

INTERDEPARTMENTAL ACCOUNTS

OVERVIEW

The Interdepartmental Accounts provide funds for the cost of certain services that are administered centrally on behalf of all agencies of State government. The budget for Statewide Capital is discussed in the Capital and Debt Service section.

Budget Highlights

Funding for the Interdepartmental Accounts in the Fiscal 2008 Budget totals \$3.493 billion, an increase of \$352.4 million, or 11.2%, over the fiscal 2007 adjusted appropriation of \$3.141 billion. (The specific highlights are outlined in their respective sections below.)

Salary Increases

The State of New Jersey employs approximately 79,000 full-time workers. The State is covered by the New Jersey Public Employer-Employee Relations Act, as amended, N.J.S.A 34:13A-1, et seq. This Act guarantees public employees the right to negotiate collectively, through employee organizations certified or recognized as the exclusive collective negotiation representatives for units of public employees. As of January 2007, unions represented 71,600 full-time State employees, or approximately 90% of the total work force.

In fiscal 2008, \$212.8 million is recommended for Salary Increases and Other Benefits, to cover fiscal 2008 employee increments and cost-of-living adjustments for all eligible State employees, along with any related deferred costs. This amount is net of \$25 million savings from statewide management efficiencies. Additionally, \$11 million in funding is included for senior public higher education institutions' employee salary increases.

In addition to salary increases, this section of the Budget provides \$10.3 million for payment of unused accumulated sick leave in accordance with N.J.A.C. 4A:6-3.1 et. seq. Employees are permitted to accumulate earned sick days. Upon retirement, retirees are paid for any unused sick days, at 50% of the normal pay rate, up to a maximum amount of \$15,000.

Employee Contract Status

The State is presently negotiating with unions representing 75% of State employees, including CWA (Communications Workers of America), AFSCME (American Federation of State, County, and Municipal Employees), IFPTE (International Federation of Professional and Technical Engineers), and unions representing corrections and non-corrections law enforcement officers employed by the State, whose contracts expire June 30, 2007. A tentative agreement has been reached with CWA, which includes a 3% cost-of-living (COLA) increase for fiscal 2008. In recognition of rising health benefit and pension costs, the tentative agreement also includes a provision that active State employees, including the colleges, contribute 1.5% of salary towards their health benefits and an additional 0.5% towards their pensions. It is expected that agreements will be reached with the remaining unions prior to July 1, 2007.

The unions that represent Judicial employees - CWA, Judiciary Council of Affiliated Unions (JCAU), and Probation Association of New Jersey (PANJ), will receive a 2.25% increase on or about July 1, 2007. Eligible employees will also receive a 3.3% increase from the addition of a 10th step to the salary range. They will also receive another increase of 2.35% on or about January 1, 2008 as well as progression payments. Additionally, the State Police will receive a 4.00% increase on or about July 1, 2007. Both the Judicial unions and the State Police contracts are effective July 1, 2004 to June 30, 2008.

Employee Fringe Benefits

For fiscal 2008, a total cost of almost \$1.8 billion is budgeted to provide fringe benefits to employees of State government, an increase of \$126.4 million, or 7.7%, as compared to fiscal 2007. The

fiscal 2008 recommendation for higher education's senior public institutions is \$750 million, a slight decrease of \$8.6 million, or 1.1% compared to fiscal 2007.

Employee Retirement

All State employees, and most employees of counties, municipalities, and school districts, are members of one of the seven State retirement systems: Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF), Police and Firemen's Retirement System (PFRS), Consolidated Police and Firemen's Pension Fund, State Police Retirement System (SPRS), Judicial Retirement System (JRS), and Prison Officer's Pension Fund. The law provides that all defined benefit pension plans are subject to actuarial valuation every year and actuarial experience studies every three years.

The Fiscal 2008 Budget provides a 50% phase-in for the five defined pension plans. The recommended amount for State and higher education employee pensions in the Fiscal 2008 Budget totals \$846.4 million, including \$338.6 million of post retirement medical costs. The recommended appropriation for debt service payments on the pension obligation bonds for State and higher education employees is \$81.4 million in fiscal 2008.

Employee Health Benefits

The projected cost for health benefits, including medical, prescription drug, dental, and vision, for State and higher education employees in fiscal 2008 is \$1.035 billion, a \$12.6 million increase in comparison to fiscal 2007.

Employer Payroll Taxes

The fiscal 2008 recommendation of \$565 million for employer payroll taxes represents an increase of \$43.8 million over fiscal 2007. The recommendation includes \$540.1 million of employer Social Security tax, \$16.3 million for Temporary Disability Insurance (TDI), and \$8.6 million for Unemployment Insurance (UI) liability.

Other Interdepartmental Accounts

Funding for Other Interdepartmental Accounts in the Fiscal 2008 Budget totals \$13.1 million, a decrease of \$23 million, or 63%, from the fiscal 2007 adjusted appropriation of \$36.1 million.

In Direct State Services (DSS), some of the major items funded in fiscal 2008 are: \$10 million for interest on short-term notes and \$3.1 million for several smaller programs.

The Fiscal 2008 Grants-in-Aid (GIA) Budget for Other Interdepartmental Accounts is zero.

Aid To Independent Authorities

The Fiscal 2008 Budget recommends \$147.8 million for Aid to Independent Authorities, an increase of \$11.1 million, or 8.1% more than the fiscal 2007 adjusted appropriation of \$136.7 million. This supports the New Jersey Sports and Exposition Authority, Business Employment Incentive Programs, New Jersey Performing Arts Center, Municipal Rehabilitation and Economic Recovery, and other authorities.

Property Rentals

Funding for Property Rentals in the Fiscal 2008 Budget totals \$167.4 million, an increase of \$3.9 million, or 2%, from the previous year. The Property Rentals account supports existing and anticipated leases of offices and other facilities used by State agencies (\$122.2 million), payments for debt service leases and payments in lieu of property taxes on facilities occupied by State agencies (\$23.6 million), and debt service payments for Ancora Psychiatric Hospital, fire sprinkler systems and office furnishings (\$4.5 million). This account also includes \$17.1 million for debt service payments associated with the State's lease-purchase of facilities acquired or built by the Economic Development Authority.

INTERDEPARTMENTAL ACCOUNTS

Insurance and Other Services

The Insurance and Other Services account includes insurance premiums for property, casualty and special insurance policies for coverage against loss to State-owned real property, boilers and other machinery and fine art objects owned by the State. This account also provides self-insurance funds for various claims against the State, including tort claims for personal injury or property damage, workers' compensation for State employees, vehicle liability claims for property damage and injury resulting from the operation of State vehicles, and claims arising from the Foster Parents Program and the University of Medicine and Dentistry of New Jersey (UMDNJ) Self-Insurance Reserve Fund.

Funding for Insurance and Other Services in the Fiscal 2008 Budget totals \$108.5 million, a decrease of \$13.7 million from the fiscal 2007 adjusted appropriation of \$122.2 million. The decrease is primarily

due to non-recurring expenditures in fiscal 2007 within the Tort Claims Liability Fund.

Utilities and Other Services

The Utilities and Other Services account provides funding for the heating, electrical, janitorial and trash removal needs for various State-owned buildings, primarily in the Capitol Complex. This account also includes funding for State departments that are severely impacted by increases in fuel and utility costs. Funding of \$72 million for Utilities and Other Services in the Fiscal 2008 Budget is \$6.1 million, or 9.3%, higher than the previous year. Of this amount, \$4.9 million is for increased fuel and utility costs and \$1.2 million is for contractual increases for janitorial and trash removal services. The equivalent of 14.6% of the State's total electrical load will be procured from renewable, or "green power" sources.

