

NEW JERSEY ASSOCIATION OF COUNTIES

County Government with a Unified Voice!

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STATE HOUSE NEWS

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ELECTRONIC FUND TRANSFERS

As a means to modernize the manner in which county governments may pay their bills, NJAC strongly supports **ASSEMBLY, NO. 2925** (*Lagana D-38/O'Scanlon R-13*), which would authorize all local governing bodies to use electronic fund transfer technologies as the standardized form of payment to individuals and businesses.

In summary, this legislation would authorize local governing bodies to use electronic fund technologies such as wire transfers, electronic fund transfers (EFT), prepaid debit cards, and Automated Clearing House (ACH) payments. ACH and EFT are electronic networks for financial transactions that effectively process large volumes of credit and debit transactions. As has been well documented, the benefits of using these technologies include: reduced printing and processing costs, enhanced security, increased productivity, and improved cash management. Under current law, counties, municipalities, and other local units must make payments by issuing antiquated paper checks or electronic direct deposits under certain circumstances, but lack the authority to use more modern payment options.

With this in mind, NJAC supports this important and timely initiative as it will provide local governing bodies with a wide range of contemporary payment alternatives that will streamline the bill paying process and save valuable taxpayer dollars. A-2925 passed the General Assembly by a vote of 71-5 on December 15th; and, the Senate companion version, **SENATE, NO. 1033** (*Weinberg D-38*) is currently in the Senate Budget and Appropriations Committee awaiting consideration. NJAC plans on meeting with the bill's sponsor before the Legislature returns from the budget break later this month to discuss making the Senate version identical to its counterpart in the General Assembly, and having the Senate Budget and Appropriations Committee consider the measure before the Legislature breaks for summer recess and the General Election in November.

TRANSPORTATION SERVICES FOR THE AGED AND DISABLED

NJAC is working with the New Jersey Council on Special Transportation (NJ-COST) to advocate for critical funding for the Senior Citizens and Disabled Transportation Assistance Program (SCDRTAP), which once again stands to lose vital monies dedicated from the ailing Casino Revenue Fund.

In fact, funding from the Casino Revenue Fund for SCDRTAP has decreased by nearly 51% or \$19.0 million since 2008 as gaming revenues that support the Fund have steadily declined since that time. As a result, the State's most vulnerable residents, which include senior citizens, persons with disabilities, veterans, dialysis patients, and many others, have lost over 2.7 million rides provided primarily by the 21 county coordinated transportation systems. These community transportation and paratransit services include rides for medical appointments, hemodialysis, chemotherapy, radiation treatment, physical and mental therapies, employment and education opportunities, nutrition sites, veteran services, recreational activities, and a host of other needs.

As demand for these vital services has grown exponentially and county governments continue to struggle with making ends meet, NJAC joins NJ COST in urging State leaders to find new sources of revenue that will help counties provide essential transportation services for aged and disabled. Some potential long-term solutions may include: a mandatory fare policy for all rides provided by services subsidized with casino revenue funds, authorize the New Jersey Department of Health and Senior Services to permit fares, donations, or copays for transportation services, and encourage transportation agencies to use discounted rail and bus passes for public transportation systems. In the meantime, NJAC recommends that this year's budget include an \$8.0 million appropriation for SCDRTAP funding, which would increase support for the county coordinated transportation systems to 2011 levels.

LOWEST BID REJECTION

NJAC is in the process of reviewing **SENATE, NO. 187** (*Whelan D-Altantic*) with the county purchasing officials. In summary, this legislation would provide that if a person makes the lowest bid for a contract with a public body for public work subject to the provisions of the "New Jersey Prevailing Wage Act," and that bid is ten percent or more lower than the next lowest bid for the contract, the person making the lowest bid shall provide proof to the satisfaction of the public body that the prevailing wage rates required by that Act shall be paid. If the bidder does not provide the proof, the bid shall be rejected. The Senate Labor Committee will consider the measure on May 4th and the companion version **ASSEMBLY NO. 964** (*Singleton D-Burlington/DeAngelo D-Mercer*) is currently in the Assembly Labor Committee awaiting consideration.

PENSION AND HEALTH BENEFITS STUDY COMMISSION

NJAC is encouraging all twenty-one counties adopt its model resolution urging State leaders to protect local property taxpayers and governing bodies by preserving the structure and integrity of the fiscally solvent local pension systems. On February 24th, the New Jersey Pension and Health Benefits Study Commission released “A Roadmap to Resolution,” which proposes several recommendations to reform and stabilize the public employee pension and health benefits systems.

As previously noted, NJAC is primarily concerned with the Commission’s recommendation to adopt a unified State/local approach to benefits funding as the local Public Employees Retirement System (PERS) and the local Police and Fire Retirement System (PFRS) are actuarially sound as counties and municipalities have made full employer contributions as required under the law for over a decade. In fact, the local Public Employees Retirement System (PERS) is currently funded at 73.9% and the local Police and Fire Retirement System (PFRS) is currently funded at 76.9% according to the latest valuation reports. Moreover, the local pension systems are well funded and solvent. Based again on the latest valuation reports, the local pension systems hold combined actuarial valued assets of approximately \$42.0 billion with estimated retirement allowances due of \$3.0 billion. Although NJAC recognizes that the State must take meaningful steps to make the State government funded pension systems more affordable for taxpayers and sustainable for members, NJAC objects to any initiative that would affect, alter, or integrate the local pension systems as counties and municipalities have met their obligations as employers and the local pension systems are fiscally sound as a result.

NJAC’S ANNUAL CELEBRATION BY THE NUMBERS

- 500 registered guests and counting
- 80 vendors
- 24 accredited workshops
- 21 counties represented
- 11 county vocational technical schools in cook-off challenge

STATE HOUSE TRIVIA

Did you know that the honey bee is the official State bug and can fly at speeds of up to 15 miles per hour?

“The best executive is the one who has sense enough to pick good men to do what he wants done, and the self-restraint to keep from meddling with them while they do it.”

Theodore Roosevelt