

26:1A-36.1 to 26:1A-36.4

LEGISLATIVE HISTORY CHECKLIST

NJSA: 26:1A-36.1 to 26:1A-36.4 "Special Nutritional Assistance Support Fund"

LAWS OF: 1987 **CHAPTER:** 261

Bill No: A3885/A2833/S2291

Sponsor(s): Jackman and others

Date Introduced: March 9, 1987

Committee: **Assembly:** Appropriations

Senate: Institutions, Health and Welfare

Amended during passage: Yes **Senate Committee Substitute—
Assembly Committee Substitute
enacted.**

Date of Passage: **Assembly:** June 4, 1987

Senate: June 25, 1987

Date of Approval: September 8, 1987

Following statements are attached if available:

Sponsor statement: Yes

Committee statement: **Assembly** Yes

Senate Yes

Fiscal Note: No

Veto Message: No

Message on Signing: Yes

Following were printed:

Reports: Yes

Hearings: No

974.90 New Jersey. Senate. Legislative Oversight Committee.
S678 Public hearing on a review of the funding and management of the special
1986a Supplemental Food Program for Women, Infants and Children . . . , held 6-10-
86. Trenton, 1986.

9-8-87

SENATE COMMITTEE SUBSTITUTE FOR
 ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY Nos. 3885, 2833 and
SENATE No. 2291 2nd OCR

STATE OF NEW JERSEY

ADOPTED JUNE 15, 1987

(sponsored by Senator JACKMAN and
 Assemblymen ARANGO, GARGIULO and SCHWARTZ)

AN ACT to create the "Supplemental Nutrition Assistance Contingency Fund" in the Department of Health, supplementing Title 26 of the Revised Statutes and making an appropriation therefor.

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 "Supplemental
 2 Nutrition Assistance Contingency Fund Act."

1 2. The Legislature finds and declares that:

2 a. The federal "WIC" program provides nutritious foods to low-
 3 income pregnant and lactating women and infants and children up
 4 to five years of age who are determined to be at special nutritional
 5 risk because of poor health or inadequate nutrition, or both;

6 b. The federal "WIC" program is essential to the well-being of
 7 all eligible persons, and these persons should receive the benefits
 8 of the program;

9 c. The Department of Health has limited participation in the
 10 "WIC" program and did not spend all of the federal moneys avail-
 11 able for the program to ensure that the program did not overspend
 12 its federal allotment, because the federal government requires that
 13 any WIC program funds not spent during the federal fiscal year
 14 in which they are appropriated be returned to the federal govern-
 15 ment, and because there are currently no State funds provided to
 16 support the WIC program in New Jersey;

17 d. If a contingency fund was established, the State would be able
 18 to ensure that program benefits are provided to all eligible women,
 19 infants and children; and

20 e. It is therefore, in the interest of the State to establish a con-
 21 tingency fund for the "WIC" program in order to provide a stable,
 22 nutritional food program for all eligible women, infants, and
 23 children with nutritious foods.

1 3. There is established in the General Fund the "Supplemental
 2 Nutrition Assistance Contingency Fund" as a special fund. The
 3 State Treasurer shall credit the fund with all moneys appropriated
 4 thereto or otherwise made available, and all interest received from
 5 the investment of moneys in the fund. All moneys in the fund are
 6 appropriated to effectuate the purposes of this act, and any un-
 7 expended balances in the fund at the end of a fiscal year shall be
 8 appropriated to the credit of the fund. Moneys in the fund shall be
 9 available as a contingency reserve to ensure that underenrollment
 10 of persons otherwise eligible for supplemental foods under the
 11 special supplemental food program for women, infants and children
 12 (WIC) established pursuant to Pub. L. 95-267 (42 U. S. C. § 1786)
 13 does not occur due to a concern of overspending federal funds
 14 available for that program. Moneys in the fund shall not be avail-
 15 able to expand or augment program services and shall not be ex-
 16 pended for the administrative costs of the program.

