NEW JERSEY STATE LEGISLATURE

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

Paul A. Sarlo (D), 36th District (Parts of Bergen, Essex and Passaic), Chair
Brian P. Stack (D), 33rd District (Part of Hudson), Vice-Chair
James Beach (D), 6th District (Part of Camden)
Anthony R. Bucco (R), 25th District (Part of Morris)
Barbara Buono (D), 18th District (Part of Middlesex)
Sandra B. Cunningham (D), 31st District (Part of Hudson)
Michael J. Doherty (R), 23rd District (Warren and part of Hunterdon)
Steven Oroho (R), 24th District (Sussex and parts of Hunterdon and Morris)
Kevin J. O’Toole (R), 40th District (Parts of Bergen, Essex and Passaic)
Joseph Pennacchio (R), 26th District (Parts of Morris and Passaic)
M. Teresa Ruiz (D), 29th District (Parts of Essex and Union)
Bob Smith (D), 17th District (Parts of Middlesex and Somerset)
Jeff Van Drew (D), 1st District (Cape May and parts of Atlantic and Cumberland)

GENERAL ASSEMBLY BUDGET COMMITTEE

Louis D. Greenwald (D), 6th District (Part of Camden), Chairman
Gary S. Schaefer (D), 36th District (Parts of Bergen, Essex and Passaic), Vice Chairman
Peter J. Barnes, III (D), 18th District (Part of Middlesex)
John J. Burzichelli (D), 3rd District (Salem and parts of Cumberland and Gloucester)
Albert Coutinho (D), 29th District (Parts of Essex and Union)
Gordon M. Johnson (D), 37th District (Part of Bergen)
Joseph R. Malone, III (R), 30th District (Parts of Burlington, Mercer, Monmouth and Ocean)
Declan J. O’Scanlon, Jr. (R), 12th District (Parts of Mercer and Monmouth)
Nellie Pou (D), 35th District (Parts of Bergen and Passaic)
Joan M. Quigley (D), 32nd District (Parts of Bergen and Hudson)
Jay Webber (R), 26th District (Parts of Morris and Passaic)
David W. Wolfe (R), 10th District (Parts of Monmouth and Ocean)

OFFICE OF LEGISLATIVE SERVICES

David J. Rosen, Legislative Budget and Finance Officer
Frank W. Haines III, Assistant Legislative Budget and Finance Officer

Glenn E. Moore, III, Director, Central Staff
Kathleen Fazzari, Section Chief, Education Section

This report was prepared by the Education Section of the Office of Legislative Services under the direction of the Legislative Budget and Finance Officer. The primary author was Adrian G. Crook.

Questions or comments may be directed to the OLS Education Section (609-984-6843) or the Legislative Budget and Finance Office (609-292-8030).
Department of State

Budget Pages...... C-7; C-16; C-25; C-26; D-299 to D-355

Fiscal Summary ($000)

<table>
<thead>
<tr>
<th></th>
<th>Expended FY 2009</th>
<th>Adjusted Appropriation FY 2010</th>
<th>Recommended FY 2011</th>
<th>Percent Change 2010-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Budgeted</td>
<td>$1,260,880</td>
<td>$1,277,733</td>
<td>$1,139,049</td>
<td>(10.9%)</td>
</tr>
<tr>
<td>Federal Funds</td>
<td>30,044</td>
<td>105,718</td>
<td>32,680</td>
<td>(69.1%)</td>
</tr>
<tr>
<td>Other</td>
<td>43,611</td>
<td>28,648</td>
<td>26,458</td>
<td>(7.6%)</td>
</tr>
<tr>
<td>Grand Total</td>
<td>$1,334,535</td>
<td>$1,412,099</td>
<td>$1,198,187</td>
<td>(15.1%)</td>
</tr>
</tbody>
</table>

Note: In order to be consistent with the data as it is displayed in the Governor’s budget, the funding data that are budgeted in the Department of State for Higher Educational Services are included in the above table. Other explanatory material is not included in this analysis but is contained in a separate analysis of “Higher Educational Services.”

TO THE READER

The Office of Legislative Services presents its analysis of the New Jersey Budget for Fiscal Year 2010-2011 in truncated form due to extraordinary time constraints. Unlike those of previous years, this year’s analysis is confined to a review of significant changes in appropriations and language provisions, respectively, recommended by the Governor. It also presents one or more background papers on selected topics pertinent to this agency’s mission. Discussion points, long a feature of annual OLS budget analyses, will be made available under separate cover and on the Internet, together with agency responses, from time to time as they are received.

