New Jersey Association of Counties

County Government with a Unified Voice!

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STATE HOUSE NEWS

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PRIVATIZATION CONTRACTS

On February 20th, NJAC testified before the Assembly Labor Committee in opposition to **A-919** (Reynolds-Jackson D-15/Wimberly D-35), which would establish procedures and standards concerning public services privatization contracts.

NJAC strongly opposes this measure as it would effectively prohibit the use of privatization contracts by requiring county governments to pay new employees' wages and benefits at a rate not less than the wages and benefits paid to displaced employees. As noted below, counties enter into privatization contracts to recognize important cost savings in salary, wage, pension, and health benefit costs that make up approximately 65% of overall operating budgets. At a time in which counties, municipalities, and school districts across the State are struggling with double digit health benefit increases, pension payments, utility expenses, property and casualty insurance coverage, and the cost of goods and services, this legislation eliminates one of the only limited resources available for local governments to control the ever-increasing property tax burden. NJAC is also alarmed that this legislation would create an overly burdensome, adversarial, and unnecessary level of bureaucracy by requiring the Office of the State Comptroller (OSC) to review and approve privatization contracts. Moreover, local governments should retain autonomy to enter into such agreements that they believe serve in the best interest of their constituents.

As a means to deliver often mandated services in a more cost effective and creative manner, and without impacting the level of service provided, counties throughout the State have carefully chosen to privatize various services and functions that may include: medical, dietary, and laundry services at county jails and juvenile detention facilities; maintenance services at county administrative, judicial, and prosecutorial facilities; home health services; risk management services; and, much more. Importantly note that several counties have considered privatizing welfare services and transportation services for the aged and disabled, but ultimately decided against it after conducting comprehensive feasibility studies. Despite opposition from NJAC, the New Jersey State League of Municipalities (NJLM), the New Jersey School Boards Association (NJSBA), the New Jersey Chamber of Commerce (NJCC), the New Jersey Business and Industry Association (NJBIA), and more, the Committee second referenced A-919 to the Assembly Appropriations Committee. The companion version S-1518 (Turner D-15/Greenstein D-14) is currently in the Senate Labor Committee awaiting consideration.

LEGAL NOTICES ON OFFICIAL GOVERNMENT WEBSITES

Also on February 20th, committees in both houses passed **S-4136/A-5343** (Sarlo D-36/Bucco R-25)(Atkins D-20), which would extend last year's law that allowed public bodies to continue using newspapers for required public notices and legal advertisements on a temporary basis until December 31, 2025. NJAC testified before the Senate Judiciary and Assembly State and Local Government committees that the Association looks forward to working with the Legislature and Governor's Office on a permanent solution, which includes authorizing local governments to post public notices in a clear and transparent manner on a local government's official website as the best viable option. With this in mind, NJAC encouraging all twenty-one counties to adopt the following resolution.

- A RESOLUTION urging state leaders to pass legislation that will authorize counties, municipalities, school districts, and all local governments to publish legal notices in a clear, transparent, and timely manner on a local government's official website.
- WHEREAS, the sunset provision of March 1, 2025 imposed under P.L. 2024 c.106 is fast approaching in what was a temporary solution that allowed local governments to comply with the notice requirements under the law in time for annual reorganization meetings in January; and,
- WHEREAS, local government officials serve as the stewards of property taxpayer dollars and should no longer be required to subsidize the newspaper industry with revenues collected from publishing legal notices in the press; and,
- Whereas, long before NJ Advanced Media's announcement that it was terminating daily print publications in January of 2025, local government officials found it increasingly difficult to comply with the notice requirements under the law as the media has become almost exclusively digitized and struggled to retain staff, resources, and publications; and,
- WHEREAS, legislation that will authorize local governments to publish legal notices on a local government's official website will streamline an antiquated and overly burdensome process and save valuable time, resources, and property taxpayer dollars; and,
- Now, Therefore, Be it Resolved that the New Jersey Association of Counties does in fact, hereby urge state leaders to pass legislation that will authorize counties, municipalities, school districts, and all local governments to publish legal notices in a clear, transparent, and timely manner on a local government's official website.
- **BE IT FURTHER RESOLVED** that certified copies of this Resolution shall be sent to Governor Phil Murphy, Senate President Nicholas Scutari, Speaker of the General Assembly Craig Coughlin, and the clerks of the boards of county commissioners in all twenty-one counties.

FUNDING TO COMBAT HOMELESSNESS

At the request of Mercer County Executive Dan Benson, NJAC formed a Working Group on Transitional Housing to share resources and ideas, and make recommendations on how counties may provide vital housing services, temporary shelters, and permanent placement for those in need.

After several months of meetings with human and social service county leaders from across the State, the Working Group recommends the State provide additional Social Services for the Homeless Prevention (SSH) dollars and funding for emergency shelters. The Working Group reported that although services and resources may be readily available for individuals with no income, those with limited income are often ineligible for the same level of assistance and are in grave jeopardy of becoming homeless. With this in mind, the Group recommended increasing the State's annual appropriation and expanding the use of SSH dollars to better capture this underserved population and provide enhanced transitional housing opportunities. The Working Group's recommendation is for the Department of Human Services (DHS) to allocate an additional \$5,250,000.00 in SSH funding for counties in fiscal year 2026 contingent on matching county funds of up to \$250,000.00 per county.

