

NEW JERSEY ASSOCIATION OF COUNTIES

County Government with a Unified Voice!

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STATE HOUSE NEWS

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SPECIAL ELECTIONS

On Thursday, the Appellate Division of the State Superior Court ruled that Governor Christie acted properly when he decided to hold a special election on October 16th for the United States Senate. With this in mind, NJAC has been working with the Division of Local Government Services in the Department of Community Affairs (DCA) to develop recommendations on how counties should manage the costs associated with the upcoming primary and special elections. Although current law appears to require the State to reimburse counties for such costs, and the Division of Elections has indicated that it will likely reimburse counties for ballot printing, board worker salaries, overtime for office staff, polling place rentals, voting machine transfer costs, and the publication of election notices, counties must first finance all election expenses and then apply for reimbursement accordingly.

Since counties did anticipate conducting the special elections, and did not appropriate the estimated \$25.0 million projected to fund both elections, we have requested DCA to provide us with some necessary guidance as soon as possible as election officials have already begun preparing for the June 19th deadline for filing a certificate to fill the vacancy. Although we've made several recommendations to DCA, the general consensus among county administrators and finance officers is to require the Division of Elections to provide each county with a letter that certifies the amount the State will reimburse each county, so each county may then use this letter as the basis to amend its budget. After further consideration, making an emergency appropriation is not recommended as emergency votes require a 2/3 majority and a county must then include the emergency appropriation its 2014 budget. We'll make sure to provide you with any new information as soon as it becomes available.

COUNTY AID ALLOCATIONS

If you haven't done so already, please contact your legislators to let them know that you support NJAC and the New Jersey State Association of County Engineers' proposal for a \$12.5 million increase in annual County Aid allocations for fiscal year 2014. As previously noted, last year's reauthorization of the Transportation Trust Fund (TTF) 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. In fact, Bergen, Camden, Essex, Hudson, Mercer, Middlesex, Monmouth, Morris, Passaic, and Union counties stand to lose over \$5.79 million per year in funding for much needed transportation infrastructure improvement projects.

The proposed State budget for fiscal year 2014 proposes \$190.0 million as local support under the Transportation Capital Program: \$78.75 million county roads; \$78.75 million for municipal roads; \$25.0 million county bridges; and \$7.5 million for the Commissioner's discretionary funding. Our \$12.5 million proposal would increase support for county roads from 78.75 million to \$91.25 million and overall local support to 202.5 million.

COUNTY	FY 2014 LOSSES/GAINS (In Millions) USING NEW TTF FORMULA \$78.75 MILLION	FY 2014 LOSSES/GAINS (In Millions) USING NEW TTF FORMULA \$91.25 MILLION
Atlantic	+0.202	+0.742
Bergen	-1.447	-0.399
Burlington	+0.430	+1.218
Camden	-0.368	+0.369
Cape May	+0.301	+0.564
Cumberland	+0.676	+1.287
Essex	-0.678	+0.076
Gloucester	+0.602	+1.185
Hudson	-0.373	+0.134
Hunterdon	+0.418	+0.733
Mercer	-0.192	+0.233
Middlesex	-0.673	+0.189
Monmouth	-0.218	+0.581
Morris	-0.151	+0.466
Ocean	+1.225	+2.208
Passaic	-0.615	-0.030
Salem	+0.558	+0.933
Somerset	+0.357	+0.816
Sussex	+0.596	+0.988
Union	-1.074	-0.532
Warren	+0.425	+0.742
<i>Totals</i>	<i>+5.790</i>	<i>+12.503</i>

OPEN PUBLIC MEETINGS AND RECORDS

At one of its upcoming voting sessions, the Senate will likely consider legislation that would provide greater access to public meetings and records. Although NJAC is a strong advocate of transparency in local government and is still in the process of reviewing the new bills, we remain concerned that the legislation does not take into consideration the expense, staff time, and resources necessary to carry out its mandates. We're also concerned that the bill would exempt members of the State Legislature and that NJAC, the New Jersey State League of Municipalities, the New Jersey School Boards Association, and other stakeholders did not have the opportunity to review or testify in committee on the new provisions. In summary, **SENATE, NO. 2511** would provide the public with greater access to meetings of public bodies and information about the meetings; and, **SENATE, NO. 2512** would provide greater access to government records. If you haven't done so already, please take a moment to contact your legislators to let them know that this legislation would impose an unnecessary and costly burden on local governments already struggling to make ends meet.

STATE HEALTH BENEFITS PROGRAM

On Monday, the Senate State Government, Wagering, Tourism, and Historic Preservation Committee favorably reported **ASSEMBLY, NO. 1273** (*Coughlin D-19/O'Donnell D-31*), which 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. 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. With this in mind, NJAC supports this measure as it would allow county governments that participate in the SHBP to more effectively shop and compare public employee health benefit plans. The Senate is expected to vote on the measure at one of its upcoming voting sessions, and the General Assembly passed the bill on April 28th by a vote of 58-16.

