November 30, 2018

I. State Issues
II. Federal Issue
III. League Conference

Municipal Clerks: Please forward to Mayor, Governing Body and Department Heads.

I. State Issues

a. Marijuana Legalization Advances

During a joint hearing Monday, the Senate Budget and Appropriations and the Assembly Appropriations Committee voted out legislation to legalize the adult use of recreational marijuana. The amended bills now stand at “2nd reading” and could be scheduled for a final floor vote as soon as December 17. The Governor, Senate President Sweeney, and Assembly Speaker Coughlin all publicly support legalization. However, there remains distance between the Legislative Leaders and the Governor’s office on specifics of the bill. While a December 17 vote remains possible, it is also very possible, if not likely, that further amendments will be made and a vote could be pushed into 2019.

In addition, the committees advanced separate bills to expand the medical use of marijuana and implement an expungement process for minor marijuana possession.

The League will be holding a free member webinar later today (Friday, November 30, 12 noon) to provide you with details of these initiatives. If you cannot make the webinar, a PDF copy of that presentation will be posted on our website by Monday.

For more, please see our letter from Tuesday, November 27.

Contact: Michael F. Cerra, Assistant Executive Director, mcerra@njslom.org, 609-695-3481 x120.
b. Federal Judge Rules NJ Ban on BYOB Advertising Unconstitutional

Last week, a federal judge ruled that New Jersey’s law prohibiting BYOB establishments from advertising their BYOB status violates constitutional free speech rights. The GJJM Enterprises, LLC v. NJ Division of Alcoholic Beverage Control ruling effectively allows any BYOB establishment in New Jersey to begin advertising their status as a BYOB. Before this ruling, establishments were prohibited from advertising their BYOB status, both on and off premises, any violation of which would be a disorderly persons offense.

It is important to point out that the ruling only impacts the advertising component of the State’s BYOB law. It does not affect other aspects of the law such as a municipality’s ability to set reasonable standards for BYOB establishments and a municipality’s authority to prohibit BYOBs entirely. You should review this ruling with your municipal attorney for more information.

Contact: Frank Marshall, Esq., League Staff Attorney, FMarshall@njslom.org, 609-695-3481 x137.

c. New Jersey Opioid Litigation – Municipal & County Survey Deadline Extend to December 19

The Division of Local Government Services has issued Local Finance Notice 2018-25 requesting municipalities and counties assistance in the New Jersey Opioid Litigation. As part of a comprehensive response to the opioid epidemic, the Attorney General and the Division of Consumer Affairs have filed civil lawsuits seeking to hold opioid manufacturers liable for their contributions to a crisis afflicting local units across New Jersey. The State has sued, on behalf of all New Jersey residents, seeking relief sufficient to fund solutions to the opioid epidemic across New Jersey. To assist the State in its efforts to obtain relief on behalf of all New Jerseyans, the Office of the New Jersey Attorney General invites municipalities and counties to fill out a survey no later than December 19, 2018.

For more information or any question contact the Office of the Attorney General at response@njoag.org.

Contact: Lori Buckelew, Senior Legislative Analyst, lbuckelew@njslom.org, 609-695-3481, x112.

d. Division Extends CY 2019 Budget Deadlines

The Division of Local Government Services has issued Local Finance Notice 2018-28 regarding 2019 Calendar Year (CY) Budget Matters, including information on the Financial Automation Submission Tracking (FAST). All CY 2019 budgets must be submitted to the Division through FAST.

The Division has extended the CY 2019 Budget deadlines, for municipalities not holding a cap referendum, as follows:

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<th>Action</th>
<th>Statutory Date</th>
<th>Revised Date</th>
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<tr>
<td>Mayor/Council Faulkner Act (Executive)</td>
<td>1/15</td>
<td>2/28</td>
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In addition, no later than March 29, 2019 governing bodies may, by resolution, increase their temporary budget appropriations as necessary to adjust for the 2019 budget extensions.

