STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

June 26, 2015

SENATE BILL NO. 2016

To the Senate:

Pursuant to Article V, Section I, Paragraph 15 of the New Jersey Constitution, I am appending to Senate Bill No. 2016, at the time of my signing it, my statement of items, or parts thereof, to which I object so that each item, or part thereof, so objected to shall not take effect.

Again this year, for a fifth time in six years, the legislative majority has done what it knows how to do best - recklessly raise taxes on New Jersey's already overtaxed residents and business owners to pay for unsustainable spending. This punitive tax policy is the cornerstone of the budget plan presented to me, which relies on over a billion dollars of proposed new taxes. Despite the recently announced departure of Mercedes-Benz U.S. headquarters from New Jersey because of our high taxes, this Legislature refuses to relent. Because the foundation of the Legislature's proposal is unsound, I must once again object.

Rather than enacting responsible policies that will lay the foundation for New Jersey's continued economic recovery, the Legislature once again appears intent on inhibiting economic growth with crushing taxes. As I have consistently made clear, I strongly believe that the answer to our State's short- and long-term fiscal challenges is not to raise taxes on our already overtaxed residents and small business owners. Imposing punitive taxes on our businesses and highly productive taxpayers will chase them out of the state, rather than encourage them to stay in New Jersey to create jobs and grow our economy. Instead, we should be appropriately and responsibly lowering taxes for all New Jerseyans to stimulate New Jersey's economy,

reduce disincentives to invest and create jobs in New Jersey, and improve our already uncompetitive tax climate.

Regrettably, the Legislature has chosen the path of attempting to derail our progress toward making New Jersey more competitive, rather than making hard choices in a responsible manner. I will not allow the Legislature to return to its habit of failed and unsustainable fiscal policies, which were commonplace in Trenton before my administration. And I will certainly not join them in pretending that a long history of structural imbalances, an underfunded pension system and unsustainable health benefit obligations, can be resolved via a temporary four-year income tax hike or a one-year corporate business tax surtax. Politically expedient one-shots are no substitute for the continued real and sustainable long-term reform necessary to create an affordable retirement and health benefits system.

In contrast, the budget proposal I put forth in February recognizes the unfinished work of reform before us while prudently reestablishing a sustainable schedule of annual contributions towards the State's pension obligations. The Fiscal Year 2016 contribution I put forth is at once the largest pension contribution in State history and a strong foundation for moving forward on a fiscally responsible path. I implore the Legislature to work towards further systematic reforms like those outlined in the "Roadmap for Reform" report prepared by the independent nonpartisan New Jersey Pension and Health Benefits Study Commission that I appointed last year.

The general appropriations law for Fiscal Year 2016, as modified, that I sign today once again delivers a truly and honestly balanced State budget that funds our State's most

important priorities without raising taxes on the citizens of New Jersey.

Accordingly, I am appending to Senate Bill No. 2016, at the time of my signing it, my statement of items, or parts thereof, to which I object so that each item, or part thereof, so objected to shall not take effect.

Respectfully,

[seal]

/s/ Chris Christie
Governor

Attest:
/s/ Christopher S. Porrino
Chief Counsel to the Governor

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22 DEPARTMENT OF COMMUNITY AFFAIRS

50 Economic Planning, Development, and Security
55 Social Services Programs
DIRECT STATE SERVICES

Direct State Services:

40 "Notwithstanding the provisions of any law, rule or regulation to the contrary, every household in the State that is eligible to receive benefits under the Supplemental Nutrition Assistance Program (SNAP) established pursuant to the "Food and Nutrition Act of 2008," Pub.L.110-246 (7 U.S.C. s.2011 et seq.) shall receive a minimum annual energy assistance payment of $21 in order to qualify the household for a heating and cooling standard utility allowance under the SNAP program, in accordance with 7 U.S.C. s.2014(e)(6)(C), unless a standard utility allowance would have been unavailable to the household under the State and federal criteria for SNAP and any applicable energy assistance programs that were in place as of July 1, 2013. This annual payment shall be disbursed in accordance with the provisions of the Low Income Home Energy Assistance Program (LIHEAP), established pursuant to Pub.L. 97-35, Title XXVI (42 U.S.C. s.8621 et seq.) or other energy assistance program for which the household is eligible, as applicable. Any costs associated with increasing LIHEAP payments shall first be charged to the unexpended balance of federal funds available for the LIHEAP program, to the extent permitted by federal law and regulation."

The quoted language is deleted in its entirety.

70 Government Direction, Management, and Control
75 State Subsidies and Financial Aid
DIRECT STATE SERVICES

Direct State Services:

41 "From the amounts hereinabove appropriated for Salaries and Wages there shall be allocated an amount not to exceed $100,000 for the New Jersey Local Public Finance Internet Website Development Program."