INTERDEPARTMENTAL ACCOUNTS SUMMARY OF APPROPRIATIONS BY FUND (thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended		2007 Adjusted Approp.	Requested	Recommended
					GENERAL FUND			
1,953,880	63,073	-94,366	1,922,587	1,829,627	Direct State Services	2,049,648	2,362,227	2,362,227
869,972	44,834	-53,916	860,890	814,632	Grants-In-Aid	895,242	908,781	908,781
179,327	47,210	16,719	243,256	201,022	Capital Construction	195,856	222,137	222,137
3,003,179	155,117	-131,563	3,026,733	2,845,281	Total General Fund	3,140,746	3,493,145	3,493,145
3,003,179	155,117	-131,563	3,026,733	2,845,281	Total Appropriation, Interdepartmental Accounts	3,140,746	3,493,145	3,493,145

SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended		2007 Adjusted Approp.	Requested	Recommended
					DIRECT STATE SERVICES - GENERAL FUND			
					General Government Services			
147,220	6,060	4,976	158,256	154,160	Property Rentals	163,490	167,431	167,431
101,333	16,217	-655	116,895	113,952	Insurance and Other Services	122,211	108,489	108,489
1,442,797	---	15,529	1,458,326	1,446,297	Employee Benefits	1,651,624	1,778,023	1,778,023
79,722	1,610	13,918	95,250	69,617	Other Interdepartmental Accounts	36,107	13,143	13,143
147,624	37,612	-128,789	56,447	8,337	Salary Increases and Other Benefits	10,300	223,145	223,145
35,184	1,574	655	37,413	37,264	Utilities and Other Services	65,916	71,996	71,996
1,953,880	63,073	-94,366	1,922,587	1,829,627	Subtotal	2,049,648	2,362,227	2,362,227
1,953,880	63,073	-94,366	1,922,587	1,829,627	Total Direct State Services - General Fund	2,049,648	2,362,227	2,362,227
1,953,880	63,073	-94,366	1,922,587	1,829,627	TOTAL DIRECT STATE SERVICES	2,049,648	2,362,227	2,362,227

INTERDEPARTMENTAL ACCOUNTS

Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2007 Adjusted Approp.	Requested	Recom- mended
					GRANTS-IN-AID - GENERAL FUND			
					General Government Services			
673,658	352	-2,600	671,410	668,121	Employee Benefits	758,504	749,905	749,905
54,925	44,482	-15,780	83,627	41,757	Other Interdepartmental Accounts	---	---	---
35,546	---	-35,546	---	---	Salary Increases and Other Benefits	---	11,047	11,047
105,843	---	10	105,853	104,754	Aid to Independent Authorities	136,738	147,829	147,829
<u>869,972</u>	<u>44,834</u>	<u>-53,916</u>	<u>860,890</u>	<u>814,632</u>	<i>Subtotal</i>	<u>895,242</u>	<u>908,781</u>	<u>908,781</u>
<u>869,972</u>	<u>44,834</u>	<u>-53,916</u>	<u>860,890</u>	<u>814,632</u>	<i>Total Grants-In-Aid - General Fund</i>	<u>895,242</u>	<u>908,781</u>	<u>908,781</u>
<u>869,972</u>	<u>44,834</u>	<u>-53,916</u>	<u>860,890</u>	<u>814,632</u>	TOTAL GRANTS-IN-AID	<u>895,242</u>	<u>908,781</u>	<u>908,781</u>
					CAPITAL CONSTRUCTION			
					General Government Services			
179,327	47,210	16,719	243,256	201,022	Capital Projects - Statewide	195,856	222,137	222,137
<u>179,327</u>	<u>47,210</u>	<u>16,719</u>	<u>243,256</u>	<u>201,022</u>	<i>Subtotal</i>	<u>195,856</u>	<u>222,137</u>	<u>222,137</u>
<u>179,327</u>	<u>47,210</u>	<u>16,719</u>	<u>243,256</u>	<u>201,022</u>	TOTAL CAPITAL CONSTRUCTION	<u>195,856</u>	<u>222,137</u>	<u>222,137</u>
<u>3,003,179</u>	<u>155,117</u>	<u>-131,563</u>	<u>3,026,733</u>	<u>2,845,281</u>	<i>Total Appropriation, Interdepartmental Accounts</i>	<u>3,140,746</u>	<u>3,493,145</u>	<u>3,493,145</u>

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

74. GENERAL GOVERNMENT SERVICES

OBJECTIVES

1. To provide pooled funds for the costs of certain services which are managed centrally for or on behalf of all agencies of State government.
2. To provide pooled contingency reserve funds to cover certain emergency situations and probable cost increases for various utilities and common services which cannot be predicted with reasonable certainty.
3. To provide pooled funds for salary adjustments and other salary and compensation benefits for State employees.

PROGRAM CLASSIFICATIONS

01. **Property Rentals.** Provides for payment by the Department of the Treasury of rents for office space and other premises for State agencies, whose operations are financed from General Fund appropriations. This account also functions as a clearing account for payment of rents for agencies financed from other than General Fund sources, which amounts are shown as a deduction from the gross rent recommendation.
02. **Insurance and Other Services.** Provides funds to pay all central insurance premium costs and to cover the State's tort liability and its statutory duty to indemnify its employees for adverse judgments in all instances where the State is self-insured. This account also provides the self-insurance funds to pay losses which fall within the deductible areas of property insurance coverage and other insurance claims.
03. **Employee Benefits.** Provides funds for the following classes of employees: (1) Heath Act pensioners (RS 43:5-1 et seq.), consisting of persons employed by the State as of January, 1921; (2) Veterans' Act pensioners (RS 43:4-1 et seq.); (3) Miscellaneous Special Pension Acts, in accordance with

various State laws authorizing payments to designated individuals; (4) Annuity for Widows of Governors (RS 43:8-2); (5) Judicial pensioners (C43:6-6.4 et seq.); (6) Prison officers (C43:7-7 et seq.) (7) Public Employees (C43:15A-1 et seq.), whose funds are administered by a board of nine trustees, including municipal and county representation, two appointees of the Governor, and the State Treasurer; (8) State Police (C53:5A-1 et seq.), whose funds are administered by a board of five trustees including two active members of the system, two appointees of the Governor, and the State Treasurer, ex officio; (9) State and local members of the Police and Firemen's Retirement System (C43:16A-1 et seq.), whose funds are administered by a board of eleven trustees, including four active members, one retired member, five appointees of the Governor, and one representative from the State Treasurer's Office; (10) and the pension and non-contributory group life insurance payments to be made by the State on behalf of those members of the Teachers' Pension and Annuity Fund, not employees of school districts, employed by the State Department of Education, and by the public institutions of higher education in the State. Funds are also provided for the payments for non-contributory group life insurance covering employees of the State and other participating employers in the retirement system (C43:15A-1 et seq.); the State's share of Social Security Tax (C43:22-1 et seq.); Pension Adjustment Act (C3:3B-1 et seq.) providing increases in benefits payable to members of State retirement systems; and the employer's share of health benefits charges for State employees enrolled in the State Health Benefits Program. Under C52:14-17.25 et seq., the administration of this program was transferred to the Division of Pensions and Benefits.

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The Alternate Benefit Program was established (NJS 18A:64C-11.1, NJS 18A:65-74 and C18A:66-130) for faculty and staff members at the University of Medicine and Dentistry of New Jersey; Rutgers, The State University; the New Jersey Institute of Technology; and the State colleges and universities. The employer contribution to this retirement program is included in this budget.

The State Employee Health Benefits Program (C52:14-17.25 et seq.) provides health insurance for employees and their dependents, including those employed by State colleges and universities, through a traditional plan or a managed care health plan.

The Division of Pensions and Benefits coordinates the funding for payment of temporary disability insurance benefits to State employees (C43:21-46). Temporary cash benefits are provided to eligible State employees covered under Federal law to insure against loss of earnings due to non-occupational sickness or accident.

All individuals in the employ of the State of New Jersey or an instrumentality of the State, with respect to service performed after December 31, 1971 for a hospital or institution of higher education, are covered under the Unemployment Compensation Law (RS 43:21-1 et seq., as amended by PL 1971, c. 346). Any political subdivision of the State may elect to cover individuals employed by the subdivision in all of the hospitals and institutions of higher education operated by that political subdivision. Benefits paid based on wages earned in the employ of the State or of a political subdivision are financed by payments in lieu of employer contributions to the Unemployment Compensation Fund. All covered State employees are required to contribute each year to the Fund in accordance with the established rate. Benefits under the unemployment compensation program are payable in accordance with the provisions of the Unemployment Compensation Law.

