

NEW JERSEY ASSOCIATION OF COUNTIES

County Government with a Unified Voice!

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STATE HOUSE NEWS

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At a State House press conference on September 24th, Senate President Steve Sweeney unveiled a package of legislative proposals that will empower county government to operate more effectively and efficiently. The Senate President spent the summer months meeting with county officials from across the State and on both sides of the aisle to hear first-hand about our many challenges, and proactively addressed several key issues with this critical package of bills that NJAC endorses and of which are summarized below. As county governments continue to struggle with managing a 2.0% property tax cap levy, a declining ratable base, and mounting unfunded State mandates, NJAC looks forward to working with the Senate President on these important and timely measures as they work their way through the Legislature and onto the Governor's Desk.

CAP ON COUNTY ENTITY BUDGETS

SENATE, NO. 3168 (*Sweeney*) would impose a 2.0% limit on the annual increases in the portion of the county budget that is paid for by the county property tax levy on county boards of taxation, county boards of elections, registers of deeds and mortgages, county clerks, and county sheriffs.

In summary, this bill would require that in the preparation of the portion of a budget request to be raised by property taxation, county entities shall limit any increase in that portion of its budget request to 2.0% of the previous year's budget request or the cost of living adjustment, whichever is less. Under the bill, a budget request submitted to a county governing body must be separated into two components: the amount to be raised by property taxation, and the amount to be funded entirely through federal or State funds, or fees raised by the county entity. The bill would also require county assignment judges to take the county's property tax levy cap into consideration upon a request from the county prosecutor for additional funding under N.J.S.A. 2A:158-7, which is the section of statutory law that requires "all necessary expenses incurred by the prosecutor for each county in the detection, arrest, indictment, and conviction of offenders against the laws shat, upon being certified to by the prosecutor, and approved, under his hand, by a judge of the Superior Court, be paid by the county treasurer whenever the same shall be approved by the board of chosen freeholders of such

county.” S-3168 is currently in the Senate Community and Urban Affairs Committee awaiting consideration. NJAC supports this legislation as it would allow governing bodies to more effectively manage the budgets of independent autonomous county agencies and entities that have specific statutory functions and duties, but are funded entirely or in part through property taxpayer dollars and not specifically restricted by the 2.0% property tax cap levy.

CLASS TWO SPECIAL LAW ENFORCEMENT OFFICERS

SENATE, NO. 2220 (*Holzappel/Barnes*) would authorize all county sheriffs to appoint Class Two special law enforcement officers to conduct court security under the direction of county assignment judges. Under current law, only counties with police departments (Bergen, Camden, and Union) and municipalities may appoint Class Two police officers. S-2220 is currently in the Senate Law and Public Safety Committee awaiting consideration. NJAC supports this legislation as it would allow counties to save valuable taxpayer dollars by permitting the use of Class Two law enforcement officers to provide courthouse security on a part-time basis and without paying pension or health benefits. This measure is particularly important in the wake of the Administrative Office of the Courts (AOC) recent directive that mandates enhanced courthouse security, and with the new bail and speedy trial law set to take place in 2016 in Camden, Morris, Passaic, and Sussex counties and all remaining counties in 2017.

LONG TERM PROPERTY TAX ABATEMENTS

SENATE, NO. 3019 (*Sweeney D-3*) would require the filing of financial agreements for long term tax exemptions with county finance officers and county counsels, and would require quarterly payments to counties for their share of payments in lieu of taxes (PILOT).

This legislation would require municipalities to notify counties of financial agreements for long term property tax abatements awarded to redevelopment entities under the “Long Term Tax Exemption Law.” Such financial agreements are executed between a municipality and a redevelopment entity to promote economic growth and development under a designated redevelopment plan, and may include PILOT monies. Although current law requires municipalities to pay counties 5% of the negotiated PILOT amount, the law does not require municipalities to notify counties of these agreements. Consequently, counties are unaware of most PILOT initiatives and have resorted to filing Open Public Records Act (OPRA) requests, relying on municipal audits and newspaper articles, or reviewing municipal budgets to obtain this critical information that should be made readily available. S-3019 is currently in the Senate Budget and

Appropriations Committee awaiting consideration. NJAC supports this legislation as it would fairly and equitably allocate taxpayer dollars as county governments continue to play a greater role in shared services and providing traditional municipal services.

COUNTY ADMINISTRATIVE CODE

SENATE, NO. 3170 (*Pou*) would require the county superintendent of elections to operate pursuant to the county's administrative code. S-3170 is currently in the Senate Community and Urban Affairs Committee awaiting consideration. NJAC supports this legislation as it would promote uniform budgeting, accounting, purchasing, personnel, and data processing controls between governing bodies and the superintendents of elections. Additionally, such uniform controls would help counties mitigate potential legal expenses as governing bodies are generally responsible for assuming all litigation expenses incurred by superintendents of elections and all other independent autonomous county agencies and entities.

COURT SECURITY FUNDING

SENATE, NO. 663 (*Pou*) would establish the "Court Security Enhancement Fund," and would finance the Fund by increasing certain court fees, assessments, and penalties.

In summary, this measure would dedicate monies from the Fund to help counties and municipalities operate and maintain safe and secure court facilities. The bill would require that until such time that the AOC determined that all local government units have achieved certain court security standards, counties and municipalities may apply to the AOC on an annual basis for grants as supplemental funding for the procurement of security equipment and security-related structural modifications. Once the AOC determines that court security standards are maintained, monies from the Fund may be used to offset local funding for enhancement and maintenance of security at court facilities including, but not limited to: salaries of armed security officers; salaries of technicians to operate court security equipment; training for local officials and personnel on issues of court security; the development and coordination of emergency and disaster response protocols related to the operation of the court, and other security items as approved by the AOC. S-663 is currently in the Senate Judiciary Committee awaiting consideration. NJAC supports this legislation as it would dedicate a stable source of revenue to offset the significant and growing costs associated with providing courthouse security, and with implementing the new bail and speedy trial law.

COUNTY HOTEL FEES

SENATE, NO. 3169 (*Weinberg*) would authorize counties to impose a hotel tax of 1.0% on room occupancy by adopting a resolution or ordinance as necessary. The tax imposed by a county resolution or ordinance would be in addition to any other tax or fee imposed by statute or municipal ordinance or resolution. The bill would require that revenue generated by a county hotel tax must be used exclusively by the county for the purposes of reducing the amount the county is required to raise by the property tax levy. Current law authorizes Atlantic City, Jersey City, Newark, and the Wildwoods to impose local taxes or fees on hotel and motel occupancies. S-3169 is currently in the Senate Community and Urban Affairs Committee awaiting consideration. NJAC supports this legislation as it would provide counties with the autonomy to generate a supplemental source of revenue intended to reduce the reliance on the collection of local property taxes.

UPCOMING NJAC EVENTS

Don't miss NJAC's Summit on Bail Reform and Prisoner Re-entry scheduled for 9:30 a.m. on December 18th at the historic Trenton Country Club in Trenton. Please visit our website at www.njac.org for additional details about this important and timely event.

STATE HOUSE TRIVIA

Did you know that New Jersey is home to 7,505 square miles of land, 700 square miles of water, 127 miles of coastline, 800 lakes and ponds, 100 rivers and creeks, 36 state parks, 11 state forests, 42 natural areas, 24 historic sites, 4 national recreational areas, and 4 state marinas?

"Don't find fault, find remedy." Henry Ford