Link to Website: http://www.njleg.state.nj.us/legislativepub/finance.asp

Office of Legislative Services
Legislative Budget and Finance Office
April 2010
**Significant Changes/New Programs ($000)**

<table>
<thead>
<tr>
<th>Budget Item</th>
<th>Adj. Approp. FY 2010</th>
<th>Recomm. FY 2011</th>
<th>Dollar Change</th>
<th>Percent Change</th>
<th>Budget Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Note:</strong> The Governor’s FY 2011 recommended budget does not include Direct State Services funding or Grants-In-Aid funding for Museum Services, nor does it include Direct State Services funding or State Aid funding for Library Services. This results in significant part from the Governor’s FY 2011 proposal to transfer Thomas Edison State College and the operations of the State Library and the State Museum to Rutgers, the State University of New Jersey. To implement the proposal, the Governor’s FY 2011 Budget recommends $8.8 million in Grants-In-Aid funding to Rutgers University for the Capital Campus.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In FY 2010, Museum Services received adjusted appropriations of $3.1 million in Direct State Services funding, and $2.2 million in Grants-In-Aid funding.

In FY 2010, Library Services received adjusted appropriations of $6.3 million in Direct State Services funding, and $12.6 million in State Aid funding.

According to information provided by the Office of Management and Budget, the net budgetary impact of the Capital Campus proposal is a savings of $3.5 million.

**DIVISION OF STATE MUSEUM**

**DIRECT STATE SERVICES**

| Museum Services | $3,109 | $0 | ($3,109) | (100.0%) | D-347 |

As indicated above, the Governor’s FY 2011 recommended budget does not include either Direct State Services funding or Grants-In-Aid funding for Museum Services.

The majority of the reduction ($2.2 million out of a total FY 2010 adjusted appropriation of $3.1 million) in Direct State Services funding reflects the elimination of $1.8 million in personal services (including salaries and wages), $72,000 in materials and supplies, $241,000 in services other than personal, and $93,000 in maintenance and fixed charges. This results from the Capital Campus proposal under which the State Museum is transferred to Rutgers University.

**Special Purpose**

| Historic Morven | $250 | $0 | ($250) | (100.0%) | D-348 |
| Old Barracks | $375 | $0 | ($375) | (100.0%) | D-348 |
| Veterans Memorial Arts Center | $250 | $0 | ($250) | (100.0%) | D-348 |

The Governor’s FY 2011 recommended budget eliminates an additional $875,000 in Direct State Services funding for Museum Services. The proposed $875,000 in savings reflects the
Significant Changes/New Programs ($000) (Cont’d)

<table>
<thead>
<tr>
<th>Budget Item</th>
<th>Adj. Approp. FY 2010</th>
<th>Recomm. FY 2011</th>
<th>Dollar Change</th>
<th>Percent Change</th>
<th>Budget Page</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$500</td>
<td>$0</td>
<td>($500)</td>
<td>(100.0%)</td>
<td>D-348</td>
</tr>
<tr>
<td>Veterans Memorial Arts Center</td>
<td>$1,350</td>
<td>$0</td>
<td>($1,350)</td>
<td>(100.0%)</td>
<td>D-348</td>
</tr>
<tr>
<td>Battleship New Jersey Museum</td>
<td>$390</td>
<td>$0</td>
<td>($390)</td>
<td>(100.0%)</td>
<td>D-348</td>
</tr>
</tbody>
</table>

The Governor’s FY 2011 budget discontinues $2.2 million in Grants-In-Aid funding for Museum Services. This reflects the transfer of $500,000 for the Veterans Memorial Arts Center to move to the Office of the Secretary of State, and the elimination of $1.35 million for the Battleship New Jersey Museum, and $390,000 for the utilities for the Battleship New Jersey. The Battleship New Jersey Museum is expected to compete for funding under either the Council on the Arts Cultural Grants program or the Historical Commission Agency Grants program if it is to continue to secure State support.

DEVELOPMENT OF HISTORICAL RESOURCES

GRANTS-IN-AID

| New Jersey Council for the Humanities | $75 | $0 | ($75) | (100.0%) | D-348 |

The Governor’s FY 2011 budget recommends eliminating $75,000 in funding for the New Jersey Council for the Humanities. The council is a nonprofit organization which develops, supports and promotes projects that explore and interpret the human experience, foster cross-cultural understanding, and engage people in matters of individual choice and public responsibility. Under the FY 2011 proposed budget, the New Jersey Council for the Humanities is expected to compete for grant funding under either the Council on the Arts Cultural Grants program or the Historical Commission Agency Grants program if it is to continue to secure State support.
**Significant Changes/New Programs ($000) (Cont’d)**