The New Jersey State Prescription Drug Program (C52:14-17.29) helps meet the cost of drugs prescribed for eligible employees and their dependents for use outside of hospitals, nursing homes or other institutions. Included are those drugs which, as required by Federal law, can be dispensed only upon a written prescription order by a

physician. The program covers the full cost of a prescription item dispensed by a licensed participating pharmacy, less a co-payment charge for each eligible prescription and prescription refill. The co-payment charge is dependent upon whether the employee chooses a prescription which is generic or non-generic. All full time State employees are eligible to enroll for coverage in the Program without cost to the employee.

04. **Other Interdepartmental Accounts.** Provides funds for allotment by the Director of the Division of Budget and Accounting to various departments or agencies of State government for meeting emergency conditions, and for a number of other contingencies which cannot be predicted with sufficient certainty to be included within the budget recommendations of individual departments or agencies. Included are the Governor's Emergency Fund, the premium portion of required payments for short term notes, seed money to implement cost saving processes, and other productivity improvements as appropriate.
05. **Salary Increases and Other Benefits.** Includes funds to be allotted to the various State departments or agencies for the cost of general and special salary adjustments and unused accumulated sick leave.
06. **Utilities and Other Services.** Provides for payment of fuel, utilities, janitorial services, and trash removal for State-owned and lease-purchase facilities primarily in the Capitol district, as well as some fuel and utility costs for State departments.
08. **Capital Projects - Statewide.** Provides for statewide programs and capital projects administered by the Department of Treasury on behalf of state agencies. Statewide programs include the removal of underground storage tanks, hazardous material removal and Americans with Disabilities Act compliance. Also, included is funding for the purchase of open space through the Garden State Preservation Trust Fund. Other items include network upgrades and agency information technology systems.
09. **Aid to Independent Authorities.** Provides for payments to independent authorities for operating expenses and construction costs of cultural, sports related facilities and for the location and development of businesses in New Jersey.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Organization								
232,655	6,060	4,976	243,691	239,595		246,843	254,987	254,987
101,333	16,217	-655	116,895	113,952		122,211	108,489	108,489
35,184	1,574	655	37,413	37,264		65,916	71,996	71,996
Distribution by Fund and Program								
232,655	6,060	4,976	243,691	239,595	01	246,843	254,987	254,987
101,333	16,217	-655	116,895	113,952	02	122,211	108,489	108,489
35,184	1,574	655	37,413	37,264	06	65,916	71,996	71,996
369,172	23,851	4,976	397,999	390,811	Total Direct State Services		435,472	435,472

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Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended
DIRECT STATE SERVICES								
<i>Less:</i>								
(85,435)	---	---	(85,435)	(85,435)				
<u>(85,435)</u>	<u>---</u>	<u>---</u>	<u>(85,435)</u>	<u>(85,435)</u>		(83,353)	(87,556)	(87,556)
						Total Income Deductions		
						<u>(83,353)</u>	<u>(87,556)</u>	<u>(87,556)</u>
<u>283,737</u>	<u>23,851</u>	<u>4,976</u>	<u>312,564</u>	<u>305,376</u>	Total State Appropriation			<u>347,916</u>
						<u>351,617</u>	<u>347,916</u>	<u>347,916</u>
Distribution by Fund and Object								
Property Rentals								
188,687								
5,300 ^S	4,569	6,900	205,456	204,177	Existing and Anticipated Leases	01	196,495	
							13,000 ^S	209,769
								209,769
16,183	---	---	16,183	15,798	Economic Development Authority	01	17,051	17,096
<u>17,822</u>	<u>---</u>	<u>---</u>	<u>17,822</u>	<u>17,822</u>	Other Debt Service Leases and Tax Payments	01	<u>19,015</u>	<u>23,590</u>
						Subtotal Appropriation (Gross)		
<u>227,992</u>	<u>4,569</u>	<u>6,900</u>	<u>239,461</u>	<u>237,797</u>				<u>245,561</u>
						<i>Less:</i>		
<u>(85,435)</u>	<u>---</u>	<u>---</u>	<u>(85,435)</u>	<u>(85,435)</u>				<u>(83,353)</u>
						Subtotal Appropriation (Net)		
<u>142,557</u>	<u>4,569</u>	<u>6,900</u>	<u>154,026</u>	<u>152,362</u>				<u>162,208</u>
4,663	1,491	-1,924	4,230	1,798				4,532
						Insurance and Other Services		
11,000	13,966	-2,000	22,966	22,966	Tort Claims Liability Fund (C59:12-1)	02	17,500	
							8,500 ^S	15,000
								15,000
55,500					Workers' Compensation Self-Insurance Fund	02	64,700	
6,000 ^S	342	2,500	64,342	63,622			2,500 ^S	64,700
								64,700
3,636	---	---	3,636	3,630	Property Insurance Premium Payments	02	3,636	4,283
2,030	---	-1,460	570	522	Casualty Insurance Premium Payments	02	2,030	1,101
220	---	60	280	280	Special Insurance Policy Premium Payment	02	220	280
18,000					UMDNJ Self Insurance Reserve Fund	02	18,000	18,000
1,322 ^S	---	---	19,322	19,322	Vehicle Claims Liability Fund	02	1,500	
2,000	---	1,710	3,710	3,602			2,000 ^S	3,500
1,500	1,909	-1,365	2,044	---	Self-Insurance Deductible Fund	02	1,500	1,500
125	---	-100	25	8	Self-Insurance Fund - Foster Parents	02	125	125
Utilities and Other Services								
27,495	180				Fuel and Utilities	06	57,677	62,527
7,689	1,186 ^R	1,155	30,016	29,903	Household and Security	06	8,239	9,469
	208	-500	7,397	7,361				
GRANTS-IN-AID								
Distribution by Fund and Program								
105,843	---	10	105,853	104,754	Aid to Independent Authorities	09	136,738	147,829
<u>105,843</u>	<u>---</u>	<u>10</u>	<u>105,853</u>	<u>104,754</u>	Total Grants-in-Aid (a)			<u>147,829</u>
						Total Grants-in-Aid (a)		
						<u>136,738</u>		
Distribution by Fund and Object								
<i>Grants:</i>								
5,559	---	---	5,559	5,544	New Jersey Performing Arts Center, EDA	09	5,557	5,558
28,694					Business Employment Incentive Program, EDA-Debt Service	09	48,443	
2,151 ^S	---	---	30,845	30,175			302 ^S	50,126
						<u>50,126</u>		

