

NEW JERSEY ASSOCIATION OF COUNTIES

County Government with a Unified Voice!

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STATE HOUSE NEWS

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PRE-ADJUDICATED INMATES IN COUNTY JAILS

NJAC and the New Jersey County Jail Wardens Association are hoping to meet with the Director of Medicaid Services in the Department of Human Services to discuss Medicaid eligibility and the health insurance exchange for pre-adjudicated inmates housed in county jails.

More specifically, we're advocating for the State to extend the 24-hour hospital stay exception to pre-adjudicated inmates housed in county jails. These inmates make up 90% of the statewide county prison population, and including them under the exception would yield significant cost savings for county governments struggling to make ends meet. In general, federal regulations prohibit Medicaid coverage for care provided to incarcerated individuals. However, a 1997 ruling provides an exception for Medicaid eligible inmates who become inpatients of a hospital or nursing home upon the recommendation of a physician; and, then receive room, board, and professional services in the hospital or nursing home for a 24-hour period or longer. Although we certainly support the Department's efforts to capture state inmates and state inmates housed in county jails under the above-noted exception, the Department should also include pre-adjudicated inmates housed in county jails as it would save valuable county taxpayer dollars.

It also appears that certain pre-adjudicated inmates housed in county jails may be eligible to purchase health insurance through a health insurance exchange pursuant to the Patient Protection and Affordable Care Act (ACA). In summary, the ACA authorizes eligible individuals in custody and pending disposition of charges to enroll in a health insurance plan offered through an exchange prior to conviction or to maintain coverage if already enrolled. As you know, the vast majority of individuals that enter into county jails have serious medical and behavioral health needs and would benefit a great deal from treatment to address these conditions. Moreover, county governments through their county jails are responsible for providing primary healthcare services for the overwhelming majority of inmates that lack any type of health insurance coverage at a substantial cost to local taxpayers. With a capacity to hold 18,500

inmates in county jails statewide, we're seeking some much needed guidance or best practices from the Department on how to identify and enroll eligible inmates for healthcare coverage under a health insurance exchange and as intended under the ACA.

INTEREST ARBITRATION

We were very pleased to hear Governor Chris Christie highlight in his State of the State Address that he supports permanently linking the 2.0% cap on interest arbitration awards set to expire in April of 2014 to the 2.0% property tax cap levy.

Over the past few weeks, NJAC has had the opportunity to meet with several legislators to discuss the impending deadline as maintaining the cap is critical to stabilizing property taxes and allowing counties to deliver essential services in a cost effective manner. As has been well documented, county governments dedicate approximately 50% of their overall budgets to salaries and wages; and, face a restrictive property tax cap levy where counties must prepare two comprehensive cap calculations and use the more restrictive one.

Failure to extend the 2.0% cap on interest arbitration awards will force county governments throughout the State to further reduce or even eliminate crucial services, personnel, and long-overdue infrastructure improvement projects. Although we're cautiously optimistic that the Legislature and Administration will take action on this important and timely matter, the sunset provision was a key reform compromise for unions and others that initially opposed the measure. With this in mind, it's imperative that NJAC quantify any projected cost savings and other intangible benefits resulting from the cap. It's as equally as important for our counties to contact their legislators as soon as possible to let them know how important and timely this initiative is to county governments across the State. We plan on drafting a model resolution for each county to consider and adopt, and will share it with you next week.

WASTEWATER MANAGEMENT

On January 15th Governor Christie signed into law as P.L. 2013, c.188 **SENATE, NO. 3107/ASSEMBLY, NO. 4531** (*Sarlo D-Bergen/Oroho R-Sussex*)(*Greenwald D-Camden/Bramnick R-Union*), which provides extended validity to the wastewater service area designations and sewer service area designations; and, revises certain aspects of wastewater management plans and water quality management plans.

In general, the new law extends the validity of P.L.2011, c.203, which was set to expire on January 17, 2014. By extending P.L.2011, c.203, the law provides for the

extension of wastewater service area designations and sewer service area designations in wastewater management plans and water quality management plans. The bill also extends and revises various procedures and timeframes for review by the Department of Environmental Protection (DEP) of certain amendments and revisions to wastewater management plans and water quality management plans.

Under DEP's current Water Quality Management Planning rules, N.J.A.C.7:15-1.1 et seq. ("WQMP rules"), adopted July 7, 2008, "wastewater management planning agencies" were required to submit a wastewater management plan to the department by April 7, 2009. The Department's WQMP rules also provide that if a wastewater management planning agency failed to submit a wastewater management plan in compliance with the deadline, certain wastewater service areas and sewer service areas, as designated in wastewater management plans and water quality management plans, would be withdrawn. This deadline was initially extended by an Administrative Order issued by the commissioner, and was thereafter extended again by P.L.2011, c.203. However, P.L.2011, c.203, and the deadline extension contained therein, was set to expire on January 17, 2014.

In addition, the WQMP rules provide that certain amendments and revisions to wastewater management plans and water quality management plans will not be processed by DEP if wastewater management plans are not in place by certain regulatory deadlines. However, P.L.2011, c.203 superseded these deadlines and established new processes and standards by which the department could continue to review such amendments and revisions. This law including the extension of P.L.2011, c.203 provided for therein, expires on the earlier of either: January 17, 2016, or the date of adoption of rules or regulations that the department specifically states in a notice in the New Jersey Register are intended to obviate the need for the provisions of P.L.2011, c.203 and meet the purposes of the "Water Quality Planning Act," P.L.1977, c.75 (C.58:11A-1 et seq.). NJAC generally supported this measure as it made its way through the Legislature as certain wastewater service area designations and sewer service area designations would have been withdrawn if the 2011 law had expired.

