

APPENDIX

CASINO REVENUE FUND SCHEDULE

(thousands of dollars)

The estimated revenue from the Casino Revenue Fund in Fiscal Year 2006 is \$487,204,000. These funds will be applied to support a portion of the programs listed below that originated in the Casino Revenue Fund or were created to be included within the Fund.

SENIOR CITIZEN PROPERTY TAX FREEZE	98,400
MEDICAL ASSISTANCE	
Personal Assistance Services	3,734
Personal Care	149,929
Home Care Expansion	190
Pharmaceutical Assistance to the Aged & Disabled	367,736
Traumatic Brain Injury	22,320
Community Care/Sixth Omnibus Budget Reconciliation Act	272,741
Respite Care	5,566
Hearing Aid Assistance	200
Statewide Birth Defects Registry	529
Health and Senior Services Administration	871
TRANSPORTATION ASSISTANCE	
Senior Citizens and Disabled Residents	34,352
Sheltered Workshop Transportation	2,440
HOUSING PROGRAMS	
Safe Housing and Transportation	1,726
Developmental Disabilities	38,409
Congregate Housing Support Services	2,006
OTHER	<u>5,678</u>
GRAND TOTAL	<u>1,006,827</u>

CASINO REVENUE FUND

The Casino Revenue Fund (CRF) was established in 1976 with the provision that State revenues derived from casino gambling would be applied solely for the purpose of "providing funding for reductions in property taxes, rental, telephone, gas, electric, and municipal utilities charges of eligible senior citizens and disabled residents of the State in accordance with such formulae as the Legislature shall by law provide." The Fund's authorized use was expanded in 1981 to include additional or expanded health services or benefits, transportation services, or benefits to eligible senior and disabled residents.

Total CRF resources of \$487.2 million, including \$800,000 from the Casino Simulcasting Fund, are projected for fiscal 2006. Total CRF resources also include \$85.6 million from five taxes implemented in fiscal 2004. These taxes are: an increase in the casino parking fee from \$2 to \$3, a \$3 per room per day fee on casino hotel rooms, a 4.25% tax on casino comps, a 7.5% tax on the casinos' adjusted net income, and an 8% tax on multi-casino progressive slot machine revenue.

The majority of total CRF resources are being used to maintain CRF funding of the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program. This program was once entirely funded with casino revenues, but due to the rapid increase in the cost of prescription drugs now requires a substantial subsidy from the General Fund. Transportation assistance to senior citizens and the disabled will also receive significant funding this fiscal year, with an increase of \$9.1 million over fiscal 2005. This increase is based on a statutory formula that sets current year funding for transportation services provided by NJ Transit equal to 7.5% of prior year actual CRF collections.

The summary and projection table at the end of this section illustrates CRF revenues and the programs receiving Fund appropriations over the past several years. Some CRF appropriations have been shifted to the General Fund and other funds over the past several fiscal years (see the General Fund Subsidy section of the table).

BUDGET INITIATIVES AND ONGOING PROGRAMS

The following programs are currently receiving significant funding through the Casino Revenue Fund:

- Pharmaceutical Assistance to the Aged and Disabled (PAAD) — \$284.7 million
- Personal Care — \$60.1
- Residential Care Developmental Disabilities — \$38.4 million
- Transportation Assistance — \$34.4 million
- Community Care Alternatives — \$30.1 million
- Waiver Initiatives — \$16.5
- Personal Assistance Services Program — \$3.7 million
- Sheltered Workshop Transportation — \$2.4 million
- Home Care Expansion Program — \$190,000

APPENDIX

CASINO REVENUE FUND SUMMARY AND PROJECTION (millions of dollars)

	Fiscal 2000	Fiscal 2001	Fiscal 2002	Fiscal 2003	Fiscal 2004	Fiscal 2005	Rec. 2006
Opening surplus	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$22.70	\$ ---
Revenues	335.7	347.0	350.0	346.0	467.5	480.8	485.6
Lapses and adjustments	1.8	---	14.2	18.8	0.7	1.4	1.6
TOTAL RESOURCES	\$337.5	\$347.0	\$364.2	\$364.8	\$468.2	\$504.9	\$487.2
PROPERTY TAX DEDUCTION	\$17.2	\$17.2	\$ --- c	\$ ---	\$ ---	\$ ---	\$ ---
MEDICAL ASSISTANCE							
Personal assistance	3.7	3.7	3.7	3.7	3.7	3.7	3.7
Home care expansion	0.7	0.5	0.4	0.3	0.2	0.2	0.2
PAAD -- expanded	218.8 a	229.9 b	257.9	259.9	254.7	313.6	284.7
Community care and Waivers	3.3	1.6	3.0	3.3	44.7	44.5	46.6
Respite care	4.8	4.8	5.2	5.4	5.4	5.7	5.6
Hearing aid assistance	0.3	0.2	0.2	0.3	0.1	0.2	0.2
Statewide birth defects registry	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Health and Senior Services Admin.	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Personal Care	---	---	---	---	60.1	60.1	60.1
LIFELINE CREDITS	34.6	32.7	34.7	34.6	--- d	---	---
TRANSPORTATION ASSISTANCE							
Senior citizens and disabled residents	22.8	25.7	24.8	24.9	25.5	25.3	34.4
Sheltered workshop transportation	2.4	2.4	2.4	2.4	2.4	2.4	2.4
HOUSING PROGRAMS							
Congregate housing support	1.9	0.5	3.3	1.9	1.9	2.0	2.0
Safe housing and transportation	1.6	1.6	1.7	1.7	1.7	1.7	1.7
Developmental Disabilities	19.6	19.6	19.6	19.6	38.3	38.4	38.4
OTHER	4.4	5.2	5.9	5.4	5.4	5.7	5.8
TOTAL APPROPRIATIONS	\$337.5	\$347.0	\$364.2	\$364.8	\$445.5	\$504.9	\$487.2
ENDING SURPLUS	\$ ---	\$ ---	\$ ---	\$ ---	\$22.7	\$ ---	\$ ---
GENERAL FUND SUBSIDY							
Lifeline	\$36.2	\$36.2	\$36.2	\$11.2	\$ --- d	\$ ---	\$ ---
SOBRA for Aged and Disabled	118.6	123.8	128.8	133.9	198.8	218.2	242.6
Community Care and Waivers	38.8	41.2	41.2	45.9	0.6	2.3	5.8
Personal Care	103.1	96.7	116.2	130.2	75.0	81.0	89.8
Senior Citizens Property Tax Freeze	23.7	10.6	10.6	23.0	17.7	73.4	98.4
PAAD -- expanded	20.0 a	49.5	92.9 c	123.9	128.9	70.8	83.0
VALUE OF PROGRAMS SHIFTED	\$340.4	\$358.0	\$425.9	\$468.1	\$421.0	\$445.7	\$519.6

Notes:

- (a) Includes \$5.1 million of the Supplemental Appropriation of \$25.1 million; the remaining \$20 million of this amount has been shifted to the General Fund and charged to the Tobacco Settlement Trust Fund.
- (b) In addition to this amount, \$49.5 million shifted to the General Fund and charged to the Tobacco Settlement Trust Fund.
- (c) The Property Tax Deduction appropriation has been shifted to the Property Tax Relief Fund.
- (d) Beginning in fiscal 2004, the Lifeline program will be funded through the Board of Public Utilities.
- (e) Includes Supplemental Appropriation of \$25 million, \$21.3 of which was unexpended and carried forward to be a resource in fiscal 2003.