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Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended		Prog. Class.	2007 Adjusted Approp.	Requested	Recommended
GRANTS-IN-AID									
598	---	---	598	550	Liberty Science Center - EDA	09	1,213	8,081	8,081
9,314	---	---	9,314	9,298	Municipal Rehabilitation and Economic Recovery, EDA	09	14,129	14,125	14,125
625	---	---	625	625	Camden Children's Garden	09	625	625	625
7,596	---	---	7,596	7,580	Designated Industries Economic Growth & Development-EDA	09	7,665	7,663	7,663
25,724	---	-2,755	25,498	25,324	NJSEA Sports Complex	09	29,121	38,598	38,598
2,529 ^S	---	---	---	---			6,630 ^S		
15,440	---	---	15,440	15,280	NJSEA Atlantic City Projects	09	15,440	15,440	15,440
2,818	---	---	2,818	2,818	NJSEA Higher Education and Other Projects	09	2,818	2,818	2,818
4,795	---	---	4,795	4,795	NJSEA Wildwood Convention Center	09	4,795	4,795	4,795
---	---	2,765	2,765	2,765	NJSEA Monmouth Park - Breeder's Cup Preparation	09	---	---	---
CAPITAL CONSTRUCTION									
Distribution by Fund and Program									
179,327	47,210	16,719	243,256	201,022	Capital Projects - Statewide	08	195,856	222,137	222,137
179,327	47,210	16,719	243,256	201,022	Total Capital Construction		195,856	222,137	222,137
Distribution by Fund and Object									
Statewide Capital Projects									
700	3,777	294	4,771	2,356	Capital Improvements, Capitol Complex	08	---	---	---
---	13,230	13,717	26,947	11,735	Statewide Fire, Life Safety and Renovation Projects (b)	08	---	---	---
---	1,032	---	1,032	---	Fire Detection/Security - Central Station Upgrade	08	---	---	---
---	922	---	922	---	DEP Building Fire Alarm Upgrade	08	---	---	---
---	365	-1	364	33	Life Safety and Emergency Projects - Statewide	08	---	---	---
---	---	---	---	---	Roof Repairs - Statewide	08	2,400	7,000	7,000
2,000	2,576	---	4,576	2,156	Americans with Disabilities Act Compliance Projects - Statewide	08	1,000	1,000	1,000
---	7,152	---	7,152	3,585	Fuel Distribution Systems /Underground Storage Tank Replacements - Statewide	08	---	---	---
2,000	3,669	---	5,669	2,130	Hazardous Materials Removal Projects - Statewide	08	500	1,975	1,975
---	---	---	---	---	Fire Code Compliance	08	225	200	200
3,000	4,009	154	7,163	5,867	Statewide Security Projects	08	1,500	2,000	2,000
---	22	-12	10	9	Energy Efficiency Projects	08	200	---	---
2,000	3,007	---	5,007	2,862	Renovation Projects, Existing and Anticipated Leases	08	---	2,500	2,500
---	309	-166	143	---	Complex-wide Security System Design	08	---	---	---
---	288	---	288	---	Replace/Relocate Motor Control Center	08	---	---	---
---	32	-32	---	---	Agriculture Building Retaining Wall	08	---	---	---
---	---	---	---	---	Audiovisual Equipment Replacement Thomas Edison State College	08	---	360	360
---	1,083	---	1,083	902	Statehouse Security Modifications	08	---	---	---

INTERDEPARTMENTAL ACCOUNTS

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supple- mental	Reapp. & (R)Repts.	Transfers & (E)Emer- gencies	Total Available	Expended		2007 Prog. Class.	Adjusted Approp.	Requested	Recom- mended
CAPITAL CONSTRUCTION									
---	---	---	---	---	Planetarium Dome Sealant and Painting	08	---	250	250
---	---	3,674	3,674	1,784	9/11 Memorial	08	---	---	---
---	---	---	---	---	Water Infiltration	08	---	285	285
---	---	---	---	---	Energy Efficiency - Statewide Projects	08	---	10,000	10,000
New Jersey Building Authority Debt Service - General State Projects									
20,414	---	---	20,141	20,141	- Southwoods State Prison	08	30,248	32,392	32,392
13,326	---	---	13,326	13,326	- State House Renovations	08	19,731	21,128	21,128
7,461	---	---	7,461	7,461	- Hughes Justice Complex	08	11,046	11,838	11,838
18,135	1,859	(864)	19,130	17,958	- Other State Projects	08	22,008	23,568	23,568
864	---	---	864	864	- 9/11 Memorial Counter Terrorism Projects	08	---	---	---
5,122	---	---	5,122	5,122	- State Police Multipurpose Building/Troop "C" Headquarters	08	7,584	8,116	8,116
955	---	---	955	955	- State Police Emergency Operations Center	08	1,414	1,525	1,525
Enterprise Initiatives									
3,950	59	-1,700	2,309	448	Network Infrastructure	08	---	---	---
---	2,000	---	2,000	---	Enterprise Upgrades-Garden State Network	08	---	---	---
1,400	---	-1,400	---	---	Office of Information Technology-Availability and Recovery Site (OARS)	08	---	---	---
Open Space Preservation Program									
98,000	1,819	3,055	102,874	101,055	Garden State Preservation Trust Fund Account	08	98,000	98,000	98,000
568,907	71,061	21,705	661,673	611,152	Grand Total State Appropriation		684,211	717,882	717,882
OTHER RELATED APPROPRIATIONS									
Federal Funds									
---	52	---	52	52	Utilities and Other Services	06	---	---	---
---	52	---	52	52	Total Federal Funds		---	---	---
All Other Funds									
---	---	---	---	---	Utilities and Other Services	06	---	3,500	3,500
---	7,001 ^R	---	7,001	---	Capital Projects - Statewide	08	---	---	---
---	7,001	---	7,001	---	Total All Other Funds		---	3,500	3,500
568,907	78,114	21,705	668,726	611,204	GRAND TOTAL ALL FUNDS		684,211	721,382	721,382

Notes -- Grants-In-Aid - General Fund

(a) The appropriation for Battleship New Jersey Utilities has been moved to the Department of State.

Notes -- Capital Construction

(b) For fiscal 2008, a total of \$17,100,000 will be made available for Statewide Fire, Life Safety and Renovation Projects from non-State funding sources.

Language Recommendations -- Direct State Services - General Fund

The Director of the Division of Budget and Accounting is empowered to allocate to any State agency occupying space in any State-owned building equitable charges for the rental of such space to include, but not be limited to, the costs of operation and maintenance thereof, and the amounts so charged shall be credited to the General Fund; and, to the extent that such charges exceed the amounts appropriated for such purposes to any agency financed from any fund other than the General Fund, the required additional appropriation shall be made out of such other fund.

Receipts derived from direct charges and charges to non-State fund sources are appropriated for the rental of property, including the costs of operation and maintenance of such properties.

INTERDEPARTMENTAL ACCOUNTS

Notwithstanding the provisions of any law or regulation to the contrary, and except for leases negotiated by the Division of Property Management and Construction and subject to the approval or disapproval by the State Leasing and Space Utilization Committee pursuant to P.L. 1992, c.130 (C.52:18A-191.1 et seq.), and except as hereinafter provided, no lease for the rental of any office or building, except for legislative district offices, shall be executed without the prior written consent of the State Treasurer and the Director of the Division of Budget and Accounting. Legislative district office leases may be executed by personnel in the Office of Legislative Services so directed by the Executive Director, provided the lease complies with the Joint Rules Governing Legislative District Offices adopted by the presiding officers. Leases which do not comply with the Joint Rules Governing Legislative District Offices may be executed by personnel in the Office of Legislative District Services so directed by the Executive Director with the prior written consent of the President of the Senate and the Speaker of the General Assembly.

To the extent that sums appropriated for property rental payments are insufficient, there are appropriated such additional sums, not to exceed \$3,000,000 as may be required to pay property rental obligations, subject to the approval of the Director of the Division of Budget and Accounting.

An amount not to exceed \$2,500,000 shall be appropriated for the costs of security, maintenance, utilities and other operating expenses related to the closure of State-owned buildings, subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated such additional sums as may be required to pay debt service costs for the Greystone Park Psychiatric Hospital Project, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Master Lease Program Fund is appropriated for the same purpose.

In order to permit flexibility, amounts may be transferred between various items of appropriation within the Insurance and Other Services program classification, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

There are appropriated such additional sums as may be required to pay tort claims under N.J.S. 59:12-1, as recommended by the Attorney General and as the Director of the Division of Budget and Accounting shall determine.

The funds appropriated to the Tort Claims Liability Fund are available for the payment of claims of a tortious nature, as recommended by the Attorney General and as the Director of the Division of Budget and Accounting shall determine.

The funds appropriated to the Tort Claims Liability Fund are available for the payment of direct costs of legal, administrative and medical services related to the investigation, mitigation and litigation of tort claims under N.J.S. 59:12-1, and claims of a tortious nature, as recommended by the Attorney General and as the Director of the Division of Budget and Accounting shall determine.

The funds appropriated to the Tort Claims Liability Fund are available for the indemnification of pool attorneys engaged by the Public Defender for the defense of indigents.

The funds appropriated to the Tort Claims Liability Fund are available for the indemnification of designated pathologists engaged by the State Medical Examiner.

