

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### **SENATE, No. 2153**

with Senate committee amendments

# **STATE OF NEW JERSEY**

DATED: JUNE 16, 1997

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2153 with amendments.

Senate Bill No. 2153 requires the State to make an additional distribution in fiscal year 1997 of \$45,000,000 to municipalities as a supplement to the \$685 million previously apportioned for distribution to municipalities during fiscal year 1997 from public utilities franchise, gross receipts, and energy unit taxes. In addition, the bill appropriates the amount required to equal decreases resulting from corrections to apportionment values.

The supplemental distribution is to be made on or before June 30, 1997, first in amounts equal to decreases resulting from corrections to apportionment valuations made by the Director of the Division Taxation and then in proportion to the municipal distributions made from the \$685 million previously apportioned for distribution in this fiscal year. The supplementary distribution must be used by the recipient municipalities to reduce the local municipal property tax levy, which will be reflected as a change in the municipal budget.

As amended and reported, this bill is identical to Assembly Bill No. 3092 (1R) (Kramer/Wright).

#### COMMITTEE AMENDMENTS:

The committee amended the bill to include supplemental aid equal to decreases resulting from corrections to apportionment valuations made by the Director of the Division Taxation and to make technical changes.

#### FISCAL IMPACT:

This bill appropriates an additional distribution in fiscal year 1997 of \$45,000,000 to municipalities as a supplement to the \$685 million previously apportioned for distribution to municipalities in this fiscal year from public utilities franchise, gross receipts, and energy unit taxes. The amount of the additional aid added by amended is not specified.