

INTER-DEPARTMENTAL ACCOUNTS

INTER-DEPARTMENTAL ACCOUNTS OVERVIEW

The Interdepartmental Accounts provide funding for Property Rentals, Insurance and Other Services, Utilities and Other Services, Employee Benefits, State Contingency Fund, and Salary and Other Benefits.

The Property Rentals account provides for payment of rents for existing and anticipated leases of offices and other facilities used by State agencies. This account also subsumes lease-purchase rental agreements for buildings whose titles will pass to the State upon the final lease payment. The debt service associated with the State's lease-purchase of facilities acquired or built by Authorities such as the New Jersey Building Authority, Sports and Exposition Authority, Mercer County Improvement Authority and the Economic Development Authority or private parties are also included in the Rent Account. Properties acquired or built by authorities are not considered as ratable properties, and payments in lieu of taxes are also made available through the Rent Account. The FY 1994 Recommendation for property rentals shows a decrease of \$8.5 million in existing and proposed leases, as a continuation of savings due to lease reduction and consolidation. There is an increase of \$6.0 million for the Sports and Exposition Authority in order to pay debt service for the Series B issuance of bonds. As a result of the opening of the New Jersey Network studio and the new Department of Law and Public Safety facility within the Trenton Office Complex, the payment in lieu of taxes to the City of Trenton has increased for FY 1994.

The Insurance and Other Services Account includes funding for insurance premiums for property, casualty, and special insurance policies for the State of New Jersey. The insurance policies provided include various items such as coverage to insure against loss to State-owned real and personal property, boilers and machinery, fine arts and aircraft hull and liability. The insurance accounts also provide self-insurance funds to cover claims that may be brought against a State entity as a result of negligence ensuing in injury or death to a person or damage to or loss of property (Tort Claims Liability), employees medical costs (Worker's Compensation), vehicle liability claims for property damage and for injuries resulting from the negligent operation of a State vehicle by its employees (Vehicle Claims Liability), payment of losses within the deductible areas of primary insurance coverage (Self-Insurance Deductible) and payment of claims and expenses arising out of the operation of the Foster Parent Program (Self-Insurance Fund-Foster Parents).

The increase in the FY 1994 recommendation for the Insurance account is primarily in the area of the self-insurance funds. The Worker's Compensation Self-Insurance Fund is increasing by \$4 million, due to increasing cost of medical care and an increase in the Worker's Compensation Schedule and litigation costs. The Vehicle Claims Liability Fund is increasing by \$1.5 million based on claims losses that will become due and payable within FY 1994.

The Utilities and Other Services account funds the fuel, utility, janitorial and trash removal costs for the Capitol Complex facilities, Camden Aquarium, and the new building of the Trenton Office Complex. The FY 1994 Recommendation is increasing by \$1.5 million due to full occupancy of the Trenton Office Complex by New Jersey Network and the Division of Motor Vehicle Services, a 10 percent increase in janitorial costs and an average 7 percent increase for gas and electric.

In the area of employee benefits, the budget proposes an early retirement incentive program which is expected to save the State \$66 million in salaries, and an attrition program expected to save the State an additional \$40 million in salaries. There also will be fringe benefit savings associated with the two programs, of an additional \$25 million. The FY 1993 pension revaluation continues saving the State additional funds. In the Public Employees Retirement System alone, this budget's recommendation is \$206.2 million lower than the estimated pre-revaluation estimate. For the various retirement systems, the recommendation is \$284.6 million, an increase of \$44.7 million.

For health benefits, the State provides coverage for health insurance, dental insurance, vision care, and a prescription drug program. This budget provides for the continuation of all programs at a cost of \$606.3 million. The state employees health benefits account recommendation represents a \$50.7 million or 10.8% increase from the FY 1993 adjusted appropriation. With the national average estimated at 14%, the State continues to work toward lower health premiums through a more educated workforce, and more efficient health care.

In addition, the State appropriates contingency funds for unexpected needs. Other services include the 911 emergency phone number now statewide, with a recommendation of \$12 million, and appropriations to pay interest on short term notes if the State needs to borrow cash temporarily.