<table>
<thead>
<tr>
<th>Budget Item</th>
<th>Adj. Approp. FY 2010</th>
<th>Recomm. FY 2011</th>
<th>Dollar Change</th>
<th>Percent Change</th>
<th>Budget Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>NEW JERSEY PUBLIC BROADCASTING AUTHORITY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DIRECT STATE SERVICES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Broadcasting Authority (NJN)</td>
<td>$3,916</td>
<td>$1,898</td>
<td>($2,018)</td>
<td>(51.5%)</td>
<td>D-347</td>
</tr>
</tbody>
</table>

The Governor’s FY 2011 recommended budget of $1.9 million in Direct State Services funding for the Public Broadcasting Authority (NJN) represents a $2 million or 51.5 percent decrease from the FY 2010 adjusted appropriation of $3.9 million. This funding level assumes that the Public Broadcasting Authority will transition from a State-run media organization into an independent not-for-profit organization as of January 1, 2011. The Authority’s workforce of about 130 will cease to be State employees.

**DIVISION OF STATE LIBRARY**

<table>
<thead>
<tr>
<th>DIRECT STATE SERVICES Library Services</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>$3,734</td>
<td>$0</td>
<td>($3,734)</td>
<td>(100.0%)</td>
<td>D-351</td>
</tr>
<tr>
<td>Material and Supplies</td>
<td>$418</td>
<td>$0</td>
<td>($418)</td>
<td>(100.0%)</td>
<td>D-351</td>
</tr>
<tr>
<td>Special Purpose: Supplies and Extended Services</td>
<td>$500</td>
<td>$0</td>
<td>($500)</td>
<td>(100.0%)</td>
<td>D-351</td>
</tr>
<tr>
<td>Knowledge Initiative</td>
<td>$1,449</td>
<td>$0</td>
<td>($1,449)</td>
<td>(100.0%)</td>
<td>D-351</td>
</tr>
</tbody>
</table>

As indicated above, the Governor’s FY 2011 recommended budget does not include either Direct State Services funding or State Aid funding for Library Services, reflecting both funding elimination and reassignment of functional responsibilities under the Capital Campus proposal.

The majority of the Direct State Services funding reductions itemized above ($4.9 million, consisting of $3.7 million in Personal Services, $418,000 in Materials and Supplies, and $500,000 for Supplies and Extended Services) are the result of the proposed transfer of the State Library to Rutgers University. Although the State Library has its own set of appropriations, it is operated by Thomas Edison State College, and its base operating funding for FY 2011 is transferred to Rutgers as part of the proposed Rutgers/Thomas Edison merger. The remaining reduction is due to the elimination of the $1.45 million appropriation for the Knowledge
Significant Changes/New Programs ($000) (Cont'd)

<table>
<thead>
<tr>
<th>Budget Item</th>
<th>Adj. Approp. FY 2010</th>
<th>Recomm. FY 2011</th>
<th>Dollar Change</th>
<th>Percent Change</th>
<th>Budget Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initiative (KI) Project</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Knowledge Initiative is designed to fund proprietary databases offered at colleges and universities in the State, the State Library, public libraries, and business incubators and small businesses served by the New Jersey Economic Development Authority. According to the Administration, the contract for one of these databases will be ended ahead of schedule during FY 2010. Unless Rutgers reallocates its resources, or develops an alternative means of funding, the Knowledge Initiative will cease.

### STATE AID

| Per Capita Library Aid   | $7,176               | $0                | ($7,176)      | (100.0%)       | D-351       |
| Library Network          | $4,299               | $0                | ($4,299)      | (100.0%)       | D-351       |
| Virtual Library Aid      | $1,170               | $0                | ($1,170)      | (100.0%)       | D-351       |

Under the Governor’s FY 2011 Budget, per capita library aid is reallocated to the Department of Community Affairs and reduced to $3.7 million, a $3.5 million or 48.8 percent reduction from the FY 2010 adjusted appropriation of $7.2 million. Per capita library aid provides financial assistance to approximately 300 libraries on a per capita basis to ensure the libraries are funded at a level to meet certain minimum standards, including requirements in the hours of operation, number of staff, and materials (see Budget page D-57 for this FY 2011 funding).

The New Jersey Library Network was established under P.L.1983, c.486 to promote the cooperation among the various types of libraries in New Jersey and ensure the State’s residents have full access to library materials and programs not currently available in their communities. Library Network aid supports the State’s four regional library cooperatives, which enable libraries to share resources, maximize purchasing power, realize economies of scale, and collectively access electronic resources.

Virtual Library aid are funds used to provide centralized, core technological services to over 350 libraries throughout the State, including network infrastructure, internet access, and e-mail.

