

GENERAL PROVISIONS

2. The Director of the Division of Budget and Accounting shall make such correction of the title, text or account number of an appropriation necessary to make such appropriation available in accordance with legislative intent. Such correction shall be by written ruling, reciting in appropriate detail the facts thereof, and reasons therefor, attested by the signature of the Director of the Division of Budget and Accounting and filed in the Division of Budget and Accounting of the Department of the Treasury as an official record thereof, and any action thereunder, including disbursement and the audit thereof, shall be legally binding and of full force and virtue. An official copy of each such written ruling shall be transmitted to the Legislative Budget and Finance Officer, upon the effective date of the ruling.

3. There are appropriated, subject to allotment by the Director of the Division of Budget and Accounting and with the approval of the Legislative Budget and Finance Officer, private contributions, revolving funds and dedicated funds received, receivable or estimated to be received for the use of the State or its agencies in excess of those anticipated, unless otherwise provided herein, and the unexpended balances as of June 30, 1996 of such funds, subject to the approval of the Director of the Division of Budget and Accounting.

4. There are appropriated, subject to allotment by the Director of the Division of Budget and Accounting, the following: sums required to refund amounts credited to the State Treasury which do not represent State revenue; sums received representing insurance to cover losses by fire and other casualties and the unexpended balance as of June 30, 1996 of such sums; sums received by any State department or agency from the sale of equipment, when such sums are received in lieu of trade-in value in the replacement of such equipment; and sums received in the State Treasury representing refunds of payments made from appropriations provided in this act.

5. There are appropriated, subject to allotment by the Director of the Division of Budget and Accounting, sums required to satisfy receivables previously established from which non-reimbursable costs and ineligible expenditures have been incurred.

6. There are appropriated, subject to allotment by the Director of the Division of Budget and Accounting, from federal or other non-State sources amounts not to exceed the cost of services necessary to document and support retroactive claims.

7. No funds shall be expended by any State department in the Executive branch in connection with a contract for the production of films or videotapes unless the New Jersey Public Broadcasting Authority is invited to submit a bid or price quote as part of any formal or informal contact award process.

8. The unexpended balances as of June 30, 1996 in the accounts of the several departments and agencies heretofore appropriated or established in the category of Additions, Improvements and Equipment are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

9. Unless otherwise provided, balances remaining as of June 30, 1996 in accounts of appropriations enacted subsequent to April 1, 1996 are appropriated.

10. a. To permit flexibility in the handling of appropriations, any department or agency that receives an appropriation by law, may, subject to the provisions of this section, or unless otherwise provided in this act, apply to the Director of the Division of Budget and Accounting for permission to transfer funds from one item of appropriation to a different item of appropriation. For the purposes of this section, "item of appropriation" means the spending authority identified by an organization code, fund code, as defined by the appropriation unit, and program code, as defined by the appropriation unit, unique to the item. If the director consents to the transfer, the amount transferred shall be credited by the director to the designated item of appropriation and notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer. However, the director, after consenting thereto, shall submit the following transfer requests to the Legislative Budget and Finance Officer for legislative approval or disapproval unless otherwise provided in this act:

(1) Requests for the transfer of State and other nonfederal funds, in amounts greater than \$300,000, to or from any item of appropriation;

(2) Requests for the transfer of State funds, in amounts greater than \$300,000, to or from any account within an item of appropriation in which the unexpended balances are reappropriated in this act, or which is otherwise designated as a carry-forward account;

(3) Requests for the transfer of State and other nonfederal funds, in amounts greater than \$25,000, to or from any Special Purpose or Grant account within an item of appropriation, from or to a different item of appropriation;

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(4) Requests for the transfer of State and other nonfederal funds, in amounts greater than \$25,000, to or from any Special Purpose or Grant account in which the identifying organization code, fund code, as defined by the appropriation unit, and program code, as defined by the appropriation unit, remain the same, provided that the transfer would effect a change in the legislative intent of the appropriations;

(5) Requests for the transfer of State funds, in amounts greater than \$25,000, between items of appropriation in different departments or between items of appropriation in different appropriation classifications herein entitled as Direct State Services, Grants-In-Aid, State Aid, Capital Construction and Debt Service;

