

DEPARTMENT OF THE TREASURY

OVERVIEW

The Department of Treasury includes not only the State's traditional financial oversight and purchasing functions but also higher education services, information technology services, and a number of in-but-not-of boards and agencies that receive funding through the State Budget, including: the Economic Development Authority, the Motion Picture and Television Development Commission, the New Jersey Commerce, Economic Growth and Tourism Commission, the Commission on Science and Technology, the Board of Public Utilities, the Office of Administrative Law, the Casino Control Commission, the Office of the Public Defender, the State Legal Services Office, and the Office of the Inspector General. A complete description of the goals and objectives of these programs and agencies can be found on their respective budget pages.

The mission of the Department of Treasury itself is to formulate and manage the State's Budget, generate and collect revenues, disburse the appropriations used to operate New Jersey State government, manage the State's physical and financial assets, and provide statewide support services to state and local government agencies as well as the citizens of New Jersey.

The Department's overriding goal is to ensure the most beneficial use of fiscal resources and revenues to meet critical needs, all within a policy framework set by the Governor. Its objectives include providing current, relevant financial information for management and the public to consider; administering the tax laws of the State to maximize the collection of tax revenue; enhancing revenue collection through integrated receipts processing and aggressive management of public accounts receivable; providing for a centralized purchasing system for goods and services; planning, programming, designing, and supervising the construction of buildings and facilities for the various State agencies; investing and reinvesting funds of the various State agencies and pension funds as effectively as possible; administering all employee benefit programs at minimum cost; providing risk management, loss prevention, and claims services and management of the fire and casualty insurance program to all State agencies; and operating a central motor pool fleet at the lowest possible cost and in the safest manner.

Budget Highlights

The Fiscal 2007 Budget for the Department of Treasury totals \$2.96 billion, an increase of \$888 million or 42.9% over the fiscal 2006 adjusted appropriation of \$2.07 billion.

Major components of this increase include \$550 million for Property Tax Relief, \$223 million for debt service costs, and \$152 million to fund Business Employment Incentive Program contracts directly, which replaces the current practice of debt financing these payments.

Offsetting these increases are management efficiency initiatives, such as staff reductions through attrition and electronic filing of tax and other State forms, which reduce State appropriations by \$20 million across all divisions within the Department. Other reductions, such as aid to Higher Education programs and energy assistance grants, are discussed below.

Property Tax Relief

The Fiscal 2007 Budget increases essential property tax relief programs by providing \$1.3 billion in rebates to New Jersey property taxpayers.

With an infusion of \$530 million, funding for Homestead Rebates will increase from the current \$0.7 billion to \$1.2 billion in fiscal 2007, providing rebates that exceed fiscal 2006 levels for all recipients. Of the \$530 million increase, \$400 million is needed to account for the fact that the fiscal 2006 rebate program was funded in part through a fiscal 2005 supplemental appropriation of \$400

million. The remaining \$130 million of the increase reflects a 10% across-the-board increase in the amount of the rebates. Homeowners with incomes up to \$200,000, and tenants with incomes up to \$100,000, will continue to be eligible for the program. Funded at a total of \$1.2 billion, this program will provide the highest rebates to low- and middle-income senior citizens. Specifically, senior homeowners with incomes less than \$70,000 will receive a maximum rebate of \$1,320, and senior homeowners with incomes above \$70,000 will receive a maximum rebate of \$880. Rebates for non-senior homeowners will be from \$330 to \$385. Senior tenants and non-senior tenants will receive maximum rebates of \$908 and \$83, respectively.

The State's low- and middle-income seniors will continue to see 100% of their property tax increases paid through the Senior and Disabled Citizens' Property Tax Freeze (Senior Tax Freeze) program. Funding for this program increases 21% (\$20.5 million) to \$119 million in fiscal 2007. This program is expected to provide rebates to approximately 162,000 seniors in fiscal 2007, with rebates averaging \$735.

Department Accomplishments

Consistent with the Division of Taxation's effort to maximize collection of all taxes, Compliance Collections continues to represent the fourth largest single revenue source in the State Budget. Compliance Collections are defined as revenue resulting from the Division's compliance or enforcement action, program or intervention, or revenue otherwise not remitted voluntarily by a taxpayer.

The Division of Revenue continues to institute and expand programs that enhance the State's revenue accounting and collection process, especially using the technology of e-government to improve and enhance service.

The Division of Purchase and Property has forged ahead with a number of technology initiatives in support of procurement reform. These initiatives are aimed at providing more effective and efficient mechanisms for addressing internal processing and external interactions with citizens and vendors. The revamped public Internet site for vendor interaction with the Purchase Bureau now offers electronic notification service, which e-mails alerts to vendors and other interested parties of advertised solicitations, and is now being geared up for the launch of electronic bid capability for vendors. Meanwhile, standard contract language has been streamlined to encourage more vendors to participate, and to increase competition and techniques, such as restructured contracts and best and final offer negotiations, to obtain more favorable pricing.

The Division of Lottery experienced record Lottery sales in fiscal 2005, totaling \$2.3 billion. This resulted in a State contribution to education and State institutions of \$811 million, also a record high.

The Division of Property Management and Construction began a multi-phase project involving the consolidation and elimination of warehouse leases that has resulted in annual savings to the State of \$1.2 million.

The Division of Pensions & Benefits is using technology to expand client service offerings and support Treasury's paper free initiative.

The Department continues to bid contracts for "green power" electricity. The green power procurement helps New Jersey satisfy federal environmental regulations and aids in the development of clean energy markets. As part of this effort, approximately 12% of the total electrical load will be procured from renewable or green power sources.

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In-but-not-of agencies that have significant changes in the Fiscal 2007 Budget recommendation are described below:

Office of Administrative Law

In fiscal 2007, a decrease of \$386,000 in Direct State Services funding is recommended for the Office of Administrative Law (OAL). This decrease of 7.5% will be offset by fee increases to third party users of OAL services, such as government-regulated industries and the federal government.

Board of Public Utilities

The Fiscal 2007 Budget for the Board of Public Utilities totals \$96.7 million, a decrease of \$10 million or 9.4% under the fiscal 2006 adjusted appropriation of \$106.7 million. Of this decrease, \$1 million represents a reduction in salaries in various divisions of the Board, and \$9 million represents the reduction of one-time legislative appropriations for energy assistance grants.

Higher Education System

The Department of Treasury budget also contains appropriations supporting certain higher educational services, including support to independent institutions, aid to county colleges, and miscellaneous higher education grant and capital programs.

There are 14 independent institutions in New Jersey that receive funding through the Independent College and University Assistance Act and participate in other State-funded programs, including facilities bond funds, programs for special student populations, and student grant, scholarship, and loan programs. The Fiscal 2007 Budget recommends funding to the independent colleges and universities in the amount of \$12 million for direct operating aid, a reduction of \$12 million or 50% under fiscal 2006.

The county college system is composed of 19 institutions that provide access to higher education for a broad range of New Jersey residents, many of whom might otherwise be denied the benefit of a college education. Total services and recommended funding for the county

colleges, including operating aid, fringe benefits, and debt service funding, is \$208.1 million for fiscal 2007, a reduction of \$15.5 million from fiscal 2006. Of this amount, \$8 million will be funded from the Department of Labor and Workforce Development's Supplemental Workforce Fund for Basic Skills. Direct aid to the county colleges of \$146.3 million is a reduction of \$16.3 million, or 10% under the fiscal 2006 funding level.

County colleges are eligible to participate in the Chapter 12 bond program, a \$530 million self-renewing capital funding mechanism specifically for these institutions. Counties or eligible authorities issue bonds for new construction, acquisition, expansion, or capital renewal or replacement, and the State shares the debt service equally with the counties. In fiscal 2007, debt service payments by the State are anticipated to be \$27.5 million. This is a decrease of \$1.1 million under the fiscal 2006 projected debt service.

In fiscal 2007, support is continued for debt service costs of a variety of valuable higher education capital programs, including the \$550 million Higher Education Capital Improvement Program; the \$100 million Equipment Leasing Fund; the \$55 million Higher Education Technology Infrastructure Bond Fund; the \$220 million Higher Education Facilities Trust Fund; and the \$90 million Dormitory Safety Trust Fund. Debt service for these programs in fiscal 2007 is recommended at \$86.5 million, an increase of \$14.5 million over fiscal 2006.

Support for the New Jersey Stem Cell Research Institute will be maintained in fiscal 2007 at \$5.5 million. The Stem Cell Research Institute will be jointly operated by the University of Medicine and Dentistry of New Jersey, and Rutgers, The State University and will be based in a new facility to be built in New Brunswick. The Institute, one of the first of its kind in the country, will be the first to form a real partnership between research universities, a medical school, and private interests.

DEPARTMENT OF THE TREASURY SUMMARY OF APPROPRIATIONS BY FUND (thousands of dollars)

Year Ending June 30, 2005					Year Ending June 30, 2007			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2006 Adjusted Approp.	Requested	Recom- mended	
GENERAL FUND								
381,907	67,218	4,069	453,194	424,942	Direct State Services	392,437	371,652	371,652
235,812	93	3,279	239,184	211,950	Grants-In-Aid	239,977	399,851	378,185
307,214	8,279	-783	314,710	285,707	State Aid	305,442	342,752	311,496
---	5,318	5,954	11,272	5,825	Capital Construction	---	---	---
232,519	---	-11,728	220,791	220,621	Debt Service	144,651	368,121	368,121
1,157,452	80,908	791	1,239,151	1,149,045	Total General Fund	1,082,507	1,482,376	1,429,454
PROPERTY TAX RELIEF FUND								
2,162,711	24	---	2,162,735	1,609,845	Grants-In-Aid	789,888	1,340,188	1,340,188
164,334	---	-7,961	156,373	155,072	State Aid	167,020	158,134	158,134
2,327,045	24	-7,961	2,319,108	1,764,917	Total Property Tax Relief Fund	956,908	1,498,322	1,498,322
CASINO CONTROL FUND								
27,901	778	---	28,679	27,601	Direct State Services	29,440	29,440	29,440
27,901	778	---	28,679	27,601	Total Casino Control Fund	29,440	29,440	29,440
3,512,398	81,710	-7,170	3,586,938	2,941,563	Total Appropriation, Department of the Treasury	2,068,855	3,010,138	2,957,216

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Orig. & (S)Supplemental	Year Ending June 30, 2005				2006 Adjusted Approp.	Year Ending June 30, 2007	
	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Requested	Recommended
452	---	26	478	476			
---	2	493	495	443			
<u>452</u>	<u>2</u>	<u>519</u>	<u>973</u>	<u>919</u>			
7,529	1,332	-538	8,323	7,059			
1,926	236	53	2,215	2,045			
1,591	---	---	1,591	1,591			
3,264	23	597	3,884	3,827			
8,631	3,118	566	12,315	11,284			
<u>22,941</u>	<u>4,709</u>	<u>678</u>	<u>28,328</u>	<u>25,806</u>			
555	---	904	1,459	1,457			
19,527	24,844	-17,181	27,190	25,336			
---	---	1,122	1,122	234			
<u>20,082</u>	<u>24,844</u>	<u>-15,155</u>	<u>29,771</u>	<u>27,027</u>			
110,445	15,860	2,568	128,873	127,016			
30,300	572	---	30,872	29,711			
30,867	4,773	---	35,640	30,019			
7,445	8	337	7,790	7,780			
4,703	436	---	5,139	5,093			
<u>183,760</u>	<u>21,649</u>	<u>2,905</u>	<u>208,314</u>	<u>199,619</u>			
468	---	---	468	272			
8,505	448	4,915	13,868	13,535			
31,705	12,111	106	43,922	34,354			
13,338	1,057	1,050	15,445	14,885			
1,807	553	113	2,473	2,459			
5,260	---	---	5,260	5,253			
<u>61,083</u>	<u>14,169</u>	<u>6,184</u>	<u>81,436</u>	<u>70,758</u>			
1,613	---	60	1,673	1,666			
10,723	1,531	2,664	14,918	14,313			
<u>12,336</u>	<u>1,531</u>	<u>2,724</u>	<u>16,591</u>	<u>15,979</u>			
7,957	173	323	8,453	8,045			
71,009	139	5,680	76,828	74,294			
2,287	2	211	2,500	2,495			

DIRECT STATE SERVICES - GENERAL FUND

Economic Planning and Development

Economic Development	517	517	517
New Jersey Commission on Science and Technology	581	581	581
<i>Subtotal</i>	<u>1,098</u>	<u>1,098</u>	<u>1,098</u>

Economic Regulation

Utility Regulation	8,027	7,893	7,893
Regulation of Cable Television	2,024	2,024	2,024
Energy Assistance Programs	1,669	1,669	1,669
Regulatory Support Services	3,724	3,337	3,337
Administration and Support Services	11,432	10,951	10,951
<i>Subtotal</i>	<u>26,876</u>	<u>25,874</u>	<u>25,874</u>

Governmental Review and Oversight

Employee Relations and Collective Negotiations	724	678	678
Office of Management and Budget	19,335	18,587	18,587
Office of the Inspector General	2,570	2,302	2,302
<i>Subtotal</i>	<u>22,629</u>	<u>21,567</u>	<u>21,567</u>

Financial Administration

Taxation Services and Administration	106,634	124,255	124,255
Administration of State Lottery	22,490	21,900	21,900
Administration of State Revenues	29,746	28,104	28,104
Management of State Investments	8,637	8,719	8,719
Business Services Bureau	4,703	4,703	4,703
<i>Subtotal</i>	<u>172,210</u>	<u>187,681</u>	<u>187,681</u>

General Government Services

Garden State Preservation Trust	478	478	478
Purchasing and Inventory Management	10,870	9,789	9,789
Pensions and Benefits	32,387	---	---
Property Management and Construction - Property Management Services	15,142	14,285	14,285
Risk Management	2,070	2,657	2,657
Adjudication of Administrative Appeals	5,120	4,734	4,734
<i>Subtotal</i>	<u>66,067</u>	<u>31,943</u>	<u>31,943</u>

Management and Administration

Contract Compliance and Equal Employment Opportunity in Public Contracts	1,794	1,702	1,702
Administration and Support Services	12,685	12,429	12,429
<i>Subtotal</i>	<u>14,479</u>	<u>14,131</u>	<u>14,131</u>

Protection of Citizens' Rights

Appellate Services to Indigents	9,689	9,689	9,689
Trial Services to Indigents and Special Programs	76,948	77,228	77,228
Administration and Support Services	2,441	2,441	2,441

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Orig. & (S)Supple- mental	Year Ending June 30, 2005					Year Ending June 30, 2007		
	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2006 Adjusted Approp.	Requested	Recom- mended
81,253	314	6,214	87,781	84,834	<i>Subtotal</i>	89,078	89,358	89,358
381,907	67,218	4,069	453,194	424,942	Total Direct State Services - General Fund	392,437	371,652	371,652
DIRECT STATE SERVICES - CASINO CONTROL FUND								
Financial Administration								
27,901	778	---	28,679	27,601	Administration of Casino Gambling	29,440	29,440	29,440
27,901	778	---	28,679	27,601	<i>Subtotal</i>	29,440	29,440	29,440
27,901	778	---	28,679	27,601	Total Direct State Services - Casino Control Fund	29,440	29,440	29,440
409,808	67,996	4,069	481,873	452,543	TOTAL DIRECT STATE SERVICES	421,877	401,092	401,092
GRANTS-IN-AID - GENERAL FUND								
Higher Educational Services								
25,359	---	---	25,359	25,359	Support to Independent Institutions	25,959	31,919	13,378
85,562	---	149	85,711	76,117	Miscellaneous Higher Education Programs	83,379	96,993	93,868
110,921	---	149	111,070	101,476	<i>Subtotal</i>	109,338	128,912	107,246
Economic Planning and Development								
21,851	---	3,260	25,111	20,659	Economic Development	19,749	171,749	171,749
8,800	93	-493	8,400	3,627	New Jersey Commission on Science and Technology	14,650	11,950	11,950
30,651	93	2,767	33,511	24,286	<i>Subtotal</i>	34,399	183,699	183,699
Economic Regulation								
70,840	---	---	70,840	65,788	Energy Assistance Programs	79,840	70,840	70,840
70,840	---	---	70,840	65,788	<i>Subtotal</i>	79,840	70,840	70,840
Management and Administration								
7,000	---	363	7,363	4,000	Administration and Support Services	---	---	---
7,000	---	363	7,363	4,000	<i>Subtotal</i>	---	---	---
Protection of Citizens' Rights								
16,400	---	---	16,400	16,400	Trial Services to Indigents and Special Programs	16,400	16,400	16,400
16,400	---	---	16,400	16,400	<i>Subtotal</i>	16,400	16,400	16,400
235,812	93	3,279	239,184	211,950	Total Grants-In-Aid - General Fund	239,977	399,851	378,185

