



**ANALYSIS OF THE NEW JERSEY BUDGET**

**DEPARTMENT  
OF LAW AND  
PUBLIC SAFETY**

**FISCAL YEAR**

**2015 - 2016**

# NEW JERSEY STATE LEGISLATURE

## SENATE BUDGET AND APPROPRIATIONS COMMITTEE

**Paul A. Sarlo** (D), 36th District (Parts of Bergen and Passaic), *Chair*  
**Brian P. Stack** (D), 33rd District (Part of Hudson), *Vice-Chair*  
**Peter J. Barnes III** (D), 18th District (Part of Middlesex)  
**Jennifer Beck** (R), 11th District (Part of Monmouth)  
**Anthony R. Bucco** (R), 25th District (Parts of Morris and Somerset)  
**Sandra B. Cunningham** (D), 31st District (Part of Hudson)  
**Linda R. Greenstein** (D), 14th District (Parts of Mercer and Middlesex)  
**Steven V. Oroho** (R), 24th District (All of Sussex, and parts of Morris and Warren)  
**Kevin J. O'Toole** (R), 40th District (Parts of Bergen, Essex, Morris and Passaic)  
**Nellie Pou** (D), 35th District (Parts of Bergen and Passaic)  
**M. Teresa Ruiz** (D), 29th District (Part of Essex)  
**Samuel D. Thompson** (R), 12th District (Parts of Burlington, Middlesex, Monmouth and Ocean)  
**Jeff Van Drew** (D), 1st District (All of Cape May, and parts of Atlantic and Cumberland)

## GENERAL ASSEMBLY BUDGET COMMITTEE

**Gary S. Schaer** (D), 36th District (Parts of Bergen and Passaic), *Chair*  
**John J. Burzichelli** (D), 3rd District (All of Salem, parts of Cumberland and Gloucester), *Vice-Chair*  
**Christopher J. Brown** (R), 8th District (Parts of Atlantic, Burlington and Camden)  
**Anthony M. Bucco** (R), 25th District (Parts of Morris and Somerset)  
**Gordon M. Johnson** (D), 37th District (Part of Bergen)  
**John F. McKeon** (D), 27th District (Parts of Essex and Morris)  
**Raj Mukherji** (D), 33rd District (Part of Hudson)  
**Declan J. O'Scanlon, Jr.** (R), 13th District (Part of Monmouth)  
**Eliana Pintor Marin** (D), 29th District (Part of Essex)  
**Troy Singleton** (D), 7th District (Part of Burlington)  
**Jay Webber** (R), 26th District (Parts of Essex, Morris and Passaic)  
**Benjie E. Wimberly** (D), 35th District (Parts of Bergen and Passaic)

## OFFICE OF LEGISLATIVE SERVICES

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

**Marvin W. Jiggetts**, *Director, Central Staff*  
**Anne M. Stefane**, *Section Chief, Law and Public Safety Section*

This report was prepared by the Law and Public Safety Section of the Office of Legislative Services under the direction of the Legislative Budget and Finance Officer. The primary author was Kristin Brunner Santos.

Questions or comments may be directed to the OLS Law and Public Safety Section (609-847-3870) or the Legislative Budget and Finance Office (609-847-3105).

# DEPARTMENT OF LAW AND PUBLIC SAFETY

Budget Pages..... C-5 to C-6; C-13 to C-14; C-20 to C-21;  
C-23; D-241 to D-272

## **Fiscal Summary (\$000)**

	Expended FY 2014	Adjusted Appropriation FY 2015	Recommended FY 2016	Percent Change 2015-16
State Budgeted	\$652,627	\$559,293	\$540,037	( 3.4%)
Federal Funds	\$457,616	\$169,494	\$172,374	1.7%
<u>Other</u>	<u>\$216,041</u>	<u>\$196,484</u>	<u>\$199,046</u>	<u>1.3%</u>
Grand Total	\$1,326,284	\$925,271	\$911,457	( 1.5%)

## **Personnel Summary - Positions By Funding Source**

	Actual FY 2014	Revised FY 2015	Funded FY 2016	Percent Change 2015-16
State	5,301	5,306	5,477	3.2%
Federal	100	87	101	16.1%
<u>Other</u>	<u>2,139</u>	<u>2,109</u>	<u>2,177</u>	<u>3.2%</u>
Total Positions	7,540	7,502	7,755	3.4%

FY 2014 (as of December) and revised FY 2015 (as of January) personnel data reflect actual payroll counts. FY 2016 data reflect the number of positions funded.

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

## Highlights

### Law Enforcement

- The Attorney General is authorized by budget language to transfer during FY 2016 up to \$35.5 million from the available resources of the several State professional boards, to support other department activities. In FY 2015, the Attorney General was authorized to transfer up to \$50 million of professional board resources, which corresponded to reductions of \$25 million each in the Division of State Police and the Division of Criminal Justice salary funding. The reduction by \$14.5 million in the amount authorized to be transferred reflects a commensurate restoration of salary funding to the Division of Criminal Justice in FY 2016.

The precise amount to be transferred in both FY 2015 and FY 2016, and the purposes for which funding is to be transferred, are at the discretion of the Attorney General and are unknown. The Office of Legislative Services assumes that the funding transfers will closely correspond to funding reductions.

