



# State of New Jersey

DEPARTMENT OF THE TREASURY

PO Box 002

TRENTON, NEW JERSEY 08625

PHILIP D. MURPHY  
Governor

SHEILA Y. OLIVER  
Lt. Governor

ELIZABETH MAHER MUOIO  
State Treasurer

June 11, 2020

Mr. Frank Haines  
Legislative Budget and Finance Officer  
Office of Legislative Services  
State House Annex  
P.O. Box 068  
Trenton, NJ 08625

Dear Mr. Haines:

Pursuant to your letter dated May 29, 2020, it was requested that I provide a written response to the questions posed by Assemblywoman Pintor Marin, Assemblyman Wimberly, Assemblyman Clifton, and Assemblyman Benson following the May 28, 2020 hearing of the Assembly Budget and Appropriations Committee. The questions and their subsequent answers are as follows:

**Assemblywoman Pintor Marin:**

- ***What is the total amount of proposed reductions to State operations according to the State spending plan for the three month period?***

There is a proposed five percent reduction to all non-salary operating funds in the 3 month period, which totals \$9.717M, and a 10% reduction to discretionary grants totaling \$28.3M proposed over the same period. In addition, a statewide freeze on non-COVID, non-life safety related hiring is in place as well as limits on the use of temporary and hourly staff services and other discretionary spending. Moreover, we are working with our vendor partners to avoid cost increases. The collective savings reduction from these initiatives is not yet quantifiable.

- ***Have school districts been notified of how much State aid they are going to receive under the Governor's revised FY 2021 budget plan? If not, when will school districts be notified of how much aid they are going to receive? Please provide a breakdown of funding by school district.***

The Department of Education released proposed funding levels, by district. This information is available on their website at the following link:

<https://www.nj.gov/education/stateaid/2021/revised.shtml>

- ***Please provide a breakdown in sales tax collections for the current fiscal year on how much revenue was received from internet sellers in comparison to brick and mortar retail sellers.***

Of the \$7.53 billion received in Sales Tax collections through April, approximately \$265 million was received from remote sellers and online marketplaces.

**Assemblyman Wimberly:**

- ***The FY 2020 Adjusted Appropriations includes \$134.1 million for county college operating aid. The three month spending plan does not including funding for county college operating aid. What is the impact on county colleges as a result of excluding the funding?***

The total impact to the county colleges is a reduction of \$33.351 million in operating aid. The county colleges may be eligible for federal funds from the CARES Act Governor’s Emergency Education Relief Fund (GEERF) as well as funding through the Coronavirus Relief Fund (CRF), pending finalization of the CRF spending plan. County colleges also received money from the federal Higher Education Emergency Relief Fund (HEERF).

- ***Some school districts did not have the technology or funding to move towards remote learning during the COVID-19 pandemic. Please provide information on any funding State or federal that has been appropriated to address this “digital divide.” What additional State and federal resources are available for this purpose in FY 2020?***

The Department of Education received approximately \$310 million of federal funding from the CARES Act Elementary and Secondary Education Emergency Relief (ESSER) Fund to address various K-12 emergency needs due to the COVID pandemic. ESSER Fund grants made to local educational agencies may be used to support a broad range of activities, including the purchase of educational technology (e.g. hardware, software, and connectivity). Further explanation of how these funds will be used should be addressed by the Commissioner of the Department of Education.

The Governor’s extended fiscal year plan also proposes a \$400 million appropriation of the Coronavirus Relief Fund (CRF) federal funding to provide direct K-12 education relief and reopening support. Under the proposal, these funds could be used to pay for the costs associated with recovery from the current COVID-19 related school closure or to prepare for future school closures related to the public health emergency. More information on this proposal will be forthcoming as the additional guidance on the use of these funds becomes available. Because federal guidance is still being updated, this proposal is subject to change.

**Assemblyman Clifton:**

- ***Please provide a breakdown by department of State spending in response to the COVID-19 pandemic. How much has the State received from the Federal Emergency Management Agency (FEMA) in reimbursements?***

**COVID-19 Summary Report - As of 6/1/20**  
**Amounts below do not include salary costs**

Agency Name	Expended	Obligated
AGRICULTURE	45,558,982.71	
CHIEF EXECUTIVE	25,319.68	
CHILDREN AND FAMILIES	374,426.31	125,385.86
COMMUNITY AFFAIRS	318,397.05	76,437.05
CORRECTIONS	1,116,821.74	564,343.73
EDUCATION	4,431.75	40,372.93
ENVIRONMENTAL PROTECTION	36,333.69	300,443.88
HEALTH	5,859,169.27	19,107,350.02
HUMAN SERVICES	85,902,484.75	1,535,732.26
INTER-DEPARTMENTAL ACCOUNTS	756,618.32	752,754.11

JUDICIARY	289,799.24	319,323.96
LABOR	409,814.39	1,983,868.62
LAW AND PUBLIC SAFETY	117,043,439.08	76,435,755.10
LEGISLATURE	89,709.08	9,142.60
MILITARY AND VETERANS AFFAIRS	1,287,189.47	788,130.50
STATE	133,279.91	107,252.90
TRANSPORTATION	69,425.59	249,217.74
TREASURY	51,405,791.54	316,563.52
<b>TOTAL</b>	<b>310,681,433.57</b>	<b>102,712,074.78</b>

To date, NJ has drawn down \$91,861,170.44 from FEMA to reimburse 75% of eligible COVID related expenditures.

**Assemblyman Benson:**

- *What steps has the Department of Human Services (DHS) taken to bridge the digital divide for students with disabilities or health challenges?*

We referred the question to the Departments of Human Services, Education, and Children and Families and will provide a follow up answer once received.

- *Does DHS plan on using State funds or federal funds at the conclusion of this school year to assist children with disabilities or health challenges who have fallen behind educationally before they return to school in the fall?*

We referred the question to the Departments of Human Services, Education, and Children and Families and will provide a follow up answer once received.

Sincerely,



Elizabeth Maher Muoio  
State Treasurer

- c: Cathy Brennan, Deputy State Treasurer  
David Ridolfino, Acting Director, Office of Management and Budget  
Eliana Pintor Marin, Chair, Assembly Budget Committee  
Aaron Binder, Assembly Democratic Office  
Debbie DePiano, Assembly Republican Office  
Scott A. Brodsky, Office of Legislative Services  
Parag Shende, Office of Legislative Services