, Research	220	250	250
Early Intervention for Infants and Toddlers with Disabilities (Part C)	10,728	13,000	13,000
Ebola Hospital Preparedness and Response	836	6,022	6,022
Electronic Patient Care	---	350	350
Emergency Medical Services for Children (EMSC) Partnership Grants	110	200	200
Emergency Preparedness for Bioterrorism	15,500	29,581	29,581
Enhanced HIV/AIDS Surveillance-Perinatal	---	213	213
Enhancing & Making Programs & Outcomes Work to End Rape	---	96	96
Epidemiology and Laboratory Capacity Vaccine Preventable Disease	---	100	100
Federal Lead Abatement Program	320	440	440
Food Emergency Response Network - E. Coli in Ground Beef	127	165	165
Food Inspection	472	889	889
Fundamental & Expanded Occupational Health	185	985	985
Grants to Prevent Prescription Drug/Opioid Overdose Deaths	778	---	---
HIV/AIDS Events without Care in New Jersey	---	373	373
HIV/AIDS Prevention and Education Grant	12,836	17,600	17,600
HIV/AIDS Surveillance Grant	---	3,318	3,318
Heart Disease and Stroke Prevention	---	450	450
Housing Opportunities for Incarcerated Persons with AIDS	190	1,958	1,958
Housing Opportunities for Persons with AIDS	1,474	1,764	1,764
Immunization Project	4,054	9,909	9,909
Improving Mental Health for Older African Americans	239	240	240
Lab Biomonitoring Program - Impact of Biohazards on New Jersey Citizens	987	1,000	1,000
Maternal and Child Health (MCH) Early Childhood Comprehensive System	---	140	140
Maternal and Child Health Block Grant	10,747	13,000	13,000
Maternal, Infant and Early Childhood Home Visiting Innovation Grant	2,222	2,170	1,560
Maternal, Infant and Early Childhood Home Visiting Program	10,731	10,582	10,582
Medicare/Medicaid Inspections of Nursing Facilities	14,544	14,076	14,076
Morbidity and Risk Behavior Surveillance	704	1,071	1,071
National Cancer Prevention and Control	93	6,889	6,889
National HIV/AIDS Behavioral Surveillance	389	512	512
National Program of Cancer Registries	1,078	1,400	1,400
New Jersey Cancer Education & Early Detection (NJ CEED)	---	197	197
New Jersey Childhood Lead	715	672	672
New Jersey Personal Responsibility Education Program	1,139	1,426	1,426
New Jersey Plan for Private Well Programs	163	270	270
New Jersey State Maternal Health Innovation Program	186	2,072	2,072
New Jersey's Reducing Health Disparities Initiative	---	160	160
Nurse Aide Certification Program	---	1,000	1,000
Oral Health Grant	241	500	500
Overdose Data - Action	2,005	7,486	7,486
Pandemic Influenza Healthcare Preparedness	---	1,935	1,935
Partnership Ending HIV in Essex & Hudson	146	3,700	3,700
Pediatric AIDS Health Care Demonstration Project	1,883	2,350	2,350
Pediatric Mental Health Care	639	445	445
Pregnancy Risk Assessment Monitoring System	143	750	750
Preventative Health and Health Services Block Grant	3,678	5,683	5,683
Prevention & Public Health Fund - Coordinated Integrated Initiative	---	1,187	1,187
Prevention & Public Health Fund - Immunization and Vaccines for Children	4,244	9,600	9,600
Prevention and Management of Diabetes, Heart Disease and Stroke	1,762	4,215	4,215
Public Employees Occupational Safety and Health - State Plan	---	900	900
Public Health Crisis - Opioids	2,401	4,524	4,524
Public Health Crisis Response	8,066	5,470	5,470
Public Health Emergency Response: COVID-19 Cooperative Agreement	1,636	---	---
Public Health Laboratory Biomonitoring Planning	---	2,156	2,156
Rape Prevention and Education Program	905	1,895	1,895
Ryan White Part B - Emergency Relief	---	1,300	1,300
Ryan White Part B - Supplemental	1,274	1,500	1,500
Senior Farmers' Market Nutrition Program	805	2,000	2,000
Substance Abuse Block Grant	7,193	---	---