### Division of State Police

- FY 2016 recommended appropriations for the Division of State Police from all sources total \$450.5 million, \$10.9 million (2.5 percent) above FY 2015. State appropriations of \$280 million are \$6.6 million above FY 2015; while dedicated revenues that support the division, primarily from toll road authorities, increase by \$4.6 million.
- According to the FY 2016 Budget Summary (page 23), the Governor's budget includes \$1.5 million for the support of the 157th State Police recruit training class. Funding will go toward the initial recruitment and selection of this class for FY 2017 similar to past years. The 156th State Police recruit class was selected through funding in FY 2015, but the class will not commence training until July of 2015 (FY 2016).

The 155th recruit class began with an estimated 150 recruits in September 2014 and concluded in February 2015, graduating 109 new troopers. An additional 270 graduates are projected by the close of FY 2016, which would bring the State Trooper count to 2,713.

- The FY 2016 budget projects \$29.797 million in revenues from the New Jersey Emergency Medical Services Helicopter Response Program Fund (NJEMS Fund) (page C-14). In FY 2015, \$26.340 million is projected to be allocated to the Division of State Police. The precise amount to be allocated between the Department of Health and the Division of State Police in FY 2016 will be determined during the fiscal year. Budget language allocates \$6.431 million to vehicle purchases and \$3.811 million to State Police salaries (pages D-253 and D-254). The department has not indicated how the remaining \$16.098 million would be allocated. Based on past expenditures of this revenue, it may be assumed that some may be allocated for State Police MedEvac Operations, Helicopter Line of Credit Payments, and the costs of State Trooper recruit classes.
- The FY 2016 budget provides \$12.105 million to the Division of State Police from the Domestic Security Fund (vehicle rental surcharge revenue) to support State Police

## Highlights (Cont'd)

Operations, a \$3 million decrease from FY 2015. The reduced allocation for State Police salaries indicates that the FY 2015 allocation exceeded the available vehicle rental surcharge revenue. The budget anticipates approval of a \$5.5 million FY 2015 supplemental appropriation for State Police salaries, in part necessitated by the overanticipation of vehicle rental surcharge revenue.

- According to the Office of Management and Budget, the allocation of NJEMS fund revenue of \$6.431 million for vehicle purchases includes \$1.6 million to permit the Division of State Police to purchase approximately 300 vehicles through a 3-year line of credit. It also funds lines of credit for vehicle purchases made in prior years. In FY 2014, 46 vehicles were purchased as of March 2014. In FY 2013, 288 vehicles were purchased and in FY 2012, 311 vehicles were purchased.
- The FY 2016 budget continues, for the second consecutive year, a State Aid appropriation of \$2 million for Essex Crime Prevention (page D-252). During the FY 2015 budget process, the Attorney General noted this funding was intended to suppress crime in Newark, N.J. through a three-part strategy combining State Police resources, prosecution directives to county prosecutors, and social services. The commitment in State dollars would take the form of criminal forfeiture funds, federal grant monies, and State funds. The State Aid appropriation funds county prosecutor's office salary and overtime costs.

## Division of Criminal Justice and Division of Gaming Enforcement

- The recommended FY 2016 appropriations of \$21.217 million for the Division of Criminal Justice are an increase of \$14.2 million above the FY 2015 adjusted appropriation. The increase reflects the partial restoration of \$25 million that was cut from the division's FY 2015 salary funding, to be replaced by allocations from professional board excess resources to the extent approved by the Attorney General.
- The Division of Gaming Enforcement's recommended appropriation is \$47.036 million. This appropriation reflects a decrease of \$5.167 million in salary funding, attributed to savings from unspecified operational efficiencies. The division's position level is decreasing by 14, from 267 in FY 2014 to 253 in both FY 2015 and FY 2016.

## Special Law Enforcement

### Election Law Enforcement

- The FY 2016 budget recommends an appropriation of \$4.345 million to the Election Law Enforcement Commission (ELEC), a decrease of \$2 million from FY 2015. In FY 2015, a Legislative initiative provided an increase of \$2 million to ELEC for replacement of outdated technology. This funding is not recommended for continuation in FY 2016.

## Highlights (Cont'd)

### Juvenile Services

#### Juvenile Justice Commission

- The FY 2016 budget provides \$104 million, a decrease of \$1.4 million, for the operations of the Juvenile Justice Commission and also continues \$16.6 million for the commission's grant programs. The commission's residential and day programs are projected to serve 416 juveniles, a decrease of 19 juveniles from the projected FY 2015 level and 94 below FY 2014 levels. The active parole caseload is also projected to decrease to 267 juveniles from 292 in FY 2014 (page D-260).

### Central Planning, Direction and Management

#### Office of Homeland Security and Preparedness

- The Governor's 2016 budget recommends continued funding of \$3.884 million for the administration and operating costs for the Office of Homeland Security and Preparedness (OHSP). In addition, the budget continues to provide \$7.2 million from the Domestic Security Fund (page D-265), which consists of revenue from vehicle rental surcharges, for OHSP programs.
- Federal funding to support homeland security programs is projected to total \$31.303 million for FY 2016 as follows: Urban Area Security Initiative Grant, \$22.949 million and Homeland Security Grant Program, \$8.354 million. This is a slight increase of \$486,000 in the projected federal funding level as compared to FY 2015.

