STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

June 30, 2011

SENATE BILL NO. 4000

To the Senate:

Pursuant to Article V, Section 1, Paragraph 15 of the New Jersey State Constitution, I am appending to Senate Bill No. 4000, at the time of my signing it, my statement of items, or parts thereof, to which I object so that each item, or part thereof, so objected to shall not take effect.

I commend the Legislature for its hard work in passing a General Appropriations Law for Fiscal 2012 that in substantial part reflects the budget recommendations I submitted on February 22, 2011 in accordance with the provisions of C.52:27B-20.

Regrettably, however, the Legislature has attempted to arrest our progress toward reform and has imprudently and inexplicably included hundreds of millions of dollars in new spending that is unsupported by revenue on hand or anticipated. Accordingly, keeping faith with my commitment to New Jerseyans and my constitutional obligation to ensure that the State enters the next fiscal year with a balanced budget, I am compelled to make numerous modifications as reflected herein.

Keeping Our Commitment to Rebuilding New Jersey

The General Appropriations Law for Fiscal 2012, as modified, that I have signed today keeps our promise to the people of New Jersey to adopt a constitutionally-balanced state budget and maintains fiscal discipline that I have committed to the people of New Jersey in these difficult economic times. For a second consecutive year, New Jersey will have a budget that reduces direct state government spending; does not raise taxes on New Jersey families; increases New Jersey's competitiveness; makes difficult decisions necessitated by new economic realities; and continues to fund the key priorities to protect

vulnerable New Jerseyans and secure our state's future growth and prosperity.

The budget as adjusted spends $29.697 billion, $900 million less than the budget approved by the Legislature, while providing funding for essential services, programs and priorities, including:

- Increasing state aid to school districts by $850 million over last year. This commitment to education includes my initial budget proposal for a $250 million increase for all school districts, meeting the Supreme Court's mandate by providing an additional $450 million to the Abbott districts and an additional $150 million for non-Abbott districts above my original budget proposal;
- Doubling the Homestead Benefit and increasing benefits under the Senior and Disabled Property Tax Freeze program;
- Increasing funding for New Jersey hospitals by $20 million;
- Providing full funding for healthcare to low income and the uninsured through Federally Qualified Health Centers;
- Providing $180 million in targeted tax cuts and incentives to grow the economy and create jobs;
- Fulfilling New Jersey's commitment to make the state's pension fund payment; and
- Preserving critical spending for senior and disabled prescription aid.

Line Item Vetoes to Keep Our Commitment and Achieve a Constitutionally-Balanced Budget

Last year, we made a commitment to put our state and its finances on a better, more sustainable path. Together, through the General Appropriations Law for Fiscal 2011 as well as the adoption of landmark bipartisan legislation to reform interest arbitration, impose a two percent cap on local property tax increases, and reform our public employee pension and health benefits systems, we have made real progress that will lead to long-term economic growth and lasting fiscal health. Unfortunately, as approved by the Legislature, Senate Bill No. 4000 imperils that progress by reversing critically-needed reform and including reckless new spending that is unsupported by revenue on hand or anticipated.

Senate Bill No. 4000 imperils the forward progress of reform in many ways, including by restricting the ability of responsible state agencies to exercise appropriate oversight of local government finances; imposing unnecessary and burdensome restrictions on the normal operation of executive agencies; directing the specific, rigid expenditure of State aid for school districts without regard to the need to give school districts flexibility to make decisions in accordance with local priorities for improving student performance; undermining the principle of open and competitive procurement with respect to the allocation of public funds for the support of the arts and culture; restricting the State's flexibility to modernize the way in which it delivers Medicaid services; reversing recent progress toward a fair and equitable distribution of available State support for charity care; undermining the market-based principle of cost-sharing as a strategy for maximizing the

effectiveness of public expenditures; imperiling the State's ability to comply with the legal and moral imperative to move vulnerable special-needs populations out of state institutions and into the least restrictive community-based settings possible; and imposing new and unnecessary obstacles upon the efficient acquisition and deployment of critical new technologies in support of state agency operations and programs.

On Friday, June 24th, I fulfilled my constitutional obligation to certify fiscal year 2012 revenues as provided under Article VIII, Section II, Paragraph 2 of the New Jersey State Constitution. Ignoring my certification, Senate Bill No. 4000 and separate legislation now before me include approximately $800 million in spending that is unsupported by revenue on hand or anticipated. In addition to relying on optimistic revenue projections and ignoring the full fiscal consequences of spending included in Senate Bill No. 4000, the Legislature has in separate legislation, now before me, relied on monies for the support of $412 million in education aid outside Senate Bill No. 4000, the one general appropriation law covering state fiscal year 2012, in violation of Article VIII, Section II, Paragraph 2 of the New Jersey State Constitution.

As Governor, I will not approve a budget that breaks faith with New Jerseyans and our commitment to reform. Moreover, pursuant to Article VIII, Section II, Paragraph 2 of the New Jersey State Constitution, I cannot approve a budget that is not balanced or for which all monies for the support of the state government and for all other state purposes as far as can be ascertained or reasonably foreseen are not provided for in one general appropriation law covering one and the same fiscal year.

I am, accordingly, appending to Senate Bill No. 4000, at the time of my signing it, my statement of items, or parts thereof, to which I object so that each item, or part thereof, so objected to shall not take effect. In addition, in light of the Legislature's deliberate failure to provide funding for all spending in Senate Bill No. 4000, I am also compelled to use the power vested in me by the New Jersey State Constitution to veto line-item spending for the purpose of building fund balances that will be available for appropriation pursuant to law to meet the state's spending needs at a future time.

Respectfully,

[seal]

/s/ Chris Christie
Governor

Attest:
/s/ Jeffrey Chiesa
Chief Counsel to the Governor

State of New Jersey

Executive Department

01 LEGISLATURE

70 Government Direction, Management, and Control
71 Legislative Activities
0001 Senate

DIRECT STATE SERVICES

"01-0001 Senate $11,639,000."
This item is reduced to $8,965,000.

"Total Direct State Services Appropriation, Senate $11,639,000."
This item is reduced to $8,965,000.

Direct State Services:

21 "Salaries and Wages ($4,529,000) ."
This item is reduced to $1,855,000.

0002 General Assembly

DIRECT STATE SERVICES

"02-0002 General Assembly $18,137,000."
This item is reduced to $17,045,000.

"Total Direct State Services Appropriation, General Assembly $18,137,000."
This item is reduced to $17,045,000.

Direct State Services:

21 "Salaries and Wages ($4,622,000) ."
This item is reduced to $3,530,000.

0003 Office Of Legislative Services

DIRECT STATE SERVICES

"03-0003 Legislative Support Services $30,257,000."
This item is reduced to $30,088,000.

"Total Direct State Services Appropriation, Office Of Legislative Services $30,257,000."
This item is reduced to $30,088,000.

Direct State Services:

22 " 03 Senator Wynona Lipman Chair in Women's Political Leadership at the Eagleton Institute ($100,000) ."
This item is deleted in its entirety.

22 " 03 Henry J. Raimondo New Jersey Legislative Fellows Program ($69,000) ."
This item is deleted in its entirety.

"Legislature, Total State Appropriation $75,476,000."
This item is reduced to $71,541,000.

16 DEPARTMENT OF CHILDREN AND FAMILIES

50 Economic Planning, Development, and Security
55 Social Services Programs

DIRECT STATE SERVICES

"01-1610 Child Protective and Permanency Services $446,147,000."
This item is reduced to $442,147,000.
"(From General Fund $244,246,000)."
This item is reduced to $240,246,000.

"Total Appropriation, State, Federal and All Other Funds $565,235,000."
This item is reduced to $561,235,000.
"(From General Fund $319,151,000)."
This item is reduced to $315,151,000.

Less:

"Total Deductions $246,084,000."

"Total Direct State Services Appropriation, Social Services Programs $319,151,000."
This item is reduced to $315,151,000.

Direct State Services:

30 "Salaries and Wages ($478,260,000) ."
This item is reduced to $474,260,000.

GRANTS-IN-AID

"01-1610 Child Protective and Permanency Services $488,334,000."
This item is reduced to $487,508,000.
"(From General Fund $419,897,000)."
This item is reduced to $419,071,000.

"02-1620 Child Behavioral Health Services $408,193,000."
This item is reduced to $403,693,000.
"(From General Fund $269,908,000)."
This item is reduced to $265,408,000.

"Total Appropriation, State, Federal and All Other Funds $999,086,000."
This item is reduced to $993,760,000.
"(From General Fund $748,621,000)."
This item is reduced to $743,295,000.

Less:

"Total Deductions $250,465,000."

"Total Grants-In-Aid Appropriation, Social Services Programs $748,621,000."
This item is reduced to $743,295,000.

Grants-In-Aid:

31 " 01 Court Appointed Special Advocates ($1,150,000) ."
This item is reduced to $861,000.

32 " 01 Wynona M. Lipman Child Advocacy Center, Essex County ($537,000) ."
This item is deleted in its entirety.

32 " 02 Treatment Homes and Emergency Behavioral Health Services ($234,085,000) ."
This item is reduced to $229,585,000.

"Department Of Children and Families, Total State Appropriation $1,067,772,000."
This item is reduced to $1,058,446,000.

22 DEPARTMENT OF COMMUNITY AFFAIRS

40 Community Development and Environmental Management
41 Community Development Management

DIRECT STATE SERVICES

Direct State Services:

36 "The amount hereinabove appropriated for the Council on Affordable Housing and Affordable Housing accounts shall be payable from the receipts of the portion of the realty transfer fee directed to be credited to the New Jersey Affordable Housing Trust Fund pursuant to section 4 of P.L.1968, c.49 (C.46:15-8) and from the receipts of the portion of the realty transfer fee directed to be credited to the New Jersey Affordable Housing Trust Fund pursuant to section 4 of P.L.1975, c.176 (C.46:15-10.1). Any receipts in excess of the amount anticipated, and any unexpended balance at the end of the preceding fiscal year are appropriated ((for affordable housing expenses)), subject to the approval of the Director of the Division of Budget and Accounting."

The language within double parentheses is deleted.

GRANTS-IN-AID

Grants-In-Aid:

39 "The unexpended balance at the end of the preceding fiscal year in the Shelter Assistance account is appropriated for the expenses of the Shelter Assistance program."

The quoted language is deleted in its entirety.

STATE AID

State Aid:

39 "Notwithstanding the provisions of any law or regulation to the contrary, ((of)) the amount hereinabove appropriated for the Affordable Housing program((, an amount not to exceed $7,000,000,)) may be used to provide technical assistance grants to non-profit housing organizations and authorities for creating and supporting affordable housing and community development opportunities."

