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P.L. 2003, CHAPTER 275, *approved January 14, 2004*
Senate, No. 2834 (*First Reprint*)

1 AN ACT concerning the Governor's budget message, amending
2 P.L.1944, c.112 ¹and amending and supplementing P.L.1996,
3 c.138¹.
4

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

7
8 1. Section 11 of article 3 of P.L.1944, c.112 (C.52:27B-20) is
9 amended to read as follows:

10 11. The Governor shall examine and consider all requests for
11 appropriations, together with the findings and recommendations of the
12 **[commissioner] Director of the Division of Budget and Accounting,**
13 and shall formulate **[his] the Governor's** budget recommendations
14 **[which] ¹[. A summary of the Governor's budget recommendations],**
15 **which¹** shall be **[transmitted to] presented as a budget message by the**
16 **Governor ¹[in] during¹ an appearance before a joint session of the**
17 Legislature **[as a budget message] which shall be convened at 12 noon**
18 **on a date** on or before the **[third] fourth** Tuesday **[following the first**
19 **meeting of the Legislature] in February** in each year **[, except a year**
20 **in which a Governor shall be inaugurated, when he shall do so on or**
21 **before February fifteenth following the commencement of his term].**

22 The **[budget message] ¹[Governor's budget recommendations,**
23 **which in full detail shall be conveyed in their entirety to each member**
24 **of the Legislature following such joint session,] budget message¹** shall
25 **[embody] include** the proposed complete financial program of the
26 State Government for the next ensuing fiscal year, and shall set forth
27 in columnar form detailed as to each source of anticipated revenue and
28 the purposes to which the recommended appropriations and
29 permissions to spend shall apply for each spending agency in
30 substantially the following form:

31 A. Revenues for the General **[State] Fund, [State Highway**
32 **System Fund] other budgeted State revenues,** all other dedicated
33 funds, Federal aid funds, and trust funds:

34 (1) An estimate of all balances to be on hand on the first of July
35 next ensuing which are to be available for appropriations, supported
36 by the calculations used in arriving at the estimated figures;

37 (2) An estimate of the anticipated revenues from all sources
38 applicable to the budget period, together with the actual amount
39 earned from each source during the last completed fiscal year, and the

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:

¹ Senate SBA committee amendments adopted January 8, 2004.

1 estimate of revenues expected to be earned from each source for the
2 current fiscal year.

3 B. [Mandatory dedications:

4 (1) Debt service:

5 The amount reserved for the payment of interest and principal of
6 any State bonds heretofore or hereafter issued dedicated and payable
7 from State revenue.

8 The amount reserved for payments to the State Highway Sinking
9 Fund as provided by chapter two hundred sixty-two of the laws of one
10 thousand nine hundred and twenty-two and chapter one hundred
11 eighty-one of the laws of one thousand nine hundred and
12 twenty-seven.

13 (2) State aid projects as follows:

14 (a) Seven million dollars (\$7,000,000.00) for the construction,
15 reconstruction, maintenance and repair, operation, policing and
16 lighting of county roads and bridges; for the payment of principal and
17 interest of obligations heretofore incurred for any of such purposes,
18 and for the extension of the county highway system as follows:

19 Six million dollars (\$6,000,000.00) under the following formula:

20 Percentage of population of each county to the total population of
21 the State, according to the last Federal census;

22 Percentage of each county road mileage as against total county road
23 mileage in the State;

24 Percentage of each county in area as against total area in the State;
25 and

26 One million dollars (\$1,000,000.00) under the following formula:

27 Percentage of population of each county to the total population of
28 the State according to the last Federal census;

29 Percentage of each county road mileage as against total county road
30 mileage in the State.

31 (b) Three million six hundred seventy-five thousand dollars
32 (\$3,675,000.00) to be expended pursuant to the provisions of chapter
33 fifteen of Title 27 "Highways" of the Revised Statutes.

