

State of New Jersey
Executive Department

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14 DEPARTMENT OF BANKING AND INSURANCE

50 Economic Planning, Development, and Security

52 Economic Regulation

DIRECT STATE SERVICES

Direct State Services:

- 27 "The amount hereinabove appropriated for Consumer Protection Services and Solvency Regulation is conditioned on the following: the Commissioner of Banking and Insurance shall commission an actuarial and/or microsimulation analysis of options for the State to provide more affordable health coverage in the individual market for both consumers who are currently eligible for federal financial assistance and those who are not, while reducing disruptions in coverage affordability for consumers who become ineligible for Medicaid due to an increase in the minimum wage or who will lose federal subsidies in the Marketplace or exceed the income limits for federal subsidies in the Marketplace for other reasons. The study shall include at least the following options: 1) implementing State subsidies for individuals up to 200 or 300 percent of federal poverty level to reduce or eliminate consumer payments for premiums and cost sharing; 2) lifting the cap on premium assistance in the Marketplace to aid those individuals with incomes of between 400 and 500 percent of the federal poverty level; 3) implementing the Affordable Care Act's Basic Health Program option; and 4) consumers' purchase of Medicaid, Medicaid-like or NJ FamilyCare plans. For these and any other options under examination, the study shall estimate effects on State costs, consumer costs, coverage levels, State economic activity, and federal revenue streams that may be available to implement these options, if any. ((The Commissioner shall seek comment from the public, including advocates and stakeholders, on the design of the study and the report and send the final report to the State Legislature within one year of the enactment of this act.))Such amounts are appropriated as the Director of the Division of Budget and Accounting shall determine."

The language within double parentheses is deleted.

22 DEPARTMENT OF COMMUNITY AFFAIRS

70 Government Direction, Management, and Control

75 State Subsidies and Financial Aid

STATE AID

| | |
|--|------------------|
| "04-8030 Local Government Services | \$829,908,000." |
| This item is reduced to \$791,908,000. | |
| "(From Property Tax Relief Fund | \$827,716,000)." |
| This item is reduced to \$789,716,000. | |
| "Total State Aid Appropriation, State Subsidies and Financial Aid | \$829,908,000." |
| This item is reduced to \$791,908,000. | |
| "(From Property Tax Relief Fund | \$827,716,000)." |
| This item is reduced to \$789,716,000. | |
| <i>State Aid:</i> | |
| 39 " 04 Shared Services and School District Consolidation Study and Implementation Grants (PTRF) | (\$48,000,000)." |
| This item is reduced to \$10,000,000. | |
| "Department of Community Affairs, Total State Appropriation | \$961,113,000." |
| This item is reduced to \$923,113,000. | |

34 DEPARTMENT OF EDUCATION

30 Educational, Cultural, and Intellectual Development

31 Direct Educational Services and Assistance

STATE AID

| | |
|--|--------------------|
| "01-5120 General Formula Aid | \$8,235,666,000." |
| This item is reduced to \$8,231,666,000. | |
| "(From Property Tax Relief Fund | \$7,964,856,000)." |
| This item is reduced to \$7,960,856,000. | |
| "Total State Aid Appropriation, Direct Educational Services and Assistance | \$11,224,662,000." |
| This item is reduced to \$11,220,662,000. | |
| "(From Property Tax Relief Fund | 10,840,949,000)." |
| This item is reduced to \$10,836,949,000. | |
| Less: | |
| "Total Deductions | \$55,487,000." |
| "Total State Aid Appropriation, Direct Educational Services and Assistance | \$11,169,175,000." |
| This item is reduced to \$11,165,175,000. | |
| "(From Property Tax Relief Fund | 10,785,462,000)." |
| This item is reduced to \$10,781,462,000. | |

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State Aid:

48 " 01 School Choice (PTRF) (\$60,490,000)."
This item is reduced to \$56,490,000.

51 "Notwithstanding the provisions of any law or regulation to the contrary, following notification to the Joint Budget Oversight Committee there are appropriated to the Emergency Fund account such additional amounts as may be required((, not to exceed \$20,000,000,)) to fund approved applications for emergency aid following district needs assessments conducted by the Department of Education, subject to the approval of the Director of the Division of Budget and Accounting. The commissioner shall determine the repayment terms, if any, that will be assessed."

