

STATE OF NEW JERSEY
COMMISSION ON CAPITAL BUDGETING AND PLANNING

Committee Room 16
State House Annex
Trenton, New Jersey

Friday, December 8, 2006

10:00 a.m.

COMMISSION MEMBERS PRESENT:

B. CAROL MOLNAR, Chair

SENATOR WAYNE R. BRYANT, District 5

ASSEMBLYMAN JOSEPH CRYAN, District 20

SENATOR ROBERT E. LITTELL, District 24

ASSEMBLYMAN GUY R. GREGG, District 24

MICHELLE RICHARDSON (representing Susan Bass Levin, Commissioner,
Department of Community Affairs)

GARY BRUNE

JACK DONNELLY, ESQ.

DAVID ROUSSEAU

MICHAEL LIHVARIK, Executive Director

New Jersey Commission on Capital Budgeting and Planning

Reported By:

Mike Herman

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B. CAROL MOLNAR (Chair): Call the meeting to order.

In accordance with the Open Public Meeting Law, the Commission has provided adequate notice of this meeting, by giving written notice of time, date and location. The notice of the meeting has been filed at least 48 hours in advance, by mail and/or fax, to The Trenton *Times* and *Star-Ledger*, and filed with the Office of the Secretary of State.

We will now take a roll call.

MR. LIHVARIK: Senator Bryant?

SENATOR BRYANT: Present.

MR. LIHVARIK: Assemblyman Gregg?

ASSEMBLYMAN GREGG: Here.

MR. LIHVARIK: Mr. Rousseau?

MR. ROUSSEAU: Here.

MR. LIHVARIK: Mr. Brune?

MR. BRUNE: Here.

MR. LIHVARIK: Ms. Richardson, for Commissioner
Levin?

MS. RICHARDSON: Here.

MR. LIHVARIK: Mr. Donnelly?

MR. DONNELLY: Here.

MR. LIHVARIK: Ms. Molnar?

MS. MOLNAR: Here.

MR. LIHVARCHIK: And Assemblyman Cryan is here -- because I can see him. Madam Chair, we have a quorum.

MS. MOLNAR: Thank you. Is there an Executive Director's report, or we'll do it at the end? Or--

MR. LIHVARCHIK: I think we'll do the Executive Director's report at the end. One thing that I would like to state is, Senator Littell has sent a letter to us and to you stating that he is going to vote in the affirmative for all the capital recommendations.

MS. MOLNAR: Thank you.

MR. LIHVARCHIK: And the other thing is, we will put the debt report at the end of the meeting. We'll vote on that later.

MS. MOLNAR: Thank you.

Okay, with that in mind, we'll now move on to the capital recommendations.

The first one is the Department of Agriculture. We're recommending \$300,000. Do I hear a motion to approve?

ASSEMBLYMAN CRYAN: Move. Motion.

SENATOR BRYANT: Second.

MS. MOLNAR: Okay. Any discussion?

If not, we'll take a roll call vote.

MR. LIHVARCHIK: Assemblyman Bryant?

SENATOR BRYANT: Yes.

MR. LIHVARCHIK: Assemblyman Cryan?

ASSEMBLYMAN CRYAN: Yes.

MR. LIHVARCHIK: I'm sorry. Senator Bryant. Excuse me. Assemblyman Cryan?

ASSEMBLYMAN CRYAN: Yes.

MR. LIHVARCHIK: Assemblyman Gregg?

ASSEMBLYMAN GREGG: Yes.

MR. LIHVARCHIK: Mr. Rousseau? Wait for him.

Mr. Brune?

MR. BRUNE: Yes.

MR. LIHVARCHIK: Mr. Donnelly?

MR. DONNELLY: Yes.

MR. LIHVARCHIK: Ms. Molnar?

MS. MOLNAR: Yes.

MR. LIHVARCHIK: The motion passes.

MS. MOLNAR: Thank you.

Next item is Department of Children and Families. We are not recommending any money at this time. There is some -- on the SACWIS System, there is an issue on that.

MR. BRUNE: Yes. I just pointed out, on the SACWIS System, I think our intention is to consider this between now and the time the Governor's budget comes out; and consider a possible piece of budget language that would have some strict reporting requirements in it, both to this Commission, the

Legislature, and the Governor's Office. And the language would capped it at about \$2.4 million, the issuance of which would be subject to that reporting.

