ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2719

STATE OF NEW JERSEY

DATED: MARCH 3, 1997

The Assembly Appropriatons Committee reports favorably Assembly Bill No. 2719.

Assembly Bill No. 2719 permits counties to elect to change certain dates on which counties are required to pay over monies which are percentages of a base year amount defined in the "State Judicial Unification Act" to the State. Current law requires a $120 million payment from counties in 1997; one-half due on May 15, 1997 and one-half due on October 1, 1997. This bill would permit the counties to provide a $60 million payment on May 15, 1997, as currently required, and another payment of $60 million on May 15, 1998 rather than on October 1, 1997, as currently required.

FISCAL IMPACT:

This bill permits counties to make the base year payment of $60 million on May 15, 1998 rather than October 1, 1997 for the "State Judicial Unification Act" as currently required. The State General Fund would still receive its $120 million as anticipated. The deferral provides for an extension of an interest free loan for a seven month period to the counties. The State would forgo interest earnings from deposit of the deferred payments into the State Cash Management Fund.