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

	-----Fiscal Year Ending June 30-----		
	2020 Actual	2021 Estimated	2022 Estimated
Supplemental Food Program - Women, Infants, and Children (WIC)	136,307	151,608	151,608
Surveillance, Epidemiology and End Results (SEER)	---	1,319	1,319
Tobacco Age of Sale Enforcement (TASE)	975	2,357	2,357
Tuberculosis Control Program	2,272	2,595	2,712
Venereal Disease Project	2,533	3,882	3,882
Viral Hepatitis Surveillance	313	400	400
Vital Statistics Component	1,454	1,498	1,498
West Nile Virus - Laboratory	---	200	200
West Nile Virus - Public Health	---	1,942	1,942
Women, Infants, and Children (WIC) Farmers' Market Nutrition Program	686	2,600	2,600
Various Federal Programs and Accruals	(5,696)	24,684	24,684
Subtotal, Department of Health	<u>352,318</u>	<u>474,238</u>	<u>473,745</u>
Department of Human Services:			
Block Grant Mental Health Services	6,763	19,363	19,363
COVID-19 CARES Act Stimulus Funding	24,402	---	---
COVID-19 Title III	26,021	---	---
Child Care Block Grant	250,013	160,760	160,760
Child Support Enforcement Program	158,877	180,635	181,210
Clinical High Risk for Psychosis	---	400	400
Connecting Kids to Coverage Outreach	275	375	375
COVID-19 Title XIX Managed Care	353,045	---	---
Cures Grant	---	12,995	12,995
Developmental Disabilities Council	1,800	1,657	1,664
Elder Abuse Prevention Interventions Program	282	---	---
Electronic Health Records Provider Incentive Payments	1,403	20,000	20,000
Grants to Prevent Prescription Drug/Opioid Overdose Deaths	93	1,000	1,000
Health Information Technology (HIT)	17,008	16,415	16,415
Medication Assisted Drug and Opioid	---	950	950
National Family Caregiver Program	5,105	5,200	5,200
National Strategy Grant-Suicide Prevention	---	471	471
New Jersey Mental Health Awareness Training	106	125	125
New Jersey Money Follows the Person	22,511	12,752	12,752
New Jersey State Opioid Response	14,600	66,001	66,001
Older Americans Act - Title III	31,497	34,134	34,134
Program Integration of Primary and Behavioral Health Care	---	2,000	2,000
Projects for Assistance in Transition from Homelessness (PATH)	2,174	2,141	2,141
Refugee Resettlement Program	27	2,600	2,600
Social Services Administration	---	41,310	41,310
Strategic Prevention Framework	2,139	2,260	2,260
Substance Abuse Block Grant	33,969	49,092	49,261
Supplemental Nutrition Assistance Program	149,302	197,420	197,420
Supplemental Nutrition Assistance Program - Education	8,983	9,900	9,900
Supplemental Nutrition Assistance Program - Fraud Grant	---	1,000	1,000
Temporary Assistance for Needy Families Block Grant	402,702	371,474	370,427
Title XIX Child Residential	118,051	130,480	130,480
Title XIX Community Care Program	771,947	901,556	939,701
Title XIX ICF/IDD	253,515	231,356	240,429
Title XIX Medical Assistance	8,167,895	9,637,206	10,718,864
Title XXI Children's Health Insurance Program	551,200	507,395	534,930
United States Department of Agriculture Older Americans	3,433	4,350	4,350
Vocational Rehabilitation Act, Section 120	14,627	13,595	13,933
Various Federal Programs and Accruals	10,340	6,519	6,519
Subtotal, Department of Human Services	<u>11,404,105</u>	<u>12,644,887</u>	<u>13,801,340</u>
Department of Labor and Workforce Development:			
Assistive Technology	526	600	600
Current Employment Statistics	1,386	2,484	2,417
Disability Determination Services	58,545	77,106	77,106
Disabled Veterans' Outreach Program	2,661	3,392	3,392
Employment Services	28,113	26,968	26,911
Employment Services Grants - Alien Labor Certification	463	812	812
Independent Living	87	600	600
Local Veterans' Employment Representatives	924	1,633	1,633
National Council on Aging - Senior Community Services Employment Project	1,663	4,048	4,048

