



Alliance for the Betterment of  
Citizens with Disabilities

---

**Empowering People: Providers Shaping Policies**

July 12, 2024

**Re: Fiscal Year 2025 State Budget**

Dear Members, Colleagues and Friends,

As you know, in response to the \$2.6 billion-dollar structural deficit the Murphy Administration was facing for FY'25, Governor Murphy chose to fill the gap with \$1.6 billion from the states reserve funds and \$1 billion in budget cuts. <sup>1</sup> Early Intervention and the Division of Developmental Disabilities faced no reductions in the proposed budget. Additionally, the prior year's commitments for DDD, which would effectively increase the FY'25 Budget were annualized rather than cut.

"Do cuts ever happen?," you may ask. Though it may not be often, they do. Ask any one of ABCD's 14 agencies which provide Early Intervention (EI) services.

In April the projected tax revenues were only \$50 million dollars off what the Administration had projected, a proverbial bull's-eye. This meant that the NJ Legislature had very little leeway in which to maneuver as any of their proposals would require an additional source of revenue to be budget neutral. In an acknowledgement to the budget realities, ABCD moderated its requests but continued to advocate for an increase for DDD Community Providers, Early Intervention, and the Habilitative Therapy rates for DDD Day Services and Supports.

Undeterred, the NJ Legislature chose to provide additional funds for DDD growth trends and an across-the-board increase for the second year in a row. Make no mistake, though the increase is frugal it is also consequential, given the state's financial circumstances. Because of the concerns regarding the State's structural budget issues, most new spending added to FY25 Appropriation was one-time, non-recurring. Also noteworthy, the policy of targeted increases was not continued in this budget. Finally, the fact that the Senate Majority Leader promoted an EI rate increase and has EI squarely in her focus could reap future benefits.

---

<sup>1</sup> PEW recommends states have a 10% surplus, NJ's surplus was \$300 million in 2013; \$10.2 Billion in FY'23; \$7.7 billion in FY'24 reduced from the prior year to fill the structural deficit; \$6.1 billion for FY'25 reduced from the prior year to fill the structural deficit..

Hence, ABCD thanks Governor Murphy and members of the New Jersey Legislature for their continued support of infants and toddlers with developmental delays and disabilities and adults with intellectual and developmental disabilities in the Fiscal Year 2025 State Budget as evidenced by:

- \$15 million in state and federal funding for an across the board increase to all DDD Community Services.
- \$10.6 million in state and federal funding to increase mandatory training hours for DSPs to improve readiness and quality of service.
- \$73 million in state and federal funds for DDD Community growth trend.
- \$41.8 million in state and federal funds to annualize the January 1, 2024, increase in wages for DDD front-line workers and supervisors.
- \$63.6 million in state and federal funds for NJ WorkAbility program expansion to enable the enrollment of individuals with incomes over 250% of the FPL.
- \$2.4 million in funding to support continued enrollment growth in PAAD, Sr. Gold, HAAD, and Lifetime Utility Assistance. Income limits were increased by \$10,000 as of January.
- \$4.4 million in state and federal funds to annualize the cost of a mid-year FY'24 group home rate for DDD Emergency Capacity System Beds to strengthen the mental health crisis care for adults with IDD
- Ensuring a minimum of \$95 per month pandemic-era benefits for every household receiving SNAP through an additional \$6 million in State dollars (NJ is the only state to extend these benefits). To enhance security, SNAP EBT cards with microchips will be distributed through an additional appropriation of \$1.7 million in State share dollars. To pay delivery fees for online orders of approved groceries for participants, an additional appropriation of \$2.9 million in State-only dollars

Regrettably, increases for Early Intervention and Habilitative Therapies in Day were not included in the budget, though not for lack of trying.

Thank you for all your efforts in FY'25. Efforts never go wasted: Advocacy is a long game,

Advocacy for FY'26 Budget begins today!

Sincerely,



Cathy Chin