Municipalities planning a property tax levy cap referendum election must meet the notice and publication deadlines tied to the April school board election date. The full calendar for referendums will be released after the Division of Elections establishes the 2019 Election calendar timetable.

The Division reminds governing body members who willfully fail or refuse to timely adopt their budgets can be subjected to a daily personal penalty of $25.

We strongly suggest you review this Local Finance Notice with your Chief Financial Officer.

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

### e. Governor Signs Bill Expanding the Common Sense Shared Service Pilot Program into Law

On November 27, Governor Murphy signed into law [A-1100](https://www.nj.gov/lps/lnd/legis/pdf/a1100.pdf), which added Monmouth and Atlantic County as pilot counties for the purposes of “Common Sense Shared Services Pilot Program Act.” Effective immediately municipal governing bodies located in Atlantic and Monmouth County would be permitted to remove a tenured municipal clerk, chief financial officer, tax collector, municipal treasurer, tax assessor or municipal superintendent of public works to effectuate a shared service agreement deemed to be in the interest of the economy and efficiency of the municipalities.

P.L. 2018, c. 140 also made the following amendments to the Act.

- Requires the agreement to address the proportion of work hours that must be dedicated to each pilot municipality and any additional compensation the employee may receive from assuming additional duties;
- Prohibits the reduction of any additional compensation received under the agreement for assuming additional duties without good cause; and
- If the shared service agreement is cancelled or expires within two years immediately following the dismissal of a tenured official, the reappointed employee is entitled to the same level of salary or wages the employee had received at the time of dismissal plus any increases in salary granted to all other tenured employees by ordinance while the shared service agreement was in effect.

As a reminder, the Common Sense Shared Service Pilot Program Act includes protections for the tenured employee, but does provide participating municipalities with another tool for increased opportunities for shared services.
Contact: Lori Buckelew, Senior Legislative Analyst, lbuckelew@njslom.org, 609-695-3481, x112.

f. Current Taxpayers Could Pay If Legislature Extends Statute of Limitation

In its current form, the League of Municipalities must oppose S-477, which would extend the statute of limitations on civil actions for sexual abuse, including claims against public bodies, and expand the categories of people who are potentially liable for such actions.

The League understands and applauds the sponsors’ intent. Sexual abuse of a child is an odious crime that can have repercussions for years. We also agree that the recent investigations have clearly demonstrated the current statute of limitations of two years on all claims is too short a time.

We cannot, however, support S-477, in its current form. If this bill passes, any claim of sexual abuse can be revived, and may go forward if commenced within 37 years after a minor reaches the age of majority or on or before the age of 55 or within seven years from the date of reasonable discovery of the injury and its causal relationship. The bill would also allow the court to find that the statute of limitations was tolled which could effectively extend claims in perpetuity. The bill would also strip municipalities of immunity from civil claims for the long past actions of previous employees.

Under this bill local governments could be faced with the near impossible task of defending a claim of sexual abuse that may be decades old. Permitting these types of claims against the municipality itself would only punish current taxpayers. This is because neither a mayor, nor an administrator, nor a supervisor in place at the time of the abuse will pay a successful claim against a municipality. Indeed, the current officials do not pay these claims. Municipal residents pay these claims through increased taxes or reduced services.

The bill has been referred to the Senate Judiciary Committee, where we hope for amendments that would allow us to support appropriate changes to the statute of limitations. But for now, we must oppose S-477, in its current form.

Contact: Jon Moran, Senior Legislative Analyst, jmoran@njslom.org, 609-695-3481 x121.

g. Amended Bill Denies Local Discretion on Alcohol Sales in Certain Supermarkets

On Thursday, November 29, the Assembly Human Services Committee held a hearing on a number of bills meant to address the problem of hunger in New Jersey. One bill, A-4700, the “Food Desert Elimination Act,” is intended to provide incentives to supermarkets and grocery stores that locate in “food deserts.” (The United States Department of Agriculture – USDA – publishes an on-line Food Access Research Atlas, which identifies “food deserts.”)

