

**DEPARTMENT OF THE TREASURY
OVERVIEW**

The Department of the Treasury is a complex and multifaceted Department. The mission of the Department encompasses: (1) Revenue Collection and Generation, which consists of collecting taxes, and operating instant and on-line lottery games that are projected to generate \$687.2 million for aid to education and institutions; (2) Asset Management, which includes advising the Governor on budgeting State revenues and preparing the State budget, accounting for and distributing revenue to all State departments, preparing the State's financial statements; investing and managing 145 funds with a market value of approximately \$63 billion; maintaining and preserving State owned facilities; and buying and selling the State's real property holdings; (3) Statewide Support Services which comprises operating and developing computer and telecommunications systems for all State departments; providing pension and health benefit services for over 570,000 public employees (active and retired); purchasing approximately \$980 million worth of goods and services for all State departments, overseeing 5,500 term contracts used by municipalities and school districts; supervising the design, construction, and restoration of State facilities; negotiating and administering 367 leased facilities; maintaining and managing the vehicles in the State motor fleet; purchasing, storing and delivering over \$40 million of food and supplies to State departments, institutions and correctional facilities; and overseeing the printing and mail services operations of State agencies.

The Department's fiscal 1998 Direct State Services budget recommendation is \$170.7 million, a reduction of \$22.5 million or 12% below the fiscal 1997 adjusted appropriation of \$193.2 million. The fiscal 1998 Budget reduces spending in several areas. Various efficiency initiatives have resulted in reductions in postage, telephone, data processing and materials and supplies costs. Other areas affected by reductions include advertising in the State Lottery, professional services in Taxation and Pensions and Benefits, and maintenance of buildings and grounds in Property Management. Savings are anticipated from the consolidation of revenue management and collection functions currently undertaken by the several state departments under one agency within Treasury. Other reductions to the Department were made to divisions' salary and wages line items. Attrition and a continuation of the voluntary furlough program are anticipated to offset these reductions.

The Department of Treasury's budget is a significant source of State Aid to New Jersey municipalities. About \$749 million in State Aid is recommended this fiscal year. The proposed restructuring of taxes on public utilities will support a distribution of \$730 million to municipalities from these tax sources. In addition, this Budget provides \$54.1 million to fully fund local property tax deductions for senior and disabled homeowners and veterans.

This Budget also includes \$325 million for continuation of the Homestead Rebate Program. Senior citizens and disabled persons are eligible for rebates up to \$500, subject to income restrictions. Other households within a more stringent income limit are eligible for a \$90 homeowners' rebate or a \$30 tenants' rebate.

The Casino Control Commission is responsible for the regulation of the operations of the 13 existing casino hotel complexes in Atlantic City. This includes the licensing of all employees and ancillary companies conducting business with the casino industry. The fiscal 1998 Budget recommendation will provide \$22.5 million in funding from the Casino Control Fund for these activities. The Casino Control Fund is supported by licensing fees.

The Board of Public Utilities (BPU) regulates the rates for such essential services as natural gas, electricity, water, sewer, and telecommunications including cable television. The \$19.9 million allocated to the BPU in fiscal 1998, which is derived entirely from assessments levied against various utilities conducting business within the State, will enable the board to effectively confront and manage such issues as consumer protection, energy tax reform, deregulation of energy and telecommunications services, and the restructuring of utility rates to encourage energy conservation and competitive pricing to industry as a lure for economic stimulation.

The Office of Student Assistance administers student financial aid programs, including Tuition Aid Grants (TAG). With funding of \$137.7 million plus an estimated \$2.3 million in prior year balances and \$1.3 million in federal State Student Incentive Grant funding, TAG will provide approximately 53,380 awards to lower and middle income students at New Jersey's public and independent colleges. The Higher Education Facilities Trust Fund, at \$21 million, and the Equipment Leasing Fund, at \$19.3 million, will fund debt service for the colleges' capital and technological needs. This Budget provides \$18.6 million in aid to the State's 14 independent institutions and \$132 million in aid to the State's 19 community colleges. The fiscal 1998 Budget also funds a new college savings program to help New Jersey families save for the cost of higher education, and a new technology bond fund to help New Jersey's colleges and universities keep pace with rapid technological changes in 1998 and beyond.

TREASURY

SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 1996					Year Ending June 30, 1998		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	1997 Adjusted Approp.	Requested	Recom- mended
2,338	64	—	2,402	2,402	Higher Educational Services		
					Student Assistance Programs		
					2,178	2,512	2,512
2,338	64	—	2,402	2,402	<i>Subtotal</i>	2,178	2,512
					Economic Regulation		
3,517	507	—	4,024	3,190	Ratepayer Advocacy		
5,818	1,206	-79	6,945	5,511	3,658	3,658	3,658
1,397	378	19	1,794	1,554	5,771	5,821	5,821
3,100	63	155	3,318	3,271	1,426	1,426	1,426
5,880	1,435	35	7,350	6,533	3,143	3,143	3,143
					Management and Administrative Services		
					5,891	5,837	5,837
19,712	3,589	130	23,431	20,059	<i>Subtotal</i>	19,889	19,885
					Governmental Review and Oversight		
1,255	2	—	1,257	1,254	Office of State Planning		
495	—	472	967	958	1,175	1,400	1,400
17,462	18,343	-2,953	32,852	28,976	Employee Relations and Collective Negotiations		
					508	508	508
19,212	18,345	-2,481	35,076	31,188	13,200	12,379	12,379
					Office of Management and Budget		
					<i>Subtotal</i>	14,883	14,287
					Financial Administration		
98,970	961	3,838	103,769	101,444	Taxation Services and Administration		
22,030	526	—	22,556	22,556	84,481	68,243	68,243
—	—	—	—	—	12,517	10,586	10,586
4,729	48	158	4,935	4,552	8,784	8,784	8,784
125,729	1,535	3,996	131,260	128,552	4,186	4,170	4,170
					Management of State Investments		
					<i>Subtotal</i>	109,968	91,783
					General Government Services		
5,069	153	836	6,058	6,034	Purchasing and Inventory Management		
28,827	191	200	29,218	28,207	5,216	4,314	4,314
441	—	-1	440	422	24,754	23,242	23,242
11,942	849	155	12,946	12,602	Capital City Redevelopment Corporation		
1,834	143	10	1,987	1,960	—	—	—
151	—	—	151	144	9,161	8,394	8,394
48,264	1,336	1,200	50,800	49,369	1,804	1,604	1,604
					Risk Management		
					Travel Services		
					<i>Subtotal</i>	40,935	37,554
					Management and Administration		
998	9	55	1,062	1,030	Public Contracts Affirmative Action Office		
9,622	3,035	1,267	13,924	8,177	968	912	912
					Management and Administrative Services		
					4,388	3,769	3,769
10,620	3,044	1,322	14,986	9,207	<i>Subtotal</i>	5,356	4,681
225,875	27,913	4,167	257,955	240,777	Total Appropriation	193,209	170,702

30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT

36. HIGHER EDUCATIONAL SERVICES

OBJECTIVES

1. Assist in ensuring that access to an affordable college education is maintained for all eligible New Jersey students.
2. Provide efficient delivery of Tuition Aid Grants and Scholarship Program awards to qualifying New Jersey students.
3. Guarantee federal student loans for New Jersey students attending both in-state and out-of-state institutions as well as for non-resident students attending school in New Jersey.
4. Provide supplementary student loan assistance to New Jersey resident students and their families as well as to non-resident students attending New Jersey institutions through the New Jersey College Loans to Assist State Students (NJCLASS) Program.
5. Provide policy leadership in the area of student financial aid.
6. Act as information clearinghouse for state and federal program and regulatory issues.
7. Maintain federal and state program fiscal records.

PROGRAM CLASSIFICATIONS

46. **Student Assistance Programs.** The Office of Student Assistance (OSA) was created in but not of the Department of the Treasury by the Higher Education Restructuring Act of 1994 (P.L. 1994, c.48) and charged with administering the student assistance programs established under the Student Assistance Board and the Higher Education Assistance Authority as well as other student assistance programs as determined by law. The Governor appoints the Executive Director of the OSA, who acts as the appointing authority and is responsible for the operation of all student assistance programs. The Executive Director also regularly consults with the Commission on Higher Education concerning student assistance matters.

“Student Assistance Programs” include all student financial assistance programs for eligible residents of the State that are administered under the Executive Director, Office of Student Assistance, and the administrative costs of these financial aid programs. Administrative funds cover all program operations, including computing, printing, mailing, research, and personnel costs.

In fiscal 1998, New Jersey will develop a new college savings program to help families finance the cost of higher education. Interest earned on colleges savings will be exempt from New Jersey tax, and federal tax on these earnings will be deferred until funds are withdrawn from the savings program.

Tuition Aid Grants (TAG) are awarded under the New Jersey Higher Education Tuition Aid Act, N.J.S.18A:71-41 et seq., to all eligible New Jersey residents attending public and independent colleges and universities in New Jersey. Awards for fiscal year 1998 are estimated to range from \$790 to \$4,490 in the public sector or up to \$5,690 in the independent sector. Award size decreases as family ability to pay increases. Ability to pay is determined by a national need analysis system adjusted to meet New Jersey needs, maintained and administered based on responses to the Free Application for Federal Student Aid (FAFSA). The TAG program is the broad-based state student assistance program which provides for coordination with Federal Aid programs. As such, a TAG grant may be held in conjunction with a Federal award, an EOF grant, or State Scholarship award.

Part-time TAG awards are available to students with special needs through the Part-time TAG for EOF Students program.

State scholarships are awarded under the Garden State Scholarship Act of 1977, N.J.S.18A:71-26.1 et seq., to academically meritorious students at participating New Jersey institutions of higher education. Awards under the Garden State Scholarship, Edward J. Bloustein Distinguished Scholars and Urban Scholars programs range up to \$1,000 per year. No awards are available for use outside of New Jersey. Awards are renewable annually based on continued good academic standing.

The Public Tuition Benefits Program (N.J.S.18A:71-77 et seq.) pays college tuition for the surviving spouse or child of a fire fighter, police officer, first aid rescue squad member, or other law enforcement, civil defense or disaster control worker killed in the line of duty. Benefits received under this program are equal to the cost of tuition at public institutions, or equal to the highest level of tuition charged at public institutions for recipients attending independent institutions.