1 4. If the Commissioner of the Department of Health determines
 2 that an allocation from the contingency fund is required as a result
 3 of overspending beyond the availability of federal funds, he shall
 4 provide written notification to the Director of the Division of
 5 Budget and Accounting in the Department of the Treasury of his
 6 determination and the reasons therefor. The Director of the Di-
 7 vision of Budget and Accounting shall review the commissioner's
 8 determination and if the director shall agree, he shall make such
 9 sums available to the Department of Health as in his opinion are
 10 required based on his review of the commissioner's determination.
 11 Upon his approval or disapproval of an allocation from the con-
 12 tingency fund, the director shall notify the Joint Budget Oversight
 13 Committee or its successor, of the approval or disapproval and the
 14 reasons therefor.

1 5. There is appropriated \$750,000.00 from the General Fund to
 2 the Supplemental Nutrition Assistance Contingency Fund to effec-
 3 tuate the purposes of this act.

1 6. This act shall take effect immediately.

FOOD AND NUTRITION

Establishes the "Supplemental Nutrition Assistance Contingency
 Fund" in the Department of Health and appropriates \$750,000.

SENATE, No. 2291

STATE OF NEW JERSEY

INTRODUCED JUNE 16, 1986

By Senators JACKMAN and STOCKMAN

Referred to Committee on Institutions, Health and Welfare

A SUPPLEMENT to "An act making appropriations for the support of the State government and the several public purposes for the fiscal year ending June 30, 1987 and regulating the disbursement thereof," approved, 1986 (P. L. 1986, c. . . .).

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

1 1. In addition to the sums appropriated under P. L. 1986, c. . . . ,
2 there is appropriated out of the General Fund the following sum
3 for the purpose specified:

DIRECT STATE SERVICES

46 DEPARTMENT OF HEALTH

20 PHYSICAL AND MENTAL HEALTH

21 Health Services

4 02-4220 Local and Community Health Services . . \$1,500,000

5 Special Purpose:

6 Supplemental food program—WIC (\$1,500,000)

7 The amount hereinabove may be expended for any costs incurred
8 in excess of federal funds provided for the supplemental food
9 program (WIC), but shall be expended for supplemental foods
10 only, and not for administrative costs of the program, of which
11 amount not more than 10% may be expended for foods other than
12 those prescribed by the Secretary of the United States Department
13 of Agriculture.

1 2. This act shall take effect immediately but shall remain in-
2 operative until the enactment into law of the annual appropriations
3 act for the fiscal year ending June 30, 1987, P. L. 1986, c.

STATEMENT

This bill makes a supplemental appropriation of \$1,500,000.00 for a "contingency fund" for the federally-funded supplemental food program for women, infants, and children (WIC). The bill is a product of a hearing by the Senate Legislative Oversight Committee.

The WIC program is entirely federally funded. In fiscal year 1987 the Department of Health will receive about \$30 million for distribution to 24 local WIC programs. Under the program, any unspent funds must be returned to the federal government.

During federal fiscal years 1983 through 1985, the Department of Health returned a total of \$4.8 million because the department was fearful of expending more funds than were available from the federal government. Because there were no State funds to absorb any overspending, the department took a cautious approach in managing the program and placed limits on participation. The unfortunate result was that instead of spending all the federal funds, some money was not used and had to be returned.

The purpose of this contingency fund is to encourage the department to make every effort to expend 100% of the federal grant. If in so doing the department should overspend the grant, then this contingency fund will be drawn upon to fund the overspending.

The bill further authorizes expenditures of the funds for foods other than those currently approved by the United States Department of Agriculture in recognition of competing opinions in the research community as to nutritionally valuable foods.

FOOD AND NUTRITION

Supplemental appropriation of \$1.5 million for the WIC program.

ASSEMBLY, No. 2833

STATE OF NEW JERSEY

INTRODUCED JUNE 16, 1986

By Assemblymen SCHWARTZ and SMITH

A SUPPLEMENT to "An act making appropriations for the support of the State government and the several public purposes for the fiscal year ending June 30, 1987 and regulating the disbursement thereof," approved, 1986 (P. L. 1986, c. . . .).