### General Government Services

#### Consumer Affairs

- The FY 2015 budget provided new language which authorized the Attorney General to reallocate up to \$50 million in unexpended balances from State professional boards, advisory boards, and committees. The FY 2016 budget continues to authorize the reallocation of these unexpended funds, but decreases the maximum reallocation to \$35.5 million. These funds may be used to pay for various expenditures in other divisions within the Department of Law and Public Safety.

According to the Office of Management and Budget (OMB), the following boards are expected to be the source of up to \$50 million in FY 2015 transfers, or approximately 50 percent of the projected FY 2015 unexpended balances:

- Board of Medical Examiners: \$23.8 million
- Board of Nursing: \$12.8 million
- Board of Dentistry: \$2 million

## Highlights (Cont'd)

- Audiology and Speech-Language Pathology Advisory Committee: \$1.6 million
- Board of Architects: \$1.5 million
- Occupational Therapy Advisory Council: \$1.5 million
- Board of Optometrists: \$1.5 million
- Real Estate Appraisers Board: \$1.5 million
- Board of Chiropractic Examiners: \$1.4 million
- Board of Accountancy: \$1 million
- Board of Social Work Examiners: \$1 million
- Board of Pharmacy: \$400,000

Further, OMB's preliminary estimate is that the \$35.5 million authorized for transfer in FY 2016 is approximately 85 percent of the projected unexpended balances in FY 2016. Actual transfers will be determined at a later date, after all current year revenue has been received and projected spending has been reviewed by the Division of Consumer Affairs.

## Anticipated State Revenue

- The budget anticipates revenue of \$280.5 million in FY 2015 revenue and \$110 million in FY 2016 (page C-5) from legal settlements. According to the State Treasurer, FY 2015 revenue is expected from the following settlements:
  - \$140 million – Occidental (Passaic River);
  - \$86.5 million – Various MTBE Gas Additive Settlements (Valero, Hess, Citgo, others);
  - \$29 million – Tronox;
  - \$21.5 million – Standard and Poor's; and
  - \$3.5 million – Various Smaller Settlements.

No information was provided on which pending or potential settlements are expected to result in revenue in FY 2016.

**Fiscal and Personnel Summary**

AGENCY FUNDING BY SOURCE OF FUNDS (\$000)

	Expended FY 2014	Adj. Approp. FY 2015	Recom. FY 2016	Percent Change	
				2014-16	2015-16
<b>General Fund</b>					
Direct State Services	\$576,150	\$487,634	\$473,545	( 17.8%)	( 2.9%)
Grants-In-Aid	\$16,097	\$17,364	\$17,364	7.9%	0.0%
State Aid	\$1,766	\$0	\$0	( 100.0%)	0.0%
Capital Construction	\$1,017	\$0	\$0	( 100.0%)	0.0%
Debt Service	\$0	\$0	\$0	0.0%	0.0%
<b>Sub-Total</b>	<b>\$595,030</b>	<b>\$504,998</b>	<b>\$490,909</b>	<b>( 17.5%)</b>	<b>( 2.8%)</b>
<b>Property Tax Relief Fund</b>					
Direct State Services	\$0	\$0	\$0	0.0%	0.0%
Grants-In-Aid	\$0	\$0	\$0	0.0%	0.0%
State Aid	\$0	\$2,000	\$2,000	0.0%	0.0%
<b>Sub-Total</b>	<b>\$0</b>	<b>\$2,000</b>	<b>\$2,000</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Gubernatorial Elections Fund</b>	\$10,548	\$0	\$0	( 100.0%)	0.0%
<b>Casino Revenue Fund</b>	\$92	\$92	\$92	0.0%	0.0%
<b>Casino Control Fund</b>	\$46,957	\$52,203	\$47,036	0.2%	( 9.9%)
<b>State Total</b>	<b>\$652,627</b>	<b>\$559,293</b>	<b>\$540,037</b>	<b>( 17.3%)</b>	<b>( 3.4%)</b>
<b>Federal Funds</b>	\$457,616	\$169,494	\$172,374	( 62.3%)	1.7%
<b>Other Funds</b>	\$216,041	\$196,484	\$199,046	( 7.9%)	1.3%
<b>Grand Total</b>	<b>\$1,326,284</b>	<b>\$925,271</b>	<b>\$911,457</b>	<b>( 31.3%)</b>	<b>( 1.5%)</b>

**PERSONNEL SUMMARY - POSITIONS BY FUNDING SOURCE**

	Actual FY 2014	Revised FY 2015	Funded FY 2016	Percent Change	
				2014-16	2015-16
State	5,301	5,306	5,477	3.3%	3.2%
Federal	100	87	101	1.0%	16.1%
All Other	2,139	2,109	2,177	1.8%	3.2%
<b>Total Positions</b>	<b>7,540</b>	<b>7,502</b>	<b>7,755</b>	<b>2.9%</b>	<b>3.4%</b>

FY 2014 (as of December) and revised FY 2015 (as of January) personnel data reflect actual payroll counts. FY 2016 data reflect the number of positions funded.

