

EXECUTIVE ORDER NO. 8

WHEREAS, New Jersey faces major fiscal challenges, including perilously low cash balances, declining revenue assumptions, the largest projected budget deficit per capita of any state, and one of the heaviest long term debt burdens in the country, with cumulative debt exceeding \$100 billion for bonded debt and unfunded pension and other post-employment benefits; and

WHEREAS, New Jersey has for too long engaged in a practice of disjointed financial reporting and inadequate fiscal transparency that has contributed to the failure to recognize the scope and severity of New Jersey's financial condition; and

WHEREAS, New Jersey has for too long reported public revenues in a fashion that makes it difficult for taxpayers, investors and policymakers to assess whether budgets are in balance and cash flow is sufficient to meet State government obligations; and

WHEREAS, improved financial reporting, stronger cash management practices and multi-year forecasting of revenues and expenditures have been identified by bond rating agencies as among the factors by which states' financial conditions are evaluated; and

WHEREAS, historically there has been no single source from which citizens can identify and evaluate revenues and expenditures of funds derived from State taxes, fees, and other revenues and debts of the State of New Jersey; compare the spending practices, tax policies and tax rates of similarly situated states, school districts and municipalities, and access public documents in electronic format; and

WHEREAS, transparency in the government of the State of New Jersey, including fiscal transparency, is an important priority of this Administration;

NOW, THEREFORE, I, CHRIS CHRISTIE, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the Statutes of this State do hereby, ORDER, and DIRECT:

1. The Department of the Treasury shall publish quarterly reports on all State expenditures. Such reports shall specify the State's spending patterns, rates, and timing within the Fiscal Year, and also shall disclose actual or anticipated short-term borrowing necessitated by the timing of expenditures within the Fiscal Year, explaining the specific reasons therefore and detailing associated interest and borrowing costs.

2. The Department of the Treasury shall publish a monthly revenue report. Such report shall identify and explain, with respect to each revenue source, any significant variance between the actual amount received by the Treasury and the amount forecast in the State Budget. Such reports shall be published not later than the 10th business day of the next succeeding month, with the exception of June revenues, which may be reported later in July.

3. The annual State Budget presentation, the monthly revenue reports, and the quarterly spending reports shall include both "on budget" and "off budget" revenues and expenditures for all State agencies. Such presentation and reports shall also disclose and account for the spending of taxes, fees, tolls, and debt by independent State authorities in the same manner as "on budget" grants in aid such as municipal and school aid.

4. The Department of the Treasury is hereby directed to establish a statewide performance budgeting program for implementation during Fiscal 2011. Such program shall include, but not be limited to, a provision specifying that no existing program will be expanded or new program created unless it "sunsets" after its first four years and includes outcome-based performance objectives by which it can be measured.

5. The Department of the Treasury shall establish a new website which shall provide a central location for commonly-sought documents related to State finances. Four principles shall guide this website: (1) the information shall be easy to locate; (2) the data shall be user-friendly; (3) the data shall make meaningful comparisons, such as comparing the spending practices, tax policies and tax rates of similarly situated states, school districts and municipalities, and should include longitudinal comparisons; and (4) public documents shall be available electronically, thereby avoiding the cumbersome and costly Open Public Records Act process. In addition, the Website shall include: (1) all reports required to be published under this Executive Order; (2) disclosure of compensation paid to public employees of the State and independent State agencies, including the current contracts under which compensation is determined; (3) information related to debt, including amounts of bond debt or interest paid and sources of funds for bond issues; and (4) State liabilities for pension and post-retirement medical benefits.

6. There shall be established within the Department of the Treasury a citizen's commission to advise the Governor and the Treasurer on ways to improve and expand public access to government documents and to create data that will enhance the

public's understanding of government spending and program performance.

7. This is not intended to, and does not confer any legal rights upon businesses or others whose activities are regulated by New Jersey's agencies, boards, commissions, or departments and shall not be used as a basis for legal challenges to regulations, rules, approvals, permits, licenses or other actions or to any inaction of the governmental entity subject to it.

8. This Order shall take effect immediately.

GIVEN, under my hand and seal this
20th day of January,
Two Thousand and Ten, and of the
Independence of the United
States, the Two Hundred and
Thirty-Fourth.

[seal]

/s/ Chris Christie
Governor

Attest:

/s/ Jeffrey S. Chiesa
Chief Counsel to the Governor