34 (c) One million one hundred fifty-five thousand dollars
35 (\$1,155,000.00) to be expended pursuant to the provisions of section
36 27:14-1 of the Revised Statutes.

37 (d) Five hundred twenty-five thousand dollars (\$525,000.00) to be
38 expended pursuant to sections 27:15-10 to 27:15-13, inclusive, of the
39 Revised Statutes.

40 (3) Inland Waterways:

41 Ninety thousand dollars (\$90,000.00) to the Board of Commerce
42 and Navigation for the construction, reconstruction and maintenance
43 and improvement of the inland waterways as provided by section
44 54:39-74 of the Revised Statutes.] (Deleted by amendment, P.L. ____,
45 c.) (now pending before the Legislature as this bill).

46 C. Appropriations. The total of the appropriations recommended

1 for the ensuing fiscal year in substantially the following form:

2 Detailed Budget:

3 (1) An itemized statement of all appropriation requests and
4 requests for permission to spend from the General State Fund, [State
5 Highway System Fund] other budgeted State revenues, other
6 dedicated funds and Federal aid and trust funds;

7 (2) An itemized statement of the amounts recommended by the
8 Governor with respect to item "1" above;

9 (3) An itemized statement of all amounts appropriated and
10 permissions granted for the current fiscal year with respect to item "1"
11 above;

12 (4) An itemized statement of all amounts appropriated and
13 permissions granted for the last preceding fiscal year with respect to
14 item "1" above detailed as to annual and supplemental appropriations,
15 transfers of appropriations, State Emergency Fund allotments, and
16 permission to spend, as the case may be, and showing also total
17 expenditures, reserves, lapses and unencumbered balances;

18 (5) In addition, such other statistical information as may more fully
19 show comparisons and costs of the several departments.

20 (cf: P.L.1946, c.199, s.1)

21

22 ¹2. Section 6 of P.L.1996, c.138 (C.18A:7F-6) is amended to read
23 as follows:

24 6. a. The commissioner shall not approve any budget submitted
25 pursuant to subsection c. of section 5 of this act unless he is satisfied
26 that the district has adequately implemented within the budget the
27 thoroughness and efficiency standards set forth pursuant to section 4
28 of this act. In those instances in which a district submits a budget set
29 at less than its minimum T&E budget, the commissioner may, when he
30 deems it necessary to ensure implementation of standards, direct
31 additional expenditures, in specific accounts and for specific purposes,
32 up to the district's T&E budget. A district which submits a budget set
33 at less than its minimum T&E budget and which fails to meet core
34 curriculum content standards in any school year shall be required to
35 increase expenditures so as to meet at least the minimum T&E budget
36 within the next two budget years. In those instances in which a district
37 submits a budget at or above its minimum T&E budget, the
38 commissioner may likewise, when he deems it necessary to ensure
39 implementation of standards, direct additional expenditures, in specific
40 accounts and for specific purposes, up to the T&E budget. In all
41 cases, including those instances in which a district submits a budget
42 above its T&E budget, up to and including its maximum T&E budget,
43 the commissioner may direct such budgetary reallocations and
44 programmatic adjustments, or take such other measures, as he deems
45 necessary to ensure implementation of the required thoroughness and
46 efficiency standards.

1 b. In addition, whenever the commissioner determines, through the
2 results of Statewide assessments conducted pursuant to law and
3 regulation, or during the course of an evaluation of school
4 performance conducted pursuant to section 10 of P.L.1975, c.212
5 (C.18A:7A-10), that a district, or one or more schools within the
6 district, is failing to achieve the core curriculum content standards, the
7 commissioner may summarily take such action as he deems necessary
8 and appropriate, including but not limited to:

- 9 (1) directing the restructuring of curriculum or programs;
- 10 (2) directing staff retraining or reassignment;
- 11 (3) conducting a comprehensive budget evaluation;
- 12 (4) redirecting expenditures;
- 13 (5) enforcing spending at the full per pupil T&E amount; and
- 14 (6) notwithstanding any provisions of the "New Jersey
15 Employer-Employee Relations Act," P.L.1941, c.100 (C.34:13A-1 et
16 seq.), to the contrary, reviewing the terms of future collective
17 bargaining agreements.

