

44:14-1 to 44:14-7

LEGISLATIVE HISTORY CHECKLIST

NJSA 44:14-1 to 44:14-7 (Welfare - County costs - certain per capita limitations)

LAWS 1981 CHAPTER 60

Bill No. A1209

Sponsor(s) Aubato

Date Introduced Feb. 28, 1980

Committee: Assembly Revenue, Finance & Appropriations; Municipal Government

Senate -----

Amended during passage Yes ~~xxx~~ Amendments during passage denoted by asterisks.
Date of Passage: Assembly Feb. 23, 1981 Substituted for S799
Senate Feb. 26, 1981 (original & Senate Committee statement attached)

Date of approval March 3, 1981

Following statements are attached if available:

Sponsor statement Yes ~~xxx~~ (Below) Also attached: Assembly amendments, adopted 2-23-81 (with statement)
Committee Statement: Assembly Yes ~~xxx~~
Senate ~~Yesx~~ No

Fiscal Note ~~Yesx~~ No

Veto Message ~~Yesx~~ No

Message on signing ~~Yesx~~ No

Following were printed:

Reports ~~Yesx~~ No

Hearings ~~Yesx~~ No

Sponsor's statement:

This bill provides for the equalization of county welfare costs.

See newspaper clippings - attached.

6/21/81

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60 3-3-81 81
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ASSEMBLY, No. 1209

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 28, 1980

By Assemblyman ADUBATO

Referred to Committee on Revenue, Finance and Appropriations

AN ACT ***[**providing for the equalization of county welfare costs**]***
**to place certain limitations on the per capita costs of county welfare*.*

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. This act shall be known and may be cited as the “***[**County
2 Welfare Equalization Act of 1980**]*** **County Welfare Per*
3 *Capita Cost Limitation Act of 1981*.*”

1 2. The Legislature finds and declares: that there is a wide
2 disparity in the cost of welfare between counties despite the
3 assumption of the major portion of such costs by the Federal and
4 State Governments; that the county costs are reflected in the real
5 property taxes paid by the county residents; that the tax reform
6 program enacted in 1976 is designed to relieve property tax
7 burdens; that, ***[**therefore, the program established herein will tend
8 to equalize the costs of a State mandated program.**]*** **consistant*
9 *with the objectives of that tax reform program, it is altogether*
10 *fitting and proper to establish a program to provide relief for local*
11 *taxpayers by placing certain limitations on the per capita costs of*
12 *county welfare.**

1 3. Funds shall be distributed under this act according to the
2 following formula:

$$3 \quad E = \frac{CW}{CP} - \frac{CWS}{SP} ***[X]*** *x* CP$$

6 where:

7 E is the entitlement for any given county;

8 CW is the cost of welfare to the county government in the
9 **State fiscal year ending in the** calendar year prior to the
10 **calendar** year in which funds are to be distributed, reduced

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

11 by a factor reflecting any excess county AFDC error rate above
 12 the Statewide average ***[ARDC]*** *AFDC* error rate, as
 12A determined by the Division of Public Welfare;

13 CP is the population of the county;

14 CWS is the cost of welfare to all county governments in the
 15 State, in the *State fiscal year ending in the* calendar year
 16 prior to the *calendar* year in which funds are to be
 16A distributed;

17 SP is the population of the State;

18 If the per capita county cost of welfare is less than the Statewide
 19 per capita cost of welfare, there shall be no entitlement for that
 20 year.

21 For the purpose of this act: a. "population" means the popula-
 22 tion estimates of the Department of Labor and Industry for the
 23 most recent year before the year in which the distribution is made;
 24 except that in the 2 calendar years immediately following a Federal
 25 decennial census, the census figures shall be used; b. "cost of
 26 welfare to the county government" means the amount expended
 27 by the county to meet its share of the net assistance cost of the
 28 supplemental security income and aid to families with dependent
 29 children programs, exclusive of administrative and social services
 30 expenditures.

