

52:27B-46.1
LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2023 **CHAPTER:** 159

NJSA: 52:27B-46.1 Requires State Auditor to annually publish user-friendly report summarizing and analyzing contents of State's Annual Financial Report.

BILL NO: A4090 (Substituted for S1884 (2R))

SPONSOR(S) Freiman, Roy and others

DATE INTRODUCED: 5/26/2022

COMMITTEE: **ASSEMBLY:** State & Local Government

SENATE: --

AMENDED DURING PASSAGE: **Yes**

DATE OF PASSAGE: **ASSEMBLY:** 06/30/2023

SENATE: 06/26/2023

DATE OF APPROVAL: 9/12/2023

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (A4090 SaSa (2R) enacted)	Yes
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A4090

INTRODUCED BILL: (Includes sponsor(s) statement)	Yes
COMMITTEE STATEMENT: ASSEMBLY:	Yes
SENATE:	No

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT:	Yes	03/20/2023 06/20/2023
LEGISLATIVE FISCAL ESTIMATE:	No	

S1884 (2R)

INTRODUCED BILL: (Includes sponsor(s) statement)	Yes
COMMITTEE STATEMENT: ASSEMBLY:	No
SENATE:	Yes

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT:	Yes	03/20/2023 06/20/2023
LEGISLATIVE FISCAL ESTIMATE:	No	

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <mailto:refdesk@njstatelib.org>

REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: Yes

Derek Hall - For South Jersey Times, 'Law aims to simplify budget's taxing verbiage User-friendly summary hailed as a boon to transparency in state finances.', *South Jersey Times* (online), 14 Sep 2023 001

Matthew Fazelpoor, 'Acting Gov. Way signs fiscal transparency bill into law', *NJBIZ* (online), 13 Sep 2023

CL

P.L. 2023, CHAPTER 159, *approved September 12, 2023*
Assembly, No. 4090 (*Second Reprint*)

1 AN ACT concerning the reporting of the State's financial condition
2 and supplementing P.L.1944, c.112 (C.52:27B-1 et seq.)
3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:
6

7 1. a. ¹**[On or before]** Within 30 days following¹ the publication
8 of the New Jersey Annual Comprehensive Financial Report
9 pursuant to section 37 of ¹**[article 3 of]**¹ P.L.1944, c.112
10 (C.52:27B-46), the Office of the State Auditor shall annually
11 publish a user-friendly, plain language report that summarizes and
12 analyzes the contents of the New Jersey Annual Comprehensive
13 Financial Report. At a minimum, the report shall include:

14 (1) a summary of the State's financial condition compared to
15 other states in the Mid-Atlantic and Northeastern regions of the
16 United States, which summary shall include statistical comparisons
17 based on the population and gross domestic product of each state;

18 (2) a summary of the State's total long-term financial liabilities,
19 including, but not limited to, ¹**[State pension system employer**
20 **contributions]** net pension obligations¹, ¹**[employer contributions**
21 **for State employees' health benefits]** post-employment benefits
22 other than pensions including, but not limited to, health, dental, and
23 vision care¹, and payments for principal and interest due on
24 ²**[capital projects financed via]**² general obligation bonds and
25 appropriations-backed contract bonds issued by independent
26 authorities of the State, ²including all items comprising long-term
27 liability as recorded in a schedule of long-term debt changes,
28 bonded and non-bonded, in the State's annual comprehensive
29 financial report prepared pursuant to section 37 of P.L.1944, c.112
30 (C.52:27B-46),² which analysis shall compare the State's long-term
31 liabilities to those of other states in the Mid-Atlantic and
32 Northeastern regions of the United States;

33 (3) a summary of the State's revenue collections ²for the
34 General Fund, Property Tax Relief Fund, Casino Revenue Fund,
35 and all other budgeted State revenues², which summary shall
36 compare the State's actual revenue collections during the ²five²
37 preceding fiscal years to the ²**[projected]** anticipated² revenue
38 collections for each year;

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate floor amendments adopted March 20, 2023.

²Senate floor amendments adopted June 20, 2023.