**AFFIRMATIVE ACTION DATA**

Total Minority Percent	30.1%	30.2%	---	---
------------------------	-------	-------	-----	-----

**Significant Changes/New Programs (\$000)**

<u>Budget Item</u>	<u>Adj. Approp. FY 2015</u>	<u>Recomm. FY 2016</u>	<u>Dollar Change</u>	<u>Percent Change</u>	<u>Budget Page</u>
--------------------	---------------------------------	----------------------------	--------------------------	---------------------------	------------------------

**LAW ENFORCEMENT**

**Direct State Services**

<b>Total Personal Services (From General Fund)</b>	<b>\$180,222</b>	<b>\$200,707</b>	<b>\$20,485</b>	<b>11.4%</b>	<b>D-251</b>
--	------------------	------------------	-----------------	--------------	--------------

The FY 2016 budget recommends an increase of \$20.485 million for Personal Services. This appropriation consists of funding for salary and other compensation for the Division of State Police, the Division of Criminal Justice and the State Medical Examiner.

The recommended increase in Personal Service funding affects two divisions, Criminal Justice and State Police. Personal Services funding for the Division of Criminal Justice is increased by \$14.2 million, which reflects the partial restoration of a \$25 million reduction to the division’s salary funding in FY 2015. New FY 2015 budget language which corresponded to this reduction authorized the Attorney General to reallocate up to \$50 million in State professional board excess resources to the extent necessary to offset the reduction. The FY 2016 budget recommends revising downward by \$14.5 million the maximum to be reallocated from State professional board excess resources, recognizing that the capacity of the boards’ surpluses to support other purposes is diminished.

The balance of the increase in Personal Service funding, \$6.3 million, is divided between State Police Operations (+\$4.2 million) and State Police Administration and Support Services (+\$2.1 million). The increase in funding is intended to provide a level of resources adequate to support the costs of State troopers graduating from recruit classes and the preliminary costs of commencing the 157th recruit class in FY 2017. The increase in General Fund appropriations also supplants funding that was to have been provided from vehicle rental surcharges.

The 155th recruit class began with an estimated 150 recruits in September 2014 and concluded in February 2015, graduating 109 new troopers. An additional 270 graduates are projected by the close of FY 2016, which would bring the State Trooper count to 2,713. Overall Division of State Police staffing levels are projected to increase by 153 (+4 percent), to 3,915 in FY 2016.

**Significant Changes/New Programs (\$000) (Cont'd)**

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2015</u>	<u>Recomm.</u> <u>FY 2016</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
<b>Gaming Enforcement (From Casino Control Fund)</b>	<b>\$52,203</b>	<b>\$47,036</b>	<b>(\$5,167)</b>	<b>( 9.9%)</b>	<b>D-251</b>

The Division of Gaming Enforcement is supported by fees charged to casino licensees. The FY 2016 budget recommends a \$5.2 million reduction in division funding, reflecting reduced Personal Services costs (salaries and other compensation) that are attributed to savings from unspecified operational efficiencies (page D-241). The division's position level is decreasing by 14, from 267 in FY 2014 to 253 in both FY 2015 and FY 2016.

**All Other Funds**

<b>State Police Operations</b>	<b>\$91,992</b>	<b>\$96,563</b>	<b>\$ 4,571</b>	<b>5.0%</b>	<b>D-252</b>
--------------------------------	-----------------	-----------------	-----------------	-------------	--------------

The FY 2016 recommended budget reflects a \$4.571 million projected increase in revenues from State Police Operations. This results primarily from an increase of \$4.552 million in reimbursements from the New Jersey Turnpike Authorities (South Jersey Transportation Authority and New Jersey Turnpike Authority which includes the Garden State Parkway).

<b>Criminal Justice</b>	<b>\$22,314</b>	<b>\$21,438</b>	<b>(\$ 876)</b>	<b>( 3.9%)</b>	<b>D-252</b>
-------------------------	-----------------	-----------------	-----------------	----------------	--------------

Other Funds appropriated to the Division of Criminal Justice consist primarily of revenue from insurance industry assessments for the investigation and prosecution of criminal insurance fraud; revenue from a \$75 per conviction assessment on persons convicted of certain crimes, disorderly or petty disorderly persons offenses and certain motor vehicle violations, dedicated to the Safe Neighborhoods Services Fund; and other recoveries from prosecutions.

The FY 2016 projected decrease in Other Funds is primarily attributable to Safe Neighborhoods Services Fund revenues, which are estimated to decline by \$800,000. The resources in this fund support the Safe and Secure Neighborhoods Program, which provides grants to municipalities for neighborhood-oriented law enforcement projects. It is likely that the fund has sufficient unallocated balances that grant levels can be maintained despite the expectation of lower revenues.

EXPLANATION: FY 2015 language not recommended for FY 2016 denoted by strikethrough.  
Recommended FY 2016 language that did not appear in FY 2015 denoted by underlining.

**Significant Changes/New Programs (\$000) (Cont'd)**

<u>Budget Item</u>	<u>Adj. Approp. FY 2015</u>	<u>Recomm. FY 2016</u>	<u>Dollar Change</u>	<u>Percent Change</u>	<u>Budget Page</u>
--------------------	---------------------------------	----------------------------	--------------------------	---------------------------	------------------------

**SPECIAL LAW ENFORCEMENT ACTIVITIES****Direct State Services****Election Law Enforcement  
Commission - Technology  
Upgrades**

	<b>\$6,345</b>	<b>\$4,345</b>	<b>(\$2,000)</b>	<b>( 31.5%)</b>	<b>D-257</b>
--	----------------	----------------	------------------	-----------------	--------------

The FY 2016 budget recommends an appropriation of \$4.345 million to the Election Law Enforcement Commission (ELEC), a decrease of \$2 million from FY 2015. In FY 2015, a Legislative initiative provided an increase of \$2 million to ELEC for replacement of outdated technology. An April 2014 report noted that ELEC's computer system was 15-years old and in need of an urgent upgrade. This funding is not recommended for continuation in FY 2016.

