

NEW JERSEY ASSOCIATION OF COUNTIES

County Government with a Unified Voice!

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ENVIRONMENTAL INFRASTRUCTURE TRUST

On January 15th, NJAC and the New Jersey State League of Municipalities (NJSLOM) testified before the Assembly Environment and Solid Waste Committee on **ASSEMBLY, NO. 3548** (*Schaer D-Bergen/Spencer D-Essex*), which would require local governments and authorities to obtain a financing cost estimate from the New Jersey Environmental Infrastructure Trust (EIT) when financing all environmental infrastructure projects valued over \$500,000.00.

NJAC testified that it's primarily concerned with the fact that local governing bodies currently have the option of pursuing a loan from the EIT for environmental infrastructure projects, but this measure would mandate local units to secure an EIT cost estimate regardless of whether they're considering the EIT as a viable funding mechanism. Although in many cases counties and municipalities utilize the EIT to finance such projects, the strict requirements of the borrower and limited repayment schedules associated with EIT financing often outweigh any potential benefit. While the bill would require EIT to provide feedback to potential borrowers within their cost estimate, the bill would not require that feedback to include: an indication of whether the proposed borrower meets the credit eligibility criteria of the EIT; the timetable within which the proposed borrower may commence construction of the project and obtain financing; and, assumptions used by the EIT in determining the costs of financing the project independently.

The Committee favorably reported and amended the bill to require local governments and authorities to obtain a financing cost estimate from the EIT when financing all environmental infrastructure projects or project components valued in whole or in part over \$1,000,000.00. The bill would also require the EIT to make available online a form for requests for the financing cost estimate. The estimate would enable the local government unit to evaluate, and other interested parties to consider, the potential savings of financing and interest costs offered by trust financing compared to other available methods of financing the project.

The bill as amended would further provide that the EIT may require the local government unit to provide information concerning the project and the borrower needed to generate the financing cost estimate, including, but not limited to, a detailed description of the project, design, engineering and environmental information, a cost estimate prepared by the project engineer or other qualified person, information regarding the borrower, the amount to be financed, and any other information the trust deems relevant in order for the cost estimate to be as accurate as possible. Upon submission of the completed form, the EIT must provide the estimate within 15 days. If a local government or authority does not use EIT financing for the project, the financing cost estimate must be submitted by the local government to the Division of Local Government Services in the Department of Community Affairs with the local government's supplemental debt statement. Lastly, the bill would amend the EIT's enabling statute to increase bond maturities up to 30 years instead of up to 20 years as is the case under current. A-3548 is on Second Reading in the General Assembly; and, the Senate companion version **SENATE, NO. 2354** (*Smith D-Hudson*) is currently in the Senate Budget and Appropriations Committee awaiting consideration.

PRESCRIPTION MEDICATION IN COUNTY JAILS

NJAC and the New Jersey County Jail Wardens Association (NJCJWA) have requested a meeting with Senator Peter Barnes (*D-Middlesex*) to discuss our concerns with **SENATE, NO. 53**, which would require correctional facilities to provide inmates with prescription medication that was prescribed for chronic conditions existing prior to incarceration. In summary, NJAC and NJCJWA are respectfully requesting that Senator Barnes consider amending S-53 to authorize county correctional facilities to administer generic prescription drugs at the time of incarceration instead of waiting 30 days as is the case under the bill; and, to provide these facilities with the continued discretion to administer synthetic opioids such as Methadone, Suboxone, and Buprenorphine as drug addiction detoxifiers as is the case under current law. More specifically:

Section 2.a. of the bill should be amended as follows: "The chief executive officer ... shall ensure that each incarcerated person under the institution's custody, continues to receive any medications, which may include the use of appropriate therapeutic treatments and medications or their generic substitution in accordance with State law and regulations as established by the Commissioner or Corrections, prescribed prior to the person's incarceration for the treatment of chronic conditions." *The underlined language would authorize county correctional facilities to administer generic prescription drugs at the time of incarceration instead of waiting 30 days as is required under the bill. Although difficult to quantify at this point, the change will serve as an effective cost saving measure.*

Section 2.c. of the bill should be amended as follows: “The chief executive officer Necessary medications shall include, but shall not be limited to, those medications which, if missed, may cause serious illness, death or other harmful effects, but may not include a synthetic opioid as a drug addiction detoxifier.” *The underlined language would provide county correctional facilities with the continued discretion to administer Methadone, Suboxone, Buprenorphine, or other synthetic opioids as drug addiction detoxifiers and as is the case under current law. Most county correctional facilities do not recognize prescriptions for synthetic opioids as drug addiction detoxifiers unless the prisoner is an expectant mother or the prescription is otherwise medically necessary to keep a prisoner alive.*

Please note that in order to prescribe and dispense Methadone, a facility must apply for State and federal licensure and a physician must have appropriate training, certification, and experience. In order to prescribe Suboxone, a physician must complete training, register, and receive a special license from the federal Drug Enforcement Agency (DEA). Additionally, treatment with Suboxone is expensive and should include comprehensive drug and psychosocial counseling and monitoring. On January 15th, the Senate Law and Public Safety Committee favorably reported S-53, but Senator Barnes noted at the hearing that he’s willing to amend the measure to address our concerns about the use of generic prescription drugs at the time of incarceration. A companion version of the bill does not exist in the General Assembly at this time.