1 (4) ²~~an accounting of any structural imbalance in the State~~
 2 ~~budget, including any long-term differences between~~ a summary
 3 of² the State's anticipated revenue collections ²for the General
 4 Fund, Property Tax Relief Fund, Casino Revenue Fund, and all
 5 other budgeted State revenues² and the State's ²statutory
 6 obligations to fully ~~appropriations to² fund State aid for education,~~
 7 ~~State municipal aid, State pension liabilities, ²and any other~~
 8 ~~statutorily mandated expenditures~~ employer contributions for State
 9 healthcare benefits, the State Medicaid program, State support for
 10 hospitals, the Annual Transportation Capital Program, and
 11 programs of direct taxpayer property tax relief, which summary
 12 shall compare the State's anticipated revenue collections during the
 13 five preceding fiscal years to the State's appropriations for each of
 14 those fiscal years² ; ¹and¹

15 (5) a summary of the State's unrestricted ²~~cash reserves~~ fund
 16 balance, whether designated, undesignated, or reserved², including
 17 the amounts deposited pursuant to the "Surplus Revenue Fund,"
 18 established pursuant to P.L.1990, c.44 (C.52:9H-14 et seq.), which
 19 summary shall compare the State's unrestricted cash reserves to
 20 those of other states in the Mid-Atlantic and Northeastern regions of
 21 the United States ¹; and

22 (6) an analysis of the potential impact of an economic recession
 23 on the State's revenue and spending obligations ¹.

24 b. The report required pursuant to this section may be prepared
 25 by an independent auditor selected by the Office of the State
 26 Auditor in accordance with applicable laws regarding selection of
 27 auditing services.

28 c. The report prepared pursuant to this section shall be
 29 transmitted to the Governor and the Legislature pursuant to section
 30 2 of P.L.1991, c.164 (C.52:14-19.1). The Legislature, Department
 31 of the Treasury, and Office of the State Auditor shall make the
 32 report publicly accessible on their Internet websites within five days
 33 of transmittal.

34 ¹The first report required by this section shall be published
 35 within 30 days following the publication of the New Jersey Annual
 36 Comprehensive Financial Report that occurs at least 12 months
 37 after the effective date of P.L. , c. (pending before the
 38 Legislature as this bill).¹

39 d. After submission of the Governor's budget message to the
 40 Legislature pursuant to section 11 of ¹~~article 3 of~~ ¹P.L.1944,
 41 c.112 (C.52:27B-20) the State Auditor shall, on or before May 31
 42 annually, appear before the Legislature's budget committees to
 43 present the information contained within the most recent report
 44 required pursuant to this section.

45

46 2. This act shall take effect immediately.

A4090 [2R]

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Requires State Auditor to annually publish user-friendly report summarizing and analyzing contents of State's Annual Financial Report.

ASSEMBLY, No. 4090

STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED MAY 26, 2022

Sponsored by:

Assemblyman ROY FREIMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblywoman ELIANA PINTOR MARIN

District 29 (Essex)

Assemblyman ROBERT J. KARABINCHAK

District 18 (Middlesex)

Co-Sponsored by:

**Assemblyman Thomson, Assemblywoman McKnight, Assemblymen
Space, Wirths, Rooney, Assemblywomen Swain, Park, Murphy and Lopez**

SYNOPSIS

Requires State Auditor to annually publish user-friendly report summarizing and analyzing contents of State's Annual Financial Report.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 10/27/2022)

1 AN ACT concerning the reporting of the State's financial condition
2 and supplementing P.L.1944, c.112 (C.52:27B-1 et seq.)

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. a. On or before the publication of the New Jersey Annual
8 Comprehensive Financial Report pursuant to section 37 of article 3
9 of P.L.1944, c.112 (C.52:27B-46), the Office of the State Auditor
10 shall annually publish a user-friendly, plain language report that
11 summarizes and analyzes the contents of the New Jersey Annual
12 Comprehensive Financial Report. At a minimum, the report shall
13 include:

14 (1) a summary of the State's financial condition compared to
15 other states in the Mid-Atlantic and Northeastern regions of the
16 United States, which summary shall include statistical comparisons
17 based on the population and gross domestic product of each state;

18 (2) a summary of the State's total long-term financial liabilities,
19 including, but not limited to, State pension system employer
20 contributions, employer contributions for State employees' health
21 benefits, and payments for principal and interest due on capital
22 projects financed via general obligation bonds and appropriations-
23 backed contract bonds issued by independent authorities of the
24 State, which analysis shall compare the State's long-term liabilities
25 to those of other states in the Mid-Atlantic and Northeastern regions
26 of the United States;

27 (3) a summary of the State's revenue collections, which
28 summary shall compare the State's actual revenue collections
29 during the preceding fiscal years to the projected revenue
30 collections for each year;

31 (4) an accounting of any structural imbalance in the State
32 budget, including any long-term differences between the State's
33 anticipated revenue collections and the State's statutory obligations
34 to fully fund State aid for education, State municipal aid, State
35 pension liabilities, and any other statutorily mandated expenditures;

36 (5) a summary of the State's unrestricted cash reserves,
37 including the amounts deposited pursuant to the "Surplus Revenue
38 Fund," established pursuant to P.L.1990, c.44 (C.52:9H-14 et seq.),
39 which summary shall compare the State's unrestricted cash reserves
40 to those of other states in the Mid-Atlantic and Northeastern regions
41 of the United States; and

42 (6) an analysis of the potential impact of an economic recession
43 on the State's revenue and spending obligations.