The quoted language is deleted in its entirety.

34 DEPARTMENT OF EDUCATION

30 Educational, Cultural, and Intellectual Development
31 Direct Educational Services and Assistance
STATE AID

"01-5120 General Formula Aid This item is reduced to $7,674,252,000.		$7,694,252,000."
"(From Property Tax Relief Fund This item is reduced to $7,670,319,000.	$7,690,319,000)."	
"Subtotal State Aid Appropriation, Direct Educational Services and Assistance This item is reduced to $9,934,582,000.		$9,954,582,000."
"(From Property Tax Relief Fund This item is reduced to $9,779,918,000.	$9,799,918,000)."	
Less:		
"Assessment of EDA Debt Service This item is increased to $26,529,000.	$25,986,000"	
"Total Deductions This item is increased to $27,441,000.		$26,898,000."
"Total State Aid Appropriation, Direct Educational Services and Assistance This item is reduced to $9,907,141,000.		$9,927,684,000."
"(From Property Tax Relief Fund This item is reduced to $9,752,477,000.	$9,773,020,000)."	

State Aid:

53 " 01 Programmatic Stablization Aid (PTRF) This item is deleted in its entirety.	($20,000,000)."	
Less:		
"Deductions This item is increased to $27,441,000.		$26,898,000."

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55 "The amount hereinabove appropriated for Adult Education Programs shall be distributed at a rate of $1,500 per pupil for students enrolled on a full-time equivalent basis (as determined by the Commissioner of Education) in an approved adult high school, a postsecondary career and technical education program at a county vocational-technical school, or a non-credit career and technical education program that has been transferred to a county college from a county vocational school district pursuant to a formal resolution prior to the effective date of this appropriations act. The per pupil amount shall be reduced proportionally if the amount appropriated is insufficient to provide full funding for all eligible enrolled students. ((The Commissioner of Education and the Commissioner of Labor and Workforce Development shall review all sources of federal and state funding for employment training programs, and shall make recommendations to the Legislature by May 1, 2016 regarding the availability of such funds to support these programs in future fiscal years.))"

The language within double parentheses is deleted.

56 "Notwithstanding the provisions of any law or regulation to the contrary, "non-SDA" districts that received their State support for approved project costs through the New Jersey Schools Development Authority shall be assessed an amount equal to the 2013-2014 assessment((, except that there shall be no assessment on a school district that meets the following criteria: 1) the school district is located in the Pinelands regional growth area; 2) the school district's actual resident enrollment in October 2001 exceeded 6,000; and 3) the projected resident enrollment for October 2015, as calculated by the Commissioner of Education, is more than 20% greater than the October 2001 actual resident enrollment)). District allocations shall be withheld from 2015-2016 formula aid payments and the assessment cannot exceed the total of those payments."

The language within double parentheses is deleted.

59 "The amount hereinabove appropriated for Programmatic Stabilization Aid shall be used by the Commissioner of Education to provide State aid to a school district, other than a school district that participates in the interdistrict public school choice program, that: 1) between October 2010 and October 2014, experienced an increase in its actual resident enrollment of at least 4.5%, 2) between 2013 - 2014 school year and the 2015 - 2016 school year, experienced a decrease in its equalized valuation, as defined pursuant to section 3 of P.L.2007, c.260 (C.18A:7F-45), of at least 21%, and 3) the school district's State aid growth limit, as calculated by the Department of Education in the 2013-2014 school year, equaled 20%. Programmatic Stabilization Aid shall be allocated to an eligible school district based on the district's share of, among all districts that are eligible to receive Programmatic Stabilization Aid, the sum of equalization aid, special education categorical aid, security categorical aid, transportation aid, and adjustment aid awarded in fiscal year 2016."

The quoted language is deleted in its entirety.

30 Educational, Cultural, and Intellectual Development
34 Educational Support Services
GRANTS-IN-AID

"40-5064	Student Services This item is reduced to $1,000,000.	$2,000,000."
	"Total Grants-In-Aid Appropriation, Educational Support Services This item is reduced to $5,055,000.	$6,055,000."

Grants-In-Aid:

62	"40	Achievement Gap Reduction Program This item is deleted in its entirety.	($1,000,000)."