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

	-----Fiscal Year Ending June 30-----		
	2020	2021	2022
	Actual	Estimated	Estimated
Occupational Safety Health Act - On-Site Consultation	1,258	2,703	2,703
One Stop Labor Market Information	714	1,046	1,020
Public Employees Occupational Safety and Health Act	1,144	2,998	2,998
Redesigned Occupational Safety and Health (ROSH)	172	385	250
Reemployment Eligibility Assessments - State Administration	2,087	4,600	4,600
Rehabilitation of Supplemental Security Income Beneficiaries	2,207	5,000	5,000
Supported Employment	374	975	975
Trade Adjustment Assistance Project	4,875	8,313	8,313
Unemployment Insurance	104,896	204,226	204,257
Vocational Rehabilitation Act of 1973	56,242	55,045	55,045
Work Opportunity Tax Credit	364	762	762
Workforce Investment Act	65,298	116,809	117,392
Workforce Investment Act - Adult and Continuing Education	27,512	19,269	19,269
Various Federal Programs and Accruals	(28,719)	1,803	1,803
Subtotal, Department of Labor and Workforce Development	332,792	541,577	541,906
Department of Law and Public Safety:			
Anti-Methamphetamine	---	500	500
Body Cameras	1,171	1,500	1,500
Community Oriented Policing (COPS)	1,789	11,533	11,533
Community Policing Development	---	500	500
Disaster Assistance - COVID-19 Pandemic	115,202	---	---
Disaster Assistance - Other	26,208	---	---
Disaster Assistance - Super Storm Sandy	102,673	---	---
Emergency Management Performance Grant - Non Terrorism	8,603	9,000	9,000
Encouraging Innovation	---	500	500
Enhancement of Data Analysis Center	---	50	50
Equal Employment Opportunity Commission	---	300	300
Fatality Analysis Reporting System (FARS)	215	350	350
Federal Nonprofit Security Grant Program - State	---	2,391	2,391
Flood Mitigation Assistance	8,376	9,000	9,000
Forensic DNA Laboratory	808	2,300	2,300
Hazardous Materials Transportation	441	550	550
Highway Traffic Safety	13,661	41,150	42,967
Homeland Security Grant Program	8,106	7,692	7,692
Incident Command	1,989	---	---
Intellectual Property	---	450	450
Internet Crimes Against Children	373	600	600
Justice Assistance Grant (JAG)	4,047	4,000	3,188
Juvenile Justice Delinquency Prevention	556	1,013	1,013
Medicaid Fraud Unit	2,493	3,900	3,921
National Crime Statistics Exchange	165	2,750	2,750
National Criminal History Program - Office of the Attorney General	---	750	750
Non-Motorized Safety	691	1,500	1,500
Opioids	341	10,609	10,346
Overdose Data to Action	---	1,315	1,315
Paul Coverdell National Forensic Science Improvement (Competitive)	---	500	500
Paul Coverdell National Forensic Science Improvement (Formula)	262	550	550
Port Security	1,473	3,000	3,000
Postconviction Testing of DNA Evidence	---	500	500
Pre-Disaster Mitigation Grant (Competitive)	150	5,000	5,000
Prescription Drug Monitoring Program	---	2,750	2,750
Preventing Wrongful Convictions	---	250	250
Public Safety Innovation Acceleration Program	293	---	---
Recreational Boating Safety	---	3,800	3,800
Residential Treatment for Substance Abuse	163	490	454
STOP School Violence Prevention Program	---	550	550
Sex Offender Registration and Notification Act (SORNA)	314	625	625
Sexual Assault Kit Initiative	---	915	915
Targeted Violence and Terrorism Prevention	---	750	750
Training for Juvenile Prosecution	3	225	225
UASI Nonprofit Security Grant Program (NSGP)	4,621	7,202	7,202
Urban Area Security Initiative (UASI)	22,523	19,050	19,050
Urban Search and Rescue	6,107	12,500	12,500
Victim Assistance Grants	30,907	55,128	37,070
Victim Centered Law Enforcement Training	133	750	750