It is unclear whether either of these programs will be continued if Rutgers assumes management of the State Library.
Significant Changes/New Programs ($000) (Cont’d)

<table>
<thead>
<tr>
<th>Budget Item</th>
<th>Adj. Approp. FY 2010</th>
<th>Recomm. FY 2011</th>
<th>Dollar Change</th>
<th>Percent Change</th>
<th>Budget Page</th>
</tr>
</thead>
</table>

OFFICE OF THE SECRETARY OF STATE

DIRECT STATE SERVICES

Veterans Memorial Arts Center

The Governor’s FY 2011 recommended budget appropriates $750,000 in Direct State Services funding to the Veterans Memorial Arts Center. The Veterans Memorial Arts Center is recommended to move from Museum Services to the Office of the Secretary of State in FY 2011. This funding is the sum of $250,000 in Direct State Services funding and $500,000 in Grants-In-Aid funding appropriated to the War Memorial in FY 2010. The Office of Legislative Services is unaware of any announcement independent of the Budget that the War Memorial is to be renamed the Veteran Memorial Arts Center.

New Jersey Israel Commission

According to the Governor’s FY 2011 recommended budget, the New Jersey-Israel Commission will be merged into the New Jersey Partnership for Action. The New Jersey-Israel Commission was established to: promote the development of trade, culture and educational exchanges; encourage the development of capital investment and joint business ventures; and foster a spirit of cooperation between the citizens of the State of Israel and the State of New Jersey. The Commission was established by executive order in 1988, and was made permanent by statute in 2008.

Amistad Commission

Office of Programs

Martin Luther King, Jr. Commemorative Commission

GRANTS-IN-AID

Office of Faith-Based Initiatives

Office of Programs
Significant Changes/New Programs ($000) (Cont'd)

<table>
<thead>
<tr>
<th>Budget Item</th>
<th>Adj. Approp. FY 2010</th>
<th>Recomm. FY 2011</th>
<th>Dollar Change</th>
<th>Percent Change</th>
<th>Budget Page</th>
</tr>
</thead>
</table>

The Governor's FY 2011 recommended budget includes a new Office of Programs, with $94,000 in Direct State Services funding and $1.35 million in Grants-In-Aid funding. The Amistad Commission, Martin Luther King, Jr. Commemorative Commission, and the Office of Faith-Based Initiatives will be consolidated under the Office of Programs. The Governor's FY 2011 recommended appropriation of $1.44 million represents a $180,000 or 11.1 percent decrease from the combined FY 2010 adjusted appropriation of $1.62 million for the three agencies recommended for consolidation.

The Amistad Commission, established pursuant to P.L.2002, c.75, is responsible for the creation and implementation of education and awareness programs aimed at memorializing events concerning the enslavement of Africans and their descendants in America.

The Martin Luther King, Jr. Commemorative Commission was established to raise public awareness of Dr. King's ideals and philosophies, including: a commitment to preserving constitutional freedoms for all Americans; achieving social justice through non-violent activism; promoting education; inspiring citizens to contribute to the well-being of society; and encouraging citizens to recognize their commonalities while appreciating cultural diversity.

The Office of Faith-Based Initiatives develops relationships and strengthens partnerships with federal and State agencies, corporations, foundations, institutions of higher education, and training organizations to create greater access to funding and other resource opportunities for faith-based and community-based organizations.

In the absence of any newly recommended budget language that pertains to the Office of Programs, there are no assurances that any activities or grants funded in FY 2010 will be continued, or that faith-based grantees will continue to be the focus of State financial support, in FY 2011.
Significant Language Changes

Cultural and Intellectual Development Services
Council on the Arts

Deletion

2011 Budget: p. –

Of the amount hereinabove appropriated for Cultural Projects, an amount not less than $2,187,000 shall be allocated to support the Newark Museum Association.

Explanation

Under FY 2010 budget language, of the $16.63 million appropriated for Cultural Projects, an amount not less than $2,187,000 was to support the Newark Museum Association. Under the Governor’s FY 2011 recommended budget, the Newark Museum Association is expected to compete for funding from the Council on the Arts Cultural Grants program if it is to continue to secure State support.

Cultural and Intellectual Development Services
Council on the Arts

Revision

2011 Budget: p. D-349

Notwithstanding the provisions of any law or regulation to the contrary, of the amount appropriated for Cultural Projects, 25% shall be awarded to cultural groups or artists based in the eight southernmost counties (Cape May, Salem, Cumberland, Gloucester, Camden, Ocean, Atlantic, and Burlington). In the calculation of the allocation percentage, the first $1,000,000 of any grants that may be awarded to the New Jersey Performing Arts Center or the Rutgers Camden Performing Arts Center, and should the first $2,187,000 of any grants that may be awarded to the Newark Museum Association be awarded a grant based on a competitive process with their peers, the first $2,187,000, shall be disregarded.