STATE HEALTH BENEFITS PROGRAM

On January 9th, both houses concurred with the amendments contained in Governor Christie's Conditional Veto of **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. In summary, the Conditional Veto would require joint insurance funds to provide the same information and in the same manner as the SHBP, would require all claims data to be provided in a manner consistent with the federal Health

Insurance Portability and Accountability Act (HIPAA), and would extend the timeframe for providing such data to 60 days. Although NJAC supported the measure as introduced, the Conditional Veto is reasonable and we encouraged the Legislature to concur with the changes. 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. Since the bill passed both houses within 10 days preceding the expiration of the second legislative year on January 14th, the Governor must sign the bill into law by Noon of the 7th day on January 21st or the measure is pocket vetoed.

STATE TRANSPORTATION INFRASTRUCTURE BANK

On January 13th, both houses passed **SENATE. NO. 2143/ASSEMBLY. NO. 3177** (*Gordon D-Bergen/Norcross D-Camden*)(*Singleton D-Burlington/Wisniewski D-Middlesex*), which would establish a State Transportation Infrastructure Bank within the New Jersey Environmental Infrastructure Trust. In summary, the Trust would issue bonds in maturities of up to 30 years for all types of capital improvement projects; and, would create an interim financing program for transportation projects matching the existing interim financing program for environmental projects. The intent of the legislation is to encourage private/public partnerships whereby monies in the State Transportation Infrastructure Bank would be loaned or used to provide other financial assistance to public or private entities for planning, acquisition, engineering, construction, reconstruction, repair, and rehabilitation of a transportation project. Both bills are on Second Reading in each house. Thanks to Assemblyman Singleton and Senator Gordon as the prime sponsors, NJAC secured amendments to this legislation early in the legislative process to protect Local Aid allocations under the Transportation Trust Fund (TTF). As noted above, Governor Christie has until Noon on January 21st to sign the measure into law or it is pocket vetoed.

RESPONSIBLE BIDDERS

On January 13th, both houses passed **SENATE, NO. 2604/ASSEMBLY, NO. 3359** (*Norcross D-Camden/Oroho R-Sussex*)(*Singleton D-Burlington/Riley D-Cumberland, Gloucester, Salem*), which concerns the registration of contractors and sets forth the criteria for responsible bidders in public work.

In summary, this legislation would require any contractor or subcontractor who registers to contract for public work pursuant to the “Public Works Contractor Registration Act,” P.L.1999, c.238 (C.34:11-56.48 et seq.) to demonstrate that it is a responsible bidder by complying with all of the requirements of section 5 of P.L.1999, c.238 (C.34:11-56.52). The bill amends that section to add to those requirements a requirement to submit, as part of the registration, a certification, with documentation satisfactory to the commissioner, that the contractor or subcontractor: Has all valid and effective licenses, registrations or certificates required by federal, State, county or local law including, but not limited to licenses, registrations or certifications required to do business in the State of New Jersey and perform the work it seeks to perform; Has not been debarred by a federal or State government agency or authority in the past three years; Has not had any type of business, contracting or trade license, registration or other certificate suspended or revoked in the past year; Has not been convicted of any crime relating to the construction business; and, Has not, in any of the three most recent calendar years, been determined to have a total of three or more knowing and willful violations of State wage, benefits and tax laws occurring on two or more public contracts.

The bill would require every contract subject to State prevailing wage requirements to require each worker employed under the contract to be enrolled in, or have completed, a registered apprenticeship, unless the contractor or subcontractor certifies that the worker is paid not less than the journey worker wage rate. The bill would also provide that nothing in the bill, or any other law of this State, shall be construed as preventing any political subdivision of the State from setting standards, criteria or requirements for the qualifications of contractors bidding for public work with the political subdivision which equal or exceed the standards, criteria or requirements of the bill or any other State law, including, but not limited to, standards concerning technical qualifications, competency, experience, adequacy of resources, including equipment, facilities, finances and personnel and the qualifications and provisions for training of the personnel, and having a satisfactory record regarding past project performance, safety, and business integrity and compliance with laws applicable to its contracting business, including, but not limited to, licensing laws, tax laws, prompt payment laws, wage and hour laws, prevailing wage laws, and environmental laws.

Finally, the bill clarifies that contractor registration requirements of the “Public Works Contractor Registration Act” apply to any contractor bidding for any work in which workers are required to be paid prevailing wage rates set pursuant to the State’s prevailing wage law, P.L.1963, c.150 (C.34:11-56.25 et seq.), whether they are required to pay those rates by the prevailing wage law or by any other law. The Senate amended the measure to require certification by a

contractor that the contractor has not been convicted of a crime apply only to crimes of the first, second and third degrees and other crimes which would disqualify the contractor from being pre-qualified by the Division of Property Management and Construction. It's unclear at this point if Governor Christie plans to sign the measure into law or if he will pocket veto it.

NJAC REORGANIZATION MEETING

Don't miss NJAC's reorganization meeting and swearing-in ceremony on January 28, 2014 where Monmouth County Clerk Claire French will become our 73rd President. The reorganization meeting begins at 10:00 a.m. in Committee Room 4 of the State House Annex followed by the swearing-in ceremony at 11:00 a.m. in the Senate Chambers of the State House. Following the ceremony, students from the Monmouth County Vocational School-Culinary Education Center will provide lunch to guests at the New Jersey State Museum.

STATE HOUSE TRIVIA

Did you know that the first Indian reservation was established in Burlington County by the New Jersey Colonial Assembly in 1758?

"You only have to do a very few things right in your life so long as you don't do too many things wrong." Warren Buffett

