

# NEW JERSEY ASSOCIATION OF COUNTIES

*County Government with a Unified Voice!*

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## STATE HOUSE NEWS

*December 21, 2018*

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### ELECTRONIC PROCUREMENT

On December 17<sup>th</sup>, Governor Murphy signed into law one of NJAC's top legislative priorities in **ASSEMBLY, No. 3112** (*Benson D-14/Mukerhi D-33*)(*Beach D-6/Oroho R-24*), which now authorizes local governing bodies to use electronic procurement technologies.

In summary, this new law permits local governing bodies to use electronic procurement for the receipt of proposals and quotations, competitive contracting, reverse auctions, the purchase of goods and services, the sale of personal property, and other public procurement-related activities to be determined by the Director of Local Government Services (DLGS). The measure also authorizes local governing bodies, joint purchasing units, and cooperative pricing systems to use electronic procurement practices for the purchase of electric generation services, electric related services, gas supply services, or gas related services, for use at facilities so long as the purchase otherwise complies with the provisions of the "Electric Discount and Energy Competition Act"; for the sale of surplus personal property under certain circumstances; and, for the sale of real property that would otherwise comply with the sale and lease provisions under the "Local Lands and Buildings Law." The bill requires the Director of DLGS, in consultation with other State governmental entities, to promulgate rules and regulations and takes effect on the 10-month following enactment. For several years, NJAC advocated for this important and timely initiative as it will modernize the antiquated procurement process and save valuable time, money, and resources.

### CODE BLUE ALERTS

On December 3<sup>rd</sup>, the Senate Budget and Appropriations Committee amended and favorably reported **SENATE, No. 2737** (*Singleton D-7/Ruiz D-29*), which would allow county homelessness trust funds to be used for code blue emergency shelter services and of which Senator Singleton and Assemblywoman Pintor Marin introduced on our behalf.

As amended, this legislation would allow county governing bodies to increase the homelessness housing fund surcharge from \$3.00 to \$5.00 and would further dedicate the \$2.00 increase to support emergency shelter for homeless services provided in connection with a Code Blue alert. NJAC supports this modest increase as it would help counties provide adequate shelter for homeless individuals during inclement weather

without affecting existing programs that support permanent housing and self-sufficiency. In 2017, Governor Christie signed into law legislation that requires county governing bodies, through their offices of emergency management or other appropriate offices, agencies or departments, to establish plans for issuing Code Blue alerts to municipalities, social service agencies, and non-profit organizations that provide services to at-risk individuals and are located within the county's borders. In summary, the new law requires emergency management coordinators to declare a Code Blue alert after evaluating weather forecasts and advisories produced by the National Weather Service that predict the following weather conditions in the county within 24 to 48 hours: temperatures will reach 25 degrees Fahrenheit or lower without precipitation; or 32 degrees Fahrenheit or lower with precipitation; or, the National Weather Service wind chill temperature will be 0 degrees Fahrenheit or less for a period of 2 hours or more.

Since that time, county governments across the State have been struggling to fund and implement the 2017 law; and as such, NJAC adopted this initiative as one of its top priorities. On December 17<sup>th</sup>, the Senate passed S-2737 by a vote of 39-0 and substituted the measure with **ASSEMBLY, NO. 4177** (*Pintor Marin D-39/Mukherji D-33*), which the General Assembly passed by a vote of 76-0-1 on October 9<sup>th</sup>. Since the Senate amended the bill, the General Assembly must vote on the amended version at one of its upcoming sessions after the New Year and before it heads to the Governor's Desk for his signature. And, special thanks to Assemblywoman Pintor Marin and Senator Singleton for their continued leadership and support.

#### **SHARING COUNTY TAX ADMINISTRATORS**

On December 6<sup>th</sup>, the Assembly State and Local Government favorably reported **ASSEMBLY, NO. 439/SENATE, NO. 171** (*Doherty R-23/Sweeney D-3*) (*Schaer D-36/Mazzeo D-2*), which would permit counties to share county tax administrators under certain circumstances.

NJAC adopted this legislation as one of our top priorities as well because it would eliminate an outdated law that has created a significant barrier to sharing services. Under current law, a county board of taxation in each county must appoint a full-time county tax administrator. The Governor is responsible for appointing all county tax board commission members with the advice and consent of the Senate, and the State Treasurer must pay their salaries accordingly. However, boards of chosen freeholders must pay for the salaries, pension, health, and other fringe benefits of the county tax administrator, who is appointed by the county board of taxation. County governing bodies must also pay for the salaries, pension, health, and other fringe benefits of all clerical assistants, and for the operation and maintenance of the offices for the entire county board of taxation and administrator.