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

1 1. In addition to the sums appropriated under P. L. 1986, c. . . . ,
2 there is appropriated out of the General Fund the following sum
3 for the purpose specified:

DIRECT STATE SERVICES

46 DEPARTMENT OF HEALTH

20 Physical and Mental Health

21 Health Services

4 02-4220 Local and Community Health Services \$1,500,000

5 Special Purpose:

6 Supplemental food program—WIC (\$1,500,000)

7 The amount hereinabove may be expended for any costs incurred
8 in excess of federal funds provided for supplemental food program
9 (WIC), but shall be expended for supplemental foods only, and
10 not for administrative costs of the program, of which amount not
11 more than 10% may be expended for foods other than those pre-
12 scribed by the Secretary of the United States Department of Agri-
13 culture.

1 2. This act shall take effect immediately but shall remain inop-
2 erative until the enactment into law of the annual appropriations
3 act for the fiscal year ending June 30, 1987, P. L. 1986, c.

STATEMENT

This bill makes a supplemental appropriation of \$1,500,000.00 for a "contingency fund" for the federally-funded supplemental food program for women, infants, and children (WIC). The bill is a product of a hearing by the Senate Legislative Oversight Committee.

The WIC program is entirely federally funded. In fiscal year 1987 the Department of Health will receive about \$30 million for distribution to 24 local WIC programs. Under the program, any unspent funds must be returned to the federal government.

During federal fiscal years 1983 through 1985, the Department of Health returned a total of \$4.8 million because the department was fearful of expending more funds than were available from the federal government. Because there were no State funds to absorb any overspending, the department took a cautious approach in managing the program and placed limits on participation. The unfortunate result was that instead of spending all the federal funds, some money was not used and had to be returned.

The purpose of this contingency fund is to encourage the department to make every effort to expend 100% of the federal grant. If in so doing the department should overspend the grant, then this contingency fund will be drawn upon to fund the overspending.

The bill further authorizes expenditures of the funds for foods other than those currently approved by the United States Department of Agriculture in recognition of competing opinions in the research community as to nutritionally valuable foods.

FOOD AND NUTRITION

Supplemental appropriation of \$1.5 million for the WIC program.

ASSEMBLY, No. 3885

STATE OF NEW JERSEY

INTRODUCED MARCH 9, 1987

By Assemblymen ARANGO, GARGIULO, Dario, Catrillo and
Assemblywoman Donovan

AN ACT establishing a Special Nutritional Assistance Support
Fund, supplementing Title 26 of the Revised Statutes and
making an appropriation therefor.

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 "Special
2 Nutritional Assistance Support Fund Act."

1 2. The Legislature finds and declares that:

2 a. The WIC program provides supplemental, nutritious foods
3 to low-income pregnant and lactating women and infants and
4 children up to five years of age who are determined to be at
5 special nutritional risk because of poor health or inadequate nu-
6 trition, or both;

7 b. The WIC program was begun as a pilot program in 1972
8 and has rapidly expanded since its inception, although its current
9 participants are but a small fraction of the number of persons
10 estimated to be eligible for the program by income criteria;

11 c. The WIC program is unique among federal food programs
12 in that, although it is administered at the federal level by the
13 United States Department of Agriculture, it is administered at
14 the State and local levels as an adjunct to the health care de-
15 livery system; and in New Jersey, the federal funds for this
16 program are distributed through the Department of Health to
17 24 local WIC programs across the State;

18 d. Because the federal government requires that any WIC pro-
19 gram funds not spent during the federal fiscal year in which they
20 are appropriated be returned to the federal government, and
21 because there are currently no State funds provided to support
22 the WIC program in New Jersey, the Department of Health has
23 limited participation in the WIC program and did not spend all
24 of the federal monies available for the program during federal
25 fiscal years 1983 through 1985 in order to ensure that the pro-
26 gram did not overspend its federal allotment;

27 e. The Department of Health, as a result of its underspending
28 of federal funds, returned some \$4,800,000.00 to the federal gov-
29 ernment during federal fiscal years 1983 through 1985, even though
30 many eligible women and infants and children in need of nutri-
31 tional food did not receive benefits under the WIC program; and

32 f. The difficulties experienced by the WIC program in New
33 Jersey as hitherto described dictate that the State create a fund-
34 ing support mechanism to meet the full costs of the WIC program
35 in any federal fiscal year, regardless of the level of federal fund-
36 ing provided for that period, in order to ensure that the Depart-
37 ment of Health utilizes all of the federal dollars made available
38 to this State for the WIC program and thereby provides, within
39 the limits of all federal and State funds available for this pur-
40 pose, for the maximum participation in the program of all eligible
41 women and infants and children who are determined to be at
42 special nutritional risk.

