

# ASSEMBLY BUDGET COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 4703

# STATE OF NEW JERSEY

DATED: JUNE 26, 2024

The Assembly Budget Committee reports favorably Assembly Bill No. 4703.

This bill appropriates a total of \$393,480,000 from the “New Jersey Debt Defeasance and Prevention Fund” for various capital projects and allows the remaining balance in the fund to be appropriated for debt defeasance and debt avoidance purposes, subject to the approval of the Joint Budget Oversight Committee.

#### Department of Environmental Protection

The bill appropriates \$70,000,000 to the Department of Environmental Protection for Liberty State Park revitalization, rehabilitation, remediation, improvements, and Greenway planning, revitalization, and remediation. According to the Budget in Brief, the groundbreaking for the Garden State Greenway project is expected to occur in Fiscal Year 2025.

#### Department of Law and Public Safety

The bill appropriates \$198,359,000 to the Department of Law and Public Safety to support three projects, including: (1) \$120,480,000 to support the second and final installment of funding to support the balance of anticipated costs of a new State Police Training Center, for which an initial appropriation of \$120,000,000 was provided from the fund under P.L.2023, c.68; (2) \$60,000,000 for the construction of a third facility for the Juvenile Justice Commission; and (3) \$17,879,000 for the design and construction of a new State Police Southern Regional Laboratory.

#### Department of the Treasury

The bill appropriates \$38,721,000 to the Department of the Treasury for capital construction projects recommended by the New Jersey Commission on Capital Budgeting and Planning. According to the Executive, this funding is expected to support projects in the Departments of Agriculture, Corrections, Health, Human Services, Military and Veterans’ Affairs, Juvenile Justice Commission, and the State Library.

Department of Military and Veterans' Affairs

The bill appropriates \$21,000,000 to the Department of Military and Veterans' Affairs to convert the New Jersey Veterans' Memorial Home-Menlo Park and the New Jersey Veterans' Memorial Home-Paramus into single occupancy rooms. According to the Budget in Brief, the federal government will cover 65 percent of this project.

Office of Information Technology

The bill appropriates \$65,400,000 to the Office of Information Technology for improvements and upgrades to the New Jersey State Enterprise Data Center and its power infrastructure. According to the Executive, this project aims to replace the 35-year old electrical and mechanical systems that support the center. The project is expected to be completed in Fiscal Year 2027.

Future Debt Defeasance and Prevention Fund Appropriations

The bill also authorizes balances remaining in the fund, including amounts previously credited to the fund, to be appropriated for the purpose of retiring and defeasing State debt and funding capital projects on a pay-as-you-go basis rather than issuing additional State debt. The State Treasurer would be required submit to the Joint Budget Oversight Committee a report describing the manner in which debt retirement and defeasance has been accomplished, including a description of the amounts to be saved and an attestation that describes the manner in which the retired debt benefits the State.

The bill establishes a process by which the Executive and Legislative branches of State government may determine future appropriations from the fund for capital projects. The bill requires the Joint Budget Oversight Committee (JBOC) approval to consider appropriations for capital projects on lists provided by the State Treasurer. The Joint Budget Oversight Committee is authorized to approve each project as proposed by the State Treasurer, approve each proposed project as may be reduced in amount or otherwise modified by the committee, or to reject each project in the detailed list in its entirety.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.