TREASURY

Orig. & (S)Supplemental	Year Ending June 30, 2005				2006 Adjusted Approp.	Year Ending June 30, 2007	
	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Requested	Recommended
2,162,711	24	---	2,162,735	1,609,845			
<u>2,162,711</u>	<u>24</u>	<u>---</u>	<u>2,162,735</u>	<u>1,609,845</u>			
2,162,711	24	---	2,162,735	1,609,845			
<u>2,398,523</u>	<u>117</u>	<u>3,279</u>	<u>2,401,919</u>	<u>1,821,795</u>			
					GRANTS-IN-AID - PROPERTY TAX RELIEF FUND		
					State Subsidies and Financial Aid		
					789,888	1,340,188	1,340,188
					789,888	1,340,188	1,340,188
					789,888	1,340,188	1,340,188
					1,029,865	1,740,039	1,718,373
					STATE AID - GENERAL FUND		
					Higher Educational Services		
184,075	---	-783	183,292	183,061	181,023	203,824	172,568
<u>184,075</u>	<u>---</u>	<u>-783</u>	<u>183,292</u>	<u>183,061</u>	<u>181,023</u>	<u>203,824</u>	<u>172,568</u>
					State Subsidies and Financial Aid		
1,481	---	---	1,481	1,383	1,681	2,289	2,289
80,233	8,279	---	88,512	67,818	79,324	61,796	61,796
41,425	---	---	41,425	33,445	43,414	74,843	74,843
---	---	---	---	---	---	---	---
<u>123,139</u>	<u>8,279</u>	<u>---</u>	<u>131,418</u>	<u>102,646</u>	<u>124,419</u>	<u>138,928</u>	<u>138,928</u>
307,214	8,279	-783	314,710	285,707	305,442	342,752	311,496
					STATE AID - PROPERTY TAX RELIEF FUND		
					Higher Educational Services		
28,045	---	-2,839	25,206	25,206	28,556	27,500	27,500
<u>28,045</u>	<u>---</u>	<u>-2,839</u>	<u>25,206</u>	<u>25,206</u>	<u>28,556</u>	<u>27,500</u>	<u>27,500</u>
					State Subsidies and Financial Aid		
109,000	---	-5,122	103,878	103,878	109,000	99,100	99,100
27,289	---	---	27,289	25,988	29,464	31,534	31,534
<u>136,289</u>	<u>---</u>	<u>-5,122</u>	<u>131,167</u>	<u>129,866</u>	<u>138,464</u>	<u>130,634</u>	<u>130,634</u>
164,334	---	-7,961	156,373	155,072	167,020	158,134	158,134
<u>471,548</u>	<u>8,279</u>	<u>-8,744</u>	<u>471,083</u>	<u>440,779</u>	<u>472,462</u>	<u>500,886</u>	<u>469,630</u>
					CAPITAL CONSTRUCTION		
					Economic Regulation		
---	1	---	1	---	---	---	---
<u>---</u>	<u>1</u>	<u>---</u>	<u>1</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>

TREASURY

Year Ending June 30, 2005					Year Ending June 30, 2007		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	2006 Adjusted Approp.	Requested	Recommended
---	---	---	---	---			
---	2,089	---	2,089	335			
---	3,228	5,954	9,182	5,490			
---	5,317	5,954	11,271	5,825			
---	5,318	5,954	11,272	5,825			
General Government Services							
Physical Plant Operation and Maintenance					---	---	---
Property Management and Construction -							
Property Management Services					---	---	---
Office of Information Technology					---	---	---
<i>Subtotal</i>					---	---	---
TOTAL CAPITAL CONSTRUCTION					---	---	---
DEBT SERVICE							
Management and Administration							
Administration and Support Services					144,651	368,121	368,121
232,519	---	-11,728	220,791	220,621			
232,519	---	-11,728	220,791	220,621	144,651	368,121	368,121
232,519	---	-11,728	220,791	220,621	144,651	368,121	368,121
3,512,398	81,710	-7,170	3,586,938	2,941,563	2,068,855	3,010,138	2,957,216
<i>Total Appropriation, Department of the Treasury</i>							

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

36. HIGHER EDUCATIONAL SERVICES

PROGRAM CLASSIFICATIONS

47. **Support to Independent Institutions.** The Independent College and University Assistance Act, N.J.S.18A:72B-15 et seq., provides financial assistance to 14 eligible New Jersey independent colleges and universities. This assistance, which is based on the number of New Jersey students enrolled at these institutions, helps to ensure that this valuable sector of the State's system of higher education will continue to provide educational opportunities for New Jersey citizens. Direct aid also is provided in support of specific programs at selected independent institutions.
48. **Aid to County Colleges.** The New Jersey system of community colleges was established by statute in 1962 (N.J.S.18A:64A-1 et seq.). The first county colleges were opened four years later in Atlantic, Cumberland, Middlesex, and Ocean counties. Today there are 19 institutions: one community college in each of 17 counties, a bi-county college serving Somerset and Hunterdon counties, and a bi-county college serving Atlantic and Cape May counties. These institutions enroll more than 200,000 full-time and part-time credit students, 100,000 non-credit students, and 50,000 employees through customized training annually, and provide access to higher education for a broad range of New Jersey residents who would otherwise be denied the advantages associated with a college education.
- State aid is appropriated for county college operational costs and is distributed among the institutions by the State in consultation with the Council of County Colleges. The distribution is based on a formula that includes foundation aid, enrollment funding, and access funding. Aid in amounts not to exceed one-half of project costs may also be provided for capital projects under P.L. 1971, Chapter 12. In addition, some fringe benefit costs of certain county college employees are paid by the State.
49. **Miscellaneous Higher Education Programs.** Includes four key programs that assist New Jersey's institutions of higher

education, both public and private, in keeping pace with technological changes and responding to industry and work force needs. The Higher Education Equipment Leasing Fund (ELF) Act (P.L. 1993, c.136) established a \$100 million fund to finance the purchase of scientific, engineering, technical, computer, communications, and instructional equipment. The original ELF bonds were retired in 2000, and issuance of a second \$100 million in bonds was authorized in 2001. The State pays three-quarters of the debt service on Equipment Leasing Fund bonds, and the colleges pay the remaining share. The Higher Education Facilities Trust Fund Act (P.L. 1993, c.375) established a \$220 million fund to finance the construction, renovation or improvement of instructional, laboratory, communication, and research facilities. The State pays the entire cost of debt service on Higher Education Facilities Trust Fund bonds.

The Higher Education Technology Infrastructure Fund Act (P.L. 1997, c.238) provided \$55 million in support for critical technology needs and complements the State's other facility and equipment bond funds. The State pays the entire cost of debt service on Higher Education Technology Infrastructure Fund bonds. The \$550 million Higher Education Capital Improvement Fund (P.L. 1999, c.217) is designed to address the issues of renewal, renovation, improvement, expansion, construction, and reconstruction of facilities and technology infrastructure. The State pays two-thirds of the debt service for public institutions and one-half of the debt service for independent institutions.

The Educational Facilities Authority (EFA) issues bonds to finance projects under these four programs, with the debt service supported by annual State appropriations.

The Dormitory Safety Trust Fund (P.L. 2000, c.56) provided loans to eligible public or private secondary schools, military schools or boarding schools, and public or private institutions of higher education to install automatic fire suppression systems. Funds for the trust were provided from the issuance of \$90 million in State bonds.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2005					Year Ending June 30, 2007				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended	
GRANTS-IN-AID									
Distribution by Fund and Program									
25,359	---	---	25,359	25,359	Support to Independent Institutions	47	25,959	31,919	13,378
85,562	---	149	85,711	76,117	Miscellaneous Higher Education Programs	49	83,379	96,993	93,868
110,921	---	149	111,070	101,476	Total Grants-In-Aid		109,338	128,912	107,246
Distribution by Fund and Object									
Grants:									
23,962	---	---	23,962	23,962	Aid to Independent Colleges and Universities	47	23,962	30,522	11,981
200	---	---	200	200	Clinical Legal Programs for the Poor--Seton Hall University (P.L. 1996, c.52)	47	200	200	200
80	---	---	80	80	Institute for Advanced Study -- Discrete Mathematics and Computer Science Center	47	130	80	80
80	---	---	80	80	Institute for Advanced Study -- Park City Mathematics Institute	47	130	80	80
---	---	---	---	---	Bloomfield College -- Science Laboratory	47	500	---	---
1,037	---	---	1,037	1,037	Research Under Contract with the Institute of Medical Research, Camden	47	1,037	1,037	1,037
3,000	---	---	3,000	3,000	Higher Education Incentive Endowment Fund	49	3,000	3,000	---
100	---	---	100	8	Garden State Savings Bonds Incentive	49	100	100	100
29,855	---	---	29,855	29,855	Higher Education Capital Improvement Program -- Debt Service	49	17,100	32,146	32,146
-4,724 ^S	---	-3,625	21,506	21,505	Equipment Leasing Fund -- Debt Service	49	18,599	18,503	18,503
18,449	---	-226	18,223	18,222	Higher Education Facilities Trust Fund -- Debt Service	49	21,033	20,911	20,911
21,015	---	---	21,015	21,015	Higher Education Technology Bond -- Debt Service	49	6,475	6,457	6,457
6,463	---	---	6,463	6,463	Marine Sciences Consortium	49	576	701	576
426	---	---	426	426	Dormitory Safety Trust Fund -- Debt Service	49	8,796	8,475	8,475
9,053	---	---	9,053	9,053	Statewide Systemic Initiative to Reform Mathematics and Science Education	49	1,200	1,200	1,200
-5,775 ^S	---	---	3,278	3,278	New Jersey Stem Cell Research Institute	49	5,500	5,500	5,500
1,200	---	---	1,200	1,200	Stevens Institute of Technology - New Jersey Community College Strategic Partnership	49	1,000	---	---
5,500	---	4,000	9,500	---					
1,000	---	---	1,000	1,000					
STATE AID									
Distribution by Fund and Program									
220,120	---	-3,622	216,498	216,267	Aid to County Colleges	48	223,579	239,324	208,068
192,075	---	-783	191,292	191,061	(From General Fund)		195,023	211,824	180,568
28,045	---	-2,839	25,206	25,206	(From Property Tax Relief Fund)		28,556	27,500	27,500
220,120	---	-3,622	216,498	216,267	Total State Aid		223,579	239,324	208,068
192,075	---	-783	191,292	191,061	(From General Fund)		195,023	211,824	180,568

TREASURY

Year Ending June 30, 2005					Year Ending June 30, 2007				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended	
28,045	---	-2,839	25,206	25,206					
(8,000)	---	---	(8,000)	(8,000)					
<u>(8,000)</u>	<u>---</u>	<u>---</u>	<u>(8,000)</u>	<u>(8,000)</u>					
212,120	---	-3,622	208,498	208,267					
					STATE AID				
					<i>(From Property Tax Relief Fund)</i>				
						28,556	27,500	27,500	
					<i>Less:</i>				
					Supplemental Workforce Fund-Basic Skills				
						(14,000)	(8,000)	(8,000)	
					Total Income Deductions				
						(14,000)	(8,000)	(8,000)	
					Total State Appropriation				
						209,579	231,324	200,068	
					Distribution by Fund and Object				
					State Aid:				
162,562	---	---	162,562	162,562	Operational Costs	48	162,562	177,562	146,306
28,045	---	-2,839	25,206	25,206	Debt Service for Chapter 12 P.L.1971, c.12 (C.18A:64A-22.1) (PTRF)	48	28,556	27,500	27,500
15,032	---	---	15,032	15,032	Alternate Benefit Program - Employer Contributions (a)	48	15,722	15,626	15,626
2,198	---	---	2,198	2,198	Alternate Benefit Program - Non-contributory Insurance (a)	48	2,589	3,086	3,086
---	---	---	---	---	Teachers' Pension and Annuity Fund - Non-contributory Insurance (b)	48	14	18	18
---	---	---	---	---	Employer Contributions - Teachers' Pension and Annuity Fund (b)	48	23	418	418
1,195	---	---	1,195	1,102	Teachers' Pension and Annuity Fund - Post Retirement Medical	48	1,117	1,155	1,155
10,560	---	-783	9,777	9,777	Post Retirement Medical Other Than TPAF	48	12,461	13,516	13,516
450	---	---	450	312	Employer Contributions -- FICA for County College Members of Teachers' Pension and Annuity Fund	48	450	350	350
78	---	---	78	78	Debt Service on Pension Obligation Bonds P.L. 1997, c.114 (C.34:1B-7.50 et seq.)	48	85	93	93
					<i>Less:</i>				
					Income Deductions				
						<u>(14,000)</u>	<u>(8,000)</u>	<u>(8,000)</u>	
					Grand Total State Appropriation				
						318,917	360,236	307,314	

Notes -- State Aid - General Fund

(a) The fiscal 2005 data and the fiscal 2006 appropriation have been adjusted to report the non-contributory insurance component.

(b) The fiscal 2006 appropriation has been adjusted to report the non-contributory insurance component.

Language Recommendations -- Grants-In-Aid - General Fund

For the purpose of implementing the "Independent College and University Assistance Act," P.L.1979, c.132 (C.18A:72B-15 et seq.), the number of full-time equivalent students (FTE) at the eight State Colleges is 57,445 for fiscal 2006.

Receipts in excess of the amount hereinabove for Clinical Legal Programs for the Poor-Seton Hall University (P.L.1996, c.52) are appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

The sums provided hereinabove for Research Under Contract with the Institute of Medical Research, Camden (Coriell Institute) shall be expended on support for research activities, and the Institute shall submit an annual audited financial statement to the Department of the Treasury which shall include a schedule showing the use of these funds.

In addition to the amounts hereinabove appropriated for the Higher Education Capital Improvement Program-Debt Service account, the unexpended balances at the end of the preceding fiscal year are appropriated for the same purpose.

The amount hereinabove appropriated for the New Jersey Stem Cell Research Institute shall be expended subject to the approval of the State Treasurer in consultation with the New Jersey Commission on Science and Technology.

The unexpended balance at the end of the preceding fiscal year in the New Jersey Stem Cell Research Institute account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- State Aid - General Fund

In addition to the amount hereinabove for operational costs, there is appropriated \$8,000,000 from the Supplemental Workforce Fund for Basic Skills for the same purpose.

Such additional sums as may be required for Alternate Benefit Program - Employer Contributions, Alternate Benefit Program - Non-contributory Insurance, Teachers' Pension and Annuity Fund - Non-contributory Insurance, Employer Contributions - Teachers' Pension and Annuity Fund, Teachers' Pension and Annuity Fund - Post Retirement Medical, and Post Retirement Medical Other Than TPAF are appropriated, as the Director of the Division of Budget and Accounting shall determine.

In addition to the sum hereinabove appropriated for Debt Service on Pension Obligation Bonds P.L. 1997, c.114 (C.34:1B-7.50 et seq.) to make payments under the State Treasurer's contracts authorized pursuant to section 6 of P.L. 1997, c.114 (C.34:1B-7.50), there are appropriated such other sums as the Director of the Division of Budget and Accounting shall determine are required to pay all amounts due from the State pursuant to such contracts.

Notwithstanding the provisions of any other law to the contrary, from the sums hereinabove appropriated for county college Operational Costs, there are allocated such sums as are required to provide the reimbursement to cover tuition costs of the National Guard members pursuant to subsection b. of section 1 of P.L.2001, c.427 (C.18A:62-24).

Language Recommendations -- State Aid - Property Tax Relief Fund

Such sums as may be necessary for the payment of interest or principal or both, due from the issuance of any bonds authorized under the provisions of section 1 of P.L.1971, c.12 (C.18A:64A-22.1) are appropriated.

HIGHER EDUCATIONAL SERVICES

Of the amount hereinabove appropriated for Higher Educational Services, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule included in the Fiscal 2007 Governor's Budget Message first shall be charged to the State Lottery Fund.

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

51. ECONOMIC PLANNING AND DEVELOPMENT

OBJECTIVES

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

Growth Commission include the Motion Picture and Television Development Commission and the Economic Development Authority (EDA).

The Motion Picture and Television Development Commission facilitates the cooperation of all governmental agencies and private sector groups for applications, locations, production, and auxiliary facilities in the production of motion picture and television projects.

PROGRAM CLASSIFICATIONS

38. **Economic Development.** Economic development entities that operate outside the New Jersey Commerce and Economic

EDA arranges long-term, low-interest financing for businesses, not-for-profit organizations, and government agencies for buildings, equipment, working capital, and other investments that could create and retain jobs in New Jersey.

EVALUATION DATA

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
PROGRAM DATA				
Economic Development				
Motion Picture and Television Development				
Total film/television productions	850	820	860	880
Direct spending by companies (millions)	\$81	\$78	\$83	\$88
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	5	5	5	5
Total Positions	5	5	5	5
Filled Positions by Program Class				
Motion Picture	5	5	5	5
Total Positions	5	5	5	5

Notes:

Actual payroll counts are reported for fiscal years 2004 and 2005 as of December and revised fiscal 2006 as of March. The Budget Estimate for fiscal 2007 reflects the number of positions funded.

TREASURY

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2005					Year Ending June 30, 2007				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
452	---	26	478	476	Economic Development	38	517	517	517
<u>452</u>	<u>---</u>	<u>26</u>	<u>478</u>	<u>476</u>	Total Direct State Services		517^(a)	517	517
Distribution by Fund and Object									
Personal Services:									
377	---	29	406	406	Salaries and Wages		434	434	434
<u>377</u>	<u>---</u>	<u>29</u>	<u>406</u>	<u>406</u>	Total Personal Services		434	434	434
15	---	-3	12	11	Materials and Supplies		15	15	15
35	---	1	36	35	Services Other Than Personal		43	43	43
15	---	-7	8	8	Maintenance and Fixed Charges		15	15	15
10	---	6	16	16	Additions, Improvements and Equipment		10	10	10
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
1,500	---	3,260	4,760	3,260	Economic Development	38	---	152,000	152,000
<u>1,500</u>	<u>---</u>	<u>3,260</u>	<u>4,760</u>	<u>3,260</u>	Total Grants-In-Aid		---	152,000	152,000
Distribution by Fund and Object									
Grants:									
600	---	---	600	---	Hispanic Business Owners Outreach Program	38	---	---	---
900	---	---	900	---	Stem Cell Research Grant - Economic Development Authority (EDA)	38	---	---	---
---	---	3,260	3,260	3,260	Brownfields Site Reimbursement Fund	38	---	---	---
---	---	---	---	---	Business Employment Incentive Program, EDA ^(b)	38	---	152,000	152,000
<u>1,952</u>	<u>---</u>	<u>3,286</u>	<u>5,238</u>	<u>3,736</u>	Grand Total State Appropriation		517	152,517	152,517

Notes -- Direct State Services - General Fund

(a) The fiscal 2006 appropriation has been adjusted for the allocation of salary program.

Notes -- Grants-In-Aid - General Fund

(b) Funding is provided for direct Business Employment Incentive Program (BEIP) grant payments. Funding for debt service on BEIP bonds is included in the Aid to Independent Authorities program classification in the Interdepartmental budget.

Language Recommendations -- Grants-In-Aid - General Fund

Funds made available for the remediation of the discharges of hazardous substances pursuant to the amendments effective December 4, 2003, to Article VIII, Section II, paragraph 6 of the State Constitution, shall be allocated to the Brownfields Site Reimbursement Fund, established pursuant to P.L.1997, c.278, in an amount to be determined by the Director of the Division of Taxation, and subject to the approval of the Director of the Division of Budget and Accounting. If such sums for the remediation of discharges of hazardous substances are insufficient, there are appropriated such sums as necessary for the Brownfields Site Reimbursement Fund, subject to the approval of the Director of the Division of Budget and Accounting.