Finally, funds are recommended to support the bargaining agreements with the employee unions. This budget recommends \$140.1 million for increments, and cost-of-living allowances.

INTER-DEPARTMENTAL ACCOUNTS

SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 1992					Year Ending June 30, 1994		
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	1993 Adjusted Approp.	Requested	Recommended
177,061	7,355	-11,125	173,291	167,710			
42,423	3,995	-297	46,121	39,871			
921,394	—	196,873	1,118,267	1,110,990			
83,123	6,491	-2,725	86,889	81,742			
189,487	—	-167,133	22,354	17,943			
13,350	—	2,462	15,812	15,787			
1,426,838	17,841	18,055	1,462,734	1,434,043			
					General Government Services		
					165,061	166,336	166,336
					36,364	42,211	42,211
					1,070,155	1,259,120	1,172,418
					48,899	25,550	25,550
					3,000	159,070	48,070
					17,239	18,763	18,763
					1,340,718	1,671,050	1,473,348
					Total Appropriation		

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL

74. GENERAL GOVERNMENT SERVICES

OBJECTIVES

1. To provide pooled funds for the costs of certain services which are managed centrally for or on behalf of all agencies of State government.
2. To provide pooled contingency reserve funds to cover certain emergency situations and probable cost increases for various utilities and common services which cannot be predicted with reasonable certainty.
3. To provide pooled funds for salary adjustments and other salary and compensation benefits for State employees.

PROGRAM CLASSIFICATIONS

01. **Property Rentals.** Provides for payment by the Department of the Treasury of rents for office space and other premises for State agencies, except the Legislature, whose operations are financed from the General Fund appropriations. This account also functions as a clearing account for payment of rents for agencies financed from other than General Fund sources, which amounts are shown as a deduction from the gross rent recommendation.
02. **Insurance and Other Services.** Provides funds to pay all central insurance premium costs and to cover the State's liability in tort and its statutory duty to indemnify its employees for adverse judgments in all instances where the State is self insured. This account also provides the self-insurance funds to pay losses which fall within the deductible areas of property insurance coverage and other insurance claims.
03. **Employee Benefits.** Provides pension funds for the following classes of employees: (1) Heath Act pensioners (RS 43:5-1 et seq.), consisting of persons employed by the State as of January, 1921; (2) Veterans' Act pensioners (RS 43:4-1 et seq.); (3) miscellaneous special pension acts, in accordance with various laws of the State authorizing payments to designated individuals; (4) Annuity for Widows of Governors (RS 43:8-2); (5) Judicial pensioners (C43:6-6.4 et seq.); (6) Prison officers (C43:7-7 et seq.) whose funds are administered by a commission of five members including an appointee of the Governor, and the State Treasurer; public employees (C43:15A-1 et seq.), whose funds are administered by a board of nine trustees, including municipal and county representation, two appointees of the Governor, and the State Treasurer; State Police (C53:5A-1 et seq.), whose funds are administered by a board of five trustees including two active members of the system, two appointees of the Governor, and the State Treasurer, ex officio; benefit payments for non-contributory insurance on a policy of group insurance covering the lives of employees of the State and other participating employers in the employees' retirement system (C43:15A-1 et seq.); State's share of Social Security Tax (C43:22-1 et seq.); Pension Increase Act (C3:3B-1 et seq.) provides increases in benefits payable to members of State retirement systems; and pension and the non-contributory group life insurance benefit payments to be made by the State on behalf of those members of the Teachers' Pension and Annuity Fund, not employees of school districts, employed by the State Department of Education, the Department of Higher Education and by public institutions of higher education in the State. Funds are also provided for the employer's share of health benefits

charges for State employees enrolled in the public and school employees' health benefits program. Under C52:14-17.25 et seq., the administration of this program was transferred to the Division of Pensions.

Alternate retirement programs were established (NJS 18A:64C-11.1, NJS 18A:65-74 and C18A:66-130), for faculty members at the University of Medicine and Dentistry of New Jersey; Rutgers, The State University, and New Jersey Institute of Technology. The employer contribution to this program is included in this budget.