Explanation

The FY 2010 Budget language provided that, of the amount appropriated for Cultural Projects, 25% was required to be awarded to cultural groups or artists based in the eight southernmost counties. In the calculation of the allocation percentage, the first $1,000,000 of any grants that were awarded to the New Jersey Performing Arts Center or the Rutgers Camden Performing Arts Center and the first $2,187,000 of any grants awarded to the Newark Museum Association were disregarded. The FY 2011 recommended language continues the 25% grant funding allocation percentage for the eight southernmost counties and provides that the first $1,000,000 of any grants awarded to the New Jersey Performing Arts Center or the Rutgers Camden Performing Arts Center will be disregarded in the calculation of that percentage. However in the case of the Newark Museum Association, the first $2,187,000 in grants will be disregarded if the

EXPLANATION: FY 2010 language not recommended for FY 2011 denoted by strikethrough.
Recommended FY 2011 language that did not appear in FY 2010 denoted by underlining.
Significant Language Changes (Cont’d)

association is successful in securing grant funding. This change in language reflects the fact that the Newark Museum Association is expected to compete for grant funding as described above.

<table>
<thead>
<tr>
<th>Cultural and Intellectual Development Services</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Museum Services</td>
<td></td>
</tr>
<tr>
<td>Deletion</td>
<td></td>
</tr>
<tr>
<td>2011 Budget: p. –</td>
<td></td>
</tr>
</tbody>
</table>

In addition to the amount hereinabove appropriated for the Division of State Museum, there are appropriated such sums as are required to cover additional costs related to re-opening the State Museum, not to exceed $890,000, subject to the approval of the Director of the Division of Budget and Accounting.

Explanation

The State Museum was closed for renovations from May 2003 to May 2008. A FY 2009 supplemental appropriation of $890,000 in Direct State Services funding associated with the re-opening of the State Museum was not continued in FY 2010; however, language in the FY 2010 budget appropriated $890,000 to the State Museum for those same purposes. Although the State Museum had been open since May 2008 for general admission, the Planetarium did not re-open until September 2009. The FY 2010 Budget language supported costs associated with re-opening the Planetarium which occurred during that fiscal year. No additional re-opening costs will be needed in FY 2011, hence the language is deleted.

The Governor’s FY 2011 recommended budget does not include Direct State Services funding, Grants-In-Aid funding, or funding through recommended budget language for Museum Services. This results in significant part from the Governor’s FY 2011 proposal to transfer the operations of the State Museum to Rutgers, the State University of New Jersey.

<table>
<thead>
<tr>
<th>Cultural and Intellectual Development Services</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Museum Services</td>
<td></td>
</tr>
<tr>
<td>Deletion</td>
<td></td>
</tr>
<tr>
<td>2011 Budget: p. –</td>
<td></td>
</tr>
</tbody>
</table>

The amount hereinabove appropriated for the Battleship New Jersey Utilities shall be used for the utility expenses of the Battleship New Jersey as shall be substantiated by the Home Port Alliance in a submission to the Director of the Division of Budget and Accounting, and shall not be expended without the approval of the director and the State Treasurer.

Explanation

The FY 2010 Budget language provided that the amount appropriated for the Battleship New Jersey Utilities was to be used for the utility expenses of the Battleship New Jersey Museum as

Significant Language Changes (Cont’d)

substantiated by the Home Port Alliance, which is the non-profit organization that administers the museum. Under the Governor’s FY 2011 recommended budget, the funding to which this language pertained is eliminated and the Battleship New Jersey Museum is expected to compete for funding under either the Council on the Arts Cultural Grants program or the Historical Agency Grants program if it is to continue to secure State support.

Cultural and Intellectual Development Services
Historical Resources

Deletion

2011 Budget: p. —

Of the amount hereinabove appropriated for New Jersey Historical Commission – Agency Grants, an amount not less than $13,000 shall be used to fund Grants in Afro-American History, and an amount not less than $405,000 shall be used to support Save Ellis Island, Inc.

Explanations

The FY 2010 Budget language provided that, of the amount appropriated for New Jersey Historical Commission – Agency Grants, an amount not less than $13,000 was appropriated to fund Grants in Afro-American History, and an amount not less that $405,000 was appropriated to support Save Ellis Island, Inc. Under the Governor’s FY 2011 recommended budget, continuation of funding for these purposes, if any, will require the grant recipients to compete for grant funding under either the Council on the Arts Cultural Grants program or the Historical Commission Agency Grants program.

