

NEW JERSEY ASSOCIATION OF COUNTIES

County Government with a Unified Voice!

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HEALTH BENEFIT INCREASES

Earlier this month, NJAC, *the New Jersey State League of Municipalities (NJLM)*, *the New Jersey Conference of Mayors (NJCM)*, *the AFL-CIO*, *the CWA*, *the PBA*, and more, joined forces in an unprecedented coalition of management and labor to make fair and equitable recommendations that would have mitigated the staggering health benefit rate increases approved by the State Health Benefits Commission (SHBC). In addition to providing immediate financial relief to property taxpayers, local governments, and public employees already struggling to make ends meet, the reasonable and attainable solutions included much needed structural reforms that would have resulted in substantial long-term costs savings. Stay tuned for updates on where the proposal stands.

ELECTRIFICATION OF BOILERS

Earlier this month, the New Jersey Department of Environmental Protection (DEP) did not adopt as planned, regulations that would have required the electrification and necessary facility retrofitting of boilers with 1 MMBTUs or greater in every building in the State of New Jersey by 2025 as part of Governor Murphy's Energy Master Plan (EMP).

NJAC, along with a large coalition of stakeholders comprised of businesses leaders, labor unions, and trade associations as led by the Fuel Merchants Association of New Jersey (FMANJ), argued that the plan would cost billions of dollars to implement at the expense of property taxpayers and ratepayers. Given that the Governor and DEP remain committed to the electrification of boilers in some manner, NJAC supports **S-2671/A-3935** (*Gopal D-11/Schepisi R-39*)(*Moriarty D-4*), which would prohibit any State agency from adopting rules and regulations that mandate the use of electric heating systems or electric water systems as the sole or primary means for heating or providing hot water to buildings until an extensive, objective, and transparent cost benefit analysis is conducted with input from stakeholders on all sides of the issue. In general, this legislation would require the Department of Community Affairs (DCA) to work in collaboration with DEP and BPU by holding at least six public hearings throughout the State to solicit information on topics related to the costs and benefits of electric heating systems and the reduction of greenhouse gas emissions from residential and commercial

buildings. **S-2671** is currently in the Senate Community and Urban Affairs Committee awaiting consideration and **A-3935** is in the Assembly Community Development and Affairs Committee.

Please note that in addition to apartment complexes, educational institutions, commercial properties, and more, the now tabled regulations would have impacted 195 county-owned facilities across the State. According to an example provided by FMANJ, the regulations would have cost an estimated \$2.0 million for the owner of a building to replace a 1.5 MMBTU natural gas boiler with an electric boiler as the owner will need to make an initial capital investment and then conduct *“a complete retrofit of the building, which includes dedicating an autonomous electric source, demolishing the existing boiler, increasing ampacity, and installing switch gears and transformers.”* For example, NJ Transit spent \$3.25 million to retrofit a bus garage in Camden and an additional \$4.33 million to retrofit another garage in Maplewood. DEP has not refuted these costs nor has the Department conducted a comprehensive fiscal analysis on the overall financial impact the regulations would have imposed. Moreover, the recently published EMP Ratepayer Impact Study conducted by the Brattle Group on behalf of the New Jersey Board of Public Utilities (BPU) did not *“include capital costs associated with clean energy investments, nor any new federal incentives available through the Inflation Reduction Act.”*

CIVIL SERVICE REFORMS

As previously reported, NJAC and county officials from across the State certainly appreciate the original intent of the protections afforded public sector workers under the State’s civil service system; however, the Civil Service Commission (CSC) has transformed into an overly burdensome and outdated bureaucracy that prevents the effective and efficient operation of government. As summarized below, the rules, regulations, and directives imposed on local governments as employers by CSC present enormous challenges in the hiring, promoting, transferring, and disciplining of public sector employees. Moreover, as the State of New Jersey continues to struggle with controlling the highest property taxes in the land, CSC rules, regulations, and directives disincentivize the regionalization and sharing of services as meaningful strategies for saving valuable taxpayer dollars.

Although initially established to create fair and equal opportunities for all employees, public sector workers in the Garden State now enjoy multilayered and unparalleled protections through the collective bargaining process, the Public Employment Relations Commission (PERC), the “Workplace Democracy Enhancement Act,” several layers of paid leave laws, and countless other workplace protections. With this in mind, NJAC submits that county and municipal governments should have the ability to opt-out of civil service and the provisions of Title 11A provided that the governing body in a county or municipality passes a resolution to opt-out accordingly and the decision is supported by the majority of the voters in the county or municipality as a binding referendum question at a General Election. Regardless of whether a county or municipality forgoes adopting such a resolution or voters in a county or municipality do not support the binding referendum question, NJAC is urging the Executive Branch, State Legislature, and CSC to enact the following fair and meaningful changes as the time has come to streamline and modernize the State’s civil service system.