Notwithstanding the provisions of any law or regulation to the contrary, claims paid from the Tort Claims Liability Fund on behalf of entities funded, in whole or in part, from non-State funds, may be reimbursed from such non-State fund sources as determined by the Director of the Division of Budget and Accounting.

There are appropriated such additional sums as may be required to pay claims not payable from the Tort Claims Liability Fund or payable under the New Jersey Contractual Liability Act, as recommended by the Attorney General and as the Director of the Division of Budget and Accounting shall determine. The funds appropriated are available for the payment of direct costs of legal, administrative and medical services related to the investigation, mitigation and litigation of claims not payable from the Tort Claims Liability Fund or payable under the New Jersey Contractual Liability Act, as recommended by the Attorney General and as the Director of the Division of Budget and Accounting shall determine. Notwithstanding the provisions of any law or regulation to the contrary, claims or costs paid from the monies appropriated under this paragraph on behalf of entities funded, in whole or in part from non-State funds, may be reimbursed from such non-State funds sources as determined by the Director of the Division of Budget and Accounting. Appropriations under this paragraph shall not be available to pay punitive damages and shall not be deemed a waiver of any immunity by the State.

To the extent that sums appropriated to pay Workers' Compensation claims under R.S.34:15-1 et seq., are insufficient, there are appropriated such additional sums as may be required to pay Workers' Compensation claims, subject to the approval of the Director of the Division of Budget and Accounting.

The amount appropriated hereinabove for the Workers' Compensation Self-Insurance Fund under R.S. 34:15-1 et seq. is available for the payment of direct costs of legal, investigative, administrative and medical services related to the investigation, mitigation, litigation and administration of claims against the fund, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, benefits provided to community work experience participants shall be borne by the Work First New Jersey program funded through the Department of Human Services and any costs related to administration, mitigation, litigation and investigation of claims will be reimbursed to the Bureau of Risk Management by the Work First New Jersey Program funded through the Department of Human Services, subject to the approval of the Director of the Division of Budget and Accounting.

Providing that expenditures during the current fiscal year on workers' compensation claims attributable to the Departments of Human Services, Transportation, Corrections, and Law and Public Safety are less than the respective amounts expended by those departments for claims attributable to the preceding fiscal year, all or a portion of that savings is appropriated to those departments or the Bureau of Risk Management within the Department of the Treasury for the purpose of improving worker safety and reducing workers' compensation costs, subject to the approval of the Director of the Division of Budget and Accounting.

To the extent that sums appropriated to pay auto insurance claims are insufficient, there are appropriated such additional sums as may be required to pay auto insurance claims, subject to the approval of the Director of the Division of Budget and Accounting.

INTERDEPARTMENTAL ACCOUNTS

The amount appropriated hereinabove for the Vehicle Claims Liability Fund is available for the payment of direct costs of legal, investigative and medical services related to the investigation, mitigation and litigation of claims against the fund.

The unexpended balance at the end of the preceding fiscal year in the Self-Insurance Deductible Fund is appropriated for the same purposes.

The amount hereinabove appropriated for the Self-Insurance Fund - Foster Parents is available for the payment of direct costs of legal, investigative and medical services related to the investigation, mitigation and litigation of claims against the fund.

The sums hereinabove appropriated are available for payment of obligations applicable to prior fiscal years.

There are appropriated out of revenues received from utility companies such sums as may be required for implementation and administration of the Energy Conservation Initiatives Program, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the sums hereinabove appropriated for Fuel and Utilities, the Director of the Division of Budget and Accounting shall transfer or credit to this account such sums that accrue from appropriations made to various spending agencies for Fuel and Utilities and Salaries and Wages, to reflect savings associated with electrical deregulation, fuel switch and other energy-conservation initiatives.

Of the amount appropriated hereinabove for fuel and utility costs, \$35,267,000 may be transferred to State departments and, in addition to the sums hereinabove appropriated for fuel and utility costs, there are appropriated such additional sums as may be required for transfer to State departments to pay fuel and utility costs, subject to the approval of the Director of the Division of Budget and Accounting.

Of the unexpended balances in the Petroleum Overcharge Reimbursement Fund available for "Green Power", such sums shall be transferred to the various departments and agencies participating in the State electricity contract, as applicable, to reimburse additional costs associated with "Green Power" sources, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated, there is appropriated out of the Petroleum Overcharge Reimbursement Fund the sum of \$3,500,000 to fund energy-related savings initiatives, including an energy tracking and invoice payment system, as determined by the Director of the Department of the Treasury's Office of Energy Savings, subject to the approval of the Director of the Division of Budget and Accounting.

Revenue generated from the sale of Solar Renewable Energy Certificates is appropriated to fund energy-related savings initiatives as determined by the Director of the Department of the Treasury's Office of Energy Savings, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Global Energy Statewide Account is appropriated for the same purpose.

Notwithstanding the provisions of any law or regulation to the contrary, the Division of Property Management and Construction is empowered to renegotiate lease terms, provided that such renegotiations result in cost savings to the State for the current fiscal year and for the term of the lease. Any lease amendments made as a result of these renegotiations are subject to the review and approval of the State Leasing and Space Utilization Committee.

Language Recommendations -- Grants-In-Aid - General Fund

In addition to the amounts hereinabove appropriated for the Sports and Exposition Authority Operations - Debt Service there are appropriated such additional sums as may be necessary, subject to the approval of the Director of the Division of Budget and Accounting.

The amount for the New Jersey Performing Arts Center, EDA account shall be used to pay the State's obligations pursuant to a lease with the New Jersey Economic Development Authority, for the lease of real property and infrastructure improvements and the Performing Arts Center structure constructed thereon purchased by the authority for the State in the city of Newark, for the purpose of constructing buildings to comprise a Performing Arts Center. Notwithstanding the provisions of any law or regulation to the contrary, the State Treasurer may enter into a lease with the New Jersey Economic Development Authority to lease the real property and improvements thereon purchased or caused to be constructed by the authority for the State in the city of Newark for the Performing Arts Center, subject to the prior written consent of the Director of the Division of Budget and Accounting, the President of the Senate and the Speaker of the General Assembly. Upon the final payment of the State's obligations pursuant to the lease for the real property and infrastructure improvements purchased by the authority, the title to the real property and improvements shall revert to the State. The State may sublease the land and facilities for the purpose of operating, maintaining or financing a Performing Arts Center in Newark. Any sublease for use of land and improvements acquired for the State by the New Jersey Economic Development Authority for the Performing Arts Center shall be subject to the prior written approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee, or its successor. There are appropriated such additional sums as may be necessary to pay debt service for the New Jersey Performing Arts Center.

The amount hereinabove appropriated for the Camden Children's Garden shall be subject to the execution of an agreement between the State Treasurer and the operator of the Camden Children's Garden.

The amounts hereinabove appropriated for fiscal year 2008 debt service payments attributable to the New Jersey Performing Arts Center, EDA program and to the Municipal Rehabilitation and Economic Recovery, EDA program may be paid by the New Jersey Economic Development Authority from resources available from unexpended balances, and in such instances the amounts appropriated for the New Jersey Performing Arts Center, EDA program and for the Municipal Rehabilitation and Economic Recovery, EDA program shall be reduced by the same amount. There are appropriated such additional sums as may be necessary to pay debt service and other costs for the Municipal Rehabilitation and Economic Recovery, EDA program, subject to the approval of the Director of the Division of Budget and Accounting.

INTERDEPARTMENTAL ACCOUNTS

Language Recommendations -- Capital Construction

There are appropriated such additional sums as may be required to pay future debt service costs for projects undertaken by the New Jersey Building Authority, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amounts appropriated under P.L.2004, c.71, donations for the 9/11 Memorial Design Costs from public and private sources, including those collected from the Port Authority of New York and New Jersey, for the purposes of planning, designing, maintaining and constructing a memorial to the victims of the terrorist attacks of September 11, 2001, on the World Trade Center in New York City, the Pentagon in Washington, D.C., and United Airlines Flight 93 in Somerset County, Pennsylvania, shall be deposited by the State Treasurer in a dedicated account established for this purpose and are appropriated for the purposes set forth under P.L.2004, c.71.