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

51. ECONOMIC PLANNING AND DEVELOPMENT

2041. NEW JERSEY COMMERCE, ECONOMIC GROWTH AND TOURISM COMMISSION

OBJECTIVES

1. To function as a single voice for the economic development activities of the State by coordinating the economic development efforts of all State agencies and authorities.
2. To obtain private sector input regarding economic development initiatives through its membership on the Commission's Board.
3. To promote sustainable economic growth and create quality jobs by retaining and expanding existing jobs and attracting new jobs to the State.
4. To build a foundation for New Jersey's economic leadership in the 21st century.
5. To implement a market-driven economic development service delivery system, including the introduction of innovative programs and flexible services.
6. To highlight the importance of the tourism industry in New Jersey, improve qualitative and quantitative services to the

industry and the public, improve efficiency, and meet the challenges of a competitive economy.

PROGRAM CLASSIFICATIONS

38. **New Jersey Commerce, Economic Growth and Tourism Commission.** Pursuant to Executive Reorganization Plan No. 005-2004, the New Jersey Commerce and Economic Growth Commission has been re-named the New Jersey Commerce, Economic Growth and Tourism Commission, effective December 17, 2004. The Commission, which is in-but-not-of the Department of the Treasury, promotes business advocacy, international trade, economic development, sustainable businesses, travel and tourism, the Urban Enterprise Zone program, and the development of small, women, and minority-owned businesses. The Commission also coordinates the State's economic development activities among the Commission on Science and Technology, the Urban Enterprise Zone Authority, the New Jersey Development Authority for Small Businesses, Minorities' and Women's Enterprises, and the Motion Picture and Television Development Commission.

EVALUATION DATA

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
PROGRAM DATA				
Travel and Tourism				
Revenue generated by tourism (billions)	\$30.0	\$32.4	\$33.0	\$33.0
Tax revenue generated by tourism (billions)	\$2.9	\$3.7	\$3.7	\$3.7
Overnight visitors (millions)	68.1	71.7	73.0	73.0
International Trade				
Total value of New Jersey exports (billions)	\$18.1	\$20.3	\$21.7	\$22.8
Jobs generated through exporting	216,896	243,600	260,652	273,685
Development for Small Businesses and Women and Minority Businesses				
Set-aside contracts awarded (millions)	\$157.8 (a)	\$400.0	\$416.0	\$432.0
Jobs created and retained	2,320 (a)	5,882	6,117	6,352
Tax revenue generated by Set-aside Program (millions)	\$9.0 (a)	\$22.8	\$23.7	\$24.6
Economic Development				
Urban Enterprise Zone Program				
Participating businesses	22,399	24,115	24,500	25,000
Total number of jobs created (annually)	22,170	16,422	16,500	17,000
Private investment generated (annual value in billions)	\$1.3	\$2.1	\$2.0	\$2.0
Zone Assistance Fund projects (annual value in millions)	\$56.5	\$50.0	\$50.0	\$50.0
Business Retention, Expansion, and Attraction				
Number of new jobs in new businesses	1,731	6,890	7,000	7,500
Number of new jobs in existing businesses	1,057	6,746	7,000	7,500
Number of jobs retained	1,614	18,788	7,000	7,500
OPERATING DATA				
Economic Development				
Program Expenditures - Commerce Commission (thousands)				
Business Retention, Expansion, and Attraction	\$2,549	\$1,547	\$1,787	\$1,787
Export Promotion	\$1,114	\$727	\$1,030	\$1,030
Travel and Tourism	\$11,232	\$13,696	\$14,400	\$14,400
Small Businesses and Women and Minority Businesses	\$1,140	\$897	\$1,146	\$1,146
Other Key Industries and Initiatives	\$1,157	\$532	\$1,386	\$1,386
Special Purpose Appropriations (thousands)				
Advertising and Promotion	\$9,382	\$12,242	\$12,760	\$12,760
Travel & Tourism Cooperative Marketing	\$1,850 (b)	\$1,769	\$1,850	\$1,850
NJ Israel Commission	\$124	\$121	\$130	\$130

TREASURY

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	16	10	10	10
Male Minority %	15%	8%	8%	8%
Female Minority	29	29	28	28
Female Minority %	26%	23%	23%	23%
Total Minority	45	39	38	38
Total Minority %	41%	31%	31%	31%
Position Data				
State Supported	95	107	104	104
All Other	15	17	17	17
Total Positions	110	124	121	121
Filled Positions by Program Class				
Export Promotion	8	9	9	9
Travel and Tourism	24	32	32	32
Development for Small Businesses and Women and Minority Businesses	11	16	15	15
Business Retention, Expansion and Attraction	21	24	24	24
Other Key Industries and Initiatives	46	43	41	41
Total Positions	110	124	121	121

Notes:

Actual payroll counts are reported for fiscal years 2004 and 2005 as of December, and revised fiscal 2006 as of March. The Budget Estimate for fiscal 2007 reflects the number of positions funded.

(a) Full year data not retrievable due to system conversion.

(b) Funding of \$1,850,000 provided by off-budget Economic Recovery Fund balances.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2005					Year Ending June 30, 2007			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recom- mended
GRANTS-IN-AID								
Distribution by Fund and Program								
20,351	---	---	20,351	17,399	Economic Development	38	19,749	19,749
<u>20,351</u>	<u>---</u>	<u>---</u>	<u>20,351</u>	<u>17,399</u>	<i>Total Grants-In-Aid</i>		<u>19,749</u>	<u>19,749</u>
Distribution by Fund and Object								
Grants:								
19,829	---	---	19,829	17,399	New Jersey Commerce, Economic Growth and Tourism Commission	38	19,749	19,749
<u>522</u>	<u>---</u>	<u>---</u>	<u>522</u>	<u>---</u>	Prosperity New Jersey, Incorporated	38	<u>---</u>	<u>---</u>
<u>20,351</u>	<u>---</u>	<u>---</u>	<u>20,351</u>	<u>17,399</u>	<i>Grand Total State Appropriation</i>		<u>19,749</u>	<u>19,749</u>
OTHER RELATED APPROPRIATIONS								
All Other Funds								
---	1,976 ^R	---	1,976	1,976	Economic Development	38	2,815	3,135
<u>---</u>	<u>1,976</u>	<u>---</u>	<u>1,976</u>	<u>1,976</u>	<i>Total All Other Funds</i>		<u>2,815</u>	<u>3,135</u>
<u>20,351</u>	<u>1,976</u>	<u>---</u>	<u>22,327</u>	<u>19,375</u>	GRAND TOTAL ALL FUNDS		<u>22,564</u>	<u>22,884</u>

Language Recommendations -- Grants-In-Aid - General Fund

Of the sum hereinabove appropriated for the New Jersey Commerce, Economic Growth and Tourism Commission, not less than \$12,760,000 shall be used for Advertising and Promotion, from which \$15,000 shall be allocated to each of the six regional tourism councils for regional tourism promotion; \$2,853,000 shall be used for Business Retention, Expansion and Attraction of which \$800,000 is for New Jersey Small Business Development Centers; \$130,000 shall be used for the New Jersey Israel Commission; and \$1,850,000 shall be used for the Travel and Tourism Cooperative Marketing Program; except that any amount for the Cooperative Marketing Program is available for expenditure only to the extent that an amount equal to 25% of the State funds are expended from funds raised by the Commerce Commission, pursuant to subsection j. of section 9 of P.L. 1977, c.225 (C.34:1A-53), through contributions from private tourism industry concerns and non-State public entities as determined by the Director of the Division of Budget and Accounting. These accounts shall be considered special purpose appropriations for accounting and reporting purposes.

Pursuant to the provisions of P.L. 2003, c.114 (C. 54:32-1 et seq.) the appropriations hereinabove for purposes of promoting tourism activities in this state are first charged to revenues derived from the hotel and motel occupancy fee.

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

The Chief Executive Officer and Secretary of the Commission shall report semi-annually on the expenditure of State funds and private contributions during the preceding six months for the Advertising and Promotion Program and the Travel and Tourism, Advertising and Promotion - Cooperative Marketing Program. The first semi-annual report covering the first six months of fiscal year 2007 shall be completed not later than January 31, 2007, the second semi-annual report covering the second six months of fiscal year 2007 shall be completed not later than July 31, 2007, and both reports shall be submitted to the Treasurer, the Director of the Division of Budget and Accounting, and the Joint Budget Oversight Committee.

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

51. ECONOMIC PLANNING AND DEVELOPMENT

2042. NEW JERSEY COMMISSION ON SCIENCE AND TECHNOLOGY

OBJECTIVES

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

PROGRAM CLASSIFICATIONS

39. **The New Jersey Commission on Science and Technology.** Enacted under Public Law 1985, Chapter 102, the Commission was established to encourage the development of scientific and technological programs, stimulate academic-industrial collaboration, and coordinate activities of technological centers and business facilities. The primary mission of the Commission is to accelerate economic development by applying science and technology applications to industry. The principal goals of the Commission are the creation of new jobs and the revitalization of industry by encouraging new enterprises, particularly those that are oriented toward the adoption of the most advanced scientific and technological techniques.

EVALUATION DATA

PROGRAM DATA	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
New Jersey Commission on Science and Technology (CST)				
New Jersey Manufacturing Extension Program				
Firms Assisted	110	118	150	190
Jobs Created or Retained	1,200	1,100	1,300	1,500
CST Funding (in thousands)	\$1,000	\$1,200	\$1,200	\$1,200
Non-State Matching (in thousands)	\$3,200	\$2,617	\$4,100	\$4,200
Business Incubators (Technology Incubators)				
Companies Supported	170	160	360	360
Employment at Incubator Companies	666	900	900	1,000
CST Funding (in thousands)	---	\$1,000	\$2,000	\$3,500
Non-State Matching (in thousands)	\$3,825	\$4,250	\$4,300	\$4,500
Small Business Innovative Research Bridge Grant Program				
Companies Assisted	---	6	14	14
CST Funding (in thousands)	---	\$300	\$750	\$750
Non-State Matching (in thousands)	---	\$4,500	\$10,500	\$10,500
NJ Technology Fellowships				
Firms Assisted	---	8	30	30
CST Funding (in thousands)	---	\$500	\$1,800	\$1,800
Non-State Matching (in thousands)	---	---	---	---

TREASURY

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
Research and Development (R&D)				
R&D Excellence Program (a)				
Institutions Assisted	19	12	---	---
CST Funding (in thousands)	\$4,600	\$2,300	---	---
Non-State Matching (in thousands)	\$15,625	\$9,425	---	---
Industry-University Collaboration				
University Intellectual Property Program				
Institutions Assisted	---	4	4	5
CST Funding (in thousands)	---	\$1,000	\$2,000	\$3,500
Non-State Matching (in thousands)	---	\$800	\$850	\$1,000
Stem Cell Research				
Institutions Assisted	---	---	17	17
CST Funding (in thousands)	---	---	\$5,000	\$5,000
Non-State Matching (in thousands)	---	---	---	---

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	5	5	6	7
Total Positions	5	5	6	7

Notes:

Actual payroll counts are reported for fiscal years 2004 and 2005 as of December and revised fiscal 2006 as of March. The Budget Estimate for fiscal 2007 reflects the number of positions funded.

(a) Program eliminated during fiscal 2006.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2005					Year Ending June 30, 2007				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Total Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
---	2	493	495	443					
					New Jersey Commission on Science and Technology	39	581	581	581
---	2	493	495	443	Total Direct State Services		581 ^(a)	581	581
Distribution by Fund and Object									
---	---	328	328	325	Personal Services:				
					Salaries and Wages		384	476	476
---	---	328	328	325	Total Personal Services		384	476	476
---	---	52	52	48	Materials and Supplies		51	51	51
---	---	103	103	59	Services Other Than Personal		140	48	48
---	---	1	1	---	Maintenance and Fixed Charges		6	6	6
---	2	9	11	11	Additions, Improvements and Equipment		---	---	---
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
8,800	93	-493	8,400	3,627	New Jersey Commission on Science and Technology	39	14,650	11,950	11,950
8,800	93	-493	8,400	3,627	Total Grants-In-Aid		14,650	11,950	11,950
Distribution by Fund and Object									
8,600	93	-543	8,150	3,377	Grants:				
					Science and Technology Grants	39	14,050	11,350	11,350
200	---	50	250	250	Conference Cost Share	39	---	---	---
---	---	---	---	---	Manufacturing Extension Program	39	600	600	600
8,800	95	---	8,895	4,070	Grand Total State Appropriation		15,231	12,531	12,531

Notes -- Direct State Services - General Fund

(a) The fiscal 2006 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Grants-In-Aid - General Fund

The unexpended balance at the end of the preceding fiscal year in the New Jersey Commission on Science and Technology Grants-In-Aid account is appropriated for the same purpose.

An amount not to exceed 5% of the Science and Technology Grants account is available for transfer to Direct State Services for the administrative expenses of this program, as determined by the Director of the Division of Budget and Accounting.

From the amount hereinabove appropriated for Science and Technology Grants, there is allocated \$600,000 for the Manufacturing Extension Program.

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

52. ECONOMIC REGULATION

OBJECTIVES

1. To ensure that safe, adequate, and proper utility services are provided at reasonable, non-discriminatory rates to all members of the public who desire such services.
2. To provide a comprehensive energy supply and demand strategy that allows for responsible and necessary economic growth and development without compromising the environment and quality of life in New Jersey.
3. To ensure that New Jersey has adequate and economical natural gas supplies to meet its home heating requirements, industrial load, and an ever growing alternative power production industry.
4. To assist in the development of a state-of-the-art telecommunications network that permits the timely introduction and marketing of new and advanced technology. In addition, to seek to ensure the full utilization of such network by all segments of our society, regardless of income status or physical disabilities.
5. To ensure that New Jersey residents have economical and environmentally safe water supplies that are provided through strict compliance with the State's Safe Drinking Water Act by all private and public water purveyors under the Board's jurisdiction.
6. To provide adequate, economical, and efficient cable television service, with a degree of uniform operation, and the protection of the municipality in the franchise process. In addition, the Board will seek to ensure the responsiveness of cable operators to subscribers' complaints and needs, and the availability of competitively priced alternative television program packaging.
7. To administer statewide energy assistance programs.
8. To increase energy conservation and reduce the utility costs of low-income households through the weatherization of single and multi-family dwellings.

PROGRAM CLASSIFICATIONS

54. **Utility Regulation.** The Board of Public Utilities controls, through its rate approval process, the charges paid by the public for gas, electric, water, sewer, and telephone services. A uniform system of accounts and quarterly and annual financial statements and reports are required for disclosure and to permit intelligent public participation in the process. Filings for both rate and fuel adjustment charge changes are approved only to generate sufficient revenues to cover allowable expenses and an equitable return on investment.
The Board assures the safety, adequacy, and availability of utility services by conducting hearings that result in the

promulgation of rules, regulations, and orders, and their enforcement through inspections and investigations. Regular tests are conducted by engineering personnel to minimize the possibility of disruptions or discontinuance of essential services. The Division of Reliability and Security was created to ensure the safety and reliability of services as a result of the increase in concerns about terrorism.

55. **Regulation of Cable Television.** Assists local jurisdictions in preparing legislation, franchise, and consent agreements; regulates operating and competitive practices to assure reasonable uniformity, reliability, economy, and quality of cable television services; cooperates with other states and the federal government in promoting and coordinating beneficial uses of cable television through balanced programming, including local and educational services.
56. **Energy Resource Management.** Develops and implements the State's energy policies and associated programs, including funding mechanisms to support efficiency and renewable energy projects, energy education and outreach, energy data collection and analysis, and evaluation of energy use and supply.
88. **Energy Assistance Programs.** The Lifeline Credit Program provides combined gas and electric utility credits of up to \$225 a year to New Jersey residents who are eligible for Pharmaceutical Assistance to the Aged and Disabled, Supplemental Security Income, Medicaid only, or Lifeline only. The Tenants' Assistance Rebate Program provides a cash payment of up to \$225 a year to tenants who would be eligible for the Lifeline Credit Program except for the fact that they do not pay their own utility bills. Persons receiving Supplemental Security Income (SSI) who are eligible for this program receive monthly utility supplements totaling \$225 a year included in their SSI checks.
97. **Regulatory Support Services.** Provides economic analysis of conditions affecting regulated utilities to the Board of Public Utilities and its technical divisions, and conducts audits of regulated utilities.
99. **Administration and Support Services.** The Division of Administration and Support Services exercises general policy and administrative control over the operations of the divisions and offices of the Board of Public Utilities. Organizationally, the Administration Division consists of five units which provide services to the staff of the Board of Public Utilities. The primary responsibilities of the Division are to provide human resource management, including personnel requirements, employee relations support, broad based facility support, administration of the Equal Opportunity and Affirmative Action program, training, dissemination of public information concerning Board activities, and nursing services.