The bill would give food stores that locate in “food deserts” State tax benefits that would equal local property taxes on the property. As originally drafted, the bill would also allow the State’s Division of Alcoholic Beverage Control (ABC) to award ‘special retail distribution permits’ to the stores, contingent on the approval of the local governing body.
As amended, the bill denies local officials any power to limit the ABC's authority to issue such permits, which would allow the grocer to sell alcoholic beverages for off-site consumption.

The League welcomes any initiatives that seek to address hunger in our State. We would support efforts to make healthy, nutritious food available to all New Jerseyans.

The League is reaching out to the sponsors of this bill to express these concerns. We will advise you of any developments.

Contact: Jon Moran, Senior Legislative Analyst, jmoran@njslom.org, 609-695-3481 x121.

II. Federal Issue

a. National Flood Insurance Deadline Reached Again

At midnight tonight, absent action in the United States Senate, authorization for the National Flood Insurance Program (NFIP) will expire. Earlier this week, the House of Representatives passed legislation that would extend authorization until December 7. Senator Menendez has expressed his opinion that the Senate would accept that bill, in the hopes that agreement could be reached on even a six month extension by that date.

If passed in the Senate and signed by the President, this would be the eighth NFIP short-term extension, since September 30, 2017.

If no action is taken today, existing policies would remain in effect until the renewal date, but the Federal Emergency Management Agency (FEMA) would have no authority to issue new coverage. This lapse would likely jeopardize some home sales in our State and others.

Last year, Senator Menendez, Louisiana’s Senator John Kennedy and a number of their colleagues introduced bipartisan legislation (S.3128) that would reform NFIP and authorize the program for six years. The League supports that bill.

Contact: Jon Moran, Senior Legislative Analyst, jmoran@njslom.org, 609-695-3481 x121.

b. Colleagues Honor Retiring New Jersey Congressman

The U.S. Coast Guard's $10 billion two-year appropriations bill, that has passed Congress and awaits the President’s signature, has been named The Frank LoBiondo Coast Guard Authorization Act. In naming the Act for the retiring New Jersey Congressman, House Transportation Committee Chairman Bud Shuster acknowledged Congressman LoBiondo’s 24 years of advocacy for the Coast Guard. Congressman LoBiondo’s District includes the Coast Guard’s Cape May Training Center and the Guard’s Atlantic City Air Station.

The bill, which passed with strong bipartisan support, provides $7.9 billion for operating expenses and $2.9 billion for construction, renovation, and improvement of facilities. It will also provide regulatory relief for New Jersey commercial fishermen, by eliminating the
requirement that commercial fishing vessels must meet both Coast Guard and Environmental Protection Agency (EPA) discharge limits.

Congressman LoBiondo was also recently honored as a conservation champion by environmental groups in his District, in a ceremony held at The Nature Conservancy’s South Cape May Meadows Preserve. The Congressman was able to secure federal support for the Preserve, during his tenure in the Capitol.

In the months after Superstorm Sandy devastated our State, Congressman LoBiondo was a harsh critic of his own Party’s Leadership for their delays in advancing emergency assistance to citizens and local governments in New Jersey and other suffering States.

**Contact:** Jon Moran, Senior Legislative Analyst, jmoran@njslom.org, 609-695-3481 x121.

### III. League Conference Follow Up

#### a. Do Not Forget to Claim Your CEU’s from the 2018 NJLM Annual Conference!

Attention Municipal Officials! Do Not Forget to Claim Your CEU’s from the 2018 NJLM Annual Conference! Please go to our website to claim your credits.

#### b. The Conference App is Still Available!

*Misplaced your printed Session or Exhibitor Program Guide?* The app can still be downloaded in your app store to reference session details or view contact information for participating consultants and exhibitors. The app will be available for download through the end of this calendar year and remains available for accessing on your device as long as it is installed.

#### c. Exhibits at the Annual Conference

Don’t forget to follow up with the exhibitors you met during the Annual Conference! They’re available to answer your questions and provide solutions to your town’s issues. The full listing with contact information is available on the interactive floor plan and the mobile app.