July 31, 2015

RE:     Weekly Policy Update

Dear Mayor:


On June 28th, Acting Attorney General John Hoffman issued a directive regarding the use of Body Worn Cameras (BWCs) by local police departments. This directive applies only to municipalities which choose to adopt this technology. The directive can be found here. This directive sets minimum standards and requires municipalities to adopt policies in regarding BWCs. Additionally, Mr. Hoffman announced that the Division of Law will make $2.5 million dollars available to municipalities in the form of grants that can be used to purchase BWCs or recording storage equipment. The League is currently reviewing this directive and will provide additional information on it and the grant program as it becomes available. Contact: Ed Purcell, Esq. at 609-695-3481, ext. 137 or epurcell@njslom.org

II. Senate President Announces Proposal Pension Funding

As indicated in our January 9 letter and as recently as our July 17 letter, as the Administration and Legislature explore how to address the unfunded liability in the State pension and health systems, any solution to address the State government funding gaps should not, in any way, diminish or weaken the vitality of the local plans. According to the latest valuation reports, the local government Public Employees Retirement System (local PERS) and the local Police and Fire Retirement System (local PFRS) are actuarially sound, in large part due to the fact that municipalities and counties have made full employer contributions as required under the law for over a decade. On Thursday, Senate President Sweeney announced a proposal calling on Congress to enact a federal loan program to provide states with large unfunded liabilities to secure long term, low interest loans to pay down or restructure that debt. The Senate President noted that New Jersey is not alone in facing unfunded pension liabilities and argued that such a program would not be a bailout but rather a loan program that would require voter approval to secure the loan and constitutionally mandate payments. Since New Jersey’s local governments have made their payments, such a program would only be applicable to the State and would not impact the local systems. The Senate President indicated that Congressman Norcross has expressed interest in the proposal and that he will be reaching out to his counterparts across the country to build support for the proposal. The July 30 NJ Spotlight story has further details and can be read by clicking here.

Contact: Mike Cerra, 609-695-3481 x 120 or mcerra@njslom.org
III. Federal Transportation Funding Crisis Delayed for Three Months, While Senate Advances Long-Term Fix

Shortly after noon, yesterday, the United States Senate passed a six-year transportation funding measure (HR 22). We expect the Senate to now vote to accept the three-month stop-gap extension, previously passed by the House of Representatives. Final vote on the six-year extension was 65-34, with both Senator Menendez and Senator Booker siding with the majority. This measure is the result of bi-partisan cooperation.

Once they return from the August recess, federal legislators in both Houses will have two months to come to an agreement on a long-term funding bill. The work already accomplished in the Senate will focus attention on action in the House of Representatives.

However, action on other matters may take precedence. The expiration of the transportation funding extension (October 29) will come less than a month after Congress will need to act on a stopgap continuing resolution to keep the government funded for the start of fiscal 2016 (October 1). Further, a more contentious debate could begin by the end of October. On Wednesday, in a letter to Congressional Leadership, Treasury Secretary Jacob J. Lew indicated that “extraordinary measures” will likely delay a default on the federal debt, through at least late October, “and it is likely that they will last for at least a brief additional period of time.”

Contact: Jon Moran, 609-695-3481 x 121 or jmoran@njslom.org

IV. Bills on the Governor’s Desk

The following bills await action by the Governor.

A-947, Bill to require release of “Bidders List” awaiting action by the Governor

Please contact the Governor’s Office, urging him to veto A-947. This ill-advised initiative would require municipalities, counties and local authorities to release, if requested, the names of all parties who have received bid documents, prior to the bid opening, only if three or more parties have received bid documents. In addition, municipalities will have the option to post the list on their websites. Failure to release this information would prohibit a municipality from accepting the bids and require the municipality to reject all bids received and re-advertisement for new bids.

The League opposes A-947 for several reasons. Most importantly because the release of the bidders’ names prior to the receipt of bids could lead to collusion and bid rigging. In addition, provisions in the bill would invite costly litigation by frustrated bidders. Finally, we are concerned that the bill will require a municipality to create and maintain a record.

We strongly believe that the public bidding process should be open and competitive. The names of bidders are routinely released after a bid opening. Releasing the bidders list prior to a bid
opening has the potential to limit competition which can drive up costs for taxpayers and create an environment that could possibly lead to bid rigging and collusion.

With a possible Assembly session in Trenton, sometime next month, the Constitutional deadline for action by the Governor looms large. Please take the time to contact his office at 609-2926000.

**Contact:** Lori Buckelew, lbuckelew@njslom.org or 609-695-3481 x112.

**A-3500 – Mandates Availability of Automated Electronic Defibrillators at All Youth Athletic Events**

Also awaiting the Governor’s consideration is A-3500. This bill requires youth serving organizations to ensure that there is available on site an automated external defibrillator at each youth athletic event and practice held on the organization’s home field. While the bill aims to increase safety during youth sports activities, the new requirement is unfunded and has a number of implementation issues. We oppose this bill as an unfunded mandate and have asked for the Governor’s consideration.

**Contact:** Ed Purcell, Esq. at 609-695-3481, ext. 137 or epurcell@njslom.org

**A-1883 - Increases permissible value of door prizes offered by volunteer service organizations**

We have asked the Governor to sign A-1883. This bill would update the raffle statute to permit veterans’ organizations, religious congregations, educational and social service associations and volunteer first responder squads to increase the value of raffle prizes to $200, without the need to, first, obtain a license. The limit has stood at $50 since 1955. The bill would not diminish any other current municipal regulatory rights and it would apply only when the entire net proceeds of the raffle are devoted to the organization’s public spirited goals. We salute the sponsors for advancing this legislation. It will, we hope, help advance the beneficial work of the volunteer, non-profit entities that contribute so much to the quality of life in New Jersey municipalities and to the fulfillment, contentment and happiness of our citizens.

**Contact:** Jon Moran, 609-695-3481 x 121 or jmoran@njslom.org

**S-2783- Permits local five-year residency requirement for police officers and firefighters.**

We have also asked the Governor to sign S-2783. This permissive legislation would authorize municipalities, at their discretion, to adopt ordinances implementing a five-year residency requirement for police and fire appointees. Such an ordinance would require new police and fire (paid and part-paid departments) hires to begin residing in the municipality within six months of their appointment. New Jersey’s municipalities are exploring all possible avenues to strengthen the tax base and job opportunities, stabilize neighborhoods and enhance community engagement, objectives that may be advanced through residency requirements. In 2012, the State passed a State residency requirement, with some exceptions, for all public employees. If indeed there is value in the State residency requirement, then we believe municipalities should be provided this discretionary authority.
Contact: Mike Cerra, mcerra@njslom.org, 609-695-3481 x120.

Very truly yours,

Michael J. Darcy, CAE
Executive Director