

P.L. 1997, CHAPTER 173, *approved July 29, 1997*
Assembly, No. 3059

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.

4
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 \$31,555,000 for the following community-based projects:

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15 Grants, including grants that create revolving funds,
16 for the Division of Developmental Disabilities.....\$15,650,000
17 Grants, including grants that create revolving funds,
18 for the Division of Mental Health Services.....7,550,000
19 Grants, including grants that create revolving funds,
20 for the Division of Youth and Family Services.....2,600,000
21 Grants, including grants that create revolving funds, for
22 the Commission for the Blind and Visually Impaired.....1,255,000
23 Grants, including grants that create revolving funds for
24 the Department of Human Services housing innovation
25 and other capital projects.....\$4,500,000

26 b. Of the funds appropriated in subsection a. of this section for the
27 Division of Developmental Disabilities, all funds shall be used for
28 projects to reduce the division’s community services waiting list. The
29 \$15,650,000 represents a portion of the \$80,000,000 to be expended
30 on projects intended to reduce the community services waiting list.

31 c. Prior to the formal awarding of any funds appropriated pursuant
32 to this section, the Commissioner of Human Services shall provide the
33 Joint Budget Oversight Committee, or its successor, information as to
34 the agency that will receive the funds, the amount of funds the agency
35 is to receive, the manner in which the funds are to be used and the
36 estimated amount of State funds required to operate the program.
37 Unless the Joint Budget Oversight Committee, or its successor,

1 formally notifies the Commissioner of Human Services within 10
2 working days that it does not approve of the specific project, the
3 department may award the funds. The provisions of this subsection
4 shall not apply to funds for renovations that do not increase the
5 capacity of a facility, for emergency repairs and for life-safety and
6 accreditation improvements to existing facilities.

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

21 a. An application fee or equity contribution shall not be required
22 for renovations that do not increase the capacity of a facility, for
23 emergency repairs or for life-safety and accreditation improvements to
24 existing facilities. The application fee and any equity contribution may
25 be waived, with the approval of the Commissioner of Human Services,
26 if an applicant is able to document a financial inability to pay the fee
27 or make an equity contribution.

28 b. An application fee or equity contribution that is required of an
29 applicant shall be an unallowable item of cost for purposes of the most
30 recent Department of Human Services' Contract Reimbursement
31 Manual.

32 c. Grants provided to the New Jersey Housing and Mortgage
33 Finance Agency, the New Jersey Health Care Facilities Financing
34 Authority, the New Jersey Economic Development Authority and
35 other similar agencies established by the State shall be exempt from the
36 application fee and equity contribution.

37 d. As a condition of receiving monies from the Developmental
38 Disabilities' Waiting List Reduction and Human Services Facilities
39 Construction Fund, an applicant shall apply for grants, loans,
40 mortgages and tax credits that may be available through governmental
41 and non-governmental entities for financing the cost of the project or
42 to reduce the total cost of the project. An applicant shall document to
43 the department that it has or is in the process of applying for such
44 grants, loans, mortgages and tax credits.

45 In the case of any loans or mortgages for which the applicant may
46 apply, the department shall review the terms and conditions of the loan

1 or mortgage recommended by the lending agency to determine if the
2 total cost of the loan or mortgage exceeds direct State financing of the
3 project if the applicant applies to the department for a contract to
4 provide services and seeks to obtain reimbursement for such loan or
5 mortgages. Costs in excess of what the State would incur shall be an
6 unallowable cost for purposes of the most recent Department of
7 Human Services' Contract Reimbursement Manual.

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9 3. The Director of the Division of Budget and Accounting in the
10 Department of the Treasury shall make those corrections in the title or
11 text, or both, of any appropriation item authorized under this act
12 necessary to make the appropriation available for the purposes for
13 which it was intended. The corrections shall be made by a written
14 ruling which shall set forth an explanation of the need for correction
15 and which shall be signed by the Director of the Division of Budget
16 and Accounting and shall be filed by the director in his office as an
17 official record. Any action pursuant to that ruling, including
18 disbursement and the audit thereof, shall be legally binding and of full
19 effect. An official copy of each written ruling shall be transmitted to
20 the Legislative Budget and Finance Officer upon the effective date of
21 the ruling.

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

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27 5. In order to provide flexibility in administering the provisions of
28 this act, the Commissioner of Human Services may apply to the
29 Director of the Division of Budget and Accounting for permission to
30 transfer a part of any item or appropriation to any other item or
31 appropriation within the respective department accounts. The transfer
32 shall be made upon the written approval of the director and of the
33 Joint Budget Oversight Committee, or its successor.

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35 6. The Commissioner of Human Services shall report to the Joint
36 Budget Oversight Committee or its successor on the status of the
37 appropriation provided in this act 12 months from the effective date of
38 this act and annually thereafter until all of the funds have been
39 expended. The status report shall specify the projects that are funded
40 and the amount of funds appropriated, obligated and expended for
41 each project. The status report shall also include information on the
42 revolving funds established pursuant to section 2 of this act.

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44 7. This act shall take effect immediately.

1 STATEMENT

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3 This bill appropriates \$31,555,000 from the Developmental
4 Disabilities' Waiting List Reduction and Human Services Facilities
5 Construction Fund as follows:

6 Division of Developmental Disabilities - \$15,650,000

7 Division of Mental Health Services - \$7,550,000

8 Division of Youth and Family Services - \$2,600,000

9 Commission for the Blind and Visually Impaired - \$1,255,000

10 Department of Human Services - \$4,500,000.

11 The funds will be expended in accordance with the department's
12 1994 Bond Issue Master Plan.

13 With this bill, a total of \$53,755,000 of the \$130 million authorized
14 for community programs will have been appropriated from the 1994
15 bond act, including \$26.3 million for Division of Developmental
16 Disabilities projects to reduce the community waiting list.

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21 Appropriates \$31,555,000 from the Developmental Disabilities'
22 Waiting List Reduction and Human Services Facilities Construction
23 Fund.