18 For the purpose of evaluating a district's results on Statewide
19 assessments pursuant to this subsection, the commissioner shall limit
20 the use of these actions to those instances in which a school in a
21 district has experienced at least three consecutive years of failing test
22 scores.

23 The commissioner shall report any action taken under this
24 subsection to the State board within 30 days. A board of education
25 may appeal a determination that the district is failing to achieve the
26 core curriculum content standards and any action of the commissioner
27 to the State board.

28 Nothing in this section shall be construed to limit such general or
29 specific powers as are elsewhere conferred upon the commissioner
30 pursuant to law.

31 Nothing in this act shall be deemed to restrict or limit any rights
32 established pursuant to the "New Jersey Employer-Employee Relations
33 Act," P.L.1941, c.100 (C.34:13A-1 et seq.), nor shall the
34 commissioner's powers under this act be construed to permit the
35 commissioner to restrict, limit, interfere with, participate, or be
36 directly involved in collective negotiations, contract administration, or
37 processing of grievances, or in relation to any terms and conditions of
38 employment. This provision shall apply to a State-operated school
39 district only after the terms and conditions of a contract have been
40 finalized.

41 c. Each Abbott district shall submit its proposed budget for the
42 next school year to the commissioner [seven days prior to the
43 submission date] not later than the date prescribed for submission of
44 all [other] school district budgets pursuant to section 5 of P.L.1996,
45 c.138 (C.18A:7F-5). The review of the budget shall include, but not
46 be limited to, an assessment of efforts to reduce class sizes, increase

1 the breadth of program offerings, and direct funds into the classroom.
2 If the commissioner determines during the review of an Abbott district
3 budget that funds are not appropriately directed so that students in the
4 districts are provided the educational opportunity to meet the core
5 curriculum content standards, the commissioner shall direct the
6 reallocation of funds within the budget. The commissioner shall
7 approve any transfer of funds from instructional accounts to
8 non-instructional accounts. In addition, if the commissioner directs
9 the reallocation of funds from or between instructional accounts or
10 from or between non-instructional accounts in the proposed budget,
11 the district shall not transfer any funds to or from those accounts that
12 were subject to reallocation without the prior approval of the
13 commissioner. The commissioner shall, for any Abbott district, when
14 he deems it necessary to ensure implementation of the thoroughness
15 standards, direct additional expenditures above the T&E budget in
16 specific accounts and for specific purposes, up to the maximum T&E
17 budget without approval of the local voters or board of school
18 estimate, as applicable.

19 d. In addition to the audit required of school districts pursuant to
20 N.J.S.18A:23-1, the accounts and financial transactions of any school
21 district in which the State aid equals 80% or more of its net budget for
22 the budget year shall be directly audited by the Office of the State
23 Auditor on an annual basis.

24 e. Notwithstanding any provision of law to the contrary, in the
25 review of a school district's budget pursuant to subsection c. or e. of
26 section 5 of this act, the commissioner shall not eliminate, reduce, or
27 reallocate funds contained within the budget for pupil transportation
28 services provided pursuant to N.J.S.18A:39-1.1 nor require the district
29 to eliminate these funds from the base budget and to submit a separate
30 proposal to the voters or board of school estimate pursuant to
31 paragraph (9) of subsection d. of section 5 of this act for the inclusion
32 of the funds within the proposed budget. The decision to provide
33 such pupil transportation services shall be made by the board of
34 education of the school district. In the case of a school budget that is
35 defeated by the voters or a budget that is not approved by the board
36 of school estimate, that decision shall be made in consultation with
37 the municipal governing body or board of school estimate, as
38 appropriate, or, in the case of a regional district, the municipal
39 governing bodies.¹

40 (cf: P.L.1996, c.138, s.6)

41

42 ¹3. (New section) Notwithstanding any other law to the contrary,
43 the Commissioner of Education is authorized to make any adjustments
44 to the school budget calendar and to the date for the notification of
45 nontenured personnel pursuant to section 1 of P.L.1971, c.436
46 (C.18A:27-10) that are necessary to conform with the State aid
47 notification date.¹

1 ¹[2.] 4.¹ This act shall take effect immediately.