**JUVENILE SERVICES (JUVENILE JUSTICE COMMISSION)****Direct State Services**

<b>Salaries and Wages</b>	<b>\$83,076</b>	<b>\$81,576</b>	<b>(\$1,500)</b>	<b>( 1.8%)</b>	<b>D-261</b>
---------------------------	-----------------	-----------------	------------------	----------------	--------------

The FY 2016 budget reflects a \$1.5 million reduction budgeted for Juvenile Justice Commission (JJC) salaries and wages. Despite this reduction, the JJC is expected to increase staffing by 29 (21 State and 8 other) positions this year.

According to the FY 2016 budget this reduction is due to operational efficiencies, explained below. The reductions affect Institutional Care and Treatment (\$1.050 million), which consists of institutional support staff who provide housekeeping, medical care and food and nutrition services; and Administration and Support Services (\$450,000), which consists of staff who provide general management and operational oversight.

The Office of Management and Budget explained that the increase in state-funded JJC staffing is due to additional recruit classes scheduled in FY 2016 to cover necessary posts. The salary need for these recruits is only for a partial year, and funding the full annual cost of recruits will not be required until FY 2017. The salary savings are achieved due to new recruits being hired at a lower salary than those departing.

**Significant Changes/New Programs (\$000) (Cont'd)**

<u>Budget Item</u>	<u>Adj. Approp. FY 2015</u>	<u>Recomm. FY 2016</u>	<u>Dollar Change</u>	<u>Percent Change</u>	<u>Budget Page</u>
<b>Juvenile Community Programs – Juvenile Aftercare Programs</b>	<b>\$25,845</b>	<b>\$25,934</b>	<b>\$ 89</b>	<b>.3%</b>	<b>D-261</b>

The FY 2016 budget reflects an increase of \$89,000 to support Juvenile Aftercare Programs. This increase is fully offset by a decrease in federal funding due to a Statewide reallocation of the federal Social Services Block Grant funding, which is being undertaken for accounting efficiencies and to simplify federal oversight.

**Federal Funds**

<b>Juvenile Community Programs</b>	<b>\$1,734</b>	<b>\$1,495</b>	<b>(\$ 239)</b>	<b>( 13.8%)</b>	<b>D-262</b>
------------------------------------	----------------	----------------	-----------------	-----------------	--------------

The projected decrease in federal funding is the result of changes in the following federal grants: Juvenile Accountability Incentive Block Grant funding, anticipated to decrease by \$200,000; Juvenile Aftercare Programs, decreasing by \$89,000 due to the shift of Social Services Block Grant funding described above; funding pursuant to the Individuals with Disabilities Education Act (IDEA) for education of youth in the care of the JJC with disabilities, decreasing by \$7,000; and funding under Title I, Part D of the Elementary and Secondary Education Act (ESEA) for the Neglected and Delinquent program, increasing by \$57,000.

Juvenile Accountability Block Grant funds, awarded to the State, 21 counties and four (4) municipalities, are used to provide services to youth at points on the juvenile justice continuum from prevention through reentry.

ESEA Title I, Part D, also called The Prevention and Intervention Programs for Children and Youth Who Are Neglected, Delinquent or At Risk, provides financial support to JJC programs to assist residents to successfully transition from institutionalization to further schooling or employment, and to keep them from returning to correctional facilities, through a support system to ensure their continued education.

**Significant Changes/New Programs (\$000) (Cont'd)**

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2015</u>	<u>Recomm.</u> <u>FY 2016</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
<b><u>All Other Funds</u></b>					
<b>Juvenile Community Programs</b>	<b>\$8,595</b>	<b>\$10,134</b>	<b>\$ 1,539</b>	<b>17.9%</b>	<b>D-262</b>
<b>Institutional Care and Treatment</b>	<b>\$7,490</b>	<b>\$4,144</b>	<b>(\$3,346)</b>	<b>( 44.7%)</b>	<b>D-262</b>

In FY 2016, the budget anticipates a \$1.855 million decrease in State Facilities Education Act (SFEA) revenue (page C-13) which accounts for a large portion of the decrease in Juvenile Justice Commission (JJC) All Other Funds accounts. SFEA funds allocated to Juvenile Community Programs increase by about \$1.5 million, while SFEA funds allocated to JJC institutions decrease by about \$3.3 million.

SFEA consists of funds reallocated to the JJC from local school districts to provide educational services to juveniles while under JJC care. Over the past few years the JJC has consolidated residential and day programs. As a result of the juvenile detention alternatives program leading to reductions in the average daily population of juvenile offenders, SFEA funding is anticipated to be reduced accordingly.

**GENERAL GOVERNMENT SERVICES****Direct State Services**

<b>Legal Services Total</b>	<b>\$102,730</b>	<b>\$71,140</b>	<b>(\$31,590)</b>	<b>( 30.8%)</b>	<b>D-266</b>
<b>Less Income Deductions</b>	<b>\$56,196</b>	<b>\$54,606</b>	<b>(\$1,590)</b>	<b>( 2.8%)</b>	<b>D-266</b>
	<b>\$16,534</b>				
<b>State Appropriation</b>	<b>(S) \$30,000</b>	<b>\$16,534</b>	<b>(\$30,000)</b>	<b>( 64.5%)</b>	<b>D-266</b>

Excluding the elimination of a \$30 million projected FY 2015 supplemental appropriation, total resources allocated to the Division of Law are projected to decrease by about 2 percent in FY 2016, as the result of anticipated negotiated billing rates or decreased caseloads. The Division of Law derives a majority of its operating support from reimbursements it receives for legal services provided to other State agencies.