The language within double parentheses is deleted.

50 Economic Planning, Development, and Security
55 Social Services Programs

GRANTS-IN-AID

"05-8050 Community Resources This item is reduced to $990,000.		$2,990,000."
"15-8051 Women's Programs This item is reduced to $2,080,000.		$2,566,000."
"Total Grants-In-Aid Appropriation, Social Services Programs This item is reduced to $3,070,000.		$5,556,000."

Grants-In-Aid:

41 " 05 Lead Hazard Control Assistance Fund ($2,000,000) ."
This item is deleted in its entirety.

41 " 15 Grants to Hispanic Women's Resource Centers ($486,000) ."
This item is deleted in its entirety.

70 Government Direction, Management, and Control
75 State Subsidies and Financial Aid

STATE AID

"04-8030 Local Government Services This item is reduced to $527,461,000.		$716,461,000."
"(From General Fund This item is reduced to $15,600,000.	$154,600,000)."	
"(From Property Tax Relief Fund This item is reduced to $511,861,000.	$561,861,000)."	
"Total State Aid Appropriation, State Subsidies and Financial Aid This item is reduced to $527,461,000.		$716,461,000."
"(From General Fund This item is reduced to $15,600,000.	$154,600,000)."	
"(From Property Tax Relief Fund This item is reduced to $511,861,000.	$561,861,000)."	

State Aid:

42 " 04 Transitional Aid to Localities ($149,000,000) ."
This item is reduced to $10,000,000.

42 " 04 Municipal Public Safety Aid (PTRF) ($50,000,000) ."
This item is deleted in its entirety.

43 "Of the amounts hereinabove appropriated for Transitional Aid to Localities an amount not to exceed $2,400,000 shall be paid to the New Jersey Meadowlands Commission and credited to the Intermunicipal account, as defined pursuant to section 59.1 of P.L.1968, c.404 (C.13:17-61). The amount so credited shall reduce by one-third the required meadowlands adjustment payments to the account."

The quoted language is deleted in its entirety.

44 "Notwithstanding the provisions of any law or regulation to the contrary, the release of the final 5% or $500, whichever is greater, of the total annual amount due for the current fiscal year from Consolidated Municipal Property Tax Relief Aid to municipalities is subject to the following condition: the municipality shall submit to the Director of the Division of Local Government Services a report describing the municipality's compliance with the "Best Practices Inventory" established by the Director of the Division of Local Government Services and shall receive at least a minimum score on such inventory as determined by the Director of the Division of Local Government Services; provided, however, that the Director may take into account the particular circumstances of

a municipality in computing such score. In preparing the Best Practices Inventory, the Director shall identify best municipal practices in the areas of general administration, fiscal management, and operational activities, as well as the particular circumstances of a municipality, in determining the minimum score acceptable for the release of the final 5% or $500, whichever is greater, of the total annual amount due for the current fiscal year, but in no event shall amounts be withheld with respect to municipal practices occurring prior to the issuance of the Best Practices Inventory unless related to a municipal practice identified in the Best Practices Inventory established in 2010. ((However, for the purposes of calculating whether a municipality has achieved the minimum score, any question which did not appear on the State Fiscal Year 2011 survey shall not be counted toward the total number of questions, nor the total number of answers.))"

The language within double parentheses is deleted.

45 "The amount hereinabove appropriated for Public Safety Municipal Aid shall be allocated and distributed on or before September 1, 2011 among municipalities that do not receive State police protection for inhabitants of rural sections pursuant to R.S.53:2-1, according to the following calculations that shall be made by the Commissioner of Community Affairs. An eligible municipality shall receive $18 per capita if it qualifies under each of the four following criteria and $10.50 per capita if it qualifies under any three of the following criteria: (a) a violent crime rate per 1,000 population for 2009 equal to or greater than 110% of the average of violent crime rates per 1,000 population for all municipalities for 2009 according to the Uniform Crime Report published by the Division of State Police; (b) a nonviolent crime rate per 1,000 population for 2009 equal to or greater than 110% of the average of nonviolent crime rates per 1,000 population for all municipalities for 2009 according to the Uniform Crime Report published by the Division of State Police; (c) an equalized municipal purposes tax rate for 2010, calculated as the amount to be raised by taxes for the municipal budget as reported in column 12Ciia and plus the amount to be raised by taxation for the municipal open space budget as reported in column 12Ciib, divided by the net valuation for county tax apportionment as reported in column 11 of 2010 county abstracts of ratables equal to or greater than 110% of the average of the equalized municipal purposes tax rates in all municipalities for 2010; and (d) an average residential property value for 2010 equal to or below 90% of the average of residential property values for all municipalities for 2010. An eligible municipality's population shall be determined using data from the 2010 federal decennial census. If the amount of aid so calculated for each eligible municipality totals to an amount greater than $50,000,000 each eligible municipality's amount shall be reduced proportionally such that the total amount distributed equals $50,000,000. Any distribution of Public Safety Municipal Aid received by an eligible municipality pursuant to this provision shall not affect the eligible municipality's qualification, calculation and receipt of any other aid, including but not limited to Transitional Aid to Localities. Municipalities shall appropriate Public Safety Municipal Aid for public safety, homeland security, and other purposes which promote safe and secure conditions within the municipality."

The quoted language is deleted in its entirety.

"Department Of Community Affairs, Total State Appropriation $775,361,000."
This item is reduced to $583,875,000.

26 DEPARTMENT OF CORRECTIONS

10 Public Safety and Criminal Justice
16 Detention and Rehabilitation

DIRECT STATE SERVICES

"08-7025 Institutional Care and Treatment $240,672,000."
This item is reduced to $237,172,000.

"Total Direct State Services Appropriation, Detention and Rehabilitation $823,997,000."
This item is reduced to $820,497,000.

Direct State Services:

47 "Services Other Than Personal ($148,980,000) ."
This item is reduced to $145,480,000.

48 "From the amount hereinabove appropriated to the Department of Corrections, the Commissioner of Corrections shall prepare a report on the adequacy of drug treatment programs provided by the Department of Corrections. The report shall include the number of inmates enrolled in drug treatment programs by institution, the number of inmates with substance abuse issues that are unable to obtain drug treatment programs by institution, and the Department of Corrections' plan to provide adequate drug treatment programs to inmates with substance abuse issues. The report shall be submitted to the chairs of the Senate Budget and Appropriations Committee and the Assembly Budget Committee no later than September 1, 2011."

The quoted language is deleted in its entirety.

48 "From the amount hereinabove appropriated to the Department of Corrections, the Commissioner of Corrections shall prepare a report on the adequacy of general educational development programs, provided by the Department of Corrections. The report shall include the number of inmates enrolled in general educational development programs by institution, the number of inmates that have completed general educational development programs in 2010 and 2011, and the number of inmates that have reached a ninth grade proficiency level. The report shall be submitted to the chairs of the Senate Budget and Appropriations Committee and the Assembly Budget Committee no later than September 1, 2011."

The quoted language is deleted in its entirety.

7025 System-wide Program Support

STATE AID

"13-7025 Institutional Program Support This item is reduced to $20,500,000.		$23,500,000."
"Total State Aid Appropriation, System-wide Program Support This item is reduced to $20,500,000.		$23,500,000."
State Aid:		
49 " 13 Union County Inmate Rehabilitation Services This item is reduced to $2,500,000.	($5,500,000) ."	
"Department Of Corrections, Total State Appropriation This item is reduced to $1,090,404,000.		$1,096,904,000."

34 DEPARTMENT OF EDUCATION

30 Educational, Cultural, and Intellectual Development
31 Direct Educational Services and Assistance

STATE AID

"01-5120 General Formula Aid This item is reduced to $7,541,901,000.		$8,034,746,000."
"(From Property Tax Relief Fund This item is reduced to $7,225,969,000.	$7,718,814,000)."	
"02-5120 Nonpublic School Aid This item is reduced to $79,503,000.		$85,983,000."
"Total State Aid Appropriation, Direct Educational Services and Assistance This item is reduced to $8,502,686,000.		$9,002,011,000."
"(From General Fund This item is reduced to $483,871,000.	$490,351,000)."	
"(From Property Tax Relief Fund This item is reduced to $8,018,815,000.	$8,511,660,000)."	
Less:		
52 "Growth Savings - Payment Changes This item is reduced to $83,000,000.	$132,256,000 ."	
"Total Deductions This item is reduced to $97,682,000.		$146,938,000."
"Total State Aid Appropriation, Direct Educational Services and Assistance This item is reduced to $8,405,004,000.		$8,855,073,000."
"(From General Fund This item is reduced to $483,871,000.	$490,351,000)."	
"(From Property Tax Relief Fund This item is reduced to $7,921,133,000.	$8,364,722,000)."	
State Aid:		
53 " 01 Additional Formula Aid((- Below Adequacy Districts)) (PTRF) The language within double parentheses is deleted, and this item is reduced to $167,189,000.	($574,279,000) ."	
53 " 01 Additional Formula Aid - Above Adequacy Districts (PTRF) This item is deleted in its entirety.	($85,755,000) ."	

53 " 02 Nonpublic Technology Initiative ($6,480,000) ."
This item is deleted in its entirety.

Less:
"Deductions $146,938,000."
This item is reduced to $97,682,000.

54 "Nonpublic Technology Initiative aid shall be paid to school districts and allocated for nonpublic school pupils at the rate of $40 per pupil in a manner that is consistent with the provisions of the federal and State constitutions."

The quoted language is deleted in its entirety.

55 "The Commissioner of the Department of Education shall certify by January 1, 2012 to the Director of the Division of Budget and Accounting whether there are amounts anticipated to be unexpended at the end of the fiscal year from General Formula Aid accounts. Subject to the approval of the Director, from these amounts the Commissioner shall award competitive grants in a total amount not to exceed $9,000,000 to school districts for the purchase of wireless tablet computer hardware and software to support special education programs."

The quoted language is deleted in its entirety.

56 "From the amounts hereinabove appropriated for State Aid, the Department of Education shall provide a school district, other than an SDA district, that is spending below adequacy in the 2011-2012 school year, an amount of aid that, when summed with the amount of aid, other than transportation aid, included in the district's aid notification provided pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5), equals the lesser of the amount necessary to increase the district's spending level to adequacy, or the State aid amount to which the district is entitled pursuant to the provisions of P.L.2007, c.260 (C.18A:7F-43 et al.). The department shall allocate such aid so as to restore reductions made in 2010-2011 in the reverse of the hierarchy used for the 2010-2011 reductions."