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

	-----Fiscal Year Ending June 30-----		
	2020 Actual	2021 Estimated	2022 Estimated
Victim Compensation Award	3,765	2,900	2,900
Victims of Crime Act - Building State Technology	---	344	344
Victims of Crime Act - Training Discretionary	---	1,000	1,000
Violence Against Women Act - Criminal Justice	2,874	3,890	3,710
Various Federal Programs and Accruals	50,173	2,550	4,557
Subtotal, Department of Law and Public Safety	<u>421,669</u>	<u>239,422</u>	<u>223,918</u>
Department of Military and Veterans' Affairs:			
Antiterrorism Program Manager	29	205	205
Armory Renovations and Improvements	989	7,700	7,763
Army Facilities Service Contracts	634	5,000	5,984
Army National Guard Electronic Security System	265	350	482
Army National Guard Statewide Security Agreement	594	950	950
Army National Guard Sustainable Range Program	71	80	80
Army Training and Technology Lab	317	414	424
Atlantic City Air Base Environmental	21	70	93
Atlantic City Air Base Operations and Maintenance	50	200	208
Atlantic City Air Base Service Contracts	600	1,900	2,141
Atlantic City Air Base Sustainment, Restoration and Modernization	475	1,450	1,470
Brigadier General Doyle Memorial Cemetery Building Project	---	5,000	5,000
Dining Facility Operations	43	350	350
Facilities Support Contract	9,229	23,100	23,100
Fairmount and Arlington Cemetery Upkeep	---	---	460
Federal Distance Learning Program	111	449	449
Firefighter/Crash Rescue Service Cooperative Funding Agreement	1,041	2,025	2,025
Hazardous Waste Environmental Protection Program	383	2,953	2,953
Lakehurst Readiness Center	---	15,000	15,000
McGuire Air Force Base Operations and Maintenance	88	268	268
McGuire Air Force Base Service Contracts	110	1,617	1,833
Medicare Part A Receipts for Resident Care and Operational Costs	13,772	10,699	11,199
Menlo HVAC Renovation	---	---	1,897
National Guard Communications Agreement	42	400	100
New Jersey National Guard ChalleNGe Youth Program	1,321	3,200	4,269
Resident Support Services	---	---	300
Sea Girt Energy Grid Upgrade	---	13,200	13,200
Sea Girt Regional Training Institute - Construction	36	2,500	---
Training Site Facilities Maintenance Agreements	64	120	141
Training and Equipment - Pool Sites	408	610	839
Veterans' Education Monitoring	575	600	600
Veterans' Haven North HVAC/Roof Replacement	---	---	3,000
Veterans' Haven South Boiler	---	---	2,888
Warren Grove/Coyle Field	9	60	60
Various Federal Programs and Accruals	17,215	388	405
Subtotal, Department of Military and Veterans' Affairs	<u>48,492</u>	<u>100,858</u>	<u>110,136</u>
Department of State:			
AmeriCorps Grants	7,831	6,122	6,922
Foster Grandparent Program	1,264	1,200	1,200
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP)	2,028	5,000	5,000
Help America Vote Act	21,185	8,201	---
John R. Justice Grant Program	48	---	48
National Endowment for the Arts Partnership	---	945	945
National Health Service Corps - Student Loan Repayment Program	240	255	255
State Trade and Export Promotion Pilot Grant Program	685	900	900
Student Loan Administrative Cost Deduction and Allowance	4,070	---	---
Various Federal Programs and Accruals	(22,337)	---	---
Subtotal, Department of State	<u>15,014</u>	<u>22,623</u>	<u>15,270</u>

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

	-----Fiscal Year Ending June 30-----		
	2020 Actual	2021 Estimated	2022 Estimated
Department of Transportation:			
Airport Fund	327	2,000	2,000
Boating Infrastructure Program (New Jersey Maritime Program)	946	1,600	1,600
Commercial Drivers' License Program	906	1,100	1,100
Development and Implementation Grant - Federal Transit Administration	1,000	1,527	1,527
Motor Carrier Safety Assistance Program	5,807	9,506	9,670
Various Federal Programs and Accruals	1,116	---	---
Subtotal, Department of Transportation	10,102	15,733	15,897
Department of the Treasury:			
Coronavirus Relief Fund	548,485	---	---
Financing Advanced Microgrids	---	300	300
Pipeline Safety	2,274	950	950
State Energy Conservation Program	291	1,321	1,321
Underserved Communities Electric Vehicle Affordability Program	---	100	100
Various Federal Programs and Accruals	(210)	---	---
Subtotal, Department of Treasury:	550,840	2,671	2,671
The Judiciary:			
Various Federal Programs and Accruals	1,462	1,325	1,325
<i>Total Federal Funds</i>	<i>15,476,926</i>	<i>16,767,389</i>	<i>18,078,537</i>