TREASURY

EVALUATION DATA

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
PROGRAM DATA				
Utility Regulation				
Utilities Regulated				
Electric	5	5	5	5
Gas	4	4	4	4
Telephone and telegraph	104	130	138	160
Water and sewer	67	69	68	59
Municipal water companies	10	10	9	9
Cable TV (Basic Service)	40	36	36	37
Cases Pending June 30				
Cable TV	135	131	146	140
Electric	287	218	237	250
Gas	228	192	192	200
Telephone	937	597	238	200
Water and sewer	113	104	104	100
Audits, rates, tariff revisions, generic rulemaking, other	57	38	8	25
Customer Relations				
Consumer complaints (phone calls)	18,837	16,909	21,780	24,200
Consumer complaints (walk-ins)	367	300	400	442
Consumer information requests	15,801	20,077	22,651	23,761
Consumer complaints (letters)	3,281	2,552	2,751	3,050
Total calls received as of 12/03/05	102,687	127,827	141,000	152,000
Service Evaluation				
One-call cases for review	4,500	4,500	4,500	4,000
One-call cases handled	400	450	450	500
Meter tests conducted	225	300	300	350
Gas pipeline inspections	420	400	400	410
Regulation of Cable Television				
Cable television systems	41	40	40	41
Number of municipalities w/certification for operation	562	562	562	562
Cable television subscribers (thousands)	2,592	2,542	2,542	2,530
Electric Power Suppliers and Gas Suppliers				
Electric suppliers - applications	3	3	14	21
Electric suppliers - renewal applications	16	13	12	18
Electric suppliers - final licenses	3	3	10	19
Electric suppliers - renewal licenses	16	15	12	18
Gas suppliers - applications	3	3	9	12
Gas suppliers - renewal licenses	28	18	15	20
Gas suppliers - final licenses	3	3	5	6
Gas suppliers - renewal applications	28	22	12	20
Energy Agent and Private Aggregator Registration				
Energy agents - applications	6	2	---	2
Energy agents - renewal applications	6	5	8	10
Energy agents - final registration	1	2	---	2
Private aggregators - applications	5	3	8	9
Private aggregators - final registration	5	3	8	9
Energy Assistance Programs				
Lifeline Credit Program - Population Data				
Pharmaceutical Assistance to the Aged and Disabled	114,306	112,573	113,000	113,300
Supplemental Security Income	30,952	31,472	30,500	30,650
Medicaid Only	10,904	11,801	12,000	12,100
Lifeline Only	2,750	2,486	2,600	2,650
Total recipients	158,912	158,332	158,100	158,700
Tenants' Assistance Rebate Program - Population Data				
Pharmaceutical Assistance to the Aged and Disabled	32,829	30,887	30,500	30,000
Supplemental Security Income	116,440	118,394	119,000	119,150
Medicaid Only	7,322	7,902	7,900	8,200
Lifeline Only	518	462	450	600
Total recipients	157,109	157,645	157,850	157,950

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
Federal	17	7	9	16
All Other	278	295	295	303
Total Positions	295	302	304	319
Filled Positions by Program Class				
Utility Regulation	95	105	104	106
Regulation of Cable Television	28	27	25	28
Energy Resource Management	20	14	16	24
Regulatory Support Services	60	60	59	60
Administration and Support Services	92	96	100	101
Total Positions	295	302	304	319

Notes:

Actual payroll counts are reported for fiscal years 2004 and 2005 as of December and revised fiscal year 2006 as of March. The Budget Estimate for fiscal year 2007 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

The Energy Assistance Programs are administered by the Department of Health and Senior Services. Funding for these programs is provided through the Board of Public Utilities Universal Service Fund.

**APPROPRIATIONS DATA
(thousands of dollars)**

Year Ending June 30, 2005					Year Ending June 30, 2007				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended	
DIRECT STATE SERVICES									
Distribution by Fund and Program									
7,529	1,332	-538	8,323	7,059	Utility Regulation	54	8,027	7,893	7,893
1,926	236	53	2,215	2,045	Regulation of Cable Television	55	2,024	2,024	2,024
1,591	---	---	1,591	1,591	Energy Assistance Programs	88	1,669	1,669	1,669
3,264	23	597	3,884	3,827	Regulatory Support Services	97	3,724	3,337	3,337
8,631	3,118	566	12,315	11,284	Administration and Support Services	99	11,432	10,951	10,951
22,941	4,709	678	28,328	25,806	Total Direct State Services		26,876^(a)	25,874	25,874
Distribution by Fund and Object									
Personal Services:									
21,047	1,539 33 ^R	1,777	24,396	22,843	Salaries and Wages		23,339	22,577	22,577
21,047	1,572	1,777	24,396	22,843	Total Personal Services		23,339	22,577	22,577
411	74	10	495	355	Materials and Supplies		515	515	515
839	380	1,044	2,263	1,760	Services Other Than Personal		914	914	914
403	55	149	607	498	Maintenance and Fixed Charges		403	403	403
Special Purpose:									
---	29	---	---	---	Administration and Support Services	99	---	---	---
---	2,534 ^R	-2,563	---	---	Energy Targets	99	240	---	---(b)
---	---	---	---	---	Energy Master Plan Development	99	436	436	436
---	---	---	---	---	Database Projects	99	502	502	502
241	65	261	567	350	Additions, Improvements and Equipment		527	527	527
GRANTS-IN-AID									
Distribution by Fund and Program									
70,840	---	---	70,840	65,788	Energy Assistance Programs	88	79,840	70,840	70,840
70,840	---	---	70,840	65,788	Total Grants-In-Aid		79,840	70,840	70,840

TREASURY

Year Ending June 30, 2005					Year Ending June 30, 2007				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended	
GRANTS-IN-AID									
Distribution by Fund and Object									
Grants:									
34,669	---	---	34,669	32,760	88	34,669	34,669	34,669	
36,171	---	---	36,171	33,028	88	36,171	36,171	36,171	
---	---	---	---	---	88	7,000 ^S	---	---	
---	---	---	---	---	88	2,000 ^S	---	---	
CAPITAL CONSTRUCTION									
Distribution by Fund and Program									
---	1	---	1	---	99	---	---	---	
---	1	---	1	---	Total Capital Construction				
Distribution by Fund and Object Management and Administration									
---	1	---	1	---	99	---	---	---	
93,781	4,710	678	99,169	91,594	Grand Total State Appropriation		106,716	96,714	96,714
OTHER RELATED APPROPRIATIONS									
Federal Funds									
600	498	400	1,498	501	54	600	600	600	
3,587					56	4,019	4,019	4,019	
171 ^S	26	---	3,784	935	Total Federal Funds				
4,358	524	400	5,282	1,436	4,619				
All Other Funds									
---	618	---	618	487	56	820	820	820	
---	---	---	---	---	99	350	380	380	
---	618	---	618	487	Total All Other Funds				
98,139	5,852	1,078	105,069	93,517	GRAND TOTAL ALL FUNDS		112,505	102,533	102,533

Notes -- Direct State Services - General Fund

- (a) The fiscal 2006 appropriation has been adjusted for the allocation of salary program.
- (b) Funding for Energy Targets is provided in the base appropriation for Salaries and Wages in Administration and Support Services beginning in fiscal 2007.

The Department of the Public Advocate was created in fiscal 2006 pursuant to P.L. 2005, c.155. For comparison purposes, appropriations in fiscal years 2005 and 2006 for salary and other operating costs were transferred from the following departments: Corrections Ombudsperson in the Department of Corrections; Office of the Ombudsman in the Department of Health and Senior Services; Child Advocate Agency in-but-not-of the Department of Law and Public Safety; and the Ratepayer Advocacy, Dispute Settlement and Mental Health Screening Services in the Department of Treasury.

Language Recommendations -- Direct State Services - General Fund

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

In addition to the amount hereinabove for administration of the Board of Public Utilities, there are appropriated such sums as may be required for operation of the Board and assessed to the public utilities or the cable television industry, subject to the approval of the Director of Budget and Accounting.

Receipts derived from fees are appropriated.

Fees received from the "Electric Facility Need Assessment Act," P.L. 1983, c.115 (C. 48:7-16 et seq.), are appropriated.

The unexpended balances at the end of the preceding fiscal year are appropriated.

There are appropriated from interest earned by the Petroleum Overcharge Reimbursement Fund such sums as may be required for costs attributable to the administration of the fund, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any other law, the balances from the Petroleum Overcharge Reimbursement Fund and the Secondary Stage Refunds, and the monies required to be deposited in that fund from projects which have been completed or are no longer viable, are reappropriated for new projects consistent with the court rulings which served as the basis for the original awards, subject to the approval of the Director of the Division of Budget and Accounting.

The amounts appropriated hereinabove, not to exceed \$1,669,000, for the Energy Assistance Program account may be transferred to the Department of Health and Senior Services, Lifeline account to fund the costs associated with administering the Lifeline Credits and Tenants' Assistance Rebates Program and shall be applied in accordance with a Memorandum of Understanding between the President of the Board of Public Utilities and the Commissioner of the Department of Health and Senior Services, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any other law to the contrary, the investment earnings derived from the funds deposited in the Clean Energy Fund and Retail Margin Fund shall accrue to the funds and are available to pay the costs of the various programs of the New Jersey Board of Public Utilities Clean Energy Program and Retail Margin Program.

Notwithstanding the provisions of paragraph (3) of subsection a. of section 12 of the "Electric Discount and Energy Competition Act," P.L.1999, c.23 (C.48:3-60) and any other laws to the contrary, receipts from the New Jersey Clean Energy Trust Fund are appropriated for the actual administrative salary and operating costs, not to exceed \$820,000, for the Office of Clean Energy as requested by the President of the Board of Public Utilities and approved by the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - General Fund

Notwithstanding the provisions of P.L.1979, c.197 (C.48:2-29.15 et seq.), the provisions of P.L. 1981, c.210 (C.48:2-29.30 et seq.) or any other law to the contrary, the benefits of the Lifeline Credits Program and the Tenants' Assistance Rebates Program may be distributed throughout the entire year from July through June, and are not limited to an October to March heating season; therefore, applications for Lifeline benefits and benefits from the Pharmaceutical Assistance to the Aged and Disabled program may be combined.

The amounts hereinabove appropriated for Payments for the Lifeline Credits Program and Tenants' Assistance Rebates Program are available for the payment of obligations applicable to prior fiscal years.

In order to permit flexibility in the handling of appropriations and ensure the timely payment of Lifeline claims, amounts may be transferred from the various items of appropriation within the Energy Assistance Programs classification, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove, such sums as may be required for the payment of claims, credits, and rebates, are appropriated subject to the approval of the Director of the Division of Budget and Accounting.

Any supplemental appropriation for the Payments for Lifeline Credits and the Tenants' Assistance Rebates Program may be recovered from the Universal Service Fund through transfer to the General Fund as State revenue, subject to the approval of the Director of the Division of Budget and Accounting.

All funds recovered under P.L. 1968, c.413 (C.30:4D-1 et seq.) and P.L. 1975, c.194 (C.30:4D-20 et seq.), during the preceding fiscal year, are appropriated for payments to providers in the same program class from which the recovery originated.

The amounts hereinabove appropriated, not to exceed \$70,840,000, for Payments for the Lifeline Credits and the Tenants' Assistance Rebates Program are available to the Department of Health and Senior Services to fund the payments associated with the Lifeline Credits and Tenants' Assistance programs and shall be applied in accordance with a Memorandum of Understanding between the President of the Board of Public Utilities and the Commissioner of the Department of Health and Senior Services, subject to the approval of the Director of the Division of Budget and Accounting.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

72. GOVERNMENTAL REVIEW AND OVERSIGHT

OBJECTIVES

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

PROGRAM CLASSIFICATIONS

03. **Employee Relations and Collective Negotiations.** Pursuant to Executive Orders No. 4, 1970 and No. 33, 1995, staff assistance is provided to the Governor and decisions are implemented concerning employee relations. Through the Governor's Employee Relations Policy Council, assistance in the development of overall policy and execution of policies is provided. Negotiations with unions and other representatives of State employees are conducted. Agencies are assisted and advised concerning employee relations activities.

07. **Office of Management and Budget.** Pursuant to NJSA 52:27B-12.33, the Office of Management and Budget coordinates the annual agency-based planning process, identifies and projects trends affecting the demand for services, analyzes the allocation of available financial and human resources, and evaluates strategic and long-term issues.

In addition, the Office of Management and Budget plans for the most beneficial use of fiscal resources to meet the needs of the citizens of New Jersey within the policy framework set by the Governor, including analysis of State fiscal requirements. Based on these studies, the Office of Management and Budget evaluates budget requests from State departments and formulates the annual budget submitted by the Governor to the Legislature.

On an ongoing basis, the Office of Management and Budget reviews State agency responses to proposed legislation to ensure that fiscal policy concerns are taken into account.

TREASURY

To ensure that programs and resources are properly coordinated among agencies serving the same clients, the Office of Management and Budget analyzes programs that cross departmental boundaries, thus avoiding unnecessary duplication of effort.

As a resource to the Capital Planning Commission, the Office of Management and Budget evaluates and prioritizes capital construction projects and the financing of capital facilities.

The Financial Reporting and Accounting section of the Office

of Management and Budget provides for the receipt, processing, recording, reconciling, and reporting of all financial data of the State's various funds in accordance with existing statutes and generally accepted accounting principles. That office also reviews all financial transactions for propriety before entry into the computerized accounting system, from which official State monthly and annual fiscal reports are prepared, and assures that State employees are paid accurately and on a timely basis.

EVALUATION DATA

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
PROGRAM DATA				
Office of Management and Budget				
Number of checks avoided by electronic funds transfer	1,706,000	1,866,000	1,917,000	1,967,000
Percent of "Unqualified" audit opinion ratings on the consolidated financial report (for the last five years) (a)	100%	100%	100%	100%
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	192	189	181	181
Total Positions	192	189	181	181
Filled Positions by Program Class				
Employee Relations and Collective Negotiations	8	8	7	7
Office of Management and Budget	184	181	174	174
Total Positions	192	189	181	181

Notes:

Actual payroll counts are reported for fiscal years 2004 and 2005 as of December and revised fiscal 2006 as of March. The Budget Estimate for fiscal 2007 reflects the number of positions funded.

(a) "Unqualified" is the highest opinion rating in conformity with generally accepted accounting principles.

APPROPRIATIONS DATA (thousands of dollars)

Orig. & (S)Supple- mental	Year Ending June 30, 2005			Total Available	Expended	Prog. Class.	Year Ending June 30, 2007		
	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total				2006 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES									
Distribution by Fund and Program									
555	---	904	1,459	1,457	Employee Relations and Collective Negotiations	03	724	678	678
19,527	24,844	-17,181	27,190	25,336	Office of Management and Budget	07	19,335	18,587	18,587
20,082	24,844	-16,277	28,649	26,793	Total Direct State Services		20,059 (a)	19,265	19,265
Distribution by Fund and Object									
Personal Services:									
13,292	328 ^R	43	13,663	13,331	Salaries and Wages		12,954	12,595	12,595
13,292	328	43	13,663	13,331	Total Personal Services		12,954	12,595	12,595
294	---	153	447	377	Materials and Supplies		293	280	280
5,275	---	256	5,531	5,360	Services Other Than Personal		5,595	5,282	5,282
122	---	1	123	24	Maintenance and Fixed Charges		74	9	9
Special Purpose:									
---	24,294 ^R	-23,115	1,179	---	Investment Earnings	07	---	---	---
---	---	6,456	6,456	6,455	Cash Management Banking Services	07	---	---	---
1,099	1	---	1,100	1,100	Independent Audits	07	1,099	1,099	1,099
---	221	-71	150	146	Additions, Improvements and Equipment		44 ^S	---	---
20,082	24,844	-16,277	28,649	26,793	Grand Total State Appropriation		20,059	19,265	19,265

Year Ending June 30, 2005					Year Ending June 30, 2007			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended
OTHER RELATED APPROPRIATIONS								
All Other Funds								
---	61,486							
---	16,553 ^R	-25,656	52,383	---	07	8,950	8,980	8,980
---	78,039	-25,656	52,383	---		8,950	8,980	8,980
20,082	102,883	-41,933	81,032	26,793		29,009	28,245	28,245
GRAND TOTAL ALL FUNDS								

Notes -- Direct State Services - General Fund

(a) The fiscal 2006 appropriation has been adjusted for the allocation of salary program, which includes \$128,000 for the Office of Information Technology, and the reallocation of administrative efficiencies.

Language Recommendations -- Direct State Services - General Fund

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

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

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

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

72. GOVERNMENTAL REVIEW AND OVERSIGHT

2068. OFFICE OF THE INSPECTOR GENERAL

OBJECTIVES

- To establish a full-time program of audit, investigation, and performance review designed to provide increased accountability, integrity, and oversight of all recipients of State funds, including, but not limited to all State departments and agencies, independent authorities, county and municipal governments, and boards of education.

within the programs and operations of any governmental agency funded by or disbursing State funds.

The Inspector General is granted all necessary powers to conduct audits, evaluations, inspections, and other reviews in accordance with professional standards relating to such investigations and audits in government environments.

The Inspector General shall report the findings of such audits or investigations performed by the Office and shall issue recommendations for corrective or remedial action to the Governor and to the entity at issue. The Inspector General shall further monitor the implementation of those recommendations. The Inspector General may also refer matters for further civil, criminal, and administrative action to the appropriate authorities.

PROGRAM CLASSIFICATIONS

- Office of the Inspector General.** Pursuant to P.L. 2005, c.243, the Inspector General is authorized to investigate the performance of governmental officers, employees, appointees, functions, and programs in order to promote efficiency, to identify cost savings, and to detect and prevent misconduct

EVALUATION DATA

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	---	---	17	18
Total Positions	---	---	17	18
Filled Positions by Program Class				
Office of the Inspector General	---	---	17	18
Total Positions	---	---	17	18

Notes:

Actual payroll counts are reported for fiscal years 2004 and 2005 as of December and revised fiscal 2006 as of March. The Budget Estimate for fiscal 2007 reflects the number of positions funded.

TREASURY

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2005					Year Ending June 30, 2007				
Orig. & (S)Supple- mental	Reapp. & (R)Repts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
---	---	1,122	1,122	234	Office of the Inspector General	14	2,570	2,302	2,302
---	---	<u>1,122</u>	<u>1,122</u>	<u>234</u>	Total Direct State Services		<u>2,570</u> (a)	<u>2,302</u>	<u>2,302</u>
Distribution by Fund and Object									
Personal Services:									
---	---	487	487	166	Salaries and Wages		1,490	1,561	1,561
---	---	487	487	166	Total Personal Services		<u>1,490</u>	<u>1,561</u>	<u>1,561</u>
---	---	75	75	4	Materials and Supplies		100	100	100
---	---	405	405	15	Services Other Than Personal		750	482	482
---	---	80	80	2	Maintenance and Fixed Charges		155	134	134
---	---	<u>75</u>	<u>75</u>	<u>47</u>	Additions, Improvements and Equipment		<u>75</u>	<u>25</u>	<u>25</u>
---	---	<u>1,122</u>	<u>1,122</u>	<u>234</u>	Grand Total State Appropriation		<u>2,570</u>	<u>2,302</u>	<u>2,302</u>

Notes -- Direct State Services - General Fund

(a) The fiscal year 2006 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

In addition to the amounts hereinabove appropriated, such sums as may be necessary are appropriated to fund the operations of the Office of the Inspector General, subject to the approval of the Director of the Division of Budget and Accounting.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL 73. FINANCIAL ADMINISTRATION

OBJECTIVES

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

PROGRAM CLASSIFICATIONS

- Taxation Services and Administration.** Pursuant to NJSA 54:1-2, services include general administration, payment, and accounting records, issuance of licenses and administration of local property and public utility functions. Specific functions

performed include auditing tax returns and taxpaying entities; performing office and field audits; preparing tax refunds, certificates of tax lien search and certificates of tax lien release; holding taxpayer hearings and conferences; providing revenue analysis, research, and statistics for tax administration. Provides services involving bankruptcies, judgments, bulk sales, liens, levies, seizures, proclamations, and reinstatements; investigates tax-related matters having criminal and/or civil potential; renders taxpayer service to the public.