All individuals in the employ of the State of New Jersey or an instrumentality of the State, with respect to service performed after December 31, 1971 for a hospital or institution of higher education became covered under the unemployment compensation law (RS 43:21-1 et seq., as amended by PL 1971, c. 346). Any political subdivision of the State may elect to cover individuals employed by the subdivision in all of the hospitals and institutions of higher education operated by that political subdivision. Benefits paid based on wages earned in the employ of the State or of a political subdivision are financed by payments in lieu of employer contributions to the Unemployment Compensation Fund. All covered State employees are required to contribute each year to the Fund in accordance with the established rate. Benefits under the unemployment compensation program are payable in accordance with the provisions of the unemployment compensation law.

The New Jersey State Prescription Drug Program (C52:14-17.29) helps meet the cost of drugs prescribed for eligible employees and their dependents for use outside of hospitals, nursing homes or other institutions. Included are those drugs which, as required by Federal Law, can be dispensed only upon a written prescription order by a physician. The program covers the full cost of a prescription item dispensed by a licensed participating pharmacy, less a co-payment charge for each eligible prescription and prescription refill, with no co-pay for mail order. The co-payment charge is dependent upon whether the employee chooses a prescription which is generic or non-generic. All full time State employees are eligible to enroll for coverage in the Program without cost to the employee.

04. **State Contingency Fund.** Provides funds for allotment by the Director of the Division of Budget and Accounting to various departments or agencies of State government for meeting emergency conditions and for a number of contingencies which cannot be predicted with sufficient certainty to be included within the budget recommendations of individual departments or agencies, including worker's compensation awards, the Governor's Emergency Fund, the premium portion of required payments for overtime compensation, seed money to implement cost saving processes or other productivity improvements and other contingency funds, as appropriate.
05. **Salary and Other Benefits.** Includes funds to be allotted to various State departments or agencies for the cost of general and special salary adjustments, and other special salary-related benefits.
06. **Utilities and Other Services.** Provides for payment of fuel, utilities, janitorial services, and trash removal for State-owned and lease-purchase facilities primarily in the Capitol district.

INTER-DEPARTMENTAL ACCOUNTS

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL 74. GENERAL GOVERNMENT SERVICES

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 1992					Year Ending June 30, 1994				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	1993 Adjusted Approp.	Requested	Recommended	
Distribution by Program									
177,061	7,355	-11,125	173,291	167,710	01	165,061	166,336	166,336	
42,423	3,995	-297	46,121	39,871	02	36,364	42,211	42,211	
13,350	—	2,462	15,812	15,787	06	17,239	18,763	18,763	
232,834	11,350	-8,960	235,224	223,368		218,664	227,310	227,310	
Distribution by Object									
13,350	—	2,462	15,812	15,787		17,239	18,763	18,763	
Maintenance and Fixed Charges									
172,164	—	-11,125	161,039	160,959		155,318	146,826	146,826	
7,636	—	—	7,636	7,636		7,636	7,298	7,298	
10,201	1,900	—	12,101	12,055		12,925	12,920	12,920	
17,499	—	—	17,499	17,499		12,662	18,670	18,670	
6,640	—	—	6,640	6,640		17,506	17,506	17,506	
4,374	—	—	4,374	4,374		8,314	11,716	11,716	
						3,818	4,518	4,518	
218,514	1,900	-11,125	209,289	209,163		218,179	219,454	219,454	
(41,453)	—	—	(41,453)	(41,453)		(53,118)	(53,118)	(53,118)	
177,061	1,900	-11,125	167,836	167,710		165,061	166,336	166,336	
Insurance Premiums:									
1,816	—	—	1,816	1,597		950	1,089	1,089	
900	—	—	900	840		860	802	802	
157	—	—	157	138		154	120	120	
2,873	—	—	2,873	2,575		1,964	2,011	2,011	
Special Purpose:									
—	5,455	—	5,455	—	01	—	—	—	
—	55	—	55	—	02	—	—	—	
5,000	—	—	5,000	—		—	—	—	
5,000 ^S	983	-370	10,613	10,508	02	8,000	8,000	8,000	
25,000	1,530	—	26,530	23,480	02	23,000	27,000	27,000	
—	—	73	73	73	02	—	—	—	
4,000	816	—	4,816	2,568	02	3,000	4,500	4,500	
450	411	—	861	643	02	400	500	500	
100	200	—	300	24	02	—	200	200	
39,550	9,450	-297	48,703	37,296		34,400	40,200	40,200	