The language within double parentheses is deleted.

53 "Notwithstanding the provisions of P.L.2016, c.22 (C.18A:39-1d et al.) or any section of law to the contrary, in the case of any school district that receives nonpublic transportation aid hereinabove appropriated from Transportation Aid and meets the criteria for an "eligible district" as defined in subsection a. of section 1 of P.L.2016, c.22 (C.18A:39-1d), in accordance with guidelines issued by the Commissioner of Education, the board of education shall distribute to the consortium, as defined in subsection a of section 1 of P.L.2016, c.22 (C.18A:39-1d), an amount to be determined by the commissioner for each nonpublic school pupil who is attending a nonpublic school which is a part of the consortium and who is required to be transported by the eligible district pursuant to N.J.S.18A:39-1. In accordance with guidelines issued by the commissioner, the consortium shall assume the responsibilities of the eligible district under N.J.S.18A:39-1 for transporting to and from school the pupils for whom the consortium received the aid in-lieu-of transportation amount. If the per pupil cost of the lowest bid received exceeds the aid in-lieu-of transportation amount, then the parent or guardian of the student shall be eligible to receive the aid in-lieu-of transportation amount from the consortium for that school year. If after providing the required pupil transportation any of the disbursed funds remain unspent, the consortium, as it deems appropriate, may provide courtesy busing to pupils who are residents of the eligible district and are attending the nonpublic schools of the consortium. The consortium shall refund to the school district after the completion of the school year any unexpended funds received pursuant to this provision. The State monitor appointed pursuant to section 2 of P.L.2006, c.15 (C.18A:7A-55) shall enter into a contract with an independent entity to audit the consortium. The audit for the 2019-2020 school year shall be submitted to the State monitor no later than December 1 of the subsequent school year, and the State monitor shall transmit a copy of the audit to the commissioner. There shall be established an oversight committee to oversee the operations of the consortium, which shall consist of five members including: one member appointed by the State monitor; and four members appointed by the commissioner, one of whom shall represent a nonpublic school which is part of the consortium."

The quoted language is deleted in its entirety.

"Department of Education, Total State Appropriation \$14,727,390,000."
This item is reduced to \$14,723,390,000.

46 DEPARTMENT OF HEALTH

20 Physical and Mental Health

22 Health Planning and Evaluation

GRANTS-IN-AID

"07-4270 Health Care Systems Analysis \$369,089,000."
This item is reduced to \$363,089,000.

"Total Grants-In-Aid Appropriation, Health Planning and Evaluation \$369,089,000."
This item is reduced to \$363,089,000.

Grants-In-Aid:

77 " 07 Cooper University Hospital - Vulnerable Communities Access To Care Grant (\$5,000,000)."
This item is deleted in its entirety.

77 " 07 East Orange General Hospital (\$1,000,000)."
This item is deleted in its entirety.

"Department of Health, Total State Appropriation \$973,840,000."
This item is reduced to \$967,840,000.

54 DEPARTMENT OF HUMAN SERVICES

20 Physical and Mental Health

24 Special Health Services

7540 Division of Medical Assistance and Health Services

GRANTS-IN-AID

Grants-In-Aid:

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93 "Notwithstanding the provisions of any law or regulation to the contrary, and subject to the notice provisions of 42 C.F.R. s.447.205, of the amount hereinabove appropriated for the General Medical Services program classification, personal care assistant services shall be authorized prior to the beginning of services by the Director of the Division of Disability Services. The hourly rate for fee-for-service personal care services shall be ((\$19))."

The amount within double parentheses is reduced to \$18.

