

# ASSEMBLY, No. 4360

## STATE OF NEW JERSEY 213th LEGISLATURE

INTRODUCED JANUARY 4, 2010

**Sponsored by:**

Assemblyman JOSEPH CRYAN

District 20 (Union)

Assemblyman LOUIS D. GREENWALD

District 6 (Camden)

**Co-Sponsored by:**

Assemblyman Schaer, Assemblywoman Greenstein, Senators Sarlo and Oroho

**SYNOPSIS**

Requires additional information on State's long-term liabilities be presented in State annual debt report.

**CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 1/12/2010)

1 AN ACT concerning the annual reporting of the State's long-term  
2 liabilities, amending P.L.1975, c.208.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. Section 3 of P.L.1975, c.208 (C.52:9S-3) is amended to read  
8 as follows:

9 3. a. The commission shall each year prepare a State Capital  
10 Improvement Plan containing its proposals for State spending for  
11 capital projects, which shall be consistent with the goals and  
12 provisions of the State Development and Redevelopment Plan  
13 adopted by the State Planning Commission and shall be prepared  
14 after consultation with the New Jersey Council of Economic  
15 Advisors, created pursuant to P.L.1993, c.149 (C.52:9H-34 et seq.).  
16 Copies of the plan shall be submitted to the Governor and the  
17 Legislature no later than December 1 of each year. The plan shall  
18 provide:

19 (1) A detailed list of all capital projects of the State which the  
20 commission recommends be undertaken or continued by any State  
21 agency in the next three fiscal years, together with information as to  
22 the effect of such capital projects on future operating expenses of  
23 the State, and with recommendations as to the priority of such  
24 capital projects and the means of funding them;

25 (2) The forecasts of the commission as to the requirements for  
26 capital projects of State agencies for the four fiscal years next  
27 following such three fiscal years and for such additional periods, if  
28 any, as may be necessary or desirable for adequate presentation of  
29 particular capital projects, and a schedule for the planning and  
30 implementation or construction of such capital projects;

31 (3) A schedule for the next fiscal year of recommended  
32 appropriations of bond funds from issues of bonds previously  
33 authorized;

34 (4) A review of capital projects which have recently been  
35 implemented or completed or are in process of implementation or  
36 completion;

37 (5) Recommendations as to the maintenance of physical  
38 properties and equipment of State agencies;

39 (6) Recommendations which the commission deems appropriate  
40 as to the use of properties reported in subsection c. of this section;

41 (7) A report on the State's overall debt. This report shall include  
42 information on the outstanding general obligation debt and debt  
43 service costs for the prior fiscal year, the current fiscal year, and the  
44 estimated amount for the subsequent five fiscal years. In addition,  
45 the report shall provide similar information on capital leases and

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is  
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 installment obligations. In addition, the report shall provide similar  
2 information on the following long-term obligations: all items  
3 comprising long-term liabilities as recorded in a schedule of long-  
4 term debt changes (bonded and non-bonded) in the State's annual  
5 comprehensive financial report prepared pursuant to section 37 of  
6 article 3 of P.L.1944, c.112 (C.52:27B-46), the unfunded actuarial  
7 accrued liability for State administered retirement systems, and the  
8 unfunded actuarial accrued liabilities for post-retirement medical  
9 and other benefits;

10 (8) An assessment of the State's ability to increase its overall  
11 debt and a recommendation on the amount of any such increase. In  
12 developing this assessment and recommendation, the commission  
13 shall consider those criteria used by municipal securities rating  
14 services in rating governmental obligations; and

15 (9) Such other information as the commission deems relevant to  
16 the foregoing matters.

17 b. Each State agency shall no later than August 15 of each year  
18 provide the commission with:

19 (1) A detailed list of capital projects which each State agency  
20 seeks to undertake or continue for its purposes in the next three  
21 fiscal years, together with information as to the effect of such  
22 capital projects on future operating expenses of the State, and with  
23 such relevant supporting data as the commission requests;

24 (2) Forecasts as to the requirements for capital projects of such  
25 agency for the four fiscal years next following such three fiscal  
26 years and for such additional periods, if any, as may be necessary or  
27 desirable for adequate presentation of particular capital projects,  
28 and a schedule for the planning and implementation or construction  
29 of such capital projects;

30 (3) A schedule for the next fiscal year of requested  
31 appropriations of bond funds from issues of bonds previously  
32 authorized;

33 (4) A report on capital projects which have recently been  
34 implemented or completed or are in process of implementation or  
35 completion;

36 (5) A report as to the maintenance of its physical properties and  
37 capital equipment;

38 (6) Such other information as the commission may request.

39 c. Each State agency shall, when requested, provide the  
40 commission with supplemental information in addition to that to be  
41 available to the commission under the computerized record keeping  
42 of the Department of the Treasury, Bureau of Real Property  
43 Management, concerning any real property owned or leased by the  
44 agency including its current or future availability for other State  
45 uses.

46 d. A copy of the plan shall also be forwarded to the Division of  
47 Budget and Accounting each year upon its completion, and the  
48 portion of the plan relating to the first fiscal year thereof shall, to

1 the extent it treats of capital appropriations in the annual budget,  
2 constitute the recommendations of the commission with respect to  
3 such capital appropriations in the budget for the next fiscal year.  
4 (cf: P.L.1995, c.398, s.2)

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6 2. This act shall take effect immediately and apply to reports  
7 submitted after the date of enactment.

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10 STATEMENT

11

12 This bill requires additional information on the State's long-term  
13 liabilities be presented in the State annual debt report to be made by  
14 the New Jersey Commission on Capital Budgeting and Planning.