The quoted language is deleted in its entirety.

56 "From the amounts hereinabove appropriated for State Aid, the Department of Education shall allocate $85,755,000 to school districts, other than an SDA districts, that are spending above adequacy in the 2011-2012 school year. The department shall allocate the additional aid to each district based on the difference in the total equalization aid, adjustment aid, security categorical aid, and special education categorical aid included in the district's aid notification provided pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5) and the amount to which the district is entitled pursuant to the provisions of P.L.2007, c.260 (C.18A:7F-43 et al.), as a share of the total difference among all districts that are spending above adequacy in the 2011-2012 school year. The department shall include any adjustment aid provided to the school district in the 2010-2011 school year when determining a district's spending relative to adequacy. The department shall allocate such aid so as to restore reductions made in 2010-2011 in the reverse of the hierarchy used for the 2010-2011 reductions."

The quoted language is deleted in its entirety.

56 "A school district that receives total State aid in an amount greater than that included in its aid notification provided pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5) may submit a revised 2011-2012 school year budget to the Department of Education that increases general fund expenditures. If a district elects to increase its general fund expenditures, priority shall be given to expenditures that restore classroom and student support personnel and services eliminated during the 2010-2011 school year, including but not limited to, expenditures to rehire personnel, reduce class sizes, and eliminate new school participation fees. A district shall not increase its administrative expenditures above the amount included in the original budget approved by the Department of Education."

The quoted language is deleted in its entirety.

30 Educational, Cultural, and Intellectual Development
34 Educational Support Services

GRANTS-IN-AID

"40-5064 Student Services $3,000,000."
This item is deleted in its entirety.

"Total Grants-In-Aid Appropriation, Educational Support Services $4,635,000."
This item is reduced to $1,635,000.

Grants-In-Aid:

59 " 40 New Jersey After 3 ($3,000,000) ."
This item is deleted in its entirety.

59 "The sums provided hereinabove for New Jersey After 3 shall be conditioned upon the State Treasurer and the grant recipient entering into a grant agreement; shall be available for grants awarded by New Jersey After 3, Inc.; and shall be available for funding programs, activities, functions, and facilities consistent with recommendations and proposals of the New Jersey After 3 Advisory Committee."

The quoted language is deleted in its entirety.

STATE AID

"39-5095 Teachers' Pension and Annuity Assistance This item is reduced to $1,893,404,000.		$1,915,295,000."
"(From Property Tax Relief Fund This item is reduced to $1,893,404,000.	$1,915,295,000)."	
"Total State Aid Appropriation, Educational Support Services This item is reduced to $2,135,798,000.		$2,157,689,000."
"(From Property Tax Relief Fund This item is reduced to $2,135,798,000.	$2,157,689,000)."	

State Aid:

60 " 39 Teachers' Pension and Annuity Fund (PTRF) ($311,606,000) ."
This item is reduced to $289,715,000.

62 "Of the amount hereinabove appropriated from the General Fund for Direct State Services for the Department of Education there is allocated $270,000 for the expenses of the Amistad Commission."

The quoted language is deleted in its entirety.

62 "In the event that sufficient funds are not appropriated to fully fund any State Aid item, the Commissioner of Education shall apportion such appropriation among the districts in proportion to the State Aid each district would have been apportioned had the full amount of State aid been appropriated, except that no SDA district shall receive an amount of State Aid less than that required for compliance with Abbott v. Burke, No. M-1293-09, (N.J. May 24, 2011) (referred to as Abbott XXI), and no other district shall receive an amount less than that included in its aid notification provided pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5). ((Provided however, that under no circumstances shall surplus funds of a school district be a factor in the commissioner's allocation of such apportionments.))"

The language within double parentheses is deleted.

63 "Notwithstanding the provisions of any law or regulation to the contrary, a district's 2011-2012 allocation of: Equalization Aid, Educational Adequacy Aid, Security Aid, Adjustment Aid, Special Education Categorical Aid, and Transportation Aid shall equal the district's 2010-2011 allocation increased in total by an amount ((equal to 1% of the district's total general fund appropriations in the district's adopted 2009-2010 budget. The increased amount will be))allocated in such a manner as to restore reductions made in 2010-2011 in the reverse of the hierarchy used for 2010-2011 reductions."

The language within double parentheses is deleted.

"Department Of Education, Total State Appropriation $11,088,539,000."
This item is reduced to $10,613,579,000.

42 DEPARTMENT OF ENVIRONMENTAL PROTECTION

40 Community Development and Environmental Management
42 Natural Resource Management

CAPITAL CONSTRUCTION

"29-4875 Environmental Management - CBT Dedication This item is reduced to $15,293,000.	$15,907,000."
"Total Capital Construction Appropriation, Natural Resource Management This item is reduced to $46,793,000.	$47,407,000."

Capital Construction:

68 " 29 Recreational Land Development and Conservation - Constitutional Dedication ($15,907,000) ."
This item is reduced to $15,293,000.

40 Community Development and Environmental Management
43 Science and Technical Programs

DIRECT STATE SERVICES

"29-4850 Environmental Management - CBT Dedication $15,907,000."
This item is reduced to $15,293,000.

"Total Direct State Services Appropriation, Science and Technical Programs $37,322,000."
This item is reduced to $36,708,000.

Direct State Services:

69 " 29 Water Resources Monitoring and Planning - Constitutional Dedication ($15,907,000) ."
This item is reduced to $15,293,000.

40 Community Development and Environmental Management
44 Site Remediation and Waste Management

DIRECT STATE SERVICES

"29-4815 Environmental Management - CBT Dedication $9,544,000."
This item is reduced to $9,176,000.

"Total Direct State Services Appropriation, Site Remediation and Waste Management $46,118,000."
This item is reduced to $45,750,000.

Direct State Services:

71 " 29 Cleanup Projects Administration Costs - Constitutional Dedication ($9,544,000) ."
This item is reduced to $9,176,000.

CAPITAL CONSTRUCTION

"29-4815 Environmental Management - CBT Dedication $46,661,000."
This item is reduced to $44,860,000.

"Total Capital Construction Appropriation, Site Remediation and Waste Management $46,661,000."
This item is reduced to $44,860,000.

Capital Construction:

73 " 29 Hazardous Substance Discharge Remediation - Constitutional Dedication ($20,149,000) ."
This item is reduced to $19,371,000.

73 " 29 Private Underground Storage Tank Remediation - Constitutional Dedication ($14,582,000) ."
This item is reduced to $14,019,000.

73 " 29 Hazardous Substance Discharge Remediation Loans and Grants - Constitutional Dedication ($11,930,000) ."
This item is reduced to $11,470,000.

40 Community Development and Environmental Management
45 Environmental Regulation

GRANTS-IN-AID

"29-4892 Environmental Management - CBT Dedication $18,029,000."
This item is reduced to $17,332,000.

"Total Grants-In-Aid Appropriation, Environmental Regulation $18,029,000."
This item is reduced to $17,332,000.

Grants-In-Aid:

75 " 29 Diesel Risk Mitigation Fund - Constitutional Dedication ($18,029,000) ."
This item is reduced to $17,332,000.

"Department Of Environmental Protection, Total State Appropriation $330,119,000."
This item is reduced to $326,025,000.

46 DEPARTMENT OF HEALTH AND SENIOR SERVICES

20 Physical and Mental Health
21 Health Services

GRANTS-IN-AID

"02-4220 Family Health Services This item is reduced to $123,357,000.		$145,207,000."
"(From General Fund This item is reduced to $122,828,000.	$144,678,000)."	
"12-4245 AIDS Services This item is reduced to $28,160,000.		$35,160,000."
"Total Grants-In-Aid Appropriation, Health Services This item is reduced to $194,439,000.		$223,289,000."
"(From General Fund This item is reduced to $193,910,000.	$222,760,000)."	

Grants-In-Aid:

82	" 02	Early Childhood Intervention Program This item is reduced to $92,593,000.	($100,493,000) ."
82	" 02	Family Planning Services This item is deleted in its entirety.	($7,500,000) ."
82	" 02	Postpartum Education Campaign This item is deleted in its entirety.	($450,000) ."
82	" 02	Trauma Centers This item is deleted in its entirety.	($6,000,000) ."
83	" 12	AIDS Drug Distribution Program This item is reduced to $6,509,000.	($13,509,000) ."

85 "Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for the AIDS Drug Distribution Program is conditioned upon the following: individuals whose income does not exceed 500% of the federal poverty level shall be eligible for coverage for all AIDS-related drugs and ((all)) other drugs."

The language within double parentheses is deleted.

85 "Of the amount hereinabove appropriated for Family Planning Services, $1,000,000 shall be transferred to the Department of Human Services to provide a match for family planning services under the Medicaid program; provided however, none of the transferred monies shall be expended on abortion procedures. The Department of Human Services shall apply to the federal government for any necessary waiver or State plan amendment to provide family planning services under Medicaid."

The quoted language is deleted in its entirety.

85 "Notwithstanding the provisions of any law or regulation to the contrary, the $6,000,000 hereinabove appropriated to the Health Care Facilities Improvement Fund to provide resources for New Jersey Level One Trauma Centers, designated as such by the Department of Health and Senior Services and the American College of Surgeons as of June 1, 2011, shall be allocated equally among New Jersey Level One Trauma Centers to support the maintenance of clinical services required for designation as a Level One Trauma Center by the American College of Surgeons."

The quoted language is deleted in its entirety.

20 Physical and Mental Health
22 Health Planning and Evaluation

GRANTS-IN-AID

Grants-In-Aid:

88 "Notwithstanding the provision of any law or regulation to the contrary, the amount hereinabove appropriated is subject to the following condition: charity care claims for fiscal year 2012 shall be documented. Provided further, on or before April 1, 2012 the Commissioner of Health and Senior Services shall provide a report to the chairs of the Senate Budget and Appropriations Committee and the Assembly Budget Committee on the charity care payment distribution payment methodology. The report shall include the differences, if any, between the charity care payment distributions as would be made pursuant to the payment distribution methodology proposed in the Governor's Budget Message for fiscal year 2013 and the charity care payment distributions as would be made pursuant to the payment distribution methodology established pursuant to section 3 of P.L.2004, c.113 (C.26:2H-18.59i)."

The quoted language is deleted in its entirety.