- Administration of State Lottery.** Pursuant to NJSA 5:9-1, daily and weekly lotteries are conducted. Lottery programs are continually reviewed so that State revenues are maximized.
- Administration of State Revenues.** Pursuant to Executive Reorganization Plan 001-97, the Division oversees and coordinates collection and processing of revenues arising from State taxation, motor vehicle licensing and regulation, and environmental protection laws and regulations. Centrally manages the collection and processing of revenues related to Unemployment Insurance, Temporary Disability, Worker's Compensation, and Special Compensation and other employer filings. Centrally manages the collection and processing of delinquencies owed to the State by motorists, taxpayers, professional license holders and violators of State statute and regulation. Continues streamlining business reporting requirements by creating a central collection point for all tax collections, including corporate business taxes.

19. **Management of State Investments.** Pursuant to NJSA 52:18A-79, activities involve investment and reinvestment of State funds, including the various State pension funds, the State Disability Benefits Fund, the General Investment Fund, and the State of New Jersey Cash Management Fund, together with the control of principal proceeds and interest receipts. Detailed reports of operations are published monthly and an annual report is presented to the Governor and Legislature. Investment functions are provided to other State agencies involving investment accounts.
25. **Administration of Casino Gambling.** Pursuant to NJSA 5:12-1, the Casino Control Commission is responsible for the regulation of legalized casino gambling in New Jersey including the licensure of facilities, employees, and ancillary industries. In addition, the Commission is responsible for the collection of all license fees and taxes imposed by the Casino

Control Act. It promulgates regulations and carries on a continuous study of methods to control the casino gaming and casino service industries, prevents the material involvement of undesirable persons in casino gaming, conducts hearings pertaining to civil violations of the Act or its regulations, and levies and collects all penalties appropriate thereto.

50. **Business Services Bureau.** Pursuant to NJSA 52:16A-36 and formerly known as Commercial Recording, the Bureau provides essential services to the public and legal communities. These include filing and processing information permitted and/or required by Title 14A, Corporations General; Title 15A, Associations Not for Profit; and Title 16, Corporations and Associations Not for Profit; and the issuing of regulations, in addition to a number of similar functions. Through its Expedited Services, information is provided via telephone or the Internet.

EVALUATION DATA

PROGRAM DATA	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
Taxation Services and Administration				
Customer Services				
Telephone Inquiries	2,863,619	2,880,940	3,100,000	3,200,000
Gross Income Tax Filings by Telephone	153,284	156,845	170,000	175,000
Total Tax Returns Filed by Telephone	4.0%	4.3%	4.9%	5.0%
Homestead Rebate Filings By Telephone/Computer	1,570,685	1,857,817	2,000,000	2,000,000
Information and Publications				
Correspondence	117,000	140,000	168,000	168,000
Regulatory Services				
Telephone Inquiries	15,570	14,679	15,120	15,200
Correspondence	9,121	9,210	8,100	8,100
Taxpayer Accounting				
Telephone Inquiries-Individual	18,362	18,801	15,000	18,000
Telephone Inquiries-Business	19,060	17,708	14,000	18,000
Correspondence-Individual	88,443	79,803	85,000	85,000
Correspondence-Business	35,697	28,376	24,000	30,000
Enforcement				
Audits				
Average Number of Auditors	435	430	450	460
Assessment Amount	\$471,562,542	\$488,940,717	\$502,000,000	\$510,000,000
Audits Completed	112,432	113,689	115,000	118,000
Average Assessment/Auditor	\$1,084,052	\$1,137,071	\$1,115,556	\$1,108,696
Compliance				
Number of Collectors	285	268	278	280
Collections	\$271,748,757	\$288,284,612	\$290,000,000	\$291,000,000
Number of Closed Cases	670,085	691,135	700,000	710,000
Average Collection Per Collector	\$953,504	\$1,075,689	\$1,043,165	\$1,039,286
Bankruptcy Claims	3,943	3,946	4,200	4,100
Judgments	22,590	25,965	27,000	27,000
Deferred Payment Plans	6,257	6,986	7,200	7,300
Third Party Collection of Deficient Taxes	\$66,994,102	\$93,922,230	\$100,922,230	\$100,000,000
Third Party Collection of Delinquent Taxes	\$36,561,588	\$36,755,126	\$41,755,126	\$42,000,000
Criminal Investigations				
Prosecution Recommendations	128	125	125	125
Assessment Amount	\$3,686,869	\$3,962,114	\$3,960,000	\$3,960,000
Billings Mailed				
Individual	232,702	228,427	300,000	250,000
Business	142,739	169,818	155,000	160,000
Refunds Reviewed				
Individual	62,633	44,384	40,000	50,000
Business	4,349	10,892	5,000	7,000

TREASURY

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
Property Administration				
Real Estate Appraisals-Inheritance Tax	340	487	500	525
Informal Assessors' Appeals	1,100	945	1,140	1,200
Sales Ratio Study				
Sales Evaluated	272,000	295,968	320,000	325,000
Sales Investigated, Office	112,000	134,101	145,000	155,000
Sales Investigated, Field	35,000	39,400	41,000	41,250
Intestates/Escheated Estates	50	55	60	60
Unclaimed Property				
Reports Filed	8,300	8,100	8,500	8,500
Administration of State Lottery				
Agents	6,000	6,100	6,100	6,200
Drawings	2,040	2,028	2,028	2,028
Net Sales (millions)	\$2,186	\$2,274	\$2,321	\$2,321
Cents Spent to Generate One Sales Dollar	8.8	9.1	8.9	8.9
Cents Spent to Generate One Government Dollar	24.4	25.5	25.1	25.1
Government Revenue as a Percent of Sales	36.4	35.7	35.3	35.3
Administration of State Revenues				
Documents Processed				
Gross Income Tax-Imaged	3,084,512	3,140,987	3,100,000	3,000,000
Gross Income Tax-Manual	319,020	139,809	140,000	130,000
Gross Income Tax-Archival Imaged	606,900	158,700	150,000	140,000
Corporation Business Tax-Imaged	307,100	244,900	250,000	250,000
Corporation Business Tax-Manual	37,287	38,490	40,000	40,000
Employer Wage Reports (Form WR-30)-Imaged	365,250	274,400	275,000	250,000
Employer Wage Reports (Form WR-30)-Manual	184,552	150,084	100,000	80,000
Property Tax Reimbursement Forms-Imaged	146,050	170,000	170,000	170,000
Property Tax Reimbursement Forms-Manual	2,582	3,703	4,000	4,000
Homestead Rebates-Manual	35,162	67,499	68,000	68,000
All Taxes-Remittance Processed	4,646,259	4,513,771	4,500,000	4,500,000
Gross Income Tax Payments and Extensions-Manual	115,103	26,769	25,000	25,000
Taxes Other Than Gross Income Tax-Manual	942,042	656,497	650,000	650,000
Motor Vehicle Commission Licenses and Registrations	3,615,116	3,040,551	3,050,000	3,500,000
OMB Checks	923,137	278,879	300,000	300,000
Total Documents Processed	15,330,072	12,905,039	12,822,000	13,107,000
Alternate Filing				
Individual Electronic Filing	1,004,958	1,564,509	1,721,000	1,893,000
Combined Employer Return (Form 927)	381,432	467,086	584,000	642,000
Employer Reports of Wages Paid (Form WR-30)	576,835	505,948	556,500	612,000
Number of Payments via Electronic Fund Transfer	2,865,199	3,469,304	3,816,000	4,198,000
Client Registrations				
Registration File Updates	251,038	304,480	255,000	255,000
Telephone Inquiries	84,074	116,340	83,000	83,000
Licenses Issued (Cigarette and Motor Fuels)	17,548	16,023	18,000	18,000
Collection Activity				
Motor Vehicle Commission Surcharge Contract	\$137,293,830	\$126,609,824	\$127,000,000	\$127,000,000
Number of SOIL Setoffs	186,266	196,679	193,000	193,000
Revenue Accounting				
Checks Processed	8,179,752	7,353,719	7,300,000	7,300,000
Electronic Invoices	137,166	153,060	153,000	153,000
Bills Generated (Department of Environmental Protection)	164,641	197,771	170,000	200,000
Dishonored Checks	27,631	25,665	30,500	30,500
Cigarette Stamps Sold	371,258,000	325,273,750	326,000,000	326,000,000

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
Business Support Services				
Corporations and Related Filings	143,276	117,705	150,000	150,000
Corporations Information Request	173,645	166,046	175,000	175,000
Annual Reports	357,584	426,347	260,000	260,000
Uniform Commercial Code Filings	107,741	99,376	100,000	100,000
Uniform Commercial Code Searches	72,624	71,816	71,000	71,000
Notary and Related Transactions	69,181	71,442	65,000	65,000
Trade Name/Trademark and Related Transactions	32,046	27,558	30,000	30,000
Telephone Inquiries	122,613	155,198	150,000	150,000
Management of State Investments				
Market Value of Investments as of June 30 (billions)	\$79.15	\$82.10	\$83.00	\$84.00
Cash Management Returns	1.11%	2.27%	3.00%	3.00%
Net Investment Earnings, Cash Basis (billions)	\$1.19	\$1.27	\$1.40	\$1.40
Funds Managed	180	184	185	185
Administration of Casino Gambling				
Number of Casinos in Operation	12	12	12	12
Number of Persons Employed by the Casino Industry	47,064	47,724	48,000	48,000
Casino Industry Gross Revenue (in billions)	\$4.71	\$4.86	\$4.98	\$5.00
New Casino Key Licenses Issued	223	173	160	155
New Casino Employee Licenses Issued	2,948	2,792	2,722	2,650
Renewals of Casino Key and Employee Licenses	7,292	5,636	3,433	4,590
Casino Service Employee Registrations Issued	1,697	1,768	1,531	1,600
Casino Service Industry Licenses Issued:				
New Licenses	259	204	193	185
Renewal Licenses	142	177	175	175
Slot Machine Licenses Issued	42,542	42,572	41,981	42,500
Casino Table Games in Operation	1,402	1,548	1,700	1,750
Junket Enterprise Licenses				
Junket Licenses Issued	4	2	3	3
Junket Licenses Renewed	10	3	3	3
Contract Review:				
Vendor and Junket Enterprise Registration Forms				
Processed	2,243	2,423	2,333	2,378
Notice of Intent to Conduct Business with Enterprises	396	366	381	373
Contested Case Hearings:				
Employee Applications and Renewals	542	504	510	525
Casino Service Industry Applications and Renewals	18	21	22	22
Revocations and Violation Complaints	213	261	254	260
Miscellaneous	12	82	187	190
Exclusions	3	2	3	5
Litigation	---	4	3	4
Motion for Relief from Casino Control Commission				
Orders and Other Reasons	28	36	32	34
Reapplication for Permission to Work With or Without				
Credentials	33	35	35	35
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	1,992	2,101	2,123	2,197
All Other	419	432	431	452
Total Positions	2,411	2,533	2,554	2,649
Filled Positions by Program Class				
Taxation Services and Administration	1,389	1,512	1,526	1,582
Administration of State Lottery	139	146	152	154
Administration of State Revenues	473	470	459	461
Management of State Investments	64	60	70	88
Administration of Casino Gambling	346	345	347	364
Total Positions	2,411	2,533	2,554	2,649

Notes:

Actual payroll counts are reported for fiscal years 2004 and 2005 as of December and revised fiscal 2006 as of March. The Budget Estimate for fiscal 2007 reflects the number of positions funded.

TREASURY

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2005					Year Ending June 30, 2007				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
110,445	15,860	2,568	128,873	127,016					
					15	106,634	124,255	124,255	
30,300	572	---	30,872	29,711	16	22,490	21,900	21,900	
30,867	4,773	---	35,640	30,019	17	29,746	28,104	28,104	
7,445	8	337	7,790	7,780	19	8,637	8,719	8,719	
27,901	778	---	28,679	27,601					
					25	29,440	29,440	29,440	
27,901	778	---	28,679	27,601		29,440	29,440	29,440	
4,703	436	---	5,139	5,093	50	4,703	4,703	4,703	
211,661	22,427	2,905	236,993	227,220		201,650	217,121	217,121	
183,760	21,649	2,905	208,314	199,619		172,210 ^(a)	187,681	187,681	
27,901	778	---	28,679	27,601		29,440	29,440	29,440	
Distribution by Fund and Object									
Personal Services:									
---	---	---	---	585					
						591	591	591	
96,195									
3,266 ^S	5,665 ^R	1,523	106,649	106,376		108,521	111,115	111,115	
25,195	---	165	25,360	18,384		18,994			
						568 ^S	19,562	19,562	
---	---	---	---	6,252		6,490			
						186 ^S	6,676	6,676	
124,656	5,665	1,688	132,009	131,597		135,350	137,944	137,944	
99,461	5,665	1,523	106,649	106,376		108,521	111,115	111,115	
25,195	---	165	25,360	25,221		26,829	26,829	26,829	
5,183									
149 ^S	---	-655	4,677	4,550		5,257	4,988	4,988	
183	---	-20	163	163		142	142	142	
43,793									
27,733 ^S	317 ^R	484	72,327	70,596		44,440			
						9,525 ^S	68,386	68,386	
922	---	---	922	794		1,043	1,043	1,043	
1,660	---	309	1,969	1,786		1,633	1,533	1,533	
1,205	---	44	1,249	1,249		1,213	1,213	1,213	
Special Purpose:									
---	---	300	300	300					
					15	---	---	---	
1,175	10,512	---	11,687	10,067					
					15	1,175	---	---	
---	4,355	---	4,355	---	17	---	---	---	
899	---	---	1,958	1,754					
1,059 ^S	---	---	1,958	1,754	17	899	1,599	1,599	
						700 ^S			
105	---	-49	56	56					
					25	60	60	60	
2,648 ^S	800	944	4,392	4,190		60	60	60	
291	778	-140	929	118					
						153	153	153	
211,661	22,427	2,905	236,993	227,220		201,650	217,121	217,121	

Year Ending June 30, 2005					Year Ending June 30, 2007				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended	
OTHER RELATED APPROPRIATIONS									
All Other Funds									
---	8,492								
---	31,127 ^R	-22,838	16,781	7,240		34,919	29,983	29,983	
---	---	---	---	---		60	60	60	
---	27,750								
---	70,949 ^R	-25,064	73,635	11,848		72,218	45,225	45,225	
---	---	---	---	---		560	560	560	
---	<u>138,318</u>	<u>-47,902</u>	<u>90,416</u>	<u>19,088</u>		<u>107,757</u>	<u>75,828</u>	<u>75,828</u>	
<u>211,661</u>	<u>160,745</u>	<u>-44,997</u>	<u>327,409</u>	<u>246,308</u>		<u>309,407</u>	<u>292,949</u>	<u>292,949</u>	

Notes -- Direct State Services - General Fund

- (a) The fiscal 2006 appropriation has been adjusted for the allocation of salary program, which includes \$391,000 for the Office of Information Technology, and the reallocation of administrative efficiencies.
- (b) Receipts shown hereinabove for the Taxation Services and Administration program classification include fees associated with the surcharge on rental vehicles, which will be transferred to the Departments of Agriculture, Health and Senior Services, and Law and Public Safety in fiscal 2007 to support domestic security programs.
- (c) Receipts shown hereinabove for the Administration of State Revenues include fees for services of county clerks and registers, which will be transferred to the Department of State in fiscal 2007 to support the New Jersey Public Records Preservation program.

Language Recommendations -- Direct State Services - General Fund

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

Notwithstanding the provision of any law to the contrary, there shall be no retroactive payment for refunds due under section 9 of P.L.1976, c.141 (C.58:10-23.11h) as amended pursuant to section 1 of P.L. 1997, c.134 for the period from January 1, 1996 through June 26, 1997, appropriated from the Spill Compensation Fund.

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

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

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

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

Pursuant to the provisions of section 12 of P.L. 1992, c.165 (C.40:54D-12) there are appropriated such sums as may be required to compensate the Department of the Treasury for costs incurred in administering the "Tourism Improvement and Development District Act," P.L. 1992 c.165 (C.40:54D-1 et seq.).

Notwithstanding any provision of any other law to the contrary, there are available out of fees derived from the cost of collection imposed pursuant to section 8 of P.L.1987, c.76 (C.54:49-12.1) such sums as may be required for compliance and enforcement activities associated with the collection process as promulgated by the Taxpayers' Bill of Rights under P.L.1992, c.175.

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

Notwithstanding the provisions of section 4 of the "Lead Hazard Control Assistance Act," P.L. 2003, c.311 (C.52:27D-437.4), such sums as are necessary are appropriated from the Lead Hazard Control Assistance Fund for the Department of the Treasury's administrative costs, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Property Assessment Management System (PAMS) account is appropriated for the same purpose.