1 4. On or before January ***[15]*** *5* of each year the Com-
 2 missioner of Human Services shall determine and certify to the
 3 Director of the Division of Local Government Services the amount
 4 to which any county may be entitled under the provisions of this
 5 act. On or before ***[February 1]*** *January 10* of each year the
 6 Director of the Division of Local Government Services shall certify
 7 to the chief financial officer of each such county of said entitlement.
 8 **For the initial year of implementation, however, the commissioner*
 9 *shall determine and certify the amount to which any county may be*
 10 *entitled within 2 weeks of the effective date of this act and the*
 11 *director shall, within 1 week of receiving such certification from the*
 12 *commissioner, certify to the chief financial officer of each affected*
 13 *county the amount of such entitlement.** The State Treasurer,
 14 upon certification of the director and upon warrant of the State
 15 Comptroller, shall, in the maner and subject to the restrictions
 16 provided in section 5 of this act, pay and distribute to each such
 17 county the amount determined and certified.

1 5. The State Treasurer shall make payments required under this
 2 act in two equal installments, the first to be payable annually on
 3 ***[July 1]*** *August 1* of each year and the second payable annually

4 on the succeeding ***November 1***; provided, however, that the initial
5 payment pursuant to this act shall be made on November 1, 1980
6 and shall be for an amount equal to one-half of a full year's
7 entitlement.]* *December 1.*

1 6. A county entitled to receive funds under this act shall antici-
2 pate the amount certified by the director in its budget ****for the**
3 year following such certification]**.

1 7. ***A*** *In 1982, a* county receiving funds under this act shall
2 reduce the base upon which the limitation on county expenditures
3 is determined in an amount equal to ***90%*** *70%* of the funds
4 received *in 1981*.

1 8. This act shall take effect ***July 1, 1980*** *immediately*.

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ASSEMBLY MUNICIPAL GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1209

STATE OF NEW JERSEY

DATED: FEBRUARY 19, 1981

Assembly Bill No. 1209 would establish a program to provide relief for certain taxpayers by placing a limit or "cap" on the per capita costs of county welfare.

The State, under the provisions of the bill, is to assume the costs of welfare in a county whenever its per capita welfare costs exceed the Statewide average. Qualifying counties are to receive entitlement grants from the State to cover the difference between their per capita welfare costs and the Statewide average.

The amount of entitlement to a qualifying county is to be determined and certified by the Commissioner of the Department of Human Affairs. The Director of the Division of Local Government Services, in turn, is to certify the amount of entitlement to the chief financial officer of each affected county.

Entitlement payments are to be made in two installments by the State Treasurer.

For budgetary purposes, an affected county is permitted to anticipate the amount certified by the director in its budget for the year following certification.

The committee, at the sponsor's request, adopted the following amendments:

1. Amended the title, short title, and Legislative declarations in order to make them more reflective of the sponsor's intent.
2. Changed the determination period for county welfare costs from the preceding calendar year to the preceding State fiscal year.
3. Amended the dates for certification by the Commissioner of the Department of Human Services and the Director of the Division of Local Government Services so that they are applicable to the budgetary requirements imposed on the counties by the "Local Budget Law" (C. 40A:4-1 et seq.).
4. Added language to direct the Commissioner of the Department of Human Services and the Director of the Division of Local Government Services to expedite the certification process for the first year of the program.

5. Changed the dates on which the State Treasurer is to pay the installment payments to those counties which qualify for entitlements.

6. Amended the bill to require that in 1982, a county which receives funds under this act reduce the base upon which the limitation on county expenditures is determined in an amount equal to 70% of the entitlement it received pursuant to this act in 1981.

7. Technical amendments to correct printer's errors and the effective date.

It is the committee's understanding that eight counties qualify for entitlements under the provisions of this bill: Atlantic, Camden, Cumberland, Essex, Hudson, Mercer, Passaic, and Salem.

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ASSEMBLY AMENDMENT TO
ASSEMBLY, No. 1209
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STATE OF NEW JERSEY

ADOPTED FEBRUARY 23, 1981

Amend page 3, section 6, lines 2-3, omit "for the year following such certification".

STATEMENT

The purpose of this amendment is to permit counties to anticipate the amount of moneys they are certified to receive under the provisions of Assembly Bill No. 1209 in their 1981 budgets.

SENATE, No. 799

STATE OF NEW JERSEY

INTRODUCED JANUARY 14, 1980

By Senator LIPMAN

Referred to Committee on County and Municipal Government

AN ACT providing for the equalization of county welfare costs.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. This act shall be known and may be cited as the "County
2 Welfare Equalization Act of 1980."