44 b. The report required pursuant to this section may be prepared
45 by an independent auditor selected by the Office of the State
46 Auditor in accordance with applicable laws regarding selection of
47 auditing services.

1 c. The report prepared pursuant to this section shall be
2 transmitted to the Governor and the Legislature pursuant to section
3 2 of P.L.1991, c.164 (C.52:14-19.1). The Legislature, Department
4 of the Treasury, and Office of the State Auditor shall make the
5 report publicly accessible on their Internet websites within five days
6 of transmittal.

7 d. After submission of the Governor's budget message to the
8 Legislature pursuant to section 11 of article 3 of P.L.1944, c.112
9 (C.52:27B-20) the State Auditor shall, on or before May 31
10 annually, appear before the Legislature's budget committees to
11 present the information contained within the most recent report
12 required pursuant to this section.

13

14 2. This act shall take effect immediately.

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STATEMENT

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19 This bill requires the Office of the State Auditor to annually
20 publish a user-friendly, plain language report that summarizes and
21 analyzes the contents of the New Jersey Annual Comprehensive
22 Financial Report.

23 At a minimum, the bill requires the State Auditor's report to
24 include: (1) a summary of the State's financial condition compared
25 to neighboring states; (2) a summary of the State's total long-term
26 liabilities compared to those of neighboring states; (3) a summary
27 of the accuracy of the State's revenue projections; (4) an accounting
28 of any structural imbalance in the State budget; (5) a summary of
29 the State's unrestricted cash reserves compared to those of
30 neighboring states; and (6) an analysis of the potential impacts of an
31 economic recession on the State's revenues and spending
32 obligations.

33 Under the bill, the Auditor is required issue the report on or
34 before the date of publication of the New Jersey Annual
35 Comprehensive Financial Report. Thereafter, the Legislature,
36 Department of the Treasury, and Office of the State Auditor would
37 be required to post the report on their official Internet websites.
38 The bill also requires the State Auditor to testify before the
39 Legislature's budget and appropriations committees, on or before
40 May 31 each year, to present the information contained in the
41 report.

ASSEMBLY STATE AND LOCAL GOVERNMENT
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4090

STATE OF NEW JERSEY

DATED: OCTOBER 17, 2022

The Assembly State and Local Government Committee reports favorably Assembly Bill No. 4090.

This bill requires the Office of the State Auditor to annually publish a user-friendly, plain language report that summarizes and analyzes the contents of the New Jersey Annual Comprehensive Financial Report.

At a minimum, the bill requires the State Auditor's report to include: (1) a summary of the State's financial condition compared to neighboring states; (2) a summary of the State's total long-term liabilities compared to those of neighboring states; (3) a summary of the accuracy of the State's revenue projections; (4) an accounting of any structural imbalance in the State budget; (5) a summary of the State's unrestricted cash reserves compared to those of neighboring states; and (6) an analysis of the potential impacts of an economic recession on the State's revenues and spending obligations.

Under the bill, the Auditor is required issue the report on or before the date of publication of the New Jersey Annual Comprehensive Financial Report. Thereafter, the Legislature, Department of the Treasury, and Office of the State Auditor would be required to post the report on their official Internet websites. The bill also requires the State Auditor to testify before the Legislature's budget and appropriations committees, on or before May 31 each year, to present the information contained in the report.

STATEMENT TO
ASSEMBLY, No. 4090

with Senate Floor Amendments
(Proposed by Senator SARLO)

ADOPTED: MARCH 20, 2023

These floor amendments require the user-friendly, plain language report to be published within 30 days after the New Jersey Annual Comprehensive Financial Report (NJACFR) is published. The bill currently requires the report to be published on or before the NJACFR is published.

These amendments replace the description of two items to be included in the report under the category of the State's total long-term financial liabilities. The amendments change "State pension system employer contributions" to the more appropriate description of "net pension obligations." The amendments also change "employer contributions for State employees' health benefits" to the more appropriate description of "post-employment benefits other than pensions including, but not limited to, health, dental and vision care."

These amendments also remove from the bill the requirement that the report contain an analysis of the potential impact of an economic recession on the State's revenue and spending obligations.