The Minority Academic Careers Program (N.J.S.18A:72F-1 et seq. and N.J.S.18A:72M-1 et seq.) promotes increased numbers of minority faculty at New Jersey institutions by providing up to \$40,000 in loan redemptions for eligible participants who complete their terminal degree and teach at a New Jersey college or university. The undergraduate component of the program seeks to encourage minority students to pursue an academic career path. Faculty advisors are assigned to participating students and the students are eligible for a \$2,000 stipend during their senior year of undergraduate study.

The Veterinary Medicine Education Program (N.J.S.18A:63A-1 et seq.) provides opportunities for New Jersey residents to enroll in veterinary programs at out-of-state institutions because New Jersey does not have its own school of veterinary medicine. The Office of Student Assistance is authorized to enter into contracts with out-of-state schools for the admission of New Jersey students.

Within OSA, the Higher Education Assistance Authority (N.J.S.18A:72-1 et seq.) administers State loan programs and federally regulated programs providing for the guarantee or insuring of loans made by banks, savings and loan associations, credit unions, or other qualified lenders to qualified persons to assist them in meeting the cost of postsecondary education. Various loans are available through the Federal Family Education Loan Program. Loan amounts available for eligible students vary depending upon financial need, grade level, program length, and aggregate borrowing limits. Federal interest subsidies are available to certain eligible students. Parent borrowers with no adverse credit history may borrow up to the cost of education minus aid, with no limit to the aggregate amount borrowed. In addition, the NJHEAA also offers consolidated loans which combine the outstanding loan payments from certain previously disbursed federal guaranteed loans.

A legislatively mandated reserve requirement (N.J.S.18A:72-17) necessitates that the reserve fund shall not be less than either the amount required to acquire defaulted loans during the current fiscal year, or the encumbered reserves required to be maintained on all approved loans outstanding that were approved prior to the effective date of the act, whichever is greater. Federal mandates also require that guarantee agencies maintain minimum reserve levels as part of the agency's guaranty agreement. Additionally, federal regulations restrict the use of any reserve funds to purposes directly associated with the administration of the federal student loan programs as defined within those regulations.

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The New Jersey College Loans to Assist State Students (NJCLASS) loan program (N.J.S.18A:72-34 et seq.) is a program of the NJHEAA established to supplement aid available for New Jersey undergraduate and graduate students and/or out-of-state students attending a New Jersey institution. The program is funded from the proceeds of tax exempt bonds issued by the NJHEAA. Under the NJCLASS loan program, the NJHEAA makes student loans to eligible borrowers from the proceeds of the bonds. The NJHEAA reviews all applications to determine the applicants' ability to repay the loan and services loans after disbursement. The interest rate paid by borrowers is set with each bond issue in relation to bond market conditions. There is no restriction on family income. The amount borrowed may not exceed a student's estimated cost of attendance minus all other financial assistance received by the student for the academic period for which the loan is intended.

47. **Support to Independent Institutions.** The Independent College and University Assistance Act (N.J.S.18A:72B-15 et seq.) provides financial assistance to fourteen eligible New Jersey independent colleges and universities based on the number of New Jersey students enrolled at these institutions. This funding helps to ensure that this valuable sector of the State's system of higher education will continue to provide educational opportunities for New Jersey citizens.

48. **Aid to County Colleges.** (N.J.S.18A:64A-1 et seq.) The New Jersey system of community colleges was established by statute in 1962, and the first county colleges were opened four years later in Atlantic, Cumberland, Middlesex, and Ocean counties. Today there are 19 institutions: one community college in each of 18 counties, and a bi-county college serving Somerset and Hunterdon counties.

They enroll more than 133,000 full-time and part-time students annually and provide access to higher education for a broad range of New Jersey residents who would otherwise be denied the advantages associated with a college education.

State aid is appropriated for county college operational costs and is distributed among the institutions by the State in consultation with the Council of County Colleges according to a formula that includes categorical support and differential funding based on program costs. Aid in amounts not to exceed one-half of project costs may also be provided for capital projects under P.L. 1971, Chapter 12. In addition, some fringe benefits costs of certain county college employees are paid by the State.

49. **Miscellaneous Higher Education Programs.** Includes three key programs that assist New Jersey's institutions of higher education, both public and private, in keeping pace with technological changes and responding to industry and work force needs. The \$50 million Higher Education Technology Bond fund will provide support for critical technology needs and will complement existing facility and equipment bond funds. The Equipment Leasing Fund Act (P.L. 1993, c. 136) established a \$100 million fund to finance the purchase of scientific, engineering, technical, computer, communications, and instructional equipment. The State pays three-quarters of the debt service on Equipment Leasing Fund bonds, and the colleges pay the remaining share. The Higher Education Facilities Trust Fund Act (P.L. 1993, c. 375) established a \$220 million fund to finance the construction, renovation or improvement of instructional, laboratory, communication, and research facilities. The State pays the entire cost of debt service on Higher Education Facilities Trust Fund bonds.

EVALUATION DATA

	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
PROGRAM DATA				
Student Assistance Programs				
Veterinary Medical Education Program				
Student enrollment	90	79	87	87
Schools with contracts	4	4	8	8
Coordinated Garden State Scholarship Programs				
Garden State Scholarships (a)	4,181	4,570	4,020	2,747
Garden State Scholarships (Value)	\$2,062,933	\$2,286,197	\$2,010,000	\$1,370,000
Edward J. Bloustein Distinguished Scholars (a)	3,959	3,993	4,108	4,775
Edward J. Bloustein Distinguished Scholars (Value)	\$3,920,500	\$3,991,404	\$4,108,000	\$4,775,000
Urban Scholars (a)	2,212	2,497	2,475	2,236
Urban Scholars (Value)	\$2,172,200	\$2,496,333	\$2,475,000	\$2,236,000
Public tuition benefits (a)	40	16	40	40
Public tuition benefits (Value)	\$65,000	\$38,309	\$65,000	\$65,000
Part-time tuition aid grants for Educational				
Opportunity Fund Students	350	567	550	550
Part-time tuition aid grants for Educational				
Opportunity Fund Students (Value)	\$415,000	\$444,914	\$475,000	\$475,000
Tuition aid grants (b)	49,680	51,534	51,763	53,380
Tuition aid grants (Value)	\$119,700,000	\$131,843,074	\$132,382,000	\$141,251,000
County Colleges	15,000	15,870	15,951	16,448
County Colleges (Value)	\$19,000,000	\$22,686,706	\$22,793,000	\$24,295,000
State Colleges	13,240	13,871	13,914	14,349
State Colleges (Value)	\$25,100,000	\$27,669,554	\$27,729,000	\$29,584,000
Rutgers/NJIT/UMDNJ	11,040	11,622	11,681	12,046
Rutgers/NJIT/UMDNJ (Value)	\$32,800,000	\$36,442,522	\$36,642,000	\$39,122,000
Independent colleges	10,400	10,171	10,217	10,537
Independent colleges (Value)	\$42,800,000	\$45,044,292	\$45,218,000	\$48,250,000
Total awards- All programs (c)	60,422	63,177	62,956	63,728

TREASURY

	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
Total awards— All programs (Value)	\$128,335,633	\$141,100,231	\$141,515,000	\$150,172,000
Guaranteed Student Loan Program				
Loans outstanding—June 30	804,448	796,417	755,434	733,780
Loans outstanding—June 30 (Value)	\$2,236,364,314	\$2,214,038,442	\$2,100,107,798	\$2,039,908,617
Parent Loans for Undergraduate				
Students				
Loans Outstanding—June 30	57,229	58,938	59,745	60,540
Loans Outstanding—June 30 (Value)	\$272,353,921	\$280,486,268	\$284,328,421	\$288,112,174
Consolidated Loans				
Loans Outstanding—June 30	9,248	13,294	17,302	21,235
Loans Outstanding—June 30 (Value)	\$105,328,836	\$151,405,495	\$197,056,133	\$241,842,929
New Jersey College Loans to Assist State Students (NJCLASS)				
Loans Outstanding—June 30	13,330	15,481	17,447	21,005
Loans Outstanding—June 30 (Value)	\$63,025,331	\$68,514,059	\$79,677,144	\$97,677,000

PERSONNEL DATA

Affirmative Action Data

Male Minority	13	11	12	13
Male Minority %	7.0	6.0	6.0	6.0
Female Minority	29	27	30	31
Female Minority %	15.0	14.0	16.0	14.0
Total Minority	42	38	42	44
Total Minority %	22.0	20.0	22.0	20.0

Position Data

Filled Positions by Funding Source

State Supported	33	32	31	30
Federal	146	144	151	176
All Other	11	11	10	11
Total Positions	190	187	192	217

Filled Positions by Program Class

Student Assistance Programs	190	187	192	217
Total Positions	190	187	192	217

Notes: Student Assistance Programs expenditure and award recipients data for fiscal year 1995 and fiscal year 1996 represent actual counts as of November 1996. Further payments and adjustments are anticipated as institutional payments and reconciliation reports are processed. Expenditure estimates for fiscal year 1997 are based upon appropriation levels and current enrollment information as of November 1996.

Actual fiscal years 1995 and 1996 and revised fiscal year 1997 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1998 reflects the number of positions funded.

- (a) Programs funded partially or totally through a transfer of funds.
- (b) Includes funds received under the federal State Student Incentive Grant (SSIG) Program.
- (c) Totals include all programs; students may be counted more than once if they are receiving aid from more than one program.