62 "From the amounts hereinabove appropriated for Achievement Gap Reduction Program, the Commissioner of Education shall award a grant to a racially-diverse school district in which significant achievement gaps have been observed among different racial groups and between economically disadvantaged and non-economically disadvantaged groups of students. A racially-diverse school district shall be one in which, during the 2013-2014 school year: 1) no less than 45 percent of the students, and no more than 55 percent of the students enrolled in the district's schools were White; 2) no less than 25 percent of the students, and no more than 35 percent of the students enrolled in the district's schools were Black; 3) no less than 5 percent of the students, and no more than 15 percent of the students enrolled in the district's schools were Latino; and 4) no less than 5 percent of the students enrolled in the district's schools were Asian. A school district shall be considered to have a significant achievement gap if, on the language arts literacy and mathematics sections of the State assessments administered in the 2013-2014 school year: 1) the percentage point difference in the proficiency rates of the racial subgroups with the highest and lowest proficiency rates is greater than 25 percentage points; and 2) the percentage point difference in the proficiency rates between economically disadvantaged students and other students is greater than 25 percentage points. A school district receiving a grant shall use the funds to implement programs with the objective of decreasing the observed achievement gaps."

The quoted language is deleted in its entirety.

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STATE AID

	"39-5094 Teachers' Pension and Annuity Assistance This item is reduced to $2,849,311,000.		$3,726,548,000."
	"(From Property Tax Relief Fund This item is reduced to $2,849,311,000.	$3,726,548,000)."	
	"Total State Aid Appropriation, Educational Support Services This item is reduced to $2,849,311,000.		$3,726,548,000."
	"(From Property Tax Relief Fund This item is reduced to $2,849,311,000.	$3,726,548,000)."	
	State Aid:		
63	" 39 Teachers' Pension and Annuity Fund (PTRF) This item is reduced to $761,169,000.	($1,638,406,000)."	
	"Department of Education, Total State Appropriation This item is reduced to $12,850,532,000.		$13,749,312,000."

42 DEPARTMENT OF ENVIRONMENTAL PROTECTION

40 Community Development and Environmental Management
42 Natural Resource Management
DIRECT STATE SERVICES

Direct State Services:

69 "Notwithstanding the provisions of any law or regulation to the contrary, there is appropriated $19,972,000((from the Clean Energy Fund)) for Parks Management."

The language within double parentheses is deleted.

CAPITAL CONSTRUCTION

70 "The Department of Environmental Protection, the Department of Agriculture, and the Department of Community Affairs shall provide technical and administrative assistance to the Legislature in the implementation of Article VIII, Section II, paragraph 6 of the State Constitution. The departments may recover appropriate administrative costs for providing this assistance from amounts to be appropriated for the implementation of the Constitutional dedication."

The quoted language is deleted in its entirety.

70 "Of the amount hereinabove appropriated for the Recreational Land Development and Conservation - Constitutional Dedication account, an amount not to exceed five percent of the appropriation shall be allocated for costs associated with the administration of the program."

The quoted language is deleted in its entirety.

40 Community Development and Environmental Management
44 Site Remediation and Waste Management
CAPITAL CONSTRUCTION

75 "Except as otherwise provided in this act and notwithstanding the provisions of any other law or regulation to the contrary, the first $50,000,000((and one-half of any additional amounts)) in natural resource, cost recoveries and other associated damages recovered by the State, along with such additional amounts as may be determined by the Director of the Division of Budget and Accounting, in consultation with the Attorney General, to be necessary to pay for the costs of legal services related to such recoveries, shall be deposited into the Hazardous Discharge Site Cleanup Fund established pursuant to section 1 of P.L.1985, c.247 (C.58:10-23.34), and are appropriated for: direct and indirect costs of remediation, restoration, and clean up; costs for consulting, expert, and legal services incurred in pursuing claims for damages; and grants to local governments and nonprofit organizations to further implement restoration activities of the Office of Natural Resource Restoration. Recoveries in excess of the amounts appropriated pursuant to this paragraph, consistent with the terms and conditions of applicable settlement agreements or court rulings, shall be deposited in the General Fund as general State revenue."

The language within double parentheses is deleted.

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46 DEPARTMENT OF HEALTH

20 Physical and Mental Health
22 Health Planning and Evaluation
GRANTS-IN-AID

	"07-4270 Health Care Systems Analysis This item is reduced to $163,504,000.		$168,504,000."
	"Total Grants-In-Aid Appropriation, Health Planning and Evaluation This item is reduced to $163,504,000.		$168,504,000."
	Grants-In-Aid:		
88	" 07 Holy Name Hospital, Teaneck - Palliative Care Pilot Program This item is deleted in its entirety.	($5,000,000)."	
	"Department of Health, Total State Appropriation This item is reduced to $410,425,000.		$415,425,000."

54 DEPARTMENT OF HUMAN SERVICES

20 Physical and Mental Health
26 Division of Aging Services
GRANTS-IN-AID

	"20-7530 Medical Services for the Aged This item is reduced to $1,115,980,000.		$1,118,980,000."
	"(From General Fund This item is reduced to $1,115,860,000.	$1,118,860,000)."	
	"Total Grants-In-Aid Appropriation, Division of Aging Services This item is reduced to $1,242,405,000.		$1,245,405,000."
	"(From General Fund This item is reduced to $1,218,912,000.	$1,221,912,000)."	
	Grants-In-Aid:		
109	" 20 Payments for Medical Assistance Recipients - Nursing Homes This item is reduced to $738,050,000.	($741,050,000)."	