(6) Requests for the transfer of federal funds, in amounts greater than \$100,000, from one item of appropriation to another item of appropriation, if the amount of the transfer to an item in combination with the amount of the appropriation to that item would result in an amount in excess of the appropriation authority for that item;

(7) Requests for the transfer of federal funds, in amounts greater than \$100,000, to or from any Special Purpose or State Aid and Grants account within an item of appropriation, from or to a different item of appropriation;

(8) Requests for the transfer of federal funds, in amounts greater than \$100,000, to or from any Special Purpose or State Aid and Grants account, in which the identifying organization code, fund code and program code remain the same, provided that the transfer would effect a change in the legislative intent of the appropriations; and

(9) Requests for such other transfers as are appropriate in order to ensure compliance with the legislative intent of this act.

b. The Joint Budget Oversight Committee or its successor may review all transfer requests submitted for legislative approval and may direct the Legislative Budget and Finance Officer to approve or disapprove any such transfer request. Transfers submitted for legislative approval pursuant to paragraph (5) of subsection a. of this section shall be made only if approved by the Legislative Budget and Finance Officer at the direction of the committee.

c. The Legislative Budget and Finance Officer shall approve or disapprove requests for the transfer of funds submitted for legislative approval within 10 working days of the physical receipt thereof and shall return them to the director. If any provision of this act or any supplement thereto requires the Legislative Budget and Finance Officer to approve or disapprove requests for the transfer of funds, the request shall be deemed to be approved by the Legislative Budget and Finance Officer if, within 20 working days of the physical receipt of the request, he has not disapproved the request and so notified the requesting officer. However, this time period shall not pertain to any transfer request under review by the Joint Budget Oversight Committee or its successor, provided notice of such review has been given to the director.

d. No amount appropriated for any capital improvement shall be used for any temporary purpose except extraordinary snow removal or extraordinary transportation maintenance subject to the approval of the Director of the Division of Budget and Accounting. However, an amount from any appropriation for an item of capital improvement may be transferred to any other item of capital improvement subject to the approval of the director, and, if in an amount greater than \$300,000, subject to the approval of the Legislative Budget and Finance Officer.

e. The provisions of subsections a. through d. of this section shall not apply to appropriations made to the Legislative branch of State government. To permit flexibility in the handling of these appropriations, amounts may be transferred to and from the various items of appropriation by the appropriate officer or his designee with notification given to the director on the effective date thereof.

f. Notwithstanding any provisions of this section to the contrary, transfers to and from the Special Purpose appropriation to the Governor for emergency and necessity under the State Contingency Fund and transfers from the appropriations to the various accounts in the category of Salary and Other Benefits, both in the Inter-Departmental Accounts, shall not be subject to legislative approval or disapproval.

11. When the duties or responsibilities of any department or branch, except for the Legislature and any of its agencies, are transferred to any other department or branch, it shall be the duty of the Director of the Division of Budget and Accounting and the director is hereby empowered to transfer funds appropriated for the maintenance and operation of any such department or branch to such department or branch as shall be charged with the responsibility of administering the functions so transferred. The Director of the Division of Budget and Accounting shall have the authority to create such new accounts as may be necessary to carry out the intent of the transfer. Information copies of such transfers shall be transmitted to the Legislative Budget and Finance Officer upon the effective date thereof. If such transfers may be required among appropriations made to the Legislature and its agencies, the Legislative Budget and Finance Officer, subject to the approval of the President of the Senate and the Speaker of the General Assembly, is hereby empowered and it shall be that officer's duty to effect such transactions hereinabove described and to notify the Director of the Division of Budget and Accounting upon the effective date thereof.

12. The Director of the Division of Budget and Accounting is empowered and it shall be the director's duty in the disbursement of funds for payment of expenses classified as employee benefits, debt service, rent, telephone, motor pool, insurance, postage, lease payments on equipment purchases and compensation awards to credit or transfer to the Department of the Treasury, to an Inter-Departmental account, or to the General Fund, as applicable, from any other department, branch or non-State fund source out of funds appropriated thereto, such sums as may be required to cover the costs of such payment attributable to such other department, branch or non-State fund source as the director shall determine. Receipts in any non-State funds are appropriated for the purpose of such transfer.

13. The Director of the Division of Budget and Accounting is empowered to establish revolving and dedicated funds as required. Notice of the establishment of such funds shall be transmitted to the Legislative Budget and Finance Officer, upon the effective date thereof.