HIRING PROCESS

The CSC hiring process significantly restricts the ability of local governments to fill critical job vacancies due to the lack of timely testing and publication of lists, which often takes months to receive and typically includes a limited number of qualified candidates who frequently reside in areas of the State located far removed from the hiring jurisdiction. As a direct consequence of this process, the county correctional facilities alone continue to face double digit job vacancy rates placing county correctional police officers in harms-way and forcing the jails into paying substantial overtime costs. With this in mind, NJAC recommends allowing each county and municipality to conduct testing on an as needed and vacancy related basis, so the county or municipality may draw from a pool of qualified candidates within their region and fill vacancies in a more timely and orderly manner.

OPEN COMPETITIVE PROCESS

The CSC should revamp the broken “Open Competitive Process” as title certifications cannot be generated to find candidates, since it takes far too long to fill positions. In most cases, a local government fills a position with a provisional employee hired through regular human resources practice and screening. Only after this hire has been made and months have passed does the Commission post a vacancy announcement. The announcement is misleading to job seekers, who believe that a vacancy exists when in fact it does not. After the announcement closes and several months have passed, a certification is generated; and in most cases, the names provided to the local appointing authority as eligible are not screened by the CSC beyond a paper application. The CSC does not interview the job seeker, verify information, check references, or even test candidates in most cases. However, the local authority is informed that they must use this list for hiring purposes, and that prior interviews, reference checks, or skills examination carry little or no weight. Revisions to the open competitive process should authorize local governments, which subscribe to the CSC’s job specifications, to recruit and screen candidates by using best practices methodology and residency preference guidelines to select the most qualified candidate. The CSC may still regulate the procedures to assure the proper posting of vacancies and review appropriate veterans’ preferences. Upon employment, local governments should then submit to the Commission for approval, the new hire’s application, resume, other relevant credentials, and of course an application fee. The Commission may also issue a certificate to the appointing authority that the employee is the most qualified and best candidate for the position.

PROMOTIONS

The CSC does not consider an employee’s overall job performance, job knowledge, or job efficiency as eligible criteria for job promotion. Instead, CSC primarily relies on test scores and rewards longevity where it may not always be warranted. In general, when selecting promotional candidates, CSC rules only permit local governments to consider the top three candidates on its list; and in some cases, only the “best of the worst candidates” when the top three scoring candidates may not be qualified for the job. As such, NJAC recommends that the CSC consider overall job performance, attendance, and other work-related competencies. Moreover, the CSC should further expand testing to include oral, written, computer, organizational, management, and leadership skills as eligible criteria for promotional purposes

so the most deserving employees advance. CSC may also delegate this function to local governments as part of the challenge may be that the CSC does not have the staff to conduct the necessary due diligence when considering promotions and instead relies on an testing scheme that misses the mark.

WORKING TEST PERIOD

The CSC defines the Working Test Period (WTP) as the period of time following a regular appointment from a certified list or appointment to a non-competitive title. The Commission considers the WTP as a continuation of the examination process and as an opportunity for local governments to properly evaluate employees. The current WTP for local governments is three months with no extensions unless the position is an entry level law enforcement or firefighter title. County officials have found that this relatively short time frame inhibits human resources personnel from properly evaluating employees and making accurate recommendations accordingly. As such, NJAC recommends a WTP of six months to provide local governments with a greater opportunity to fully assess the potential of future employees.

SEASONAL EMPLOYEES

The CSC prevents local governments from hiring temporary seasonal employees for more than six months. As a result of this antiquated measure, county governments must hire and train two separate workforces to maintain seasonal services at county golf courses, park systems, and zoos that remain open to the public for up to ten months every calendar year. With this in mind, NJAC recommends authorizing local governments to hire temporary seasonal employees for up to ten months to eliminate an unnecessary level of bureaucracy and to empower county governments to operate more efficiently and effectively. Temporary seasonal employees may include park ranger, election worker, groundskeeper, lifeguard, maintenance worker, security guard, truck driver, zoo aide, and much more.

DISCIPLINARY REVIEW APPEALS

Current CSC rules authorize employees to appeal all disciplinary actions that result in an employee being suspended for more than five working days. After a departmental hearing on the merits, an employee may file such an appeal with the Division of Appeals and Regulatory Affairs within the Commission, which then typically transfers the matter to the Office of Administrative Law for a hearing by an Administrative Law Judge. This process takes a considerable amount of time and uses valuable county taxpayer dollars in terms of county counsel fees and staff resources. Although departmental hearings are an essential component of the collective bargaining process and serve to protect employees, NJAC recommends that the Commission limit its jurisdiction to hear appeals only when the disciplinary action results in an employee being suspended for 15 working days or more.