APPROPRIATIONS DATA

(thousands of dollars)

Year Ending June 30, 1996					Year Ending June 30, 1998			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1997 Adjusted Approp.	Requested	Recom- mended
Distribution by Program								
<u>2,338</u>	<u>64</u>	<u>—</u>	<u>2,402</u>	<u>2,402</u>	Student Assistance Programs	46	<u>2,178</u>	<u>2,512</u>
2,338	64	—	2,402	2,402	<i>Total Appropriation</i>		2,178 ^(a)	2,512
							<u>2,512</u>	<u>2,512</u>

TREASURY

Year Ending June 30, 1996					Year Ending June 30, 1998			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	1997 Adjusted Approp.	Requested	Recommended
Distribution by Object								
Personal Services:								
1,367	—	179	1,546	1,546		1,196	1,196	1,196
1,367	—	179	1,546	1,546		1,196	1,196	1,196
45	—	13	58	58		53	51	51
796	—	-190	606	606		809	812	812
26	—	-6	20	20		23	22	22
Special Purpose:								
83	—	—	83	83				
—	—	—	—	—	46	79	75	75
83	—	—	83	83	46	—	350	350
21	64	4	89	89		79	425	425
						18	6	6
OTHER RELATED APPROPRIATIONS								
176,643	23,352	70	200,065	182,680		212,268	219,764	211,161
127,991	—	—	127,991	124,392		128,766	144,062	132,062
540	—	—	540	540		—	—	—
307,512	23,416	70	330,998	310,014		343,212	366,338	345,735
Federal Funds								
14,581						13,637		
6 ^S	77	—	14,664	12,612	46	15 ^S	14,745	14,745
14,587	77	—	14,664	12,612		13,652	14,745	14,745
All Other Funds								
—	4,114							
—	975 ^R	308	5,397	1,390	46	1,139	1,275	1,275
—	5,089	308	5,397	1,390		1,139	1,275	1,275
322,099	28,582	378	351,059	324,016		358,003	382,358	361,755

Notes: (a) The fiscal year 1997 appropriation has been adjusted for the allocation of the salary program, and has been reduced to reflect the transfer of funds to the Employee Benefits accounts.

HIGHER EDUCATIONAL SERVICES

Of the amounts hereinabove for Higher Educational Services, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule in the Governor's budget first shall be charged to the State Lottery Fund.

50. ECONOMIC PLANNING, DEVELOPMENT AND SECURITY 52. ECONOMIC REGULATION

OBJECTIVES

- To ensure that utility services are provided at reasonable, non-discriminatory rates to all members of the public who desire such services.
- To provide a comprehensive energy supply and demand strategy that allows for responsible and necessary economic growth and development without compromising the environment and quality of life in New Jersey.
- To ensure that New Jersey has available adequate and economical natural gas supplies to meet its home heating requirements,
- industrial load and an ever growing alternative power production industry.
- To assist in the development of a state-of-the-art telecommunications network that permits the timely introduction and marketing of new and advanced technology. In addition, seek to ensure the full utilization of such network by all segments of our society regardless of income status or physical disabilities.
- To ensure that New Jersey residents have economical and environmentally safe water supplies, that are provided through strict compliance with the State's Safe Drinking Water Act by all private and public water purveyors under the Board's jurisdiction.

6. To provide adequate, economical and efficient cable television service, with a degree of uniform operation, and the protection of the municipality in the franchise process. In addition, the Board will seek to ensure the responsiveness of cable operators to subscriber's complaints and needs, and the availability of competitively priced alternative television program packaging.

PROGRAM CLASSIFICATIONS

53. **Division of the Ratepayer Advocate.** Pursuant to N.J.S.A. 52:27E-50 et seq., the responsibilities of the Division of the Ratepayer Advocate are to represent the interests of New Jersey ratepayers before regulatory and legal tribunals and decision making bodies, establishing rates and State policies for the delivery of essential regulated services including gas, electric, telephone, water and sewer and cable television. The division is also responsible for the oversight and accounting of revenues received as statutory assessments from regulated utilities and the oversight of its expenditures.

54. **Utility Regulation.** The Board of Public Utilities controls, through its rate approval process, the charges paid by the public for gas, electric, water, sewer, telephone, telegraph, and pipeline services. A uniform system of accounts and quarterly and annual financial statements and reports are required for disclosure and to permit intelligent public participation in the process. Filings for both rate and fuel adjustment charge changes are approved only to generate sufficient revenues to cover allowable expenses and an equitable return on investment.

The Board assures the safety, adequacy and availability of utility services by conducting hearings which result in the promulgation of rules, regulations and orders, and their enforcement through inspections and investigations. Regular tests are conducted by engineering personnel to minimize the possibility of disruptions or

discontinuance of essential services. A new Division of Service Evaluation was created in 1996 to ensure the safety and reliability of services as a result of the increase in the competition within the marketplace.

55. **Regulation of Cable Television.** Assists local jurisdictions in preparing legislation, franchise agreements and consents; regulates operating and competitive practices to assure reasonable uniformity, reliability, economy and quality of cable television services; cooperates with other states and the Federal government in promoting and coordinating beneficial uses of cable television through balanced programming, including local and educational services.

56. **Energy Resource Management.** Develops and Implements State's energy policies and associated programs, including funding mechanisms to support energy conservation projects, energy education and outreach, energy data collection and analysis and evaluation of energy use and supply.

97. **Regulatory Support Services.** Provides economic analysis of conditions affecting regulated utilities to the Board of Public Utilities and its technical divisions and conducts audits of regulated utilities.

99. **Management and Administrative Services.** The Board of Public Utilities is a regulatory authority with a statutory mandate to ensure safe, adequate, and proper public utility service at the most equitable rates for all customers in New Jersey. Specifically, the Board has regulatory authority over the electric, gas, telecommunications, water and sewer, and cable television industries. To accomplish its mandate, the Board regulates rates for such utilities by conducting comprehensive reviews to determine the fairness and reasonableness of rates. The Board also has general supervisory responsibility for monitoring utility service, responding to utility consumer complaints and investigating utility accidents.

EVALUATION DATA

	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
PROGRAM DATA				
Utility Regulation				
Utilities Regulated				
Electric	5	5	5	5
Gas	5	5	5	5
Telephone and telegraph	26	26	26	23
Water and sewer	86	86	86	90
Municipal water companies	171	171	171	171
Cases Pending June 30				
Cable TV	297	297	297	305
Electric	88	88	88	116
Gas	49	55	55	83
Telephone	125	125	125	155
Water and sewer	56	76	76	79
Regulation of Cable Television				
Cable television systems	49	49	49	45
Cable television subscribers (thousands)	2,178	2,237	2,237	2,237
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	282	287	290	297
Federal	20	15	14	21
All Other	3	3	3	—
Total Positions	305	305	307	318

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	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
Filled Positions by Program Class				
Ratepayer Advocate	23	26	31	31
Utility Regulation	101	95	95	106
Regulation of Cable Television	32	32	30	28
Energy Resource Management	23	18	17	21
Regulatory Services	62	62	62	61
Management and Administrative Services	64	72	72	71
Total Positions	305	305	307	318

Notes: Actual fiscal years 1995 and 1996 and Revised fiscal year 1997 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1998 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 1996					Year Ending June 30, 1998				
Orig. & (S)Supple- mental	Reapp. & (R)Recepts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1997 Adjusted Approp.	Requested	Recom- mended	
Distribution by Program									
3,517	507	—	4,024	3,190	53	3,658	3,658	3,658	
5,818	1,206	-79	6,945	5,511	54	5,771	5,821	5,821	
1,397	378	19	1,794	1,554	55	1,426	1,426	1,426	
3,100	63	155	3,318	3,271	97	3,143	3,143	3,143	
<u>5,880</u>	<u>1,435</u>	<u>35</u>	<u>7,350</u>	<u>6,533</u>	99	<u>5,891</u>	<u>5,837</u>	<u>5,837</u>	
19,712	3,589	130	23,431	20,059		19,889^(a)	19,885	19,885	
Distribution by Object									
Personal Services:									
	2,564								
<u>16,257</u>	<u>399^R</u>	<u>-91</u>	<u>19,129</u>	<u>16,519</u>		<u>16,436</u>	<u>16,462</u>	<u>16,462</u>	
16,257	2,963	-91	19,129	16,519		16,436	16,462	16,462	
400	184	-181	403	127		353	353	353	
2,257	206	71	2,534	2,360		2,274	2,240	2,240	
454	55	205	714	653		530	535	535	
Special Purpose:									
<u>100</u>	<u>—</u>	<u>-38</u>	<u>62</u>	<u>35</u>		<u>40</u>	<u>40</u>	<u>40</u>	
100	—	-38	62	35		40	40	40	
244	181	164	589	365		256	255	255	
OTHER RELATED APPROPRIATIONS									
Federal Funds									
600	183	—	783	183	54	600	600	600	
<u>1,425</u>	<u>239</u>	<u>—</u>	<u>1,664</u>	<u>862</u>	56	<u>1,425</u>	<u>1,725</u>	<u>1,725</u>	
2,025	422	—	2,447	1,045		2,025	2,325	2,325	
All Other Funds									
	307								
<u>—</u>	<u>8^R</u>	<u>—</u>	<u>315</u>	<u>155</u>	56	<u>—</u>	<u>—</u>	<u>—</u>	
<u>—</u>	<u>315</u>	<u>—</u>	<u>315</u>	<u>155</u>		<u>—</u>	<u>—</u>	<u>—</u>	
21,737	4,326	130	26,193	21,259		21,914	22,210	22,210	

Notes: (a) The fiscal year 1997 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Employee Benefits and Salary Increases and Other Benefits accounts.

LANGUAGE RECOMMENDATIONS

In addition to the sum hereinabove, such other sums as the Director of the Division of Budget and Accounting shall determine are appropriated on behalf of the Board of Public Utilities under P.L.1968, c.173 (C. 48:2-59 et seq.) and P.L.1972, c. 186 (C. 48:5A-32 et seq.), or other applicable statutes with respect to assessment of public utilities or the cable television industry.

Receipts derived from fees are appropriated.

Receipts derived from fines and penalties in excess of \$100,000 are appropriated for regulatory enforcement activities, subject to the approval of the Director of the Division of Budget and Accounting.

Fees received from the "Electric Facility Need Assessment Act," P.L. 1983, c.115(C. 48:7-16 et seq.) are appropriated.

The unexpended balances as of June 30, 1997 are appropriated.

Receipts of the Division of Ratepayer Advocate in excess of those anticipated are appropriated for the Division of Ratepayer Advocate to defray the costs of this activity under section 16 of P.L. 1994, c.58 (C.52:27E-63).

