

ASSEMBLY, No. 614

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblyman LUSTBADER

1 AN ACT concerning the New Jersey Commission on Capital Budgeting  
2 and Planning, and 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 2 of P.L.1975, c.208 (C.52:9S-2) is amended to read as  
8 follows:

9 2. There is hereby created a New Jersey Commission on Capital  
10 Budgeting and Planning. The commission shall consist of 12 members  
11 selected as follows: the State Treasurer and any three other members  
12 of the Executive Branch designated by the Governor to so serve at his  
13 pleasure, two members of the General Assembly, two members of the  
14 Senate and four public members from the State at large.

15 The members from the General Assembly shall be appointed by the  
16 Speaker of the General Assembly. The members of the Senate shall be  
17 appointed by the President of the Senate. No more than one of the  
18 members appointed by the Speaker or President shall be from the same  
19 political party. Legislative members shall serve while members of their  
20 respective houses for the term for which they have been elected.

21 ~~[The]~~ Of the four public members two shall be appointed by the  
22 Governor with advice and consent of the Senate and two by the  
23 Legislature, one each by the President of the Senate and the Speaker  
24 of the General Assembly, for a term of 6 years and until their  
25 successors are qualified, ~~[provided that no more than two of them may~~  
26 ~~be of the same political party, and]~~ provided ~~[further]~~ that ~~[at the time~~  
27 ~~of the initial appointment of the public members, the Governor shall~~  
28 ~~provide for staggered terms by appointing two public members for a~~  
29 ~~term of 6 years, one public member for a term of 4 years, and one~~  
30 ~~public member for a term of 2 years]~~ the members serving on the  
31 effective date of this act shall continue to serve until the expiration of  
32 their appointments. The President of the Senate shall make the first

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

Matter underlined thus is new matter.

1 appointment of a public member upon the expiration of the term of the  
2 public member first occurring after the effective date of this act, and  
3 the Speaker of the General Assembly shall make the second  
4 appointment of a public member upon the expiration of the term of the  
5 public member next occurring after the effective date of this act. The  
6 public members shall be chosen without regard to political affiliation,  
7 based solely upon their experience and expertise in public finance and  
8 the capital improvement process. Any vacancy among the public  
9 members shall be filled in the same manner as the original appointment,  
10 but for the unexpired term only. A member shall be eligible for  
11 reappointment.

12 A chairman of the commission shall be [designated by, and serve at  
13 the pleasure of, the Governor] selected annually by the membership of  
14 the commission from among the public members.

15 Members of the commission shall serve without compensation, but  
16 public members shall be entitled to reimbursement for expenses  
17 incurred in the performance of their duties.

18 (cf: P.L.1975, c.208, s.2)

19

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

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

31 (1) A detailed list of all capital projects of the State which the  
32 commission recommends be undertaken or continued by any State  
33 agency in the next three fiscal years, together with information as to  
34 the effect of such capital projects on future operating expenses of the  
35 State, and with recommendations as to the priority of such capital  
36 projects and the means of funding them;

37 (2) The forecasts of the commission as to the requirements for  
38 capital projects of State agencies for the four fiscal years next  
39 following such three fiscal years and for such additional periods, if  
40 any, as may be necessary or desirable for adequate presentation of  
41 particular capital projects, and a schedule for the planning and  
42 implementation or construction of such capital projects;

43 (3) A schedule for the next fiscal year of recommended  
44 appropriations of bond funds from issues of bonds previously  
45 authorized;

46 (4) A review of capital projects which have recently been

1 implemented or completed or are in process of implementation or  
2 completion;

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

5 (6) Recommendations which the commission deems appropriate as  
6 to the use of properties reported in subsection [b. (6)]~~c.~~ of this  
7 section; [and]

8 (7) A report on the State's overall debt. This report shall include  
9 information on the outstanding general obligation debt and debt  
10 service costs for the prior fiscal year, the current fiscal year, and the  
11 estimated amount for the subsequent five fiscal years. In addition, the  
12 report shall provide similar information on capital leases and  
13 installment obligations;

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

19 ~~[(7)]~~ (9) Such other information as the commission deems relevant  
20 to the foregoing matters.

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

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

28 (2) Forecasts as to the requirements for capital projects of such  
29 agency for the four fiscal years next following such ~~[four]~~ three fiscal  
30 years and for such additional periods, if any, as may be necessary or  
31 desirable for adequate presentation of particular capital projects, and  
32 a schedule for the planning and implementation or construction of such  
33 capital projects;

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

36 (4) A report on capital projects which have recently been  
37 implemented or completed or are in process of implementation or  
38 completion;

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

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

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

1 future availability for other State uses.

2 d. A copy of the plan shall also be forwarded to the Division of  
3 Budget and Accounting each year upon its completion, and the portion  
4 of the plan relating to the first fiscal year thereof shall, to the extent it  
5 treats of capital appropriations in the annual budget, constitute the  
6 recommendations of the commission with respect to such capital  
7 appropriations in the budget for the next fiscal year.

8 (cf: P.L.1985, c. 398, s.13)

9

10 3. This act shall take effect immediately.

11

12

13

### STATEMENT

14

15 This bill amends the law creating the New Jersey Commission on  
16 Capital Budgeting and Planning by expanding its powers and duties to  
17 include an annual assessment of the amount of State debt and  
18 recommendations concerning the ability of the State to increase its  
19 overall debt.

20 The membership of the commission is altered to provide that two  
21 of the existing public members now appointed by the Governor would  
22 be appointed by the Senate President and Assembly Speaker  
23 respectively, thereby increasing the number of members appointed by  
24 the Legislature's presiding officers to six out of the 12 member  
25 commission, with the remaining six being appointed by the Governor.

26

27

28

29

30 Expands powers and duties of Commission on Capital Budgeting and  
31 Planning.