

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.