2

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4

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6 Extends deadline for Governor's annual budget message to Legislature
7 to the 4th Tuesday in February; revises deadline for submission of
8 Abbott districts' proposed budgets to Commissioner of Education.

SENATE, No. 2834

STATE OF NEW JERSEY
210th LEGISLATURE

INTRODUCED DECEMBER 11, 2003

Sponsored by:

Senator WAYNE R. BRYANT

District 5 (Camden and Gloucester)

Senator LEONARD LANCE

District 23 (Warren and Hunterdon)

SYNOPSIS

Extends deadline for Governor's annual budget message to Legislature to the 4th Tuesday in February and requires transmittal of entire budget recommendations after message.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the Governor's budget message, amending
2 P.L.1944, c.112.

3

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

6

7 1. Section 11 of article 3 of P.L.1944, c.112 (C.52:27B-20) is
8 amended to read as follows:

9 11. The Governor shall examine and consider all requests for
10 appropriations, together with the findings and recommendations of the
11 [commissioner] Director of the Division of Budget and Accounting,
12 and shall formulate [his] the Governor's budget recommendations
13 [which] . A summary of the Governor's budget recommendations
14 shall be [transmitted to] presented as a budget message by the
15 Governor in an appearance before a joint session of the Legislature [as
16 a budget message] which shall be convened at 12 noon on a date on
17 or before the [third] fourth Tuesday [following the first meeting of
18 the Legislature] in February in each year [, except a year in which a
19 Governor shall be inaugurated, when he shall do so on or before
20 February fifteenth following the commencement of his term].

21 The [budget message] Governor's budget recommendations, which
22 in full detail shall be conveyed in their entirety to each member of the
23 Legislature following such joint session, shall [embody] include the
24 proposed complete financial program of the State Government for the
25 next ensuing fiscal year, and shall set forth in columnar form detailed
26 as to each source of anticipated revenue and the purposes to which the
27 recommended appropriations and permissions to spend shall apply for
28 each spending agency in substantially the following form:

29 A. Revenues for the General [State] Fund, [State Highway
30 System Fund] other budgeted State revenues, all other dedicated
31 funds, Federal aid funds, and trust funds:

32 (1) An estimate of all balances to be on hand on the first of July
33 next ensuing which are to be available for appropriations, supported
34 by the calculations used in arriving at the estimated figures;

35 (2) An estimate of the anticipated revenues from all sources
36 applicable to the budget period, together with the actual amount
37 earned from each source during the last completed fiscal year, and the
38 estimate of revenues expected to be earned from each source for the
39 current fiscal year.

40 B. [Mandatory dedications:

41 (1) Debt service:

42 The amount reserved for the payment of interest and principal of

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.

1 any State bonds heretofore or hereafter issued dedicated and payable
2 from State revenue.

3 The amount reserved for payments to the State Highway Sinking
4 Fund as provided by chapter two hundred sixty-two of the laws of one
5 thousand nine hundred and twenty-two and chapter one hundred
6 eighty-one of the laws of one thousand nine hundred and
7 twenty-seven.

