

September 23, 2016

Re: Weekly Policy Update

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Dear Mayor:

**I. CY 2016/SFY 2017 “Best Practices” Checklist Issued**

On Monday, the Division of Local Government Services issued the CY 2016/SFY 2017 Best Practices Checklist. [Local Finance Notice 2016-13](#) provides guidance on this year’s process. Calendar Year municipalities must submit their Best Practices checklist by Friday, October 21, 2016. State Fiscal Year municipalities will have until Friday, April 7, 2017.

There have been some significant changes to this year’s Best Practices Checklist as a result of the Governor’s budget language changes to the SFY2017 State Budget. (See [August 11 blog post](#)) We remain concerned that the Best Practice Checklist continues to attempt to manage municipalities from Trenton without consideration for the uniqueness of municipalities. There are questions that may require municipalities to expend limited funds to get a positive answer for a practice that is not necessarily needed in a particular municipality. In particular, we are troubled by the Division’s decision to put any Energy Tax funds at risk; as well as lack of disclosure of how much CMPTRA & Energy Tax funds are in jeopardy.

For more on this, please click here for the League’s Town Crier blog posting of [September 22](#).

**Contacts:** Jon Moran, Sr. Legislative Analyst at 609-695-3481 x121, [jmoran@njslom.org](mailto:jmoran@njslom.org) or Lori Buckelew, Sr. Legislative Analyst at 609-695-3481 x112, [lbuckelew@njslom.org](mailto:lbuckelew@njslom.org)

## **II. State Health Benefits Plan Rate Renewal Recommendations Announced**

AON has recommended to the Division of Pensions that the Local Government State Health Benefits Plan (SHBP) overall premium rate changes for Plan Year 2017. They have recommended that the SHBP rates be decreased or increased from Plan Year 2016. They are recommending for Active Employees a 0.1% reduction, for Early Retirees a 8.6% increase, and for Medicare Retirees a 4.6% increase. In the aggregate, the recommended rates represent an overall 2.4% increase for the Local Government Group.

The Plan Year 2017 Renewal makes various assumptions, including, that there is no change in the landscape with Aetna and Horizon both offering PPO, HMO, High Deductible plans and Express Scripts as the State's Pharmacy Benefits Manager. However, the following changes will occur in Plan Year 2017:

- All Medicare-eligible members currently enrolled in NJ DIRECT10 or NJ DIRECT15 will now be enrolled in a Medicare Advantage plan. Previously all Aetna Medicareeligible members were enrolled in a Medicare Advantage plan.
- Local Government employers will have the option to provide an incentive in form of a gift card for active employees who enroll in the Tiered Network plan in 2017 with a two year commitment.
- All PPO plans will limit the plan payments for out-of-network physical therapy services to the average of the in-network rate for physical therapy services.
- SHBP will pay the cost of the generic equivalent for all brand drugs with a generic equivalent available. Members who chose to fill the prescription with the brand name will need to pay the difference in cost.
- Emergency room co-pays will increase by \$25 for all current plans where the co-pay is lower than \$100

We anticipate that the actual rates for the various State Health Benefits Plans to be releases shortly as open enroll typically begins in October. We will continue to keep you posted.

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

## **III. A-4114 Will Protect Municipalities from Increased Transportation Project Costs**

The League supports [A-4114](#), which was amended and approved by the Assembly Transportation and Independent Authorities Committee on Thursday, September 22. This bill will required the State Department of Transportation to compensate local governments for delay damages on transportation projects that result from Executive Order 210. Further, as amended by the Committee, the bill permits local governments to use their own funds to continue or complete a project that was halted as a result of the Executive Order, and prohibits the DOT or any Executive Branch agency from withholding, revoking or canceling funds if the local government chose to proceed. We thank Assemblywoman Muoio and Assemblyman Chris A.

Brown for their sponsorship. The bill stands at 2nd reading in the Assembly. A Senate companion has not yet been introduced.

**Contact:** Jon Moran, Sr. Legislative Analyst, [jmoran@njslom.org](mailto:jmoran@njslom.org), 609-695-3481 x121; or Mike Cerra, Assistant Executive Director, [mcerra@njslom.org](mailto:mcerra@njslom.org), 609-695-3481 x120.