115 "Notwithstanding the provision of any law or regulation to the contrary, beginning not later than January 1, 2016, the Commissioner of Human Services may make an advance payment to a nursing facility licensed pursuant to P.L.1971, c.136 (C.26:2H-1 et seq.), at the facility's request, whenever the facility is providing uncompensated services to one or more residents whose eligibility for Medicaid has not been determined more than 90 days after an application has been filed. Any such advance payment shall be made with State funding only and shall not exceed fifty percent of the estimated amount due for the uncompensated services. No later than 30 days after any such application is granted and payment has been made to the facility, or after any such application has been denied, the commissioner shall: provide reimbursement for any balance due to the facility; or recover any advance payments made on behalf of an applicant deemed ineligible for Medicaid by reducing any payments due to the facility."

The quoted language is deleted in its entirety.

115 "As a condition upon the appropriation hereinabove for Managed Long Term Services and Supports, the Commissioner shall issue quarterly reports to the Legislature in accordance with section 2 of P.L.1991, c.164 (C.52:14-19.1) on enrollment, State and federal expenditures, access to care and measures of care quality."

The quoted language is deleted in its entirety.

115 "Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated from the Community Based Senior Programs account for the Alzheimer's Medical Day Care Program are conditioned upon that program being administered in the same manner and with payment rates not less than those that were in effect during Fiscal Year 2013."

The quoted language is deleted in its entirety.

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30 Educational, Cultural, and Intellectual Development
32 Operation and Support of Educational Institutions
7601 Community Programs
DIRECT STATE SERVICES

Direct State Services:

121 "The amount hereinabove appropriated for Administration and Support Services shall be conditioned upon the following: notwithstanding N.J.A.C.10:46B-4.3 or the provisions of any other law or regulation to the contrary, the Division of Developmental Disabilities shall not compel the transfer of an individual with a developmental disability who is residing out-of-State in a placement funded by the division, under the Return Home New Jersey initiative or any similar initiative, to a placement located in this State if the transfer is opposed by the individual or the individual's guardian."

The quoted language is deleted in its entirety.

GRANTS-IN-AID

Grants-In-Aid:

123 "In addition to the amounts hereinabove appropriated for Purchased Residential Care, Social Supervision and Consultation and Adult Activities there are appropriated such additional amounts as needed to provide a one-time payment to any contract provider that is shifted from contract reimbursement to fee-for-service in order to facilitate that transition as shall be determined by the Director of the Division of Budget and Accounting."

The quoted language is deleted in its entirety.

"Department of Human Services, Total State Appropriation This item is reduced to $6,684,565,000.	$6,687,565,000."

131 "Notwithstanding the provisions of section 1 of P.L.1985, c.286 (C.30:4D-6a) and section 3 of P.L.1973, c.496 (C.44:7-87) or the provisions of any law or regulation to the contrary, the minimum monthly personal needs allowance provided to persons residing in nursing facilities, State or county psychiatric hospitals, and State Developmental Centers who are eligible for Medicaid or SSI benefits shall be $50. To effectuate the purposes of this provision, amounts may be transferred from Payments to Medical Assistance Recipients - Nursing Homes to other accounts in the department."

The quoted language is deleted in its entirety.

74 DEPARTMENT OF STATE

30 Educational, Cultural, and Intellectual Development
36 Higher Educational Services
2445 Rowan University
GRANTS-IN-AID

"82-2445 Institutional Support This item is reduced to $492,015,000.	$502,015,000."
"Subtotal General Operations This item is reduced to $492,015,000.	$502,015,000."
Less:	
"Total Income Deductions	$405,432,000."
"Total Grants-In-Aid Appropriation, Rowan University This item is reduced to $86,583,000.	$96,583,000."

Grants-In-Aid:

164 " 82 Joint Osteopathic Program with New Jersey Institute of Technology ($10,000,000)."
This item is deleted in its entirety.

164 "For the purpose of implementing the appropriations act for the current fiscal year, the fringe benefits for ((not more than))205 positions at Cooper Medical School ((of))Rowan University are funded by the State."

The language within double parentheses is deleted.

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164 "The amount hereinabove appropriated for the Joint Osteopathic Program with New Jersey Institute of Technology is to be used for the establishment of a physical facility within which to operate the program and shall be conditioned upon: a determination by the State Treasurer that an appropriate arrangement, including a facilities plan, for the Joint Program has been developed and approved by each of the parties."

The quoted language is deleted in its entirety.