8 (2) State aid projects as follows:

9 (a) Seven million dollars (\$7,000,000.00) for the construction,
10 reconstruction, maintenance and repair, operation, policing and
11 lighting of county roads and bridges; for the payment of principal and
12 interest of obligations heretofore incurred for any of such purposes,
13 and for the extension of the county highway system as follows:

14 Six million dollars (\$6,000,000.00) under the following formula:

15 Percentage of population of each county to the total population of
16 the State, according to the last Federal census;

17 Percentage of each county road mileage as against total county road
18 mileage in the State;

19 Percentage of each county in area as against total area in the State;

20 and

21 One million dollars (\$1,000,000.00) under the following formula:

22 Percentage of population of each county to the total population of
23 the State according to the last Federal census;

24 Percentage of each county road mileage as against total county road
25 mileage in the State.

26 (b) Three million six hundred seventy-five thousand dollars
27 (\$3,675,000.00) to be expended pursuant to the provisions of chapter
28 fifteen of Title 27 "Highways" of the Revised Statutes.

29 (c) One million one hundred fifty-five thousand dollars
30 (\$1,155,000.00) to be expended pursuant to the provisions of section
31 27:14-1 of the Revised Statutes.

32 (d) Five hundred twenty-five thousand dollars (\$525,000.00) to be
33 expended pursuant to sections 27:15-10 to 27:15-13, inclusive, of the
34 Revised Statutes.

35 (3) Inland Waterways:

36 Ninety thousand dollars (\$90,000.00) to the Board of Commerce
37 and Navigation for the construction, reconstruction and maintenance
38 and improvement of the inland waterways as provided by section
39 54:39-74 of the Revised Statutes.] (Deleted by amendment, P.L. ,
40 c.) (now pending before the Legislature as this bill).

41 C. Appropriations. The total of the appropriations recommended
42 for the ensuing fiscal year in substantially the following form:

43 Detailed Budget:

44 (1) An itemized statement of all appropriation requests and
45 requests for permission to spend from the General State Fund, [State
46 Highway System Fund] other budgeted State revenues, other

1 dedicated funds and Federal aid and trust funds;

2 (2) An itemized statement of the amounts recommended by the
3 Governor with respect to item "1" above;

4 (3) An itemized statement of all amounts appropriated and
5 permissions granted for the current fiscal year with respect to item "1"
6 above;

7 (4) An itemized statement of all amounts appropriated and
8 permissions granted for the last preceding fiscal year with respect to
9 item "1" above detailed as to annual and supplemental appropriations,
10 transfers of appropriations, State Emergency Fund allotments, and
11 permission to spend, as the case may be, and showing also total
12 expenditures, reserves, lapses and unencumbered balances;

13 (5) In addition, such other statistical information as may more fully
14 show comparisons and costs of the several departments.

15 (cf: P.L.1946, c.199, s.1)

16

17 2. This act shall take effect immediately.

18

19

20

STATEMENT

21

22 This bill changes the date for transmittal to the Legislature of the
23 Governor's annual budget message speech for the next fiscal year from
24 on or before the third Tuesday following the first meeting of the
25 Legislature in each year to on or before the fourth Tuesday in
26 February in each year. The different date currently set forth in the
27 statutes for the budget message for a newly inaugurated Governor, on
28 or before February 15, is also changed to on or before the fourth
29 Tuesday in February.

30 Revenue forecasting undertaken in preparing the detailed budget
31 message under the current statutory deadline of a late January or early
32 February date of the Governor's budget message presents a serious
33 impediment to reliable forecasting. The short delay proposed in this
34 bill to the last week in February will allow the incorporation of crucial
35 revenue data from the last quarter of the prior calendar year, thereby
36 including key indicators of what April revenue collections are likely to
37 be, while giving forecasters a half-year of current revenue collection
38 data to utilize in assessing the revenue estimates that must be included
39 in the budget message for the next fiscal year.

40 The bill provides the Governor and the Governor's professional
41 budget staff ample opportunity to review and include this revenue
42 collection data in the formulation of the budget message. Given this
43 extension of time, it is important for the Governor to comply with the
44 additional statutory requirement that the full, detailed revenue and
45 appropriation proposals in line-by-line format proposed for the State
46 budget be delivered to the Legislature after the budget message is

1 presented by the Governor at a joint session of the Legislature. With
2 this statutory extension of the Governor's budget message deadline,
3 this bill requires that the full, specific line-item detail, that is
4 traditionally published in the several hundred-page volume known as
5 the Governor's Budget Recommendation Document, be transmitted to
6 the Legislature following the joint session.