MS. MOLNAR: Okay. Thank you.

ASSEMBLYMAN CRYAN: Move.

MS. MOLNAR: Okay. I hear a motion. I had a first.

Do I have a second?

SENATOR BRYANT: Second.

MS. MOLNAR: Okay. We'll take a vote.

MR. LIHVARIK: Senator Bryant?

SENATOR BRYANT: Yes.

MR. LIHVARIK: Assemblyman Cryan?

ASSEMBLYMAN CRYAN: Yes.

MR. LIHVARIK: Assemblyman Gregg?

ASSEMBLYMAN GREGG: Yes.

MR. LIHVARIK: Mr. Brune?

MR. BRUNE: Yes.

MR. LIHVARIK: Mr. Donnelly?

MR. DONNELLY: Yes.

MR. LIHVARIK: Ms. Molnar?

MS. MOLNAR: Yes.

MR. LIHVARIK: Madam Chair, the motion passes.

MS. MOLNAR: Thank you.

Next department is the Department of Corrections. \$42,496,000 is for three projects. Any discussion?

MR. LIHVARCHIK: I would just like to make one point. And that is, when we get to the Interdepartmental account, there's going to be a \$10 million placeholder for roof replacement, roof projects. So the departments that are here, if you don't see funding as a line item within your particular area for a roof replacement, it does not mean that the roof project will not be funded. We're going to be soliciting requests. We have an analysis of all the roof projects, and that's what we're going to be going off of. So just because you don't see a roof project, it does not mean that it's not going to be funded, as long the Commissioner approves the \$10 million line in the Interdepartmental area.

MS. MOLNAR: Terrific. Do I hear a motion to approve?

ASSEMBLYMAN CRYAN: Motion.

SENATOR BRYANT: Second.

MS. MOLNAR: Thank you. We'll take a vote.

MR. LIHVARCHIK: Senator Bryant?

SENATOR BRYANT: Yes.

MR. LIHVARCHIK: Assemblyman Cryan?

ASSEMBLYMAN CRYAN: Yes.

MR. LIHVARCHIK: Assemblyman Gregg?

ASSEMBLYMAN GREGG: Yes.

MR. LIHVARIK: Mr. Brune?

MR. BRUNE: Yes.

MR. LIHVARIK: Mr. Donnelly?

MR. DONNELLY: Yes.

MR. LIHVARIK: Ms. Molnar?

MS. MOLNAR: Yes.

MR. LIHVARIK: Madam Chair, the motion passes.

MS. MOLNAR: Thank you.

Next is the Department of Education. Two million-eight is for two projects. Any discussion?

ASSEMBLYMAN CRYAN: Move, make a motion.

MS. MOLNAR: Okay. Do we have a motion, first and second?

SENATOR BRYANT: Second.

MS. MOLNAR: Okay. Let's take a vote.

MR. LIHVARIK: Senator Bryant?

SENATOR BRYANT: Yes.

MR. LIHVARIK: Assemblyman Cryan?

ASSEMBLYMAN CRYAN: Yes.

MR. LIHVARIK: Assemblyman Gregg?

ASSEMBLYMAN GREGG: Yes.

MR. LIHVARIK: Mr. Brune?

MR. BRUNE: Yes.

MR. LIHVARIK: Mr. Donnelly?

MR. DONNELLY: Yes.

MR. LIHVARIK: Ms. Molnar?

MS. MOLNAR: Yes.

MR. LIHVARIK: Madam Chair, the motion passes.

MS. MOLNAR: Thank you.

Next department is the Department of Environmental Protection. Five projects. They're all -- are they all CBT fund dedicated?

MR. LIHVARIK: All of them are dedicated except for the H.R. 6 flood-control project, which is a Federal match.

MS. MOLNAR: Okay.

Assemblyman?

ASSEMBLYMAN CRYAN: I want to ask a question on the access to this stuff. It's been highlighted about public access on these government-funded projects. Is there any issue with that? I saw some of these -- I'm not going to pull up my notes, but I saw some of these are shore replenishments. Does anybody know that?

MR. LIHVARIK: Mr. Barth, I think, is here from the Department.

MS. MOLNAR: Could you please give your name for the stenographer? Thank you.

E. DAVID BARTH: Good morning. My name is David Barth. I'm the Director of Budget and Finance from the Department of Environmental Protection. With me is Dave Rosenblatt, who is the director of Engineering and Construction, who is responsible for the Shore Protection program in New Jersey.