#### **IV. Bill Limiting 3rd Party Property Tax Appeals Advanced**

Senator Singer and Assemblyman Gusciora have introduced legislation that would prohibit third parties from filing property tax appeals with respect to the property of others. S-2212/A-3888 would still permit a property owner to appeal their assessment or tax exempt status, but would no longer allow any entity or individual that pays property taxes to challenge the assessment or exempt status of any other property in the county in which they pay property taxes. On Monday, the Assembly State and Local Government Committee amended and approved [A-3888](#), which now stands at 2nd reading and can be scheduled for a floor vote.

Our support of this legislation is two-fold. Property tax appeals are costly and can lead to uncertainty, especially in the municipal budget. S-2212/A-3888 has the potential to reduce property tax appeals and bring some stability to municipal budgets.

In addition, there is now increased concern about the use of this provision of law as a form of retribution for public servants performing their jobs. S-2212/A-3888 would address that concern and limits such appeals, appropriately, to the local government.

S-2212/A-3888 would take effect immediately, but would apply to property tax appeals filed for the next tax year following the date of enactment.

S-2212 awaits consideration by Senate Community Urban Affairs Committee. We urge you to contact your Senator and Assembly representatives requesting their support of S-2212/A-3888.

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

#### **V. Compromise UEZ Extension Bill Introduced**

The League was a strong supporter of [A-2576](#), which would have extended the Urban Enterprise Zone (UEZ) designation for participating municipalities for another 10 years, so that business in those communities could continue to benefit from the economic incentives provided under the long-running program. The extension recognized the set-backs experienced by the qualifying businesses, due to the national recession and our State's slow recovery.

The bill was [conditionally vetoed](#) by the Governor, who criticized the UEZ program as ineffective and costly to the State. With his conditional veto, the Governor rejected any extension of UEZ redevelopment incentives. Instead, he asked the Legislature to direct the Commissioner of the Department of Community Affairs to conduct a study of the UEZ program "... which shall

include, without limitation, an assessment of whether an alternative, location-based program to assist fiscally distressed municipalities is appropriate, and, if so, recommendations for the parameters of such a program ...”

Respecting the Governor’s desire for a comprehensive analysis of the program, a pair of bills have been introduced as a compromise. The new legislation, [A-4135](#) and [A-4189](#), accepts the Governor’s recommendation regarding a DCA study of the program and research into alternatives. However, the bill provides a two year extension to the five UEZs that are set to expire at the end of this year.

The UEZ Program - first created in 1983 - offers incentives to participating businesses, designed to encourage business growth and stimulate local economies. Approximately 6,800 certified UEZ businesses participate and benefit from the advantages of the UEZ program statewide. These include a number of tax and financial incentives, including tax credits to hire local workers. The program authorizes qualifying retail businesses in the UEZs to charge and collect the State’s sales and use tax (sales tax) at one-half of the normal rate.

**We commend the sponsors and urge approval of A-4135/A-4189.**

For more on these bills, please see the League’s Town Crier blog posting of [September 23](#).

**Contacts:** Jon Moran, Sr. LegislativeAnalyst, [jmoran@njslom.org](mailto:jmoran@njslom.org), 609-695-3481 x121.

## **VI. Bill Would Give Freeholders the Power to Force Court Consolidation**

The League opposes **A-3874**, which would give Freeholder Boards the power to usurp a legitimate local prerogative. Under the provisions of this bill, locally elected and locally responsive governing bodies would have no real choice, but to rubber stamp a county decision to create “county-municipal courts” with limited, countywide jurisdiction.

After action by the Freeholders, each municipality within a county that establishes a countymunicipal court would have to agree, within two years, to have violations heard in the new court. A municipality that bows to the county’s will would not be responsible for any administrative costs associated with the operation and maintenance of the new court. However, if a municipality failed to agree within the two-year period to have violations heard by the new court, the Assignment Judge of the vicinage for the county would order that any violations occurring in the non-compliant municipality be heard in the new court, and the municipality would be responsible for all administrative costs specified in the judge’s order until such time as it agreed to have violations heard by that court.

Local elected officials should not be compelled to defer to the whims of officials at a different level of government. Please ask your State Legislators to oppose A-3874, which has been referred to the Assembly Judiciary Committee.