As county governments continue to lead the way in providing services in a cost-effective manner as the State's only true regional form of government, several governing bodies have expressed interest in sharing their county tax administrator as a meaningful cost saving measure but have been advised that such an arrangement is prohibited under

current law. At a time in which all local governments are struggling to make ends meet, this archaic level of bureaucracy imposes an unnecessary barrier to progressively sharing services. A-439/S-171 is on Second Reading in the General Assembly and the Senate passed the measure by a vote of 38-1 on September 27<sup>th</sup>.

#### **ELECTRONIC NOTICE OF BOND ORDINANCES**

On December 6<sup>th</sup>, the Assembly State and Local Government also favorably reported **ASSEMBLY, No. 4476** (*Mazzeo D-2/Armato D-2*), which would permit the transmittal of certain proposed bond ordinances by electronic mail.

Along the lines of similar NJAC legislative initiatives that were signed into law such as authorizing local governing bodies to pay employees by direct deposit and to pay bills by electronic fund transfer technologies, NJAC strongly supports this legislation as it would streamline and modernize the antiquated bond notification process. Under current law, a board of chosen freeholders in charter counties (*Atlantic, Bergen, Essex, Hudson, Mercer, and Union*) must provide, by regular mail within one week prior to the date of a hearing on a proposed bond ordinance, a copy of the proposed ordinance to the clerk of each municipality within the county. As ordinances typically range from 10 to 25 pages with anywhere from 15 to 70 municipalities in such counties, authorizing a board of chosen freeholders to notify municipalities by email of a proposed bond ordinance would save valuable time, resources, taxpayer dollars, and would provide clarification on the process to non-charter counties. A-4476 is on Second Reading in the General Assembly; and, the companion version **SENATE, No. 3037** (*Lagana D-38*) is currently in the Senate Community and Urban Affairs Committee awaiting consideration. And, special thanks to Atlantic County Clerk of the Board Sonya Harris for coming up with a great idea for legislation that will save valuable taxpayer dollars.

#### **SUPERINTENDENT OF ELECTIONS**

On December 20<sup>th</sup>, Governor Murphy signed into law **SENATE, No. 2531** (*Beach D-6*)(*Jones D-5*), which now authorizes boards of chosen freeholders in certain counties to abolish the offices of superintendent and deputy superintendent of elections.

Under current law, counties of the first class (*Bergen, Hudson, and Essex*) must establish offices of the superintendent and deputy superintendent of elections; and, counties of the second class (*Burlington, Camden, Gloucester, Mercer, Middlesex, Morris, Passaic, Somerset, and Union*) and counties of fifth class (*Atlantic and Monmouth*) may establish such offices. In general, the superintendent and deputy superintendent of elections are responsible for maintaining and distributing voting machines and overseeing voter registration. In all other counties, the secretary of the county board of elections is typically responsible for these duties and is designated the Commissioner of Registration. In summary, this new law permits counties of the second and fifth class, by ordinance or resolution as appropriate, to abolish the office of superintendent of elections and the office of deputy superintendent of elections, and to transfer the functions, powers, and duties to the county board of elections.

The new law also requires that subject to the approval of the Director of the Division of Local Government Services (DLGS) in the Department of Community Affairs, all expenses, including salaries, of the county's board of elections would be exempt from the requirements for the budget year next succeeding the budget year in which a resolution or ordinance is adopted to abolish the offices of superintendent and deputy superintendent of elections. The law further requires the Director to approve an exemption of such expenses if the Director determines that the expenses are reasonable and would result in long-term savings for the county; and, the county board of election's budget request for the budget year is less than the aggregate amount of the budget requests submitted to the county governing body by the office of the superintendent of elections, the office of the deputy superintendent of elections, and the board of elections in the last preceding budget year.

Once the office of superintendent of elections and the office of deputy superintendent of elections has been abolished in a county, the law does not permit the county to re-establish the offices for at least five years and not until a county meets the following requirements: adopts an ordinance or resolution providing for the re-establishment of the offices; prepares a written report to the Secretary of State that explains why the board of chosen freeholders believes the offices are necessary; presents a plan for how the offices would be established; and includes the financial information necessary to demonstrate the re-establishing the offices would improve efficiency and reduce costs. This law takes effect immediately.

#### **LOCAL AID ALLOCATIONS**

On December 10<sup>th</sup>, the Senate Transportation Committee amended and favorably reported **SENATE, No. 2863** (*Sarlo D36*)/(*Sweeney D-3*), which would revise the requirements for receiving grant funding from the Local Aid program under the Transportation Trust Fund (TTF).