14. The Governor is empowered to direct the State Treasurer to transfer from any State department to any other State department such sums as may be necessary for the cost of any emergency occasioned by aggression, civil disturbance, sabotage, disaster, or for flood loss expenses for State owned structures to comply with Federal Insurance Administration requirements.

15. Upon request of any department receiving non-State funds, the Director of the Division of Budget and Accounting is empowered to transfer such funds from that department to other departments as may be charged with the responsibility for the expenditure thereof.

16. From appropriations to the various departments of State government, the Director of the Division of Budget and Accounting is empowered to transfer sums sufficient to pay any obligation due and owing in any other department or agency.

17. Notwithstanding the provision of any other law, the State Treasurer may transfer from any fund in his custody, deposited with him pursuant to law, sufficient sums to enable payments from any appropriation made herein for any obligations due and owing. Any such transfer shall be restored out of the taxes or other revenue received in the Treasury in support of this act. Except for transfers from the several funds whose statutes provide for interest earnings to accrue to the fund, all such transfers shall be without interest. When the statute provides for interest earnings, it shall be calculated at the average rate of earnings during the fiscal year from the State's general investments.

18. Unless otherwise provided, federal grant and project receipts representing reimbursement for agency and central support services, indirect and administrative costs, as determined by the Director of the Division of Budget and Accounting, shall be transmitted to the Department of the Treasury for credit to the General Fund; provided however, that a portion of the indirect and administrative cost recoveries received which are in excess of the amount anticipated may be reclassified into a dedicated account and returned to State departments and agencies, as determined by the Director of the Division of Budget and Accounting, who shall notify the Legislative Budget and Finance Officer of the amount of such funds returned, the departments or agencies receiving such funds and the purpose for which such funds will be used, within 10 working days of any such transaction. Such receipts shall be forwarded to the Director of the Division of Budget and Accounting upon completion of the project or at the end of the fiscal year, whichever occurs earlier.

19. Notwithstanding the provisions of P.L.1954,c.48 (C.52:34-6 et seq.), sums appropriated for services for the various State departments and agencies may be expended for the purchase of contract services from the New Jersey Marine Sciences Consortium as if it were a State government agency pursuant to subsection (a) of section 5 of P.L.1954,c.48 (C.52:34-10).

20. The Director of the Division of Budget and Accounting may settle any claim not exceeding \$2,000 due and owing to the State.

21. Notwithstanding any other provisions of this act, the State Treasurer, upon warrant of the Director of the Division of Budget and Accounting, shall pay any claim not exceeding \$4,000 out of any appropriations made to the several departments, provided such claim is recommended for payment by the head of such department. The Legislative Budget and Finance Officer shall be notified of the amount and description of any such claim at the time such payment is made. Any claimant who has presented a claim not exceeding \$4,000, which has been denied or not recommended by the head of such department, shall be precluded from presenting said claim to the Legislature for consideration.

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22. Out of the appropriations herein, the Director of the Division of Budget and Accounting is empowered to approve payments to liquidate any unrecorded liabilities for materials delivered or services rendered in prior fiscal years, upon the written recommendation of any department head, or his designated representative. The Director of the Division of Budget and Accounting shall reject any recommendations for payment which he deems improper.

23. The Director of the Division of Budget and Accounting may, upon application therefor, allot from appropriations made to any official, department, commission or board, a sum to establish a petty cash fund for the payment of expenses under rules and regulations established by the director. Allotments thus made by the Director of the Division of Budget and Accounting shall be paid to such person as shall be designated as the custodian thereof by the official, department, commission or board making a request therefor, and the money thus allotted shall be disbursed by such custodian who shall require a receipt therefor from all persons obtaining money from the fund. The director shall make regulations governing disbursement from petty cash funds.

24. The Legislative Budget and Finance Officer with the cooperation and assistance of the Director of the Division of Budget and Accounting is authorized to adjust this appropriations bill to reflect any reorganizations which have been implemented since the presentation of the Governor's Budget Recommendation Document dated January 29, 1996.