Notwithstanding the provisions of any law or regulation to the contrary, in order to provide flexibility in administering the amounts provided for Statewide Fire, Life Safety and Renovations Projects, such sums as may be necessary may be transferred to individual project line items within various departments, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balances at the end of the preceding fiscal year of appropriations from the "1996 Economic Development Site Fund," established pursuant to section 20 of the "Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development Bond Act of 1996," c. 70 are appropriated.

The amount hereinabove appropriated for Energy Efficiency - Statewide Projects is payable from the Clean Energy Fund to provide the full cost of energy efficiency projects in State facilities including but not limited to: \$6,000,000 for heating, ventilation and air conditioning systems at various Human Services institutions, \$2,800,000 for pneumatic systems at State-owned office buildings in Trenton, \$925,000 for heating, ventilation, and air conditioning systems at the Military and Veteran's Affairs Paramus Veterans home and at State-owned facilities in Trenton, \$200,000 for an energy efficiency study of State-owned facilities, and \$75,000 for an energy monitoring system, the allocations of which may be adjusted based on consultation with the Department of Treasury's Office of Energy Savings, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount appropriated hereinabove for the Garden State Preservation Trust Fund Account, interest earned and accumulated commencing with the start of this fiscal year is appropriated.

The amount hereinabove for the Garden State Preservation Trust Fund Account is subject to the provisions of P.L. 1999, c.152 and the constitutional amendment on open space (Article VIII, Section II, paragraph 7).

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

74. GENERAL GOVERNMENT SERVICES

9410. EMPLOYEE BENEFITS

EVALUATION DATA

PROGRAM DATA	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
Employee Benefits				
Judicial Retirement System				
Assets	\$ 330,136,054	\$ 340,118,181	\$ 348,893,230	\$ 358,278,458
Active Members	427	438	439	439
Pensioners	432	449	468	489
Annual Pensions	\$ 28,756,368	\$ 30,579,313	\$ 32,571,556	\$ 34,693,592
Lump Sum Death Benefits	\$ 261,988	\$ 558,286	\$ 691,683	\$ 856,954
Prison Officers' Pension Fund				
Assets	\$ 15,019,308	\$ 14,257,848	\$ 13,684,682	\$ 13,178,349
Pensioners	186	178	167	157
Public Employees' Retirement System				
Assets	\$ 24,071,909,584	\$ 25,396,595,063	\$ 26,478,490,012	\$ 27,709,739,798
Total Members	322,985	327,696	333,389	339,188
State (Active)	85,985	87,964	89,987	92,057
State (Inactive)	28,223	27,714	27,836	27,958
Local	208,777	212,018	215,566	219,173
Pensioners	119,174	122,122	124,446	126,815
Annual Pensions	\$ 1,605,184,591	\$ 1,717,907,371	\$ 1,832,697,942	\$ 1,955,158,819
Lump Sum Death Benefits	\$ 103,933,290	\$ 91,469,327	\$ 93,209,074	\$ 94,981,910
State Police Retirement System				
Assets	\$ 1,752,407,719	\$ 1,846,076,363	\$ 1,934,688,028	\$ 2,028,520,397
Total Members	3,074	3,273	3,352	3,434
Active	2,950	3,123	3,202	3,284
Inactive	124	150	150	150
Pensioners	2,299	2,336	2,433	2,533
Annual Pensions	\$ 97,942,622	\$ 103,505,165	\$ 112,617,759	\$ 122,532,627
Lump Sum Death Benefits	\$ 927,128	\$ 1,432,995	\$ 1,767,685	\$ 2,180,546

INTERDEPARTMENTAL ACCOUNTS

	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
Police and Firemen's Retirement System				
Assets	\$ 17,502,319,933	\$ 18,998,209,666	\$ 20,265,390,251	\$ 21,564,401,766
Total Members	45,263	45,913	46,207	46,511
State (Active)	7,860	7,891	7,943	7,996
State (Inactive)	424	358	310	269
Local	36,979	37,664	37,954	38,246
Pensioners	29,183	30,226	31,526	32,881
Annual Pensions	\$ 1,037,521,253	\$ 1,121,795,184	\$ 1,213,042,004	\$ 1,311,710,840
Lump Sum Death Benefits	\$ 26,941,999	\$ 31,695,612	\$ 35,234,110	\$ 39,167,646
Alternate Benefit Program				
Total Active Members	17,125	17,162	17,184	17,206
State	14,094	13,939	13,957	13,975
County	3,031	3,223	3,227	3,231
Teachers' Pension and Annuity Fund				
Assets	\$ 30,114,941,816	\$ 31,073,540,791	\$ 32,381,736,858	\$ 33,715,864,417
Total Members	154,854	156,159	158,637	161,156
State	301	291	278	266
County	51	47	45	43
Local	154,502	155,821	158,314	160,847
Pensioners	65,260	68,455	71,816	75,342
Annual Pensions	\$ 1,998,447,461	\$ 2,184,830,376	\$ 2,386,446,523	\$ 2,606,667,808
Lump Sum Death Benefits	\$ 62,786,216	\$ 56,051,067	\$ 56,822,330	\$ 57,604,205
Consolidated Police & Firemen's Pension Fund				
Assets	\$ 17,899,099	\$ 19,303,969	\$ 16,132,327	\$ 13,331,755
Pensioners	831	713	627	551
Annual Pensions	\$ 15,137,682	\$ 13,478,300	\$ 12,092,462	\$ 10,849,115
Health Benefits Program				
Covered Members	363,435	364,447	367,523	370,631
State	147,298	149,272	151,272	153,299
Local	216,137	215,175	216,251	217,332

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2007 Prog. Adjusted Class. Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
1,442,797	---	15,529	1,458,326	1,446,297	Employee Benefits	03	1,651,624	1,778,023	1,778,023
1,442,797	---	15,529	1,458,326	1,446,297	Total Direct State Services		1,651,624	1,778,023	1,778,023
Distribution by Fund and Object									
Special Purpose:									
883	---	---	883	883	Public Employees' Retirement System (a)	03	176,011	186,510	186,510
183,596	---	2,162	185,758	185,758	Public Employees' Retirement System - Post Retirement Medical	03	194,274	206,103	206,103
21,431	---	---	21,431	21,431	Public Employees' Retirement System - Non-contributory Insurance (a)	03	17,697 5,100 ^S	24,426	24,426
28,142	---	---	28,142	28,142	Police and Firemen's Retirement System (a)	03	54,827	60,663	60,663
3,568	---	---	3,568	3,568	Police and Firemen's Retirement System - Non-contributory Insurance (a)	03	4,806 1,200 ^S	7,047	7,047

INTERDEPARTMENTAL ACCOUNTS

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended	
2,328	---	---	2,328	2,328	DIRECT STATE SERVICES				
1,086	---	---	1,086	1,060	03	3,338	3,109	3,109	
146	---	---	146	146	03	1,018	1,157	1,157	
11,496	---	---	11,496	11,496	03	264	189	189	
1,445	---	---	1,445	1,445	03	28,834	34,918	34,918	
7,462	---	---	7,462	7,462	03	1,256	1,457	1,457	
510	---	---	510	510	03	12,662	11,957	11,957	
223	---	---	223	223	03	722	631	631	
3,148	---	---	3,148	2,914	03	2,165	2,020	2,020	
88	---	---	88	88	03	4,040	3,851	3,851	
1,689	---	---	1,689	1,562	03	91	80	80	
74	---	---	74	70	03	1,600	1,495	1,495	
5	---	---	5	---	03	70	70	70	
5	---	---	5	5	03	---	---	---	
64,651	---	---	64,651	64,651	03	5	5	5	
135	---	---	135	105	03	70,716	76,945	76,945	
492,126	---	---	492,126	492,126	03	135	135	135	
57,367	---	920	58,287	58,287	03	465,300	489,738	489,738	
189,721	---	-252	189,469	189,469	03	60,000 ^S			
25,423	---	---	25,423	25,423	03	65,631	66,887	66,887	
1,000	---	---	1,000	763	03	107,391	185,435	185,435	
324,295	---	---	324,295	324,295	03	26,534	26,049	26,049	
8,000 ^S	---	12,929	345,224	334,623	03	1,000	1,000	1,000	
9,968	---	-74	9,894	9,734	03	325,046	369,751	369,751	
2,786	---	-156	2,630	2,025	03	12,968	11,104	11,104	
					03	2,323			
						4,600 ^S	5,291	5,291	
					GRANTS-IN-AID				
					Distribution by Fund and Program				
673,658	352	-2,600	671,410	668,121	03	758,504	749,905	749,905	
673,658	352	-2,600	671,410	668,121	Total Grants-in-Aid		758,504	749,905	749,905