1 2. The Legislature finds and declares: that there is a wide
2 disparity in the cost of welfare between counties despite the
3 assumption of the major portion of such costs by the Federal and
4 State Governments; that the county costs are reflected in the real
5 property taxes paid by the county residents; that the tax reform
6 program enacted in 1976 is designed to relieve property tax
7 burdens; that, therefore, the program established herein will tend
8 to equalize the costs of a State mandated program.

1 3. Funds shall be distributed under this act according to the
2 following formula:

3
$$E = \frac{CW}{CP} - \frac{CWS}{SP} \times CP$$

6 where:

7 E is the entitlement for any given county;

8 CW is the cost of welfare to the county government in the
9 calendar year prior to the year in which funds are to be
10 distributed;

11 CP is the population of the county;

12 CWS is the cost of welfare to all county governments in the
13 State, in the calendar year prior to the year in which funds
14 are to be distributed, reduced by a factor reflecting any
15 excess county AFDC error rate above the Statewide average
16 AFDC error rate, as determined by the Division of Public
17 Welfare;

18 SP is the population of the State;

19 If the per capita county cost of welfare is less than the Statewide
20 per capita cost of welfare, there shall be no entitlement for that
21 year.

22 For the purpose of this act: a. "population" means the popula-
23 tion estimates of the Department of Labor and Industry for the
24 most recent year before the year in which the distribution is made;
25 except that in the 2 calendar years immediately following a Federal
26 decennial census, the census figures shall be used; b. "Cost of
27 welfare to the county government" means the amount expended by
28 the county to meet its share of the net assistance cost of the supple-
29 mental security income and aid to families with dependent
30 children programs, exclusive of administrative and social services
31 expenditures.

1 4. On or before January 15 of each year the Commissioner of
2 Human Services shall determine and certify to the Director of the
3 Division of Local Government Services the amount to which any
4 county may be entitled under the provisions of this act. On or
5 before February 1 of each year the Director of the Division of
6 Local Government Services shall certify to the chief financial
7 officer of each such county of said entitlement. The State Treasurer,
8 upon certification of the director and upon warrant of the State
9 Comptroller, shall, in the manner and subject to the restrictions
10 provided in section 5 of this act, pay and distribute to each such
11 county the amount determined and certified.

1 5. The State Treasurer shall make payments required under this
2 act in two equal installments, the first to be payable annually on
3 July 1 of each year and the second payable annually on the succeed-
4 ing November 1; provided, however, that the initial payment
5 pursuant to this act shall be made on November 1, 1980 and shall
6 be for an amount equal to one-half of a full year's entitlement.

1 6. A county entitled to receive funds under this act shall antici-
2 pate the amount certified by the director in its budget for the year
3 following such certification.

1 7. A county receiving funds under this act shall reduce the base
2 upon which the limitation on county expenditures is determined
3 in an amount equal to 90% of the funds received.

1 8. This act shall take effect July 1, 1980.

STATEMENT

The purpose of this bill is to equalize the cost of welfare to counties, by providing that no county will be required to assume a per capita cost greater than the State average.

The proposed program is in keeping with the principles of the recently enacted tax reform program by mitigating the impact of the cost of welfare to those counties for which the burden is the highest. The formula may be adjusted from time to time to provide for the takeover by the State of an increasing share of welfare costs.

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SENATE COUNTY AND MUNICIPAL
GOVERNMENT COMMITTEE

STATEMENT TO

SENATE, No. 799

with Senate committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 23, 1981

Senate Bill No. 799, as amended at the request of the sponsor, would establish a State aid program to provide for greater equity among counties with respect to welfare costs. The bill would place a limitation on the per capita costs of county welfare. The limit is the State average per capita welfare costs of costs. The State would pay counties for costs in excess of the limit.

The bill cites property tax relief as a principle of the program, and would require counties receiving payments in 1982 to use 70% thereof to reduce property taxes.

The amendments make several procedural and technical changes in the bill. The bill as amended is identical to Assembly Bill No. 1209, previously released by the Assembly County Government Committee.

The Governor has recommended in his proposed budget that the program be funded at \$15 million. Full funding would require almost \$20 million.