99 "Notwithstanding the provisions of chapter 85 of Title 8 of the New Jersey Administrative Code or any other law or regulation to the contrary, and subject to any required federal approval, the amounts hereinabove appropriated within the General Medical Services program classification are subject to the following conditions: (1) Class I (private), Class II (county), and Class III (special care) nursing facilities being paid on a fee-for-service basis, shall be reimbursed at the greater of the rate received on June 30, 2019, or the per diem rate, including the quality of care add-on, of \$188.35; (2) nursing facilities that are being paid by a Managed Care Organization (MCO) for custodial care through a provider contract that includes a negotiated rate shall receive that negotiated rate; (3) any Class I and Class III nursing facility that is being paid by an MCO for custodial care through a provider contract but has not yet negotiated a rate shall receive the greater of the equivalent fee-for-service per diem reimbursement rate as it received as of June 30, 2019, or the per diem rate, including the quality of care add-on, of \$188.35, and any Class II nursing facility that is being paid by an MCO but has not yet negotiated a rate shall receive the greater of the equivalent fee-for-service per diem reimbursement rate received on June 30, 2019, had it been a Class I nursing facility, or the per diem rate, including the quality of care add-on, of \$188.35; (4) notwithstanding paragraph (1) of subsection d. of section 6 of P.L.2003, c.105 (C.26:2H-97), the provider tax add-on payable as an allowable cost shall be \$13.67; (5) the quality of care portion of the provider tax add-on shall be equivalent to the amount received as of June 30, 2019; (6) for the purposes of this paragraph, a nursing facility's per diem reimbursement rate or negotiated rate shall not include, if the nursing facility is eligible for reimbursement, the difference between the full calculated provider tax add-on and the quality-of-care portion of the provider tax add-on, or any performance add-on amount as outlined in this paragraph; (7) each Class I, Class II, and Class III nursing facility with a performance score greater than or equal to the national average performance score, as collected and published by the Centers for Medicare and Medicaid Services, for reporting periods Q2 2017, Q3 2017, Q4 2017, and Q1 2018, for one or more of the following metrics shall receive a performance add-on of \$.60 for each metric where average facility performance across the four quarters of data combined is greater than or equal to the national average performance for the same twelve month period: antipsychotic medication use; incidence of pressure ulcers; use of physical restraints; and falls with major injury; (8) each Class I, Class II, and Class III nursing facility that received a composite score of 75 or greater on the Core Q Resident and Family Experience Survey for Q2 2018 shall receive a \$.60 performance add-on; (9) ; each ((class I and class III))nursing facility shall receive a per diem adjustment that shall be calculated based upon an additional \$15,000,000 in State and \$15,000,000 in federal appropriations; and (10) additional revenues derived from the fiscal year 2020 adjustment to the nursing home provider assessment are appropriated to implement the provisions of this paragraph."

The language within double parentheses is deleted.

99 "The amounts hereinabove appropriated within the General Medical Services program classification are subject to the following provisions: the Commissioner of Human Services shall apply the emergency room triage reimbursement fee of \$140, established pursuant to P.L.2018, c.51 (C.30:4D-7p et seq.), for any applicable claim submitted for a patient enrolled in the State Medicaid((fee-for-service)) program((, without exception))."

The language within double parentheses is deleted.

100 "Notwithstanding the provisions of paragraph (13) of subsection i. of section 3 of P.L.1968, c.413 (C.30:4D-3) or any other law or regulation to the contrary, and subject to federal approval, a pregnant woman whose family income does not exceed the highest income eligibility level for pregnant women established under the State plan under Title XIX of the federal Social Security Act shall continue to be eligible for coverage until the end of 180-day period beginning on the last day of her pregnancy((, provided that the applicant's eligibility for services during the last 120 days of the 180-day period is limited to comprehensive maternity care))."

The language within double parentheses is deleted.

70 Government Direction, Management, and Control
76 Management and Administration
7500 Division of Management and Budget
GRANTS-IN-AID

Grants-In-Aid:

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114 "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 first shall be charged to the unexpended balance of federal funds available for the LIHEAP program, to the extent permitted by federal law and regulation.))"

The language within double parentheses is deleted.