DAVID ROSENBLATT: The question was?

ASSEMBLYMAN CRYAN: My question is, is that the recommended funding includes a number of projects. Are any of those projects part of -- are they all public access? Or is there any of these projects that are going to beaches that don't have public access, in the way most of us, when we (indiscernible) look to that?

MR. ROSENBLATT: For the Shore Protection Funds, we require each town to provide us with quarter-mile access, sufficient parking, and restrooms every half mile -- to really make the public access meaningful.

ASSEMBLYMAN CRYAN: Are all these towns in compliance -- are all the folks that are getting this money in compliance with that?

MR. ROSENBLATT: They won't get the money until they come into compliance with that.

ASSEMBLYMAN CRYAN: So how much-- Well, let me ask it another way, then. How much of the funding would be

appropriated to projects where it is not in current compliance?

MR. ROSENBLATT: Most towns can meet -- are in compliance with our requirements. Other towns, as we enter into agreements with them, agree to come into compliance. I can't give you a breakdown right now. I'd say 95 percent of the coastal communities that receive Shore Protection funding are already in compliance.

ASSEMBLYMAN CRYAN: And what is the plan for -- I'm only interested in the ones that are getting the money. When I saw this -- I think I saw you. Wasn't it in January when I saw this?

MR. ROSENBLATT: Yes.

ASSEMBLYMAN CRYAN: You know, what I don't want to do is -- we can't -- I don't want to vote for a project that's not in public compliance for accessibility. That's my concern. And I guess I want you to, one way or another, tell me that by this vote that the public compliance needs will be met.

MR. ROSENBLATT: They will.

ASSEMBLYMAN CRYAN: And how much-- If a town refuses to comply-- Do you have any idea how much this pot of money is? Because I assure you others in this audience are

looking for a pot of money. Do you have any idea at all? Like, how much money you--

I'll ask the question again. Do you have any idea or any sense of how much money in this would go to projects that are not in compliance? Do you have any idea of that at all? Not in current compliance?

MR. ROSENBLATT: No, I don't know.

ASSEMBLYMAN CRYAN: Okay. Will you be back next year looking for funding on this?

MR. ROSENBLATT: Yes.

ASSEMBLYMAN CRYAN: Okay. Why don't we just put out some ground rules for next year now? I want to explore the public compliance issue. I'll say, as somebody who represents a northern Jersey community, that it drives me insane that people can't get access to beaches. And next year when you come in, have it laid out that folks -- who is in compliance and who isn't, for us up front. Okay?

MR. ROSENBLATT: Can I just add that this is the first year where we've compelled municipalities to have these public -- to meet these public access requirements. Previously, we -- they were only required to meet the U.S. Army Corps of Engineering requirements, which are less stringent than ours. So the first project that was subjected to these requirements was the Long Beach Island project. And

everywhere in Long Beach Island they can meet the requirements, except for two sections of Long Beach Township -- which are North Beach and Loveladies.

So everywhere else along the coast we expect our requirements to be met. The one requirement that is hanging in the air is the restroom requirement. Municipalities that receive our money will have to meet that requirement before the budget starts.

ASSEMBLYMAN CRYAN: Well, I'm not going to do government by NJN, but I thought I saw in their report where parking was also an issue.

MR. ROSENBLATT: Parking is an issue, particularly in North Beach and Loveladies, but almost every other town meets our requirements.

ASSEMBLYMAN CRYAN: Okay. Good enough for me. I appreciate it.

MS. MOLNAR: Senator Bryant?

SENATOR BRYANT: Then you wouldn't have an objection if, in fact, this was contingent upon - in other words, we could actually say this is contingent upon public access. We would approve this subject to public access, and anybody who gets funds must have public access in order to receive the funds.

MR. ROSENBLATT: Public access, as required by the Department. Sure.

SENATOR BRYANT: All right.

MS. MOLNAR: That would be Item 109, right?

ASSEMBLYMAN CRYAN: So I'll make a motion that we move it, contingent with Item 109 -- being contingent upon public access.

MS. MOLNAR: As required by the Department.

ASSEMBLYMAN CRYAN: As required by the New Jersey Department of Environmental Protection.

SENATOR BRYANT: Second.

MS. MOLNAR: Okay. As amended. Now, any other discussion?