Separate, but certainly related, the Working Group further reported that nonprofit organizations, civic centers, and churches are struggling to provide temporary shelter for those in need and have become more reliant on assistance from county governments. As such, the Working Group recommended increasing the State's annual appropriation for emergency shelters in direct grants that a county may use to contract with selected agencies to manage temporary shelters accordingly. The Working Group's recommendation is for the Department of Community Affairs (DCA) to allocate \$5,250,000.00 in emergency shelter funding for counties in fiscal year 2026 contingent on matching county funds of up to \$250,000.00 per county. NJAC is mindful of the well-documented challenges the fiscal year 2026 state budget will present and intends to be part of the solution that provides critical services to those in need with the opportunity for county governments to match any new additional investments made by the State in SSH and emergency shelter funding. NJAC recently sent letters to DHS and DCA concerning our request for additional SSH dollars and funding for emergency shelters and plans to make this request a component of the Association's fiscal year 2026 State budget request.

911 FUNDING

On February 13th, NJAC testified before the Senate Law and Public Safety Committee in opposition to **S-3536** (*Gopal D-11/McKnight D-31*), which would expand the purpose of the "911 System and Emergency Response Trust Fund Account" to include paying for the costs associated with the recruitment and retention of first responders by allocating five percent of the total fund to the New Jersey EMS Task Force.

NJAC is concerned that this legislation would worsen with the State's longstanding practice of diverting fees from the "911 System and Emergency Trust Fund Account" (Fund) as the State remains one of the worst offenders of diverting 911 fees in the entire nation. In fact, the "Report and Recommendations" of the "Ending 911 Fee Diversion Now Strike Force" (911 Strike Force) established by the Federal Communications Commission (FCC) in 2022, concluded that the New Jersey's pervasive diversion of 911 fees created a public safety crisis and imposed a system of double taxation.

As has been well documented, the State collects annually from consumers approximately \$130.0 million in telecommunication surcharges at "Telephone Assessment Fee" (Fees) and deposits these monies into the "911 System and Emergency Trust Fund Account" (Fund). In fact, the State has collected approximately \$1.75 billion in Fees since 2006 with only 11% of Fund monies being spent on federally eligible expenses at the State level pursuant to guidelines established under the NET911 Act. Moreover, the State failed to provide any funding for expenses incurred by local 911 centers operated by counties and municipalities until allocating \$10.0 million in grant funding as a line item under the "Public Safety Answering Upgrades and Consolidation" in the last three budget cycles.

Importantly note that the intent of the 2004 law that created the Fund was to build a cutting edge and fully funded 911 system with revenues collected from the surcharge. Although NJAC would welcome the opportunity to work with the NJ EMS Task force in collaboration with our county emergency management coordinators to secure a new source of funding to train and prepare for statewide disasters, using Fund revenues as prescribed by the bill would not comply with federal guidelines nor would it help counties regionalize, upgrade, and maintain a precise, accurate, and reliable 911 communications network. Although the Committee originally scheduled to vote on the measure, it instead held the bill for "Discussion Purposes Only." Thank you to Camden County Commissioner Jonathan Young and Monmouth County Sheriff Shaun Golden along with our friends at the New Jersey Wireless Association (NJWA) for their continued leadership on this issue. The companion, version **A-5008** (Donlon D-11) is currently in the Assembly Public Safety and Preparedness Committee.

PAYMENTS IN LIEU OF TAXES

On January 30th, Senate unanimously passed **S-3787** (Scutari D-22/Ruiz D-29), which would change certain provisions of the Long-Term Tax Exemption Law concerning Payments in Lieu of Taxes (PILOT).

Under current law, a municipality receiving an "annual service charge" under a PILOT must remit five percent of the annual service charge to the county in which the municipality is located. The bill as amended would change the current practice to require that on a quarterly basis, the municipal tax collector or finance officer in a municipality that receives an annual service charge must notify the chief financial officer of the county within which the municipality is located that the municipality received an annual service charge and must

directly transmit the five percent remittance to the chief financial officer of the county accordingly. The measure would further provide that in the event that the five percent remittance due to the county is not paid when due, the unpaid balance thereof and all interest at the rate of one percent per month accrued thereon, together with attorneys' fees and costs, may be recovered by the county in any court of competent jurisdiction and the municipal tax collector or finance officer shall be subject to revocation or suspension of their certificate. **S-3787** is currently in the Assembly State and Local Government Committee without a companion version in the General Assembly at this time.

UPCOMING NJAC EVENTS: Don't miss NJAC's Annual Celebration of County Government set for 5/7 – 5/9 at Caesar's in Atlantic City with additional details about registration and the action-packed schedule of events at www.njac.org.

The top 7 permitted exceptions to your embargo on receiving Tik Tok, Instagram, Snapchat, or other social media videos that provide inspirational life lessons, real estate or financial advice, or tutorials on how to do or build something.

- 7. Panda Bears rolling down a hill or eating stuff
- 6. C-Span weather updates on Telemundo
- 5. Donkeys laughing out loud, running superfast, or smashing into things
- 4. Most songs and boxing matches from the 70s
- 3. Chickens telling jokes or grooving to disco along with parrots saying bad words
- 2. Clips from the Family Guy, South Park, or Married with Children
- 1. Happy dogs or puppies tearing up slippers, pillows, and couches

"Every adversity, every failure, every heartbreak, carries with it the seed of an equal or greater benefit." Napolean Hill