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

TREASURY

- Pursuant to the provisions of section 54 of P.L. 2002, c.34 (C.App.A:9-78) deposits made to the "New Jersey Domestic Security Account" are appropriated for transfer to the Department of Health and Senior Services to support medical emergency disaster preparedness for bioterrorism, to the Departments of Law and Public Safety and Military and Veterans Affairs for security coverage at nuclear power facilities, and to the Department of Law and Public Safety for State Police salaries related to statewide security services and counter-terrorism programs, subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding any other law to the contrary, \$5,000,000 of the amounts credited to the New Jersey Domestic Security account on or after July 1, 2006, is available to the General Fund as State revenue.
- There are appropriated out of the State Lottery Fund such sums as may be necessary for costs required to implement the "State Lottery Law," P.L. 1970, c.13 (C.5:9-1 et seq.) and for payment for commissions, prizes, and expenses of developing and implementing games pursuant to section 7 of P.L. 1970, c.13 (C. 5:9-7).
- In addition to the amounts hereinabove, State Lottery Fund receipts in excess of anticipated contributions to education and State institutions, and reimbursement of administrative expenditures, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee.
- Notwithstanding the provisions of any other law to the contrary, there are appropriated out of receipts derived from communications fees such sums as may be necessary for telecommunications costs required in the administration of the State Lottery.
- Notwithstanding the provisions of any other law to the contrary, there are appropriated out of receipts derived from the sale of advertising and/or promotional products by the State Lottery, such sums as may be necessary for advertising costs required in the administration of the State Lottery pursuant to P.L.1970, c.13 (C.5:9-1 et seq.).
- There are appropriated such sums as are necessary to fund the hospitals' share of monies collected pursuant to the Hospital Care Payment Act, P.L.2003, c.112 (C.17B:30-41 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.
- The unexpended balance at the end of the preceding fiscal year in the Revenue Management System account are appropriated.
- The Director of the Division of Budget and Accounting is hereby authorized to transfer or credit such sums as are necessary between the Department of Labor and the Department of the Treasury for the administration of revenue collection and processing functions related to Unemployment Insurance, Temporary Disability Insurance, Workers' Compensation, Special Compensation Programs, the Health Care Subsidy Fund, and the Workforce Development Partnership program.
- The amount hereinabove for the Wage Reporting/Temporary Disability Insurance program are payable out of the State Disability Benefits Fund, and in addition to the amounts hereinabove, there are appropriated out of the State Disability Benefits Fund such additional sums as may be required to administer revenue collection associated with the Temporary Disability Insurance program, subject to the approval of the Director of the Division of Budget and Accounting.
- Receipts in excess of those anticipated from the over-the-counter surcharges are appropriated to meet the costs of the Division of Revenue's commercial recording function, subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding any provisions of law, regulation or Executive Order to the contrary, any receipts received from Nextel Corporation in accordance with a Plan Funding Agreement approved by Nextel and the 800 MHz Transition Administrator for costs of rebanding incurred by State agencies, and any local units of government that have entered into a memorandum of understanding with the Attorney General authorizing the State to receive Nextel funds on behalf of such local unit, pursuant to Federal Communications Commission-ordered reconfiguration of the 800 MHz band, are appropriated to the Department of the Treasury. Such sums shall be expended or transferred to the various departments and agencies to reimburse administrative and procurement costs in accordance with the Plan Funding Agreement and in consultation with the Attorney General, subject to the approval of the Director of the Division of Budget and Accounting.
- Pursuant to the provisions of P.L. 2003, c.117 (C.22A:4-4.2) deposits made to the "New Jersey Public Records Preservation Account" are appropriated for transfer to the Department of State for grants to counties and municipalities for the management, storage, and preservation of public records, subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding any other law to the contrary, \$27,000,000 of the amounts credited to the county portion of the New Jersey Public Records Preservation account on or after July 1, 2006, is available to the General Fund as State revenue.
- Funds necessary to defray the cost of collection to implement the provisions of P.L. 1994, c.64 (C.17:29A-35 et seq.), as well as the cost of billing and collection of surcharges levied on drivers in accordance with the New Jersey Automobile Insurance Reform Act of 1982 - Merit Rating System Surcharge Program, P.L. 1983, c.65 (C.17:29A-33 et al.) as amended, are appropriated from fees in lieu of actual cost of collection receipts and from surcharges derived, subject to the approval of the Director of the Division of Budget and Accounting.
- There are appropriated, out of receipts derived from service fees billed to authorities for the handling of investment transactions, such sums as may be necessary to administer the Management of State Investments program.
- There are appropriated, out of receipts derived from the investments of State funds, such sums as may be necessary for bank service charges, custodial costs, mortgage servicing fees, and advertising bank balances under section 1 of P.L. 1956, c.174 (C.52:18-16.1).
- Notwithstanding the provisions of any law to the contrary, the expenses of administration for the various retirement systems and employee benefit programs administered by the Division of Pensions and Benefits and the Division of Investments shall be charged to the pension and health benefits funds established by law to receive employer contributions or payments or to make benefit payments under the programs, as the case may be. In addition to the amounts hereinabove, there are appropriated such sums as may be necessary for administrative costs, which shall include bank service charges, investment services, and other such costs as are related to the management of the pension and health benefit programs, as the Director of the Division of Budget and Accounting shall determine. In addition, revenue resulting from such charges to the various pensions and health benefit funds, payable on a schedule to be determined by the Director of the Division of Budget and Accounting, shall be credited to the General Fund as anticipated revenue.

Language Recommendations -- Direct State Services - Casino Control Fund

In addition to the amount hereinabove for Administration of Casino Gambling, there are appropriated from the Casino Control Fund such additional sums as may be required for operation of the Casino Control Commission, subject to the approval of the Director of the Division of Budget and Accounting.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

74. GENERAL GOVERNMENT SERVICES

OBJECTIVES

1. To centralize all press and public relations services.
2. To provide a centralized purchasing system for goods and services needed to operate all State government departments, and to provide savings opportunities for school districts, county, and local governments through cooperative purchasing.
3. To provide maintenance and operation services for the preservation and protection of the buildings in the Capitol Complex.
4. With respect to real property, provides for purchase and disposal, as necessary, as well as the centralized management of rents and leases, including the management of employee housing.
5. To plan, program, design and supervise the construction of buildings and facilities for the various State agencies.
6. To administer all employee benefit programs at minimum cost.
7. To operate a central motor pool fleet at the lowest possible cost and provide State agencies with safe operating vehicles.
8. To provide printing services to State agencies.
9. To provide food service in the State House Complex cafeterias and other State-owned facilities in the Trenton area.
10. To provide risk management, loss prevention and claims services, and management of the fire and casualty insurance program to all State agencies.
11. To warehouse commodities by purchasing in large volume shipments, making goods available on request at the lowest possible prices, and to coordinate on a statewide basis the assembling, distribution, and sale of surplus personal property.
12. To provide a mail processing/delivery system at minimum cost.
13. To coordinate New Jersey's land and historic preservation goals and programs.

PROGRAM CLASSIFICATIONS

02. **Garden State Preservation Trust.** The Garden State Preservation Trust fulfills a statutory responsibility to oversee New Jersey's progress in achieving its land preservation goals, conducts related education and outreach, and reviews and recommends open space, farmland, and historic preservation projects submitted respectively by the Department of Environmental Protection's Green Acres Program, the State Agricultural Development Committee and the New Jersey Historic Trust.
04. **Public Information Services.** Executive Order No. 30, dated January 14, 1976, centralized all press and public relations services of the various departments of State government.
09. **Purchasing and Inventory Management.** Pursuant to NJSA 52:18A-3, the Division of Purchase and Property administers a centralized statewide purchasing system, including the setting of purchasing standards and specifications; makes available contracts for products and services to school districts, municipalities, and other political subdivisions through the cooperative purchasing program; contracts

major lease/purchase arrangements through the Master Lease Program; maintains a centralized distribution center to permit bulk purchases for all State departments; performs testing and inspection functions; supervises the disposition of State surplus property.

12. **Property Management and Construction - Construction Management Services.** Pursuant to NJSA 52:18A, the Division supervises all architectural, engineering design and construction of new facilities, as well as the renovation and rehabilitation of existing facilities; provides technical advice and assistance to all State agencies in preliminary planning, programming, design, layout and cost estimating; administers construction and professional service contracts associated with building programs; provides for field supervision on State construction projects; ensures that all building programs are completed in accordance with predetermined goals and objectives.

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

Monies are accounted for in members' individual accounts and to the credit of the several systems in the general and subsidiary ledgers. A complete and proper accounting of all disbursements to eligible employers and employees and their beneficiaries is provided. This program will be funded directly from the pension and health benefits funds in fiscal year 2007.

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

26. **Property Management and Construction - Property Management Services.** Disposal of surplus real property and purchase of all real property (exclusive of Department of Transportation highway and public transportation requirements and the Department of Environmental Protection's "Green Acres" and water supply acquisitions) is a responsibility of the Office of Property Management. In addition, Property Management Services is charged with securing all leased office, warehouse and other State space requirements. Also, Property Management Services provides, in the Trenton area, full maintenance services for 40 State-owned buildings, including the State Records Storage Center, the Richard J. Hughes Justice Complex, Mary G. Roebing, William Ashby, War Memorial, and the Environmental Protection buildings; also provides renovation and alteration services valued at less than \$39,600. Carries out all related contract administration services, including the processing of change orders, pre-qualification of contractors, public advertising, awarding of bids; prepares and maintains central contract files and all other records, including plans and specifications.

TREASURY

37. **Risk Management.** Operates to reduce the adverse impact of catastrophic pure loss on State operations and budgets through a combination of risk management and loss prevention techniques. Administers claims against the State and its employees under Title 59, Tort Claims Act, R.S. 34 Workers Compensation statute and various Federal statutes and laws. Risk Management also administers claims on behalf of the State against others responsible for damage to the State, its employees and property.
40. **Office of Information Technology.** Processes information for a wide variety of department and agency programs including, but not limited to, centralized payroll, budget, revenue, general accounting, pensions, nursing home claims, food stamps, public assistance, institutional patient billings, caseload activities, unemployment compensation, disability insurance, employment and personnel services, engineering services, air monitoring, and criminal justice.
41. **Automotive Services.** Pursuant to Executive Order No. 33, dated June 7, 1991, the State Central Motor Pool administers

central fleet management and maintains and operates central facilities for the repair and storage of State-owned motor vehicles. The pool has legal ownership of the vehicles and prescribes rules for the efficient and economical operation of the fleet. Since the pool is self-supporting, rental fees based on usage are billed to the State using agencies. The revenues collected are used to purchase replacement vehicles and to cover all costs of the pool operation.

43. **Printing Services.** The Treasury Print Shop operates as a revolving fund. The costs of labor and materials are reimbursed by various agencies including, but not limited to the Department of the Treasury, the Office of the Chief Executive, the Legislature, and the Department of State.
44. **Capitol Post Office.** The Capitol Post Office operates as a revolving fund, providing postal services to all State departments.
62. **State Cafeterias.** Provides food services on a receipt basis and operates as a dedicated fund.

EVALUATION DATA

PROGRAM DATA	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
Purchasing and Inventory Management				
Vendor purchases (millions)	\$1,813	\$1,889	\$1,800	\$1,800
Contracts	1,499	762	800	800
Pensions and Benefits				
Financial Data				
Assets, all funds (thousands)	\$71,276,272	\$74,679,016	\$77,093,266	\$81,015,397
Benefit payments (thousands)	\$8,249,643	\$9,014,686	\$10,040,164	\$11,193,444
Lump sum death benefit payments (thousands)	\$189,002	\$194,851	\$203,420	\$212,391
Member loans outstanding (thousands)	\$1,153,834	\$1,097,094	\$1,100,306	\$1,103,772
Membership, all retirement systems	536,379	547,560	558,164	569,014
Retired members and beneficiaries	210,063	218,332	226,764	235,563
Membership, other systems				
Supplemental annuity	4,098	3,956	3,816	3,681
Health benefits program members	358,609	363,435	371,745	380,256
Health benefits program covered lives	802,158	806,328	821,783	837,533
Prescription drug program members	148,164	150,780	153,449	156,165
Prescription drug program covered lives	369,328	373,066	376,834	380,640
Dental program members	99,072	134,505	137,478	140,516
Dental program covered lives	234,626	292,369	299,751	307,320
Benefit Processing Data				
New enrollments or transfers	64,083	64,182	65,000	65,000
Withdrawals	7,893	9,348	9,815	10,306
Death claims	7,907	8,131	8,375	8,626
New retirements	15,831	14,486	13,500	13,600
Pensions adjustments	6,736	7,500	7,500	7,500
Service purchase requests	15,359	15,852	17,000	17,000
Member loans	115,741	113,134	109,740	106,448
Client Services				
Telephone inquiries	1,484,175	1,631,207	1,800,000	1,980,000
Interviews	14,177	15,026	16,500	18,150
Correspondence	20,948	27,716	34,600	43,300
Internet inquiries	14,021	614,500	780,415	991,000
Seminars	1,372	1,284	1,450	1,525
Property Management and Construction - Property Management Services				
Leased facilities	341	333	342	353
Area in square feet (leased facilities)	5,200,000	5,500,000	6,100,000	6,350,000
State-owned space maintained (square feet)	5,429,470	5,919,883	5,919,953	5,915,953

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	689	701	741	373
All Other	32	31	31	389
Total Positions	721	732	772	762
Filled Positions by Program Class				
Garden State Preservation Trust	2	2	2	4
Purchasing and Inventory Management	106	123	126	129
Pensions and Benefits	346	337	354	355
Capital City Redevelopment Corporation	1	1	1	2
Property Management and Construction	179	182	190	174
Risk Management	56	57	69	66
Capitol Post Office	31	30	30	32
Total Positions	721	732	772	762

Notes:

Actual payroll counts are reported for fiscal years 2004 and 2005 as of December and revised fiscal year 2006 as of March. The Budget Estimate for fiscal year 2007 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2005					Year Ending June 30, 2007			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
468	---	---	468	272	02	478	478	478
8,505	448	4,915	13,868	13,535	09	10,870	9,789	9,789
31,705	12,111	106	43,922	34,354	21	32,387	---	---
13,338	1,057	1,050	15,445	14,885	26	15,142	14,285	14,285
1,807	553	113	2,473	2,459	37	2,070	2,657	2,657
55,823	14,169	6,184	76,176	65,505		60,947^(b)	27,209	27,209
Distribution by Fund and Object								
35,031	602 ^R	3,513	39,146	39,146		40,015	20,959	20,959
35,031	602	3,513	39,146	39,146		40,015	20,959	20,959
816	---	316	1,132	1,123		855	406	406
16,724	---	2,713	19,437	19,282		16,655	3,306	3,306
1,899	70 ^S	---	2,529	2,186		2,029	1,925	1,925
468	---	---	468	272	02	478	478	478
---	---	497	497	203	09	250	---	---
---	---	---	---	---	09	250	---	---
---	---	---	---	---	09	100	---	---
560	---	---	560	560	09	---	---	---
180	---	27	207	207	21	180	---	---
---	11,535	---	11,535	2,113	21	---	---	---
---	350 ^R	-100	250	---	26	---	---	---

TREASURY

Year Ending June 30, 2005					Year Ending June 30, 2007			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended
75	978	-638	415	413				
					<u>DIRECT STATE SERVICES</u>			
						135	135	135
					<u>CAPITAL CONSTRUCTION</u>			
					Distribution by Fund and Program			
---	2,089	---	2,089	335				
					26	---	---	---
---	3,228	5,954	9,182	5,490	40	---	---	---
---	5,317	5,954	11,271	5,825		---	---	---
					Distribution by Fund and Object			
					Office of Information Technology			
---	282	---	282	81				
					40	---	---	---
---	3	---	3	---				
					40	---	---	---
---	33	---	33	---				
					40	---	---	---
---	1	---	1	---				
					40	---	---	---
---	2,690	5,954	8,644	5,409				
					40	---	---	---
---	216	---	216	---				
					40	---	---	---
---	3	---	3	---				
					40	---	---	---
					Property Management and Construction			
---	1,826	---	1,963	265				
	137 ^R				26	---	---	---
---	52	---	52	49				
					26	---	---	---
---	10	---	10	---				
					26	---	---	---
---	61	---	61	21				
					26	---	---	---
---	2	---	2	---				
					26	---	---	---
---	1	---	1	---				
					26	---	---	---
55,823	19,486	12,138	87,447	71,330		60,947	27,209	27,209
					OTHER RELATED APPROPRIATIONS			
					Federal Funds			
72 ^S	383	330	785	455				
					40	---	---	---
72	383	330	785	455		---	---	---
					All Other Funds			
---	---	---	---	---				
					09	55	10	10
---	---	---	---	---				
					21	---	33,482	33,482
---	80 ^R	---	80	80				
					22	378	378	378
---	1,233	15	3,914	2,891				
	2,666 ^R				26	3,657	3,710	3,710
---	---	---	---	---				
					37	500	500	500
---	15	7,182	7,202	4,387				
	5 ^R				40	---	---	---
---	184	---	271	152				
	87 ^R				62	77	77	77
---	4,270	7,197	11,467	7,510		4,667	38,157	38,157
55,895	24,139	19,665	99,699	79,295		65,614	65,366	65,366

Notes -- Direct State Services - General Fund

- (a) Effective in fiscal 2007, the appropriation for the administrative costs of the Division of Pensions and Benefits is authorized as dedicated revenue in lieu of State appropriations from the General Fund. This change affects the Direct State Services budget for the Division, as well as anticipated revenue in Schedule 1.
- (b) The fiscal 2006 appropriation has been adjusted for the allocation of salary program, which includes \$176,000 for the Office of Information Technology, and the reallocation of administrative efficiencies.

