

February 6, 2015

**RE: Weekly Policy Update**

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

Mayor:

Here's a recap of major policy issues of interest to local governments.

**I. Governor Vetoes "Buy American" Legislation**

Yesterday Governor Christie vetoed the Buy American bill. This legislation would have significantly amended the "Buy American" provision of the Local Public Contracts law by expanding the definition and requiring a waiver process, modeled after the federal law, as well as a certification to purchase goods, manufactured products and services not made in America. The League expressed a number of practical concerns with the legislation in its testimony. In his veto message Governor Christie noted that while he supports "American companies as they endeavor to compete in an ever-changing global marketplace" S-1811/A-3059 would "constrain purchasing decisions by setting artificial thresholds of reasonableness based almost exclusively on price". A copy of the Governor's veto message is available at <http://nj.gov/governor/news/news/552015/pdf/20150205/S1811%20AV.PDF> **Contact:** Lori Buckelew, [lbuckelew@njslom.org](mailto:lbuckelew@njslom.org), or 609-695-3481 x112.

**II. Governor Signs Bill to Facilitate Privatization of Public Water Assets**

The Governor signed into law [A-3628/S-2412](#), the "Water Infrastructure Protection Act." This legislation would allow the lease or sale of public water or wastewater assets to a private entity, without any referendum, under certain circumstances. The League **opposed** this legislation based on concerns over the authorization of the sale or lease of a public water asset without voter approval. This law takes effect immediately. For more on this topic please see the League's December 19 letter, the [February 6 Star Ledger](#) story or the [NJ Spotlight article](#). **Contact:** Mike Cerra, [mcerra@njslom.org](mailto:mcerra@njslom.org), or 609-695-3481 x120.

**III. Governor Signs Bill -Authorizing Tax Lien Holders, Other Than Municipalities, To Institute In Rem Tax Foreclosure Action**

Yesterday the Governor signed into law [A-3357/S-2609](#), which the League **supported**, authorizing tax lien holders other than municipalities to institute In Rem tax foreclosure actions against abandoned properties. Such a tax lien holder would be able to institute an action to foreclose the right of redemption with respect to a tax lien on an abandoned property in a more streamlined manner than is currently allowed. Specifically, such tax lien holders would be subject to less stringent notice requirements than is required in an ordinary, in personam, tax

foreclosure action. This law will expedite the process and help return abandoned properties to the tax rolls, thereby assisting municipal efforts to spur economic development. The law takes effect immediately.

**Contact:** Lori Buckelew, [lbuckelew@njslom.org](mailto:lbuckelew@njslom.org), or 609-695-3481 x112.

#### **IV. LOSAP Annual CPI Adjustments for CY 2015**

The Division of Local Government Services has issued Local Finance Notice 2015-02 which provides local units administering Length of Service Awards Program (LOSAP) with general information on award increases and cost of living adjustments. For CY 2014 the CPI adjustment is 1.6% for municipal (November) and 1.0% for fire districts (February) LOSAP's. Local Finance Notice 2015-02 is available at [www.nj.gov/dca/divisions/dlgs/lfns/15/2015-02.pdf](http://www.nj.gov/dca/divisions/dlgs/lfns/15/2015-02.pdf)

**Contact:** Lori Buckelew, [lbuckelew@njslom.org](mailto:lbuckelew@njslom.org) or 609-695-3481 x112.

#### **V. Transitional Aid Application Process**

Any calendar year municipality intending to apply for CY 2015 Transitional Aid must notify the Division of Local Government Services no later than February 17, 2015, using the Notice of Intent to Apply available in Local Finance Notice 2015-04. The Mayor and Chief Administrative Officer, except for those municipalities currently receiving Transitional Aid, will be required to attend a mandatory orientation meeting on February 19, 2015 at 2:00 p.m. The application deadline for Transitional Aid is March 16, 2015, after the March 13th budget introduction deadline. For more information on the criteria and application process please review Local Finance Notice 2015-04 available at

[www.nj.gov/dca/divisions/dlgs/lfns/15/201504.pdf](http://www.nj.gov/dca/divisions/dlgs/lfns/15/201504.pdf)

**Contact:** Lori Buckelew, [lbuckelew@njslom.org](mailto:lbuckelew@njslom.org) or 609-695-3481 x112.

#### **VI. CY 2015 Municipal Levy Cap Referendum Procedures**

The Division of Local Government Services has issued Local Finance Notice 2015-03 which provides specific instructions and directions for calendar year municipalities considering holding a public referendum to exceed either the 2% levy cap or the 1.5% appropriation cap. The first deadline for municipalities considering a levy cap referendum is the publication of the display advertisement announcing that a referendum may be held. The deadlines are February 24th for an April election (those municipalities with a Type II board of education, regardless of the school board election, and non-partisan municipalities without a May election) and March 17th for a May election (non-partisan municipalities whose elections are in May). For information on the municipal levy cap referendum procedures please review Local Finance Notice 2015-03 available at [www.nj.gov/dca/divisions/dlgs/lfns/15/2015-03.pdf](http://www.nj.gov/dca/divisions/dlgs/lfns/15/2015-03.pdf)

**Contact:** Lori Buckelew, [lbuckelew@njslom.org](mailto:lbuckelew@njslom.org) or 609-695-3481 x112

Very truly yours,

William G. Dressel, Jr.  
Executive Director