The division's FY 2015 resources are projected to be augmented by supplemental appropriations of \$30 million in the Division of Law. Budget language authorizes the appropriation of revenues from penalties, cost recoveries, restitution, or other recoveries to offset unbudgeted, extraordinary legal costs incurred by the Division of Law. This language

**Significant Changes/New Programs (\$000) (Cont'd)**

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2015</u>	<u>Recomm.</u> <u>FY 2016</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
--------------------	---------------------------------------	----------------------------------	--------------------------------	---------------------------------	------------------------------

also authorizes supplemental appropriations to pay the costs of settlements and judgments. Revenues recovered through litigation can be augmented by balances in the General Fund to meet these costs. The extent to which the projected supplemental appropriations are offset by revenue recovered by the division is unclear.

**PROTECTION OF CITIZENS' RIGHTS****Direct State Services**

<b>Prescription Drug Monitoring Program</b>	<b>\$500</b>	<b>\$0</b>	<b>(\$ 500)</b>	<b>( 100.0%)</b>	<b>D-270</b>
---	--------------	------------	-----------------	------------------	--------------

In FY 2015, the Division of Consumer Affairs received a \$500,000 appropriation for the Prescription Drug Monitoring Program (PMP) in the FY 2015 Appropriations Act as a legislative initiative.

According to the Office of Management and Budget, the funds were used primarily to pay data processing costs associated with the maintenance of the PMP, as well as for the costs of three staff members responsible for the administration and operation of the PMP system. While the impact on the program from not continuing this funding in FY 2016 is unclear, the OLS notes that the Division of Consumer Affairs may have sufficient unallocated resources to meet the program's funding need in FY 2016.

<b>Securities Enforcement Fund</b>	<b>\$893</b> <b>(S) \$1,000</b>	<b>\$893</b>	<b>(\$1,000)</b>	<b>( 52.8%)</b>	<b>D-270</b>
--	------------------------------------	--------------	------------------	-----------------	--------------

The FY 2016 reduction of \$1 million in the Securities Enforcement fund, which supports the expenses of the Bureau of Securities, reflects the elimination of a projected FY 2015 supplemental appropriation. According to the Office of Management and Budget, supplemental funding is needed due to a shortfall in revenue originally anticipated to be available to cover the bureau's operating expenditures.

**Federal Funds**

<b>Victims of Crime Compensation Office</b>	<b>\$2,500</b>	<b>\$5,200</b>	<b>\$ 2,700</b>	<b>108.0%</b>	<b>D-270</b>
---	----------------	----------------	-----------------	---------------	--------------

The FY 2016 budget anticipates an increase of \$2.7 million in the Victim Compensation Award Grant. The Office for Victims of Crime, in the U.S. Department of Justice (DOJ), administers the Crime Victim Compensation formula grant program to help pay for expenses resulting from crimes involving violence or abuse.

**Significant Changes/New Programs (\$000) (Cont'd)**

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2015</u>	<u>Recomm.</u> <u>FY 2016</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
--------------------	---------------------------------------	----------------------------------	--------------------------------	---------------------------------	------------------------------

The federal program’s funding is derived from payments, from offenders convicted of federal crimes, of fines, forfeited bail bonds, penalties, and special assessments collected by U.S. Attorneys' Offices, federal U.S. courts, and the Federal Bureau of Prisons.

New Jersey receives grants through the State crime victim compensation program which supplements State funds for reimbursing victims of violent crimes for out-of-pocket expenses that result from the crime, such as crime scene clean-up, lost wages or loss of support, funeral and burial arrangements, mental health counseling, and medical or dental procedures

**All Other Funds**

<b>Consumer Affairs</b>	<b>\$19,498</b>	<b>\$21,029</b>	<b>\$ 1,531</b>	<b>7.9%</b>	<b>D-270</b>
-------------------------	-----------------	-----------------	-----------------	-------------	--------------

In FY 2016, the budget anticipates a \$1.531 million increase in revenue from various fees and penalties that are collected by the Division of Consumer Affairs through its enforcement of the Consumer Fraud Act and other regulatory duties.

Other revenues collected by the division and appropriated to support its operations include fees and penalties from licensing and oversight of legalized games of chance, charitable organizations, weights and measures, private employment agencies, and controlled dangerous substances.

<b>Victims of Crime Compensation Office</b>	<b>\$4,688</b>	<b>\$4,278</b>	<b>(\$ 410)</b>	<b>( 8.7%)</b>	<b>D-271</b>
---	----------------	----------------	-----------------	----------------	--------------

In FY 2016, the budget anticipates excess receipts of \$4.278 million which are designated as appropriated revenues for VCCO use under Other Funds (page D-271). These revenues consist of penalties assessed in both municipal courts and Superior Court on persons convicted of certain crimes. The VCCO would be permitted to use up to \$1.175 million for operational costs pursuant to language on budget page D-272.