**Contacts:** Jon Moran, Sr. Legislative Analyst, [jmoran@njslom.org](mailto:jmoran@njslom.org), 609-695-3481 x121.

## VII. Statute of Limitation Liberalization Could Hurt Taxpayers

Companion bills ([S-280/A-865](#)) and similar legislation ([A-853](#)) have been introduced, which would:

- Completely eliminate (or, in the case of A-853, extend to 30 years) the statute of limitations for bringing civil actions for sexual abuse
- Waive sovereign (and charitable) immunity to make public entities (and charitable institutions) equally liable
- Include actions brought against an employer or volunteer supervisory person or entity for actions alleging negligent hiring, supervision or retention by any organization, including charitable organizations.

We continue to ask that these bills be amended to exempt public entities from these provisions.

Current law allows a person to bring suit within two years of ‘the time of reasonable discovery of the injury and its causal relationship to the act of sexual abuse’ and allows a court to toll the Statute of Limitations L because of the ‘plaintiff’s mental state, duress by the defendant, or any other equitable grounds.’ The statute of limitations for the crime of sexual abuse has been eliminated.

This initiative applies to civil – not criminal – suits. Civil suits are decided on a ‘preponderance of the evidence’ standard, and need not be proved ‘beyond a reasonable doubt.’ Under this bill, a defendant would have to present evidence to prove that he, she or it did not do something 30 or more years ago.

Those who violate a minor’s trust and commit child abuse should be prosecuted, and punished, to the full extent of the law. However, local taxpayers, who may not have lived in the municipality, or even been alive, at the time of the abuse, should not be penalized for heinous crimes over which they had no control. Yet, the difficulty in proving a negative could force municipalities, school districts, youth sports organization, social service agencies to settle false claims.

**Contact:** Jon Moran at 609-695-3481, ext. 121 or [jmoran@njslom.org](mailto:jmoran@njslom.org)

## VIII. Advocacy Tools for Local Officials

[As Mentioned in our August 19 Friday recap letter](#) the League is rolling out some new tools and initiatives for our advocacy efforts. Please [click here](#) for more on our VoterVoice service.

We would suggest registering with that service to assist the League in future legislative efforts. We anticipate launching our first legislative campaign shortly.

And please [click here](#) to read the League’s new legislative blog, “The Town Crier.”

**Contact:** Mike Cerra, Assistant Executive Director, [mcerra@njslom.org](mailto:mcerra@njslom.org), 609-695-3481 x120.

## **IX. Apply for the 2016 Governor’s Environmental Excellence Awards**

Applications are being accepted for New Jersey’s premier awards program for recognizing outstanding environmental performance, programs and projects throughout the state. These awards recognize significant contributions to environmental protection in New Jersey.

Nominations can be submitted for nine different categories. Full details are at [www.nj.gov/dep/eeawards](http://www.nj.gov/dep/eeawards). The **submission deadline is September 28**.

The Governor’s Environmental Excellence Awards Program is sponsored by the New Jersey Department of Environmental Protection, the New Jersey Environmental Infrastructure Trust and the New Jersey Corporation for Advanced Technology, in partnership with the New Jersey State League of Municipalities.

Questions about the awards program can be forwarded to NJDEP employee Tanya Oznowich by calling (609) 984-9802 or emailing [Tanya.Oznowich@dep.nj.gov](mailto:Tanya.Oznowich@dep.nj.gov).

**Contact:** Michael J. Darcy, CAE, Executive Director, [mdarcy@njslom.org](mailto:mdarcy@njslom.org), 609-695-3481, x116.

## **X. Pre-Registration for 101st NJLM Conference Opened August 1**

Pre-registration for the NJLM Conference opened on Monday, August 1, by paper and online formats. The form and online registration links are located on our website, [www.njslom.org](http://www.njslom.org).

Click on the tab “Conference,” select “Conference 2016” and click on the “Register Now” button to access your municipal pre-registration form or non-municipal registration form.