2465 Montclair State University
GRANTS-IN-AID

"82-2465	Institutional Support This item is reduced to $402,500,000.		$412,500,000."
	"Subtotal General Operations This item is reduced to $402,500,000.		$412,500,000."
Less:			
	"Total Income Deductions		$366,641,000."
	"Total Grants-In-Aid Appropriation, Montclair State University This item is reduced to $35,859,000.		$45,859,000."
Grants-In-Aid:			
166 " 82	School of Communication and Media - Construction and Renovation This item is deleted in its entirety.	($10,000,000)."	
	"Department of State, Total State Appropriation This item is reduced to $1,260,718,000.		$1,280,718,000."

82 DEPARTMENT OF THE TREASURY

30 Educational, Cultural, and Intellectual Development
36 Higher Educational Services
GRANTS-IN-AID

"47-2155	Support to Independent Institutions This item is reduced to $2,737,000.		$22,737,000."
	"Total Grants-In-Aid Appropriation, Higher Educational Services This item is reduced to $106,083,000.		$126,083,000."
Grants-In-Aid:			
186 " 47	Development of New Allopathic Medical School - Seton Hall University and Hackensack University Health Network This item is deleted in its entirety.	($20,000,000)."	

STATE AID

"48-2155	Aid to County Colleges This item is reduced to $220,673,000.		$220,806,000."
	"(From Property Tax Relief Fund This item is reduced to $201,873,000.	$202,006,000)."	
	"Subtotal State Aid Appropriation, Higher Educational Services This item is reduced to $220,673,000.		$220,806,000."
	"(From Property Tax Relief Fund This item is reduced to $201,873,000.	$202,006,000)."	
Less:			
	"Total Income Deductions		$18,800,000."
	"Total State Appropriation, Higher Educational Services This item is reduced to $201,873,000.		$202,006,000."
	"(From Property Tax Relief Fund This item is reduced to $201,873,000.	$202,006,000)."	
State Aid:			
187 " 48	Employer Contributions - Teachers' Pension and Annuity Fund (PTRF) This item is reduced to $94,000.	($227,000)."	

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70 Government Direction, Management, and Control
74 General Government Services
DIRECT STATE SERVICES

"10-2062 Public Broadcasting Services $2,484,000."
This item is reduced to $2,175,000.

"Total Direct State Services Appropriation, General Government Services $34,642,000."
This item is reduced to $34,333,000.

Direct State Services:

195 " 10 New Jersey Public Television - Purchase of Additional Equipment for News Coverage Expansion ($309,000)."
This item is deleted in its entirety.

196 "The amount hereinabove appropriated to New Jersey Public Television - Purchase of Additional Equipment for News Coverage Expansion shall be allocated for the purchase of additional mobile equipment to allow New Jersey Public Television to expand its service delivery and news coverage in the State."

The quoted language is deleted in its entirety.

70 Government Direction, Management, and Control
75 State Subsidies and Financial Aid
GRANTS-IN-AID

Grants-In-Aid:

199 "The amount hereinabove appropriated for the Homestead Benefit Program shall be available to provide homestead benefits only to eligible homeowners pursuant to the provisions of section 3 of P.L.1990, c.61 (C.54:4-8.59) as amended by P.L.2004, c.40 and by P.L.2007, c.62, as may be amended from time to time except that, notwithstanding the provisions of such laws to the contrary: (i) residents who are 65 years of age or older at the close of the tax year, or residents who are allowed to claim a personal deduction as a blind or disabled taxpayer pursuant to subsection b. of N.J.S.54A:3-1, with (a) gross income in excess of $150,000 for tax year 2014 are excluded from the program; (b) gross income in excess of $100,000 but not in excess of $150,000 for tax year 2014 are eligible for a benefit in the amount of 5% of the first $10,000 of property taxes paid, and (c) gross income not in excess of $100,000 for tax year 2014 are eligible for a benefit in the amount of 10% of the first $10,000 of property taxes paid; (ii) residents who are not 65 years of age or older at the close of the tax year, or residents who are not allowed to claim a personal deduction as a blind or disabled taxpayer pursuant to subsection b. of N.J.S.54A:3-1, with (a) gross income in excess of $75,000 for tax year 2014 are excluded from the program; (b) gross income in excess of $50,000 but not in excess of $75,000 for tax year 2014 are eligible for a benefit in the amount of 6.67% of the first $10,000 of property taxes paid; and (c) gross income not in excess of $50,000 for tax year 2014 are eligible for a benefit in the amount of 10% of the first $10,000 of property taxes paid. These benefits listed pursuant to this paragraph will be calculated based on the 2006 property tax amounts assessed or as would have been assessed on the October 1, 2014 principal residence of eligible applicants. The total homestead benefit provided to an eligible applicant in a given State fiscal year shall not exceed the homestead rebate amount paid to such eligible applicant for tax year 2006, absent a change in an applicant's filing characteristics. The homestead benefit shall be paid in((August of Fiscal Year)) 2016. If the amount hereinabove appropriated for the Homestead Benefit Program is not sufficient, there is appropriated from the Property Tax Relief Fund such additional amounts as may be required to provide such homestead benefits, subject to the approval of the Director of the Division of Budget and Accounting."

