

40A:4-22.1

LEGISLATIVE HISTORY CHECKLIST
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(County budget procedures)

NJSA: 40A:4-22.1

LAWS OF: 1995 **CHAPTER:** 264

BILL NO: S1702

SPONSOR(S): Haines

DATE INTRODUCED: January 12, 1995

COMMITTEE: **ASSEMBLY** Local Government
SENATE: Community Affairs

AMENDED DURING PASSAGE: No Assembly substitute
S1702/A2463 enacted

DATE OF PASSAGE: **ASSEMBLY:** June 26, 1995
SENATE: February 9, 1995

DATE OF APPROVAL: November 16, 1995

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes
SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

KBG:pp

40A:4-22.1

P.L.1995, CHAPTER 264, approved November 15, 1995
Assembly Committee Substitute for
1995 Senate No. 1702 and Assembly No. 2463

1 AN ACT concerning the county budget process and supplementing
2 chapter 4 of Title 40A of the New Jersey Statutes.

3

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

6 1. a. A county may establish a trust fund account entitled
7 "State-funded social service programs" from which expenditures
8 of county and State funds shall be disbursed for the following:

9 (1) Section 5 of P.L.1959, c.86 (C.44:10-5) for the various
10 assistance to families with dependent children programs;

11 (2) R.S.30:4-78 with respect to payments for all county
12 patients residing in State psychiatric facilities and facilities for
13 the developmentally disabled;

14 (3) Section 30 of P.L.1951, c.138 (C.30:4C-30) for maintenance
15 on behalf of children;

16 (4) R.S.44:7-25 for old age assistance;

17 (5) Section 3 of P.L.1951, c.139 (C.44:7-40) for assistance to
18 the permanently and totally disabled; and

19 (6) Section 44 of P.L.1962, c.197 (C.44:7-46) for assistance for
20 the blind.

21 Any required county share or match for these programs shall be
22 first appropriated in the annual county budget, then paid to the
23 trust fund prior to disbursement.

24 b. Commencing with the first year the State-funded social
25 service program trust fund account is established, the board of
26 chosen freeholders shall include in the annual budget message,
27 required pursuant to N.J.S.40A:4-22, a summary of the
28 anticipated State aid and county share for each program included
29 in the trust fund.

30 2. This act shall take effect immediately.

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35 Revises certain county budget procedures.

SENATE, No. 1702
STATE OF NEW JERSEY

INTRODUCED JANUARY 12, 1995

By Senator HAINES

1 AN ACT concerning the county budget process and supplementing
2 chapter 4 of Title 40A of the New Jersey Statutes.

3

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

6 1. a. As used in this section, "net State takeover cost" means
7 the net amount required to be paid by a county to the State to
8 satisfy the county's share of the cost of human services paid for
9 by the State pursuant to the provisions of P.L.1990, c.73 and
10 P.L.1991, c.63, as certified by the Commissioner of Human
11 Services to the county on or before December 31 of the previous
12 county budget year.

13 b. Notwithstanding the provisions of the "Local Budget Law,"
14 N.J.S.40A:4-1 et al., or of any other law, rule or regulation to the
15 contrary, for the 1995 county budget year and for each year
16 thereafter, a county shall include its net State takeover cost as
17 an appropriation in its budget for the purpose of determining its
18 property tax requirements. The State-paid portion of these
19 human service costs and its corresponding appropriation by the
20 county shall be reported in the county budget as an off-budget
21 item.

22 The Director shall promulgate rules and regulations pursuant to
23 the provisions of the "Administrative Procedure Act," P.L.1968,
24 c.410 (C.52:14B-1 et seq.), and any other procedures necessary to
25 effectuate the off-budget reporting requirement set forth in this
26 section.

27 2. This act shall take effect immediately.

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STATEMENT

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32 This bill requires that a county, for the purposes of the
33 preparation of its 1995 budget and for each subsequent budget,
34 shall separate in its budget human services costs paid for by the
35 state and by the county.

36 As defined in the bill, "net State takeover cost" is defined as
37 the net amount required to be paid by a county to the State to
38 satisfy the county's share of the cost of human services as
39 provided by law. These human services costs are for services
40 provided by county psychiatric facilities and county welfare
41 agencies for aid to families with dependent children (AFDC) and
42 other similar programs.

43 Currently, counties are required to reflect in their budgets the
44 total cost of these services, which represents the State-paid
45 portion and the county-paid portion of the cost of the service.
46 Many county governing bodies feel that the reflection in the
47 county budget of the State-paid portion of these costs is

1 misleading to the public, since the county is not required to raise
2 tax dollars to cover these costs. The segregation of these human
3 service costs into on-budget and off-budget categories will
4 facilitate budget change analysis by the general public.

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9 Revises certain county budget procedures.

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2 misleading to the public, since the county is not required to raise
3 tax dollars to cover these costs. The segregation of these human
4 service costs into on-budget and off-budget categories will
5 facilitate budget change analysis by the general public.

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10 Revises certain county budget procedures.