This bill as amended addresses the vast majority of NJAC's initial concerns and would require that failure to award construction or other approved contracts for 100 percent of the county's allotment within three years of notification by the Department of Transportation (DOT) of that year's allotment, or failure to award construction or other approved contracts for any percentage of a county's allotment within one year following the date the county receives the first payment of the allotment, would result in the allotment being immediately rescinded, returned, or deducted by DOT from future allotments. With respect to municipalities, the legislation would require that failure to award construction or other approved contracts for 100 percent of a municipality's allotment within two years of notification by the department of that year's allotment, or failure to award construction or other approved contracts for any percentage of a municipality's allotment within one year following the date the municipality receives the first

payment of the allotment would result in shall result in that year's allocation being immediately rescinded.

The measure would also authorize the Commissioner of DOT to reallocate funds on a grant basis for counties or cost reimbursement basis for municipalities. The bill would further provide that the new one year requirement may be extended if a designated chief financial officer of the county or municipality certifies to the DOT that the project would not begin construction because: (1) the allotment is aggregated with future funds for a specific project; (2) a permit needed for completion of the project has not been issued due to a delay in the permitting process; (3) the acquisition of an interest in State-owned land needed to complete the project is delayed due to the divestment of a deed restriction; (4) the project requires a utility to be relocated; or (5) a catastrophic event occurs and results in the declaration of a state of emergency.

The bill would further prohibit a local government entity from using Local Aid program funds to support the work of a local government entity's employees on Local Aid construction projects funded from Local Aid funds; would require construction contracts for projects funded out of funds from the local aid program to be bid in accordance with local public contracts law; would require all bidders on Local Aid program funded construction contracts valued at more than \$500,000 to be prequalified by the department; and, would permit Local aid Program grant recipients to use 10 percent of their awards on design costs in fiscal year 2019, and five percent of their awards on design costs in fiscal years 2020 and beyond. Special thanks to the New Jersey State Association of County Engineers (NJSACE) for their hard work and advocacy in addressing many of the concerns with the measure as introduced. S-2863 is on Second Reading in the Senate and a companion version of the legislation does not exist in the General Assembly.

#### **GOVERNOR VETOES SWEENEY PLAN ON HEALTH BENEFITS FOR COUNTY COLLEGES, EMPLOYEES**

*John Reitmeyer, NJ Spotlight, December 18, 2018*

Gov. Phil Murphy yesterday vetoed a bill that lawmakers claimed was going to save the state's county colleges millions of dollars by switching their employees into a different state health-benefits group.

The measure had advanced with bipartisan support through both houses of the Legislature earlier this year, but had drawn strong opposition from the New Jersey Education Association, the state's largest teachers union and a powerful Murphy ally. In fact, the governor's veto message echoed the union's claim that the bill would have trampled on the collective-bargaining rights of the colleges' union-represented employees. He also suggested more recent changes to the design of employee and retiree health-benefits plans were already delivering "much of the savings" sought through the bill.

Murphy's veto represents the latest skirmish over employee benefits between the first-term Democrat and legislative leaders from his own party, and it drew an immediate response from Senate President Steve Sweeney, a prime sponsor of the legislation. He had claimed savings from the bill would have ultimately filtered down to college students. "To stand with the NJEA against students is outrageous," said Sweeney (D-Gloucester). "That's who the benefactors are." The process for coming up with healthcare options for state and local government workers and school-district employees in New Jersey was last overhauled in 2011 under a bipartisan bill that was enacted by former Gov. Chris Christie and the Democratic-controlled Legislature. That process requires two panels with equal representation from labor and management to reach consensus on any changes in health benefits that affect cost or the quality of care.

One of the panels, the State Health Benefits Program (SHBP), is set up for general government workers and retirees; the other, the School Employees' Health Benefits Program (SEHBP), caters to education workers and retirees. While county college employees are currently enrolled in the SEHBP, lawmakers sought to move them into the SHBP after that program's plan-design committee adopted a series of change last year that resulted in no increases in health insurance premiums for 2018. By contrast, members of the corresponding SEHBP committee were deadlocked at the time on similar proposed changes, and the premiums for most education employees rose by roughly 13 percent.

Lawmakers had originally estimated that moving the county college employees out of SEHBP would save a combined \$22 million annually. That projection included \$4.5 million in savings for the county college employees themselves on health benefits costs, and another \$17.5 million for the colleges. Lawmakers also assumed the college savings would be passed along to students in the form of relief on their ever-rising tuition bills. But Murphy's administration announced over the summer that the SEHBP plan-design committee had agreed to make a number of new changes to the benefits plans offered to the education employees and retirees that are covered by the group; it's the savings from those changes that Murphy referenced yesterday in the statement he issued along with his veto of Sweeney's bill.