The NJ Victims of Crime Compensation Office also derives additional funding from the Federal VOCA compensation grant, State appropriations, and the Commissary Surcharge on all items purchased in the Department of Corrections facilities. These funds are used to provide support to those victimized by crime.

## Significant Language Changes

### MedEvac Funds – Increased Allocation for State Police Salaries

Revision

2015 Handbook: p. B-129  
2016 Budget: p. D-254

Notwithstanding the provisions of any law or regulation to the contrary, receipts and available balances collected pursuant to the New Jersey Emergency Medical Service Helicopter Response Act, subsection a. of section 1 of P.L.1992, c.87 (C.39:3-8.2), not to exceed ~~\$2,687,000~~ \$3,811,000, are appropriated for State Police salaries, subject to the approval of the Director of the Division of Budget and Accounting.

#### Explanation

*This language increases the allocation of motor vehicle registration surcharge revenue to \$3.811 million in FY 2016 for the department. This language specifically allocates funding from the New Jersey Medical Service Helicopter Response Act for salaries within the Division of State Police. This increase is due to a shift of funding from the purchase of State Police vehicles (see below), and corresponds to a reduced need for vehicle acquisition funding in FY 2016.*

*The “New Jersey Emergency Medical Service Helicopter Response Act” (C.39:3-8.2) dedicates a \$3 motor vehicle registration surcharge toward the New Jersey Emergency Medical Service Helicopter Response Program Fund, to support the costs of the MedEvac program, State Police recruit classes and State Police salaries.*

### MedEvac Funds – Increased Allocation for State Police Vehicles

Revision

2015 Handbook: p. B-129  
2016 Budget: p. D-254

Notwithstanding the provisions of any law or regulation to the contrary, receipts and available balances pursuant to the New Jersey Emergency Medical Service Helicopter Response Act under subsection a. of section 1 of P.L.1992, c.87 (C.39:3-8.2), not to exceed ~~\$7,525,000~~ \$6,431,000 are appropriated for State Police vehicles, subject to the approval of the Director of the Division of Budget and Accounting.

#### Explanation

*This language decreases the allocation of motor vehicle registration surcharge revenue for State Police vehicle acquisition by \$1.094 million, from \$7.525 million to \$6.431 million. The decrease is due to a reduced need for vehicle acquisition funding in FY 2016, and a shift of funding to State Police salaries (see above).*

EXPLANATION: FY 2015 language not recommended for FY 2016 denoted by strikethrough.  
Recommended FY 2016 language that did not appear in FY 2015 denoted by underlining.

**Significant Language Changes (Cont'd)**

*According to the Office of Management and Budget (OMB), in FY 2016 the Division of State Police will make a payment in FY 2016. The purchase will commence a new three year line-of credit to acquire 300 vehicles at a cost of \$1.6 million annually. The remainder of the funding allocated by this language provides the resources to pay for vehicle purchases made prior to FY 2016 through line of credit financing.*

*The "New Jersey Emergency Medical Service Helicopter Response Act" (C.39:3-8.2) dedicates a \$3 motor vehicle registration surcharge toward the New Jersey Emergency Medical Service Helicopter Response Program Fund, to support the costs of the MedEvac program, State Police recruit classes and State Police salaries. This language continues the practice of expanding the use of these funds beyond their statutorily prescribed purposes.*



**Vehicle Rental Surcharge – Decreased Allocation for State Police Salaries**

Revision

2015 Handbook: p. B-130  
2016 Budget: p. D-254

Receipts and available balances from the agency surcharge on vehicle rentals pursuant to section 54 of P.L.2002, c.34 (C.App.A:9-78), not to exceed ~~\$15,105,000~~ \$12,105,000 for State Police salaries related to statewide security services, are appropriated for those purposes and shall be deposited into a dedicated account, the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.

**Explanation**

*This FY 2016 language provision appropriates \$12.105 million, a \$3 million decrease, for State Police salaries related to Statewide security services from vehicle rental surcharge revenues. The decreased allocation for State Police salaries indicates that the FY 2015 allocation exceeded the available vehicle rental surcharge revenue. The budget anticipates approval of a \$5.5 million FY 2015 supplemental appropriation for State Police salaries, in part necessitated by the overanticipation of vehicle rental surcharge revenue.*

*In 2002, a \$2 surcharge was established to fund domestic security pursuant to section 54 of P.L.2002, c.34 (C.App.A:9-78). The revenue anticipated from this source is \$23.2 million in FY 2015 and \$23.9 million in FY 2016 (page C-15).*

EXPLANATION: FY 2015 language not recommended for FY 2016 denoted by strikethrough.  
Recommended FY 2016 language that did not appear in FY 2015 denoted by underlining.

## Significant Language Changes (Cont'd)

*In FY 2016, the funding is recommended to be allocated in the following manner: an amount not to exceed \$278,000 to support the Agro-Terrorism program within the Department of Agriculture (page D-20); an amount not to exceed \$12.105 million for State Police salaries related to statewide security services (page D-254); an amount not to exceed \$7.2 million for the Office of Homeland Security and Preparedness (page D-265); and an amount not to exceed \$4.722 million for the Medical Emergency Disaster Preparedness for Bioterrorism program (page D-150).*

*These allocations total \$24.305 million, \$405,000 more than allocated in budget language from the Domestic Security account, so prior year balances will be required to fully fund the authorized uses in FY 2016.*

---

### Division of Alcoholic Beverage Control Appropriation Receipts

Revision

2015 Handbook: p. B-131  
2016 Budget: p. D-258

Notwithstanding the provisions of section 14 of P.L.1992, c.188 (C.33:1-4.1) or any other law or regulation to the contrary, an amount not to exceed ~~\$4,799,000~~ \$4,199,000 from receipts from fees and penalties collected by the Division of Alcoholic Beverage Control shall be deposited into the General Fund as State revenue.