ASSEMBLY, No. 2463

STATE OF NEW JERSEY

INTRODUCED JANUARY 19, 1995

By Assemblyman BODINE

1 AN ACT concerning the county budget process and supplementing
2 chapter 4 of Title 40A of the New Jersey Statutes.

3

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5 *State of New Jersey:*

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7 the net amount required to be paid by a county to the State to
8 satisfy the county's share of the cost of human services paid for
9 by the State pursuant to the provisions of P.L.1990, c.73 and
10 P.L.1991, c.63, as certified by the Commissioner of Human
11 Services to the county on or before December 31 of the previous
12 county budget year.

13 b. Notwithstanding the provisions of the "Local Budget Law,"
14 N.J.S.40A:4-1 et al., or of any other law, rule or regulation to the
15 contrary, for the 1995 county budget year and for each year
16 thereafter, a county shall include its net State takeover cost as
17 an appropriation in its budget for the purpose of determining its
18 property tax requirements. The State-paid portion of these
19 human service costs and its corresponding appropriation by the
20 county shall be reported in the county budget as an off-budget
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25 effectuate the off-budget reporting requirement set forth in this
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STATEMENT

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33 preparation of its 1995 budget and for each subsequent budget,
34 shall separate in its budget human services costs paid for by the
35 state and by the county.

36 As defined in the bill, "net State takeover cost" is defined as
37 the net amount required to be paid by a county to the State to
38 satisfy the county's share of the cost of human services as
39 provided by law. These human services costs are for services
40 provided by county psychiatric facilities and county welfare
41 agencies for aid to families with dependent children (AFDC) and
42 other similar programs.

43 Currently, counties are required to reflect in their budgets the
44 total cost of these services, which represents the State-paid
45 portion and the county-paid portion of the cost of the service.
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ASSEMBLY COMMITTEE SUBSTITUTE FOR
SENATE, No. 1702 and ASSEMBLY, No. 2463

STATE OF NEW JERSEY

ADOPTED JUNE 8, 1995

Sponsored by Senator HAINES and Assemblyman BODINE

1 AN ACT concerning the county budget process and supplementing
2 chapter 4 of Title 40A of the New Jersey Statutes.

3

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5 *State of New Jersey:*

6 1. a. A county may establish a trust fund account entitled
7 "State-funded social service programs" from which expenditures
8 of county and State funds shall be disbursed for the following:

9 (1) Section 5 of P.L.1959, c.86 (C.44:10-5) for the various
10 assistance to families with dependent children programs;

11 (2) R.S.30:4-78 with respect to payments for all county
12 patients residing in State psychiatric facilities and facilities for
13 the developmentally disabled;

14 (3) Section 30 of P.L.1951, c.138 (C.30:4C-30) for maintenance
15 on behalf of children;

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17 (5) Section 3 of P.L.1951, c.139 (C.44:7-40) for assistance to
18 the permanently and totally disabled; and

19 (6) Section 44 of P.L.1962, c.197 (C.44:7-46) for assistance for
20 the blind.

21 Any required county share or match for these programs shall be
22 first appropriated in the annual county budget, then paid to the
23 trust fund prior to disbursement.

24 b. Commencing with the first year the State-funded social
25 service program trust fund account is established, the board of
26 chosen freeholders shall include in the annual budget message,
27 required pursuant to N.J.S.40A:4-22, a summary of the
28 anticipated State aid and county share for each program included
29 in the trust fund.

30 2. This act shall take effect immediately.

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35 Revises certain county budget procedures.

ASSEMBLY LOCAL GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR
SENATE, No. 1702 and ASSEMBLY, No. 2463

STATE OF NEW JERSEY

DATED: JUNE 8, 1995

The Assembly Local Government Committee favorably reports an Assembly Committee Substitute for Senate Bill No. 1702 and Assembly Bill No. 2463.

Assembly Committee Substitute for Senate Bill No. 1702 and Assembly Bill No. 2463 would permit a county to establish a trust fund from which expenditures of county and State funds shall be disbursed for various social service programs. These social service programs include services provided by county psychiatric facilities and by county welfare agencies for aid to families with dependent children (AFDC) and other similar programs.

Currently, counties are required to reflect in their budgets the total cost of these services, which represents the State-paid portion and the county-paid portion of the cost of the service. Many county governing bodies feel that the reflection in the county budget of the State-paid portion of these costs is misleading to the public, since the county is not required to raise tax dollars to cover these costs. The segregation of these human service costs into a special trust fund will facilitate budget change analysis by the general public. A county would be required to report a summary of the anticipated State aid and the county share for each program included in the trust fund in its the freeholders' annual budget message.

SENATE COMMUNITY AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 1702

STATE OF NEW JERSEY

DATED: FEBRUARY 6, 1995

The Senate Community Affairs Committee reports favorably Senate Bill No. 1702.

This bill would require each county to separate in its budget human services costs paid for by the state from those human services costs paid for by the county.

The bill would define "net State takeover cost" as the net amount required to be paid by a county to the State to satisfy the county's share of the cost of human services as provided by law. These human services costs are for services provided by county psychiatric facilities and county welfare agencies for aid to families with dependent children (AFDC) and other similar programs.

Currently, counties are required to reflect in their budgets the total cost of these services, which represents the State-paid portion and the county-paid portion of the cost of the service. Many county governing bodies believe that the reflection in the county budget of the State-paid portion of these costs is misleading to the public, since the county is not required to raise tax dollars to cover these costs. The segregation of these human service costs into on-budget and off-budget categories will help clarify that amount which must actually be raised by county taxpayers for this purpose.