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

	-----Fiscal Year Ending June 30-----		
	2020 Actual	2021 Estimated	2022 Estimated
Revolving:			
Department of Community Affairs:			
Administration and Support Services	190	350	350
Liquid Petroleum Gas Education and Safety Board	406	550	500
Uniform Construction Code	18,040	20,000	20,000
Various Revolving Funds	45	---	---
Subtotal, Department of Community Affairs	<u>18,681</u>	<u>20,900</u>	<u>20,850</u>
Department of Corrections:			
Correctional Laundry Services	7	---	---
Culinary Arts Vocational Program	39	27	57
Farm Operations	12,531	12,260	11,800
State Use	10,285	11,000	11,000
Subtotal, Department of Corrections	<u>22,862</u>	<u>23,287</u>	<u>22,857</u>
Department of Education:			
Administration and Support Services	1,612	1,430	1,430
Support Services and Administration	600	450	450
Subtotal, Department of Education	<u>2,212</u>	<u>1,880</u>	<u>1,880</u>
Department of Environmental Protection:			
Office of Information Resource Management Assessment Funds	3,629	3,650	4,100
Pesticide Control	4	---	---
Publicly-Funded Site Remediation and Response	192	---	---
Subtotal, Department of Environmental Protection	<u>3,825</u>	<u>3,650</u>	<u>4,100</u>
Department of Health:			
Administration and Support Services	13,637	13,652	13,652
Laboratory Services	13,104	13,135	13,135
Subtotal, Department of Health	<u>26,741</u>	<u>26,787</u>	<u>26,787</u>
Department of Human Services:			
Income Maintenance Management	5,513	7,400	8,600
Department of Labor and Workforce Development:			
Administration and Support Services	842	2,500	2,500
Department of State:			
Museum Services	28	2	4
State Archives	101	116	120
Subtotal, Department of State	<u>129</u>	<u>118</u>	<u>124</u>
Department of Transportation:			
Administration and Support Services	131	140	140
Fuel Services	8,610	14,000	14,000
Subtotal, Department of Transportation	<u>8,741</u>	<u>14,140</u>	<u>14,140</u>

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

	-----Fiscal Year Ending June 30-----		
	2020	2021	2022
	Actual	Estimated	Estimated
Department of the Treasury:			
Adjudication of Administrative Appeals	1,005	1,000	1,000
Automotive Services	24,213	21,909	21,909
Capitol Post Office	2,596	2,402	2,402
Printing Services	2,226	2,551	2,551
Property Management and Construction - Construction Management Services	3,906	4,500	4,500
Public Information Services	1,575	1,575	1,575
Purchasing and Inventory Management	44,858	46,925	46,925
Records Management Microfilm Unit Revolving Fund	522	400	400
	<hr/>	<hr/>	<hr/>
Subtotal, Department of Treasury	80,901	81,262	81,262
	<hr/>	<hr/>	<hr/>
<i>Total Revolving</i>	170,447	181,924	183,100
	<hr/>	<hr/>	<hr/>
Total Other Revenues General Fund	20,352,999	22,535,182	24,074,675
	<hr/>	<hr/>	<hr/>
SPECIAL TRANSPORTATION FUND			
Department of Transportation:			
Transportation Trust Fund - Federal Highway Administration	937,297	1,084,589	1,131,863
Transportation Trust Fund - Federal Highway Administration - Super Storm Sandy ...	949	---	---
Transportation Trust Fund - Local Highway Funds	361,368	430,200	430,000
Transportation Trust Fund - Public Transportation	648,771	760,000	760,000
Transportation Trust Fund - State Highway Funds	747,678	1,409,800	810,000
	<hr/>	<hr/>	<hr/>
	2,696,063	3,684,589	3,131,863
	<hr/>	<hr/>	<hr/>
<i>Total Special Transportation Fund</i>	2,696,063	3,684,589	3,131,863
	<hr/>	<hr/>	<hr/>
TOTAL OTHER REVENUES	23,049,062	26,219,771	27,206,538
	<hr/>	<hr/>	<hr/>