20 Physical and Mental Health
26 Senior Services

GRANTS-IN-AID

"22-4275 Medical Services for the Aged		$938,435,000."
This item is reduced to $908,783,000.		
"(From General Fund	$918,315,000)."	
This item is reduced to $888,663,000.		
"Subtotal Grants-in-Aid, Senior Services		$1,079,245,000."
This item is reduced to $1,049,593,000.		
"(From General Fund	$990,362,000)."	
This item is reduced to $960,710,000.		
Less:		
"Total Deductions		$75,000,000."
"Total Grants-In-Aid Appropriation, Senior Services		$1,004,245,000."
This item is reduced to $974,593,000.		
"(From General Fund	$915,362,000)."	
This item is reduced to $885,710,000.		

Grants-In-Aid:

90 " 22 Payments for Medical Assistance Recipients - Nursing Homes ($676,257,000) ."
This item is reduced to $646,605,000.

101 "Upon a determination by the Commissioner of Health and Senior Services, made in consultation with the State Treasurer, that additional State funding is necessary to reimburse federally qualified health centers for services to uninsured clients, the Director of the Division of Budget and Accounting shall authorize the appropriation of such sums as the commissioner determines are necessary for grants to federally qualified health centers."

The quoted language is deleted in its entirety.

"Department Of Health and Senior Services, Total State Appropriation $1,319,575,000."
This item is reduced to $1,261,073,000.

54 DEPARTMENT OF HUMAN SERVICES

20 Physical and Mental Health
23 Mental Health Services

DIRECT STATE SERVICES

"10-7710 Patient Care and Health Services $297,152,000."
This item is reduced to $288,152,000.

"Total Direct State Services Appropriation, Mental Health Services $372,521,000."
This item is reduced to $363,521,000.

Direct State Services:

102 "Salaries and Wages ($326,525,000) ."
This item is reduced to $317,525,000.

7700 Division Of Mental Health and Addiction Services

DIRECT STATE SERVICES

"99-7700 Administration and Support Services $12,304,000."
This item is reduced to $12,254,000.

"Total Direct State Services Appropriation, Division Of Mental Health and Addiction Services $13,210,000."
This item is reduced to $13,160,000.

Direct State Services:

102 " 99 Governor's Council on Mental Health Stigma ($50,000) ."
This item is deleted in its entirety.

GRANTS-IN-AID

"08-7700 Community Services $350,139,000."
This item is reduced to $342,139,000.

"Total Grants-In-Aid Appropriation, Division Of Mental Health and Addiction Services $388,900,000."
This item is reduced to $380,900,000.

Grants-In-Aid:

103 " 08 Community Care ($266,563,000) ."
This item is reduced to $258,563,000.

20 Physical and Mental Health
24 Special Health Services
7540 Division Of Medical Assistance and Health Services

GRANTS-IN-AID

"22-7540 General Medical Services $3,040,056,000."
This item is reduced to $3,016,056,000.

"Subtotal General Operations $3,040,056,000."
This item is reduced to $3,016,056,000.

Less:
"Total Deductions $243,000,000."

"Total Grants-In-Aid Appropriation, Division Of Medical Assistance and Health Services $2,797,056,000."
This item is reduced to $2,773,056,000.

Grants-In-Aid:

109 " 22 Payments for Medical Assistance Recipients - Prescription Drugs ($540,786,000) ."
This item is reduced to $527,786,000.

109 " 22 Payments for Medical Assistance Recipients - Home Health Care ($22,674,000) ."
This item is reduced to $11,674,000.

112 "Notwithstanding the provisions of any law or regulation to the contrary, effective January 1, 2009, payments for the Payments of Medical Assistance Recipients - Outpatient Hospital account for outpatient hospital reimbursement for all psychiatric services provided as an outpatient hospital service to all eligible individuals regardless of age, shall be paid at the lower of charges or the prospective hourly rates as defined in N.J.A.C.10:52. Cost related to such services shall be excluded from outpatient hospital cost settlements. Hospitals may provide continued services to all eligible individuals in partial hospitalization programs in need of additional care beyond the 24 month limit and shall bill for these extended services at the community partial care rate((of $77 per day))."

The language within double parentheses is deleted.

117 "Notwithstanding the provisions of any other law or regulation to the contrary, and subject to any federal approval that may be necessary, the amounts hereinabove appropriated in the Managed Care Initiative account are subject to the following condition: Effective July 1, 2011, assuming receipt of any applicable federal approval, the following services, which were previously covered by Medicaid fee-for-service, shall be covered and provided instead through a managed care delivery system for all clients served by and/or enrolled in that system: 1) home health agency services ((for individuals who are dually eligible for Medicaid and Medicare)); 2) medical day care, including both adult day health services and pediatric medical day care; 3) prescription drugs ((for individuals who are dually eligible for Medicaid and Medicare)); and 4) rehabilitation services, including occupational, physical, and speech therapies. ((Provided however)) the above condition shall be effective ((September 1, 2011)) for personal care assistant services."

The language within double parentheses is deleted.

119 "Of the amount hereinabove appropriated for Payments for Medical Assistance Recipients - Prescription Drugs, such sums as are necessary are available for payment of Medicare Part D copayments and for certain pharmaceuticals not included in Medicare Part D prescription plan formularies for those individuals who are dually eligible for Medicaid and Medicare. These funds shall only be available to cover copayments and non-formulary drugs to pharmacies participating in the federal Medicare Part D program. Payments for pharmaceuticals not included in the Part D formularies may be subject to prior authorization. The Department of Human Services may require proof of appeal or may appeal the Medicare Part D formulary decision on behalf of a dual-eligible client."

The quoted language is deleted in its entirety.

119 "Notwithstanding the provision of any law or regulation to the contrary, on or before April 1, 2012 the Commissioner of Human Services shall provide a report to the chairs of the Senate Budget and Appropriations Committee and the Assembly Budget Committee on hospital relief subsidy fund payment distribution methodology. The report shall include, but not be limited to, the number of cases, by hospital, that qualify for hospital relief subsidy fund payments pursuant to the fiscal year 2012 annual appropriations act compared to the fiscal year 2011 annual appropriations act, P.L.2010, c.35, and a detailed comparison of the differences, if any, between the hospital relief subsidy fund payment distribution methodology proposed in the Governor's Budget Message for fiscal year 2013 and the payment distribution methodology established pursuant to N.J.A.C.10:52-13.1 et seq., in effect on June 30, 2011.

Notwithstanding the provision of any law or regulation to the contrary, on or before April 1, 2012 the Commissioner of Human Services shall provide a report to the chairs of the Senate Budget and Appropriations Committee and the Assembly Budget Committee on graduate medical education funding distribution methodology. The report shall include, but not be limited to, a detailed description of the differences, if any, between the graduate medical education funding distribution methodology proposed in the Governor's Budget Message for fiscal year 2013 and the distribution methodology established pursuant to section 3 of P.L.2004, c.113 3 (C.26:2H-18.59i)."

The quoted language is deleted in its entirety.

30 Educational, Cultural, and Intellectual Development
32 Operation and Support of Educational Institutions

DIRECT STATE SERVICES

Direct State Services:

122 "The amounts hereinabove appropriated are conditioned upon the following: the Vineland Developmental Center shall remain in full operation and funds appropriated elsewhere in contemplation of the closure shall be transferred to support the operations of the center and furthermore such additional sums as are necessary for the operation of the center are appropriated subject to the approval of the Director of the Division of Budget and Accounting."

The quoted language is deleted in its entirety.

30 Educational, Cultural, and Intellectual Development
33 Supplemental Education and Training Programs
7560 Commission For The Blind and Visually Impaired

DIRECT STATE SERVICES

"11-7560 Services for the Blind and Visually Impaired $10,247,000."
This item is reduced to $8,747,000.

"Total Direct State Services Appropriation, Commission For The Blind and Visually Impaired $12,544,000."
This item is reduced to $11,044,000.

Direct State Services:

127 "Salaries and Wages ($10,619,000) ."
This item is reduced to $9,119,000.

50 Economic Planning, Development, and Security
53 Economic Assistance and Security
7550 Division Of Family Development

GRANTS-IN-AID

"15-7550 Income Maintenance Management $464,285,000."
This item is reduced to $458,285,000.
"(From General Fund $174,544,000)."
This item is reduced to $168,544,000.

"Total Appropriation, State, Federal and All Other Funds $464,285,000."
This item is reduced to $458,285,000.
"(From General Fund $174,544,000)."
This item is reduced to $168,544,000.

Less:
"Total Deductions $289,741,000."

"Total Grants-In-Aid Appropriation, Division Of Family Development $174,544,000."
This item is reduced to $168,544,000.

Grants-In-Aid:

129 " 15 Work First New Jersey - Child Care ($311,163,000) ."
This item is reduced to $305,163,000.

130 "Notwithstanding the provisions of any law or regulation to the contrary, no funds hereinabove appropriated for before-school, after-school, and summer "wrap around" child care shall be expended except in accordance with the following condition: Effective September 1, 2010, families with incomes between 101% and 250% of the federal poverty level who reside in districts who received Preschool Expansion Aid or Education Opportunity Aid in the 2007-2008 school year shall be subject to a copayment for "wrap around" child care, based upon a schedule approved by the Department of Human Services and published in the New Jersey Register, and effective September 1, 2010, families who reside in districts who received Preschool Expansion Aid or Education Opportunity Aid in the 2007-2008 school year must meet the eligibility requirements under the New Jersey Cares for Kids child care program (N.J.A.C.10:15-5.1 et seq.) in order to receive free or subsidized "wrap around" child care((, except that families enrolled for "wrap around" child care will be exempt from the work requirement and the revised income eligibility criteria))."

The language within double parentheses is deleted.

130 "The Commissioner of Human Services shall certify on May 1, 2012 to the Director of the Division of Budget and Accounting whether there are amounts anticipated to be unexpended at the end of this fiscal year from the Work First New Jersey Child Care appropriation. Subject to the approval of the director, such anticipated unexpended amounts may be allocated by the commissioner to Head Start programs for wrap around services to high-need children in non-Abbott school districts."

The quoted language is deleted in its entirety.

STATE AID

"15-7550 Income Maintenance Management $878,563,000."
This item is reduced to $858,991,000.
"(From General Fund $413,946,000)."
This item is reduced to $394,374,000.

"Total Appropriation, State, Federal and All Other Funds $878,563,000."
This item is reduced to $858,991,000.
"(From General Fund $413,946,000)."
This item is reduced to $394,374,000.

Less:
"Total Deductions $464,617,000."

"Total State Aid Appropriation, Division Of Family Development $413,946,000."
This item is reduced to $394,374,000.