The language within double parentheses is deleted.

STATE AID

"35-2078 Police and Firemen's Retirement System $196,564,000."
This item is reduced to $128,978,000.
"(From Property Tax Relief Fund $196,416,000)."
This item is reduced to $128,830,000.

"Total State Aid Appropriation, State Subsidies and Financial Aid $296,444,000."
This item is reduced to $228,858,000.
"(From Property Tax Relief Fund $262,216,000)."
This item is reduced to $194,630,000.

State Aid:

201 " 35 Police and Firemen's Retirement System (PTRF) ($77,013,000)."
This item is reduced to $37,352,000.

201 " 35 Police and Firemen's Retirement System (P.L. 1979, c.109) (PTRF) ($52,039,000)."
This item is reduced to $24,114,000.

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203 "Pursuant to section 85 of P.L.2015, c.19 (C.5:10A-85), receipts derived from the 3% Meadowlands regional hotel use assessment are appropriated for deposit into the intermunicipal account established pursuant to section 53 of P.L.2015, c.19 (C.5:10A-53), and shall be used to pay Meadowlands adjustment payments to municipalities in the Meadowlands district pursuant to the "Hackensack Meadowlands Agency Consolidation Act," sections 1 through 68 of P.L.2015, c.19 (C.5:10A-1 through C.5:10A-68), subject to the approval of the Director of the Division of Budget and Accounting.((Provided further, if the amount deposited herein into the intermunicipal account is insufficient, there are appropriated to the intermunicipal account established by section 53 of P.L.2015, c.19 (C.5:10A-53), such amounts as are necessary to pay each constituent municipality the meadowlands adjustment payment calculated pursuant to section 59 of P.L.2015, c.19 (C.5:10A-59), as shall be determined by the State Treasurer.))"

The language within double parentheses is deleted.

"Department of the Treasury, Total State Appropriation This item is reduced to $1,689,944,000.		$1,777,972,000."

94 INTERDEPARTMENTAL ACCOUNTS

70 Government Direction, Management, and Control
74 General Government Services
9410 Employee Benefits

DIRECT STATE SERVICES

	"03-9410 Employee Benefits This item is reduced to $2,462,440,000.		$2,952,515,000."
	"Total Direct State Services Appropriation, Employee Benefits This item is reduced to $2,462,440,000.		$2,952,515,000."
	Direct State Services:		
214	" 03 Public Employees' Retirement System This item is reduced to $308,182,000.	($658,848,000)."	
214	" 03 Police and Firemen's Retirement System This item is reduced to $69,747,000.	($148,296,000)."	
214	" 03 Police and Firemen's Retirement System (P.L. 1979, c.109) This item is reduced to $1,805,000.	($3,933,000)."	
215	" 03 State Police Retirement System This item is reduced to $35,580,000.	($75,844,000)."	
215	" 03 Judicial Retirement System This item is reduced to $13,951,000.	($30,219,000)."	
215	" 03 Teachers' Pension and Annuity Fund This item is reduced to $2,592,000.	($4,792,000)."	

GRANTS-IN-AID

	"03-9410 Employee Benefits This item is reduced to $1,030,441,000.		$1,087,524,000."
	"Total Grants-In-Aid Appropriation, Employee Benefits This item is reduced to $1,030,441,000.		$1,087,524,000."
	Grants-In-Aid:		
216	" 03 Public Employees' Retirement System This item is reduced to $46,430,000.	($97,103,000)."	
216	" 03 Police and Firemen's Retirement System This item is reduced to $5,306,000.	($11,254,000)."	
217	" 03 Teachers' Pension and Annuity Fund This item is reduced to $634,000.	($1,096,000)."	
	"Interdepartmental Accounts, Total State Appropriation This item is reduced to $4,196,799,000.		$4,743,957,000."
	Total Appropriation, All State Funds This item is reduced to $33,785,208,000.		$35,347,174,000."

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GENERAL PROVISIONS

276 "56. Notwithstanding the provisions of any law or regulation to the contrary, from the amounts appropriated in this act, the State shall make its required contributions to the Teachers' Pension and Annuity Fund, the Judicial Retirement System, the Public Employees' Retirement System, the Consolidated Police and Firemen's Pension Fund, the Police and Firemen's Retirement System, and the State Police Retirement System on the following schedule: at least 25 percent by August 1, at least 50 percent by November 1, at least 75 percent by February 1, and at least 100 percent by May 1."

The quoted language is deleted in its entirety.