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL

74. GENERAL GOVERNMENT SERVICES

LANGUAGE PROVISIONS

It is recommended that the Director of the Division of Budget and Accounting be empowered to allocate to any State agency occupying space in any State-owned building, equitable charges for the rental of such space to include but not be limited to the costs of operation and maintenance thereof, and the amounts so charged be credited to the General Fund; and, to the extent that such charges exceed the amounts appropriated for such purposes to any agency financed from any fund other than the General Fund, the required additional appropriation be made out of such other fund.

It is further recommended that receipts derived from direct charges and charges to Non-State Fund sources be appropriated for the rental of property, including the costs of operation and maintenance of such properties.

It is further recommended that, notwithstanding any other provision of law, and except as hereinafter provided, no lease for the rental of any office or building be executed without the prior written consent of the State Treasurer, the Director of the Division of Budget and Accounting, the President of the Senate and the Speaker of the General Assembly.

It is further recommended that the amount hereinabove for Newark Performing Arts Center account be used to pay the State's obligations pursuant to a lease with the New Jersey Economic Development Authority for the lease of real property and infrastructure improvements thereon purchased by the authority for the State in the city of Newark for the purpose of constructing buildings to comprise a Performing Arts Center. Notwithstanding any other provision of law, the State Treasurer may enter into a lease with the New Jersey Economic Development Authority to lease the real property and infrastructure improvements thereon purchased by the authority for the State in the city of Newark for the Performing Arts Center, subject to the prior written consent of the Director of the Division of Budget and Accounting, the President of the Senate and the Speaker of the General Assembly. Upon the final payment of the State's obligations pursuant to the lease for the real property and infrastructure improvements purchased by the authority, the title to the real property and improvements shall revert to the State. Any sublease for use of land and improvements acquired for the State by the New Jersey Economic Development Authority for the Performing Arts Center shall be subject to the prior written approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee, or its successor.

It is further recommended that there be appropriated such additional sums as may be required to pay future debt service costs for projects undertaken by the New Jersey Building Authority, subject to the approval of the Director of the Division of Budget and Accounting.

It is further recommended that the unexpended balance as of June 30, 1993 in the Master Lease Program Fund be appropriated for the same purpose.

It is further recommended that the unexpended balance as of June 30, 1993 in the Excess liability insurance master policy account be appropriated for the same purpose.

It is further recommended that the unexpended balance as of June 30, 1993 in the Tort Claims Liability Fund account created by N.J.S.A. 59:12-1 be appropriated for the same purpose.

It is further recommended that there be appropriated such additional sums as may be required to pay tort claims under N.J.S.A. 59:12-1, subject to the approval of the Director of the Division of Budget and Accounting.

It is further recommended that the amount hereinabove for the Tort Claims Liability Fund under N.J.S.A. 59:12-1 be available for the payment of direct costs of legal, investigative and medical services related to the investigation, mitigation and litigation of claims against the Fund.

It is further recommended that, to the extent that sums appropriated to pay Workers' Compensation claims under N.J.S.A. 34:15, et. seq., are insufficient, there be appropriated such additional sums as may be required to pay Workers' Compensation claims, subject to the approval of the Director of the Division of Budget and Accounting.

It is further recommended that the amount hereinabove for the Workers' Compensation Self-Insurance Fund under N.J.S.A. 34:15-1 be available for the payment of direct costs of legal, investigative, and medical services related to the investigation, mitigation and litigation of claims against the Fund.

It is further recommended that, to the extent that sums appropriated to pay auto insurance claims are insufficient, there be appropriated such additional sums as may be required to pay auto insurance claims, subject to the approval of the Director of the Division of Budget and Accounting.

It is further recommended that the amount hereinabove for the Vehicle Claims Liability Fund be available for the payment of direct costs of legal, investigative and medical services related to the investigation, mitigation and litigation of claims against the Fund.

