

CHAPTER 121

AN ACT appropriating funds from the Developmental Disabilities' Waiting List Reduction and Human Services Facilities Construction Fund established pursuant to P.L.1994, c.108.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. a. There is appropriated to the Department of Human Services from the Developmental Disabilities' Waiting List Reduction and Human Services Facilities Construction Fund created by the "Developmental Disabilities' Waiting List Reduction and Human Services Facilities Construction Bond Act of 1994," P.L.1994, c.108, the sum of \$38,695,000 for the following community-based projects:

Grants, including grants that create revolving funds, for the Division of Developmental Disabilities	\$23,500,000
Grants, including grants that create revolving funds, for the Division of Mental Health Services	\$11,200,000
Grants, including grants that create revolving funds, for the Division of Youth and Family Services	\$3,300,000
Grants, including grants that create revolving funds, for the Commission for the Blind and Visually Impaired	\$695,000

b. Of the funds appropriated in subsection a. of this section for the Division of Developmental Disabilities, all funds shall be used for projects to reduce the division's community services waiting list. The \$23,500,000 represents the final portion of the \$80,000,000 that was to be expended on projects intended to reduce the community services waiting list.

c. The funds appropriated in subsection a. of this section for the Division of Youth and Family Services shall be placed into a reserve account and shall not be available to the division until the amount of unexpended Developmental Disabilities' Waiting List Reduction and Human Services Facilities Construction Fund monies available to the division is less than \$1,000,000.

d. Prior to the formal awarding of any funds appropriated pursuant to this section, the Commissioner of Human Services shall provide the Joint Budget Oversight Committee, or its successor, information as to the agency that will receive the funds, the amount of funds the agency is to receive, the manner in which the funds are to be used and the estimated amount of State funds required to operate the program. Unless the Joint Budget Oversight Committee, or its successor, formally notifies the Commissioner of Human Services within 10 working days that it does not approve of the specific project, the department may award the funds. The provisions of this subsection shall not apply to funds for renovations that do not increase the capacity of a facility, for emergency repairs and for life-safety and accreditation improvements to existing facilities.

2. The Commissioner of Human Services, consistent with the 1994 Bond Issue Master Plan, may provide grants to the New Jersey Housing and Mortgage Finance Agency, the New Jersey Health Care Facilities Financing Authority, the New Jersey Economic Development Authority and other similar agencies established by the State, or to private, nonprofit entities. These agencies or entities may leverage the grants, use equity contributions and take advantage of other financial mechanisms and create revolving funds for community capital projects. An applicant applying for these funds from these agencies may be assessed an application fee consistent with the normal business practice of the agency. The plan for the establishment of the revolving fund shall be reviewed and approved by the Joint Budget Oversight Committee, or its successor, pursuant to the provisions of subsection d. of section 1 of this act.

a. An application fee or equity contribution shall not be required for renovations that do not increase the capacity of a facility, for emergency repairs or for life-safety and accreditation improvements to existing facilities. The application fee and any equity contribution may be waived, with the approval of the Commissioner of Human Services, if an applicant is able to document a financial inability to pay the fee or make an equity contribution.

b. An application fee or equity contribution that is required of an applicant shall be an unallowable item of cost for purposes of the most recent Department of Human Services'

Contract Reimbursement Manual.

c. Grants provided to the New Jersey Housing and Mortgage Finance Agency, the New Jersey Health Care Facilities Financing Authority, the New Jersey Economic Development Authority and other similar agencies established by the State shall be exempt from the application fee and equity contribution.

d. As a condition of receiving monies from the Developmental Disabilities' Waiting List Reduction and Human Services Facilities Construction Fund, an applicant shall apply for applicable grants, loans, mortgages and tax credits that may be available through governmental and non-governmental entities for financing the cost of the project or to reduce the total cost of the project. An applicant shall document to the department that it has applied or is in the process of applying for such grants, loans, mortgages and tax credits.

In the case of any loans or mortgages for which the applicant may apply, the department shall review the terms and conditions of the loan or mortgage recommended by the lending agency to determine if the total cost of the loan or mortgage exceeds direct State financing of the project or the cost of financing the loan through the New Jersey Housing and Mortgage Finance Agency, the New Jersey Health Care Facilities Financing Authority, the New Jersey Economic Development Authority, or other similar agencies established by the State. Costs in excess of what the State would incur through these mechanisms shall be an unallowable cost for purposes of the most recent Department of Human Services' Contract Reimbursement Manual.

3. The Director of the Division of Budget and Accounting in the Department of the Treasury shall make those corrections in the title or text, or both, or any appropriation item authorized under this act necessary to make the appropriation available for the purposes for which it was intended. The corrections shall be made by a written ruling which shall set forth an explanation of the need for correction and which shall be signed by the Director of the Division of Budget and Accounting and shall be filed by the director in his office as an official record. Any action pursuant to that ruling, including disbursement and the audit thereof, shall be legally binding and of full effect. An official copy of each written ruling shall be transmitted to the Legislative Budget and Finance Officer upon the effective date of the ruling.

4. The Director of the Division of Budget and Accounting may approve expenditures for predesign program planning and other related costs for capital projects authorized under this act.

5. In order to provide flexibility in administering the provisions of this act, the Commissioner of Human Services, with respect to monies appropriated to the Division of Developmental Disabilities, may apply to the Director of the Division of Budget and Accounting for permission to transfer a part of any item or appropriation to any other item or appropriation within the respective department accounts. The transfer shall be made upon the written approval of the director and the Joint Budget Oversight Committee, or its successor.

6. The Commissioner of Human Services shall report to the Joint Budget Oversight Committee, or its successor on the status of the appropriation provided in this act six months from the effective date of this act and annually thereafter until all of the funds have been expended. The status report shall specify the projects that are funded and the amount of funds appropriated, obligated and expended for each project. The status report shall also include information on the revolving funds established pursuant to section 2 of this act.

7. This act shall take effect immediately.

Approved June 26, 2001.