INTERDEPARTMENTAL ACCOUNTS

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recom- mended	
GRANTS-IN-AID									
Distribution by Fund and Object									
Special Purpose:									
87	---	---	87	87					
					03	16,935	19,800	19,800	
26,767	---	-2,162	24,605	24,605					
					03	32,561	34,631	34,631	
2,099	---	---	2,099	2,099					
					03	1,734 500 ^S	2,351	2,351	
2,206	---	---	2,206	2,206					
					03	4,248	4,248	4,248	
280	---	---	280	280					
					03	173	245	245	
104,321	---	---	110,021	107,788					
5,700 ^S	---	---	110,021	107,788	03	113,929	125,168	125,168	
15,161	---	---	15,161	15,161					
					03	17,221	19,367	19,367	
47	---	---	47	47					
					03	650	650	650	
6,576	---	---	6,576	6,087					
					03	7,413	6,841	6,841	
19	---	---	19	19					
					03	22	20	20	
3,730	---	---	3,730	3,730					
					03	4,080	4,439	4,439	
233,266	---	---	233,266	233,266					
					03	268,625	240,602	240,602	
17,837	---	-920	16,917	16,917					
					03	20,233	20,319	20,319	
78,989	---	252	79,241	79,241					
					03	82,379	81,237	81,237	
10,399	---	---	10,399	10,399					
					03	11,406	11,126	11,126	
155,622	---	---	155,622	155,622					
4,000 ^S	352	---	159,974	159,407	03	170,258	170,379	170,379	
4,540	---	74	4,614	4,614					
					03	4,314	5,168	5,168	
2,012	---	156	2,168	2,168					
					03	1,823	3,314	3,314	
<u>2,116,455</u>	<u>352</u>	<u>12,929</u>	<u>2,129,736</u>	<u>2,114,418</u>		<u>2,410,128</u>	<u>2,527,928</u>	<u>2,527,928</u>	
Grand Total State Appropriation									

Notes -- Direct State Services - General Fund

(a) The fiscal year 2006 data has been adjusted to report the non-contributory insurance component.

Notes -- Grants In Aid - General Fund

(a) The fiscal year 2006 data has been adjusted to report the non-contributory insurance component.

Language Recommendations -- Direct State Services - General Fund

There is appropriated a sufficient amount in order that upon application to the Director of the Division of Budget and Accounting, an annuity of \$4,000 shall be paid to the widow or widower of any person, now deceased, who was elected and served as Governor of the State; provided such widow or widower was the spouse of such person for all or part of the period during which he or she served as Governor; and provided further, that this shall not apply to any widow or widower receiving a pension granted under R.S. 43:8-2, and continued by R.S.43:7-1 et seq., R.S.43:8-1 et seq., and R.S.43:8-8 et seq.

The amounts hereinabove appropriated for Employee Benefits may be transferred to the Grants-In-Aid accounts for the same purposes.

INTERDEPARTMENTAL ACCOUNTS

Such additional sums as may be required for Public Employees' Retirement System - Post Retirement Medical, Public Employees' Retirement System - Non-contributory Insurance, Police and Firemen's Retirement System - Non-contributory Insurance, Alternate Benefit Program - Employer Contributions, Alternate Benefit Program - Non-contributory Insurance, Teachers' Pension and Annuity Fund - Post Retirement Medical - State, Teachers' Pension and Annuity Fund - Non-contributory Insurance, State Police Retirement System - Non-contributory Insurance, Judicial Retirement System - Non-contributory Insurance, State Employees' Health Benefits, Other Pension Systems - Post Retirement Medical, State Employees' Prescription Drug Program, State Employees' Dental Program - Shared Cost, State Employees' Vision Care Program, Social Security Tax - State, Temporary Disability Insurance Liability, and Unemployment Insurance Liability are appropriated, as the Director of the Division of Budget and Accounting shall determine.

No monies appropriated herein shall be used to provide additional health insurance coverage to a State or local elected official when that official receives health insurance coverage as a result of holding other public office or employment.

Notwithstanding the provisions of the Pension Adjustment Act, P.L.1958, c.143 (C.43:3B-1 et seq.), pension adjustment benefits for State members and beneficiaries of the Consolidated Police and Firemen's Pension Fund, Prison Officers' Pension Fund, and Central Pension Fund shall be paid by the respective pension funds. The amounts hereinabove appropriated for the Pension Adjustment Program for these benefits as required under the act shall be paid to the Pension Adjustment Fund.

In addition to the sum hereinabove appropriated for Debt Service on Pension Obligation Bonds to make payments under the State Treasurer's contracts authorized pursuant to section 6 of P.L.1997, c.114 (C.34:1B-7.50), there are appropriated such other sums as the Director of the Division of Budget and Accounting shall determine are required to pay all amounts due from the State pursuant to such contracts.

The unexpended balance at the end of the preceding fiscal year in the Debt Service on Pension Obligation Bonds account is appropriated for the same purpose.

Such additional sums as may be required for State Employees' Health Benefits may be allotted from the various departmental operating appropriations to this account, as the Director of the Division of Budget and Accounting shall determine.

Such additional sums as may be required for Social Security Tax - State may be allotted from the various departmental operating appropriations to this account, as the Director of the Division of Budget and Accounting shall determine.

Language Recommendations -- Grants-In-Aid - General Fund

The amounts hereinabove appropriated for Employee Benefits may be transferred to the Direct State Services accounts for the same purposes.

Such additional sums as may be required for Public Employees' Retirement System - Post Retirement Medical, Public Employees' Retirement System - Non-contributory Insurance, Police and Firemen's Retirement System - Non-contributory Insurance, Alternate Benefit Program - Employer Contributions, Alternate Benefit Program - Non-contributory Insurance, Teachers' Pension and Annuity Fund - Post Retirement Medical - State, Teachers' Pension and Annuity Fund - Non-contributory Insurance, State Employees' Health Benefits, Other Pension Systems - Post Retirement Medical, State Employees' Prescription Drug Program, State Employees' Dental Program - Shared Cost, Social Security Tax - State, Temporary Disability Insurance Liability, and Unemployment Insurance Liability are appropriated, as the Director of the Division of Budget and Accounting shall determine.

No monies appropriated herein shall be used to provide additional health insurance coverage to a State or local elected official when that official receives health insurance coverage as a result of holding other public office or employment.

The unexpended balance at the end of the preceding fiscal year in the Debt Service on Pension Obligation Bonds account is appropriated for the same purpose.