RECONCILIATION PLANS

The Uniform Shared Services and Consolidation Act sets forth the rules necessary to effectuate agreements between local units for any service or circumstance intended to reduce property taxes through the reduction of local expenses. This law currently includes a requirement to compensate employees who are separated from employment due to a consolidation or shared

services agreement with terminal leave payments. NJAC recommends eliminating these statutorily imposed severance payments as a substantial financial disincentive for local governments working to consolidate costs and save valuable taxpayer dollars.

SPECIAL REEMPLOYMENT LISTS

Current CSC rules require the establishment of a “Special Reemployment List” when permanent employees are laid off, demoted, or displaced from employment. With very few exceptions, special reemployment lists take priority over all other reemployment lists, open competitive lists, and lateral title changes. Further, employees placed on special reemployment lists remain on said list for an unlimited duration. As currently drafted, the Administrative Code grants extraordinary reemployment rights to displaced workers. While it is understandable that civil service seeks to protect employees from layoff, the rules place an undue hardship on management. Displaced employees often exercise lateral “bumping rights” and acquire positions for which they lack relevant experience at the expense of other covered employees. Most notably, however, special reemployment lists do not expire. As such, employees routinely pass up jobs that they are not interested in to preserve their place on a special reemployment list. This creates unnecessary levels of bureaucracy at both the State and local levels. If the purpose of a special reemployment list is to preserve an employee’s rights to a title that is closed, that protection should cease once an employee declines such a position. With this in mind, NJAC recommends modifying the Administrative Code to eliminate the perpetuity of special reemployment lists. Once an employee declines a position for which they have title rights, they should then be removed from a special reemployment list.

BUMPING RIGHTS

Current CSC laws make it difficult for local governments to lay off staff for reasons of economy and efficiency. Once a layoff plan has been approved and proper notice has been given, subject employees have the right to “Bump” other employees from their titles and potentially their jobs. Although an appointing authority may have planned for a certain financial and service outcome from said layoff, that plan is typically inaccurate because of bumping entitlements. To make matters worse, the Commission will not share bumping rights with the appointing authority; and such rights are granted based on title and qualifications and not on job performance. With this in mind, NJAC recommends either eliminating bumping rights or requiring the Commission to fully disclose such rights upon request, so that local governments may properly execute a layoff as originally planned.

COUNTY TOURISM

On December 19th, the Senate State Government, Wagering, Tourism, and Historic Preservation Committee favorably reported and Second Referenced to the Senate Budget and Appropriations Committee for consideration **S-2192** (*Polistina R-2/Beach D-6*), which would establish the “County Tourism Incentive Grant Fund” as a special, non-lapsing Fund within the Department of Treasury.

In summary, this legislation would require the allocation of excess hotel and motel occupancy fee revenues into the Fund for grants to counties to support tourism advertising and promotion. The measure would also provide that the amount of each incentive grant issued to a county will equal the county's share of the excess State hotel and motel occupancy fee revenues deposited to the Fund. The bill would specify that the county's share of the excess revenues would be determined by the State Treasurer by dividing the revenues derived from hotel and motel occupancies occurring within the county by the sum of the revenues derived from hotel and motel occupancies occurring within the several counties that have been approved for the issuance of a grant and multiplying that amount by the excess State hotel and motel occupancy fee revenues deposited to the fund during the State fiscal year in which the tourism incentive grant is issued – whew!

Finally, the bill would authorize the State Treasurer, in consultation with the New Jersey Division of Travel and Tourism in the Department of State, to adopt rules and regulations necessary to effectuate the purposes of the legislation, and would permit the immediate filing of those rules and regulations with the Office of Administrative Law, effective for a period not to exceed 360 days following the bill's effective date. NJAC supports S-2192 and commends Senator Polistina for his leadership in making sure that county governments receive their fair share of tourism dollars to reinvest into local businesses, attractions, and vacation destinations. Special thanks to Diane Weiland, Cape May County Director of Tourism and Public Information, for making the trip to Trenton and doing an outstanding job testifying in support of the bill before the Committee.

REPORTING OF DISASTER SPENDING

On December 15th, the Assembly Special Committee on Infrastructure and Natural Resources favorably reported and Second Referenced to the Assembly Homeland Security and Emergency Preparedness Committee **A-4865** (*Swain D-38/Stanley D-18*), which would require the Department of Community Affairs (DCA) to track natural disaster related spending by counties, municipalities, local authorities, fire districts, school districts, and the State.

