ASSEMBLY CONCURRENT RESOLUTION No. 70

STATE OF NEW JERSEY
216th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2014 SESSION

Sponsored by:
Assemblyman DECLAN J. O'SCANLON, JR.
District 13 (Monmouth)
Assemblywoman CAROLINE CASAGRANDE
District 11 (Monmouth)

SYNOPSIS
Amends Constitution to require bills having a fiscal impact on the State to identify offsetting revenues or reductions in appropriations prior to final consideration by the State Legislature.

CURRENT VERSION OF TEXT
Introduced Pending Technical Review by Legislative Counsel
A CONCURRENT RESOLUTION proposing to amend Article IV, Section IV, paragraph 6 of the New Jersey Constitution.

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

1. The following proposed amendments to the Constitution of the State of New Jersey are agreed to:

   PROPOSED AMENDMENTS

   Amend Article IV, Section IV, paragraph 6 of the New Jersey Constitution to read as follows:

   6. a. All bills and joint resolutions shall be read three times in each house before final passage. No bill or joint resolution shall be read a third time in either house until after the intervention of one full calendar day following the day of the second reading; but if either house shall resolve by vote of three-fourths of all its members, signified by yeas and nays entered on the journal, that a bill or joint resolution is an emergency measure, it may proceed forthwith from second to third reading. No bill or joint resolution shall pass, unless there shall be a majority of all the members of each body personally present and agreeing thereto, and the yeas and nays of the members voting on such final passage shall be entered on the journal.

   b. No bill, which has been certified by the Legislative Budget and Finance Officer, or his successor, as requiring a fiscal note or estimate because it will increase State expenditures, shall be read for a third time or considered for final action in the Senate or General Assembly unless:

      (1) A fiscal note or estimate has been made publicly available by the Legislative Budget and Finance Officer, or his successor, at least one full calendar day prior to final action; and

      (2) The bill identifies offsetting reductions in appropriations sufficient to provide for the estimated cost to the State of implementing the bill such that enactment of the bill yields no net increase in expenditure to the State; or

      (3) The bill identifies available or anticipated revenues in a State fund dedicated to the purposes of the bill sufficient to provide for the estimated cost to the State of implementing the bill; or

      (4) The bill imposes a new State tax or fee or increases an existing State tax or fee by an amount sufficient to provide for the estimated cost to the State of implementing the bill; provided, however, the bill imposing a new State tax or fee or increasing an
existing State tax or fee shall be approved by two-thirds of all the
members of each house; or

(5) The bill provides for a combination of means pursuant to
this subparagraph b. sufficient to provide for the estimated cost to
the State of implementing the bill.

As used in this subparagraph, a new State tax or fee or an
increase in a State tax or fee shall include, but not be limited to, any
of the following: an increase in any State tax rate; the elimination,
suspension, deferral or reduction of a State tax exemption,
deduction, credit or refund; a delay in the expiration or repeal of a
State tax; an imposition of any surtax or surcharge; enactment of a
new State fee or surcharge or increase in any State fee or surcharge;
or any other State tax policy change or fee policy change which
results in a net increase in State revenues.

c. A bill which is not certified for a fiscal note by the
Legislative Budget and Finance Officer, or its successor, but which
makes an appropriation of State revenue shall not be read for a third
time or considered for final action in the Senate or General
Assembly unless the undesignated fund balance available from total
State resources, as certified by the Governor pursuant to Article
VIII, Section II, paragraph 2 of the State Constitution, in the
general appropriations law for the fiscal year in which the bill under
consideration would take effect, exceeds five percent of the total
amount appropriated in the general appropriations law for the same
fiscal period inclusive of the fiscal impact of the bill under
consideration. The provisions of this subparagraph c. shall not
apply to consideration of the general appropriations law.

(cf: Art. IV, Sec. IV, par. 6)

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.