State Aid:

131 " 15 Payments for the Cost of General Assistance ($118,433,000) ."
This item is reduced to $98,861,000.

"Department Of Human Services, Total State Appropriation $5,362,635,000."
This item is reduced to $5,294,513,000.

66 DEPARTMENT OF LAW AND PUBLIC SAFETY

80 Special Government Services
82 Protection of Citizens' Rights

DIRECT STATE SERVICES

Direct State Services:

153 "The amount hereinabove appropriated for the Securities Enforcement Fund account is payable from receipts from fees and penalties deposited in the Securities Enforcement Fund pursuant to section 15 of P.L.1985, c.405 (C.49:3-66.1). Receipts in excess of the amount anticipated and the unexpended balances at the end of the preceding fiscal year ((,)) are appropriated to the Securities Enforcement Fund program account ((to offset the cost of operating this program)), subject to the approval of the Director of the Division of Budget and Accounting."

The language within double parentheses is deleted.

74 DEPARTMENT OF STATE

30 Educational, Cultural, and Intellectual Development
36 Higher Educational Services

GRANTS-IN-AID

"81-2401 Educational Opportunity Fund Programs $44,194,000."
This item is reduced to $38,694,000.

"Total Grants-In-Aid Appropriation, Higher Educational Services $45,994,000."
This item is reduced to $40,494,000.

Grants-In-Aid:

160 " 81 Opportunity Program Grants ($31,019,000) ."
This item is reduced to $25,519,000.

2405 Higher Education Student Assistance Authority

GRANTS-IN-AID

"45-2405 Student Assistance Programs $375,730,000."
This item is reduced to $326,077,000.

"Total Grants-In-Aid Appropriation, Higher Education Student Assistance Authority $375,730,000."
This item is reduced to $326,077,000.

Grants-In-Aid:

161 " 45 Tuition Aid Grants ($340,756,000) ."
This item is reduced to $294,298,000.

161 " 45 Part-Time Tuition Aid Grants for County Colleges ($11,679,000) ."
This item is reduced to $9,611,000.

161 " 45 New Jersey Student Tuition Assistance Reward Scholarship (NJSTARS I & II) ($17,544,000) ."
This item is reduced to $16,417,000.

162 "Notwithstanding the provisions of P. L. 2005, c.359 (C.18A:71B-86.1 et seq.), as amended by P.L. 2008, c.124, or any law or regulation to the contrary, the funds hereinabove appropriated for the New Jersey Student Tuition Assistance Reward Scholarships to fund the NJ STARS II scholarship program are subject to the following conditions: (1) the amount of the award to qualifying NJ STARS I graduates who have not previously received a NJ STARS II award and attend any New Jersey four-year college or university shall be paid for completely by the State appropriation, thereby suspending the obligation of the public institutions of higher education to fund their share of the cost of the scholarships as set forth in P.L. 2005, c.359, as amended by P.L. 2008, c.124, for this fiscal year; and (2) students who received NJ STARS II funds during the 2010-2011 academic year, students who were considered "non-funded" due to other Federal and/or State grants and scholarships received during the 2010-2011 academic year, and students who were on an approved leave of absence during the 2010-2011 academic year, shall receive awards during the 2011-2012 academic year as specified in section 4 of P.L. 2005, c.359 (C.18A:71B-86.4), as amended by P.L.2008, c.124."

The quoted language is deleted in its entirety.

2410 Rutgers, The State University

GRANTS-IN-AID

"82-2410 Institutional Support $1,968,176,000."
This item is reduced to $1,967,776,000.

"Subtotal General Operations $1,968,176,000."
This item is reduced to $1,967,776,000.

Less:
"Total Income Deductions $1,727,158,000."

"Total Grants-In-Aid Appropriation, Rutgers, The State University $241,018,000."
This item is reduced to $240,618,000.

Grants-In-Aid:

163 " 82 Clinical Legal Programs for the Poor - Camden Law School ($200,000) ."
This item is deleted in its entirety.

163 " 82 Clinical Legal Programs for the Poor - Newark Law School ($200,000) ."
This item is deleted in its entirety.

163 For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at Rutgers, The State University shall be ((6,678)).

The number in double parentheses is reduced to 6,361.

2415 Agricultural Experiment Station

GRANTS-IN-AID

Grants-In-Aid:

164 For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at the Agricultural Experiment Station shall be ((424)).

The number in double parentheses is reduced to 398.

2420 University Of Medicine and Dentistry Of New Jersey

GRANTS-IN-AID

Grants-In-Aid:

165 For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at the University of Medicine and Dentistry of New Jersey shall be ((6,972)).

The number in double parentheses is reduced to 6,582.

2430 New Jersey Institute Of Technology

GRANTS-IN-AID

Grants-In-Aid:

166 For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at the New Jersey Institute of Technology shall be ((1,246)).

The number in double parentheses is reduced to 1,187.

2440 Thomas A. Edison State College

GRANTS-IN-AID

"82-2440 Institutional Support This item is reduced to $56,221,000.	$58,321,000."
"Subtotal General Operations This item is reduced to $56,221,000.	$58,321,000."
Less:	
"Total Income Deductions	$54,400,000."
"Total Grants-In-Aid Appropriation, Thomas A. Edison State College This item is reduced to $1,821,000.	$3,921,000."

Grants-In-Aid:

166 " 82 Direct Facility Support ($2,100,000) ."
This item is deleted in its entirety.

166 For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at Thomas A. Edison State College shall be ((239)).

The number in double parentheses is reduced to 228.

2445 Rowan University

GRANTS-IN-AID

Grants-In-Aid:

167 "For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at Rowan University shall be ((1,188))."

The number within double parenthesis is reduced to 1,087.

2450 New Jersey City University

GRANTS-IN-AID

Grants-In-Aid:

167 For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at New Jersey City University shall be ((1,185)).

The number in double parentheses is reduced to 1,129.

2455 Kean University

GRANTS-IN-AID

Grants-In-Aid:

168 For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at Kean University shall be ((1,128)).

The number in double parentheses is reduced to 1,074.

2460 William Paterson University Of New Jersey

GRANTS-IN-AID

Grants-In-Aid:

168 For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at William Paterson University of New Jersey shall be ((1,166)).

The number in double parentheses is reduced to 1,111.

2465 Montclair State University

GRANTS-IN-AID

Grants-In-Aid:

169 For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at Montclair State University shall be ((1,382)).

The number in double parentheses is reduced to 1,316.

2470 The College Of New Jersey

GRANTS-IN-AID

Grants-In-Aid:

169 For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at The College of New Jersey shall be ((902)).

The number in double parentheses is reduced to 859.

2475 Ramapo College Of New Jersey

GRANTS-IN-AID

Grants-In-Aid:

170 For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at Ramapo College of New Jersey shall be ((601)).

The number in double parentheses is reduced to 573.

2480 The Richard Stockton College Of New Jersey

GRANTS-IN-AID

Grants-In-Aid:

170 For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at The Richard Stockton College of New Jersey shall be ((802)).

The number in double parentheses is reduced to 764.

2541 Division Of State Library

STATE AID

"51-2541 Library Services $11,475,000."
This item is reduced to $7,975,000.

"Total State Aid Appropriation, Division Of State Library $11,475,000."
This item is reduced to $7,975,000.

State Aid:

172 " 51 Per Capita Library Aid ($7,176,000) ."
This item is reduced to $3,676,000.

30 Educational, Cultural, and Intellectual Development
37 Cultural and Intellectual Development Services

GRANTS-IN-AID

Grants-In-Aid:

173 "Notwithstanding the provisions of any law or regulation to the contrary, of the amount appropriated for Cultural Projects, 25% shall be awarded to cultural groups or artists based in the eight southernmost counties (Cape May, Salem, Cumberland, Gloucester, Camden, Ocean, Atlantic, and Burlington), provided however, that the calculation of such 25% allocation shall not include the first $1,000,000 of any grants that may be awarded to the New Jersey Performing Arts Center or the Rutgers Camden Performing Arts Center((and should the Newark Museum Association be awarded a grant based on a competitive process with their peers, the first $2,187,000, shall be disregarded))."

The language within double parentheses is deleted.

173 "Of the amount hereinabove appropriated for Cultural Projects, $1,740,000 is allocated to the Battleship New Jersey, $375,000 is allocated to the Old Barracks, and $2,187,000 is allocated to the Newark Museum."

The quoted language is deleted in its entirety.

70 Government Direction, Management, and Control
74 General Government Services

GRANTS-IN-AID

"01-2505 Office of the Secretary of State $5,315,000."
This item is reduced to $3,025,000.

"Total Grants-In-Aid Appropriation, General Government Services $5,315,000."
This item is reduced to $3,025,000.

Grants-In-Aid:

174 " 01 Center for Hispanic Policy, Research and Development ($3,465,000) ."
This item is reduced to $1,175,000.

"Department Of State, Total State Appropriation $1,212,281,000."
This item is reduced to $1,148,838,000.

78 DEPARTMENT OF TRANSPORTATION

60 Transportation Programs
61 State and Local Highway Facilities

DIRECT STATE SERVICES

Direct State Services:

177 "In addition to the amount hereinabove appropriated for Maintenance and Operations, such additional sums as may be required are appropriated for winter operations, including snow removal costs, ((not to exceed $10,000,000,)) subject to the approval of the Director of the Division of Budget and Accounting."

The language within double parentheses is deleted.

CAPITAL CONSTRUCTION

Capital Construction:

178 "Notwithstanding the provisions of P.L.1984, c.73 (C.27:1B-1 et al.), there is appropriated the sum of ((($635,000,000)) from the revenues and other funds of the New Jersey Transportation Trust Fund Authority for capital purposes as follows:"

The amount within double parentheses is reduced to $625,000,000.

179 "Local Aid, Infrastructure Fund Various ((17,500,000))"

The amount within double parentheses is reduced to $7,500,000.

183 "Notwithstanding the provisions of any law or regulation to the contrary, in addition to the amount hereinabove appropriated for the Transportation Trust Fund Authority, there are appropriated such sums as are received from the New Jersey Turnpike Authority, not to exceed ((($76,000,000)), pursuant to a contract between the Authority and the State for transportation systems improvements."

The language within double parentheses is reduced to $66,000,000.

60 Transportation Programs
62 Public Transportation

GRANTS-IN-AID

"04-6050 Railroad and Bus Operations This item is reduced to $1,848,100,000.	$1,858,100,000."
"Subtotal Grants-in-Aid, Public Transportation This item is reduced to $1,848,100,000.	$1,858,100,000."
Less:	
"Total Income Deductions	$1,538,700,000."
"Total Grants-In-Aid Appropriation, Public Transportation This item is reduced to $309,400,000.	$319,400,000."