7 The current budget message deadline has recently been the occasion
8 for only the delivery of a gubernatorial speech on general budget
9 plans, with the transmittal of the Governor's Budget Recommendation
10 Document trailing by weeks. This has had the effect of delaying the
11 beginning of the Legislature's constitutional task of reviewing the
12 details of the Governor's budget proposals.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 2834

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 8, 2004

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 2834.

This bill establishes a new statutory deadline for delivery of the Governor's annual budget message to the Legislature.

Current law requires that the Governor, having prepared recommendations for the State budget for the ensuing fiscal year, shall transmit those recommendations in a budget message to the Legislature no later than the third Tuesday following the year's first meeting of the Legislature; for a newly inaugurated Governor, a special budget message deadline of February 15 is established. Under the bill, the fourth Tuesday in February would become the uniform deadline for delivery of the Governor's annual budget message in all years.

By law, the Commissioner of Education must, within two days after transmittal of the Governor's budget message, notify each school district of the maximum amount of State aid it may receive in the forthcoming school year. The school districts use these figures in preparing their proposed school budgets, which must in turn be submitted to the commissioner for approval by a statutory deadline; the submission deadline for Abbott districts is set seven days earlier than that for other districts. Because the delay in receipt of their State aid figures resulting from the bill's postponement of the Governor's budget message will make it difficult for Abbott districts to meet the more stringent deadline, the bill moves that deadline to be the same as that applicable to all other districts. For all districts, the bill authorizes the Commissioner of Education to make such further adjustments to the school budget calendar (and also to the date for notice to nontenured faculty regarding continued employment) as necessary to conform with the school aid notification date.

In addition to the provisions described above, the bill (1) codifies in law the longstanding tradition that delivery of the budget message be made as a presentation by the Governor in an appearance before a joint session of the Legislature, and (2) removes from the law obsolete requirements for inclusion in the budget message of various mandatory dedications.

In explaining the purpose of delaying the date of the Governor's budget message, the sponsors' statement notes that revenue estimation undertaken in preparing the detailed budget message under the current statutory deadline of late January or early February presents a serious impediment to reliable forecasting. The statement indicates that the short delay proposed in the bill will allow the incorporation of crucial revenue data from the last quarter of the prior calendar year, thereby including key indicators of what April revenue collections are likely to be, while giving forecasters a half-year of current revenue collection data to utilize in assessing the revenue estimates that must be included in the budget message for the new fiscal year. The statement indicates that the bill would provide the Governor and the Governor's professional budget staff ample opportunity to review and include this revenue collection data in the formulation of the budget message.

COMMITTEE AMENDMENTS

Committee amendments to this bill (1) delete from the bill a requirement that the Governor's budget recommendations, in full detail, be conveyed to each member of the Legislature following the joint session at which the budget message is presented, and (2) incorporate the provisions making the Abbott districts' deadline for submitting their proposed budgets the same as that for other districts and authorizing the Commissioner of Education to adjust the school budget calendar to conform with the State aid notification date.

FISCAL IMPACT

The changes in deadlines prescribed under this bill would have no direct fiscal impact on State revenues or expenditures.

ASSEMBLY, No. 3947

STATE OF NEW JERSEY

210th LEGISLATURE

INTRODUCED DECEMBER 11, 2003

Sponsored by:

Assemblyman LOUIS D. GREENWALD

District 6 (Camden)

Assemblywoman BONNIE WATSON COLEMAN

District 15 (Mercer)

SYNOPSIS

Extends deadline for Governor's annual budget message to Legislature to the 4th Tuesday in February.

CURRENT VERSION OF TEXT

As introduced.



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2 P.L.1944, c.112.