There are appropriated from interest earned by the Petroleum Overcharge Reimbursement Fund such sums as may be required for costs attributable to the administration of the fund, subject to the approval of the Director of the Division of Budget and Accounting.

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL

72. GOVERNMENTAL REVIEW AND OVERSIGHT

OBJECTIVES

1. Prepare a State Development and Redevelopment Plan, issue annual status reports and publish current estimates and forecasts of population, employment, housing and land needs.
2. To assist the Governor's Employee Relations Policy Council in all matters regarding relations between the State and its employees.
3. To plan for, formulate and monitor the annual State Budget.
4. To assure financial responsibility and accountability and provide current, relevant financial information for management and the public.

PROGRAM CLASSIFICATIONS

02. **Office of State Planning (NJSA 52:18A-201).** Assists and supports the State Planning Commission to ensure that its responsibilities and duties are fulfilled and to facilitate a cooperative planning process with maximum involvement and participation of State, county, and local governments, as well as public and private sector interests, to enhance the development of the State and to formulate sound, consistent and integrated State, county, and local plans.
02. **Employee Relations and Collective Negotiations (Executive Order No. 4, 1970).** Staff assistance is provided to the Governor and her decisions are implemented concerning employee relations. Through the Governor's Employee Relations Policy Council, assistance in the development of overall policy and execution of policies is provided. Negotiations with unions and other representatives of State employees are conducted. Agencies are assisted and advised concerning employee relations activities.
07. **Office of Management and Budget (NJSA 52:27B-12,-33).** Coordinates the annual agency-based planning process, identifies and projects trends affecting the demand for services, provides information and planning support for the process of allocating

available financial and human resources, and evaluates strategic and long-term issues arising from the ability to provide services.

Plans for the most beneficial use of fiscal resources to meet the needs of the citizens of New Jersey within the policy framework set by the Governor in the immediate budget year. Provides continuous studies of State fiscal requirements. Based on these studies and on official requests for appropriations by State departments, determines the necessity and advisability of budget requests and formulates the annual budget submitted by the Governor to the Legislature. Develops and reviews State agency responses on proposed federal legislation and regulations to ensure that the broad State interest and fiscal policy is taken into account.

Performs statewide studies to ensure that agencies serving the same clients coordinate programs and resources, thus avoiding unnecessary funding of duplication of effort. Analyzes programs and activities that cross departmental boundaries which may not be at the core of government responsibilities or need, and therefore may be appropriate for elimination or revision for cost reduction.

Also provides for capital and development planning, evaluation of capital construction projects, research into financing of capital facilities and project review relative to coordinating federally financed construction projects for State, local and private agencies.

Provides for the receipt, processing, recording and reporting of all financial data of the State's various funds, in accordance with existing statutes and generally accepted accounting principles. All financial transactions and requests for payment are reviewed for propriety before entry into the computerized accounting system, from which official State monthly and annual fiscal reports are prepared. Bank accounts are reconciled with the accounting system. Also includes the Payroll unit, which is responsible for assuring that State employees are paid accurately and on a timely basis. An internal audit unit is engaged in developing procedures, revising accounting systems, and enhancing accounting controls and monitoring financial activities of various State agencies.

TREASURY

EVALUATION DATA

	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
PROGRAM DATA				
Office of Management and Budget				
Checks issued	9,500,000	13,100,000 ^(a)	13,300,000	13,300,000
Revenue items processed	167,000	205,000	220,000	220,000
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	291	276	266	267
Total Positions	291	276	266	267
Filled Positions by Program Class				
Office of State Planning	23	20	20	23
Employee Relations and Collective Negotiations	10	7	6	7
Office of Management and Budget	258	249	240	237
Total Positions	291	276	266	267

Notes: Actual fiscal years 1995 and 1996 and Revised fiscal year 1997 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1998 reflects the number of positions funded.

(a) Increase reflects additional volume associated with County Court Unification.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 1996					Year Ending June 30, 1998			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1997 Adjusted Approp.	Requested	Recom- mended
Distribution by Program								
1,255	2	—	1,257	1,254	02	1,175	1,400	1,400
495	—	472	967	958	03	508	508	508
<u>17,462</u>	<u>18,343</u>	<u>-2,953</u>	<u>32,852</u>	<u>28,976</u>	07	<u>13,200</u>	<u>12,379</u>	<u>12,379</u>
19,212	18,345	-2,481	35,076	31,188		14,883^(a)	14,287	14,287
Distribution by Object								
Personal Services:								
<u>12,941</u>	<u>212^R</u>	<u>211</u>	<u>13,364</u>	<u>13,329</u>		<u>13,474</u>	<u>12,749</u>	<u>12,749</u>
12,941	212	211	13,364	13,329		13,474	12,749	12,749
348	—	-60	288	285		315	221	221
5,206	7	4,517	9,730	9,724		857	871	871
102	—	-11	91	90		102	102	102
Special Purpose:								
—	—	—	—	—	02	—	225	225
—	13,588 ^R	-13,588	—	—	07	—	—	—
—	—	7,603	7,603	6,407	07	—	—	—
45	—	—	441	423	07	45	45	45
396 ^S	—	—	441	423	07	45	45	45
<u>29</u>	<u>—</u>	<u>—</u>	<u>29</u>	<u>29</u>	07	<u>29</u>	<u>29</u>	<u>29</u>
470	13,588	-5,985	8,073	6,859		74	299	299
145	4,538	-1,153	3,530	901		61	45	45

Year Ending June 30, 1996					Year Ending June 30, 1998			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1997 Adjusted Approp.	Requested	Recom- mended
OTHER RELATED APPROPRIATIONS								
---	---	---	---	---		---	840	840
19,212	18,345	-2,481	35,076	31,188		14,883	15,127	15,127
					<i>Total State Aid</i>			
					<i>Total General Fund</i>			
					All Other Funds			
---	37,548	-15,140	22,408	---	Office of Management and Budget	07	---	---
---	37,548	-15,140	22,408	---	<i>Total All Other Funds</i>		---	---
19,212	55,893	-17,621	57,484	31,188	GRAND TOTAL	14,883	15,127	15,127

Notes: (a) The fiscal year 1997 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Employee Benefits and Salary Increases and Other Benefits accounts.

LANGUAGE RECOMMENDATIONS

The Office of State Planning is authorized to collect reasonable fees for the distribution of its publications, and receipts derived from such fees are appropriated for the Office of State Planning.

Such sums as may be necessary for administrative expenses incurred in processing federal benefit payments are appropriated from such sums as may be received or receivable for this purpose.

In addition to the amounts hereinabove, there are appropriated such additional sums as may be necessary for an independent audit of the State's general fixed asset account group, performance audits, and the single audit.

There are appropriated, out of receipts derived from the investment of State funds, such sums as may be necessary for bank service charges, custodial costs, mortgage servicing fees and advertising bank balances under section 1 of P.L.1956, c.174 (C.52:18-16.1).

There are appropriated out of revenues derived from the collection of fees charged for the issuance of dishonored checks, such sums as are necessary to defray administrative processing costs associated with such checks.

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL

73. FINANCIAL ADMINISTRATION

OBJECTIVES

- To administer the tax laws of the State so that all properly due taxes are collected.
- To enhance revenue collection through integrated receipts processing and aggressive management of public accounts receivable.
- To maximize revenues from the State lottery and minimize illegal organized gambling.
- To invest and reinvest funds of the various State agencies and pension funds as effectively as possible.
- To insure that legalized gambling in New Jersey maintains the highest standard of integrity and serves as an effective method for rebuilding and developing existing facilities in Atlantic City, in order to provide a meaningful and permanent contribution to the resort, convention, and tourist industry of New Jersey.

PROGRAM CLASSIFICATIONS

- Taxation Services and Administration (NJSA 54:1-2).** Services include general administration, payment and accounting records, issuance of licenses and administration of local property and public utility functions. Specific functions performed include auditing tax returns and taxpaying entities; performing office and field audits; preparing tax refunds, certificates of tax lien search and certificates

- of tax lien release; holding taxpayer hearings and conferences; providing revenue analysis, research, and statistics for tax administration. Provides services involving bankruptcies, judgments, bulk sales, liens, levies, seizures, proclamations and reinstatements; investigates tax related matters having criminal and/or civil potential; renders taxpayer service to the public.
- Administration of State Lottery (NJSA 5:9-1).** Daily and weekly lotteries are conducted. Lottery programs are continually reviewed so that State revenues are maximized.
- Administration of Revenues (Executive Reorganization Plan 001-97).** Oversees and coordinates collection and processing of revenues arising from state taxation, motor vehicle licensing and regulation and environmental protection laws and regulations. Centrally manages the collection and processing of delinquencies owed to the State by motorists, taxpayers, professional license holders and violators of state statute and regulation.
- Management of State Investments (NJSA 52:18A-79).** Activities involve investment and reinvestment of State funds, including the various State pension funds, the State Disability Benefits Fund, the General Investment Fund, and the State of New Jersey Cash Management Fund, together with the control of principal proceeds and interest receipts. Detailed reports of operations are published monthly and an annual report is presented to the Governor and Legislature. Investment functions are provided to other State agencies involving investment accounts.

TREASURY

25. **Administration of Casino Gambling (NJSA 5:12-1).** The Casino Control Commission is responsible for the collection of all license fees and taxes imposed by the Act. It promulgates regulations and carries on a continuous study of existing and developing methods to control the casino gaming and casino source

industries, prevents the material involvement of undesirable persons in casino gaming, conducts hearings pertaining to Civil Violations of the Act or its regulations and levies and collects all penalties appropriate thereto.