1 3. As used in this act:

2 "Fund" means the Special Nutritional Assistance Support
3 Fund established pursuant to subsection a. of section 4 of this act.

4 "WIC program" means the special supplemental food program
5 for women, infants and children established pursuant to Pub. L.
6 95-627 (42 U. S. C. § 1786).

1 4. a. There is established the "Special Nutritional Assistance
3 Support Fund" as a special fund in the Department of Health.
4 The fund shall be credited with all moneys appropriated thereto,
5 or otherwise made available to the fund, and all interest received
6 from the investment of moneys in the fund.

7 b. Moneys contained in the fund shall be expended only to meet
8 the costs of providing supplemental, nutritious foods under the
9 WIC program in excess of the amount of federal funds received
10 for the program during a federal fiscal year, subject to the pro-
11 visions of section 5 of this act. Moneys from the fund shall not
12 be expended to meet the administrative costs of the WIC program.

13 c. Notwithstanding the provisions of any law, rule or regulation
14 to the contrary, the moneys contained in the fund at the end of
15 each State fiscal year shall not lapse into the General Fund.

1 5. a. The Department of Health shall not expend moneys from
2 the fund unless the Director of the Division of Budget and
3 Accounting in the Department of the Treasury certifies that the
4 amount of moneys expended by the Department of Health for
5 the WIC program during the current federal fiscal year exceeds
6 the amount of moneys received from the federal government
7 during that fiscal year.

8 b. The Department of Health shall not expend an amount
9 greater than 10% of the amount in the fund during a federal
10 fiscal year unless the Director of the Office of Management and
11 Budget in the Department of the Treasury and the Legislative
12 Budget and Finance Officer approve the expenditure as necessary
13 to effectuate the purposes of this act.

14 c. If during any federal fiscal year, more than 10% of the
15 monies contained in the fund are expended, the Legislative Budget
16 and Finance Officer shall conduct an audit of the managerial
17 effectiveness of the WIC program in this State and shall report
18 the results of that audit to the Senate and General Assembly
19 standing reference committees on appropriations.

1 6. There is appropriated \$1,700,000.00 from the General Fund
2 to the Department of Health to be deposited in the fund.

1 7. This act shall take effect immediately.

STATEMENT

This bill establishes a Special Nutritional Assistance Support Fund in the Department of Health and provides a \$1,700,000.00 appropriation to the fund. These monies shall be used to meet certain costs of the special supplemental food program for women, infants and children (WIC) which exceed the amount of federal funds provided to the State for the WIC program.

Currently, the Department of Health has an incentive to spend less than the full amount of federal funds available for the WIC program, because there are no State funds allocated for this purpose if the State overspends the federal allotment. Under the WIC program, which is funded solely by the federal government, any unspent WIC program funds must be returned to the federal government. This bill will alleviate this problem and prevent a recurrence of the previous pattern of underspending on the WIC

program by the Department of Health, so that New Jersey can make full use of the federal dollars available to it to assist eligible women and children who are at special nutritional risk.

FOOD AND NUTRITION

Designated the "Special Nutritional Assistance Support Fund Act" and appropriates \$1,700,000.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR

**ASSEMBLY Nos. 3885, 2833 and
SENATE, No. 2291**

STATE OF NEW JERSEY

DATED: MAY 28, 1987

The Assembly Appropriations Committee favorably reports the Assembly Committee Substitute for Assembly Bill No. 3885 and 2833 and Senate Bill No. 2291.