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12 and shall formulate **[his] the Governor's** budget recommendations
13 which shall be **[transmitted to] presented as a budget message by the**
14 **Governor during an appearance before a joint session of the**
15 **Legislature [as a budget message] which shall be convened at 12 noon**
16 **on a date on or before the [third] fourth Tuesday [following the first**
17 **meeting of the Legislature] in February** in each year [, except a year
18 in which a Governor shall be inaugurated, when he shall do so on or
19 before February fifteenth following the commencement of his term].

20 The budget message shall **[embody] include** the proposed complete
21 financial program of the State Government for the next ensuing fiscal
22 year, and shall set forth in columnar form detailed as to each source of
23 anticipated revenue and the purposes to which the recommended
24 appropriations and permissions to spend shall apply for each spending
25 agency in substantially the following form:

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27 **System Fund] other budgeted State revenues,** all other dedicated
28 funds, Federal aid funds, and trust funds:

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30 next ensuing which are to be available for appropriations, supported
31 by the calculations used in arriving at the estimated figures;

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34 earned from each source during the last completed fiscal year, and the
35 estimate of revenues expected to be earned from each source for the
36 current fiscal year.

37 B. **[Mandatory dedications:**

38 (1) Debt service:

39 The amount reserved for the payment of interest and principal of
40 any State bonds heretofore or hereafter issued dedicated and payable
41 from State revenue.

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.

1 The amount reserved for payments to the State Highway Sinking
2 Fund as provided by chapter two hundred sixty-two of the laws of one
3 thousand nine hundred and twenty-two and chapter one hundred
4 eighty-one of the laws of one thousand nine hundred and
5 twenty-seven.

6 (2) State aid projects as follows:

7 (a) Seven million dollars (\$7,000,000.00) for the construction,
8 reconstruction, maintenance and repair, operation, policing and
9 lighting of county roads and bridges; for the payment of principal and
10 interest of obligations heretofore incurred for any of such purposes,
11 and for the extension of the county highway system as follows:

12 Six million dollars (\$6,000,000.00) under the following formula:

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14 the State, according to the last Federal census;

15 Percentage of each county road mileage as against total county road
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18 and

19 One million dollars (\$1,000,000.00) under the following formula:

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1 (2) An itemized statement of the amounts recommended by the
2 Governor with respect to item "1" above;

3 (3) An itemized statement of all amounts appropriated and
4 permissions granted for the current fiscal year with respect to item "1"
5 above;

6 (4) An itemized statement of all amounts appropriated and
7 permissions granted for the last preceding fiscal year with respect to
8 item "1" above detailed as to annual and supplemental appropriations,
9 transfers of appropriations, State Emergency Fund allotments, and
10 permission to spend, as the case may be, and showing also total
11 expenditures, reserves, lapses and unencumbered balances;

12 (5) In addition, such other statistical information as may more fully
13 show comparisons and costs of the several departments.

14 (cf: P.L.1946, c.199, s.1)

15

16 2. This act shall take effect immediately.

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18

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STATEMENT

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21 This bill changes the date for transmittal to the Legislature of the
22 Governor's annual budget message for the next fiscal year from on or
23 before the third Tuesday following the first meeting of the Legislature
24 in each year to on or before the fourth Tuesday in February in each
25 year. The different date currently set forth in the statutes for the
26 budget message for a newly inaugurated Governor, on or before
27 February 15, is also changed to on or before the fourth Tuesday in
28 February.

29 Revenue forecasting undertaken in preparing the detailed budget
30 message under the current statutory deadline of a late January or early
31 February date of the Governor's budget message presents a serious
32 impediment to reliable forecasting. The short delay proposed in this
33 bill to the last week in February will allow the incorporation of crucial
34 revenue data from the last quarter of the prior calendar year, thereby
35 including key indicators of what April revenue collections are likely to
36 be, while giving forecasters a half-year of current revenue collection
37 data to utilize in assessing the revenue estimates that must be included
38 in the budget message for the next fiscal year.