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

	-----Fiscal Year Ending June 30-----		
	2020 Actual	2021 Estimated	2022 Estimated
GENERAL FUND			
Legislative Branch			
Senate	14,538	16,690	16,690
General Assembly	22,177	23,208	23,208
Office of Legislative Services	33,071	40,514	40,514
Legislative Commissions	5,338	5,795	5,795
State Capitol Joint Management Commission	11,737	11,363	11,363
	<u>86,861</u>	<u>97,570</u>	<u>97,570</u>
Executive Branch			
Chief Executive	7,253	7,745	7,745
Department of Agriculture	41,765	88,363	34,187
Department of Banking and Insurance	89,630	64,013	89,513
Department of Children and Families	1,156,228	1,219,411	1,258,858
Department of Community Affairs	137,041	155,332	196,860
Department of Corrections	980,764	1,065,358	1,061,154
Department of Education	477,612	2,734,174	3,686,124
Department of Environmental Protection	391,112	568,277	447,681
Department of Health	961,560	1,140,803	1,039,573
Department of Human Services	5,954,362	6,326,761	6,709,250
Department of Labor and Workforce Development	193,687	177,366	197,491
Department of Law and Public Safety	677,888	667,172	659,506
Department of Military and Veterans' Affairs	88,486	97,729	99,504
Department of State	1,257,500	1,464,571	1,549,469
Department of Transportation	1,743,008	1,820,053	1,543,502
Department of the Treasury	1,014,146	1,401,089	1,571,960
Miscellaneous Commissions	673	789	989
	<u>15,172,715</u>	<u>18,999,006</u>	<u>20,153,366</u>
Interdepartmental Account			
Inter-Departmental Services	547,156	586,285	872,215
Employee Benefits	3,860,187	4,266,369	5,117,016
Other Interdepartmental Accounts	25,902	67,184	66,517
Salary Increases and Other Benefits	9,810	11,000	135,930
	<u>4,443,055</u>	<u>4,930,838</u>	<u>6,191,678</u>
Judicial Branch			
The Judiciary	721,620	828,014	828,014
	<u>721,620</u>	<u>828,014</u>	<u>828,014</u>
Total General Fund	<u>20,424,251</u>	<u>24,855,428</u>	<u>27,270,628</u>
PROPERTY TAX RELIEF FUND			
Department of Agriculture	5,614	13,216	13,216
Department of Community Affairs	319,844	824,915	805,466
Department of Corrections	21,610	23,500	23,500
Department of Education	14,217,140	12,863,188	13,919,355
Department of Environmental Protection	4,800	6,546	7,546
Department of Human Services	199,983	221,149	240,207
Department of Law and Public Safety	3,000	3,000	3,000
Department of State	3,664	3,676	3,676
Department of Transportation	218,774	223,430	226,610
Department of the Treasury	1,996,828	1,782,902	1,851,780
Interdepartmental Accounts	39,846	45,417	45,419
Total Property Tax Relief Fund	<u>17,031,103</u>	<u>16,010,939</u>	<u>17,139,775</u>
CASINO CONTROL FUND			
Department of Law and Public Safety	45,159	53,300	54,981
Department of the Treasury	5,299	7,597	7,410
Total Casino Control Fund	<u>50,458</u>	<u>60,897</u>	<u>62,391</u>

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

	-----Fiscal Year Ending June 30-----		
	2020 Actual	2021 Estimated	2022 Estimated
CASINO REVENUE FUND			
Department of Health	529	516	516
Department of Human Services	259,712	273,228	335,675
Department of Labor and Workforce Development	2,196	2,196	2,196
Department of Law and Public Safety	92	92	92
<i>Total Casino Revenue Fund</i>	<i>262,529</i>	<i>276,032</i>	<i>338,479</i>
GUBERNATORIAL ELECTIONS FUND			
Department of Law and Public Safety	---	11,747	21,480
GRAND TOTAL EXPENDITURES BUDGETED	37,768,341	41,215,043	44,832,753

