

**TREASURY-GENERAL**

**GOVERNOR'S COUNCIL ON ALCOHOLISM AND DRUG ABUSE**

**Rules of the Governor's Council on Alcoholism and Drug Abuse**

**Proposed Readoption with Amendments: N.J.A.C. 17:40**

Authorized By: Governor's Council on Alcoholism and Drug Abuse, Celina Gray, Acting Executive Director.

Authority: N.J.S.A. 26:2BB-1 et seq., specifically 26:2BB-4.j.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2014-101

Submit written comments by September 5, 2014, to:

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The agency proposal follows:

**Summary**

On March 27, 1989, P.L. 1989, c. 51 ( N.J.S.A. 26:2BB-1 et seq.) was enacted. On November 19, 1990, N.J.A.C. 17:40 became effective. Both the statute and the subsequent rules established the Governor's Council on Alcoholism and Drug Abuse (GCADA) in, but not of, the New

Jersey Department of the Treasury and the Municipal Alliance to Prevent Alcoholism and Drug Abuse. N.J.A.C. 17:40 expired on October 19, 2005, was adopted as new rules on May 21, 2007, and was scheduled to expire on May 21, 2014, pursuant to N.J.S.A. 52:14B-5.1. As this notice of readoption was filed on May 21, 2014, that date is extended 180 days to November 17, 2014, pursuant to N.J.S.A. 52:14B-5.1.c(2)

The rules came about as a response to a perceived need on the part of the Legislature for a municipally based, community volunteer driven alcoholism and drug abuse prevention and education network within the State of New Jersey. In addition, the Legislature strongly encouraged and directed the GCADA to coordinate the State response to substance abuse and outlined the annual production of the Comprehensive Statewide Alcoholism and Drug Abuse Master Plan.

The Municipal Alliance Program (MAP), as it became known, became an early priority for the GCADA. The level of detail on the program found in the legislation indicates the Legislature's interest in this program. The legislation outlined the makeup of the review bodies, which shall and/or can be on the county and municipally based committees and the process by which grant funding will flow from the GCADA to Municipal Alliance Committees (MACs).

The first distribution of the match grants to MACs was in 1992. The source of the grant money for the MAP comes from the Drug Enforcement Demand Reduction (DEDR) fund. The MACs are one of the dedicated uses of the fund.

The other primary function for the GCADA envisioned by the Legislature was in coordination and planning. In order to fulfill this function, the GCADA annually produces the Comprehensive Statewide Alcoholism and Drug Abuse Master Plan and its companion document, the "State Government Component."

A summary of the rules proposed for readoption follows:

Subchapter 1 contains general provisions, including scope and construction of the rules, definitions, and duties and responsibilities of the Governor's Council on Alcoholism and Drug Abuse.

Subchapter 2 contains rules on the organization and operation of the Alliances, including purpose and scope of the subchapter, membership and meeting requirements of the County Alliance Steering Subcommittees; functions of the County Alliance Steering Subcommittees; membership, bylaws and meeting requirements for the Municipal Alliance Committees; functions of the Municipal Alliance Committees; and development of the Municipal Alliance Network.

Subchapter 3 contains the requirements for funding from the Council for Alliance programs, including an overview of the funding process; contents of a Strategic Plan for funding Municipal Alliances; a description of the grant process; conditions for the acceptance of grants; the use of matching funds; and the annual funding formula.

A summary of the proposed amendments follows:

Throughout the rules proposed for readoption, all references to “request for proposal” or “RFP” have been changed to “Municipal Alliance Strategic Plan” to reflect the comprehensive and ongoing nature of the Municipal Alliance grant process.

At N.J.A.C. 17:40-1.3, the proposed amendment deletes the definition of “RFP.”

At N.J.A.C. 17:40-1.4, the proposed amendment updates the name of a division within the Department of Human Services.

Proposed new N.J.A.C. 17:40-3.2(a)1 replaces the contents of the former request for proposal (RFP) with the contents of the Strategic Plan for funding Municipal Alliances. The new plan must contain fiscal requirements, the Alliance vision and mission statements, an Alliance Com-

mittee membership list, the Alliance logic model, the Alliance Committee capacity assessment, the Alliance coordination plan and action plan, and a sample municipal resolution, none of which was required under the former RFP process. The former RFP process did require a background and purpose, a current prevention model approved for use by the GCADA and the New Jersey Division of Addiction Services (now the Division of Mental Health and Addiction Services), allowable use of the funds, suggested program models, criteria for selection, applicant description, a statement of need, the program description, goals and objectives, an activity plan, a list of participating/affiliated agencies, an evaluation, and matching funds.