Finally, these amendments delay the publication of the first report until the next NJACFR published one year after the bill's effective date.

STATEMENT TO
[First Reprint]
ASSEMBLY, No. 4090

with Senate Floor Amendments
(Proposed by Senator SARLO)

ADOPTED: JUNE 20, 2023

These amendments provide additional specificity to the items required to be included in the annual report that must be prepared by the State auditor under the terms of the bill.

The amendments specifically require the following items to be included in the report:

all items comprising long-term liability as recorded in a schedule of long-term debt changes in the State's annual comprehensive financial report;

revenue collections for the General Fund, Property Tax Relief Fund, Casino Revenue Fund, and all other budgeted State revenues; and

appropriations to fund employer contributions for State healthcare benefits, the State Medicaid program, State support for hospitals, the Annual Transportation Capital Program, and programs of direct taxpayer property tax relief.

The amendments also specify that when comparing past projections of anticipated revenues with the revenues actually received, or with appropriations made in past fiscal years, the comparison will include the preceding five fiscal years in order to identify discernable trends.

SENATE, No. 1884

STATE OF NEW JERSEY
220th LEGISLATURE

INTRODUCED FEBRUARY 28, 2022

Sponsored by:

Senator PAUL A. SARLO

District 36 (Bergen and Passaic)

Senator STEVEN V. OROHO

District 24 (Morris, Sussex and Warren)

Co-Sponsored by:

Senator O'Scanlon

SYNOPSIS

Requires State Auditor to annually publish user-friendly report summarizing and analyzing contents of State's Annual Financial Report.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 11/21/22)

1 AN ACT concerning the reporting of the State's financial condition
2 and supplementing P.L.1944, c.112 (C.52:27B-1 et seq.)

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. a. On or before the publication of the New Jersey Annual
8 Comprehensive Financial Report pursuant to section 37 of article 3
9 of P.L.1944, c.112 (C.52:27B-46), the Office of the State Auditor
10 shall annually publish a user-friendly, plain language report that
11 summarizes and analyzes the contents of the New Jersey Annual
12 Comprehensive Financial Report. At a minimum, the report shall
13 include:

14 (1) a summary of the State's financial condition compared to
15 other states in the Mid-Atlantic and Northeastern regions of the
16 United States, which summary shall include statistical comparisons
17 based on the population and gross domestic product of each state;

18 (2) a summary of the State's total long-term financial liabilities,
19 including, but not limited to, State pension system employer
20 contributions, employer contributions for State employees' health
21 benefits, and payments for principal and interest due on capital
22 projects financed via general obligation bonds and appropriations-
23 backed contract bonds issued by independent authorities of the
24 State, which analysis shall compare the State's long-term liabilities
25 to those of other states in the Mid-Atlantic and Northeastern regions
26 of the United States;

27 (3) a summary of the State's revenue collections, which
28 summary shall compare the State's actual revenue collections
29 during the preceding fiscal years to the projected revenue
30 collections for each year;

31 (4) an accounting of any structural imbalance in the State
32 budget, including any long-term differences between the State's
33 anticipated revenue collections and the State's statutory obligations
34 to fully fund State aid for education, State municipal aid, State
35 pension liabilities, and any other statutorily mandated expenditures;

36 (5) a summary of the State's unrestricted cash reserves,
37 including the amounts deposited pursuant to the "Surplus Revenue
38 Fund," established pursuant to P.L.1990, c.44 (C.52:9H-14 et seq.),
39 which summary shall compare the State's unrestricted cash reserves
40 to those of other states in the Mid-Atlantic and Northeastern regions
41 of the United States; and

42 (6) an analysis of the potential impact of an economic recession
43 on the State's revenue and spending obligations.

44 b. The report required pursuant to this section may be prepared
45 by an independent auditor selected by the Office of the State
46 Auditor in accordance with applicable laws regarding selection of
47 auditing services.

1 c. The report prepared pursuant to this section shall be
2 transmitted to the Governor and the Legislature pursuant to section
3 2 of P.L.1991, c.164 (C.52:14-19.1). The Legislature, Department
4 of the Treasury, and Office of the State Auditor shall make the
5 report publicly accessible on their Internet websites within five days
6 of transmittal.

7 d. After submission of the Governor's budget message to the
8 Legislature pursuant to section 11 of article 3 of P.L.1944, c.112
9 (C.52:27B-20) the State Auditor shall, on or before May 31
10 annually, appear before the Legislature's budget committees to
11 present the information contained within the most recent report
12 required pursuant to this section.

13

14 2. This act shall take effect immediately.

