

ASSEMBLY, No. 5606

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MAY 12, 2021

Sponsored by:

Assemblyman HAROLD "HAL" J. WIRTHS

District 24 (Morris, Sussex and Warren)

Assemblywoman NANCY F. MUNOZ

District 21 (Morris, Somerset and Union)

Co-Sponsored by:

**Assemblyman Clifton, Assemblywoman DiMaso, Assemblymen McClellan
and Simonsen**

SYNOPSIS

Amends provisions concerning federal emergency and economic stimulus funds in State appropriations act ending June 30, 2021.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT to amend the Fiscal Year 2021 appropriations act,
2 P.L.2020, c.97.

3

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

6

7 1. The following language provision in section 1 of P.L.2020,
8 c.97, the annual State appropriations act for the Fiscal Year ending
9 June 30, 2021, is amended to read as follows:

10

11 In addition to the federal funds appropriated in this act, there are
12 appropriated the following federal funds, subject to the approval
13 of the Director of the Division of Budget and Accounting:
14 **[**emergency disaster aid funds including grants for preventive
15 measures;**]** pass-through grants to political subdivisions of the
16 State over which the State is not permitted to exercise discretion
17 in the use or distribution of the funds and for which no State
18 matching funds are required; the first \$500,000 of unanticipated
19 grant awards plus an additional 25 percent of any remaining
20 award amount that is greater than \$500,000, and up to 25 percent
21 of increases in previously anticipated grant awards for which no
22 State matching funds are required except, for the purpose of this
23 section, federal funds received by one executive agency that are
24 ultimately expended by another executive agency shall not be
25 considered pass-through grants; federal financial aid funds for
26 students attending post-secondary educational institutions in
27 excess of the amount specifically appropriated, and any such
28 grants intended to prevent threats to homeland security up to 100
29 percent of previously anticipated or unanticipated grant award
30 amounts for which no State matching funds are required,
31 provided, however, that the Director of the Division of Budget
32 and Accounting shall notify the Legislative Budget and Finance
33 Officer of such grants.

34

35 2. The following language provision in section 1 of P.L.2020,
36 c.97, the annual State appropriations act for the Fiscal Year ending
37 June 30, 2021, is repealed:

38

39 **[**Notwithstanding the provisions of any law or regulation to the
40 contrary, in addition to the federal funds hereinabove
41 appropriated, there are appropriated to the appropriate executive
42 agencies, subject to the approval of the Director of the Division
43 of Budget and Accounting, such additional federal funds
44 received during this fiscal year pursuant to any federal law
45 authorizing a federal economic stimulus program or any other

EXPLANATION – Matter enclosed in bold-faced brackets **[thus] in the above bill is not enacted and is intended to be omitted in the law.**

Matter underlined thus is new matter.

1 similar federal program for the purposes, projects, and programs
2 set forth in such law; provided, however, that if the federal law
3 does not delineate the specific purposes, projects, and programs
4 to be funded by the federal funds, the purposes, projects, and
5 programs to be funded by the federal funds shall be subject to the
6 approval of the Joint Budget Oversight Committee, and further
7 provided, however, that the State Treasurer shall report to the
8 President of the Senate, the Speaker of the General Assembly,
9 the Chair of the Senate Budget and Appropriations Committee,
10 and the Chair of the Assembly Budget Committee at least
11 quarterly on the receipt and utilization of all additional federal
12 funds received during this fiscal year pursuant to any federal law
13 authorizing a federal economic stimulus program】.

14
15 3. This act shall take effect immediately upon enactment and
16 shall apply to the remainder of the of the Fiscal Year ending June
17 30, 2021.

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20 STATEMENT

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22 This bill amends provisions in the State appropriations act for the
23 fiscal year ending June 30, 2021 that appropriate money received
24 from the federal government for emergency aid or economic
25 stimulus.

26 The annual appropriations act provides appropriations for money
27 anticipated to be received from the federal government for various
28 purposes. Included in the annual appropriations act are provisions
29 appropriating “emergency disaster aid” and “economic stimulus”
30 that the State may receive from the federal government during the
31 fiscal year. Except in broad terms, these two provisions do not
32 provide a lot of specifics on how to spend such funding. In most
33 fiscal years, the broad appropriation terms do not affect a
34 significant amount of money, and when they do, the federal grants
35 usually have their own limits in place that narrow the State’s
36 discretion over the scope of the spending. However, because of the
37 COVID-19 pandemic, the federal government granted billions of
38 dollars more to the State than in prior years, and much of it with
39 less specific requirements about what the funding may be used for.
40 As a result, the broad appropriation for “emergency disaster aid”
41 and “economic stimulus” covers significantly more funding than in
42 most other years, and grants far greater latitude to the Governor
43 than was anticipated when these language provisions were first
44 included in a State appropriations act.

45 In an effort to require a more specific appropriation of the
46 additional billions of dollars of federal funding, this bill eliminates
47 the broad appropriation provisions for “emergency disaster aid” and

- 1 “economic stimulus” from the appropriations act governing the
- 2 fiscal year ending June 30, 2021. The spending of such funds would
- 3 thus require additional Legislative enactment.