As the Council has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5.

### **Social Impact**

The State of New Jersey continues to pay a tremendous social and human cost for the illegal or illicit use of substances. The rules proposed for readoption will lessen those costs by maintaining a structure of Statewide coordination, planning, and implementation. The State's \$10 million Alliance to Prevent Alcoholism and Drug Abuse Program is the largest network of community-based anti-drug coalitions in the nation with thousands of stakeholders serving on nearly 400 Alliances encompassing more than 530 municipalities throughout New Jersey. Municipal Alliances engage residents, local government, and law enforcement officials, schools, nonprofit organizations, the faith community, parents, youth, and other allies in efforts to prevent alcoholism and drug abuse in communities throughout New Jersey.

### **Economic Impact**

The Drug Education Demand Reduction Fund, which provides the funding for the Governor's Council on Alcoholism and Drug Abuse and the Municipal Alliance program, is a revenue generator for the State of New Jersey. Historically, the fund has had only one source of income, fines assessed to individuals convicted of drug-related crimes. Substance abuse affects the State's overall economy in numerous ways. Lost wages and productivity coupled with higher workers' compensation claims and health benefit costs are just some of the challenges that businesses struggle with on a daily basis. County and Municipal Alliance award recipients are required to match the Council grants with a cash-match of 25 percent of the award and 75 percent in-kind services. This matching requirement is unique in the country and has the effect of doubling the impact of the Council grants to total nearly \$20 million per year in programs and activities aimed at substance abuse prevention.

### **Federal Standards Statement**

The GCADA is limited by statute (N.J.S.A. 26:2BB-4j) to State-originated funds "deposited in, and appropriated from" the Drug Enforcement and Demand Reduction Fund established by the statute. There are no Federal standards applicable to the subject matter of the rules proposed for readoption with amendments. Therefore, a Federal standards analysis is not required.

### **Jobs Impact**

No jobs will be generated or lost as a result of the rules proposed for readoption with amendments.

### **Agriculture Industry Impact**

The rules proposed for readoption with amendments will not have an impact on the New Jersey agriculture industry.

### **Regulatory Flexibility Statement**

A regulatory flexibility analysis is not required because the rules proposed for readoption with amendments do not impose reporting, recordkeeping, or other compliance requirements on small businesses as defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The rules proposed for readoption with amendments have an impact on only the GCADA and participating grantees that are other governmental agencies.

### **Housing Affordability Impact Analysis**

The rules proposed for readoption with amendments have no impact on affordable housing in New Jersey and there is an extreme unlikelihood that the rules would evoke a change in the average costs associated with housing because the rules pertain to programs related to substance abuse prevention.

### **Smart Growth Development Impact Analysis**

The rules proposed for readoption with amendments have an insignificant impact on smart growth. There is an extreme unlikelihood that the rules would evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey because the rules pertain to programs related to substance abuse prevention.

**Full text** of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 17:40.

**Full text** of the proposed amendments follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

## SUBCHAPTER 1. GENERAL PROVISIONS

### 17:40-1.3 Definitions

The following words and terms, as used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

...

[“RFP” means the Request For Proposal process described in this chapter.]

...

### 17:40-1.4 Duties and [Responsibilities] **responsibilities** of the Governor’s Council on Alcoholism and Drug Abuse

(a) The Council is authorized and empowered to:

1.-2. (No change.)

3. Review each County Alliance Annual Plan and the recommendations of the Division of **Mental Health and Addiction[s] Services** in the Department of Human Services for awarding the Alliance grants and, by October 1 of each year, return the plan to the Local Advisory Committee on Alcoholism and Drug Abuse with the Council’s proposed recommendations for awarding Alliance grants;

4.-9. (No change.)

17:40-2.3 Functions of the County Alliance Steering Subcommittee

(a) The functions of the County Alliance Steering Subcommittee shall include:

1.-6. (No change.)

7. Development of a County Alliance Plan incorporating the Municipal Alliance [Committee Requests for Proposals] **Strategic Plans** for submission by October of each year to the Governor's Council on Alcoholism and Drug Abuse.

(b) (No change.)

SUBCHAPTER 3. FUNDING FOR ALLIANCE PROGRAMS

17:40-3.1 Overview of the funding process

(a) (No change.)

(b) DEDR funds may be released by the Governor's Council on Alcoholism and Drug Abuse to counties, contingent upon submission and approval of a County Annual Alliance Plan. Following the establishment of a Municipal Alliance Committee, a municipality may apply for these funds through the [Request for Proposal (RFP)] **Municipal Alliance Strategic Plan** process initiated annually through the County Local Advisory Committee on Alcoholism and Drug Abuse/Alliance Steering Subcommittee. Funds will be released to municipalities only upon approval of the proposal by the Council.