Language Recommendations -- Direct State Services - General Fund

- The Director of the Division of Budget and Accounting is empowered to transfer or credit to any central data processing center any appropriation made to any department which had been appropriated or allocated to such department for its share of costs of such data processing center including the replacement of data processing equipment and the purchase of additional data processing equipment.
- There are appropriated, out of receipts derived from service fees billed to political subdivisions for the operating costs of the cooperative purchasing program, such sums as may be necessary to administer and operate the Purchase Bureau program.
- There are appropriated, out of receipts derived from service fees billed to authorities for the handling of insurance procurement and risk management services, such sums as may be necessary to administer the Risk Management program.
- Notwithstanding the provisions of any other law to the contrary, there are appropriated, out of the receipts derived from third party subrogation, such sums as may be necessary for the administrative expenses of the Risk Management program.
- Notwithstanding the provisions of section 15 of article 6 of P.L. 1944, c.112 (C.52:27B-67), revenues in excess of the anticipation derived from the sale of surplus state vehicles are available for the replacement of Central Motor Pool temporary assignment vehicles, subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding the provisions of any other law to the contrary, there are appropriated, out of receipts derived from service fees billed to the various State departments for the purpose of travel services, such sums as may be necessary for the administrative expenses of the State Central Motor Pool program.
- The Director of the Division of Budget and Accounting is empowered to transfer or credit to the Capitol Post Office revolving fund any appropriation made to any department for postage costs appropriated or allocated to such departments for their share of costs of the Capitol Post Office.
- The Director of the Division of Budget and Accounting is empowered to transfer or credit to the Print Shop revolving fund any appropriation made to any department for printing costs appropriated or allocated to such departments for their share of costs of the Print Shop and the Office of Printing Control.
- The unexpended balances at the end of the preceding fiscal year in the State cafeteria accounts and receipts obtained from cafeteria operations are appropriated for the improvement and extension of cafeteria services and facilities pursuant to section 2 of P.L.1951, c.312 (C.52:18A-19.6).
- The Director of the Division of Budget and Accounting is empowered to transfer or credit to the Property Management and Construction program classification, from appropriations for construction and improvements, a sufficient sum to pay for the cost of architectural work, superintendence and other expert services in connection with such work.
- From the receipts derived from the sale of real property, such sums are appropriated for the costs incurred in order to preserve and maintain the property's value and condition and for costs incurred in the selling of the real property, including appraisal, survey, advertising, maintenance, security and other costs related to the preservation and disposal, subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding any law to the contrary, there are appropriated out of receipts derived from the pre-qualification service fees billed to contractors, architects, engineers, and professionals sufficient sums for expenses related to the administration of pre-qualification activities undertaken by the Division of Property Management and Construction.
- The unexpended balances at the end of the preceding fiscal year in excess of \$300,000 in the Management of the Department of Environmental Protection Properties account are appropriated for the same purpose.
- Receipts derived from the leasing of State surplus real property are appropriated for the maintenance of leased property subject to the approval of the Director of the Division of Budget and Accounting, provided that a sum not to exceed \$100,000 shall be available for the administrative expenses of the program.
- There are appropriated such additional sums as may be necessary for the purchase of expert witness services related to the State's defense against inverse condemnation claims related to the Department of Environmental Protection's Land Use Regulation program.
- Receipts from employee maintenance charges in excess of \$300,000 are appropriated for maintenance of employee housing and associated relocation costs; provided, however, that a sum not to exceed \$25,000 shall be available for management of the program, the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.
- There are appropriated out of receipts derived from lease proceeds billed to the occupants of the James J. Howard Marine Science Laboratory, such sums as may be required to operate and maintain the facility and for the payment of interest and/or principal due from the issuance of bonds for this facility.
- Notwithstanding any other law to the contrary, an amount not to exceed \$478,000 is transferred from the Garden State Farmland Preservation Trust Fund, the Garden State Green Acres Preservation Trust Fund and the Garden State Historic Preservation Trust Fund to the General Fund in an allocation to be determined by the Garden State Preservation Trust and approved by the Director of the Division of Budget and Accounting and such amount is appropriated to the Garden State Preservation Trust.
- Notwithstanding any other law to the contrary, the Departments of the Treasury, Community Affairs, Environmental Protection, and Agriculture will provide such administrative services as are necessary to operate the Garden State Preservation Trust.

TREASURY

Notwithstanding the provisions of any law to the contrary, administrative expenses for the various retirement systems and employee benefit programs administered by the Division of Pensions and Benefits are appropriated from the pension and health benefits funds established by law to receive employer contributions or payments or to make benefit payments under the programs, as the case may be, subject to the approval of the Director of the Division of Budget and Accounting. Administrative costs shall include bank service charges, investment services, and any other such costs as are related to the management of the pension and health benefits programs, as the Director of the Division of Budget and Accounting shall determine.

There is appropriated from the pension and health benefits funds established by law an amount, not to exceed \$12,000,000, for the re-engineering of the pension and health benefits computer systems as referenced in the Division of Pensions and Benefits organizational study.

The unexpended balance at the end of the preceding fiscal year in the Re-engineering of the Pension and Health Benefits Computer Systems account is appropriated for the same purpose.

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

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

74. GENERAL GOVERNMENT SERVICES

2026. OFFICE OF ADMINISTRATIVE LAW

OBJECTIVES

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

more than 11,000 administrative cases; develops and administers a program for the continuing training and education of judicial corps.

Development of Administrative Procedures (C.52:14B-1 et seq.), regulates and assists State agencies with regard to the preparation and filing of rules and regulations, and establishes standards for the New Jersey Register and the New Jersey Administrative Code.

PROGRAM CLASSIFICATIONS

45. **Adjudication of Administrative Appeals.** Pursuant to C.52:14F-1 et seq. and C.52:14B-10, full-time administrative law judges hold hearings and render decisions to the various agency heads for their acceptance, rejection, or modification within 45 days, or a lesser period where prescribed by law.

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

Judicial Administration creates standards and maintains filing, docketing, record keeping, and decision making systems for

EVALUATION DATA

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
PROGRAM DATA				
Adjudication of Administrative Appeals				
Cases pending as of July 1	4,620	4,927	4,829	5,089
Cases filed	11,776	12,606	13,160	13,300
Cases disposed of	11,469	12,704	12,900	13,000
Cases pending as of June 30	4,927	4,829	5,089	5,389
Cases disposed of per judge	319	334	339	333
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	7	5	6	6
Male Minority %	6.3	4.5	5.2	5.0
Female Minority	32	32	33	33
Female Minority %	28.8	28.6	28.4	27.3
Total Minority	39	37	39	39
Total Minority %	35.1	33.1	33.6	31.9
Position Data				
Filled Positions by Funding Source				
State Supported	101	102	106	111
All Other	10	10	10	10
Total Positions	111	112	116	121

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
Filled Positions by Program Class				
Adjudication of Administrative Appeals	111	112	116	121
Total Positions	111	112	116	121

Notes:

Actual payroll counts are reported for fiscal years 2004 and 2005 as of December and revised fiscal 2006 as of March. The budget estimate for fiscal 2007 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2005					Year Ending June 30, 2007			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
5,260	4,366	---	9,626	8,753				
					45	9,483	9,481	9,481
5,260	---	---	5,260	5,253		5,120	4,734	4,734
---	4,366	---	4,366	3,500		4,363	4,747	4,747
5,260	4,366	---	9,626	8,753		9,483 (a)	9,481	9,481
---	(4,366)	---	(4,366)	(3,500)		(4,363)	(4,747)	(4,747)
5,260	---	---	5,260	5,253		5,120	4,734	4,734
Distribution by Fund and Object								
4,682	---	3,074	7,756	7,557				
---	---	---	---	199				
4,682	---	3,074	7,756	7,756		8,615	8,699	8,699
35	---	46	81	81		95	95	95
502	---	136	638	638		692	606	606
35	---	12	47	47		75	75	75
6	---	---	6	6				
					45	6	6	6
---	7 2,865 ^R	-2,468	404	---	45	---	---	---
---	207 867 ^R	-820	254	---	45	---	---	---
---	234 186 ^R	-205	215	---	45	---	---	---
---	---	225	225	225		---	---	---
---	(4,366)	---	(4,366)	(3,500)		(4,363)	(4,747)	(4,747)
5,260	---	---	5,260	5,253		5,120	4,734	4,734
OTHER RELATED APPROPRIATIONS								
---	4,366	---	4,366	3,500		4,363	4,747	4,747
5,260	4,366	---	9,626	8,753		9,483	9,481	9,481

Notes -- Direct State Services - General Fund

(a) The fiscal 2006 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

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

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

Receipts derived from annual license fees, payable to the Office of Administrative Law, and the unexpended balance at the end of the preceding fiscal year of such receipts, are appropriated.

Receipts derived from royalties, payable to the Office of Administrative Law, and the unexpended balance at the end of the preceding fiscal year of such receipts, are appropriated.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL 75. STATE SUBSIDIES AND FINANCIAL AID

PROGRAM CLASSIFICATIONS

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

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

29. **Locally Provided Assistance.** Locally Provided Assistance includes State funds provided for the South Jersey Port Corporation Property Tax and Debt Service Reserve Funds (P.L.1968, c.60), for county-based solid waste debt assistance, and for the Highlands Protection Fund. The South Jersey Port Corporation Property Tax Reserve Fund was established to make payments-in-lieu-of-taxes (PILOT) to compensate counties and municipalities for any loss of tax revenue due to the Corporation's acquisition of property. The South Jersey Port Corporation Debt Service Reserve Fund was established to ensure the maintenance of the maximum debt service reserve requirement for any debt obligations issued by the Corporation. The Solid Waste Management program subsidizes debt service payments made by counties and county authorities for environmental investments incurred pursuant to the Solid Waste Management Act and the Solid Waste Utility Control Act.

Per the provisions of the Highlands Water Protection and Planning Act (P.L. 2004, c.120), the Highlands Protection Fund was created with \$12 million in annual funding. The Highlands Water Protection and Planning Act requires the introduction of various new aid and planning grant programs as well as the reinstatement of prior year programs including property tax stabilization aid and watershed moratorium offset aid. This funding compensates municipalities in the Highlands region for the loss of the developable value of their

land due to new Highlands environmental protections, and also provides compensation for Pinelands municipalities.

33. **Homestead Exemptions.** The Homestead Rebate program was initiated in fiscal 1977. The program provides rebates based on the amount by which property taxes exceed 5% of the taxpayer's income. In fiscal 2005, the expansion of the Homestead Rebate program corresponded with the elimination of the NJ SAVER program. The expanded Homestead Rebate program, available to households with incomes up to \$200,000, had a maximum rebate of \$1,200 for seniors and \$800 for non-seniors. In fiscal 2006, the rebate amounts were reduced for non-senior participants. In fiscal 2007, rebates will increase 10% for all recipients.

Pursuant to P.L. 1997, c.348, certain senior and disabled residents are eligible for a homestead property tax reimbursement, which provides compensation for increases in property taxes. Qualified residents must have paid property taxes directly or indirectly through rent on any homestead used as their principal residence for at least 10 consecutive years. For at least three of these years, the resident must have been the owner of the principal residence for which a property tax reimbursement is being sought.

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

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

42. **Energy Tax Receipts.** Prior to January 1998, the State was responsible for collecting the Public Utilities Franchise Tax and the Public Utilities Gross Receipts Tax. Of the funds collected, municipalities annually received a minimum distribution of \$685 million by law based on utility personal property valuations. As of January 1998, the Energy Tax

Receipts Property Tax Relief Act (P.L. 1997, c.167) replaced the previous method of distributing these funds to municipalities. This legislation restructured the previous system of utility tax collection by eliminating the gross receipts and franchise taxes levy for certain taxpayers and replacing it with a system centered on the corporation business tax, a sales and use tax, and a temporary transitional energy facility assessment tax. Energy utilities are subject to all three of the replacement taxes. Telecommunications

utilities are subject only to the corporation business tax, because they have been collecting and remitting sales and use taxes since 1990. Water and sewer utilities remain subject to the franchise and gross receipts taxes. Pursuant to the new law, receipts generated from the replacement revenues are deposited in the Energy Tax Receipts Property Tax Relief Fund, a special dedicated fund established in the State Treasury. During fiscal 2007, municipalities will receive a State Aid distribution totaling \$872.2 million from this fund.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2005					Year Ending June 30, 2007				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended	
GRANTS-IN-AID									
Distribution by Fund and Program									
2,162,711	24	---	2,162,735	1,609,845	33	789,888	1,340,188	1,340,188	
2,162,711	24	---	2,162,735	1,609,845		789,888	1,340,188	1,340,188	
					<i>Homestead Exemptions (From Property Tax Relief Fund)</i>				
2,162,711	24	---	2,162,735	1,609,845		789,888	1,340,188	1,340,188	
2,162,711	24	---	2,162,735	1,609,845		789,888	1,340,188	1,340,188	
Distribution by Fund and Object									
Grants:									
1,501,311									
400,000 ^S	24	---	1,901,335	1,355,778					
					<i>Homestead Property Tax Rebates for Homeowners (PTRF)</i>				
188,000	---	---	188,000	181,670	33	566,488	1,085,288	1,085,288	
					<i>Homestead Property Tax Rebates for Tenants (PTRF)</i>				
67,400									
6,000 ^S	---	---	73,400	72,397	33	98,400	118,900	118,900	
					<i>Senior and Disabled Citizens' Property Tax Freeze (PTRF)</i>				
STATE AID									
Distribution by Fund and Program									
1,481	---	---	1,481	1,383	28	1,681	2,289	2,289	
80,233	8,279	---	88,512	67,818	29	79,324	61,796	61,796	
109,000	---	-5,122	103,878	103,878					
					<i>Reimbursement of Senior/Disabled Citizens' and Veterans' Tax Deductions (From Property Tax Relief Fund)</i>				
109,000	---	-5,122	103,878	103,878		109,000	99,100	99,100	
68,714	---	---	68,714	59,433					
					<i>Consolidated Police and Firemen's Pension Fund (From General Fund)</i>				
41,425	---	---	41,425	33,445	35	72,878	106,377	106,377	
27,289	---	---	27,289	25,988		43,414	74,843	74,843	
					<i>(From Property Tax Relief Fund)</i>				
						29,464	31,534	31,534	
259,428	8,279	-5,122	262,585	232,512		262,883	269,562	269,562	
123,139	8,279	---	131,418	102,646		124,419	138,928	138,928	
136,289	---	-5,122	131,167	129,866		138,464	130,634	130,634	
Distribution by Fund and Object									
State Aid:									
1,481	---	---	1,481	1,383	28	1,481	2,289	2,289	
					<i>County Boards of Taxation</i>				
4,200									
2,763 ^S	---	---	6,963	6,963	29	4,200	7,256	7,256	
					<i>South Jersey Port Corporation Debt Service Reserve Fund</i>				
2,442	---	---	2,442	2,441	29	2,540	2,540	2,540	
					<i>South Jersey Port Corporation Property Tax Reserve Fund</i>				
2,650	---	-18	2,632	---	29	2,650	2,650	2,650	
					<i>Highlands Protection Fund - Incentive Planning Aid</i>				

TREASURY

Orig. & (S) Supplemental	Year Ending June 30, 2005				Prog. Class.	2006 Adjusted Approp.	Year Ending June 30, 2007	
	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended			Requested	Recommended
STATE AID								
1,750	---	---	1,750	---				
2,200	---	18	2,218	2,218	29	1,750	1,750	1,750
3,600	---	---	3,600	---				
1,800	---	---	1,800	1,800	29	3,600	3,600	3,600
1,500 ^S	843	---	2,343	2,343	29	---	---	---
57,328	7,436	---	64,764	52,053	29	57,328	40,000	40,000
---	---	---	---	---				
23,000	---	1,428	24,428	24,428	29	1,000	---	---
86,000	---	-6,550	79,450	79,450	34	23,000	22,700	22,700
7,046	---	---	7,046	7,046	34	86,000	76,400	76,400
7,869	---	---	7,869	7,869	35	6,397	1,784	1,784
19,420	---	---	19,420	18,119	35	8,575	9,379	9,379
19,864	---	---	19,864	17,171	35	20,889	22,155	22,155
14,515	---	---	14,515	9,228	35	23,700	47,480	47,480
2,422,139	8,303	-5,122	2,425,320	1,842,357		1,052,771	1,609,750	1,609,750
OTHER RELATED APPROPRIATIONS								
All Other Funds								
---	3,191 ^R	---	3,191	3,191	27	3,363	3,363	3,363
---	787,739 ^R	18,808	806,547	806,445	42	788,492	788,492	788,492
---	790,930	18,808	809,738	809,636		791,855	791,855	791,855
2,422,139	799,233	13,686	3,235,058	2,651,993		1,844,626	2,401,605	2,401,605

Language Recommendations -- Grants-In-Aid - Property Tax Relief Fund

From the amount hereinabove appropriated for the Homestead Property Tax Rebates for Homeowners and the Homestead Property Tax Rebates for Tenants programs, there are appropriated such sums as may be necessary for the administration of those programs, subject to the approval of the Director of the Division of Budget and Accounting.

The amounts hereinabove appropriated for the Homestead Property Tax Rebates for Homeowners program and the Homestead Property Tax Rebates for Tenants program shall be available to pay homestead rebates pursuant to the provisions of section 3 of P.L. 1990, c.61 (C.54:4-8.59) and section 4 of P.L. 1990, c.61 (C.54:4-8.60), respectively, as amended by P.L. 2004, c.40, for residents who are 65 years of age or older at the close of the tax year, or who are allowed to claim a personal deduction as a blind or disabled taxpayer pursuant to subsection b. of N.J.S.54A:3-1, except that the cost-of-living adjustment pursuant to subsection h. of section 3 and subsection g. of section 4 shall be 10%. Notwithstanding the provisions of P.L. 1990, c. 61 (C.54:4-8.59 et seq.), as amended by P.L. 2004, c.40, to the contrary, the amounts hereinabove appropriated for the Homestead Property Tax Rebates for Homeowners program and the Homestead Property Tax Rebates for Tenants program shall only be available to pay homestead rebates pursuant to the provisions of that law but not in excess of the following maximum amounts for tax year 2005: (a) \$385 for residents who are not 65 years of age or older at the close of the tax year, and who are not allowed to claim a personal deduction as a blind or disabled taxpayer

pursuant to subsection b. of N.J.S.54A:3-1, with gross income not in excess of \$125,000 for the taxable year for property taxes paid, (b) \$330 for residents who are not 65 years of age or older at the close of the tax year, and who are not allowed to claim a personal deduction as a blind or disabled taxpayer pursuant to subsection b. of N.J.S.54A:3-1, with gross income in excess of \$125,000 but not in excess of \$200,000 for the taxable year for property taxes paid, (c) \$83 for residents who are not 65 years of age or older at the close of the tax year, and who are not allowed to claim a personal deduction as a blind or disabled taxpayer pursuant to subsection b. of N.J.S.54A:3-1 for rent constituting property taxes paid for the tax year 2005. If the amounts hereinabove appropriated are not sufficient, there are appropriated from the Property Tax Relief Fund such additional sums as may be required for payment of such rebates, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of P.L. 1997, c.348 (C.54:4-8.67 et seq.), the amount hereinabove for the Homestead Property Tax Reimbursement (Senior and Disabled Citizens' Property Tax Freeze), and any additional sum which may be required for this purpose, is appropriated from the Property Tax Relief Fund.