Grants-In-Aid:

183 "Personal Services: Salary and Wages ($1,099,800,000) ."
This item is reduced to $1,089,800,000.

184 "Notwithstanding the provision of any law or regulation to the contrary, in addition to the amount hereinabove appropriated for New Jersey Transit, there are appropriated such sums as are received from the New Jersey Turnpike Authority, ((not to exceed $100,000,000,)) pursuant to a contract between the Authority and the State for such transportation purposes."

The language within double parentheses is deleted.

186 "From the amounts hereinabove appropriated to the Department of the Transportation, the Commissioner of Transportation shall allocate $1,000,000 for transit village planning grants."

The quoted language is deleted in its entirety.

"Department Of Transportation, Total State Appropriation This item is reduced to $1,415,206,000.	$1,425,206,000."

82 DEPARTMENT OF THE TREASURY

30 Educational, Cultural, and Intellectual Development
36 Higher Educational Services

GRANTS-IN-AID

"47-2155 Support to Independent Institutions $1,237,000."
This item is reduced to $1,037,000.
"Total Grants-In-Aid Appropriation, Higher Educational Services $44,573,000."
This item is reduced to $44,373,000.

Grants-In-Aid:

186 " 47 Clinical Legal Programs for the Poor - Seton Hall University ($200,000) ."
This item is deleted in its entirety.

70 Government Direction, Management, and Control
74 General Government Services

DIRECT STATE SERVICES

"10-2062 Public Broadcasting Services $2,000,000."
This item is deleted in its entirety.

"Total Direct State Services Appropriation, General Government Services $32,036,000."
This item is reduced to $30,036,000.

Direct State Services:

196 " 10 Public Broadcasting Services ($2,000,000) ."
This item is deleted in its entirety.

70 Government Direction, Management, and Control
75 State Subsidies and Financial Aid

STATE AID

"29-2078 Locally Provided Assistance $42,059,000."
This item is reduced to $33,209,000.

"Total State Aid Appropriation, State Subsidies and Financial Aid $200,307,000."
This item is reduced to $191,457,000.

"(From General Fund $66,659,000)."
This item is reduced to $57,809,000.

State Aid:

201 " 29 Solid Waste Management -- County Environmental Investment Aid ($8,850,000) ."
This item is deleted in its entirety.

202 "Notwithstanding the provisions of any law or regulation to the contrary, the release of the final 5% or $500, whichever is greater, of the total annual amount due for the current fiscal year from the Energy Tax Receipts Property Tax Relief Fund to municipalities is subject to the following condition: the municipality shall submit to the Director of the Division of Local Government Services a report describing the municipality's compliance with the "Best Practices Inventory" established by the Director of the Division of Local Government Services and shall receive at least a minimum score on such inventory as determined by the Director of the Division of Local Government Services; provided, however, that the Director may take into account the particular circumstances of a municipality in computing such score. In preparing the Best Practices Inventory, the Director shall identify best municipal practices in the areas of general administration, fiscal management, and operational activities, as well as the particular circumstances of a municipality, in determining the minimum score acceptable for the release of the final 5% or $500, whichever is greater, of the total annual amount due for the current fiscal year, but in no event shall amounts be withheld with respect to municipal practices occurring prior to the issuance of the Best Practices Inventory unless related to a municipal practice identified in the Best Practices Inventory established in 2010. ((However, for the purposes of calculating whether a municipality has achieved the minimum score, any question which did not appear on the State Fiscal Year 2011 survey shall not be counted toward the total number of questions, nor the total number of answers.))"

The language within double parentheses is deleted.

80 Special Government Services
82 Protection of Citizens' Rights
2048 State Legal Services Office

GRANTS-IN-AID

"89-2048 Civil Legal Services for the Poor $24,900,000."
This item is reduced to $14,900,000.

"Total Grants-In-Aid Appropriation, State Legal Services Office $24,900,000."
This item is reduced to $14,900,000.

Grants-In-Aid:

206 " 89 Legal Services of New Jersey - Legal Assistance in Civil Matters ($24,900,000) ."
This item is reduced to $14,900,000.

"Department Of The Treasury, Total State Appropriation $1,816,973,000."
This item is reduced to $1,795,923,000.

94 INTERDEPARTMENTAL ACCOUNTS

70 Government Direction, Management, and Control
74 General Government Services
9410 Employee Benefits

GRANTS-IN-AID

"03-9410 Employee Benefits $777,965,000."
This item is reduced to $776,603,000.

"Total Grants-In-Aid Appropriation, Employee Benefits $777,965,000."
This item is reduced to $776,603,000.

Grants-In-Aid:

218 " 03 Alternate Benefit Program - Employer Contributions ($134,746,000) ."
This item is reduced to $133,384,000.

"Interdepartmental Accounts, Total State Appropriation $3,203,309,000."
This item is reduced to $3,201,947,000.

Total State Appropriation, All State Funds $30,609,343,000."
This item is reduced to $29,696,563,000.

GENERAL PROVISIONS

271 "2. All dedicated funds are hereby appropriated for their dedicated purposes. There are appropriated, subject to allotment by the Director of the Division of Budget and Accounting and with the approval of the Legislative Budget and Finance Officer, private contributions, revolving funds and dedicated funds received, receivable or estimated to be received for the use of the State or its agencies in excess of those anticipated, unless otherwise provided herein. The unexpended balances at the end of the preceding fiscal year of such funds, or any portion thereof, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting. In the event a person or entity wishes to make a monetary donation to the State for a particular purpose, the head of the State agency or department to which such monetary donation is made is hereby authorized to accept such monetary donation. ((Within 10 days of the receipt of any such monetary donations, the head of the State agency or department accepting the donation shall notify the Joint Budget Oversight Committee of the donation, including the name of the donor, the amount of the donation, the intended use of the donation and any specific limits or criteria imposed by the donor on the use of the funds. The head of the State agency or department accepting the donation shall notify the Joint Budget Oversight Committee once 50% of the monetary donation is expended or committed as to the specific expenditures or commitments for the donation. The head of the State agency or department accepting the donation shall provide a final accounting to the Joint Budget Oversight Committee within 30 days of the end of the fiscal year.))"

The language within double parentheses is deleted.

274 "20. None of the funds appropriated to the Executive Branch of State government for Information Processing, Development, Telecommunications, and Related Services and Equipment shall be available to pay for any of these services or equipment without the review of the Office of Information Technology, and compliance with statewide policies and standards and an approved department Information Technology Strategic Plan((; authorization and approval by the Office of Information Technology is required for expenditure of amounts in excess of an amount not to exceed $5,000))."

The language within double parentheses is deleted.

278 "41. Notwithstanding the provisions of P.L.1943, c.188 (C.52:14-17.1 et seq.), the rate of reimbursement for mileage allowed for employees traveling by personal automobile on official business shall be $.31 per mile ((, except that employees who are unclassified and unaligned shall not receive reimbursement for mileage))."

The language within double parentheses is deleted.

282 "71. Notwithstanding the provisions of any other law or regulation to the contrary, there is appropriated as revenue to the General Fund ((one-half of)) the revenue credited in the current fiscal year to each account for each enterprise zone in the Enterprise Zone Assistance Fund attributable to local projects and the local costs for administering the Urban Enterprise Zone program, as defined by section 29 of P.L.1983, c.303 (C.52:27H-88)."

The language within double parentheses is deleted.

282 "72. The revenue credited in the current fiscal year to each account for each enterprise zone in the Enterprise Zone Assistance Fund attributable to local projects and the local costs for administering the Urban Enterprise Zone program, as defined by section 29 of P.L.1983, c.303 (C.52:27H-88), shall be distributed to each enterprise zone on or before November 15, 2011, February 15, 2012, May 15, 2012, and June 30, 2012. Provided further, the use of such funds for eligible purposes by such enterprise zones shall not require approval by the New Jersey Urban Enterprise Zone Authority. Further, an enterprise zone may use project funds for administrative purposes, but the entire administrative budget of such enterprise zone shall not exceed its fiscal year 2011 administrative budget."

The quoted language is deleted in its entirety.

284 "83.Notwithstanding any provision of law or regulation to the contrary, the comprehensive Medicaid waiver submittedby the State to the U.S. Department of Health and Human Services' Centers for Medicare and Medicaid Services((, or any agreement entered into pursuant to that waiver,)) shall ((not)) include ((any)) restrictions on the expenditure of amounts hereinabove appropriated that reduce eligibility for services based on financial criteria, ((reduce provider reimbursement rates,)) impose ((any))new or increased co-payments for clients, limit the amount, duration or scope of services((, or limit the total amount of State Medicaid expenditures or federal reimbursements))."

The language within double parentheses is deleted.

284 "84. From the amounts hereinabove appropriated , the State Treasurer shall prepare a report detailing the impact of zero based and performance based budgeting on the State Fiscal Year 2012 budget and specifying changes to that budget that resulted from the use of these methods. The report shall be submitted to the President of the Senate, the Speaker of the General Assembly, the Chair of the Assembly Budget Committee, and the Chair of the Senate Budget and Appropriations Committee no later than January 1, 2012."

The quoted language is deleted in its entirety.

284 "85. The amounts hereinabove appropriated for payment of normal and accrued liabilities to the Public Employees' Retirement System, Police and Firemen's Retirement System, Teachers' Pension and Annuity Fund, State Police Retirement System, and the Judicial Retirement System shall be deposited in each fund no later than July 15, 2011."

The quoted language is deleted in its entirety.

284 "86. The Governor's Budget Message presented during the current fiscal year pursuant to section 11 of article 3 of P.L.1944, c.112 (C,52:27B-20) shall include a recommendation for funding of hospital charity care computed using a "hospital means test" based on (1) a "Hospital Disproportionate Share Factor" and (2) a "Hospital Shiftability Factor." The Hospital Disproportionate Share Factor shall be calculated based on hospitals' respective annual statewide ranking in the combined provision of New Jersey Charity Care services, fee-for-service Medicaid, and HMO Medicaid services. The "Hospital Shiftability Factor" shall be based on the ratio of commercial payer revenue to combined revenues for Medicaid fee-for-service, HMO Medicaid services, and Charity Care services priced at Medicaid rates including a GME add-on. The proposed Hospital Disproportionate Share Factor and Hospital Shiftability Factor shall be used to insure that the allocation of hospital subsidies relating to Charity Care are targeting institutions with the greatest burden in providing hospital services to the uninsured and underinsured

population in New Jersey. In order to reduce the expense of hospital documentation of Charity Care services, hospitals will no longer be required to participate in quarterly and annual audits of hospital documented Charity Care, subject to certification of compliance with Charity Care regulations in the performance of hospitals' annual audited financial statements. Additionally, the regulatory exception to the documentation process that allows for a "best efforts" attestation by the hospital for patients who are admitted for treatment after evaluation in Emergency Departments shall be extended to cases which are treated in the Emergency Department on an outpatient basis."