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 (✓) in the square opposite the word "Yes." If you are

opposed thereto make a cross (X), plus (+) or check (✓) in the
square opposite the word "No."
b. In every municipality the following question:
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<th><strong>YES</strong></th>
<th><strong>REQUIRES LEGISLATION IMPOSING COSTS UPON THE STATE TO IDENTIFY OFFSETTING REVENUES OR REDUCTIONS IN APPROPRIATIONS PRIOR TO FINAL CONSIDERATION.</strong></th>
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Do you approve the proposed amendment to the State Constitution prohibiting a bill which been certified by the Legislative Budget and Finance Officer as requiring a fiscal note, because it will increase State expenditures, from being considered for final passage in the Senate or General Assembly unless: a Legislative fiscal note or estimate has been made publicly available at least one full day prior to consideration of the bill; and for any bill determined to result in a cost to the State, that bill identify sufficient means by which that cost will be offset through one or more of the following: a reduction in appropriations; available or anticipated revenues from a State fund dedicated for purposes of the bill; or a new or enhanced revenue resource which shall be approved by an affirmative vote of two-thirds of the authorized membership of each house of the Legislature, where a new tax or fee or an increase in an existing tax or fee includes, but is not limited to, any of the following: an increase in any State tax rate; the elimination, suspension, deferral or reduction of a State tax exemption, deduction, credit or refund; a delay in the expiration or repeal of a State tax; an imposition of a surtax or surcharge; enactment of a new State fee or surcharge or increase in any State fee or surcharge; or any other State tax policy change or fee policy change which results in a net increase in State revenues; or prohibiting a bill which is not certified by the Legislative Budget and Finance Officer as requiring a fiscal note or estimate, but which makes an appropriation of State funds, from being considered for final passage in the Senate or General Assembly unless the total amount of all State resources certified by the Governor in the annual appropriations act exceeds by five percent the total amount appropriated for that same fiscal year inclusive of the fiscal impact of the bill under consideration, except that this requirement shall not apply to the annual State appropriations act?
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<th>INTERPRETIVE STATEMENT</th>
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<td>This amendment to the State Constitution requires that any bill having a fiscal cost to the State show where the money to pay those costs is coming from. The bill must identify reductions in appropriations or new or existing revenues sufficient to offset the cost of the bill prior to consideration of the bill for final passage by the Senate or General Assembly. The amendment also requires that for any legislation certified by the chief, non-partisan fiscal officer of the Legislature as requiring a formal fiscal analysis, known as a fiscal note or estimate, that that analysis be made publicly available one full calendar day prior to final action on the bill by the Senate or General Assembly. In addition, a bill imposing a new tax or fee or increasing an existing tax or fee would require passage by two-thirds of the membership of each house of the Legislature. For any bill, excluding the State’s annual appropriations act, which is not certified by the chief, non-partisan fiscal officer of the Legislature as requiring a fiscal note or estimate, but which makes an appropriation of State funds, the Senate or General Assembly may not consider it for final action unless the total amount of all State resources certified by the Governor in the annual appropriations act exceeds by five percent the total amount appropriated for that same fiscal year inclusive of the fiscal impact of the bill under consideration.</td>
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STATEMENT

This concurrent resolution proposes to amend the State Constitution to require that any bill having a fiscal impact on the State identify sufficient reductions in appropriations or new or existing revenues which will offset the cost of the bill prior to consideration of the bill for third reading or final passage by the Senate or General Assembly.
Specifically, the amendment would prohibit a bill which has been certified by the Legislative Budget and Finance Officer as requiring a fiscal note from being considered for third reading or final passage in the Senate or General Assembly unless a Legislative fiscal note or estimate has been made publicly available at least one full day prior to consideration of the bill. In addition, for any bill determined to result in a cost to the State, the bill must identify sufficient means by which that cost will be offset through one or more of the following: a reduction in appropriations; available or anticipated revenues from a State fund dedicated for purposes of the bill; or a new or enhanced revenue resource. In the case of the latter, any bill imposing a new tax or fee or increasing an existing tax or fee would require a “super majority” vote of two-thirds of each House for passage, or 27 affirmative votes in the Senate and 54 affirmative votes in the General Assembly. As defined in the resolution, a new tax or fee or an increase in an existing tax or fee includes, but is not limited to, any of the following: an increase in any State tax rate; the elimination, suspension, deferral or reduction of a State tax exemption, deduction, credit or refund; a delay in the expiration or repeal of a State tax; an imposition of a surtax or surcharge; enactment of a new State fee or surcharge or increase in any State fee or surcharge; or any other State tax policy change or fee policy change which results in a net increase in State revenues.

The amendment would also prohibit a bill which is not certified for a fiscal note by the Legislative Finance and Budget Officer but which makes an appropriation from being considered for third reading or final passage in the Senate or General Assembly unless the total amount of all State resources certified by the Governor in the annual appropriations act exceeds by five percent the total amount appropriated for that same fiscal year inclusive of the fiscal impact of the bill under consideration. This provision is not intended to apply to consideration for third reading or for final passage of the annual appropriations act.