It is further recommended that the unexpended balances as of June 30, 1993 in the Inter-departmental accounts for automobile insurance be appropriated as a reserve for payment of vehicular claims settlements and judgments, payment of vendored claims, investigative costs, or for the reallocation to departments based on loss experience.

INTER-DEPARTMENTAL ACCOUNTS

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL 74. GENERAL GOVERNMENT SERVICES

It is further recommended that the amount hereinabove for the Self-Insurance Fund - Foster Parents be available for the payment of direct costs of legal, investigative and medical services related to the investigation, mitigation and litigation of claims against the Fund.

It is further recommended that the unexpended balances as of June 30, 1993 in the Self-Insurance Deductible Fund, and in the Workers' Compensation Self-Insurance Fund be appropriated for the same purposes.

It is further recommended that the unexpended balance as of June 30, 1993, not to exceed \$200,000, in the Self-Insurance Fund-Foster Parents be appropriated for the same purpose.

It is further recommended that the sums hereinabove be available for payment of obligations applicable to prior fiscal years.

It is further recommended that the unexpended balance as of June 30, 1993 in the Vehicle Claims Liability Fund be appropriated for the same purpose.

It is further recommended that funds appropriated to the Tort Claims Liability Fund be available for the indemnification of pool attorneys engaged by the Public Advocate for the defense of indigents.

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL 74. GENERAL GOVERNMENT SERVICES 9410. EMPLOYEE BENEFITS

EVALUATION DATA

	Actual FY 1991	Actual FY 1992	Revised FY 1993	Budget Estimate FY 1994
PROGRAM DATA				
Employee Benefits				
Heath Act pensioners	3	3	3	3
Veterans' Act pensioners	10	10	10	10
Special Act pensioners	2	1	1	1
Judicial Retirement System				
Assets	\$96,577,276	\$101,805,095	\$115,620,046	\$131,309,687
Active members	366	387	395	403
Pensioners	266	282	293	304
Annual pensions	\$10,760,021	\$12,592,305	\$13,537,987	\$14,554,690
Prison Officers' Pension Fund				
Assets	\$1,182,752	\$1,400,261	\$887,360	\$993,843
Active members	1	1	1	1
Pensioners	347	335	332	329
Public Employees' Retirement System				
Assets	\$9,138,059,502	\$9,522,736,356	\$10,779,737,555	\$12,202,662,912
Active members	273,218	269,192	271,000	274,504
State	77,344	74,636	73,000	73,000
Local	195,874	194,556	198,000	201,504
Pensioners	68,504	74,979	79,380	84,040
Annual pensions	\$396,111,209	\$480,661,967	\$538,870,131	\$604,127,304
Lump sum death benefits	\$61,907,367	\$73,102,005	\$80,346,414	\$88,308,743
State Police Retirement System				
Assets	\$572,428,212	\$596,235,531	\$621,235,531	\$650,935,531
Active members	2,560	2,418	2,418	2,418
Pensioners	1,226	1,343	1,343	1,343
Annual pensions	\$26,488,103	\$32,073,870	\$36,256,302	\$40,984,124
Health Benefits Fund				
Covered employees	319,066	309,153	319,471	330,132
State	114,483	114,734	114,000	114,000
Local	204,583	194,419	205,471	216,132
Alternate Benefit Programs				
Participating employees	10,842	11,594	12,103	12,634