(c) (No change)

17:40-3.2 [Request for Proposal] **Municipal Alliance Strategic Plan application** contents

(a) The [RFP] **Municipal Alliance Strategic Plan** application form shall be developed annually by the Council and shall include the following:

[1. Program Description and Guidelines:

- i. Background and purpose;
- ii. Current prevention model approved for use by the Governor's Council on Alcoholism and Drug Abuse and the New Jersey Division of Addiction Services;
- iii. Allowable use of funds;
- iv. Suggested program models; and
- v. Criteria for selection.

2. Application for Funding:

- i. Applicant description;
- ii. Statement of assurances;
- iii. Statement of need;
- iv. Program description;
- v. Goals and objectives;
- vi. Activity plan (applicant cites activities, dates of completion);
- vii. List of participating/affiliated agencies;
- viii. Evaluation (applicant cites method and manner);
- ix. Budget; and
- x. Matching funds.]

**1. The Strategic Plan for Funding Municipal Alliances shall include:**

- i. A statement of assurances;**
- ii. Fiscal requirements;**
- iii. Alliance vision and mission statements;**
- iv. The Alliance Committee membership list;**

- v. **The Alliance logic model;**
- vi. **The Alliance Committee capacity assessment;**
- vii. **The Alliance Coordination Plan;**
- viii. **Alliance Action Plan;**
- ix. **The Alliance budget; and**
- x. **A sample municipal resolution.**

17:40-3.3 [Request for Proposal] **Municipal Alliance Strategic Plan application** process

(a) The Council shall develop the [RFP] **Municipal Alliance Strategic Plan application** and distribute it to the LACADA Alliance Steering Subcommittee each year.

(b) The LACADA Alliance Steering Subcommittee shall distribute the [RFP] **Municipal Alliance Strategic Plan** forms to the Municipal Alliance Subcommittees.

(c) The LACADA Alliance Steering Subcommittee, in conjunction with the Alliance Coordinator, shall provide technical assistance and monitoring to the Municipal Alliance Subcommittees in the completion of the [RFP] **Municipal Alliance Strategic Plan** forms.

(d) In order to be considered for approval, the Municipal Alliance Committee must complete and return the [RFP form] **Municipal Alliance Strategic Plan** to the LACADA Alliance Steering Subcommittee.

(e) The LACADA Alliance Steering Subcommittee, in conjunction with the Alliance Coordinator, shall review the [RFPs] **Municipal Alliance Strategic Plan application** submitted by Municipal Alliance Committees for compliance with the requirements of the [RFP] **Municipal Alliance Strategic Plan** process, this chapter, and the governing law (N.J.S.A. 26:2BB-1 et seq.).

The LACADA Alliance Steering Committee, in conjunction with the Alliance Coordinator, shall

then develop a county plan incorporating the Municipal Alliance [Committees' RFPs] **Strategic Plan** for submission to the Governor's Council on Alcoholism and Drug Abuse.

(f) Upon receipt of the LACADA Alliance Steering Subcommittee's plan, it and the [RFPs] **Municipal Alliance Strategic Plan** contained therein shall be reviewed by the Governor's Council and its staff. Additional information may be requested by the Council from the LACADA Alliance Steering Subcommittee or the Municipal Alliance Committee as needed.

(g) The Governor's Council will develop a formula for funding for the purpose of granting funds appropriated to the LACADA Alliance Coordinator and the Municipal Alliance Committees. The formula shall be adopted by the Council at a public meeting and shall thereafter be promulgated as a separate rule. When issuing a new [RFP] **Municipal Alliance Strategic Plan** for the start of a new planning cycle, the Council will review and update the data used in the funding formula and thereafter revise allocations accordingly.

(h) To the extent the Legislature makes appropriation therefor, DEDR funds shall be granted by the Council, upon the recommendation of its Executive Director, to the LACADA Alliance Coordinator for the purpose of training and coordination and to Municipal Alliance Committees and member municipalities within the county which successfully complete the [RFP] **Municipal Alliance Strategic Plan** and have it approved by the Council.

(i) (No change.)

(j) The county agency or individual designated by the governing body of each county pursuant to N.J.S.A. 26:2B-33 is authorized to receive from the Governor's Council moneys made available under the [RFP] **Municipal Alliance Strategic Plan** process. The designated county agency shall establish a separate fund for the receipt and disbursement of these moneys and such disbursement shall be made as directed by the Council for approved grants only.