Murphy suggested that "it was widely known" as the bill was moving through the Legislature that the SEHBP was going to be able to make changes like those realized by the SHBP for 2018 under talks involving union officials and his own administration. "As a result, much of the savings sought by this bill is already captured by the actions we have taken together," Murphy wrote. He also raised the issue of collective bargaining, one of the key issues that the NJEA cited in its criticism of the bill as it was moving through the Legislature earlier this year. "While the savings sought by the bill are laudable, I have always believed that fairness demands that all parties involved have a voice in cost-saving decisions, which occurs during the normal collective-bargaining process," Murphy wrote. "This bill does not seek to find savings within the contours of collective bargaining."

Sweeney — who has clashed openly with the NJEA and last year beat an NJEA-backed candidate to retain his seat in the Senate — reacted strongly to Murphy’s collective-bargaining claim yesterday, calling it “not even a little bit true.” He suggested there’s no opportunity right now for any county college employees to negotiate joining plans that only the SHBP offers. Assemblywoman Carol Murphy (D-Burlington), another primary sponsor of the bill, said even if the recent SEHBP changes have resulted in projected savings, the goal for the governor and lawmakers should be “to strive to maximize every dollar saved that we can for rank and file workers.” “It is quite disappointing that Governor Murphy opted to veto legislation that would save money for our county colleges, while also reducing the premiums for college employees,” the Assemblywoman said. Sweeney also noted that the governor and lawmakers just launched a new program together earlier this year through the latest state budget that is using state dollars to help provide free county college for income-qualified students. The initiative was a top legislative priority for the governor. “We put \$25 million into (the budget) for free county college,” Sweeney said. “Here’s \$22 million we could have found for county colleges. The county colleges were the ones who were pleading with us to pass this bill.”

The employee-benefits issue is not an unfamiliar subject of disagreement for the State House’s two highest-profile Democratic leaders. Sweeney has been backing a new round of employee-benefits changes that were proposed in a report issued earlier this year by a nonpartisan panel of fiscal-policy experts. Murphy has not endorsed that group’s proposals, which include a call to merge the state’s two health-benefit groups into one. The governor has instead favored his own administration’s push to work cooperatively with the NJEA and other worker unions to find areas to cut costs for both the government and employees. Asked if a potential veto override could be looming, Sweeney said yesterday that he’s “not talking about that yet.” But he added: “It was a pretty strong vote in both houses.” In the Senate, the bill passed by a 22-12 margin; it was approved in the Assembly 55-16, with three abstentions.

#### **N.J. DEMOCRATS SHELVED THEIR CONTROVERSIAL REDISTRICTING PLAN. BUT IS IT REALLY DEAD?**

*Brent Johnson, NJ Advance Media, December 18, 2018*

Democrats who lead the state Legislature made a sudden about-face this weekend when they canceled a Monday vote on a redistricting plan that drew outrage from practically everyone but the sponsors — including fellow Democrats like Gov. Phil Murphy and former U.S. Attorney General Eric Holder.

The question now: Is the plan dead or simply sleeping? The Legislature’s top Democrats, state Senate President Stephen Sweeney and state Assembly Speaker Craig Coughlin, both said Monday they’re not completely dropping the idea of revamping redistricting. But, they said, they’re taking a step back to look over the sea of complaints and discuss a possible compromise with opponents. So if Democrats do move forward with a redistricting proposal next year, it won’t look like the one just shelved. “The reason we were holding hearings is to listen to everyone, listen to what opposition does exist, and to see if we can find the sweet spot,” Sweeney, D-Gloucester,

told reporters after Monday's voting session at the Statehouse in Trenton — the final one of the year. "There were some mistakes made," he added in an interview with NJ Advance Media later Monday night.

Coughlin, D-Middlesex, had a similar view. "(Critics) think there's probably a better way of doing redistricting," he said. "So we'll take a look at it." But, Coughlin stressed, "it wouldn't be that bill." The proposal (SCR152/ACR205) would have asked New Jersey voters on next November's ballot to approve an amendment to the state constitution to alter how the state draws its legislative districts — the areas represented by the elected members of the Legislature, the body that makes the state's laws. But the plan united critics who are not usually on the same side: Republicans, Democrats, left-leaning groups, good-government advocates, and nonpartisan academics. They warned the amendment would write a partisan formula into the constitution that could guarantee Democrats' control of the Legislature for decades.

