

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY, No. 1237
STATE OF NEW JERSEY
218th LEGISLATURE

DATED: JULY 2, 2018

SUMMARY

- Synopsis:** Requires State parks, forests, and other natural and historic areas to remain open to public for seven days if emergency is declared due to failure to enact general appropriation law as prescribed by NJ Constitution.
- Type of Impact:** Intermittent expenditure and revenue increases to State General Fund.
- Agencies Affected:** Department of Environmental Protection.

Office of Legislative Services Estimate

Fiscal Impact	
Intermittent State Expenditure Increase	Indeterminate
Intermittent State Revenue Increase	Indeterminate

- The Office of Legislative Services (OLS) determines that the bill would result in indeterminate increases in State operating expenditures and revenues. The increases would occur in any fiscal year in which a State government shutdown is implemented due to the failure to enact a general appropriation law in time for the new fiscal year.
- The OLS does not have the information necessary to calculate the operating expenditures the Department of Environmental Protection (DEP) would incur per day of keeping the required locations open during a State government shutdown. There would be no impact on DEP salaries and wages expenditures in any fiscal year in which a decision is made to pay State employees for the time they were involuntarily furloughed during a shutdown.
- During government shutdowns the bill would increase State revenue from user fees that otherwise would not have been collected at concerned locations. The OLS has no information on the daily amounts the DEP collects in early July but notes that it is unlikely that concerned locations would produce operating revenue in excess of operating costs during a State government shutdown.

BILL DESCRIPTION

This bill would require that State parks and forests, State recreation areas, State historic sites, State natural areas, and State wildlife management areas continue to be open to the public for a period not to exceed seven calendar days if a state of emergency is declared due to the failure to enact a general appropriation law in time for a new fiscal year. The DEP would be required to develop a plan for the continued operation of those locations which would designate those State employees necessary to continue to provide services. Under current law, the locations have to be closed in the event of a State government shutdown due to the failure to enact a general appropriation law in time for the new fiscal year.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS determines that the bill would result in indeterminate increases in State operating expenditures and revenues. The increases would occur in any fiscal year in which a State government shutdown is implemented due to the failure to enact a general appropriation law in time for the new fiscal year.

Under current law, a State government shutdown compels the DEP to close State parks and forests, State recreation areas, State historic sites, State natural areas, and State wildlife management areas. For the duration of the closure the DEP does not incur expenses related to the operation of the locations. Salaries and wages, for example, are not required to be paid to involuntarily furloughed employees. Under the bill, the locations would remain open to the public for up to seven calendar days, which would result in operating costs to the DEP which it otherwise would not have incurred.

The bill would primarily affect the Division of Parks and Forestry. Information provided in support of the Governor's FY 2019 Budget indicates that the division's recommended FY 2019 salaries and wages appropriations from all sources total \$3.8 million for the seasonal employment program and \$28.5 million for 370 non-seasonal division employees. Notwithstanding the \$32.2 million total, the OLS is unable to determine the additional salaries and wages expenditure the DEP would incur per day during a State government shutdown in early July if this bill were in effect. This is so because the OLS has no information that identifies the number of division employees who are already deemed essential, and hence are already paid, during a shutdown and the salaries associated with these positions.

In addition, this analysis assumes that under current law the DEP will realize salary savings from the involuntary furlough of employees, which would no longer accrue under the bill. After the last two shutdowns (2006 and 2017), however, it was decided to pay State employees for the time they were involuntarily furloughed. If a similar decision were to be made in the future, this bill would have no effect on DEP salaries and wages expenditures.

Moreover, there may be a one-time marginal cost to the DEP to develop a plan for the continued operation of the locations outlined under the bill.

During government shutdowns the bill would also increase State revenue from user fees that otherwise would not have been collected at concerned locations. The Governor's FY 2019

Budget indicates that the Executive anticipates \$9.5 million in State parks and forests user fees and \$150,000 in historic sites revenue in FY 2019. The OLS has no information on the seasonal distribution of these amounts and therefore cannot estimate the daily amounts the DEP collects in early July. The OLS only notes that it is unlikely that concerned locations would produce operating revenue in excess of operating costs during a State government shutdown.

Section: Environment, Agriculture, Energy and Natural Resources

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).