25. State agencies shall prepare and submit a copy of their agency or departmental budget requests for Fiscal Year 1998 by October 1, 1996 and a copy of their spending plans involving all State, federal and other non-State funds to the Director of the Division of Budget and Accounting and the Legislative Budget and Finance Officer by November 1, 1996, and updated spending plans on February 1, and May 1, 1997. The spending plans shall account for any changes in departmental spending which differ from this appropriation act and all supplements to this act. The spending plans shall be submitted on forms specified by the Director of the Division of Budget and Accounting.

26. The Director of the Division of Budget and Accounting is empowered to transfer or credit appropriations to any State agency for services provided, or to be provided, by that agency to any other agency or department; provided further, however, that funds have been appropriated or allocated to such agency or department for the purpose of purchasing these services.

27. The Director of the Division of Budget and Accounting shall provide the Legislative Budget and Finance Officer with copies of all BB-4s, Application for Non-State funds, and accompanying project proposals or grant applications, which require a State match and that may commit or require State support after the grant's expiration.

28. Notwithstanding the provisions of P.L.1943,c.188 (C.52:14-17.1 et seq.), the rate of reimbursement for mileage allowed for employees traveling by personal automobile on official business shall be \$.25 per mile.

29. Notwithstanding any other provisions in this act, no unexpended balances as of June 30, 1996 are appropriated without the approval of the Director of the Division of Budget and Accounting, except that the Legislative Branch of State government shall be exempt from this provision. The Director of the Division of Budget and Accounting shall notify the Legislative Budget and Finance office of those instances in which unexpended balances are not appropriated pursuant to this section.

30. There are appropriated, subject to the approval of the Director of the Division of Budget and Accounting, from interest earnings of the various bond funds, such sums as may be necessary for the State to comply with the federal "Tax Reform Act of 1986," Pub. L.99-514 (26 U.S.C. 1 et seq.) which requires issuers of tax-exempt debt obligations to rebate any arbitrage earnings to the federal government.

31. In order to provide effective cash flow management for revenues and expenditures of the General Fund and the Property Tax Relief Fund to implement the fiscal year 1997 annual appropriations act, there are appropriated from the General Fund such sums as may be required to pay the principal of and interest on tax and revenue anticipation notes including notes in the form of commercial paper (hereinafter collectively referred to as short-term notes), together with any costs or obligations relating to the issuance thereof of contracts related thereto, according to the terms set forth herein. Provided further that, to the extent that short-term notes are issued for cash flow management purposes in connection with the Property Tax Relief Fund, there are appropriated from the Property Tax Relief Fund such sums as may be required to pay the principal of those short-term notes.

32. The State Treasurer is authorized to issue short-term notes, which notes shall not constitute a general obligation of the State or a debt or a liability within the meaning of the State Constitution and the State Treasurer is authorized to pay any costs or obligations relating to the issuance of such short-term notes or contracts relating thereto. Such short-term notes shall be issued in such amounts and at such times as the State Treasurer shall deem necessary for the above stated purposes and for the payment of related costs, and on such terms and conditions, sold in such manner and at such prices, bearing interest at such fixed or variable rate or rates, renewable at such time or times, and entitled to such security, and using such paying agents as shall be determined by the State Treasurer. The State Treasurer is authorized to enter into such contracts and to take such other actions, all as determined by the State Treasurer to be appropriate to carry out the above cash flow management purposes. The State Treasurer shall give consideration to New Jersey-based vendors in entering into such contracts. Whenever the State Treasurer issues such short-term notes, the State Treasurer shall report on each such issuance to the Chairman of the Senate Budget and Appropriations Committee and the Chairman of the Assembly Appropriations Committee.

33. There is appropriated to Essex County an amount not to exceed \$12,000,000, subject to the approval of the Director of the Division of Budget and Accounting, from moneys made available to the State from the Reserve Escrow Account upon the restructuring of the loan in the original aggregate principal amount of \$33,000,000 made by the State to Essex County pursuant to the Loan Agreement dated April 29, 1987.

34. None of the funds appropriated to the Executive Branch of State government for Information Processing, Development, Telecommunications, and Related Services (External), Information Processing-Internal, and Information Processing and Telecommunications Equipment shall be available to pay for any information processing services or equipment without the review of the Office of Telecommunications and Information Systems and compliance with statewide policies and standards; authorization and approval by the Office of Telecommunications and Information Systems is required for expenditure of amounts in excess of the current Direct Purchase Authorization (DPA) threshold.