It would require at least 10 of the state's 40 districts be drawn within five points of the average statewide vote in statewide elections — for president, U.S. Senate, and governor — over the last decade. That would likely favor Democrats because there are 900,000 more registered Democrats than Republicans in the state, a Republican U.S. Senate candidate hasn't been elected here since 1972, and a Republican presidential candidate hasn't won here since 1988. Democratic sponsors said they were simply trying to make the process of choosing lawmakers fairer and more reflective of the state's voters, who happen to lean Democratic right now. They argued Republicans could benefit in the future if the state's voter makeup changes. A similar plan died after backlash in 2015. But this time, the pushback was more pronounced. Murphy, a more progressive Democrat who sometimes spars with the moderate Democrats who lead the Legislature, spoke out. So did liberal groups aligned with him. They argued the plan wasn't fair and threatened to undermine national Democrats' efforts to battle Republican gerrymandering in other states. And they complained it was being ramrodded through at the end of the year. Holder chimed in from afar, and national media outlets covered the controversy. By Saturday, it became clear Democratic legislative leaders might not have enough votes to pass the plan. That night, they canceled the Monday vote. Murphy celebrated the move.

"Quite simply, this was the right thing to do," the governor said at an unrelated news conference in Kearny on Monday. "We don't need to rig the system. We need to, in fact, further open up the system." Murphy said he'd be "wide open" to overhauling redistricting in a way that's "more transparent, more inclusive, and less political." The state next redraws its districts in 2021. If Democratic lawmakers do want to revamp the proposal by then, the Legislature would have to pass it by a three-fifths majority next year to get it on November's ballot, according to the state constitution. Otherwise, they could pass it by simple majorities in each of the next two years to get it before voters in 2020. Sweeney said one mistake was having the measure say it would protect "communities of interest" rather than "communities of color." Some critics worried the plan could have disenfranchised minority voters. "Unfortunately, it did not specify that commitment and that scared a lot of people," the Senate president said. "We'll come



back and look at it.” Another idea being floated by activists is to fill the commission that redraws the districts with members of the public — a “citizens commission” of sorts — to take politics out of the process. Asked if that was a possibility, Sweeney said: “I am open to looking at what was proposed, what was testified to, and to look at it. This is a citizens legislature, isn’t it?” he added. “The people voted for us.”

Right now, there’s an 11-member commission in charge of the maps. The Democratic and Republican party state chairs pick five members each, while the final member is picked by the state Supreme Court chief justice. The amendment would have changed it to a 13-member panel, with four legislative members choosing two members a piece, the party chairs choosing two apiece, and the justice choosing the final slot. Sweeney dismissed the idea that redistricting would be his biggest priority in 2019. “No, my biggest priorities are minimum wage and marijuana,” he said of proposals to increase New Jersey’s minimum wage to \$15 an hour and legalizing recreational marijuana in the state. “I think we are close on minimum wage — I hope we are — and marijuana.”

**UPCOMING NJAC EVENTS:** Please join us at 10:00 a.m. on January 11<sup>th</sup> at NJAC’s office in Trenton for our Conference Committee kick-off meeting as we begin planning for NJAC’s 69<sup>th</sup> annual celebration of county government. And, don’t miss NJAC’s Reorganization Meeting scheduled for 11:00 a.m. on January 25<sup>th</sup> where Essex County Freeholder Brendan Gill will become our 78<sup>th</sup> President.

#### THE 12 DAYS OF CHRISTMAS AT MY HOUSE

12 very bad words hanging Christmas lights on my roof in the freezing cold  
11 shots of Fire Ball by Uncle Marc at our Christmas Eve party  
10 dirty looks by Mrs. Donnadio because Uncle Marc had 11 shots of Fire Ball  
9 too many presents for each of the five spoiled rotten grown \$#% children  
8 more very bad words making sure the real Christmas tree is straight  
7 times the power went out because there’s Christmas lights everywhere  
6 dishes of fish on Christmas Eve instead of 7 and I don’t know why  
5 more shots of Fire Ball by Uncle Marc  
4 crummy presents I bought with Kohl’s bucks that Mrs. Donnadio will return  
3 pounds of braised short ribs stolen by the damn dog  
2 times I lost cell service while wishing my mother-in-law a Merry Christmas  
1 day before Christmas and I haven’t been to Kohl’s yet

*“They look ok pops, but I think their house is awesome.” Luke Donnadio pointing to our neighbor’s decorations after I spent 48 miserable hours hanging Christmas lights.*