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

	-----Fiscal Year Ending June 30-----		
	2020 Actual	2021 Estimated	2022 Estimated
GENERAL FUNDS			
Dedicated Funds			
Legislature	48	---	---
Chief Executive	911	775	775
Department of Agriculture	6,368	9,984	8,741
Department of Banking and Insurance	860	704	704
Department of Children and Families	58,726	54,826	55,989
Department of Community Affairs	65,962	158,012	159,343
Department of Corrections	25,420	24,289	20,175
Department of Education	50,025	20,647	25,784
Department of Environmental Protection	74,637	130,582	121,970
Department of Health	448,354	501,276	513,444
Department of Human Services	1,920,809	2,073,865	2,032,399
Department of Labor and Workforce Development	245,917	316,891	324,891
Department of Law and Public Safety	207,550	221,696	228,168
Department of Military and Veterans' Affairs	1,197	5,183	5,728
Department of State	25,120	36,353	34,139
Department of Transportation	1,432,513	1,532,413	1,788,151
Department of the Treasury	288,069	422,020	409,338
Interdepartmental Accounts	685	383	383
The Judiciary	73,919	75,970	82,916
<i>Total Dedicated Funds</i>	<u>4,927,090</u>	<u>5,585,869</u>	<u>5,813,038</u>
Federal Funds			
Department of Agriculture	627,509	729,108	867,876
Department of Children and Families	695,753	675,478	724,436
Department of Community Affairs	602,287	501,317	501,317
Department of Corrections	139,833	17,797	18,239
Department of Education	1,239,298	943,711	966,672
Department of Environmental Protection	119,026	245,711	249,781
Department of Health	633,318	719,683	719,800
Department of Human Services	10,854,230	11,879,440	12,987,783
Department of Labor and Workforce Development	347,676	547,415	547,744
Department of Law and Public Safety	528,577	242,172	226,832
Department of Military and Veterans' Affairs	71,400	100,858	110,136
Department of State	84,157	22,623	15,270
Department of Transportation	13,713	9,233	9,233
Department of the Treasury	62,520	10,083	10,083
Interdepartmental Accounts	200,396	---	---
The Judiciary	105,820	122,760	123,335
<i>Total Federal Funds</i>	<u>16,325,513</u>	<u>16,767,389</u>	<u>18,078,537</u>
Revolving Funds			
Department of Community Affairs	16,061	20,900	20,850
Department of Corrections	23,868	23,287	22,857
Department of Education	2,426	1,880	1,880
Department of Environmental Protection	4,243	3,650	4,100
Department of Health	29,038	26,787	26,787
Department of Human Services	6,566	7,400	8,600
Department of Labor and Workforce Development	750	2,500	2,500
Department of State	166	118	124
Department of Transportation	8,819	14,140	14,140
Department of the Treasury	81,294	81,262	81,262
<i>Total Revolving Funds</i>	<u>173,231</u>	<u>181,924</u>	<u>183,100</u>
<i>Total Expenditures General Fund</i>	<u>21,425,834</u>	<u>22,535,182</u>	<u>24,074,675</u>
SPECIAL TRANSPORTATION TRUST FUND			
Department of Transportation	2,783,061	3,684,589	3,131,863
GRAND TOTAL EXPENDITURES NOT BUDGETED	<u>24,208,895</u>	<u>26,219,771</u>	<u>27,206,538</u>

The Annual Tax Expenditure Report

Pursuant to P.L. 2009, c.189, the State must prepare, in time for the Governor's annual Budget Message, a report of all State tax expenditures made in the last completed fiscal year, the current fiscal year, and the fiscal year to which the Budget Message applies.

This year's Tax Expenditure Report is the twelfth the State has issued. It includes expanded information on the objective or purpose of many tax expenditures and also includes several new categories of tax expenditures that were not part of previous reports.

The report may be accessed at:

<http://www.state.nj.us/treasury/taxation/taxexpenditurereport.shtml>