In addition to the amount hereinabove, there are appropriated from the Property Tax Relief Fund such additional sums as may be required for payments of property tax credits to homeowners and tenants pursuant to the "Property Tax Deduction Act," P.L. 1996, c.60 (C.54A:3A-15 et seq.).

Language Recommendations -- State Aid - General Fund

There are appropriated such additional sums as may be certified to the Governor by the South Jersey Port Corporation as necessary to meet the requirements of the "South Jersey Port Corporation Debt Service Reserve Fund" under section 14 of P.L. 1968, c.60 (C.12:11A-14), the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.

The amounts hereinabove for Highlands Protection Fund appropriations are payable from the receipts of the portion of the realty transfer fee directed to be credited to the Highlands Protection Fund and the unexpended balances at the end of the preceding fiscal year in the Highlands Protection Fund accounts are appropriated, subject to the approval of the Director of the Division of Budget and Accounting. Further, the Department of Treasury may transfer funds as necessary between the Highlands Protection Fund - Incentive Planning Aid account, the Highlands Protection Fund - Regional Master Plan Compliance Aid account, and the Highlands Protection Fund - Watershed Moratorium Offset Aid account, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for Solid Waste Management - County Environmental Investment Debt Service Aid is appropriated to subsidize county and county authority debt service payments for environmental investments incurred pursuant to the "Solid Waste Management Act," P.L. 1970, c.39 (C.13:1E-1 et seq.) and the "Solid Waste Utility Control Act," P.L. 1970, c.40 (C.48:13A-1 et seq.) as determined by the State Treasurer based upon the need for such financial assistance after taking into account all financial resources available or attainable to pay such debt service. Such additional sums as may be necessary shall be appropriated subject to the approval of the Director of the Division of Budget and Accounting and shall be provided upon such terms and conditions as the State Treasurer may determine. The unexpended balance at the end of the preceding fiscal year is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of the "Corporation Business Tax Act (1945)," P.L. 1945, c.162 (C.54:10A-1 et seq.), the sum apportioned to the several counties of the State shall not be distributed and shall be anticipated as revenue for general State purposes.

Notwithstanding the provisions of P.L. 1945, c.162 (C.54:10A-1 et seq.), the amounts collected from banking corporations pursuant to the "Corporation Business Tax Act (1945)" shall not be distributed to the counties and municipalities and shall be anticipated as revenue for general State purposes.

There is appropriated from the Energy Tax Receipts Property Tax Relief Fund the sum of \$788,492,000 and an amount not to exceed \$81,542,000 which is transferred from the Consolidated Municipal Property Tax Relief Aid (PTRF) account and an amount not to exceed \$2,211,000 from the Special Municipal Aid Act account to the fund and shall be allocated to municipalities in accordance with the provisions of subsection b. of section 2 of P.L. 1997, c.167 (C.52:27D-439) except that any sums transferred from the Special Municipal Aid Act account shall be allocated to the city of Camden. Each municipality that receives an allocation from the amount so transferred shall have its allocation from the Consolidated Municipal Property Tax Relief Aid program reduced by the same amount. Of the amount herein appropriated from the Energy Tax Receipts Property Tax Relief Fund, an amount equal to \$25,000,000 shall be allocated to municipalities proportionately based on population, except that Newark and Jersey City shall each receive \$390,000 of the \$25,000,000 and Paterson shall receive \$375,000 of the \$25,000,000.

Notwithstanding the provisions of paragraph (1) of subsection c. of section 2 of P.L. 1997, c.167 (C.52:27D-439) to the contrary, the amount hereinabove appropriated for Energy Tax Receipts Property Tax Relief Fund payments shall be distributed on the following schedule: on or before August 1, 45% of the total amount due; September 1, 30% of the total amount due; October 1, 15% of the total amount due; November 1, 5% of the total amount due; and December 1, 5% of the total amount due.

The unexpended balance at the end of the preceding fiscal year from the taxes collected pursuant to P.L. 1940, c.4 (C.54:30A-16 et seq.) and P.L. 1940, c.5 (C.54:30A-49 et seq.) shall lapse.

There is appropriated from taxes collected from certain insurance companies, pursuant to the insurance tax act, so much as may be required for payments to counties pursuant to P.L. 1945, c.132 (C.54:18A-1 et seq.).

The Director of the Division of Budget and Accounting shall reduce amounts provided to any municipality from the appropriations hereinabove by the difference, if any, between pension contribution savings, and the amount of Consolidated Municipal Property Tax Relief Aid payable to such municipality.

Language Recommendations -- State Aid - Property Tax Relief Fund

In addition to the amount hereinabove, there is appropriated from the Property Tax Relief Fund such additional sums as may be required for State reimbursement to municipalities for senior and disabled citizens' and veterans' property tax deductions.

In addition to the sum hereinabove appropriated for Debt Service on Pension Obligation Bonds to make payments under the State Treasurer's contracts authorized pursuant to section 6 of P.L. 1997, c.114 (C.34:1B-7.50), there are appropriated such other sums as

TREASURY

the Director of the Division of Budget and Accounting shall determine are required to pay all amounts due from the State pursuant to such contracts.

Such additional sums as may be required for Police and Firemen's Retirement System - Post Retirement Medical are appropriated, as the Director of the Division of Budget and Accounting shall determine.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

76. MANAGEMENT AND ADMINISTRATION

OBJECTIVES

1. To develop and exercise policy control over agency program planning and management, fiscal administration, and personnel management in the Department of the Treasury.
2. To provide fiscal, personnel, and other administrative and facilitating services to all agencies of the Department.
3. To assist all agencies of State government in securing grants and entitlements under various federal grant programs.
4. To enforce public contracts affirmative action regulations.
5. To manage the public finance activities in the State as effectively as possible.

PROGRAM CLASSIFICATIONS

98. **Contract Compliance and Equal Employment Opportunity in Public Contracts.** Pursuant to P.L. 1975, c.127, the Division oversees all State, county and local units of government in the State to ensure contractors, subcontractors,

and businesses afford equal opportunity in employment in performance of their contracts.

99. **Administration and Support Services.** Pursuant to N.J.S.A. 52:27B-8, the Office of the State Treasurer develops and exercises general policy and administrative control over the operations of the divisions and offices of the Department. The Administrative Division, the Fiscal Section, the Human Resources Section, and the Office of Treasury Technology provide fiscal, personnel, and other facilitating services for the Department of Treasury. The Federal Liaison Office represents the Governor and assists State agencies in negotiating with federal agencies for approval of grants and entitlements, in order to maximize New Jersey's share of total federal grant funds. It also maintains liaison with Congress, on behalf of the Governor and New Jersey government, in connection with proposed and pending federal legislation affecting the State and provides updated information on such matters to State agencies.

EVALUATION DATA

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
PROGRAM DATA				
Administration and Support Services				
Office of Treasury Technology Data				
Desktop Services				
Personal Computers Supported	1,749	1,782	1,800	1,750
Printers Supported	734	570	550	525
Help Desk Service Requests	5,984	6,128	7,000	7,000
Applications Support				
Applications Maintained	241	283	322	345
Help Desk Service Requests	679	590	650	600
Client Application Service Requests Received	226	250	275	275
Local Area Network Administration				
LAN Servers Supported	65	92	111	111
Users Supported	1,483	1,520	1,588	1,600
Help Desk Service Requests	1,845	1,855	1,560	1,600
LAN Printers Supported	270	275	284	284
Network Switches Supported	155	201	210	210
Network Hubs Supported	5	5	5	5
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	277	300	282	305
Male Minority %	7.6	8.0	8.0	8.0
Female Minority	701	758	694	758
Female Minority %	19.2	20.0	18.0	20.0
Total Minority	978	1,058	976	1,063
Total Minority %	26.8	28.0	26.0	28.0
Position Data				
Filled Positions by Funding Source				
State Supported	265	279	277	270
All Other	15	13	13	14
Total Positions	280	292	290	284

Filled Positions by Program Class	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
Contract Compliance and Equal Employment Opportunity in Public Contracts	25	25	26	22
Administration and Support Services	255	267	264	262
Total Positions	280	292	290	284

Notes:

Actual payroll counts are reported for fiscal years 2004 and 2005 as of December and revised fiscal 2006 as of March. The Budget Estimate for fiscal 2007 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2005					Year Ending June 30, 2007			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Total Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
1,613	---	60	1,673	1,666				
10,723	1,531	2,664	14,918	14,313	98	1,794	1,702	1,702
					99	12,685	12,429	12,429
12,336	1,531	2,724	16,591	15,979		14,479^(a)	14,131	14,131
Distribution by Fund and Object								
Personal Services:								
9,745	---	2,045	11,790	11,790				
9,745	---	2,045	11,790	11,790		12,288	11,586	11,586
93	---	57	150	136		65	65	65
2,160	---	-266	1,894	1,605		2,038	2,392	2,392
65	---	50	115	113		65	65	65
Special Purpose:								
23	---	---	23	---				
250 ^S	---	---	250	45	99	23	23	23
---	1,497 ^R	-122	1,375	1,375	99	---	---	---
---	34	960	994	915	99	---	---	---
<u>GRANTS-IN-AID</u>								
Distribution by Fund and Program								
7,000	---	363	7,363	4,000	99	---	---	---
7,000	---	363	7,363	4,000		---	---	---
Distribution by Fund and Object								
Grants:								
---	---	25	25	25				
---	---	8	8	8	99	---	---	---
4,000	---	325	4,325	3,962	99	---	---	---
3,000	---	---	3,000	---	99	---	---	---
---	---	5	5	5	99	---	---	---
19,336	1,531	3,087	23,954	19,979		14,479	14,131	14,131

OTHER RELATED APPROPRIATIONS

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

OBJECTIVES

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

PROGRAM CLASSIFICATIONS

06. **Appellate Services to Indigents.** Provides that every adult and juvenile found guilty after trial is permitted a direct appeal from that conviction or adjudication. Most of the referrals to the Appellate section come from trial regions. In addition, direct applications are received for services at the appellate level. The Appellate section files notices of appeal within a court-mandated time period, orders transcripts and assigns an attorney who then reviews the transcript, interviews defendants, files motions, and does the research necessary to identify the problems raised in the transcript. Representation is provided in both State and federal courts.

57. **Trial Services to Indigents and Special Programs.** Represents those indigent defendants who have been charged with indictable offenses and those indigent juveniles whose cases have been assigned to the formal calendar. The activity of the attorneys, investigative, and clerical staff begins with this assignment. The court assignment is received and after indigency review, the case is opened, interviews are scheduled, and an investigation is initiated. The assigned attorney prepares the case and enters into the necessary negotiations, trial, and sentencing proceedings. The recent enactment of Megan's Law requires the Public Defender to represent indigent offenders in notification hearings. The Intensive Supervision program, operated by the Administrative Office of the Courts, is supported by Public Defender staff at probation violation hearings.

99. **Administration and Support Services.** Provides centralized supervision and policy planning for the Office of the Public Defender. Budgetary policy is provided to allocate resources among the priorities. Administrative support is provided in the areas of personnel, accounting, budgeting, purchasing, statistical evaluation, and a central research unit, library, and motor pool.

EVALUATION DATA

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
PROGRAM DATA				
Appellate Services to Indigents				
Cases open (July 1)	1,664	1,977	2,098	2,047
Added	2,115	1,915	1,915	1,915
Closed	1,802	1,794	1,966	1,966
Open (June 30)	1,977	2,098	2,047	1,996
Backlog (months)	11.2	13.1	12.8	12.5
Excessive Sentence Program Dispositions	737	737	737	737
Briefs filed	771	987	1,159	1,159
Dismissals	294	362	362	362
Reversals and modifications	216	216	216	216
Trial Services to Indigents and Special Programs				
Cases open (July 1)	44,015	48,159	55,208	60,276
Added	81,305	79,124	82,004	82,004
Closed	77,161	72,075	76,936	76,936
Open (June 30)	48,159	55,208	60,276	65,344
Backlog (months)	7.1	8.4	8.8	9.6
Parental Representation Unit - Title 9				
Cases open (July 1)	4,868	6,859	6,930	7,001
Added	4,262	4,619	5,092	5,092
Closed	2,271	4,548	5,021	5,092
Open (June 30)	6,859	6,930	7,001	7,001
Parental Representation Unit - Title 30				
Cases open (July 1)	1,170	1,532	1,193	1,009
Added	902	1,101	1,101	1,101
Closed	540	1,440	1,285	1,192
Open (June 30)	1,532	1,193	1,009	918
Law Guardian - Title 9				
Cases open (July 1)	7,590	8,426	8,719	9,416
Added	6,502	6,339	6,848	6,848
Closed	5,666	6,046	6,151	6,848
Open (June 30)	8,426	8,719	9,416	9,416
Institutional Abuse investigations (DYFS)	211	157	157	157

TREASURY

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
Law Guardian - Title 30				
Cases open (July 1)	2,828	1,980	1,377	1,222
Added	1,349	1,333	1,333	1,333
Closed	2,197	1,936	1,488	1,444
Open (June 30)	1,980	1,377	1,222	1,111
Special Hearings Unit - Megan's Law				
Cases open (July 1)	273	318	298	278
Added	326	353	353	353
Closed	281	373	373	373
Open (June 30)	318	298	278	258
Intensive Supervision Program (ISP) Staff				
Cases open (July 1)	227	198	169	140
Added	1,387	1,363	1,363	1,363
Closed	1,416	1,392	1,392	1,392
Open (June 30)	198	169	140	111

PERSONNEL DATA

Affirmative Action Data

Male Minority	115	118	120	120
Male Minority %	11.4	10.9	10.9	10.9
Female Minority	292	318	328	328
Female Minority %	28.9	29.4	29.9	29.9
Total Minority	407	436	448	448
Total Minority %	40.3	40.3	40.8	40.8

Position Data

Filled Positions by Funding Source

State Supported	887	965	1,030	1,053
Federal	---	1	2	2
Total Positions	887	966	1,032	1,055

Filled Positions by Program Class

Appellate Services to Indigents	66	67	68	69
Trial Services to Indigents and Special Programs	788	867	933	957
Administration and Support Services	33	32	31	29
Total Positions	887	966	1,032	1,055

Notes:

Actual payroll counts are reported for fiscal years 2004 and 2005 as of December and revised fiscal 2006 as of March. The Budget Estimates for fiscal 2007 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2005					Year Ending June 30, 2007			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Total Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
7,957	173	323	8,453	8,045	06	9,689	9,689	9,689
71,009	139	5,680	76,828	74,294	57	76,948	77,228	77,228
2,287	2	211	2,500	2,495	99	2,441	2,441	2,441
81,253	314	6,214	87,781	84,834		89,078^(a)	89,358	89,358
Distribution by Fund and Object								
Personal Services:								
51,834	---	2,187	54,021	54,019		56,986	56,986	56,986
---	---	---	---	1		---	---	---

TREASURY

Year Ending June 30, 2005					Year Ending June 30, 2007			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended
DIRECT STATE SERVICES								
51,834	---	2,187	54,021	54,020		56,986	56,986	56,986
822	26	-152	696	675		726	726	726
21,310	194	-98	21,406	20,077		22,393		
494	5	184	683	681		387 ^S	22,780	22,780
---	44	---	44	43		548	548	548
4,601	20	---	4,621	4,552				
184	19	-45	158	151		4,836	4,836	4,836
1,720	2	---	1,722	1,668		199	199	199
---	---	30	30	29		1,877	1,877	1,877
---	---	2,485	2,485	1,716		---	---	---
---	---	1,519	1,519	835		---	---	---
---	---	49	49	40		838	1,118	1,118
64	---	---	64	64		---	---	---
224	4	55	283	283		64	64	64
						224	224	224
GRANTS-IN-AID								
Distribution by Fund and Program								
16,400	---	---	16,400	16,400		16,400	16,400	16,400
<u>16,400</u>	<u>---</u>	<u>---</u>	<u>16,400</u>	<u>16,400</u>		<u>16,400</u>	<u>16,400</u>	<u>16,400</u>
Distribution by Fund and Object								
Grants:								
8,400	---	---	8,400	8,400		8,400	8,400	8,400
<u>8,000</u>	<u>---</u>	<u>---</u>	<u>8,000</u>	<u>8,000</u>		<u>8,000</u>	<u>8,000</u>	<u>8,000</u>
<u>97,653</u>	<u>314</u>	<u>6,214</u>	<u>104,181</u>	<u>101,234</u>		<u>105,478</u>	<u>105,758</u>	<u>105,758</u>
OTHER RELATED APPROPRIATIONS								
Federal Funds								
1,228	110	248	1,586	1,514		1,228	1,228	1,228
<u>1,228</u>	<u>110</u>	<u>248</u>	<u>1,586</u>	<u>1,514</u>		<u>1,228</u>	<u>1,228</u>	<u>1,228</u>
<u>98,881</u>	<u>424</u>	<u>6,462</u>	<u>105,767</u>	<u>102,748</u>		<u>106,706</u>	<u>106,986</u>	<u>106,986</u>

Notes -- Direct State Services - General Fund

(a) The fiscal 2006 appropriation has been adjusted for the allocation of salary program and reallocation of administrative efficiencies.

The Department of the Public Advocate was created in fiscal 2006 pursuant to P.L. 2005, c.155. For comparison purposes, appropriations in fiscal years 2005 and 2006 for salary and other operating costs were transferred from the following departments: Corrections Ombudsperson in the Department of Corrections; Office of the Ombudsman in the Department of Health and Senior Services; Child Advocate Agency in-but-not-of the Department of Law and Public Safety; and the Ratepayer Advocacy, Dispute Settlement and Mental Health Screening Services in the Department of Treasury.

Language Recommendations -- Direct State Services - General Fund

Sums provided for legal and investigative services are available for payment of obligations applicable to prior fiscal years.

TREASURY

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

Notwithstanding any other provision of law, no State funds are appropriated to fund the expenses associated with the legal representation of persons before the State Parole Board or the Parole Bureau.

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

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

The unexpended balances at the end of the preceding fiscal year are appropriated subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - General Fund

Receipts in excess of the amount hereinabove for Legal Services of New Jersey - Legal Assistance in Civil Matters, P.L.1996, c.52, are appropriated for the same purposes, subject to the approval of the Director of the Division of Budget and Accounting.