Can we vote on the five items as amended?

MR. LIHVARIK: Okay. Voting on the amended items for DEP.

MS. MOLNAR: Do I hear a motion?

ASSEMBLYMAN CRYAN: Motion.

MR. LIHVARIK: Have a second?

SENATOR BRYANT: Second.

MR. LIHVARIK: Senator Bryant?

SENATOR BRYANT: Yes.

MR. LIHVARIK: Assemblyman Cryan?

ASSEMBLYMAN CRYAN: Yes.

MR. LIHVARIK: Assemblyman Gregg?

ASSEMBLYMAN GREGG: Yes.

MR. LIHVARIK: Mr. Brune?

MR. BRUNE: Yes.

MR. LIHVARIK: Mr. Donnelly?

MR. DONNELLY: Yes.

MR. LIHVARIK: Ms. Molnar?

MS. MOLNAR: Yes.

MR. LIHVARIK: Madam Chair, the motion passes.

MS. MOLNAR: Thank you.

Okay. Department of Health: \$400,000 is for one item -- lab equipment.

ASSEMBLYMAN CRYAN: I'll move.

SENATOR BRYANT: Second.

MS. MOLNAR: Any discussion?

If not, we'll vote on that.

MR. LIHVARIK: Senator Bryant?

SENATOR BRYANT: Yes.

MR. LIHVARIK: Assemblyman Cryan?

ASSEMBLYMAN CRYAN: Yes.

MR. LIHVARIK: Assemblyman Gregg?

ASSEMBLYMAN GREGG: Yes.

MR. LIHVARIK: Mr. Brune?

MR. BRUNE: Yes.

MR. LIHVARIK: Mr. Donnelly?

MR. DONNELLY: Yes.

MR. LIHVARIK: Ms. Molnar?

MS. MOLNAR: Yes.

MR. LIHVARIK: Mr. Rousseau?

MR. ROUSSEAU: Yes.

MR. LIHVARIK: Madam Chair, the motion passes.

MS. MOLNAR: Thank you.

Next department is Department of Human Services: 19 million for four projects.

MR. LIHVARIK: Any discussions?

MS. MOLNAR: We have discussion. I open it for discussion. I knew there was discussion on this one, yes, yes.

Any discussion?

ASSEMBLYMAN GREGG: Yes, Madam Chair. This is the issue of the sewer line, as it relates to the sewer line hookup that the State would be billed the \$5 million for. I am comfortable to support the package today, understanding that we will get information as it relates to that \$5 million. I'm not voting to approve the \$5 million; I'm voting to approve the package. And I've been given assurances that, as we go into next year, that we will be clearer on that \$5 million expenditure.

MR. LIHVARCHIK: Madam Chair, in reference to the Assemblyman's concerns, we're going to have -- we're going to be in close contact with the Department of Human Services, who has been very helpful in providing information on this project. We will work with them to see what the disposition of this \$5 million will be, and we will continue to keep the Commission informed throughout the year as we get our -- as we get additional information on this particular project.

MS. MOLNAR: Okay. None of the \$6 million-seven is amortizing that hookup fee, is it?

MR. LIHVARCHIK: No.

MS. MOLNAR: Okay.

MR. LIHVARCHIK: Just as a point of reference, I think everybody on this Commission has voiced concern over that \$5 million. And I think that anything that we can get taken off of that or have that reduced will go to fund other critical projects that fell by the wayside because of this.

MS. MOLNAR: Okay. Any other discussions? If not--

ASSEMBLYMAN CRYAN: Motion.

MS. MOLNAR: Thank you. Second?

SENATOR BRYANT: Second.

MS. MOLNAR: Okay. Take a roll call.

MR. LIHVARCHIK: Senator Bryant?

SENATOR BRYANT: Yes.

MR. LIHVARCHIK: Assemblyman Cryan?

ASSEMBLYMAN CRYAN: Yes.

MR. LIHVARCHIK: Assemblyman Gregg?

ASSEMBLYMAN GREGG: Yes.

MR. LIHVARCHIK: Mr. Rousseau?

MR. ROUSSEAU: Yes.

MR. LIHVARCHIK: Mr. Brune?

MR. BRUNE: Yes.

MR. LIHVARCHIK: Mr. Donnelly?

MR. DONNELLY: Yes.

MR. LIHVARCHIK: Ms. Molnar?