Cultural and Intellectual Development Services
Public Broadcasting Authority (NJN)

Deletion

2011 Budget: p. —

Of the amounts hereinabove appropriated for Public Broadcasting Services, $526,000 shall be transferred to the Interdepartmental Household and Security account.

Explanations

The FY 2010 Budget language transferred $526,000 appropriated for Public Broadcasting Services to the Interdepartmental Household and Security account. Prior to FY 2009, the New Jersey Public Broadcasting Authority was not required to contribute to the operational costs of its facilities (utilities, maintenance, janitorial services, security, etc.) because those costs were supported entirely from the central Interdepartmental Household and Security account. The FY 2010 language represented a reimbursement to the central account. The elimination of the FY 2010 budget language assumes that the Public Broadcasting Authority will transition from a
Significant Language Changes (Cont'd)

State-run media organization into an independent not-for-profit organization as of January 1, 2011.

Cultural and Intellectual Development Services
Travel and Tourism

Deletion

2011 Budget: p. -

Of the amount hereinabove appropriated for Travel and Tourism Advertising and Promotion, an amount not less than $500,000 shall be allocated to the Travel and Tourism Advertising and Promotion—Cooperative Marketing Program.

Explanation

The FY 2010 Budget language provided that, of the amount appropriated for Travel and Tourism Advertising and Promotion, a minimum amount of $500,000 was allocated to the Travel and Tourism, Advertising and Promotion – Cooperative Marketing Program. The Governor’s FY 2011 Budget recommendation includes $9 million in Direct State Services funding for advertising and promotion in the Division of Travel and Tourism. According to the Department of State, an amount not yet determined of the $9 million will be used to fund the Cooperative Marketing Program, but that amount may be less than $500,000 given the deletion of this language.

Cultural and Intellectual Development Services
Travel and Tourism

Deletion

2011 Budget: p. -

The sum hereinabove appropriated for the Travel and Tourism, Advertising and Promotion—Cooperative Marketing Program is subject to the condition that any such amounts expended from such appropriation by the Division of Travel and Tourism are for programs which are funded by a 25% match by private tourism, industry concerns, and non-State public entities pursuant to subsection J. of section 9 of P.L.1977, c.225 (C.34:1A-53), subject to the approval of the Director of the Division of Budget and Accounting.

Explanation

Under the FY 2010 Budget language, funds appropriated for the Division of Travel and Tourism, Advertising and Promotion – Cooperative Marketing Program were required to be expended for programs which were funded by a 25 percent match by private tourism, industry concerns, and non-State public entities. According to the Department of State, this language is not recommended in FY 2011 as there is no specific allocation for the Cooperative Marketing Program as discussed above. However, given the department’s intent to allocate some level of

EXPLANATION:  FY 2010 language not recommended for FY 2011 denoted by strikethrough.
Recommended FY 2011 language that did not appear in FY 2010 denoted by underlining.
Significant Language Changes (Cont’d)

funding to the program, no matching funds requirements or other conditions on funding recipients will apply in FY 2011.

Cultural and Intellectual Development Services
Travel and Tourism

Revision

The Secretary of State shall report semi-annually on the expenditure during the preceding six months of State funds hereinabove appropriated for Travel and Tourism Advertising and Promotion and the Travel and Tourism, Advertising and Promotion – Cooperative Marketing Program, and private contributions to this program these programs. The first semi-annual report covering the first six months of fiscal 2011 shall be completed not later than January 31, 2011, the second semi-annual report covering the second six months of fiscal 2011 shall be completed not later than July 31, 2011, and both reports shall be submitted to the Treasurer, the Director of the Division of Budget and Accounting, and the Joint Budget Oversight Committee.

Explanation

The FY 2010 language required the Secretary of State to report semi-annually on the expenditure during the preceding six months of funds appropriated for Travel and Tourism Advertising and Promotion and the Travel and Tourism, Advertising and Promotion – Cooperative Marketing Program. The FY 2011 language reflects the fact that the Cooperative Marketing Program is not recommended to receive a specific allocation in FY 2011 as it did in FY 2010. Consequently, the FY 2011 recommended language on the semi-annual reporting requirement eliminates reference to that program. However, given that the department has stated that the program will receive some level of funding, no reporting requirement will apply.

Division of State Library
Library Services

Deletion

Notwithstanding the provisions of any law or regulation to the contrary, the amounts hereinabove appropriated for Direct State Services for the New Jersey State Library, excluding amounts appropriated to Special Purpose accounts shall be paid in twelve equal installments, on the last business day of each month.