279 "74. Notwithstanding the provisions of any other law or regulation to the contrary, there is appropriated as revenue to the General Fund ((70% of))the revenue credited in the current fiscal year to each account for each enterprise zone in the Enterprise Zone Assistance Fund attributable to local projects and the local costs for administering the Urban Enterprise Zone program, as defined by section 29 of P.L.1983, c.303 (C.52:27H-88). Further, there is appropriated as revenue to the General Fund the unexpended balances in the portion of the Enterprise Zone Assistance Fund designated for the State costs for administering the Urban Enterprise Zone program, as defined by section 29 of P.L.1983, c.303 (C.52:27H-88), subject to the approval of the Director of the Division of Budget and Accounting."

The language within double parentheses is deleted.

Respectfully,

[seal]

/s/ Chris Christie

Governor

Attest:

/s/ Christopher S. Porrino

Chief Counsel to the Governor

State of New Jersey

Executive Department

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22 DEPARTMENT OF COMMUNITY AFFAIRS

40 Language related to the coordination of LIHEAP and SNAP benefits is deleted in its entirety. This language may result in the distribution of benefits without regard to actual heating and cooling expenses which is impermissible as per federal guidance.

41 This language is deleted in its entirety. The Governor's budget recommendations appropriated necessary resources for Salaries and Wages and did not contemplate any excess funds that could be repurposed.

34 DEPARTMENT OF EDUCATION

53 This adjustment in the amount of $543,000 is eliminated. Funding decisions regarding EDA debt service assessments should be considered comprehensively with regard to the impact on all school districts. The associated language on page 56 is also deleted.

53 The appropriation of $20,000,000 is eliminated. The Governor's original budget recommendation included historically high levels of school funding. Creation of a new category of aid should only be undertaken as part of the Commissioner of Education's comprehensive school funding priorities. The associated language on page 59 is also deleted.

55 The language directing the Commissioners of Education and Labor and Workforce Development to review funding sources is deleted because it is duplicative of the existing responsibilities of all State government agencies to regularly review all funding options and make appropriate recommendations.

62 The appropriation of $1,000,000 is eliminated. The program intended to be supported by this appropriation is a pilot program for a single district. The appropriate scope of a pilot program of this nature should be determined by the Department of Education. The associated language on page 62 is also deleted.

63 The appropriation of $1,638,406,000 for the Teachers' Pension and Annuity Fund is reduced to reflect the adjustments necessary to implement the pension funding schedule described in the Governor's budget recommendations for Fiscal Year 2016.

42 DEPARTMENT OF ENVIRONMENTAL PROTECTION

69 This language is modified to delete the inappropriate reference to the Clean Energy Program and preserve the original intent of the Governor's budget recommendations for Fiscal Year 2016, consistent with the dedication set forth in Article VIII, Section II, Paragraph 6 of the State Constitution and the General Provisions of this act.

70 Language related to Open Space, Farmland and Historic Preservation is deleted in its entirety because its inclusion is inconsistent with the Governor's budget recommendations for Fiscal Year 2016.

70 Language related to Recreational Land Development and Conservation is deleted in its entirety because its inclusion is inconsistent with the Governor's budget recommendations for Fiscal Year 2016.

75 This language is modified to preserve the original intent of the Governor's budget recommendations.

46 DEPARTMENT OF HEALTH

88 The new appropriation of $5,000,000 for one designated medical center is eliminated. This program would provide compassionate care and support services for terminally ill patients and their families, caregivers, and loved ones, which is a laudable goal. However, State-funded grants for these purposes should be disbursed pursuant to a competitive process administered by the Department of Health.

54 DEPARTMENT OF HUMAN SERVICES

109 The appropriation of $741,050,000 for Payments for Medical Assistance Recipients - Nursing Homes is reduced in order to restore consistency with the Governor's budget recommendations for Fiscal Year 2016. The associated language on page 131 is also deleted.

115 This language is deleted in its entirety because of the financial and administrative burden it would place on the Department. The Department is available to work with impacted facilities as appropriate to address financial issues.

115 This language is deleted in its entirety as it would impose burdensome reporting requirements on a program that is already transparent.

115 This language is deleted in its entirety to maintain the Department's flexibility with respect to the most appropriate and cost efficient manner for administration of the program.

121 This language is deleted in its entirety because its inclusion would be inconsistent with the Governor's budget recommendations for Fiscal Year 2016.

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123 This language appropriation is deleted in its entirety. A mandatory one-time transition payment is not necessarily an appropriate mechanism to address this issue. The Department will continue to work with individual providers as appropriate to address financial issues associated with the transition.

74 DEPARTMENT OF STATE

164 The appropriation of $10,000,000 is eliminated. The Governor's original budget recommendation included significant funding to support the operations of institutions of higher education, including support for the fringe benefits of employees. The State has also recently made available support for capital projects at institutions of higher education through a voter-approved bond referendum. The associated language on page164 is also deleted.