MS. MOLNAR: Yes.

MR. LIHVARCHIK: Madam Chair, the motion passes.

MS. MOLNAR: Thank you.

Okay. Department of Law and Public Safety: \$2 million-one for electrical upgrades for the division of State Police. Did anyone want to talk about the million-and-five for the 911 system?

ASSEMBLYMAN CRYAN: Well, I know that the Department raised some concerns, and has an opportunity with this million-five. This is another reason why, when you look at \$5 million for a sewer hookup, that we have real concerns overall. But I think given where we are, it's something we're going to have to deal with in the Appropriations Act.

MS. MOLNAR: Okay. Thank you.

Okay, so we'll vote, as is, on \$2 million-one. Any first and second? Is there a motion?

ASSEMBLYMAN CRYAN: Motion.

SENATOR BRYANT: Second.

MS. MOLNAR: Okay. Take a vote?

MR. LIHVARCHIK: Senator Bryant?

SENATOR BRYANT: Yes.

MR. LIHVARCHIK: Assemblyman Cryan?

ASSEMBLYMAN CRYAN: Yes.

MR. LIHVARCHIK: Assemblyman Gregg?

ASSEMBLYMAN GREGG: Yes.

MR. LIHVARCHIK: Mr. Rousseau?

MR. ROUSSEAU: Yes.

MR. LIHVARCHIK: Mr. Brune?

MR. BRUNE: Yes.

MR. LIHVARCHIK: Mr. Donnelly?

MR. DONNELLY: Yes.

MR. LIHVARCHIK: Ms. Molnar?

MS. MOLNAR: Yes.

MR. LIHVARCHIK: Madam Chair, the motion passes.

MS. MOLNAR: Thank you.

Juvenile Justice Commission. Three projects:
\$4,550,000. Any discussion?

ASSEMBLYMAN CRYAN: Move it.

MS. MOLNAR: Okay.

SENATOR BRYANT: Second.

MS. MOLNAR: Take a vote?

MR. LIHVARCHIK: Senator Bryant?

SENATOR BRYANT: Yes.

MR. LIHVARCHIK: Assemblyman Cryan?

ASSEMBLYMAN CRYAN: Yes.

MR. LIHVARCHIK: Assemblyman Gregg?

ASSEMBLYMAN GREGG: Yes.

MR. LIHVARCHIK: Mr. Rousseau?

MR. ROUSSEAU: Yes.

MR. LIHVARCHIK: Mr. Brune?

MR. BRUNE: Yes.

MR. LIHVARCHIK: Mr. Donnelly?

MR. DONNELLY: Yes.

MR. LIHVARCHIK: Ms. Molnar?

MS. MOLNAR: Yes.

MR. LIHVARCHIK: Madam Chair, the motion passes.

MS. MOLNAR: Thank you.

MR. LIHVARCHIK: And I would just like to add one comment on this. With the sewer connection, we will keep the Commission informed on this project, as we will with Ancora, in trying to reduce the cost associated with this.

MS. MOLNAR: Thank you.

SENATOR BRYANT: Can I look at that? I'm sorry.

MS. MOLNAR: Sure.

SENATOR BRYANT: Did they not also agree to get payment over five years?

MR. LIHVARIK: Yes, they did.

MS. MOLNAR: Okay. Next department is the Department of Military and Veterans Affairs: \$340,000 for two projects at Paramus Veterans Memorial Home.

ASSEMBLYMAN CRYAN: Move.

SENATOR BRYANT: Second.

MS. MOLNAR: Okay, we'll take a vote.

MR. LIHVARIK: Senator Bryant?

SENATOR BRYANT: Yes.

MR. LIHVARIK: Assemblyman Cryan?

ASSEMBLYMAN CRYAN: Yes.

MR. LIHVARIK: Assemblyman Gregg?

ASSEMBLYMAN GREGG: Yes.

MR. LIHVARIK: Mr. Rousseau?

MR. ROUSSEAU: Yes.

MR. LIHVARIK: Mr. Brune?

MR. BRUNE: Yes.

MR. LIHVARIK: Mr. Donnelly?

MR. DONNELLY: Yes.

MR. LIHVARIK: Ms. Molnar?

MS. MOLNAR: Yes.

MR. LIHVARIK: Madam Chair, the motion passes.

MS. MOLNAR: Thank you.

Department of State. Happy to report -- State
Museum, public address system. One item.