Explanation

Significant Language Changes (Cont’d)

The FY 2010 Budget language provided that the Direct State Services funding appropriated to the New Jersey State Library, excluding amounts appropriated for Special Purpose accounts, was to be paid in twelve equal installments. This requirement conveyed library operating funds to Thomas Edison State College on the same schedule that pertained to other operating support for State colleges. The Governor’s FY 2011 recommended budget shifts operating funding for the State Library to Rutgers University, which will receive payments on this basis; hence this language is deleted.

<table>
<thead>
<tr>
<th>General Government Services</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Office of the Secretary of State</td>
<td></td>
</tr>
<tr>
<td><strong>Deletion</strong></td>
<td>2010 Handbook: p. B-175</td>
</tr>
<tr>
<td></td>
<td>2011 Budget: p. —</td>
</tr>
</tbody>
</table>

The unexpended balance at the end of the preceding fiscal year in the 9-11 Memorial Commission account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

**Explanation**

Under the FY 2010 Budget language, the unexpended balance at the end of the preceding fiscal year in the 9-11 Memorial Commission account was appropriated for the same purpose. From FY 2005 through FY 2008 the account was funded annually at $50,000. FY 2005 funding was expended on a Memorial design competition, which FY 2006 funding was only partially expended, and funds from both FY 2007 and FY 2008 were not expended. The FY 2010 language was a continuation of language from FY 2009 because in FY 2009 more than $100,000 was available in the account.

This appropriation provided funding for Arts Inclusion projects at the 9-11 Memorial at Liberty State Park. According to the Department of State, the monies were used by the department to assist with the evaluation and selection of an artist to design the memorial and because the artist was selected there is no need for comparable budget language for FY 2011.

<table>
<thead>
<tr>
<th>General Government Services</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Office of the Secretary of State</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2011 Budget: p. D-355</td>
</tr>
</tbody>
</table>

The unexpended balance at the end of the preceding fiscal year in the Amistad Commission account is appropriated for the Office of Programs same-purpose, subject to the approval of the Director of the Division of Budget and Accounting.

**Explanation**

Significant Language Changes (Cont'd)

Under the FY 2010 Budget language, the unexpended balance at the end of the preceding fiscal year in the Amistad Commission account was appropriated for the same purpose. The Governor's FY 2011 recommended budget includes a new Office of Programs. The Amistad Commission, Martin Luther King, Jr. Commemorative Commission, and the Office of Faith-Based Initiatives will be consolidated under the Office of Programs. The FY 2011 recommended budget language reflects this consolidation and appropriates the unexpended balance in the Amistad Commission account to the newly-established Office of Programs.

General Government Services  
Office of the Secretary of State

|          | 2011 Budget: p. D-355 |

Of the amount hereinabove appropriated for the Office of Programs Faith-Based Initiatives, an amount not to exceed $50,000 may be used for administrative purposes, including the oversight of cultural projects, to ensure their compliance with all applicable State and federal laws and regulations including the Single Audit Act, subject to the approval of the Director of the Division of Budget and Accounting.

Explanations

FY 2010 Budget language appropriated $50,000 to the Office of Faith-Based Initiatives for administrative purposes, including the oversight of cultural projects, to ensure their compliance with all State and federal laws and regulations, such as the Single Audit Act. The funds were used to support the administrative costs of several programs in the Office of the Secretary of State (9-11 Memorial Commission, Personal Responsibility Programs, Amistad Commission, Office of Volunteerism, Martin Luther King, Jr. Commemorative Commission, Office of Faith-Based Initiatives, and the Cultural Trust). The Governor's FY 2011 recommended budget includes a new Office of Programs. The Amistad Commission, Martin Luther King, Jr. Commemorative Commission, and the Office of Faith-Based Initiatives will be consolidated under the Office of Programs. The FY 2011 recommended language reflects the consolidation and continues to allow use of $50,000 in grant funding for State administrative purposes.

General Government Services  
Records Management

|          | 2011 Budget: p. D-355 |

Notwithstanding the provisions of any law or regulation to the contrary, no monies from up to 40% of the receipts deposited in the New Jersey Public Records Preservation account in the

Significant Language Changes (Cont’d)

Department of the Treasury are appropriated for grants to counties and municipalities, subject to the approval of the Director of the Division of Budget and Accounting; and allocated as grants to counties and municipalities for the management, storage, and preservation of public records based on regulations promulgated by the Division of Archives and Records Management and approved by the State Treasurer. Of the amount so appropriated, an amount not to exceed $200,000 may be used for the administrative expenses of this grant program, to include maintenance of records retention software, subject to the approval of the Director of the Division of Budget and Accounting.

