

# NEW JERSEY ASSOCIATION OF COUNTIES

County Government with a Unified Voice!

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## STATE HOUSE NEWS

12/8/23

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### COUNTY REORGANIZATION MEETINGS

On December 7<sup>th</sup>, NJAC testified before the Senate State Government, Wagering, Tourism, and Historic Preservation Committee in support of **S-4081** (*Beach D-6/Diegnan D-18*), which would allow boards of county commissioners to hold annual reorganization meetings at additional locations other than the Superior Court.

NJAC commends senators Beach and Diegnan for their leadership in introducing this legislation on behalf of the Association as one of our top legislative priorities to close the 2022/23 legislative session. Under current law, county governments must hold annual reorganization meetings at the Superior Court and have often struggled to accommodate family members, the public, and press. Over the past several years, boards of county commissioners have been forced to conduct reorganization meetings at various locations within the county or host ceremonial meetings followed by official ones. Importantly, this legislation would provide county governments with the flexibility to host official reorganization meetings at larger and more convenient venues such as county colleges, county administration buildings, State facilities, and more. The Committee favorably reported **S-4081** to second reading, and we're optimistic that we'll see a companion version in the General Assembly any minute now.

### CODE RED ALERTS

On November 30<sup>th</sup>, NJAC shared its concerns with the Senate Health, Human Services, and Senior Citizens Committee with **S-2429** (*Codey D-27/Turner D-15*), which would require counties to establish Code Red Alert plans to shelter at-risk individuals during hot weather conditions. *Special thanks to Salem County Board of Social Services Director Kathleen Lockbaum for making the trip to Trenton on Thursday and enduring 3 hours of testimony on several different bills. More importantly, congratulations to Kathy on her well-deserved retirement at the end of this year after a long and distinguished career in public service as someone the Association has always relied on for her leadership, support, and friendship.*

Although NJAC commends Senator Codey for his leadership to provide comfort for at-risk individuals during severe weather events, NJAC is concerned that this legislation does not include a clearly defined and dedicated source of funding to offset the costs associated with providing transportation services, community outreach, and cooling centers as required under the bill. Moreover, the legislation is vague and ambiguous on which agencies would be responsible for providing the mandated services, which has led to confusion among counties, municipalities, social service agencies, and non-profit organizations with implementing the similar 2017 law that now requires counties to issue Code Blue alerts during cold-weather conditions. With this mind, NJAC recommended the measure instead establish a voluntary pilot program along with a dedicated funding mechanism that could provide much-needed clarity and direction on which agencies are responsible for delivering essential services in a clear and consistent manner. NJAC further recommends that any new funding should not affect, alter, or diminish any existing services, programs, or initiatives that support permanent housing and self-sufficiency for homelessness.

In summary, the committee substitute would require the establishment of a 3-year pilot program to provide for coordination, by a county office of emergency management, of emergency services rendered by municipal governments, social service agencies, and certain non-profit organizations to the homeless during harsh hot weather conditions. The bill would define an at-risk individual as an individual living outdoors or in poorly insulated settings who is at risk for weather-related exposure and possible death. The bill would require the Code Red Alert plans throughout the county include communication and outreach to at-risk individuals, as well as transportation during the implementation of a Code Red Alert plan. The bill would further require a county office of emergency management, or other appropriate county office, agency, or department, to coordinate with municipal emergency management coordinators in municipalities with a documented homeless population of at least 10 persons, to develop consistent Code Red alert plans throughout the county that provide emergency cooling centers during implementation of a Code Red Alert.

The bill would further require the State Office of Emergency Management to submit a report to the Governor and Legislature, to report on the success of the pilot program, and recommend whether or not to make program permanent. The State office may request information needed for development and compilation of this report from each appropriate county office. Following the conclusion of the pilot program, the bill would permit a county governing body to certify and submit a request for a reimbursement for the administrative costs of the pilot program to the State office, and the bill requires the State office to reimburse the county for those certified costs. The bill would make the county emergency management coordinator responsible for monitoring National Weather Service weather forecasts, and requires issuance of a Code Red alert during the time of the pilot program if: the heat index is forecast to reach 95 degrees Fahrenheit to 99 degrees Fahrenheit for at least two consecutive days; or the temperatures will reach 100 degrees Fahrenheit or more for any length of time.