INTER-DEPARTMENTAL ACCOUNTS

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL

74. GENERAL GOVERNMENT SERVICES

9410. EMPLOYEE BENEFITS

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 1992					Year Ending June 30, 1994			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1993 Adjusted Approp.	Requested	Recom- mended
921,394	—	196,873	1,118,267	1,110,990	Distribution by Program			
					03	1,070,155	1,259,120	1,172,418
921,394	—	196,873	1,118,267	1,110,990	Total Appropriation			
						1,070,155	1,259,120	1,172,418
					Distribution by Object			
					Special Purpose:			
30	—	—	30	10	03	30	30	30
112	—	25	137	128	03	200	200	200
8	—	—	8	6	03	7	6	6
9,094	—	65	9,159	9,159	03	9,286	9,800	9,800
2,065	—	21	2,086	2,086	03	2,067	2,114	2,114
178,307	—	44,800	223,107	223,107	03	130,617	204,000	148,411
68,239					Social Security Tax			
9,000 ^S	—	185,000	262,239	260,665	03	267,775	284,000	284,000
26,193	—	—	26,193	26,192	State Police Retirement System			
					03	—	10,800	10,800
16,000	—	—	16,000	14,814	Dental Care Program—shared cost			
					03	16,400	17,800	17,800
435,500	—	-32,999	402,501	402,501	State Employees Health Benefits			
					03	470,600	526,300	521,300
52,500	—	-5,025	47,475	46,855	Prescription Drug Program			
					03	60,000	65,800	65,800
10,132	—	—	10,132	9,445	Pension Adjustment Act			
					03	11,182	1,588	1,588
73	—	—	73	66	Minimum Pension Benefit Act			
					03	56	50	50
45,490	—	5,000	50,490	49,717	Alternate Benefits Program – Employer Contributions			
					03	51,848	53,673	53,673
10,615	—	-14	10,601	10,601	Pension and Non-contributory Group Life Insurance Benefit Payments to Teachers' Pension and Annuity Fund for Higher Education and State Employee Members			
					03	5,176	5,942	4,829
1,200 ^S	—	—	1,200	1,105	Unemployment Insurance Liability			
					03	5,000 4,000 ^S	17,462	17,462
7,027	—	—	7,027	4,799	Temporary Disability Insurance			
					03	5,089	5,036	5,036
21,530	—	—	21,530	21,530	Police and Firemen's Retirement System (P.L.1979, c.109)			
					03	—	19,888	19,888
26,879	—	—	26,879	26,879	Police and Firemen's Retirement System (C.43:16A-1)			
					03	29,422	33,231	33,231
1,400	—	—	1,400	1,325	Vision Care			
					03	1,400	1,400	1,400
—	—	—	—	—	Fringe Benefits Savings from Early Retirement and Attrition Programs			
					03	—	—	-25,000
921,394	—	196,873	1,118,267	1,110,990	Total Special Purpose			
						1,070,155	1,259,120	1,172,418

INTER-DEPARTMENTAL ACCOUNTS

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL 74. GENERAL GOVERNMENT SERVICES 9420. STATE CONTINGENCY FUND

Year Ending June 30, 1992					Year Ending June 30, 1994				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	1993 Adjusted Approp.	Requested	Recommended	
1,500	—	-725	775	—	04	1,500	1,500	1,500	
						15,000			
72,365 ^S	—	—	72,365	72,365	04	20,000 ^S	35,000	35,000	
(—)	(—)	(—)	(—)	(—)		(—)	(25,000)	(25,000)	
—	—	—	—	—		35,000	10,000	10,000	
2,838	—	—	2,838	2,837	04	1,845	50	50	
1,220	6,491 ^R	—	7,711	3,340	04	8,554	12,000	12,000	
83,123	6,491	-2,725	86,889	81,742		48,899	25,550	25,550	

LANGUAGE PROVISIONS

It is recommended that unless otherwise indicated, the above amounts be allotted by the Director of the Division of Budget and Accounting to the various departments and agencies.

It is further recommended that the unexpended balance as of June 30, 1993 in the Statewide 911 Emergency Telephone System account be appropriated for the same purposes, or for such enhancements as determined by the Director of the Division of Budget and Accounting.

It is further recommended that, in addition to the amounts hereinabove, there be appropriated, notwithstanding the provisions of P.L.1990, c.94, such sums as shall be determined by the Director of the Division of Budget and Accounting for repayment to the Unemployment Compensation Fund of those funds previously credited to the Unemployment Care Offset Account under the provisions of section 30 of P.L. 1989, c. 124, the Fiscal Year 1990 Appropriation Act.