Explanation

FY 2010 Budget language provided that up to 40 percent of the funding for the New Jersey Public Records Preservation account was to be allocated as grants to counties and municipalities for the management, storage, and preservation of records. The language allocated $200,000 of the appropriated amount for the administrative expenses of the grant program, including the costs associated with the maintenance of records retention software. Despite the FY 2010 language which authorized up to 40 percent of the funding to be allocated as grants to counties and municipalities, these monies were instead placed in reserve in anticipation of a year-end lapse into the State General Fund.

For FY 2011, the Governor’s Budget projects the State’s share of revenues collected under the New Jersey Public Records Preservation collections to be $34.3 million, an increase of $14.1 million over the State’s FY 2010 revenue share of $20.2 million. The $14.1 million increase represents monies that would have been designated as Public Archives and Records Infrastructure Support (PARIS) grants to counties and municipalities but, according to the Department of State and as specified by this language, instead would be diverted into the State General Fund. Consequently, neither FY 2010 nor FY 2011 PARIS grants will be awarded.

<table>
<thead>
<tr>
<th>General Government Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Election Management and Coordination</td>
</tr>
<tr>
<td>Deletion</td>
</tr>
</tbody>
</table>

The unexpended balance at the end of the preceding fiscal year in the Voter Verified Paper Audit Trail account is appropriated for the same purpose subject to the approval of the Director of the Division of Budget and Accounting.

Explanation

On July 7, 2005, the State enacted P.L.2005, c.137 requiring that a Voter Verified Paper Audit Trail (VVPAT) be created for each vote cast in an election. However, on March 6, 2009, the State enacted P.L.2009, c.17 suspending the requirement that voting machines produce an individual permanent paper record for each vote cast. FY 2009 budget reductions reduced the

Significant Language Changes (Cont’d)

VVPAT appropriation from $20 million to $1 million by placing $19 million in reserve in anticipation of a year-end lapse into the State General Fund. The FY 2010 budget language directed that the unexpended balance at the end of the preceding fiscal year in the VVPAT account was to be appropriated for the same purposes. The language referred to the $1 million that remained from the, original $20 million. According to the Department of State, the $1 million was placed in reserve in FY 2010 in anticipation of a year-end lapse into the State General Fund.

<table>
<thead>
<tr>
<th>General Government Services</th>
<th>Election Management and Coordination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Addition</td>
<td>2010 Handbook: p.—</td>
</tr>
<tr>
<td></td>
<td>2011 Budget: p. D-355</td>
</tr>
</tbody>
</table>

In addition to the amount hereinabove appropriated for Extended Polling Place Hours, there are appropriated such sums as are required to provide required reimbursements to county Boards of Election, subject to the approval of the Director of the Division of Budget and Accounting.

**Explanation**

Under the FY 2011 recommended budget language, in addition to the appropriation of $7.03 million for Extended Polling Place Hours, there are appropriated such sums as are required to provide reimbursements to the county boards of election. According to the Department of State, appropriations have been used to reimburse the county boards of elections for several years despite the absence of comparable budget language to do so. The language is recommended in FY 2011 to clarify the Department of State’s authority to make such reimbursements.

**EXPLANATION:** FY 2010 language not recommended for FY 2011 denoted by strikethrough. Recommended FY 2011 language that did not appear in FY 2010 denoted by underlining.
The Office of Legislative Services provides nonpartisan assistance to the State Legislature in the areas of legal, fiscal, research, bill drafting, committee staffing and administrative services. It operates under the jurisdiction of the Legislative Services Commission, a bipartisan body consisting of eight members of each House. The Executive Director supervises and directs the Office of Legislative Services.

The Legislative Budget and Finance Officer is the chief fiscal officer for the Legislature. The Legislative Budget and Finance Officer collects and presents fiscal information for the Legislature; serves as Secretary to the Joint Budget Oversight Committee; attends upon the Appropriations Committees during review of the Governor's Budget recommendations; reports on such matters as the committees or Legislature may direct; administers the fiscal note process and has statutory responsibilities for the review of appropriations transfers and other State fiscal transactions.

The Office of Legislative Services Central Staff provides a variety of legal, fiscal, research and administrative services to individual legislators, legislative officers, legislative committees and commissions, and partisan staff. The central staff is organized under the Central Staff Management Unit into ten subject area sections. Each section, under a section chief, includes legal, fiscal, and research staff for the standing reference committees of the Legislature and, upon request, to special commissions created by the Legislature. The central staff assists the Legislative Budget and Finance Officer in providing services to the Appropriations Committees during the budget review process.

Individuals wishing information and committee schedules on the FY 2011 budget are encouraged to contact:

Legislative Budget and Finance Office
State House Annex
Room 140  PO Box 068
Trenton, NJ 08625
(609) 292-8030  •  Fax (609) 777-2442