

August 21, 2015

RE: Weekly Policy Update

I. Energy Tax Facts to share with Assembly Candidates II. Pensions issues guidance on Post Retirement Employment Restrictions III. Survey on School-Municipal Cooperation: Creative Solutions to the 2% Cap IV. FEMA September 15 deadline approaching

Municipal Clerk: Please forward a copy to all Governing Body Members

Dear Mayor:

I. Energy Tax Facts to share with Assembly Candidates

Come November, voters will be asked to elect the individuals who will serve in the State General Assembly for the next two years. Candidates for those offices will be campaigning throughout your districts, during September and October. It is important for those candidates to be aware of issues that are important to New Jersey municipal officials and property taxpayers.

In a State where property taxes account for over 75% of all locally collected municipal revenues, the National average is 37%, municipal property tax relief is certainly one of those issues. For years, however, the State of New Jersey has diverted funding, which is meant to be returned to local budgets. Instead, those revenues have been used to plug holes in the State's budget and to fund State obligations. Energy Tax Receipts are the most significant source of those funds, and here are the facts about them.

- Taxes on gas and electric utilities were originally collected by the host municipalities, and when the State made itself the collection agent for these taxes, it promised to return the proceeds to municipalities for property tax relief.
- Just as municipalities collect property taxes for the benefit of school districts, counties and other entities; the State is supposed to collect Energy Taxes for the benefit of municipal governments.
- For years, though, State officials have diverted funding from Energy Taxes to plug holes in the State budget and to fund State programs.
- The cumulative impact of years of underfunding has left many municipalities with serious needs and burdensome property taxes.
- Municipalities lost \$331 million in combined Energy Tax and Consolidated Municipal Property Tax Relief Aid (CMPTRA) funding in Fiscal Years 2009, 2010, and 2011, while also being denied scheduled incremental funding.
- The time has come to begin to restore to local budgets the millions in property tax relief that have been annually diverted to meet State needs.

For more detailed information on this issue, visit the League's [Energy Tax Restoration Resource Center](#). Our property taxpayers can no longer afford this reverse revenue sharing.

Contact: Jon Moran at jmoran@njslom.org or ext. 121.

II. Pensions issues guidance on Post Retirement Employment Restrictions

Recently the Division of Pensions and Benefits issued guidance on Post Retirement Employment Restrictions. The [fact sheet](#) provides general information concerning employment restrictions for retired members of the pension systems (PERS, PFRS, TPAF, SPJR and JRS). The fact sheet focuses mainly on post-retirement employment or volunteering with public employers. Post retirement employment with a private employer will not affect pension retirement benefits, with exceptions for disability retirements and JRS members.

We are currently reviewing the fact sheet and will be issuing additional guidance.

Contact: Michael Cerra at mcerra@njslom.org or ext. 120.

III. Survey on School-Municipal Cooperation: Creative Solutions to the 2% Cap

As part of our commitment to cooperation and efficiency, the New Jersey School Boards Association and the New Jersey State League of Municipalities will once again present sessions on school district-municipal relations at our annual conferences. This year's topic will be "School-Municipal Cooperation: Creative Solutions to the 2% Cap". Please have the mayor or administrator take a few minutes to complete the brief survey, available at www.surveymonkey.com/r/NJSLOM, about the efforts by your school district and municipal government to control costs and foster communication. The information will be shared during the presentations at both conferences

IV. FEMA September 15 deadline approaching

The Federal Emergency Management Agency (FEMA) recently issued a reminder that those who filed Sandy-related claims under the National Flood Insurance Program have until Tuesday, September 15 to request a review of their claims if they believe they were underpaid.

To be eligible, the claimants must have experienced flood damage between Oct. 27 and Nov. 6, 2012 as a result of Sandy. Policyholders can call the NFIP's Hurricane Sandy claims center at **1866-337-4262** or go to www.fema.gov/sandyclaims to download a form requesting a review. The downloaded form may be filled out and emailed to FEMA-sandyclaimsreview@fema.dhs.gov to start the review process.

For more information [click here](#)

Very truly yours,

Michael J. Darcy, CAE
Executive Director