In general, the measure would require DCA to provide a plain-language summary of the natural disaster-related spending on the State's Internet website and to update the summary on an annual basis. More specifically, the bill would direct DCA to organize natural disaster-related spending into the following categories: 1) preparedness spending, consisting of measures intended to enhance the ability to mitigate against, respond to, and recover from a disaster; 2) mitigation spending, consisting of measures to reduce or eliminate the potential harmful consequences of disasters; 3) response spending following the declaration of a state of emergency by the Governor or the proclamation of a state of local disaster emergency within a municipality by a municipal emergency management coordinator, consisting of actions that address the immediate, direct results of a natural disaster; and, 4) recovery spending, consisting of short- and long-term activities designed to restore communities to normal or better conditions, including returning utility systems to operational standards; managing debris;

reconstructing public infrastructure; providing redevelopment grants, loans, and legal assistance; and rebuilding communities.

Within each category of spending, the bill would direct the natural disaster spending summary to report where the funding originated for the various expenditures, and whether a reimbursement is anticipated. If spending originated with a different unit of government, such as the State or federal government, then the plain-language summary would be required to indicate which unit was the source. Finally, in order to facilitate the reporting of expenditures from the various entities of local government, the bill would direct DCA to require local governments to summarize their natural disaster-related spending as a part of user-friendly budget reporting. The companion version in the Senate **S-3359** (*Zwicker D-16*) is currently in the Senate Community and Urban Affairs Committee awaiting consideration.

UPCOMING NJAC EVENTS

Please make sure to join us at 11:00 a.m. on Friday, January 27, 2023, in the Senate Chambers of the State House in Trenton for the swearing-in of Camden County Commissioner Jonathan Young as NJAC's 82nd President and then for a terrific lunch at the historic Masonic Temple immediately following the reorganization meeting.

TOP 15 CHRISTMAS MOVIES OF ALL TIME

- 15) A YEAR WITHOUT SANTA CLAUS
- 14) GREMLINS
- 13) IT'S A WONDERFUL LIFE
- 12) MARCH OF THE WOODEN SOLDIERS *1934*
- 11) FROSTY THE SNOWMAN
- 10) FLASH GORDON, *1980*
- 9) JOHNNY DANGEROUSLY
- 8) RAIDERS OF THE LOST ARC
- 7) HOW THE GRINCH STOLE CHRISTMAS, *1966*
- 6) RUDOLPH THE RED NOSED REINDEER
- 5) ELF
- 4) ROCKY
- 3) KING KONG, *1933*
- 2) THE GODFATHER
- 1) A CHRISTMAS STORY

AWFUL CHRISTMAS MOVIES THAT FORCE YOU TO WATCH RERUNS OF FAMILY FEUD, LITTLE HOUSE ON THE PRAIRIE, STAR TREK, OR ANYTHING THAT MAY BE ON PBS OR THE QVC CHANEL: Every single Christmas Hallmark movie ever made; the Home Alone movies both individually and collectively as a series; and, all future Christmas Hallmark movies currently in production or being thought about from now until the end of time.

TOP 15 CHRISTMAS SONGS OF ALL TIME

- 15) HOLLY JOLLY CHRISTMAS, *Burl Ives*
- 14) HAVE YOURSELF A MERRY LITTLE CHRISTMAS, *Judy Garland*
- 13) ALL I WANT FOR CHRISTMAS IS MY TWO FRONT TEETH, *Melissa Lynn*
- 12) WINTER WONDERLAND, *Tony Bennett*
- 11) BABY ITS COLD OUTSIDE, *Dean Martin & Marilyn Maxwell*
- 10) JINGLE BELL ROCK, *Bobby Helms*
- 9) RUN RUDOLPH RUN, *Chuck Berry*
- 8) ROCKIN' AROUND THE CHRISTMAS TREE, *Brenda Lee*
- 7) GRANDMA GOT RUN OVER BY A REINDEER, *Elmo & Patsy*
- 6) IT'S THE MOST WONDERFUL TIME OF THE YEAR, *Andy Williams*
- 5) YOU'RE A MEAN ONE MR. GRINCH, *Thurl Ravenscroft and his City Slickers*
- 4) HERE COMES SANTA CLAUS, *Elvis Presley*
- 3) RUDOLPH THE RED NOSED REINDEER, *Burl Ives*
- 2) WHITE CHRISTMAS, *Bing Crosby*
- 1) BLUE CHRISTMAS, *Porky Pig*

DREADFUL CHRISTMAS SONGS THAT MAKE YOU WISH IT WERE MEMORIAL DAY WEEKEND: "All I want for Christmas is You" by Mariah Carey, "Last Christmas" by Wham, "Peace on Earth/Little Drummer Boy" by Bing Crosby and David Bowie, and "Do they know it's Christmas" by Band Aid.

"There are a lot of things money can't buy. Not one of them are on my son's list." Milton Berle