COUNTY IMPROVEMENT AUTHORITY FINANCING

On January 15th, the Assembly Education Committee favorably reported **ASSEMBLY BILL NO. 3970** (*Prieto D-Hudson*), which would allow a county vocational school district to request that a county improvement authority construct and finance a county vocational school district school facilities project that has been approved by the Commissioner of Education.

In summary, this legislation would authorize a county improvement authority to issue its bonds to finance either the local share of a project that will receive an up-front grant for the State share of the project under the Educational Facilities Construction & Financing Act (EFCFA) or the total costs of a project that is eligible to receive State debt service aid. The bill would provide that bonds issued by a county improvement authority to finance the total costs would be eligible for State debt service aid in accordance with the provisions of the Act. The bill would further provide that a county vocational school district may lease its lands or facilities to the county improvement authority which would construct the project through a design-build contract. The bill would stipulate that the provisions of the “Public School Contracts Law,” and the “Local Public Contracts

Law,” would not be applicable to a county vocational school district school facilities project that is constructed by a county improvement authority.

Additionally, the county improvement authority would lease the county vocational school district school facilities project to the county which would then lease it for nominal consideration to the county vocational school district. The county lease payments made to the county improvement authority would not be subject to any cap on appropriations or spending or to any tax levy cap. The county lease payments must be sufficient to pay the debt service on the county improvement authority bonds that remains after the application of any State debt service aid paid on those bonds. When the bonds of the county improvement authority are no longer outstanding, the leases and liens of the county and the county improvement authority would expire and the school facilities project would be solely vested in the county vocational school district.

The Committee amended the bill to clarify that a county may not require a county vocational school district to bear any portion of the cost of the debt service on the county improvement authority bonds issued to fund the county vocational school district school facilities project or on any refunding bonds. A-3970 is now on Second Reading in the General Assembly and **SENATE, NO. 2659** (*Sacco D-Hudson*) is currently in the Senate Education Committee awaiting consideration. NJAC supports this legislation as it provides county governments with an innovative financing mechanism that could streamline school facilities projects and save valuable taxpayer dollars.

FEDERAL 1033 PROGRAM

On January 12th, the Assembly Law and Public Safety Committee favorably reported **SENATE BILL NO. 2364/ASSEMBLY, NO. 3901** (*Gill D-Essex/Weinberg D-Bergen*)(*Johnson D-Bergen/Dancer R-Ocean*), which would require local approval of applications for surplus Department of Defense military equipment under the federal 1033 program.

In summary, this legislation would require local approval of applications for surplus Department of Defense military equipment under the federal 1033 program. The federal 1033 program permits the Secretary of Defense to transfer to State and local agencies personal property of the United States Department of Defense that the secretary determines is suitable for use by agencies in law enforcement activities, including counterdrug and counterterrorism activities, and is excess to the needs of the Department of Defense. The authority granted to the secretary has been delegated to the Defense Logistics Agency (DLA), which determines whether property is suitable for use by agencies in local law enforcement activities.

The Office of Emergency Management in the New Jersey Division of State Police serves as State Coordinator for county and municipal law enforcement agencies that participate, or seek to enroll, in the 1033 program. As the program currently operates, local law enforcement agencies must request enrollment through the State Coordinator and the DLA Law Enforcement Support Office. If enrollment is approved, the law enforcement agency is required to sign a memorandum of agreement with the State Coordinator agreeing to the terms and conditions of the 1033 program. The acquisition of property through the 1033 program or the transfer between law enforcement agencies of property obtained through the 1033 program also must be approved by State and local authorities. The program procedures do not require local law enforcement officials to obtain the approval of the governing body of a local unit before submitting an application to enroll in, or acquire property, through the 1033 program.

This measure would require an application for the enrollment of a county or municipal law enforcement agency in the 1033 program to be approved by a resolution adopted by a majority of the full membership of the governing body prior to the submission of an application to the State Coordinator. This legislation would also require the actual acquisition of property through the 1033 program to be approved by a resolution adopted by the full membership of the governing body. NJAC supports S-2364/A-3901 as a means to ensure that local governing bodies play an integral role in the planning and financing of emergency management and law enforcement activities. The bill is on Second Reading in General Assembly and the Senate passed it 36-0 on December 18th.

NJAC REORGANIZATION MEETING

Don't miss NJAC's reorganization meeting and swearing-in ceremony on January 30, 2015 where Mercer County Freeholder Ann Cannon will become our 74th 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, culinary arts students from the Mercer County Technical Schools will provide lunch to guests at the State House Museum.

STATE HOUSE TRIVIA

Did you know January is national blood donor month, national braille literacy month, national hobby month, national soup month, and national stay healthy month?

"If we had no winter, the spring would not be so pleasant: if we did not sometimes taste adversity, prosperity would not be so welcome." Anne Bradstreet