164 Language related to fringe benefits for Cooper Medical School/Rowan University is partially deleted in order to effectuate legislative intent with respect to the allocation of this item of appropriation. Consistent with legislative intent, the 205 positions to be funded by the State pursuant to this appropriation shall be divided between Cooper Medical School of Rowan University and Rowan University as follows: Cooper Medical School 105 positions and Rowan University 100 positions.

166 The appropriation of $10,000,000 is eliminated. The Governor's original budget recommendation included significant funding to support the operations of institutions of higher education, including support for the fringe benefits of employees. The State has also recently made available support for capital projects at institutions of higher education through a voter-approved bond referendum.

82 DEPARTMENT OF THE TREASURY

186 The appropriation of $20,000,000 is eliminated. The State has recently made available support for capital projects at institutions of higher education through a voter-approved bond referendum.

187 The appropriation of $227,000 for the Teachers' Pension and Annuity Fund is reduced to reflect the adjustments necessary to implement the pension funding schedule described in the Governor's budget recommendations for Fiscal Year 2016.

195 The new appropriation of $309,000 for additional equipment is deleted in order to restore consistency with the Governor's budget recommendations for Fiscal Year 2016. The Legislature appropriately joined in authorizing the privatization of New Jersey's public television operations pursuant to P.L. 2010, c. 104. The associated language on page 196 is also deleted.

199 This language is modified to maintain consistency with the Administration's plan to issue the credits during the fourth quarter of Fiscal Year 2016.

201 The appropriation of $77,013,000 for the Police and Firemen's Retirement System is reduced to reflect the adjustments necessary to implement the pension funding schedule described in the Governor's budget recommendations for Fiscal Year 2016.

201 The appropriation of $52,039,000 for the Police and Firemen's Retirement System is reduced to reflect the adjustments necessary to implement the pension funding schedule described in the Governor's budget recommendations for Fiscal Year 2016.

203 This open-ended language appropriation, requiring the State to make direct payments to municipalities as a result of insufficient local assessment collections, is deleted. It would be more appropriate to present this item for consideration when the amount of the desired subsidy is known.

94 INTERDEPARTMENTAL ACCOUNTS

214 The appropriation of $658,848,000 for the Public Employees' Retirement System is reduced to reflect the adjustments necessary to implement the pension funding schedule described in the Governor's budget recommendations for Fiscal Year 2016.

214 The appropriation of $148,296,000 for the Police and Firemen's Retirement System is reduced to reflect the adjustments necessary to implement the pension funding schedule described in the Governor's budget recommendations for Fiscal Year 2016.

214 The appropriation of $3,933,000 for the Police and Firemen's Retirement System is reduced to reflect the adjustments necessary to implement the pension funding schedule described in the Governor's budget recommendations for Fiscal Year 2016.

215 The appropriation of $75,844,000 for the State Police Retirement System is reduced to reflect the adjustments necessary to implement the pension funding schedule described in the Governor's budget recommendations for Fiscal Year 2016.

215 The appropriation of $30,219,000 for the Judicial Retirement System is reduced to reflect the adjustments necessary to implement the pension funding schedule described in the Governor's budget recommendations for Fiscal Year 2016.

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215 The appropriation of $4,792,000 for the Teachers' Pension and Annuity Fund is reduced to reflect the adjustments necessary to implement the pension funding schedule described in the Governor's budget recommendations for Fiscal Year 2016.

216 The appropriation of $97,103,000 for the Public Employees' Retirement System is reduced to reflect the adjustments necessary to implement the pension funding schedule described in the Governor's budget recommendations for Fiscal Year 2016.

216 The appropriation of $11,254,000 for the Police and Firemen's Retirement System is reduced to reflect the adjustments necessary to implement the pension funding schedule described in the Governor's budget recommendations for Fiscal Year 2016.

217 The appropriation of $1,096,000 for the Teachers' Pension and Annuity Fund is reduced to reflect the adjustments necessary to implement the pension funding schedule described in the Governor's budget recommendations for Fiscal Year 2016.

GENERAL PROVISIONS

276 This language is deleted to restore the historic, annual payment schedule in a manner consistent with the ordinary process by which payments are made by other units of government. The timing of this payment recognizes the fiscal realities associated with matching the timing of large one-time annual payments with the timing of the actual receipt of State revenues.

279 Language diverting approximately $24.1 million from the General Fund to certain municipalities is deleted in order to restore consistency with the Governor's budget recommendations for Fiscal Year 2016.

Respectfully,

[seal] /s/ Chris Christie

Governor

Attest:

/s/ Christopher S. Porrino

Chief Counsel to the Governor