NEW JERSEY ASSOCIATION OF COUNTIES

County Government with a Unified Voice!

JEFFREY DUBLIN NJAC President Hudson County Freeholder JOHN G. DONNADIO Executive Director

STATE HOUSE NEWS

August 22, 2013

NJAC GOALS AND OBJECTIVES

With the new legislative session set to begin in January of 2014 NJAC is in the process of identifying and developing three short-term legislative priorities that will help counties operate more effectively and efficiently. Last session, we found success in proactively advocating for initiatives recommended by the following county officials:

- 1. Hudson County Administrator Abe Antun and Monmouth County Administrator Teri O'Connor recommended legislation that would require employees to receive pay through direct deposit at the governing body's discretion. The Governor signed this measure into law earlier this year.
- 2. Atlantic County Administrator Jerry DelRosso and Atlantic County Counsel Jim Ferguson recommended legislation that would allow charter counties to publish ordinances by title and summary. The Governor signed this bill into law on August 9th.
- 3. Hunterdon County Administrator Cindy Yard recommended legislation that would authorize counties to share tax administrators. This bill is currently on Second Reading in the Senate with the companion version in the General Assembly awaiting consideration in Assembly Housing and Local Government Committee.

With this in mind, board members, administrators, and all county professionals are encouraged to take a moment to share with us their recommendations subject to the following criteria:

- 1. Recommendations should be realistic and achievable within the two year legislative cycle.
- 2. Recommendations should be specific and tangible, so that we may accurately quantify any potential cost savings or other benefits.
- 3. Recommendations should benefit counties throughout the State and enjoy bi-partisan support.

In addition to setting three short-term legislative priorities, NJAC must also identify and develop three long-term legislative goals and objectives such as *extending the expiration date under the 2010 interest arbitration reform law,* increasing Transportation Trust Fund (TTF) monies for county roads and bridges, and mitigating the costs associated with operating and maintaining the county judicial and prosecutorial offices and facilities. Although somewhat easier to identify, our long-term goals and objectives will prove more difficult to accomplish and are subject to the following criteria:

- 1. Recommendations should offer a viable and substantive solution for a long-standing issue that has had a negative impact on county operations.
- 2. Recommendations should benefit counties throughout the State and enjoy bi-partisan support

We plan to summarize all recommendations and discuss them in more detail for possible adoption at the September 27th NJAC board of directors meeting.

COUNTY AID ALLOCATIONS

After several months of phone calls, meetings, and advocacy, we finally received guidance from the State Department of Transportation (DOT) concerning the distribution of County Aid pursuant to P.L. 2012 c.13, which revised the New Jersey Transportation Trust Fund Authority Act. As you know, this new law eliminated the Federal Aid Urban System (FAUS) minimum allotment from the County Aid distribution formula and will cause substantial losses in funding for the State's most urban counties.

During the fiscal year 2014 State budget process, NJAC advocated for the Department to include \$12.5 million in transitional monies in its capital program as a fair and equitable solution for all twenty-one counties. Despite our efforts and work with the county engineers and Legislature, DOT did not include any additional funding. Moreover, we learned earlier this month that the Department plans to issue a memorandum on August 31st that summarizes its intent to move forward with the new County Aid formula. As such, please take a moment to review the information contained in the table on the following page prepared by the New Jersey State Association of County Engineers (NJSACE), which projects the losses/gains in county allotments for State fiscal year 2014.

Although we were hoping for a better resolution, we hope you find this information helpful nonetheless. I would also like to take a moment to thank Hudson County Executive Tom DeGise, Hunterdon County Freeholder Matt Holt, and Bergen County Engineer Joe Femia for their hard work and patience on this important issue.

	FY 2014 LOSSES/GAINS
	(In Millions) USING NEW
	TTF Formula
County	\$78.75 MILLION
Atlantic	+0.202
Bergen	-1.447
Burlington	+0.430
Camden	-0.368
Cape May	+0.301
Cumberland	+0.676
Essex	-0.678
Gloucester	+0.602
Hudson	-0.373
Hunterdon	+0.418
Mercer	-0.192
Middlesex	-0.673
Monmouth	-0.218
Morris	-0.151
Ocean	+1.225
Passaic	-0.615
Salem	+0.558
Somerset	+0.357
Sussex	+0.596
Union	-1.074
Warren	+0.425
Totals	+5.790

PUBLICATION OF ORDINANCES

As noted above, on August 9th Governor Christie signed into law SENATE, NO. 316/ASSEMBLY, NO. 3725 (Whelan D-Atlantic)(Burzichelli D-Gloucester) as P.L. 2013 c.118. In summary, this new will permit certain county boards of chosen freeholders to publish notices of proposed or amended ordinances by title and summary. NJAC supported this measure as one of its top legislative priorities as it may save significant taxpayer dollars for county governments established pursuant to the "Optional County Charter Law." These counties include Atlantic, Bergen, Essex, Hudson, Mercer, and Union. Although current law under N.J.S.A. 40:49-2 authorizes municipalities to publish ordinances in a newspaper in their entirety or by title and summary, N.J.S.A. 41A-1-101 mandates charter counties to publish ordinances in their entirety at a substantially higher cost.

COUNTYWIDE PURCHASING

On August 19th, Governor Christie vetoed **SENATE**, **No. 1191** (*Lesniak D-Union/Sarlo D-Bergen*), which would have permitted the establishment of a county-wide purchasing system by a county that employs a qualified purchasing agent; and, would require participation by all school districts located within the county. Although NJAC applauded the sponsors for their efforts to promote shared services and consolidation through cooperative purchasing; and, appreciated the fact that the measure was permissive for county governing bodies, we where concerned with the unintended consequences this legislation would impose on counties that moved forward with implementation. Please note that the Legislature amended the bill as introduced to authorize establishing a countywide purchasing system in Camden, Gloucester, Passaic, Union, and Middlesex counties; and, only where a school district located in one of those counties has a privatization contract to provide janitorial or food services.

STATE HEALTH BENEFITS PROGRAM

As of this writing, **ASSEMBLY, NO. 1273** (*Coughlin D-19/O'Donnell D-31*) is still on the Governor's Desk awaiting his signature. In summary, this bill would require the State Health Benefits Program (SHBP) to provide certain information to participating public employers. Counties that currently participate in the SHBP have long objected to the fact that claims experience and loss report data are not made readily available by the SHBP. These counties currently include Atlantic, Camden, Gloucester, Hudson, Mercer, Ocean, Salem, Sussex, and Warren. Moreover, the SHBP forces counties to pay for this critical information typically provided at no charge and in a timely manner by private health insurance plans. If you haven't done so already, please let Governor Christie know that you support this important and timely initiative by writing him a letter to the following address:

Honorable Chris Christie Governor of the State of New Jersey P.O. Box 001 State House Trenton, New Jersey 08625

You are welcome to use the letter NJAC sent to the Governor on this matter as an example by visiting our website at <u>www.njac.org</u> and clicking on our position statements.

"Obstacles are those frightful things you see when you take your eyes off the goal." Henry Ford