#### Explanation

*This FY 2016 language provision appropriates amounts in excess of \$4.199 million in fee and penalty collections for the Division of Alcoholic Beverage Control for division activities. The revenue anticipated from this source is \$4.199 million in FY 2015 and \$4.199 million in FY 2016 from the Beverage License account (page C-5).*

*The FY 2015 version of this language reflected an anticipated increase in division revenues to \$4.799 million, but statutory revisions to certain alcoholic beverage license fees and penalties requested by the Executive to achieve higher revenues were not enacted.*

---

EXPLANATION: FY 2015 language not recommended for FY 2016 denoted by strikethrough.  
Recommended FY 2016 language that did not appear in FY 2015 denoted by underlining.

**Significant Language Changes (Cont'd)**

**Division of Law – Reimbursements**

Revision	2015 Handbook: p. B-136 2016 Budget: p. D-267
----------	--

In addition to the ~~\$56,195,655~~ \$54,605,595 attributable to Reimbursements from Other Sources and the corresponding additional amount associated with employee fringe benefit costs, there are appropriated such amounts as may be received or receivable from any State agency, instrumentality or public authority for direct or indirect costs of legal services furnished thereto and attributable to a change in or the addition of a client agency agreement, subject to the approval of the Director of the Division of Budget and Accounting.

**Explanation**

*This language change reflects an anticipated decrease in reimbursements to the Division of Law in FY 2016. The Governor’s budget (page D-267) estimates these reimbursements at \$54,605,595 in FY 2016, a decrease of \$1.590 million. The Division of Law is funded by the combination of a direct State appropriation and reimbursements from client State agencies which are billed based on the level and costs of services provided by the division. In FY 2016, the reimbursements reflected in this language provision comprise about 77 percent of the division’s funding.*



**Committees, Professional Boards, and Advisory Boards – Reallocation of Excess Resources**

Revision	2015 Handbook: p. B-143 2016 Budget: p. D-272
----------	--

Notwithstanding the provisions of section 2 of P.L.1974, c.46 (c.45:1-3.2) or any law or regulation to the contrary, an amount not to exceed ~~\$50,000,000~~ \$35,500,000, subject to the approval of the Attorney General, is hereby appropriated from the unexpended balances of the several State professional boards, advisory boards, and committees located in the Department of Law and Public Safety which are not otherwise required to be expended for the purposes of such professional boards, advisory boards and committees to pay for the costs and expenses of the various divisions within the Department of Law and Public Safety as determined by the Attorney General, subject to the approval of the Director of the Division of Budget and Accounting.

EXPLANATION: FY 2015 language not recommended for FY 2016 denoted by strikethrough.  
Recommended FY 2016 language that did not appear in FY 2015 denoted by underlining.

## Significant Language Changes (Cont'd)

### Explanation

The FY 2015 budget provided new language which authorized the Attorney General to reallocate up to \$50 million in unexpended balances from State professional boards, advisory boards, and committees. This language corresponded to reductions totaling \$50 million to salary funding for the Division of State Police (\$25 million) and the Division of Criminal Justice (\$25 million). The FY 2016 budget continues to authorize the reallocation of these unexpended funds; however it decreases the amount to \$35.5 million. These funds may be used to pay for various expenditures in other divisions within the Department of Law and Public Safety. The OLS assumes that the same divisions affected by the corresponding funding reductions received and will continue to receive most if not all of the funding reallocated under this language provision.

According to the Office of Management and Budget (OMB), the following boards are expected to be the source of up to \$50 million in FY 2015 transfers, or approximately 50 percent of the projected FY 2015 unexpended balances:

- Board of Medical Examiners: \$23.8 million
- Board of Nursing: \$12.8 million
- Board of Dentistry: \$2 million
- Audiology and Speech-Language Pathology Advisory Committee: \$1.6 million
- Board of Architects: \$1.5 million
- Occupational Therapy Advisory Council: \$1.5 million
- Board of Optometrists: \$1.5 million
- Real Estate Appraisers Board: \$1.5 million
- Board of Chiropractic Examiners: \$1.4 million
- Board of Accountancy: \$1 million
- Board of Social Work Examiners: \$1 million
- Board of Pharmacy: \$400,000

Further, OMB's preliminary estimate is that the \$35.5 million authorized for transfer in FY 2016 is approximately 85 percent of the projected unexpended balances in FY 2016. Actual transfers will be determined at a later date, after all current year revenue has been received and projected spending has been reviewed by the Division of Consumer Affairs.

EXPLANATION: FY 2015 language not recommended for FY 2016 denoted by strikethrough.  
Recommended FY 2016 language that did not appear in FY 2015 denoted by underlining.

## OFFICE OF LEGISLATIVE SERVICES

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 2016 budget are encouraged to contact:

**Legislative Budget and Finance Office  
State House Annex  
Room 140 PO Box 068  
Trenton, NJ 08625  
(609) 847-3105 • Fax (609) 777-2442**