ASSEMBLYMAN CRYAN: Move.

MS. MOLNAR: Okay.

SENATOR BRYANT: Second.

MS. MOLNAR: Okay. Take a vote.

MR. LIHVARIK: Senator Bryant?

SENATOR BRYANT: Yes.

MR. LIHVARIK: Assemblyman Cryan?

ASSEMBLYMAN CRYAN: Yes.

MR. LIHVARIK: Assemblyman Gregg?

ASSEMBLYMAN GREGG: Yes.

MR. LIHVARIK: Mr. Rousseau?

MR. ROUSSEAU: Yes.

MR. LIHVARIK: Mr. Brune?

MR. BRUNE: Yes.

MR. LIHVARIK: Mr. Donnelly?

MR. DONNELLY: Yes.

MR. LIHVARIK: Ms. Molnar?

MS. MOLNAR: Yes.

MR. LIHVARIK: Madam Chair, the motion passes.

MS. MOLNAR: Thank you.

Now, Higher Ed, we are not making a recommendation at this time. Are we basically saying there's alternate funding available?

MR. LIHVARIK: Yes, we are, Madam Chair.

MS. MOLNAR: Okay. Any discussion on that? Okay. Oh, we have to vote on that -- zero?

MR. LIHVARIK: No.

MS. MOLNAR: No? Okay.

Next one is Thomas Edison State College. One project. State library, for the Library for the Blind and Handicapped.

ASSEMBLYMAN CRYAN: Move.

SENATOR BRYANT: Second.

MS. MOLNAR: Okay.

MR. LIHVARIK: Senator Bryant?

SENATOR BRYANT: Yes.

MR. LIHVARIK: Assemblyman Cryan?

ASSEMBLYMAN CRYAN: Yes.

MR. LIHVARIK: Assemblyman Gregg?

ASSEMBLYMAN GREGG: Yes.

MR. LIHVARIK: Mr. Rousseau?

MR. ROUSSEAU: Yes.

MR. LIHVARIK: Mr. Brune?

MR. BRUNE: Yes.

MR. LIHVARIK: Mr. Donnelly?

MR. DONNELLY: Yes.

MR. LIHVARIK: Ms. Molnar?

MS. MOLNAR: Yes.

MR. LIHVARIK: Madam Chair, the motion passes.

MS. MOLNAR: Thank you.

Department of Transportation: \$895 million. It's funds to pay the debt service, capital maintenance assistance to New Jersey Transit, and to fund pay-as-you-go capital programs. Any questions or comments?

ASSEMBLYMAN GREGG: This will be a reluctant yes vote on my part. But I truly think that it is part of this Commission's work to look at the type of debt we put together, when that debt happens, whether it is responsible debt and appropriate debt for the length of the projects that we're doing. But this is something that needs to happen either way, so I'll be casting a yes vote; but looking, as the years go forward, to ensure that we apply appropriate pressure on administrations today and in the future to -- when they incur debt, to incur it responsibly.

MS. MOLNAR: Thank you.

Okay. Take a vote. Do we have a second?

SENATOR BRYANT: Second.

MS. MOLNAR: Okay.

MR. LIHVARIK: Senator Bryant?

SENATOR BRYANT: Yes.

MR. LIHVARIK: Assemblyman Cryan?

ASSEMBLYMAN CRYAN: Yes.

MR. LIHVARIK: Assemblyman Gregg?

ASSEMBLYMAN GREGG: Yes.

MR. LIHVARIK: Mr. Rousseau?

MR. ROUSSEAU: Yes.

MR. LIHVARIK: Mr. Brune?

MR. BRUNE: Yes.

MR. LIHVARIK: Mr. Donnelly?

MR. DONNELLY: Yes.

MR. LIHVARIK: Ms. Molnar?

MS. MOLNAR: Yes.

MR. LIHVARIK: Madam Chair, the motion passes.

MS. MOLNAR: Okay.

Department of the Treasury. Looks like it's four projects, all for OIT, Office of Information Technology. Eleven million-eight. Any discussion?

ASSEMBLYMAN CRYAN: Move.

SENATOR BRYANT: Second.

MS. MOLNAR: Okay. Any discussion? If not, we'll take a vote.

MR. LIHVARCHIK: Senator Bryant?

SENATOR BRYANT: Yes.

MR. LIHVARCHIK: Assemblyman Cryan?