The issuance of an Alert would trigger implementation of the county Code Red Alert plan, including the provision of emergency cooling centers for at-risk individuals. These cooling centers may be provided by designated volunteer organizations that would receive planning support from the county but operate autonomously in response to an alert. The legislation would also provide “Good Samaritan” protection from civil liability to the State, a political subdivision, and their agents and employees, as well as to volunteer organizations and their members and volunteers who, during implementation of a Code Red alert plan, provide emergency cooling centers to at-risk individuals. The Committee favorably reported **S-2429** to the Senate Budget and Appropriations Committee as a committee substitute and to make it identical to the companion version **A-3540** (*Lopez D-19/Jimenez D-32*) of which is currently in the Assembly Appropriations Committee awaiting consideration.

#### **WORKERS COMPENSATION CLAIM INCREASES**

Also on November 30<sup>th</sup>, NJAC testified before the Assembly Labor Committee in opposition to **A-5659** (*Verrelli D-14/Mukherji D-33*), which would increase attorney fees in workers’ compensation cases from an amount not to exceed 20% of a judgement to an amount not to exceed 25%.

Given that county governments across the State employ over 30,000 public sector employees and will endure double digit increases in their property and casualty insurance premiums in 2024, NJAC is concerned that this legislation would unnecessarily increase workers’ compensation awards by at least 25%. Additionally, the measure would also nullify the steps county governments as employers have taken to effectively manage workers’ compensation claims. With this in mind, NJAC submits that the Office of Legislative Services (OLS) and Executive Branch should have the opportunity to conduct a Fiscal Estimate on **A-5659** to determine its long-term financial ramifications and whether establishing a funding mechanism to address the certain increase in expenditures to local governments would be in order.

Additionally, NJAC is concerned this legislation would effectively eliminate a judge’s discretion to carefully consider the reasonableness of both an attorney’s rate of pay and the number of hours the attorney expended on a matter before making awards in workers’ compensation cases. Instead, this legislation would appear to summarily grant enhanced judgements to prevailing parties without requiring a comprehensive analysis as required under current law. Moreover, the measure would not appear to serve as an incentive for attorneys to zealously represent injured workers and their families as its stated intent, since the bill would no longer hold lawyers accountable for carefully itemizing the reasonableness of their fees. The Assembly Labor Committee favorably reported the bill for the General Assembly to consider at its voting session on December 7<sup>th</sup>; however, the Assembly withdrew the measure from the board list. The companion version **S-4059** (*Lagana D-38*) is currently in the Senate Labor Committee.

## COOPERATIVE PURCHASING

November 30<sup>th</sup> was a busy day at the State House as NJAC, along with the New Jersey State League of Municipalities (NJLM) and New Jersey School Boards Association (NJSBA), testified before the Assembly State and Local Government Committee in opposition to **A-5687** (*Greenwald D-6/Murphy D-7*), which would require boards of education, municipalities, counties, and certain other local contracting units to determine and utilize cost-saving practices when procuring goods and services.

In summary, this bill would require political subdivision contracting units and local contracting units under the Local Public Contracts Law to determine and utilize cost-saving practices when procuring goods and services. The bill would provide that a cost savings analysis prescribed by the Division of Local Government Services (DLGS) in the Department of Community Affairs (DCA) would be required to include factors such as charges for service, materials, delivery, soft costs, costs of acquisition, and other costs of traditional bidding such as cost overruns, protest, rework, and change orders. Moreover, if the purchasing agent determines that entering into a cooperative purchasing system for the procurement of goods or services would result in cost savings, the contracting unit would be required to utilize a cooperative purchasing system. This legislation would further require that prior to entering into a contract for the procurement of any goods or services, the contracting unit would be required to ensure that the contractor and any subcontractors are compliant with existing State and federal laws, rules, and regulations.

Although NJAC has long been a strong proponent of using cooperative purchasing systems where feasible, this legislation would impose onerous, duplicative, and time-consuming requirements on daily procurement operations. Additionally, the measure would eliminate the important flexibility local contracting units utilize to purchase goods and services under current law. NJAC is also concerned that this legislation would lead to an increase in procurement-related litigation as it would require a comprehensive compliance certification process. The Assembly State and Local Government Committee favorably reported and second referenced the bill to the Assembly Appropriations Committee for consideration on December 4<sup>th</sup>; however, the Committee withdrew the measure from its agenda. Similarly, the Senate, State Government, Wagering, Tourism, and Historic Preservation Committee was set to deliberate the companion version **S-4074** (*Beach D-6*) at its hearing on December 7<sup>th</sup>, but also withdrew the measure from consideration. *Special thanks to the New Jersey Association of County Purchasing Officials (NJACPO) officials for their guidance, support, and resourcefulness in helping NJAC formulate a position on this legislation.*

## COUNTY VETERAN TRANSPORTATION GRANT PROGRAM

On December 7<sup>th</sup> the Senate Military and Veterans Affairs Committee favorably reported to the Senate Budget and Appropriations Committee for consideration **S-4009** (*Greensteien D-14/Lagana D-38,*) which would establish a county veteran transportation grant program and appropriate \$2.0 million.

