

P.L. 1997, CHAPTER 171, *approved July 29, 1997*
Senate, No. 877

1 **AN ACT** appropriating funds from the Developmental Disabilities'
2 Waiting List Reduction and Human Services Facilities Construction
3 Fund established pursuant to P.L.1994, c.108.

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5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

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8 1. a. There is appropriated to the Department of Human Services
9 from the Developmental Disabilities' Waiting List Reduction and
10 Human Services Facilities Construction Fund created by the
11 "Developmental Disabilities' Waiting List Reduction and Human
12 Services Facilities Construction Bond Act of 1994," P.L.1994, c.108,
13 the sum of \$6,500,000 for the following community-based project:

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15 Grants, including grants that create revolving funds,
16 for the Division of Developmental Disabilities. \$6,500,000
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18 b. The funds appropriated in subsection a. of this section shall be
19 used for projects to reduce the Division of Developmental Disabilities'
20 community services waiting list. The \$6,500,000 added to the sum of
21 \$10,000,000 appropriated under P.L.1995, c.248, represents a portion
22 of the \$80,000,000 to be expended on projects intended to reduce the
23 community services waiting list.

24 c. Prior to the formal awarding of any funds appropriated pursuant
25 to this section, the Commissioner of Human Services shall provide the
26 Joint Budget Oversight Committee, or its successor, information as to
27 the agency that will receive the funds, the amount of funds the agency
28 is to receive, the manner in which the funds are to be used and the
29 estimated amount of State funds required to operate the program.
30 Unless the Joint Budget Oversight Committee, or its successor,
31 formally notifies the Commissioner of Human Services within 10
32 working days that it does not approve of the specific project, the
33 department may award the funds. The provisions of this subsection
34 shall not apply to funds for renovations that do not increase the
35 capacity of a facility, for emergency repairs and for life-safety and
36 accreditation improvements to existing facilities.

1 2. The Commissioner of Human Services, consistent with the 1994
2 Bond Issue Master Plan, may provide grants to the New Jersey
3 Housing and Mortgage Finance Agency, the New Jersey Health Care
4 Facilities Financing Authority, the New Jersey Economic Development
5 Authority and other similar agencies established by the State, or to
6 private, nonprofit entities. These agencies or entities may leverage the
7 grants, use equity contributions and take advantage of other financial
8 mechanisms and create revolving funds for community capital projects.
9 An applicant applying for funds from these agencies may be assessed
10 an application fee consistent with the normal business practice of the
11 agency. The plan for the establishment of the revolving fund shall be
12 reviewed and approved by the Joint Budget Oversight Committee
13 pursuant to the provisions of subsection c. of section 1 of this act.

14 a. The application fee and any equity contribution may be waived,
15 with the approval of the Commissioner of Human Services, if an
16 applicant is able to document a financial inability to pay the fee or
17 make an equity contribution.

18 b. An application fee or equity contribution that is required of an
19 applicant shall be an unallowable item of cost for purposes of the most
20 recent Department of Human Services' Contract Reimbursement
21 Manual.

22 c. Grants provided to the New Jersey Housing and Mortgage
23 Finance Agency, the New Jersey Health Care Facilities Financing
24 Authority, the New Jersey Economic Development Authority and
25 other similar agencies established by the State shall be exempt from the
26 application fee and equity contribution.

27 d. As a condition of receiving monies from the Developmental
28 Disabilities' Waiting List Reduction and Human Services Facilities
29 Construction Fund, an applicant shall apply for all applicable grants,
30 loans, mortgages and tax credits that may be available through
31 governmental and non-governmental entities for financing the cost of
32 the project or to reduce the total cost of the project. An applicant
33 shall document to the department that it has or is in the process of
34 applying for such grants, loans, mortgages and tax credits.

35 In the case of any loans or mortgages for which the applicant may
36 apply, the department shall review the terms and conditions of the loan
37 or mortgage recommended by the lending agency to determine if the
38 total cost of the loan or mortgage exceeds direct State financing of the
39 project if the applicant applies to the department for a contract to
40 provide services and seeks to obtain reimbursement for such loans or
41 mortgages. Costs in excess of what the State would incur shall be an
42 unallowable cost for purposes of the most recent Department of
43 Human Services' Contract Reimbursement Manual.

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45 3. The Director of the Division of Budget and Accounting in the
46 Department of the Treasury shall make those corrections in the title or

1 text, or both, of any appropriation item authorized under this act
2 necessary to make the appropriation available for the purposes for
3 which it was intended. The corrections shall be made by a written
4 ruling which shall set forth an explanation of the need for correction
5 and which shall be signed by the Director of the Division of Budget
6 and Accounting and shall be filed by the director in his office as an
7 official record. Any action pursuant to that ruling, including
8 disbursement and the audit thereof, shall be legally binding and of full
9 effect. An official copy of each written ruling shall be transmitted to
10 the Legislative Budget and Finance Officer upon the effective date of
11 the ruling.

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13 4. The Director of the Division of Budget and Accounting may
14 approve expenditures for predesign program planning and other
15 related costs for capital projects authorized under this act.

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17 5. In order to provide flexibility in administering the provisions of
18 this act, the Commissioner of Human Services may apply to the
19 Director of the Division of Budget and Accounting for permission to
20 transfer a part of any item or appropriation to any other item or
21 appropriation within the respective department accounts. The transfer
22 shall be made upon the written approval of the director and of the
23 Joint Budget Oversight Committee, or its successor.

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25 6. The Commissioner of Human Services shall report to the Joint
26 Budget Oversight Committee or its successor on the status of the
27 appropriation provided in this act six months from the effective date
28 of this act and annually thereafter until all of the funds have been
29 expended. The status report shall specify the projects that are funded
30 and the amounts of funds appropriated, obligated and expended for
31 each project. The status report shall also include information on the
32 revolving fund established pursuant to section 2 of this act.

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34 7. This act shall take effect immediately.

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STATEMENT

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39 This bill appropriates \$6.5 million from the Developmental
40 Disabilities' Waiting List Reduction and Human Services Facilities
41 Construction Fund created by the "Developmental Disabilities' Waiting
42 List Reduction and Human Services Facilities Construction Bond Act
43 of 1994," P.L.1994, c.108, for projects, such as capital costs for
44 group homes, to reduce the Division of Developmental Disabilities'
45 community services waiting list.

46 In September, 1995, the State appropriated \$10 million for that

1 purpose. To try to serve 500 clients, a total of \$16.5 million is
2 needed. This bill appropriates the \$6.5 million necessary to make up
3 the shortfall.

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8 Appropriates \$6,500,000 for group homes for the developmentally
9 disabled from the Developmental Disabilities' Waiting List Reduction
10 and Human Services Facilities Construction Fund.