The quoted language is deleted in its entirety.

Respectfully,

/s/ Chris Christie

[seal]

Governor

Attest:

/s/ Jeffrey S. Chiesa

Chief Counsel to the Governor

State of New Jersey

Executive Department

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01 LEGISLATURE

21 The appropriation of $4,529,000 is reduced for the Senate - Salaries and Wages. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year. The budget as adopted by the Legislature relied upon exaggerated revenue estimates, flawed assumptions concerning fund balances and ignored the harsh reality of its spending decisions. This reduction, among many others enumerated herein necessitated reductions of known surpluses, imprudent spending and other similar excesses.

21 The appropriation of $4,622,000 is reduced for the General Assembly - Salaries and Wages. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year. The budget as adopted by the Legislature relied upon exaggerated revenue estimates, flawed assumptions concerning fund balances and ignored the harsh reality of its spending decisions. This reduction, among many others enumerated herein necessitated reductions of known surpluses, imprudent spending and other similar excesses.

22 The appropriation of $100,000 is eliminated for the Senator Wynona Lipman Chair in Women's Political Leadership at the Eagleton Institute. Based on official certification of available revenue and the current fiscal reality, an elimination is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

22 The appropriation of $69,000 is eliminated for the Henry J. Raimondo New Jersey Legislative Fellows Program. Based on official certification of available revenue and the current fiscal reality, an elimination is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

16 DEPARTMENT OF CHILDREN AND FAMILIES

30 The appropriation of $478,260,000 is reduced for Salaries and Wages. Based on the most recent trend data for this program, the reduced level of funding is sufficient.

31 The appropriation of $1,150,000 is reduced for the Court Appointed Special Advocates. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

32 The appropriation of $537,000 is eliminated for the Wynona M. Lipman Child Advocacy Center, Essex County. Based on official certification of available revenue and the current fiscal reality, an elimination is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

32 The appropriation of $234,085,000 is reduced for Treatment Homes and Emergency Behavioral Health Services. Based on the most recent trend data for this program, the reduced level of funding is sufficient.

22 DEPARTMENT OF COMMUNITY AFFAIRS

36 Language related to Affordable Housing excess receipts has been partially deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution to be consistent with the Governor's original budget recommendations for fiscal year 2012.

39 Language related to Shelter Assistance unexpended balances has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution because its inclusion would be inconsistent with the Governor's budget recommendations for fiscal year 2012.

39 Language related to Affordable Housing technical assistance grants has been partially deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution to be consistent with the Governor's original budget recommendations for fiscal year 2012.

41 The appropriation of $2,000,000 is eliminated for the Lead Hazard Control Assistance Program. Based on official certification of available revenue and the current fiscal reality, an elimination is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

41 The appropriation of $486,000 is eliminated for Grants to Hispanic Women's Resource Centers. Based on official certification of available revenue and the current fiscal reality, an elimination is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

42 The appropriation of $149,000,000 is reduced for Transitional Aid to Localities. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

42 The appropriation of $50,000,000 is eliminated for Municipal Public Safety Aid (PTRF). Based on official certification of available revenue and the current fiscal reality, an elimination is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year. The related language on page 45 has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution. The budget as adopted by the Legislature relied upon exaggerated revenue estimates, flawed assumptions concerning fund balances and ignored the harsh reality of its spending decisions. This reduction, among many others enumerated herein necessitated reductions of known surpluses, imprudent spending and other similar excesses.

43 Language allocating Transitional Aid to Localities for Meadowlands Adjustment Payments has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution because its inclusion would be inconsistent with the Governor's budget priorities for fiscal year 2012.

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44 Language related to Consolidated Municipal Property Tax Relief Aid and the Best Practices Inventory has been partially deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution to be consistent with the Governor's commitment to open, transparent government.

26 DEPARTMENT OF CORRECTIONS

47 The appropriation of $148,980,000 is reduced for Services Other Than Personal. Based on the most recent trend data for inmate healthcare, the reduced level of funding is sufficient.

48 Language related to the reporting on the adequacy of drug treatment programs has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution in order to promote the efficient operation of the State government while avoiding an unnecessary and burdensome bureaucratic reporting requirement.

48 Language related to the reporting on the adequacy of general educational development programs has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution in order to promote the efficient operation of the State government while avoiding an unnecessary and burdensome bureaucratic reporting requirement.

49 The appropriation of $5,500,000 is reduced for Union County Inmate Rehabilitation Services. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

34 DEPARTMENT OF EDUCATION

52 The Growth Savings - Payment Changes of $132,256,000 is reduced to reflect the impact of the reduction in amounts appropriated for General Formula Aid.

53 The appropriation of $574,279,000 is reduced for Additional Formula Aid - Below Adequacy Districts (PTRF), and the program name is changed to Additional Formula Aid (PTRF). The budget as adopted by the Legislature relied upon exaggerated revenue estimates, flawed assumptions concerning fund balances and ignored the harsh reality of its spending decisions. This reduction, among many others enumerated herein necessitated reductions of known surpluses, imprudent spending and other similar excesses. The related language on page 56 is deleted in its entirety.

53 The appropriation of $85,755,000 is eliminated for Additional Formula Aid - Above Adequacy Districts (PTRF). The budget as adopted by the Legislature relied upon exaggerated revenue estimates, flawed assumptions concerning fund balances and ignored the harsh reality of its spending decisions. This reduction, among many others enumerated herein necessitated reductions of known surpluses, imprudent spending and other similar excesses. The related language on page 56 is unnecessary because funding for this item is removed from the Appropriations Act.

53 The appropriation of $6,480,000 is eliminated for Nonpublic Technology Initiative. Based on official certification of available revenue and the current fiscal reality, an elimination is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year. The related language on page 54 is deleted in its entirety. The language is unnecessary because funding for this item is removed from the Appropriations Act.

55 Language concerning unexpended school aid funds to be used for competitive grants has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution because its inclusion would be inconsistent with the Governor's budget recommendations for fiscal year 2012.

56 Language related to additional state aid allocations has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution because its inclusion would be inconsistent with the Governor's budget recommendations for fiscal year 2012.

59 The appropriation of $3,000,000 is eliminated for New Jersey After 3. Based on official certification of available revenue and the current fiscal reality, an elimination is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year. The related language has been deleted in its entirety. The language is unnecessary because funding for this item is removed from the Appropriations Act.

60 The appropriation of $311,606,000 is reduced for Teachers' Pension and Annuity Fund (PTRF). The reduced amount funds the fiscal year 2012 required pension contribution pursuant to P.L.2010, c.1, as adjusted for anticipated savings from pension reforms.

62 Language allocating $270,000 for the Amistad Commission has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution because its inclusion would be inconsistent with the Governor's budget recommendations for fiscal year 2012.

62 Language related to state aid apportionment has been partially deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution to be consistent with the Governor's original budget recommendations for fiscal year 2012.

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63 Language regarding the calculation of a district's 2011-2012 school aid allocation is partially deleted in order to ensure restoration of school funding for districts that experienced reductions made in 2010-2011 in the reverse of the hierarchy used for those reductions, within the context of a responsibly balanced budget. As originally proposed, my budget would have ensured a 1% increase for every district. The appropriations provided for in this budget should be sufficient to ensure that the total amount of State aid received by each district will increase by 2% of the district's total appropriations contained in such categories in the district's adopted 2009-2010 budget.

42 DEPARTMENT OF ENVIRONMENTAL PROTECTION

68 The appropriation of $15,907,000 is reduced for Recreational Land Development and Conservation - Constitutional Dedication based on changes to the Corporation Business Tax revenue projections.

69 The appropriation of $15,907,000 is reduced for Water Resources Monitoring and Planning - Constitutional Dedication based on changes to the Corporation Business Tax revenue projections.

71 The appropriation of $9,544,000 is reduced for Cleanup Projects Administration Costs - Constitutional Dedication based on changes to the Corporation Business Tax revenue projections.

73 The appropriation of $20,149,000 is reduced for Hazardous Substance Discharge Remediation - Constitutional Dedication based on changes to the Corporation Business Tax revenue projections.

73 The appropriation of $14,582,000 is reduced for Private Underground Storage Tank Remediation - Constitutional Dedication based on changes to the Corporation Business Tax revenue projections.

73 The appropriation of $11,930,000 is reduced for Hazardous Substance Discharge Remediation Loans and Grants - Constitutional Dedication based on changes to the Corporation Business Tax revenue projections.

75 The appropriation of $18,029,000 is reduced for Diesel Risk Mitigation Fund - Constitutional Dedication based on changes to the Corporation Business Tax revenue projections.

46 DEPARTMENT OF HEALTH AND SENIOR SERVICES

82 The appropriation of $100,493,000 is reduced for the Early Childhood Intervention Program. Based on the most recent trend data for this program, the reduced level of funding is sufficient.

82 The appropriation of $7,500,000 is eliminated for Family Planning Services. Based on official certification of available revenue and the current fiscal reality, an elimination is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year. The related language on page 85 also has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution.

82 The appropriation of $450,000 is eliminated for the Postpartum Education Campaign. Based on official certification of available revenue and the current fiscal reality, an elimination is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

82 The appropriation of $6,000,000 is eliminated for Trauma Centers. Based on official certification of available revenue and the current fiscal reality, an elimination is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year. The related language on page 85 also has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution.

83 The appropriation of $13,509,000 is reduced for the AIDS Drug Distribution Program. Based on the most recent trend data for this program, the reduced level of funding is sufficient.

85 Language related to the AIDS Drug Distribution Program has been partially deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution in order to promote consistency with the Governor's budget recommendations for fiscal year 2012.

88 Language related to charity care documentation and reporting has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution in order to promote the efficient operation of the State government while avoiding an unnecessary and burdensome bureaucratic reporting requirement.

90 The appropriation of $676,257,000 is reduced for Payments for Medical Assistance Recipients - Nursing Homes. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

101 Language related to additional funding for federally qualified health centers has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution because its inclusion would be inconsistent with the Governor's budget recommendations for fiscal year 2012.