**REMINDER: Pre-registration ends October 1, 2016. After October 1, 2016, all new registrations must be completed onsite in Atlantic City.**

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or

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## **XI. New for 2016 – The League is going mobile!**

**Starting October 5th** you can download the new official conference app. Access a fully searchable session schedule, interactive map of the exhibit floor, a thorough listing of exhibitors, and up-to-date event information. Don’t miss important sessions, speakers or exhibits – create a personalized schedule before you arrive at the Convention Center to maximize your experience! Download day is October 5 at [www.njslom.org/2016conf/app](http://www.njslom.org/2016conf/app)

## **XII. NJLM 2016 Conference CEU List Updated.**

The Annual Conference CEU list has been updated. You can view this list by clicking the following link: <http://nj-njslom.civicplus.com/339/Continuing-Education-Unit-CEU-Tracking-S> . The list is not yet final so continue to check the page for updates. And download the conference mobile app October 5 to receive update notices <http://www.njslom.org/2016conf/app-download.html>

**Contact:** Danielle Holland, Seminar Manager, [dholland@njslom.org](mailto:dholland@njslom.org), or 609-695-3481 x118.

### **XIII. Innovation in Government Award Nominations has been extended to October 7th**

The New Jersey Department of Community Affairs and the New Jersey League of Municipalities will again acknowledge and promote Innovation in Governance through our annual recognition program. It gives you the chance to congratulate your public professionals and employees for a job well done. And it can help to demonstrate to your constituents the appreciation that other local officials, throughout New Jersey, have for your creativity and leadership. See how to nominate your program here; and, please note that the deadline has been extended to October 7, 2016.

**Contact:** Ciara Bradley, Legislative Administrator, [cbradley@njslom.org](mailto:cbradley@njslom.org) , 609-695-3481, x128.

### **XIV. Mayors Hall of Fame Reminder**

Once again, the New Jersey State League of Municipalities Executive Board wants to pay tribute to mayors who have served at least 10 years as mayor. During the Mayors Box Luncheon at Annual League Conference in November we will induct nominees to the Mayors Hall of Fame. See details on the nomination process here <http://nj-njslom.civicplus.com/246/Mayors-Elected-Officials-Hall-of-Fame>

### **XV. NJ Spotlight on Cities**

**What is the future of New Jersey cities? What policy matters should our leaders address? What does a Garden State urban agenda look like?**

Together with some of the state's biggest influencers and advocates, the state's premier public policy news source, NJSpotlight, will tackle these questions at the second annual [NJ Spotlight On Cities](#).

They start with a conversation on urban agendas of the past and future, and then explore major issues like healthcare, environmental justice, affordable housing, gentrification, corporate citizenship, community schools, entrepreneurship, arts education, designing public spaces and more. [You can see the roster of confirmed speakers](#) here [www.njspotlightoncities.com](http://www.njspotlightoncities.com) .

Discounts are available for government and non-profit employees, educators, students, and community activists. Get your tickets today at [www.njspotlightoncities.com](http://www.njspotlightoncities.com)

**Contact:** Michael J. Darcy, CAE, Executive Director, [mdarcy@njslom.org](mailto:mdarcy@njslom.org), 609-695-3481, x116.

## **XVI. Please Help NJ Homeland Security and Local Law Enforcement in Planning and Preparation for Events**

New Jersey's Office of Homeland Security and Preparedness (NJOHSP) want all local officials to be aware of an important initiative. You may have seen this covered on various news outlets earlier this week:

[http://www.nj.com/politics/index.ssf/2016/09/nj\\_homeland\\_security\\_office\\_tell\\_us\\_about\\_large\\_ev.html](http://www.nj.com/politics/index.ssf/2016/09/nj_homeland_security_office_tell_us_about_large_ev.html)

NJOHSP needs your assistance to compile an accurate and complete directory of special events—to include any event that attracts large numbers of participants and spectators, such as concerts, marathons, fireworks displays, community celebrations, visits by VIPs, sporting events, holiday gatherings, etc. This directory will be distributed to all law enforcement agencies to provide situational awareness and to assist in local planning requirements.

If you know of events in your area, please complete the special events submission form, which can be found here: <http://www.njhomelandsecurity.gov/specialevents>

Lastly, NJOHSP has also been holding a series of free "[Hometown Security](#)" seminars in towns around the state to brief local officials on public safety protocol. The next event is planned for Sept. 29 in Camden. To request a session in your community, please contact: [preparedness@njohsp.gov](mailto:preparedness@njohsp.gov).

**Contact:** Michael J. Darcy, CAE, Executive Director, [mdarcy@njslom.org](mailto:mdarcy@njslom.org), 609-695-3481, x116.

Sincerely,

Michael J. Darcy, CAE Executive  
Director