35. There are appropriated such sums as may be required to pay interest liabilities to the federal government as required by the Treasury/State agreement pursuant to the provisions of the Cash Management Improvement Act of 1990, subject to the approval of the Director of the Division of Budget and Accounting.

36. The unexpended balances as of June 30, 1996 in accounts that are funded by Interfund Transfers are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

37. Notwithstanding the provisions of P.L. 1990, c.44 (C.52:9H-14 et seq.), balances in the Surplus Revenue Fund may be appropriated to offset reductions in federal funds.

38. Notwithstanding the provisions of P.L. 1983, c.303 (C.52:27H-60), each of the municipalities in which an enterprise zone is designated whose separate account in enterprise zone assistance fund was reduced in the FY 1995 shall be entitled to receive such additional sums, not to exceed 100% of the annual sales tax revenue collected by certified vendors in their individual zones, to be distributed in a cumulative amount not to exceed: Bridgeton (\$690,000), Camden (\$225,000), Elizabeth (\$3,300,000), Jersey City (\$3,870,000), Kearny (\$780,000), Millville (\$285,000), Newark (\$1,680,000), Orange (\$285,000), Plainfield (\$435,000), Trenton (\$795,000), Vineland (\$2,655,000), subject to the approval of the Director of the Division of Budget and Accounting.

39. Whenever any, county, municipality, or school district entitled to receive State aid from appropriations made herein withholds funds from State agencies entitled to payment for services, the Director of the Division of Budget and Accounting is authorized to withhold State aid payments to such county, municipality, or school district and transfer the same as payment for funds so withheld.

40. If the sum provided in this act for a State aid payment pursuant to formula is insufficient to meet the full requirements of the formula, all recipients of State aid shall have their allocation proportionately reduced, subject to the approval of the Director of the Division of Budget and Accounting,

41. There is appropriated, from loan repayments to the Economic Development Authority, \$20,500,000 from the Public School Facilities Code Compliance Loan Fund and the Public School Facilities Loan Assistance Fund for transfer to the General Fund as State revenue, subject to the enactment of enabling legislation.

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42. There is appropriated \$11,330,000 from the Sanitary Landfill Facility Contingency Fund for transfer to the General Fund as State revenue.

43. There is appropriated \$4,250,000 in the New Home Warranty Security Fund for transfer to the General Fund as State revenue.

44. There is appropriated \$2,514,000 from the Mortgage Assistance Fund for transfer to the General Fund as State revenue.

45. There is appropriated \$1,200,000 from the Emergency Services Fund for transfer to the General Fund as State revenue.

46. There is appropriated \$375,000 from the Boarding House Rental Assistance Fund for transfer to the Casino Revenue Fund as State revenue.

47. Notwithstanding any provision of law to the contrary, of the unexpended balance as of June 30, 1996 in the Unemployment Compensation Auxiliary Fund, \$2,000,000 is lapsed to the credit of the General Fund.

48. Subject to the availability of federal Medicaid dollars within any federal legislation to block grant the Medicaid program or through a continued entitlement program, as determined by the Director of the Division of Budget and Accounting, and notwithstanding any other law to the contrary, each local school district which participates in the Special Education Medicaid Initiative shall receive a percentage of the federal revenue the district's participation yields for current year claims. The percentage share for local school districts shall be 15% of the first \$53,000,000 of federal reimbursements realized. After federal reimbursements are realized in excess of \$53,000,000, local school districts shall receive a percentage of such revenue based on the level of participation they achieve. Each district's reimbursement percentage shall be calculated as the product of its special education enrollment multiplied by the percentage of its enrolled pupils eligible for the federal free lunch program. Districts with a participation rate of 80% or more shall receive 85% of its share of federal revenues in excess of \$53,000,000 in recognition of their successful efforts to maximize participation. Each district with a participation rate of 60% to 79% shall receive 50% of its share of federal revenues in excess of \$53,000,000. Each district with a participation rate of less than 60% shall receive 15% of its share of federal revenues in excess of \$53,000,000.

49. The administrative costs of the Special Education Medicaid Initiative, including the participation of a consultant, are appropriated and shall be paid from the revenue received, subject to the approval of the Director of the Division of Budget and Accounting.

50. This act shall take effect July 1, 1996.