EVALUATION DATA

	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
PROGRAM DATA				
Taxation Services and Administration				
Taxpayer Information Services				
Telephone inquiries	2,686,639	1,883,625	2,300,000	2,600,000
Correspondence	35,000	30,000	30,000	30,000
Tax Services (High Level Technical Requests)				
Telephone inquiries	12,333	14,182	14,000	14,000
Correspondence	11,146	8,966	9,000	9,000
Enforcement				
Audits				
Average Number of Auditors	334	390	441	457
Assessment Amount	\$311,452,091	\$479,246,146	\$319,734,160	\$368,850,000
Audits completed	63,604	91,241	85,370	88,900
Average Assessment/Auditor (a)	\$932,490	\$1,228,836	\$725,021	\$807,112
Compliance				
Number of Collectors	244	249	259	259
Collections	\$158,560,222	\$161,263,822	\$164,000,000	\$167,000,000
Number of Closed Cases	302,443	331,834	315,000	315,000
Average Collection Per Collector (b)	\$649,837	\$647,646	\$633,205	\$644,788
Bankruptcy Claims	1,554	1,163	1,500	1,650
Judgments	5,764	7,208	6,200	7,200
Deferred Payment Plans	3,768	3,236	1,575	2,100
Criminal Investigations				
Prosecution Recommendations	58	98	96	101
Assessment Amount	\$9,127,552	\$4,632,004	\$2,235,554	\$3,122,665
Billings Mailed				
Individual	206,142	164,480	240,000	250,000
Business	195,200	140,219	185,000	192,000
Refunds Reviewed				
Individual	51,033	50,335	60,000	65,000
Business	4,558	8,290	8,500	8,500
Property Administration				
Real Estate Appraisals	735	552	600	600
Municipal Audit	166	—	100	200
Sales Ratio Study				
Sales Prescreened	133,938	134,170	70,000	40,000
Sales Investigated	17,976	21,965	20,000	19,500
Intestates/Escheated Estates	305	10	12	12
Administration of State Lottery				
Agents	5,300	5,300	5,450	6,000
Drawings	924	950	950	1,000
Net Sales (millions)	\$1,576	\$1,588	\$1,652	\$1,722

	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
Administration of State Revenues				
Processing and Accounting Activity				
Returns Processed				
Individual	5,047,524	4,969,610	4,900,000	4,800,000
Homestead rebates	2,703,845	2,180,241	2,000,000	2,000,000
Business	4,000,826	3,988,520	3,900,000	3,800,000
Checks processed	5,107,324	7,353,210	7,100,000	7,000,000
SOIL Setoffs	297,900	190,745	200,000	200,000
Licenses Processed	27,061	22,738	23,000	33,000
Business Taxpayers Registered	43,786	67,839	70,000	70,000
Taxpayer Registration				
Registration File Updates	22,970	46,805	50,000	45,000
Correspondence Processed	91,031	58,561	70,000	65,000
Management of State Investments				
Transactions	48,208	45,413	46,000	47,000
Market value of investments as of 6/30 (millions)	\$48,304	\$53,505	\$58,000	\$63,000
Cash Management Returns	5.27%	5.60%	5.50%	5.50%
Net investment earnings, cash basis (millions)	\$2,485	\$3,248	\$3,300	\$3,800
Funds managed	134	137	140	145
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	1,531	1,667	1,633	1,644
All Other	395	372	367	391
Total Positions	1,926	2,039	2,000	2,035
Filled Positions by Program Class				
Taxation Services and Administration	1,355	1,477	1,250	1,268
Administration of State Lottery	147	152	149	143
Administration of State Revenues	—	—	196 ^(c)	196
Management of State Investments	63	69	69	68
Administration of Casino Gambling	361	341	336	360
Total Positions	1,926	2,039	2,000	2,035

Notes: Actual fiscal years 1995 and 1996 and Revised fiscal year 1997 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1998 reflects the number of positions funded.

- (a) Calculated based on the average number of auditors throughout the entire year.
- (b) Outside vendor collections not included in this internal productivity measure.
- (c) Reflects internal reorganization resulting from the consolidation of revenue administration functions.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 1996					Year Ending June 30, 1998				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1997 Adjusted Approp.	Requested	Recom- mended	
Distribution by Program									
98,970	961	3,838	103,769	101,444	Taxation Services and Administration	15	84,481	68,243	68,243
22,030	526	—	22,556	22,556	Administration of State Lottery	16	12,517	10,586	10,586
—	—	—	—	—	Administration of State Revenues ^(a)	17	8,784	8,784	8,784
<u>4,729</u>	<u>48</u>	<u>158</u>	<u>4,935</u>	<u>4,552</u>	Management of State Investments	19	<u>4,186</u>	<u>4,170</u>	<u>4,170</u>
125,729	1,535	3,996	131,260	128,552	Total Appropriation		109,968^(b)	91,783	91,783

TREASURY

Year Ending June 30, 1996					Year Ending June 30, 1998				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	1997 Adjusted Approp.	Requested	Recommended	
Distribution by Object									
Personal Services:									
64,240	529					65,795			
<u>4,331^S</u>	<u>115^R</u>	<u>2,570</u>	<u>71,785</u>	<u>71,636</u>	Salaries and Wages	<u>8,000^S</u>	<u>68,891</u>	<u>68,891</u>	
68,571	644	2,570	71,785	71,636	Total Personal Services	73,795	68,891	68,891	
2,953									
32 ^S	—	1,397	4,382	4,375	Materials and Supplies	2,343	2,358	2,358	
35,520	227					21,121			
5,988 ^S	426 ^R	-1,482	40,679	40,668	Services Other Than Personal	10,690 ^S	19,110	19,110	
1,659	—	-103	1,556	1,553	Maintenance and Fixed Charges	1,659	1,384	1,384	
Special Purpose:									
<u>10,000^S</u>	<u>—</u>	<u>—</u>	<u>10,000</u>	<u>7,816</u>	Tax Amnesty Program	15	<u>—</u>	<u>—</u>	
10,000	—	—	10,000	7,816	Total Special Purpose	—	—	—	
1,006 ^S	238	1,614	2,858	2,504	Additions, Improvements and Equipment	360 ^S	40	40	
OTHER RELATED APPROPRIATIONS									
<u>22,075</u>	<u>1,703</u>	<u>—</u>	<u>23,778</u>	<u>21,497</u>	Total Casino Control Fund – Direct State Services	<u>22,510</u>	<u>22,510</u>	<u>22,510</u>	
147,804	3,238	3,996	155,038	150,049	TOTAL STATE APPROPRIATIONS	132,478	114,293	114,293	
All Other Funds									
—	4	—	—	—					
—	2,286 ^R	—	2,290	2,290	Taxation Services and Administration	15	<u>2,663</u>	<u>2,663</u>	
—	2,290	—	2,290	2,290	Total All Other Funds	<u>2,663</u>	<u>2,663</u>	<u>2,663</u>	
147,804	5,528	3,996	157,328	152,339	GRAND TOTAL	135,141	116,956	116,956	

Notes: (a) Reflects internal reorganization resulting from the consolidation of revenue administration functions.

(b) The fiscal year 1997 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Employee Benefits and Salary Increases and Other Benefits accounts.

LANGUAGE RECOMMENDATIONS

Upon certification of the Director of the Division of Taxation, the State Treasurer shall pay, upon warrants of the Director of the Division of Budget and Accounting, such claims for refund as may be necessary under the provisions of Title 54 of the Revised Statutes, as amended and supplemented.

So much of the receipts derived from the sale of confiscated equipment, materials and supplies under the "Cigarette Tax Act," P.L. 1948, c.65(C.54:40A-1 et seq.), as may be necessary for confiscation, storage, disposal and other related expenses thereof, are appropriated.

Notwithstanding any other law to the contrary, there are appropriated out of the receipts in the Solid Waste Services Tax Fund and the Resource Recovery Investment Tax Fund such sums as may be necessary for the cost of administration and collection of taxes pursuant to P.L. 1985, c. 38 (C.13:1E-136 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.

Such sums as are required for the acquisition of equipment essential to the modernization of processing tax returns, are appropriated from tax collections, subject to the approval of the Joint Budget Oversight Committee and the Director of the Division of Budget and Accounting.

The amount necessary to provide administrative costs incurred by the Division of Taxation to meet the statutory requirements of the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.) is appropriated from the Enterprise Zone Assistance Fund, subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated from the investment earnings of general obligation bond proceeds, such sums as may be necessary for the payment of debt service administrative costs.

Pursuant to the provisions of section 12 of P.L. 1992, c.165 (40:54D-12) there are appropriated such sums as may be required to compensate the Department of the Treasury for costs incurred in administering the "Tourism Improvement and Development District Act", P.L. 1992 c.165.(40:54D-12 et seq.).

In addition to the amounts appropriated hereinabove, such additional sums as may be necessary are appropriated to fund costs of the collection and processing of debts, taxes and other fees and charges owed to the State, including but not limited to the services of auditors and attorneys and enhanced compliance programs, subject to the approval of the Director of the Division of Budget and Accounting. The Director of the Division of Budget and Accounting shall provide the Joint Budget Oversight Committee with written reports on the detailed appropriation and expenditure of sums appropriated pursuant to this provision.

There are appropriated, out of revenues derived from escheated property under the various escheat acts, such sums as may be necessary to administer such acts and such sums as may be required for refunds.

There are appropriated out of the State Lottery Fund such sums as may be necessary for costs required to implement the "State Lottery Law," P.L. 1970, c.13 (C.5:9-1 et seq.) and for payment for commissions, prizes and expenses of developing and implementing games pursuant to section 7 of P.L. 1970, c.13 (C. 5:9-7).

In addition to the amounts hereinabove, State Lottery Fund receipts in excess of anticipated contributions to education and State institutions, and reimbursement of administrative expenditures, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee.

Notwithstanding the provisions of any other law to the contrary, there are appropriated out of receipts derived from communications fees such sums as may be necessary for telecommunications costs required in the administration of the State Lottery.

Notwithstanding the provisions of any other law to the contrary, there are appropriated out of receipts derived from the sale of advertising by the State Lottery, such sums as may be necessary for advertising costs required in the administration of the State Lottery pursuant to P.L.1970, c.13 (C5:9-1 et seq.).

There are appropriated, out of receipts derived from service fees billed to authorities for the handling of investment transactions, such sums as may be necessary to administer the above investment activity.

There are appropriated, out of receipts derived from the investments of State funds, such sums as may be necessary for bank service charges, custodial costs, mortgage servicing fees and advertising bank balances under section 1 of P.L. 1956, c.174 (C.52:18-16.1).