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STATEMENT

18

19 This bill requires the Office of the State Auditor to annually
20 publish a user-friendly, plain language report that summarizes and
21 analyzes the contents of the New Jersey Annual Comprehensive
22 Financial Report.

23 At a minimum, the bill requires the State Auditor's report to
24 include: (1) a summary of the State's financial condition compared
25 to neighboring states; (2) a summary of the State's total long-term
26 liabilities compared to those of neighboring states; (3) a summary
27 of the accuracy of the State's revenue projections; (4) an accounting
28 of any structural imbalance in the State budget; (5) a summary of
29 the State's unrestricted cash reserves compared to those of
30 neighboring states; and (6) an analysis of the potential impacts of an
31 economic recession on the State's revenues and spending
32 obligations.

33 Under the bill, the Auditor is required issue the report on or
34 before the date of publication of the New Jersey Annual
35 Comprehensive Financial Report. Thereafter, the Legislature,
36 Department of the Treasury, and Office of the State Auditor would
37 be required to post the report on their official Internet websites.
38 The bill also requires the State Auditor to testify before the
39 Legislature's budget and appropriations committees, on or before
40 May 31 each year, to present the information contained in the
41 report.

SENATE STATE GOVERNMENT, WAGERING, TOURISM &
HISTORIC PRESERVATION COMMITTEE

STATEMENT TO

SENATE, No. 1884

STATE OF NEW JERSEY

DATED: NOVEMBER 7, 2022

The Senate State Government, Wagering, Tourism and Historic Preservation Committee reports favorably Senate Bill No. 1884.

This bill requires the Office of the State Auditor to annually publish a user-friendly, plain language report that summarizes and analyzes the contents of the New Jersey Annual Comprehensive Financial Report.

At a minimum, the bill requires the State Auditor's report to include: (1) a summary of the State's financial condition compared to neighboring states; (2) a summary of the State's total long-term liabilities compared to those of neighboring states; (3) a summary of the accuracy of the State's revenue projections; (4) an accounting of any structural imbalance in the State budget; (5) a summary of the State's unrestricted cash reserves compared to those of neighboring states; and (6) an analysis of the potential impacts of an economic recession on the State's revenues and spending obligations.

Under the bill, the State Auditor is required issue the report on or before the date of publication of the New Jersey Annual Comprehensive Financial Report. Thereafter, the Legislature, Department of the Treasury, and Office of the State Auditor would be required to post the report on their official Internet websites. The bill also requires the State Auditor to testify before the Legislature's budget and appropriations committees, on or before May 31 each year, to present the information contained in the report.

STATEMENT TO
[First Reprint]
ASSEMBLY, No. 4090

with Senate Floor Amendments
(Proposed by Senator SARLO)

ADOPTED: JUNE 20, 2023

These amendments provide additional specificity to the items required to be included in the annual report that must be prepared by the State auditor under the terms of the bill.

The amendments specifically require the following items to be included in the report:

all items comprising long-term liability as recorded in a schedule of long-term debt changes in the State's annual comprehensive financial report;

revenue collections for the General Fund, Property Tax Relief Fund, Casino Revenue Fund, and all other budgeted State revenues; and

appropriations to fund employer contributions for State healthcare benefits, the State Medicaid program, State support for hospitals, the Annual Transportation Capital Program, and programs of direct taxpayer property tax relief.

The amendments also specify that when comparing past projections of anticipated revenues with the revenues actually received, or with appropriations made in past fiscal years, the comparison will include the preceding five fiscal years in order to identify discernable trends.

Acting Governor Way Takes Action on Legislation

09/12/2023

TRENTON – Today, Acting Governor Way signed the following bills into law:

S-3092/A-4793 (Smith, Codey/Benson, Daniels) - Authorizes installation and operation of meter collar adapters on residential electric meters, under certain conditions

S-3772/A-5671 (Pou/Atkins, Mukherji, Wimberly) - Directs Office of the Public Defender to provide representation at parole revocation proceedings

A-4089/S-2732 (DeAngelo, Benson, Karabinchak/Scutari, Smith) - Extends deadlines, under certain circumstances, for completion and commercial operation of certain solar elec power generation facilities

A-4090/S-1884 (Freiman, Pintor Marin, Karabinchak/Sarlo, Oroho) - Requires State Auditor to annually publish user-friendly report summarizing and analyzing contents of State's Annual Financial Report

A-4797/S-3255 (Karabinchak, Benson, Verrelli/Diegnan, Oroho) - Concerns percentage of reclaimed asphalt pavement and recycled materials that can be used for certain road projects