ASSEMBLYMAN CRYAN: Yes.

MR. LIHVARCHIK: Assemblyman Gregg?

ASSEMBLYMAN GREGG: Yes.

MR. LIHVARCHIK: Mr. Rousseau?

MR. ROUSSEAU: Yes.

MR. LIHVARCHIK: Mr. Brune?

MR. BRUNE: Yes.

MR. LIHVARCHIK: Mr. Donnelly?

MR. DONNELLY: Yes.

MR. LIHVARCHIK: Ms. Molnar?

MS. MOLNAR: Yes.

MR. LIHVARCHIK: Madam Chair, the motion passes.

MS. MOLNAR: Thank you.

Okay. Interdepartmental accounts.

Don't we usually take Judiciary before that?

MR. LIHVARCHIK: If you would like, Madam Chair, we could do that.

MS. MOLNAR: Can we take Judiciary next? It is zero, but I want to draw your attention-- Luckily, in the

Interdepartmental accounts there is a line item for a million dollars for the Justice Complex pneumatic control replacement. So the Judiciary -- we don't have to vote on the zero recommendation. Okay?

So then we'll move on to the Interdepartmental: \$119,960,000. Quite a few projects listed.

Any questions or comments?

MR. LIHVARCHIK: And again, if I could bring the Commission's attention, this is where we have the \$10 million. And we also have a number of forms, that were either e-mailed or provided, that outline what the criteria is that we're going to try to employ to determine the priorities of these projects.

MS. MOLNAR: Good, yes. Nice list.

Yes, thank you for your work on that criteria.

MR. LIHVARCHIK: I would like to take the credit, but Mr. Tom Labue and Mr. Thor Woronczuk actually worked on that.

MS. MOLNAR: Good. Thank you.

Okay, do I hear a motion to accept the Interdepartmental?

ASSEMBLYMAN CRYAN: I move.

SENATOR BRYANT: Second.

MR. LIHVARCHIK: Senator Bryant?

SENATOR BRYANT: Yes.

MR. LIHVARIK: Assemblyman Cryan?

ASSEMBLYMAN CRYAN: Yes.

MR. LIHVARIK: Assemblyman Gregg?

ASSEMBLYMAN GREGG: Yes.

MR. LIHVARIK: Mr. Rousseau?

MR. ROUSSEAU: Yes.

MR. LIHVARIK: Mr. Brune?

MR. BRUNE: Yes.

MR. LIHVARIK: Mr. Donnelly?

MR. DONNELLY: Yes.

MR. LIHVARIK: Ms. Molnar?

MS. MOLNAR: Yes.

MR. LIHVARIK: Madam Chair, the motion passes.

MS. MOLNAR: Thank you.

Okay. I believe that does our capital recommendations. We do have to go back to the debt report to accept it. Can we just accept it? That's our mission today.

I do have a letter from Senator Littell. He says, "I must, however, vote in the negative on the November 2006, State of New Jersey debt report."

MR. LIHVARIK: I have correspondence from the Commissioner of Community Affairs, which will be followed up with a written letter, that she will vote in the affirmative.

MS. MOLNAR: Okay. We can always contact the other members; (indiscernible) Mr. Anesse his position on this. Is there any discussion?

Assemblyman Gregg?

ASSEMBLYMAN GREGG: Thank you, Madam Chair. I will not be supporting the debt report, as well, today. I do believe it deserves a comment.

I've been serving on this committee for not that long a period of time, but I'm beginning to get the hang of it as we work together as a family. I truly believe that debt is one of the biggest problems we have in this state. The per capita debt is crushing for this state. It is not allowing our economy to grow. It is holding us back at every step, and we seem to have no capacity as a Legislature to do anything about that debt. And I find it troubling that, when we receive a report on the debt, that it comes in in a very cavalier way. And I will use the term *cavalier* as I question the folks who came from Treasury about it. They stayed true to their form in responding with what we would call the *pat* response of the administration.

I think it is time that this State understands the burden that this debt is putting on its citizens, and I think it's part of this committee's job to probe into that, because sometimes the legislative committees won't be as probing

because of who they are. We have an opportunity, being a public/private committee, to probe in a more deeper way; and we should get better answers.

So I cannot support the report as it comes forward. I hope, as we move forward next year, the Treasury comes to us with a more open mind to talk about the debt and what it is doing to the state, and what it is doing to the lack of economy that we have here.

