ASSEMBLY CONCURRENT RESOLUTION No. 44

STATE OF NEW JERSEY
216th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2014 SESSION

Sponsored by:
Assemblyman ERIK PETERSON
District 23 (Hunterdon, Somerset and Warren)

SYNOPSIS
Proposes constitutional amendment requiring State revenue estimates for purposes of a balanced State budget be determined by Governor in accordance with State Revenue Forecasting Integrity Commission.

CURRENT VERSION OF TEXT
Introduced Pending Technical Review by Legislative Counsel
A CONCURRENT RESOLUTION proposing to amend paragraph 2 of Article VIII, Section II, of the Constitution of the State of New Jersey.

BE IT RESOLVED by the General Assembly of the State of New Jersey (the Senate concurring):

1. The following proposed amendment to the Constitution of the State of New Jersey is agreed to:

PROPOSED AMENDMENT

Amend Article VIII, Section II, paragraph 2 to read as follows:

2. No money shall be drawn from the State treasury but for appropriations made by law. All moneys for the support of the State government and for all other State purposes as far as can be ascertained or reasonably foreseen, shall be provided for in one general appropriation law covering one and the same fiscal year; except that when a change in the fiscal year is made, necessary provision may be made to effect the transition. No general appropriation law or other law appropriating money for any State purpose shall be enacted if the appropriation contained therein, together with all prior appropriations made for the same fiscal period, shall exceed the total amount of revenue on hand and the total amount of anticipated revenue which will be available to meet such appropriations during such fiscal period, as shall be certified by the Governor. The Governor's certification shall be in accordance with a published estimate of such amounts by the State Revenue Forecasting Integrity Commission, as shall be established by law, except that the Governor's certification may include any reasonable change in the total amount of revenue on hand, and any reasonable change in anticipated revenue, provided that the change in anticipated revenue is based only upon a change in law that affects such anticipated revenue amount, which law is enacted after the published estimate of the commission.

(cf: Article VIII, Section II, paragraph 2, effective January 1, 1948)

2. When this proposed amendment to the Constitution is finally agreed to pursuant to Article IX, paragraph 1 of the Constitution, it shall be submitted to the people at the next general election occurring more than three months after the final agreement and shall be published at least once in at least one newspaper of each county designated by the President of the Senate, the Speaker of the General Assembly and the Secretary of State, not less than three months prior to the general election.

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.
3. This proposed amendment to the Constitution shall be submitted to the people at that election in the following manner and form:

There shall be printed on each official ballot to be used at the general election, the following:

a. In every municipality in which voting machines are not used, a legend which shall immediately precede the question, as follows:

If you favor the proposition printed below make a cross (X), plus (+), or check (T) in the square opposite the word "Yes." If you are opposed thereto make a cross (X), plus (+) or check (T) in the square opposite the word "No."

b. In every municipality the following question:
| YES | Do you approve of the amendment to paragraph 2 of Article VIII, Section II of the State Constitution agreed to by the Legislature, providing that the total amount of State revenue on hand, and revenue anticipated during a fiscal year, which will be available to meet annual and supplemental appropriations during that fiscal year, shall be certified by the Governor in accordance with the published estimate of such amounts by a State Revenue Forecasting Integrity Commission, as shall be established by law, instead of solely at the discretion of the Governor, except for any reasonable changes that the Governor may certify in the amount of revenue on hand and in the amount of anticipated revenue provided that any change in the amount of anticipated revenue is based on changes in law enacted after the published estimate of the commission? |
The State Constitution's balanced budget provision forbids the enactment of State appropriations that exceed the State revenue on hand and anticipated to be collected during a fiscal year. Currently the Constitution provides that the Governor has the sole responsibility to certify whether there will be enough revenue to meet appropriations. This constitutional amendment requires the Governor's certification to conform with the published estimate made by a State Revenue Forecasting Integrity Commission, to be established by law, except for any reasonable changes in the revenue on hand, and in the anticipated revenue to be collected, if changes to anticipated revenue to be collected are based only on changes in law enacted after the published estimate of the commission.

This Constitutional amendment shall first apply to the annual appropriation act and supplemental appropriations enacted for the fiscal year commencing after approval of this amendment by the voters.

This concurrent resolution proposes a constitutional amendment that requires that the determination of the total amount of State revenue on hand and anticipated to meet an annual balanced State budget and supplemental State appropriations during a fiscal year be made pursuant to the Governor's certification which shall be in accord with the published estimate of such amount by the State Revenue Forecasting Integrity Commission instead of the current method of annual certification of revenues solely in the Governor's discretion. The Governor's certification may include any reasonable change in the total amount of revenue on hand, and any reasonable change in anticipated revenue, provided that the change in anticipated revenue is based only upon a change in law that affects such anticipated revenue amount, which law is enacted after the publication of the estimate of the commission.
Under a companion bill that implements this constitutional amendment, the commission will publish on June 1 annually an estimate of State revenues on hand and anticipated to support a balanced State budget and supplemental appropriations during the next commencing fiscal year. The six member commission will draw upon the expertise and experience of the current professional and political participants in the State revenue estimating process, including the State Treasurer, the Legislative Budget and Finance Officer and the chairpersons and ranking minority party members of the budget committees of the Senate and General Assembly. Pursuant to the companion bill, any changes from the commission's published estimate shall be explained by the Governor in a published written report provided on or before July 15 of that fiscal year containing the specific, detailed reasons for difference in the amount of revenues on hand and in each item of revenue that is certified by the Governor in an amount that is different from the commission's published estimate. Through this constitutional amendment and the companion bill, the process of revenue estimating will be a shared responsibility of both professional and political members of the two branches of government that have traditionally shared a cooperative responsibility for the spending side of the "balanced budget" process.