54 DEPARTMENT OF HUMAN SERVICES

102 The appropriation of $326,525,000 is reduced for Salaries and Wages in Mental Health Services. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

102 The appropriation of $50,000 is eliminated for the Governor's Council on Mental Health Stigma. Based on official certification of available revenue and the current fiscal reality, an elimination is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

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103 The appropriation of $266,563,000 is reduced for Community Care in the Division of Mental Health and Addiction Services. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

109 The appropriation of $540,786,000 is reduced for Payments for Medical Assistance Recipients - Prescription Drugs. The related language on page 119 has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution because its inclusion would be inconsistent with the Governor's initiative to reform and protect the New Jersey Medicaid program.

109 The appropriation of $22,674,000 is reduced for Payments for Medical Assistance Recipients - Home Health Care. The related language on page 117 for services remaining as fee-for-service has been partially deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution in order to promote consistency with the Governor's initiative to reform and protect the New Jersey Medicaid program.

112 Language related to Payments for Medical Assistance Recipients - Outpatient Hospital has been partially deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution in order to promote consistency with the Governor's budget recommendations for fiscal year 2012.

119 Language related to Graduate Medical Education and Hospital Relief Subsidy Fund reporting has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution in order to promote the efficient operation of the State government while avoiding an unnecessary and burdensome bureaucratic reporting requirement.

122 Language related to the continued full operation of the Vineland Developmental Center has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution because its inclusion would be inconsistent with the Governor's commitment to the protection of the civil rights of our most vulnerable citizens.

127 The appropriation of $10,619,000 is reduced for Salaries and Wages in the Commission for the Blind and Visually Impaired. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

129 The appropriation of $311,163,000 is reduced for Work First New Jersey-Child Care. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year. The related language on page 130 has been partially deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution in order to promote consistency with the Governor's budget recommendations for fiscal year 2012.

130 Language allocating excess Work First New Jersey-Child Care funds for Head Start Services for at risk children in non-Abbott districts has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution because its inclusion would be inconsistent with the Governor's budget recommendations for fiscal year 2012.

131 The appropriation of $118,433,000 is reduced for Payments for the Cost of General Assistance. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

66 DEPARTMENT OF LAW AND PUBLIC SAFETY

153 Language related to the Securities Enforcement Fund has been partially deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution to be consistent with the Governor's original budget recommendations for fiscal year 2012.

74 DEPARTMENT OF STATE

160 The appropriation of $31,019,000 is reduced for Opportunity Program Grants. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

161 The appropriation of $340,756,000 is reduced for Tuition Aid Grants. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

161 The appropriation of $11,679,000 is reduced for Part-Time Tuition Aid Grants for County Colleges. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

161 The appropriation of $17,544,000 is reduced for New Jersey Student Tuition Assistance Reward Scholarship (NJSTARS I & II). Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year. The related language on page 162 has been deleted pursuant to Article V, section I, paragraph15 of the New Jersey Constitution because its inclusion would be inconsistent with the Governor's budget recommendations for fiscal year 2012.

163 The appropriation of $200,000 is eliminated for Clinical Legal Programs for the Poor - Camden Law School. Based on official certification of available revenue and the current fiscal reality, an elimination is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

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163 The appropriation of $200,000 is eliminated for Clinical Legal Programs for the Poor - Newark Law School. Based on official certification of available revenue and the current fiscal reality, an elimination is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

163 The Legislature's failure to appropriately fund health benefit costs for all state employees necessitated a reduction in the state's support of employee fringe benefits at all public institutions of higher education.

164 The Legislature's failure to appropriately fund health benefit costs for all state employees necessitated a reduction in the state's support of employee fringe benefits at all public institutions of higher education.

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166 The Legislature's failure to appropriately fund health benefit costs for all state employees necessitated a reduction in the state's support of employee fringe benefits at all public institutions of higher education.

166 The appropriation of $2,100,000 is eliminated for Direct Facility Support. Based on official certification of available revenue and the current fiscal reality, an elimination is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

166 The Legislature's failure to appropriately fund health benefit costs for all state employees necessitated a reduction in the state's support of employee fringe benefits at all public institutions of higher education.

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170 The Legislature's failure to appropriately fund health benefit costs for all state employees necessitated a reduction in the state's support of employee fringe benefits at all public institutions of higher education.

172 The appropriation of $7,176,000 is reduced for Per Capita Library Aid. The budget as adopted by the Legislature relied upon exaggerated revenue estimates, flawed assumptions concerning fund balances and ignored the harsh reality of its spending decisions. This reduction, among many others enumerated herein necessitated reductions of known surpluses, imprudent spending and other similar excesses.

173 Language related to allocating a portion of Cultural Projects grants to southern counties has been partially deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution in order to promote consistency with the Governor's budget priorities for fiscal year 2012.

173 Language related to specific allocations for the Battleship New Jersey, the Old Barracks, and the Newark Museum has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution because its inclusion would be inconsistent with the Governor's budget priorities for fiscal year 2012.

174 The appropriation of $3,465,000 is reduced for Center for Hispanic Policy, Research and Development. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

78 DEPARTMENT OF TRANSPORTATION

177 Language related to winter operations has been partially deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution to be consistent with the Governor's original budget recommendations for fiscal year 2012.

178 The appropriation of $635,000,000 from the Transportation Trust Fund Authority for Capital Purposes is reduced. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

179 The appropriation of $17,500,000 is reduced for Local Aid, Infrastructure Fund. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

183 The amount appropriated to the Transportation Trust Fund Authority from funds received from the New Jersey Turnpike Authority is reduced to reflect the shift of funds to support New Jersey Transit operations.

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183 The appropriation of $319,400,000 is reduced for Public Transportation. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

184 The cap on appropriation of funds received from New Jersey Turnpike Authority is eliminated to enable utilization of additional Authority funds to support New Jersey Transit operations.

186 Language related to the Transit Village Planning Grants program has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution because its inclusion would be inconsistent with the Governor's budget recommendations for fiscal year 2012.

82 DEPARTMENT OF THE TREASURY

186 The appropriation of $200,000 is eliminated for Clinical Legal Programs for the Poor - Seton Hall University. Based on official certification of available revenue and the current fiscal reality, an elimination is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

196 The appropriation of $2,000,000 is eliminated for Public Broadcasting Services. The budget as adopted by the Legislature relied upon exaggerated revenue estimates, flawed assumptions concerning fund balances and ignored the harsh reality of its spending decisions. This reduction, among many others enumerated herein necessitated reductions of known surpluses, imprudent spending and other similar excesses.

201 The appropriation of $8,850,000 for Solid Waste Management -- County Environmental Investment Aid is eliminated. Based on official certification of available revenue and the current fiscal reality, an elimination is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

202 Language related to the Energy Tax Receipts Property Tax Relief Fund and the Best Practices Inventory has been partially deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution to be consistent with the Governor's original budget recommendations for fiscal year 2012.

206 The appropriation of $24,900,000 is reduced for Legal Services of New Jersey - Legal Assistance in Civil Matters. Based on official certification of available revenue and the current fiscal reality, a reduction is necessary in order to ensure a constitutionally balanced budget is achieved for this fiscal year.

94 INTERDEPARTMENTAL ACCOUNTS

218 The appropriation of $134,746,000 is reduced for Alternate Benefit Program - Employer Contributions. Based on the most recent trend data for this program, the reduced level of funding is sufficient.

GENERAL PROVISIONS

271 Language related to appropriation of dedicated funds, contributions, revolving funds and donations has been partially deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution in order to promote the efficient operation of the State government while avoiding an unnecessary and burdensome bureaucratic reporting requirement.

274 Language related to procurement of information and telecommunications services and equipment has been partially deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution in order to promote consistency with the Governor's budget priorities for fiscal year 2012.

278 Language related to reimbursement to State employees for mileage allowed for employees traveling by personal automobile on official business has been partially deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution in order to promote consistency with the Governor's budget priorities for fiscal year 2012.

282 Language related to appropriations to the General Fund from Enterprise Zone Assistance Fund revenues has been partially deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution because its inclusion would be inconsistent with the Governor's program to restore and rebuild New Jersey's economy. As reported to the Legislature, the Urban Enterprise Zone program has been determined to have failed in its mission and should not be continued.

282 Language related to the payment of Enterprise Zone Assistance Fund revenues has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution because its inclusion would be inconsistent with the Governor's program to restore and rebuild New Jersey's economy. As reported to the Legislature, the Urban Enterprise Zone program has been determined to have failed in its mission and should not be continued.

284 Language related to the Comprehensive Medicaid Waiver has been partially deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution to be consistent with the Governor's initiative to reform and protect the New Jersey Medicaid program.

284 Language related to reporting on performance-based or zero-based budgeting outcomes has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution in order to promote the efficient operation of the State government while avoiding an unnecessary and burdensome bureaucratic reporting requirement.

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284 Language related to a payment date for employer pension contributions has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution because its inclusion would inappropriately intrude on the Governor's ability to manage the state's fiscal affairs.

284 Language related to fiscal year 2013 budget recommendations for Hospital Charity Care has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution because its inclusion would inappropriately constrain the Governor's ability to develop a comprehensive and equitable funding formula for hospitals in the future. The Governor, working with all New Jersey hospitals, produced a fair and responsible formula for fiscal year 2012 that was universally endorsed. The fiscal year 2013 budget will similarly contain a funding system that is appropriate for the taxpayers and New Jersey hospitals.

Respectfully,

Chris Christie
Governor

Attested,

Jeffrey S. Chiesa
Chief Counsel

State of New Jersey

Executive Department

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284 Language related to a payment date for employer pension contributions has been deleted pursuant to Article V,section I, paragraph 15 of the New Jersey Constitution because its inclusion would inappropriately intrude on the Governor's ability to manage the state's fiscal affairs.

284 Language related to fiscal year 2013 budget recommendations for Hospital Charity Care has been deleted pursuant to Article V, section I, paragraph 15 of the New Jersey Constitution because its inclusion would inappropriately constrain the Governor's ability to develop a comprehensive and equitable funding formula for hospitals in the future. The Governor, working with all New Jersey hospitals, produced a fair and responsible formula for fiscal year 2012 that was universally endorsed. The fiscal year 2013 budget will similarly contain a funding system that is appropriate for the taxpayers and New Jersey hospitals.

Respectfully,

/s/ Chris Christie

Governor

[seal]

Attested,

/s/ Jeffrey S. Chiesa

Chief Counsel