Notwithstanding the provisions of any law to the contrary, the expenses of administration for the various retirement systems and employee benefit programs administered by the Division of Pensions and Benefits and the Division of Investments shall be charged to the pension and health benefits funds established by law to receive employer contributions or payments or to make benefit payments under the programs, as the case may be. In addition to the amounts hereinabove, there are appropriated such sums as may be necessary for administrative costs, which shall include bank service charges, investment services, and other such costs as are related to the management of the pension and health benefit programs as the Director of the Division of Budget and Accounting, shall determine. In addition, revenue resulting from such charges to the various pensions and health benefit funds, payable on a schedule to be determined by the Director of the Division of Budget and Accounting, shall be credited to the General Fund as anticipated revenue.

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL

74. GENERAL GOVERNMENT SERVICES

OBJECTIVES

1. To centralize all press and public relations services.
2. To provide a means for State, local and county governments and school districts to effect economy by purchasing against State contracts through cooperative purchasing.
3. To provide maintenance and operation services for the preservation and protection of the buildings in the Capitol Complex.
4. To provide for centralized management of the rental and lease of real property, disposal of surplus State real property and purchase of real property, and effective management of employee housing.
5. To plan, program, design and supervise the construction of buildings and facilities for the various State agencies.
6. To administer all employee benefit programs at minimum cost.
7. To operate a central motor pool fleet at the lowest possible cost and provide State agencies with safe operating vehicles.
8. To provide printing services to State agencies.
9. To provide food service in the State House Complex cafeterias and other State owned facilities in the Trenton area.

10. To provide risk management, loss prevention and claims services, and management of the fire and casualty insurance program to all State agencies.
11. To warehouse commodities by purchasing in large volume shipments, making goods available on request at the lowest possible prices, and to coordinate on a State-wide basis the assembling, distribution, and sale of State-owned surplus personal property.
12. To provide a mail processing/delivery system at minimum cost.

PROGRAM CLASSIFICATIONS

04. **Public Information Services.** Executive Order No. 30 dated January 14, 1976, centralized all press and public relations services of the various departments of State government.
09. **Purchasing and Inventory Management (NJSA 52:18A-3).** GSA/Division of Purchase and Property, pursuant to the provisions of the law, administers a centralized statewide purchasing system, including the setting of purchasing standards and specifications; makes available contracts for products and services to school districts, municipalities, and other political subdivisions through the cooperative purchasing program; contracts major lease/purchase arrangements through the Master Lease Program; maintains a centralized distribution center to permit bulk purchases for all State departments; performs testing and inspection functions; supervises the disposition of State surplus property.

TREASURY

12. **Construction Management Services (NJSA 52:18A).** Accomplishes all architectural and engineering design and construction supervision of new facilities, as well as the renovation and rehabilitation of existing facilities; provides technical advice and assistance to all State agencies in preliminary planning, programming, design, layout and cost estimating; administers construction and professional service contracts associated with building programs; provides for field supervision on State construction projects; insures that all building programs are completed, in accordance with the predetermined goals and objectives of the State agencies within established budgets; carries out all related contract administration services, including the processing of change orders, the inspection of construction for code compliance, pre-qualification of contractors, public advertising, awarding of bids, processing of invoices and payments to contractors; prepares and maintains central contract files and all other records, including plans and specifications.

21. **Pensions and Benefits (NJSA 52:18A-95 et seq.).** Eligibility determinations are made for those who are required or optionally permitted to participate in the benefit programs. Certification of membership, of rates involving employer and employee contributions and the proper designation of beneficiaries for the several benefit schedules are provided.

Monies are accounted for in individual accounts of members, and to the credit of the several systems in the general and subsidiary ledgers. A complete and proper accounting of all disbursements to eligible employers and employees and their beneficiaries is provided.

22. **Capital City Redevelopment Corporation (NJSA 52:9Q-9 et seq.).** The Capital City Redevelopment Corporation (CCRC) was created to guide a revitalization effort in the Capital district of downtown Trenton, and to act as a central facilitator of the implementation of the Renaissance Plan.

26. **Property Management Services.** Disposal of surplus real property and purchase of all real property (exclusive of Department of Transportation highway and public transportation requirements and Department of Environmental Protection "Green Acres" and water supply acquisitions) is a responsibility of the Office of Property Management. In addition, Property Management Services is charged with meeting and securing all leased office, warehouse and other State space requirements. Also, Property Management Services provides, in the Trenton area, full maintenance services for

34 State-owned buildings, including the State Records Storage Center, the Richard J. Hughes Justice Complex, Mary G. Roebling, William Ashby, War Memorial, and the Environmental Protection buildings; also provides renovation and alteration services under \$32,500.

37. **Risk Management.** Operates to reduce the adverse impact of catastrophic pure loss on State operations and budgets through a combination of risk management and loss prevention techniques. Administers claims against the State and its employees under Title 59, Tort Claims Act, R.S. 34 Workers Compensation statute and various Federal statutes and laws. Risk Management also administers claims on behalf of the State against others responsible for damage to the State, its employees and property.

40. **Office of Telecommunications and Information Systems (OTIS).** The Office of Telecommunications and Information Systems has operational responsibility for the State's major data centers and for developing the Garden State Network, a statewide integrated communications network capable of carrying data and voice transmissions. The Hub houses this telecommunications network, as well as providing data processing disaster recovery.

41. **Automotive Services.** Pursuant to Executive Order No. 33, dated June 7, 1991, the State Central Motor Pool administers central fleet management and maintains and operates central facilities for the repair and storage of State-owned motor vehicles. The pool has legal ownership of the vehicles and prescribes rules for the efficient and economical operation of the fleet. Since the pool is self-supporting, rental fees based on usage are billed to the using State agencies. The revenues collected are then used to purchase replacement vehicles and also cover all costs of the pool operation.

43. **Printing Services.** The Treasury Print Shop operates as a revolving fund, with costs of labor and materials reimbursed by various agencies including the Department of the Treasury, the Office of the Chief Executive, the Legislature, Department of Law and Public Safety and Department of Banking.

44. **Capitol Post Office.** The Capitol Post Office also operates as a revolving fund providing postal services to all State departments.

62. **State Cafeterias.** Provides food services on a receipt basis as dedicated funds.

63. **Travel Services.** Provides all State agencies and departments with the most timely and cost effective travel arrangements consistent with the State Travel Regulations. These services will be provided through a private vendor in fiscal 1998.

EVALUATION DATA

PROGRAM DATA

Purchasing and Inventory Management

	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
Vendor purchases	\$801,163,306	\$903,941,427	\$958,652,530	\$980,000,000
Term Contracts	4,633	4,800	5,000	5,500

Pensions and Benefits

	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
Membership, All Funds				
Beginning Balance, All Funds	401,025	402,060	400,164	402,165
Added	24,017	21,288	21,394	21,501
Removed	22,982	23,184	19,393	19,490
Ending balance	402,060	400,164	402,165	404,176

	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
Beneficiaries, All Funds				
Beginning Balance, All Funds	149,670	149,865	156,029	161,000
Added	12,060	9,479	9,669	9,862
Removed	11,865	3,315	4,698	5,032
Ending balance	149,865	156,029	161,000	165,830
Total Members	551,925	556,193	563,165	570,006
Loans				
Number	126,081	135,886	144,153	152,924
Loans Receivable (thousands)	\$657,530	\$742,242	\$814,633	\$894,084
Assets, all funds (thousands)	\$33,732,908	\$37,864,274	\$40,707,417	\$47,251,543
Benefit payments (thousands)	\$3,456,625	\$3,502,564	\$3,750,195	\$4,015,334
Lump sum death benefit payments (thousands)	\$78,247	\$83,677	\$85,551	\$87,468
Membership, Other Systems				
Supplemental annuity	4,282	4,280	4,222	4,165
Health benefits	316,502	292,995	271,825	271,825
Drug plan	120,161	118,922	111,285	111,285
Dental plan	81,941	81,525	80,834	80,834
Property Management Services				
Leased facilities	459	420	393	367
Area in square feet	7,100,000	6,700,000	6,300,000	6,000,000
State-owned space maintained (square feet)	4,800,000	4,800,000	4,900,000	4,900,000

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	783	719	721	670
All Other	1	1	3	—
Total positions	784	720	724	670

Filled Positions by Program Class

Purchasing and Inventory Management	116	116	123	93
Travel Services	3	3	3	—
Pensions and Benefits	350	372	378	363
Capital City Redevelopment Corporation	3	4	3	3
Property Management (a)	261	175	167	169
Risk Management	51	50	50	42
Total Positions	784	720	724	670

Notes: Actual fiscal years 1995 and 1996 and revised fiscal year 1997 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1998 reflects the number of positions funded.

(a) Beginning in fiscal year 1996, Physical Plant Operation and Maintenance was consolidated into Property Management.

