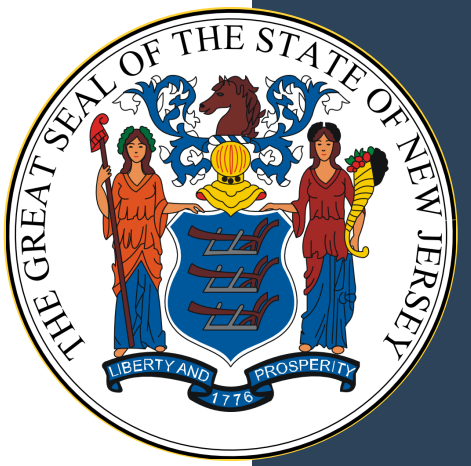
FY 25 Budget Presentation

Budget Process

- **Fall/Early Winter** – Budget Development
- **Late February** – Governor Introduces Budget
- **March – May** – Legislative Review
- **June** – Negotiations & Passage by July 1



Budget Outline

$56.6 billion – State Expenditure

- $27.3 billion – Direct & Indirect Property Tax Relief (48.3%)
- $14 billion – Grants-in-Aid (Medicaid, Higher Ed., etc.)
- $10 billion – Executive Operations
- $3.5 billion – Capital & Debt Service
- $1.8 billion – Judiciary & Legislature

$54.5 billion – State Revenue

Budget Highlights

- Full Pension Payment
- Full K-12 formula aid
- Continues Pre-k expansion
- Maintain Higher Education Funding
- Reduces State Debt
- Increases Mental Health funding
- Additional support for Nursing Homes
- Increased pay essential health care workers
- Ensure food security for vulnerable populations

Education

- Nearly **$1 billion** increase in formula K-12 aid to schools at over $11.6 billion.
  - Fully Funding K-12 aid
- **$110 million** for Pre-K expansion, funding over 70,000 seats
- **$20.8 billion** in school aid across the budget
- Over **$100 million** added for Colleges vs. GBM
- **$3.3 billion** in total Higher Education Support, helping to get degree attainment over 62.2%, up 17% since 2010.

Property Tax Relief

- **$2.2 billion –** ANCHOR
- **$879 million** – Property Tax Deduction Act
- **$220 million -** StayNJ prepayment; Starting Feb. 2026
- **$188 million –** "Senior Freeze" program
- **$38.6 million** – Veterans, Senior and Disabled Tax Deduct.

Fiscally Responsible Budget

- **$6.5 billion** Total Surplus
  - 11.5% of appropriations
- **$7.1 billion** Public Pension Systems
- Bonded indebtedness continues to decline as we fund school and state building construction on a pay-as-you-go basis.
- Cut **$383 million** from GBM

Investments in People:

- Significant investments in higher education
- Nursing Home Medicaid rates increases
- Re-Entry Services
- University Hospital - $45 million
- Mental and behavioral healthcare
- PCAs and DSPs wage increases

Major Capital Projects

- State Police Training Center
- Single-occupancy room conversions at two of the State's Veterans' Homes
- State IT Infrastructure Upgrades
- Park space enhancements at Liberty State Park, Essex-Hudson Greenway