So I appreciate the time on that, Madam Chair. And I look forward to next year, perhaps getting a more fruitful discussion about debt in this committee.

MS. MOLNAR: Are you recommending, perhaps, that they also change their presentation format next year -- give different information or come at it from a different angle?

ASSEMBLYMAN GREGG: I think they should look at it as if they're coming into a Budget and Appropriations Committee, and be prepared for very difficult questioning and prepared with a very detailed presentation.

The one thing I can say, and I'll say it later as well, I have been absolutely -- incredibly pleased with the way this committee has worked together on going forward on other things, as it relates -- we were talking about roofs and talking about information technology. And I think we've done it in a bipartisan way, and I think it's been very fruitful --

positive for me. Perhaps we can get that same kind of energy working together as we deal with debt next year.

And I appreciate you giving me the time.

MS. MOLNAR: All right. If you have any suggestions before next year, you know, send it to the staff and myself.

ASSEMBLYMAN GREGG: You can be sure, Madam Chair, that I will have a list of my ideas prior to our next meeting.

MS. MOLNAR: Yes, sure.

Assemblyman?

ASSEMBLYMAN CRYAN: I have no doubt you will have a list, by the way. None of us doubts that.

ASSEMBLYMAN GREGG: And you'll be checking it twice.

ASSEMBLYMAN CRYAN: I do want to make a comment that I do believe that this administration -- I do know and can speak, as many of us can in both public and private sector -- is committed to a focus on this debt report in terms of what it means. I don't -- in my time in the Legislature, which isn't all that long -- know that this is an administration that clearly understands the fiscal impact of debt, what it means in terms of operating accounts, in terms of the budget and its overall impact.

I think that by the time we come together next year -- I think it's fair to say that we'll see some realistic fiscal approaches to debt that may be, in fact, different than

what our current or previous ways have been. So I'm optimistic in that accord, and I'm optimistic that, while I understand there are issues with debt, just as we talked about earlier, there is such a thing as good debt. And anybody who's on a new road in New Jersey will enjoy good debt. And we should understand that, as we cast a broad brush, that we do in fact enjoy some good debt as well. And there is some debt here that is also pay-as-you-go that we also need to be reflective of.

Just for the record: Since I wasn't at the last meeting, I do want to acknowledge that I read the report before I vote for it.

MS. MOLNAR: Good, thank you.

I personally would like to see New Jersey reduce its debt. As you said, there is some good debt. So I will vote for it; but I'm hoping, down the road, we can see some reduction in our overall debt.

Any other comments?

If not, we'll take a vote to accept the report.

MR. LIHVARIK: Senator Bryant?

SENATOR BRYANT: Yes.

MR. LIHVARIK: Assemblyman Cryan?

ASSEMBLYMAN CRYAN: Yes.

MR. LIHVARIK: Assemblyman Gregg?

ASSEMBLYMAN GREGG: No.

MR. LIHVARIK: Mr. Rousseau?

MR. ROUSSEAU: Yes.

MR. LIHVARIK: Commissioner Levin voted in the affirmative.

Mr. Brune?

MR. BRUNE: Yes.

MR. LIHVARIK: Mr. Donnelly?

MR. DONNELLY: Yes.

MR. LIHVARIK: Ms. Molnar?

MS. MOLNAR: Yes.

MR. LIHVARIK: Madam Chair, the motion passes.

MS. MOLNAR: Thank you very much.

MR. LIHVARIK: And it should also be noted that Senator Littell -- his vote will go down as "no."

MS. MOLNAR: Okay. Is there any other business?

MR. LIHVARIK: There is just one other piece of business. That is dealing with the minutes. Due to the property tax hearings the minutes have been delayed. The unit that deals with transcribing the minutes obviously was put on that, and that was their first priority.

We actually have a copy of the minutes. We got them yesterday afternoon. I thought it would be a bit disingenuous to the committee if we handed them out this morning and asked

them to vote on them. What we're going to do is package them, send them out to the Commission members, and have some type of a vote taken -- which will be decided whether it's write-in -- in the near future. So that way it will give the committee time -- the Commission time to review the minutes in case there's any issues.

MS. MOLNAR: Thank you.

Anything else? If not, I wish you all a Merry Christmas, and a happy holiday, and a safe New Year.

Meeting adjourned.

(Meeting Adjourned)