In addition to the sum hereinabove appropriated for Debt Service on Pension Obligation Bonds to make payments under the State Treasurer's contracts authorized pursuant to section 6 of P.L.1997, c.114 (C.34:1B-7.50), there are appropriated such other sums as the Director of the Division of Budget and Accounting shall determine are required to pay all amounts due from the State pursuant to such contracts.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

74. GENERAL GOVERNMENT SERVICES

9420. OTHER INTERDEPARTMENTAL ACCOUNTS

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	2007 Prog. Class.	Adjusted Approp.	Requested	Recommended	
79,722	1,610	13,918	95,250	69,617	04	36,107	13,143	13,143	
79,722	1,610	13,918	95,250	69,617	Total Direct State Services		13,143	13,143	

INTERDEPARTMENTAL ACCOUNTS

Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Object								
Special Purpose:								
1,750	1,100	-2,288	562	---	To the Governor, for allotment to the various departments or agencies, to meet any condition of emergency or necessity; provided however, that a sum not in excess of \$5,000 shall be available for expenses of officially receiving dignitaries and for incidental expenses, including lunches for non-salaried board members and others for whom official reception shall be beneficial to the State.			
					04	875	875	875
1,250	---	-159	1,091	---	Contingency Funds			
					04	625	625	625
46,000	---	33,389	79,389	59,388	Interest On Short Term Notes			
					04	32,000	10,000	10,000
1,100	---	---	1,100	513	Debt Issuance-Special Purpose			
					04	1,100	1,100	1,100
672	---	---	672	672	Catastrophic Illness in Children Relief Fund - Employer Contributions			
					04	125	193	193
301 ^S	---	---	301	301	Interest on Interfund Borrowing			
					04	---	---	---
350	510	---	860	127	Payment of Military Leave Benefits			
					04	350	350	350
17,567	---	-13,524	4,043	3,192	Statewide 911 Emergency Telephone System			
					04	---	---	---
7,200	---	-1,000	6,200	4,842	Network Infrastructure			
					04	---	---	---
282	---	---	282	282	Garden State Network Infrastructure			
					04	282	---	---
450	---	---	450	---	Automated Document Factory			
					04	450	---	---
300	---	---	300	300	Automated Cartridge System Upgrade			
					04	300	---	---
1,000	---	-1,000	---	---	Information Technology On-Line State Portal			
					04	---	---	---
1,500	---	-1,500	---	---	Office of Emergency Telecommunication Services			
					04	---	---	---
<u>GRANTS-IN-AID</u>								
Distribution by Fund and Program								
54,925	44,482	-15,780	83,627	41,757	Other Interdepartmental Accounts			
					04	---	---	---
<u>54,925</u>	<u>44,482</u>	<u>-15,780</u>	<u>83,627</u>	<u>41,757</u>	Total Grants-in-Aid			
						---	---	---
Distribution by Fund and Object								
Grants:								
14,925	14,040	-13,926	15,039	---	Enhanced 911 Grants			
					04	---	---	---
---	30,442	-1,204	29,238	20,116	Property Tax Assistance and Community Development Grants			
					04	---	---	---
40,000	---	-650	39,350	21,641	Property Tax Assistance and Community Development Grants			
					04	---	---	---
<u>134,647</u>	<u>46,092</u>	<u>-1,862</u>	<u>178,877</u>	<u>111,374</u>	Grand Total State Appropriation			
						<u>36,107</u>	<u>13,143</u>	<u>13,143</u>

Language Recommendations -- Direct State Services - General Fund

Unless otherwise indicated, the above amounts may be allotted by the Director of the Division of Budget and Accounting to the various departments and agencies.

Notwithstanding the provisions of N.J.S. 2A:153-1 et seq., there is allocated at the discretion of the Governor, an amount up to \$50,000, from the Special Purpose amount appropriated hereinabove to meet any condition of emergency or necessity, as a reward for the capture and return of Joanne Chesimard.

INTERDEPARTMENTAL ACCOUNTS

There are appropriated to the Emergency Services Fund such sums as are required to meet the costs of any emergency occasioned by aggression, civil disturbance, sabotage, or disaster as recommended by the Emergency Services Council and approved by the Governor, and subject to the approval of the Director of the Division of Budget and Accounting. In the event that the Emergency Service Council is unable to convene due to any such emergency described above, there shall be appropriated to the Emergency Service Fund such sums as are required to meet the costs of any such emergency described above, and payments from the Fund shall be made by the State Treasurer upon approval of the Governor and the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Governor's Contingency Fund is appropriated for the same purpose. 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.

The unexpended balance at the end of the preceding fiscal year in Payment of Military Leave Benefits is appropriated for the same purpose.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

74. GENERAL GOVERNMENT SERVICES

9430. SALARY INCREASES AND OTHER BENEFITS

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
147,624	37,612	-128,789	56,447	8,337					
					05	10,300	223,145	223,145	
<u>147,624</u>	<u>37,612</u>	<u>-128,789</u>	<u>56,447</u>	<u>8,337</u>		<u>10,300</u>	<u>223,145</u>	<u>223,145</u>	
Distribution by Fund and Object									
Special Purpose:									
140,124	37,612	-129,626	48,110	---	05	---	237,845	237,845	
					05	7,500	10,300	10,300	
7,500	---	837	8,337	8,337		2,800 ^S			
					05	---	-25,000	-25,000	
---	---	---	---	---					
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
35,546	---	-35,546	---	---	05	---	11,047	11,047	
<u>35,546</u>	<u>---</u>	<u>-35,546</u>	<u>---</u>	<u>---</u>		<u>---</u>	<u>11,047</u>	<u>11,047</u>	
Distribution by Fund and Object									
Grants:									
35,546	---	-35,546	---	---	05	---	11,047	11,047	
<u>183,170</u>	<u>37,612</u>	<u>-164,335</u>	<u>56,447</u>	<u>8,337</u>		<u>10,300</u>	<u>234,192</u>	<u>234,192</u>	

Notes -- Direct State Services - General Fund

(a) The original fiscal 2007 appropriation for salary program allocation was transferred to the agency budgets.

Language Recommendations -- Direct State Services - General Fund

The sums hereinabove appropriated to the various State departments, agencies or commissions for the cost of salaries, wages, or other benefits shall be allotted as the Director of the Division of Budget and Accounting shall determine.

Notwithstanding the provisions of any law or regulation to the contrary, including R.S.34:15-49 and section 1 of P.L.1981, c.353 (C.34:15-49.1), the State Treasurer, the Commissioner of Personnel, and the Director of the Division of Budget and Accounting shall establish directives governing salary ranges and rates of pay, including salary increases. The implementation of such directives shall be made effective at the first full pay period of the fiscal year as determined by such directives, with timely notification of such directives to the Joint Budget Oversight Committee or its successor. Such directives shall not be considered an "administrative rule" or "rule" within the meaning of subsection (e) of section 2 of P.L.1968, c.410 (C.52:14B-2), but shall be considered exempt under paragraphs (1) and (2) of subsection (e) of section 2 of P.L.1968, c.410 (C.52:14B-2), and shall not be subject to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.). Nothing herein shall be construed as applicable to the Presidents of the State Colleges, Rutgers, The State University, the University of Medicine and Dentistry of New Jersey and the New Jersey Institute of Technology.

INTERDEPARTMENTAL ACCOUNTS

No salary range or rate of pay shall be increased or paid in any State department, agency, or commission without the approval of the Director of the Division of Budget and Accounting. Nothing herein shall be construed as applicable to unclassified personnel of the Legislative Branch or unclassified personnel of the Judicial Branch.

Any sums appropriated for Salary Increases and Other Benefits shall be made available for any person holding State office, position or employment whose compensation is paid directly or indirectly, in whole or in part, from State funds, including any person holding office, position or employment under the Palisades Interstate Park Commission.

The unexpended balance at the end of the preceding fiscal year in the Salary Increases and Other Benefits account is appropriated for the same purposes.

As soon as practicable after the enactment of this act, the Director of the Division of Budget and Accounting may allocate to agencies, their share of management efficiencies in an aggregate amount for all agencies not to exceed \$25,000,000 from the amounts appropriated for the Salary Increases and Other Benefits program classification. By August 1, 2007, each affected agency shall file a plan with the Director of the Division of Budget and Accounting allocating its respective management efficiency amount among specific accounts, provided that such plans shall not include reductions that would interfere with the State's obligation to meet constitutional mandates, make debt service payments or make payments pursuant to contracts that were entered into prior to July 1, 2007. Such plans shall be subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove for Unused Accumulated Sick Leave Payments, there are appropriated such sums as may be necessary for payments of unused accumulated sick leave.