74 DEPARTMENT OF STATE
30 Educational, Cultural, and Intellectual Development
36 Higher Educational Services
2405 Higher Education Student Assistance Authority
GRANTS-IN-AID

Grants-In-Aid:

140 "Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for Community College Opportunity Grants is subject to the following conditions: (1) \$25 million is appropriated to the Higher Education Student Assistance Authority for the purpose of providing grants to eligible enrollees at New Jersey county colleges for the Fall 2019 and Spring 2020 semesters((and summer courses)), to pay for the costs of tuition or approved educational fees, including fees for nursing, culinary, and other career and technical education programs, or both, that are not already covered by other available funding opportunities, including, but not limited to, awards of tuition assistance and grants from any source, as determined by the Higher Education Student Assistance Authority; provided, however, that the Higher Education Student Assistance Authority, in consultation with the Office of the Secretary of Higher Education, shall establish criteria governing student eligibility and other necessary program elements, which shall be published on the Authority's Internet website; provided further that for Fiscal Year 2020, grants shall be available only to students determined to be eligible by the Authority, and whose adjusted gross income does not exceed \$65,000; and provided further that the maximum per student tuition and approved educational fee amounts eligible for Community College Opportunity Grants coverage shall not be more than two percent greater than the equivalent tuition and fee amounts at each county college in Academic Year 2018-2019; and provided further that unexpended balances, not to exceed \$5 million, may be reallocated to augment the Tuition Assistance Grant program for county colleges, upon the recommendation of the Secretary of Higher Education and subject to the approval of the Director of the Division of Budget and Accounting; (2) students must be enrolled in 6 or more credit hours, as defined pursuant to N.J.A.C. 9A:9-2.6; (3) \$5,000,000 shall be allocated to the Office of the Secretary of Higher Education for the purpose of providing capacity-building grants of equal amount to all community colleges for outreach and student success initiatives that support the goals of the Community College Opportunity Grant program, pursuant to criteria to be established Secretary and published on the Internet website of the Office of the Secretary of Higher Education, which shall include but not be limited to implementing goals and strategies for capacity building, increasing student completion, and reducing financial burdens on students, subject to the approval of the Director of the Division of Budget and Accounting."

The language within double parentheses is deleted.

2416 Rutgers, The State University - Camden
GRANTS-IN-AID

| | | |
|----------|--|-----------------|
| "82-2416 | Institutional Support | \$204,862,000." |
| | This item is reduced to \$204,362,000. | |
| | "Subtotal General Operations | \$204,862,000." |
| | This item is reduced to \$204,362,000. | |
| Less: | | |
| | "Total Income Deductions | \$183,718,000." |
| | "Total Grants-In-Aid Appropriation, Rutgers, The State University - Camden | \$21,144,000." |
| | This item is reduced to \$20,644,000. | |

Grants-In-Aid:

143 " 82 Rutgers-Camden Workforce Analysis (\$500,000)."
This item is deleted in its entirety.

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143 "The amount hereinabove appropriated for Rutgers-Camden Workforce Analysis shall be allocated to Rutgers-Camden to conduct an analysis, in conjunction with Coopers Ferry Partnership for Camden, of the impact of tax credits, business growth, and economic resurgence on workforce development."

The quoted language is deleted in its entirety.

2445 Rowan University

GRANTS-IN-AID

Grants-In-Aid:

145 "For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at Rowan University shall be ((1,799))."

The number within double parentheses is reduced to 1,650.

"Department of State, Total State Appropriation
This item is reduced to \$1,428,594,000.

\$1,429,094,000."

82 DEPARTMENT OF THE TREASURY

70 Government Direction, Management, and Control

74 General Government Services

2034 Office of Information Technology

DIRECT STATE SERVICES

Direct State Services:

177 "Of the amount hereinabove appropriated for Additions, Improvements, and Equipment, the Director of the Division of Budget and Accounting shall transfer ((not))less than \$2,000,000 to fund projects determined by the Technology Executive Group of the Legislative Information Systems Committee of the Legislative Services Commission for Legislative branch computer and information technologies."

The language within double parentheses is deleted.

94 INTERDEPARTMENTAL ACCOUNTS

70 Government Direction, Management, and Control

74 General Government Services

9430 Salary Increases and Other Benefits

DIRECT STATE SERVICES

Direct State Services:

197 "The unexpended balances in excess of ((\$50,000,000)) at the end of the preceding fiscal year in the Salary Increases and Other Benefits accounts are appropriated for the same purposes."

The amount within double parentheses is reduced to \$20,000,000.

Total Appropriation, All State Funds
This item is reduced to \$38,700,110,000.

\$38,748,610,000."