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL 74. GENERAL GOVERNMENT SERVICES 9430. SALARY AND OTHER BENEFITS

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 1992					Year Ending June 30, 1994				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	1993 Adjusted Approp.	Requested	Recommended	
189,487	—	-167,133	22,354	17,943	05	61,493	159,070	48,070	
189,487	—	-167,133	22,354	17,943		61,493	159,070	48,070	
(—)	(—)	(—)	(—)	(—)		(58,493)	(—)	(—)	
(—)	(—)	(—)	(—)	(—)		(58,493)	(—)	(—)	
189,487	—	-167,133	22,354	17,943		3,000	159,070	48,070	

INTER-DEPARTMENTAL ACCOUNTS

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL 74. GENERAL GOVERNMENT SERVICES 9430. SALARY AND OTHER BENEFITS

					Reduced Cost of Salary Benefits Due to Fewer Employees			(5,000)
189,487	—	-167,133	22,354	17,943	<i>Total Special Purpose</i>	61,493	159,070	48,070
189,487	—	-167,133	22,354	17,943	<i>Subtotal</i>	61,493	159,070	48,070
(—)	(—)	(—)	(—)	(—)	<i>Less Deductions</i>	(58,493)	(—)	(—)

Notes: (a) The allocation of savings from the Early Retirement program, and savings from the Attrition program by Department are estimates based upon employees eligible for the early retirement program, and the distribution of State salary appropriations respectively. The actual transfers from departmental accounts may differ from this allocation based upon actual retirements and other more timely data.

LANGUAGE PROVISIONS

It is recommended that the sums hereinabove appropriated to the various departments, agencies, commissions, or institutions of higher education for the cost of salaries, wages, or other benefits shall be allotted as the Director of the Division of Budget and Accounting shall determine.

It is further recommended that any sums appropriated for salaries shall be made available for any person holding State office, position or employment, whose compensation is paid directly or indirectly, in whole or in part, from State funds, including any person holding office, position or employment in any educational institution for which appropriations are made to Rutgers, The State University; the University of Medicine and Dentistry of New Jersey, the State Colleges or to the State Board of Higher Education for the New Jersey Institute of Technology; or holding office, position or employment under the Palisades Interstate Park Commission.

It is further recommended that, in addition to the amount hereinabove for unused accumulated sick leave payments, there be appropriated such additional sums as may be necessary for payments of unused accumulated sick leave.

It is further recommended that no salary range or rate of pay shall be increased or paid in any State department, agency, or commission without the approval of the Commissioner of Personnel and the Director of the Division of Budget and Accounting. Nothing herein shall be construed as applicable to unclassified personnel of the Legislative Branch, or the unclassified personnel of the Judicial Branch.

It is further recommended that notwithstanding the provisions of any other laws, including R.S. 34:15-49 and section 1 of P.L. 1981, c.353 (C.34:15-49.1), the State Treasurer, the Commissioner of Personnel, and the Director of the Division of Budget and Accounting shall establish directives governing salary ranges and rates of pay, including salary increases. The implementation of such directives shall be made effective at the first full pay period of Fiscal Year 1994 as determined by such directives, with timely notification of such directives to the Joint Budget Oversight Committee or its successor. Such directives shall not be considered an "administrative rule" or "rule" within the meaning of subsection (e) of section 2 of P.L. 1968, c.410 (C.52:14B-2), but shall be considered exempt under paragraphs (1) and (2) of subsection (e) of section 2 of P.L. 1968, c.410(C.52:14B-2), and shall not be subject to the "Administrative Procedure Act" P.L.1968, c.410(C.52:14B-1 et seq.). Nothing herein shall be construed as applicable to the Presidents of the State Colleges, Rutgers, The State University, the University of Medicine and Dentistry of New Jersey, and the New Jersey Institute of Technology.

It is further recommended that the Director of the Division of Budget and Accounting shall transfer from departmental accounts and credit to the Salary and Other Benefits account a sum of \$40,000,000, to reflect savings from an attrition program, and \$66,000,000, to reflect savings from an early retirement incentive program, as determined by the Director. This additional sum shall be appropriated for Salary and Other Benefits.

It is further recommended that for every position vacated by retirement, a position in the Department where the retirement occurred shall be abolished by the Director of the Division of Budget and Accounting.

1,426,838	17,841	18,055	1,462,734	1,434,043	Total Appropriation, Inter-Departmental Accounts	1,340,718	1,671,050	1,473,348
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