In summary, this bill would establish a program to provide reimbursement, subject to available State or federal funding, to qualified county governments that provide transportation services to disabled veterans to and from medical counseling appointments for service-connected conditions within the State. The bill defines "disabled veteran" to mean any citizen and resident of this State now or hereafter honorably discharged or released under honorable circumstances from active service in any branch of the Armed Forces of the United States, a Reserve component thereof, or the National Guard and who has been or will be declared by the United States Veterans Administration, or its successor, to have a service-connected disability. Additionally, the measure would appropriate \$2.0 million to the Department of Military and Veterans Affairs to effectuate the purpose of the bill. The General Assembly unanimously passed the companion version **A-5531** (*DeAngelo D-14/Tucker D-28*) earlier this year.

## SHBP COMPETITION & TRANSPARENCY

On November 27<sup>th</sup>, Governor Murphy conditionally vetoed **S-3756** (*Scutari D-22/Sarlo D-36*)(*Schaer D-36/Wimberly D-35*), which would require the State Health Benefits Program (SHBP) and School Employees Health Benefits Program (SEHBP) to select more than one claims administrator for each plan and to provide claims data to public employers that participate in the programs. The Governor's CV states, in part:

*"... In light of the Legislature's clear desire for the State to award more than one third-party administrator contract, as evidenced by this bill, the Division of Purchase and Property (DPP) revised its bid solicitation on August 15, 2023, to state that it is the intent of the State to award two or more contracts to responsible bidders whose quotes responsive to the bid solicitation are most advantageous to the State, following consideration of price and other factors. Consequently, the primary goal of this legislation is already incorporated into the DPP's bid solicitation. Therefore, to ensure that no unnecessary delays are inured in the procurement process, I am recommending several amendments to the bill to better align its language with the DPP's bid solicitation and the State's procurement laws. My recommended changes will also ensure that some of the bill's more onerous reporting requirements do not undermine our shared goal of reducing health care costs and facilitating greater satisfaction, efficiency, and accountability in the administration of health*

*benefits claims to State employees, participating local government and school district employees, and their dependents. My proposed changes include revising language to account for the fact that the procurement of a third-party administrator has been delegated by the SHBC and SEHBC to the DPP, better aligning the bill's definitions section with the definitions in current law and the bid solicitation, and ensuring that one bid solicitation can cover plans issued under both the SHBP and SEHBP. Moreover, 3 my proposed amendments remove references to fully insured Medicare Advantage plans, which fall outside the scope of the current bid solicitation as these plans do not utilize the services of a third party administrator. Among my recommended amendments are slight modifications to the reporting requirements set forth in the bill. These changes will help ensure that the State remains in compliance with the federal Health Insurance Portability and Accountability Act of 1996. The changes will also help provide realistic expectations for the reporting requirements placed on Treasury by aligning deadlines set forth in the legislation with how the State actually receives claims data from its vendors. To be clear, my recommended revisions maintain the bill's overarching goal of having a more competitive procurement process by using multiple contract administrators for each plan type. Moreover, my recommended amendments leave largely intact the legislation's robust reporting requirements to ensure accountability and transparency to help shine light on key performance metrics that tend to impact the cost of health benefits for the State, local employers, and employees. The changes I am recommending further these goals while accounting for existing federal and State laws and regulations governing the procurement process and the protection of confidential patient information...."*

As passed by both houses, this legislation would require the State Health Benefits Commission and the School Employees' Health Benefits Commission to choose at least two third-party administrators from among submitted proposals within a competitive range. The commissions would be required to award the contracts based on which responsive proposal within the competitive range is the most advantageous to the State based on relevant factors including price, network breadth, member experience, the ability to engage in innovative approaches designed to slow the growth of health care costs, and any other factors that the commission may deem relevant. The commissions would be authorized to award a contract to the vendor with the bid that is most advantageous to the State based upon the evaluation factors, and to award another contract to one or more vendors with bids within the competitive range that can provide a comparable bid price and factors of the first awarded contract. NJAC supports this important and timely legislation as it would increase competition and transparency in the wake of SHBP approving unprecedented health benefit insurance rate hikes late last year. The Senate is set to concur on Governor's CV at its voting session on Monday.