APPROPRIATIONS DATA

(thousands of dollars)

Year Ending June 30, 1996					Year Ending June 30, 1998				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1997 Adjusted Approp.	Requested	Recom- mended	
Distribution by Program									
5,069	153	836	6,058	6,034	Purchasing and Inventory Management	09	5,216	4,314	4,314
28,827	191	200	29,218	28,207	Pensions and Benefits	21	24,754	23,242	23,242
441	—	-1	440	422	Capital City Redevelopment Corporation	22	—	—	—
11,942	849	155	12,946	12,602	Property Management Services	26	9,161	8,394	8,394
1,834	143	10	1,987	1,960	Risk Management	37	1,804	1,604	1,604
151	—	—	151	144	Travel Services	63	—	—	—
48,264	1,336	1,200	50,800	49,369	Total Appropriation		40,935^(a)	37,554	37,554

TREASURY

Year Ending June 30, 1996					Year Ending June 30, 1998				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	1997 Adjusted Approp.	Requested	Recommended	
Distribution by Object									
Personal Services:									
27,984						27,509			
<u>228^S</u>	<u>152^R</u>	<u>1,071</u>	<u>29,435</u>	<u>29,346</u>	Salaries and Wages	<u>145^S</u>	<u>26,164</u>	<u>26,164</u>	
28,212	152	1,071	29,435	29,346	Total Personal Services	27,654	26,164	26,164	
1,821									
100 ^S	—	-1,020	901	828	Materials and Supplies	1,680	1,164	1,164	
11,449						9,103			
2,700 ^S	—	1,020	15,169	14,561	Services Other Than Personal	850 ^S	9,019	9,019	
	322								
2,389	408 ^R	-135	2,984	2,695	Maintenance and Fixed Charges	1,045	695	695	
Special Purpose:									
128	—	-8	120	120	State Pension System Audit	21	128	128	
—	165	—	165	47	Pensions and Health Benefits Commission	21	—	—	
75	—	11	86	86	Capital Marketing Program	22	—	—	
—	115 ^R	-60	55	—	Real Property Leasing Out Program	26	—	—	
375	—	—	375	375	Maintenance of Old Barracks	26	375	375	
—	136 ^R	-128	8	—	Third Party Subrogation For Property Damage	37	—	—	
578	416	-185	809	628	Total Special Purpose	503	503	503	
138									
877 ^S	38	449	1,502	1,311	Additions, Improvements and Equipment	100	9	9	
OTHER RELATED APPROPRIATIONS									
—	15,069	739	15,808	6,070	Total Capital Construction	—	17,052	5,402	
48,264	16,405	1,939	66,608	55,439	Total General Fund	40,935	54,606	42,956	
All Other Funds									
—	56	—	56	—	Capital City Redevelopment Corporation	22	—	—	
	489								
—	1,960 ^R	8	2,457	2,065	Property Management Services	26	2,529	2,529	
	141								
—	77 ^R	—	218	17	State Cafeterias	62	—	—	
—	2,723	8	2,731	2,082	Total All Other Funds	2,529	2,529	2,529	
48,264	19,128	1,947	69,339	57,521	GRAND TOTAL	43,464	57,135	45,485	

Notes: (a) The fiscal year 1997 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Employee Benefits and Salary Increases and Other Benefits accounts.

LANGUAGE RECOMMENDATIONS

The Director of the Division of Budget and Accounting is empowered to transfer or credit to any central data processing center any appropriation made to any department which had been appropriated or allocated to such department for its share of costs of such data processing center including the replacement of data processing equipment and the purchase of additional data processing equipment.

There are appropriated, out of receipts derived from service fees billed to political subdivisions for the operating costs of the cooperative purchasing program, such sums as may be necessary to administer and operate the above purchasing activity.

Notwithstanding the provision of any other law to the contrary, there are appropriated from receipts derived from vendor registration fees sufficient sums for services and expenses related to the development, letting and administration of commodity or service contracts.

There are appropriated, out of receipts derived from service fees billed to authorities for the handling of insurance procurement and risk management services, such sums as may be necessary to administer the above insurance and risk management activities.

Notwithstanding the provisions of any other law to the contrary, there are appropriated, out of the receipts derived from third party subrogation, such sums as may be necessary for the administrative expenses of this program.

Notwithstanding the provisions of section 15 of article 6 of P.L. 1944, c.112 (C.52:27B-67), there are appropriated out of revenues derived from the sale of surplus state vehicles sufficient sums for the replacement of Central Motor Pool temporary assignment vehicles, subject to the approval of the Director of the Division of Budget and Accounting.

Proceeds derived from commissions paid to the travel services section are appropriated for the administrative expenses of the program.

The Director of the Division of Budget and Accounting is empowered to transfer or credit to the Capitol Post Office revolving fund any appropriation made to any department for postage costs appropriated or allocated to such departments for their share of costs of the Capitol Post Office.

The Director of the Division of Budget and Accounting is empowered to transfer or credit to the Print Shop revolving fund any appropriation made to any department for printing costs appropriated or allocated to such departments for their share of costs of the Print Shop and the Office of Printing Control.

The unexpended balance in the State Purchase Fund as of June 30, 1997, and the reimbursements thereto, are appropriated for the purpose of making payments for purchases under R.S.52:25-1 et seq., and for the expenses of handling, storing and transporting purchases so made and for administration of the Distribution Center.

There are appropriated out of revenues received from the sale of surplus property, sufficient sums for the administrative costs of the Distribution Center-Surplus Property Unit.

There are transferred from the savings in property rental accounts derived from warehouse space consolidation and elimination, such sums as may be required to implement and administer the warehouse space utilization program in the Office of Property Management Services, subject to the approval of the Director of the Division of Budget and Accounting.

From the receipts derived from the sale of real property, such sums are appropriated for the costs incurred in the selling of the real property, including appraisal, survey, advertising, and other costs related to the disposal, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balances in the Management of the DEP Properties account as of June 30, 1997 are appropriated for the same purpose.

Receipts derived from the leasing of State surplus real property are appropriated for the maintenance of leased property subject to the approval of the Director of the Division of Budget and Accounting, provided that a sum not to exceed \$100,000 shall be available for the administrative expenses of the program.

Receipts from employee maintenance charges in excess of \$850,000 are appropriated for maintenance of employee housing and associated relocation costs; provided, however, that a sum not to exceed \$170,000 shall be available for management of the program, the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated out of revenues derived from the rental and operation of the War Memorial, such sums as may be necessary to operate and maintain this facility.

There are appropriated out of receipts derived from lease proceeds billed to the occupants of the James J. Howard Marine Science Laboratory, such sums as may be required to operate and maintain the facility and for the payment of interest and/or principal due from the issuance of bonds for this facility.

The unexpended balances in the State cafeteria accounts as of June 30, 1997, and receipts obtained from cafeteria operations, are appropriated for the improvement and extension of cafeteria services and facilities pursuant to section 2 of P.L.1951, c.312 (C.52:18A-19.6).

The Director of the Division of Budget and Accounting is empowered to transfer or credit to the Construction Management Services program classification, from appropriations for construction and improvements, a sufficient sum to pay for the cost of architectural work, superintendence and other expert services in connection with such work.

Notwithstanding any law to the contrary, there are appropriated out of receipts derived from the pre-qualification service fees billed to contractors, architects, engineers, and professionals sufficient sums for expenses related to the administration of pre-qualification activities undertaken by the Division of Building and Construction.

In addition to the amounts hereinabove, there are appropriated such additional sums as may be necessary for independent audits of the State's pension systems, provided that such appropriations shall be reimbursed to the General Fund from the resources available to the various pension funds.

Notwithstanding the provisions of any law to the contrary, the expenses of administration for the various retirement systems and employee benefit programs administered by the Division of Pensions and Benefits and the Division of Investments shall be charged to the pension and health benefits funds established by law to receive employer contributions or payments or to make benefit payments under the programs, as the case may be. In addition to the amounts hereinabove, there are appropriated such sums as may be necessary for administrative costs, which shall include bank service charges, investment services, and any other such costs as are related to the management of the pension and health benefit programs, as the Director of the Division of Budget and Accounting, shall determine. In addition, revenue resulting from such charges to the various pensions and health benefit funds, payable on a schedule to be determined by the Director of the Division of Budget and Accounting, shall be credited to the General Fund as anticipated revenue.

The unexpended balance as of June 30, 1997 in the Pensions and Health Benefits Commission account is appropriated for the same purpose.

TREASURY

There are appropriated sufficient sums as may be required for the expenses of the Pensions and Health Benefits Commission, provided that such appropriation shall be reimbursed to the General fund from the resources available to the various pensions and health benefits funds.

Notwithstanding the provisions of any law to the contrary, there are appropriated from the Capital City Redevelopment Loan and Grant Fund such sums as may be required to provide for expenses, programs, and strategies which will enhance the vitality of the capital district as a place to live, visit, work and conduct business, subject to the approval of the Director of the Division of Budget and Accounting.

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL

75. STATE SUBSIDIES AND FINANCIAL AID

PROGRAM CLASSIFICATIONS

27. **Other Distributed Taxes.** Net proceeds from taxes on premiums for fire insurance policies written by insurance companies of other states and countries are earmarked for distribution to the New Jersey Firemen's Home and the New Jersey Firemen's Association (R.S.54:17-4).

The State is responsible for the collection of the Public Utilities Franchise Tax and the Public Utilities Gross Receipts Tax. These funds are distributed to municipalities on the basis of utility personal property valuations. A minimum distribution of \$685 million is required by law.

The State is responsible for the collection of certain insurance taxes, and for distribution of a portion of these taxes to the county in which a domestic insurance company's principal office was situated on January 1. Amounts are determined by increasing the total amount of the franchise tax on domestic insurance companies received by the county in the prior calendar year by the percentage rate of change of all taxes paid by all insurance companies pursuant to C.54:18A-1 et seq. for the current and the immediately preceding tax year.

28. **County Boards of Taxation.** A County Board of Taxation (R.S.54:3-1) is established in each county. Each board consists of three members, except in the first-class counties of Bergen, Essex and Hudson, the second-class county of Middlesex, and the fifth-class counties of Monmouth and Ocean, where there are five members. The board hears appeals of taxpayers from local tax assessments, certifies tax duplicates to the collectors, determines local tax rates, prepares county abstracts of ratables, promulgates equalization tables, supervises the activities of assessors and does related work in the enforcement of local property tax laws.

29. **Locally Provided Services.** Payments for local services to State property, in lieu of municipal property taxes on State property, are provided in certain cases as specified by annual appropriations laws. Payments on new State Building Authority projects and new State prisons, which began in Fiscal 1997, are proposed for integration into the Consolidated Municipal Property Tax Relief Aid program, funded under the Department of Community Affairs, in fiscal year 1998.

State aid to densely populated municipalities (P.L. 1990, c. 85; C.52:27D-384 et seq.), which is paid from the Property Tax Relief

Tax Fund, is provided to a group of municipalities with high population densities, located in the state's most densely populated counties.

33. **Homestead Exemptions.** The Homestead Property Tax Rebate Act of 1990 (P.L. 1990, c. 61) entitles certain New Jersey homeowners and tenants to annual rebates of property taxes on their principal residence. Under modifications first effective in Fiscal Year 1993, senior citizen, blind and disabled homeowners and tenants with incomes up to \$70,000 receive rebates in the amount by which their property taxes, or rents constituting property taxes, exceed 5 percent of their income, up to a maximum \$500. Qualified homeowners in this income range receive a minimum rebate of \$150, while qualified tenants in this income range receive a minimum rebate of \$65. Qualified homeowners with incomes between \$70,000 and \$100,000 receive rebates of \$100, and qualified tenants in this income range receive rebates of \$35. Homeowners and tenants who are neither senior citizens, nor blind nor disabled, are eligible for rebates only if their income does not exceed \$40,000. In these circumstances, homeowners' rebates are \$90 and tenants' rebates are \$30. These payments are made by the State directly to homeowners and tenants, upon annual application, by the end of October. Homestead rebates are paid from the Property Tax Relief Fund.