GENERAL PROVISIONS

250 "85. Notwithstanding the provisions of any law or regulation to the contrary, proceeds received from the sale of surplus State-owned real property deposited into the State-owned Real Property Fund pursuant to section 1 of P.L.2007, c.108 (C.52:3 1-1.3b) are appropriated for deposit into the General Fund as State revenue((and any receipts in excess of the amount anticipated, not to exceed \$4,000,000, are appropriated to the Greater Wildwoods Tourism Improvement and Development for boardwalk improvements)), subject to the approval of the Director of the Division of Budget and Accounting; proceeds received in connection with asset value optimization initiatives other than the sale of surplus State-owned real property are appropriated to support State obligations to the retirement systems, consistent with federal law and regulation, subject to the approval of the Director of the Division of Budget and Accounting. "

The language within double parentheses is deleted.

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14 DEPARTMENT OF BANKING AND INSURANCE

- 27 Language requiring the Department of Banking and Insurance to commission a study on health coverage affordability is deleted. Although the Department intends to proceed with the study, the timeframe set forth in this provision does not provide adequate flexibility to the Department.

22 DEPARTMENT OF COMMUNITY AFFAIRS

- 39 The appropriation of \$48,000,000 for Shared Services and School District Consolidation Study and Implementation Grants (PTRF) is reduced to reflect a more appropriate level of funding in support of this initiative for FY 2020.

34 DEPARTMENT OF EDUCATION

- 48 The appropriation of \$4,000,000 for School Choice (PTRF) is eliminated based on current fiscal circumstances and concerns about the size and effectiveness of the program.
- 51 This language is modified to preserve the ability of the Department of Education to support school districts facing fiscal emergencies.
- 53 The language concerning a nonpublic school district transportation consortium is deleted because it is not linked to an appropriation, consistent with the legislative determination to eliminate related funding provisions, consistent with law.

46 DEPARTMENT OF HEALTH

- 77 The appropriation of \$5,000,000 is eliminated based on current fiscal realities and lack of programmatic details regarding the nature and scope of this substantial new expenditure.
- 77 The appropriation of \$1,000,000 for East Orange General Hospital is eliminated. It is expected that the enactment of Assembly Bill No. 5611 will provide adequate State funding to East Orange General Hospital.

54 DEPARTMENT OF HUMAN SERVICES

- 93 The language establishing the hourly rate for fee-for-service personal care services is reduced to \$18 in order to avoid an approximately \$21,000,000 budget shortfall.
- 99 This language is modified to include county-based nursing facilities in the per-diem adjustment.
- 99 The language is modified to allow the State to realize additional savings to the State Medicaid Program and provide for the protection of particularly vulnerable populations from unforeseen increases to the cost of their medical care.
- 100 The language is modified to remove the requirement limiting eligible services to comprehensive maternity care for the final 120 days of coverage. Because "comprehensive maternity care" is not a defined service under Medicaid, this language may create confusion and increase administrative costs.
- 114 This language is partially deleted in order to increase the likelihood that the intended program expansions can occur in a manner that is not inconsistent with federal law.

74 DEPARTMENT OF STATE

- 140 The language expanding community college opportunity grants to eligible enrollees for summer courses has been removed to reflect available funding.
- 143 The appropriation of \$500,000 for Rutgers-Camden Workforce Analysis is eliminated because it appears to duplicate similar efforts already underway by other entities. The associated language on page 143 is also eliminated.
- 145 The language increasing FTEs by 150 is reduced to restore consistency with the goals of the Secretary of Higher Education's outcomes-based funding formula.

82 DEPARTMENT OF THE TREASURY

- 177 This language is modified to ensure that funds are available to both the executive and legislative branches for emergent information technology needs, in light of other FY 2020 funding cuts to the Office of Information Technology.

94 INTERDEPARTMENTAL ACCOUNTS

- 197 The language appropriating balances in excess of \$50 million in the Salary Increases and Other Benefits accounts is modified to reflect currently anticipated salary needs as calculated by the Office of Management and Budget for FY 2020.

GENERAL PROVISIONS

- 250 The language appropriating excess receipts from the sale of surplus State-owned real property to a "Development" for a local boardwalk project is eliminated to preserve potential General Fund revenues.

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Respectfully,

/s/ Philip D. Murphy

Governor

Attested,

/s/ Matthew J. Platkin

Chief Counsel