## MENTAL HEALTH DIVERSION PROGRAM

Also on November 27<sup>th</sup>, Governor Murphy conditionally vetoed **S-524** (*Ruiz D-29/Cunningham D-31*)(*Quijano D-20/Mukherji D-33*), which would create a Mental Health Diversion Program (MHDP) to divert those eligible away from the criminal justice system and into an appropriate case management and mental health services system. The Governor's CV states, in part:

*"... I agree with the sponsors and the intent of this bill that mental health issues should not be unnecessarily criminalized, and that efforts should be made to increase opportunities for appropriate treatment while ensuring public safety. However, the current language of this bill only excludes first degree crimes from this program; second degree and violent crimes, including Megan's Law triggering offenses, are only presumptively ineligible, subject to prosecutor review. At the request of the prime sponsor, Senate Majority Leader Ruiz, I am recommending modest revisions to this bill so that all Megan's Law triggering crimes, not just first-degree crimes, are categorically ineligible for inclusion into this Mental Health Diversion Program. In general, this legislation would establish an MHDP for individuals with mental illness involved in the criminal justice system in three judicial vicinages located in the northern, central, and southern regions of the State. The intent of the program would be to divert eligible persons with serious mental illness who have committed certain offense away from the criminal justice system and into appropriate case management and mental health services. The goals of the program would be to: reduce incarceration rates for the appropriate target population through effective diversion away from the criminal justice system; increase the quality of life for the target population through efficient linkage to available social entitlements and community based mental health treatment providers, in conjunction with supportive monitoring to ensure compliance; increase community awareness and understanding through cross training of law enforcement and mental health communities; and, reduce recidivism and re-hospitalization rates for the target population leading to an increase in public safety...."*

As passed by both houses, the measure would define an "eligible offense" as a crime of the third or fourth degree that does not involve violence. Additionally, the bill would define an "eligible person" as is one who is mentally competent; allegedly committed an eligible offense and is not otherwise disqualified by the provisions of this act; and, has been diagnosed with a mental illness, either previously or through a mental health evaluation conducted through the program, and there is a nexus between the person's mental illness and the commission of the alleged crime as determined by a certified mental health professional. The bill would require the Attorney General, in consultation with the Administrative Office of the Courts (AOC) to establish a MHDP in one vicinage

in each of the northern, central, and southern regions of the State and to accept eligible persons accordingly. The legislation would further clarify that similar programs in operation at that time may comply with the requirements of this Act and may be selected for inclusion in the MHDP. The Senate is set to concur on Governor's CV at its voting session on Monday.

**UPCOMING EVENTS** Don't forget to mark your calendars for NJAC's Year-End "Summit on Homelessness" set for Friday 12/15 at the historic Trenton Country club with additional details available on our website at [www.njac.org](http://www.njac.org).

**THE TOP 12 BEST PLACES TO VISIT FOR CHRISTMAS RIGHT HERE IN THE GARDEN STATE WITHOUT HAVING TO MAKE THE LONG TRIP INTO MANHATTAN TO SEE THE BIG TREE AT ROCKEFELLER CENTER WITH ALL THOSE PEOPLE, TRAFFIC, TOLLS, TUNNELS, BRIDGES, SUBWAYS, TRAINS, BUSES, ELECTRIC SCOOTERS AND BICYCLES, THE TRAFFIC MOBILITY REVIEW BOARD, AND THE PRICE OF A BAG OF HOT NUTS**

12. Bergen County Winter Wonderland in Paramus
11. Skyland's Stadium Christmas Light Show and Village in Augusta
10. DiDonato's Holiday Express in Hammonton
9. PNC Bank Arts Center of Magic Lights in Holmdel
8. Turtle Back Zoo Holiday Lights in West Orange
7. Christmas Festival in Morristown
6. Morven's Festival of Trees in Princeton
5. Black River and Western Railroad Santa Express in Flemington
4. Festival of Trees at the Red Mill Museum in Clinton
3. Christmas in Cape May in Cape May
2. Polar Express in both Whippany and Phillipsburg
1. Holiday Light Show at the Historic Smithville Village in Galloway

*"As we express our gratitude, we must never forget that the highest appreciation is not to utter words but to live by them." John F. Kennedy*