NEW JERSEY ASSOCIATION OF COUNTIES

County Government with a Unified Voice!

RICHARD D. GARDNER NJAC President Warren County Freeholder JOHN G. DONNADIO Executive Director

October 10, 2012

Honorable Albert Coutinho 73-75 Ferry Street Newark, New Jersey 017015

RE: ASSEMBLY, No. 3168

Dear Assemblyman Coutinho:

On behalf of the Board of the Directors of the New Jersey Association of Counties (NJAC), I would like the opportunity to meet with you in person to discuss some of our concerns with A-3168. As you know, this legislation would permit counties to charge a fee to fund infrastructure construction projects through voter approval.

Although we commend you for your efforts to sponsor a measure that will allow counties to proactively address critical infrastructure improvement needs through the use of a dedicated tax, we're primarily concerned about how the use of such a tax would impact Local Aid allocations under the Transportation Trust Fund (TTF). We're also concerned with the fact that the use of a dedicated tax in this manner would inequitably increase the reliance on the collection of local property taxes as means to fund capital improvement projects with state and regional implications. As has been well documented, county governments maintain over 6,792 centerline miles of roads and 7014 total bridges that along with municipal roadways carry an estimated 55% of the State's traffic. Moreover, county governments have an annual need of \$86.0 million for resurfacing, \$277.0 million for bridges, \$84.0 million for construction and reconstruction, and \$67 million for design and contract administration for a total need of \$514.0 million per year.

The current Transportation Trust Fund (TTF) allocates \$175.0 million per year as Local Aid with \$78.75 million each for counties and municipalities, now \$7.5 million in discretionary funding, and an additional \$25.0 million for county bridges leaving county governments responsible for financing at least \$403.0 million of its total need through the collection of local property taxes. With these staggering numbers in mind, one of NJAC's long-term goals and objectives

has been to enhance Local Aid allocations to the levels recommended by the Blue Ribbon Transportation Commission in 2003 as a means to mitigate the reliance on the collection of local property taxes. Importantly, we're also committed to advocating for innovative solutions that will provide our counties with a stable, dependable, and long-term source of revenue to finance critical transportation projects.

With this in mind, I look forward to meeting with you in person to discuss this legislation in more detail, so that we may work on a bill that preserve's your original intent, but makes its implementation more practical for county governments. Thank you again for your time and consideration, and I look forward to working with you on this important and timely initiative. NJAC is committed to advocating for legislation, regulations, and policy directives that empower county governments to operate more effectively and efficiently. As a non-partisan organization that represents the only true regional form of government in the State with a unified and proactive voice, NJAC is dedicated to advancing innovative programs and initiatives that save valuable taxpayer dollars and enhance the level of service provided.

Very truly yours,

John G. Donnadio, Esq. Executive Director