39 The bill provides the Governor and the Governor's professional
40 budget staff ample opportunity to review and include this revenue
41 collection data in the formulation of the budget message.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3947

STATE OF NEW JERSEY

DATED: DECEMBER 11, 2003

The Assembly Appropriations Committee reports favorably Assembly Bill No. 3947.

Assembly Bill No. 3947 changes the date for transmittal to the Legislature of the Governor's annual budget message for the next fiscal year from on or before the third Tuesday following the first meeting of the Legislature in each year to on or before the fourth Tuesday in February in each year. The different date currently set forth in the statutes for the budget message for a newly inaugurated Governor, on or before February 15 of the year of inauguration, is also changed to on or before the fourth Tuesday in February.

Revenue forecasting undertaken in preparing the detailed budget message under the current statutory deadline of a late January or early February date of the Governor's budget message presents a serious impediment to reliable forecasting. The short delay proposed in this bill to the last week in February will allow the incorporation of crucial revenue data from the last quarter of the prior calendar year, thereby including key indicators of what April revenue collections are likely to be, while giving forecasters a half-year of current revenue collection data to use in assessing the revenue estimates that must be included in the budget message for the next fiscal year.

The bill provides the Governor and the Governor's professional budget staff ample opportunity to review and include this revenue collection data in the formulation of the budget message.

FISCAL IMPACT:

The change of the date of the Governor's budget message has no direct fiscal impact on State revenues or expenditures.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3947

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 8, 2004

The Assembly Appropriations Committee reports favorably Assembly Bill No. 3947, with committee amendments.

Assembly Bill No. 3947, as amended, establishes a new statutory deadline for delivery of the Governor's annual budget message to the Legislature.

Current law requires that the Governor, having prepared recommendations for the State budget for the ensuing fiscal year, shall transmit those recommendations in a budget message to the Legislature no later than the third Tuesday following the year's first meeting of the Legislature; for a newly inaugurated Governor, a special budget message deadline of February 15 is established. Under the bill, the fourth Tuesday in February will become the uniform deadline for delivery of the Governor's annual budget message in all years.

By law, the Commissioner of Education must, within two days after transmittal of the Governor's budget message, notify each school district of the maximum amount of State aid it may receive in the forthcoming school year. The school districts use these figures in preparing their proposed school budgets, which must in turn be submitted to the commissioner for approval by a statutory deadline; under current law the submission deadline for Abbott districts is set seven days earlier than for other districts. Because the delay in receipt of their State aid figures resulting from the bill's postponement of the Governor's budget message will make it difficult for Abbott districts to meet the more stringent deadline, the bill moves that deadline to be the same as that applicable to all other districts.

In addition to the provisions described above, the bill (1) codifies in law the longstanding tradition that delivery of the budget message be made as a presentation by the Governor in an appearance before a joint session of the Legislature, and (2) removes from the law obsolete requirements for inclusion in the budget message of various mandatory dedications.

In explaining the purpose of delaying the date of the Governor's budget message, the sponsors' statement notes that revenue estimation undertaken in preparing the detailed budget message under the current

statutory deadline of late January or early February presents a serious impediment to reliable forecasting. The statement indicates that the short delay proposed in the bill will allow the incorporation of crucial revenue data from the last quarter of the prior calendar year, thereby including key indicators of what April revenue collections are likely to be, while giving forecasters a half-year of current revenue collection data to utilize in assessing the revenue estimates that must be included in the budget message for the new fiscal year. The statement indicates that the bill will provide the Governor and the Governor's professional budget staff ample opportunity to review and include this revenue collection data in the formulation of the budget message.

FISCAL IMPACT:

The changes in deadlines prescribed under the bill have no direct fiscal impact on State revenues or expenditures.

COMMITTEE AMENDMENTS:

The amendments incorporate the provision conforming the deadline for submission by Abbott districts of their proposed budgets to the deadline applicable to other school districts and authorize the Commissioner of Education to adjust the school budget calendar and the date for the notification of nontenured personnel as necessary to conform with the State aid notification date.