COUNTYWIDE PURCHASING

On Monday, the Assembly Budget Committee will consider **SENATE, NO. 1191** (*Lesniak D-Union/Sarlo D-Bergen*), which would permit 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 applauds the sponsors for their efforts to promote shared services and consolidation through cooperative purchasing; and, appreciates the fact that the measure is permissive for county governing bodies,

we're concerned with the unintended consequences this legislation would impose on counties that moved forward with implementation.

As noted by our county purchasing officials, the "Local Public Contracts Law" under Title 40A of the Revised Statutes governs the purchase of goods and services for counties and municipalities, and Title 18 regulates such purchases for school districts. Several differences exist between the two purchasing laws and it's unclear at this point as to which statute would control. To further complicate matters, neither law defines the term "best value at the lowest cost acquisition policy." However, current public contract bidding laws prohibit the use of such a practice as defined in the bill. Please note that several counties publicly bid for food services, where contracts are awarded to the lowest responsive and responsible bidder; and, that Title 40A requires counties to publicly bid for custodial services.

We are also concerned with the fact that county purchasing officials do not retain the necessary subject matter expertise or available resources to acquire food and custodial services on behalf of school districts; and as a result, would be forced to hire costly consultants to navigate the complex procurement process. In addition, this legislation does not appear to provide guidance on which professional or governing body would be responsible for administering food and custodial services contracts - a timely and comprehensive endeavor. We also believe that requiring the county clerk of a county that establishes a county-wide cooperative purchasing system to provide notice as prescribed under the bill creates an unnecessary level of bureaucracy as county purchasing officials typically handle procurement notices. We would also need clarification on whether "county clerk" means clerk of the board of the chosen freeholders or the elected county clerk.

Finally, NJAC respectfully opposes the use of an employee protection plan as outlined in the legislation as 20 of the State's 21 counties follow Civil Service layoff procedures. Moreover, NJAC has long advocated for repealing terminal leave payments as a means to compensate employees separated from employment due to a consolidation or shared services agreement under the "Uniform Shared Services and Consolidation Act." These statutorily imposed severance payments serve as a financial disincentive and significant impediment for local governments working to streamline costs and save valuable taxpayer dollars. On March 18th, the Senate passed S-1191 by a vote of 21-15.

CONTESTED CASE HEARINGS

Special thanks to Burlington County Director of Social Services Daniel F. Boas for taking the time out of his busy schedule to testify before the Senate State Government, Wagering, Tourism, and Historic Preservation Committee concerning **ASSEMBLY, NO. 1521/SENATE, NO. 2555** (*Burzichelli Gloucester/Van Drew Cape May*). In summary, this legislation would grant final decision making with

an administrative law judge instead of with the Division of Family Development (DFD) on certain contested cases.

Mr. Boas joined NJAC's Legislative Director Allen Weston and testified that the change in final decision making authority not only removes an important check and balance from the administrative law hearing process, it potentially jeopardizes federal funding for public assistance programs administered by DFD through the counties. Under federal law, DFD is subject to certain requirements that prohibit the State agency designated to carry out public assistance programs from delegating to another office or agency of State government the final review, change, or disapproval of any administrative decision of the designated agency. With this in mind, NJAC recommended removing certain language from the bill to keep DFD in compliance with federal law and not place the State's public assistance program funding at risk. As a result of this testimony, and based on similar concerns raised by various stakeholders, the Committee did not vote on the measure.

WORKERS COMPENSATION BENEFITS

On Thursday, Governor Christie signed into law legislation that will provide workers' compensation benefits to surviving spouses of members of the State Police or members of fire or police departments who die in the line of duty during the entire period of their survivorship, even if the spouse remarries. Under current law, surviving spouses of deceased members of the State Police or members of fire or police departments, receive a lump sum (equal to 100 times the weekly benefit amount) upon any remarriage which occurs during the first 450 weeks of benefits. Under the bill, a surviving spouse of a State trooper or member of a fire or police department who died in the line of duty will continue to receive weekly workers' compensation benefits as long as the surviving spouse lives, regardless of remarriage. The Senate passed **SENATE, NO. 1469** (*Madden D-Camden/Sweeney D-Gloucester*) by a vote of 35-0 and the General Assembly passed **ASSEMBLY, NO. 2757** (*Quijano D-Union/Vainieri Huttle D-Bergen*) by a vote of 71-5.

"The ladder of success is best climbed by stepping on the rungs of opportunity." Ayn Rand