This bill establishes the "Special Nutritional Assistance Support Fund" in the Department of Health and appropriates \$750,000.00 to the fund to provide nutritious foods for low-income women, infants and children. The intent of the bill is to alleviate a problem related to spending available federal money. Currently all unexpended funds are returned to the federal government, due partly to limited participation by the State. During fiscal years 1983-1985, approximately \$4.8 million was returned unspent. This bill provides the mechanism to ensure that the Department of Health is able to utilize all available federal funds and provide maximum participation in the program.

FISCAL IMPACT:

The appropriation of \$750,000.00 from the General Fund to the Department of Health for the "Special Nutritional Assistance Support Fund" is to allow more State participation in being able to expend the available federal moneys for supplemental, nutritious foods for low-income women, infants and children. This support fund will assist in the State being able to better utilize federal funds without returning it unspent.

SENATE INSTITUTIONS, HEALTH AND WELFARE
COMMITTEE

STATEMENT TO

SENATE, No. 2291

with Senate committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 8, 1986

The Senate Institutions, Health and Welfare Committee favorably reports Senate Bill No. 2291 with committee amendments.

As amended, this bill appropriates \$1,500,000.00 in State funds to the Department of Health for the Women and Infant Care (WIC) supplemental food program. The appropriation is for a contingency fund for use by the department if costs incurred for services in the program exceed the amount of federal funds available to the State. The bill further specifies that the State funds can only be used to purchase supplemental foods; they cannot be used to fund administrative costs.

The WIC program, which is entirely federally funded, is administered by 24 local agencies through the Department of Health. The program provides nutritional food and nutrition education to low-income pregnant, postpartum and lactating women, infants and children to age five who are determined to be at special nutritional risk. In fiscal year 1987, the Department of Health will receive about \$30 million in federal funds for the WIC program.

The federal government requires that any WIC funds not spent during the fiscal year in which they are appropriated must be returned to the federal government. During federal fiscal years 1983 through 1985, the State returned a total of \$4.8 million despite the fact that there were many eligible women and children in need of nutritional food who did not receive benefits under the program. This occurred because the Department of Health, in order to ensure that the WIC program did not overspend its federal allotment, assumed a cautious approach in managing the program and placed limits on participation.

The contingency fund will enable the department to spend all of the federal funds granted to the State. If in doing so, the department overspends the federal grant, it will be able to draw upon the contingency fund to fund the overspending.

The committee amended the bill to delete the condition that not more than 10% of the contingency fund may be spent on foods other than those prescribed by the WIC program. The language was deleted because the appropriation is for a contingency fund that will be used only if the program overspends its federal funding allotment and was not intended to be used to expand the program's services.

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OFFICE OF THE GOVERNOR NEWS RELEASE

CN-001

Contact: JOHN SAMERJAN
609-292-8956 OR 292-6000 EXT. 207

TRENTON, N.J. 08625

Release: TUES., SEPT. 8, 1987

Governor Thomas H. Kean today signed legislation appropriating \$750,000 to establish the Supplemental Nutrition Assistance Contingency Fund to be used in conjunction with the federal Women, Infants and Children (WIC) supplemental food program.

The legislation, a senate committee substitute for A-3885, A-2833, and A-2291, was sponsored by Senator Chris Jackman, D-Hudson, Assemblyman Jose Arango, D-Hudson, Assemblyman Frank Gargiulo, R-Hudson, and Assemblyman David Schwartz, D-Middlesex.

The WIC program is administered through the State Department of Health and provides nutritional food and nutritional education to 71,000 low-income participants. The State received \$30 million in federal funds for the WIC program in fiscal year 1987.

The contingency fund will allow the Health Department to spend 100 percent of the federal funds with assurances that State funds will be available to protect against an overspending. Any federal WIC funds not expended during the federal fiscal year must be returned to the federal government.

The legislation is effective immediately.

Governor Kean also signed A-4217, sponsored by Assemblyman Frank Gargiulo, R-Hudson, which provides that persons appointed to positions as municipal firefighters or police officers on or after March 1, 1987 but before June 1 who have been removed from or considered ineligible for the position because they were over the age of 35 must be retained in or restored to that position.

The legislation is effective immediately. # # # #