34. **Reimbursement of Senior/Disabled Citizens' and Veterans' Tax Exemptions.** The State provides each municipality a direct payment in reimbursement of amounts deducted from the local property tax bills of senior citizens, disabled citizens and veterans. Based on certifications made annually by county boards of taxation and confirmed by the Director of the Division of Taxation, payments for the total amount due are made to municipalities on November 1 of each year. Veterans receive a \$50 tax deduction, paid from the Property Tax Relief Fund, while disabled and senior citizens receive a \$250 deduction, paid partly from the Property Tax Relief Fund and partly from the Casino Revenue Fund.

35. **Consolidated Police and Firemen's Pension Fund.** The Consolidated Police and Firemen's Pension Fund was established (R.S.43:16-1 et seq.) to place 213 police and firemen's pension funds on an actuarial basis. The liabilities of these local funds are now being shared, two-thirds by the participating municipalities and one-third by the State. The commission administering this fund consists of two police representatives, two fire representatives, the State Treasurer and four persons appointed by the Governor.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 1996					Year Ending June 30, 1998			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1997 Adjusted Approp.	Requested	Recom- mended
OTHER RELATED APPROPRIATIONS								
<u>11,636</u>	---	---	<u>11,636</u>	<u>11,636</u>	Total State Aid	<u>12,550</u>	<u>10,778</u>	<u>10,778</u>
<u>11,636</u>	---	---	<u>11,636</u>	<u>11,636</u>	Total General Fund	<u>12,550</u>	<u>10,778</u>	<u>10,778</u>
<u>324,800</u>	---	---	<u>324,800</u>	<u>324,742</u>	Total Property Tax Relief Fund - Grants-in-Aid	<u>325,000</u>	<u>325,000</u>	<u>325,000</u>
<u>57,704</u>	---	---	<u>57,704</u>	<u>55,579</u>	Total Property Tax Relief Fund - State Aid	<u>47,580</u>	<u>36,933</u>	<u>36,933</u>
<u>382,504</u>	---	---	<u>382,504</u>	<u>380,321</u>	Total Property Tax Relief Fund	<u>372,580</u>	<u>361,933</u>	<u>361,933</u>
<u>17,180</u>	---	---	<u>17,180</u>	<u>17,180</u>	Total Casino Revenue Fund - State Aid	<u>17,180</u>	<u>17,180</u>	<u>17,180</u>
<u>17,180</u>	---	---	<u>17,180</u>	<u>17,180</u>	Total Casino Revenue Fund	<u>17,180</u>	<u>17,180</u>	<u>17,180</u>
<u>411,320</u>	---	---	<u>411,320</u>	<u>409,137</u>	TOTAL STATE APPROPRIATIONS	<u>402,310</u>	<u>389,891</u>	<u>389,891</u>
All Other Funds								
---	737,205 ^R	---	737,205	737,205	Other Distributed Taxes	27	737,177	737,177
---	<u>737,205</u>	---	<u>737,205</u>	<u>737,205</u>	Total All Other Funds	<u>737,177</u>	<u>737,177</u>	<u>737,177</u>
<u>411,320</u>	<u>737,205</u>	---	<u>1,148,525</u>	<u>1,146,342</u>	GRAND TOTAL	<u>1,139,487</u>	<u>1,127,068</u>	<u>1,127,068</u>

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL

76. MANAGEMENT AND ADMINISTRATION

OBJECTIVES

1. To develop and exercise policy control over agency program planning and management, fiscal administration and personnel management in the Department of the Treasury.
2. To provide fiscal, personnel and other administrative and facilitating services to all agencies of the Department.
3. To assist all agencies of State government in securing grants and entitlements under various Federal grant programs.
4. To enforce public contracts affirmative action regulations.
5. To manage the cash debt and unclaimed property in the State as effectively as possible.

county and local units of government in the State in order to ensure that affirmative action requirements are enforced.

99. **Management and Administrative Services (NJSA 52:27B-8).** The Office of the State Treasurer develops and exercises general policy and administrative control over the operations of the divisions and offices of the Department. Within the Administrative Division, the Fiscal Section and Personnel Section provide fiscal, personnel and other facilitating services for the Department of Treasury. The Federal Liaison Office represents the Governor and assists State agencies in negotiating with federal agencies for approval of grants and entitlements, in order to maximize New Jersey's share of total federal grant funds; maintains liaison with Congress, on behalf of the Governor and New Jersey government, in connection with proposed and pending federal legislation affecting the State and provides updated information on such matters to State agencies.

PROGRAM CLASSIFICATIONS

98. **Public Contracts Affirmative Action Office (P.L. 1975, c.127).** The Office oversees the contract awarding procedures of all State,

EVALUATION DATA

PERSONNEL DATA	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
Affirmative Action Data				
Male Minority	303	303	297	297
Male Minority %	6.7	6.6	6.5	6.5
Female Minority	617	620	598	598
Female Minority %	13.6	13.6	13.2	13.2
Total Minority	920	923	895	895
Total Minority %	20.3	20.2	19.7	19.7

TREASURY

	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
Position Data				
Filled Positions by Funding Source				
State Supported	130	141	137	123
All Other	13	13	14	14
Total Positions	143	154	151	137
Filled Positions by Program Class				
Public Contracts Affirmative Action Office	20	24	22	22
Management and Administrative Services	115	123	122	108
Federal Liaison Activities	8	7	7	7
Total Positions	143	154	151	137

Notes: Actual fiscal years 1995 and 1996 and Revised fiscal year 1997 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1998 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 1996					Year Ending June 30, 1998				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1997 Adjusted Approp.	Requested	Recom- mended	
Distribution by Program									
998	9	55	1,062	1,030	Public Contracts Affirmative Action Office	98	968	912	912
<u>9,622</u>	<u>3,035</u>	<u>1,267</u>	<u>13,924</u>	<u>8,177</u>	Management and Administrative Services	99	<u>4,388</u>	<u>3,769</u>	<u>3,769</u>
10,620	3,044	1,322	14,986	9,207	Total Appropriation		5,356^(a)	4,681	4,681
Distribution by Object									
Personal Services:									
4,487	4	450	4,941	4,914	Salaries and Wages	4,793	4,122	4,122	
4,487	4	450	4,941	4,914	Total Personal Services	4,793	4,122	4,122	
27	1	72	100	91	Materials and Supplies	19	23	23	
511	2	48	561	520	Services Other Than Personal	449	449	449	
58	2	27	87	81	Maintenance and Fixed Charges	58	50	50	
Special Purpose:									
—	50	—	50	—	State Revenue Forecasting and Advisory Commission	99	—	—	
23	—	—	23	2	Federal Liaison Office, Washington, D.C. ^(b)	99	23	23	23
5,500	2,984	—	8,484	3,026	Productivity and Efficiency Program	99	—	—	
—	—	640	640	530	Public Finance Activities	99	—	—	
5,523	3,034	640	9,197	3,558	Total Special Purpose	23	23	23	
14	1	85	100	43	Additions, Improvements and Equipment	14	14	14	
OTHER RELATED APPROPRIATIONS									
<u>347,548</u>	<u>—</u>	<u>—</u>	<u>347,548</u>	<u>334,588</u>	Total Debt Service	<u>340,639</u>	<u>403,409</u>	<u>403,409</u>	
358,168	3,044	1,322	362,534	343,795	Total General Fund	345,995	408,090	408,090	
All Other Funds									
—	274	—	25,383	23,482	Management and Administrative Services	99	24,032	24,032	24,032
—	25,109 ^R	—	25,383	23,482	Total All Other Funds	24,032	24,032	24,032	
358,168	28,427	1,322	387,917	367,277	GRAND TOTAL	370,027	432,122	432,122	

Notes: (a) The fiscal year 1997 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Employee Benefits and Salary Increases and Other Benefits accounts.

(b) Additional sums in the amount of \$445,000 are provided in the recommended amounts for State departments which receive direct services from the from the Federal Liaison Office in Washington, D.C.

LANGUAGE RECOMMENDATIONS

The unexpended balance as of June 30, 1997 in the State Revenue Forecasting Advisory Commission account is appropriated for the same purpose.

The unexpended balance as of June 30, 1997 in the Productivity and Efficiency Program is appropriated for the same purpose.

There is appropriated from investment earnings of State funds a sum, not to exceed \$640,000, for public finance activities.

There are appropriated out of receipts derived from service fees billed to authorities for the handling of Public Finance transactions such sums as may be necessary to administer the above public finance activities.

Such sums as may be necessary for payment of expenses incurred by issuing officials appointed under the several bond acts of the State are appropriated for the purposes and from the sources defined in those acts.

An amount equivalent to the amount due to be paid in Fiscal Year 1998 to the State by the Port Authority of New York and New Jersey pursuant to the regional economic development agreement dated January 1, 1990 among the States of New York and New Jersey and the Port Authority of New York and New Jersey is appropriated to the Economic Recovery Fund established pursuant to section 3 of P.L. 1992, c.16 (C.34:1B-7.12) for the purposes of P.L.1992, c.16 (C.34:1B-7.10 et seq.).

Notwithstanding the provisions of any law to the contrary, there are appropriated from the "Drug Enforcement and Demand Reduction Fund" such sums as may be required to provide for the administrative expenses of the Governor's Council on Alcoholism and Drug Abuse and for programs and grants to other agencies, subject to the approval of the Director of the Division of Budget and Accounting.

Fees collected on behalf of the Public Contracts Affirmative Action Office program and the unexpended balance as of June 30, 1997 of such fees are appropriated for program costs, subject to allotment by the Director of the Division of Budget and Accounting.

225,875	27,913	4,167	257,955	240,777	Total Appropriation, Department of the Treasury	193,209	170,702	170,702
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