January 11, 2019

I. State Issues
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III. League Conference
IV. Also of Interest

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

I. State Issues

a. Governor to Deliver State of the State

On Tuesday, January 15, Governor Phil Murphy will deliver his first State of the State address to a joint session of the New Jersey State Legislature. In his address the Governor will likely highlight his policy objectives for 2019 and beyond and will likely address his support for the legalization of recreational marijuana and an increase in the minimum wage. The League will attend and will report back to you on the address.

On March 5, the Governor will deliver his second budget address, providing his financial blueprint for the State for the fiscal year 2020, which begins on July 1, 2019.

Contact: Michael F. Cerra, Assistant Executive Director, mcerra@njslom.org, 609-695-3481, x120.

b. Court Rules Evidence of Necessity Required for Use of Eminent Domain in Redevelopment

On Monday, the Appellate Division ruled in Borough of Glassboro v. Grossman, et al, that the Local Redevelopment and Housing Law, which authorizes municipalities and redevelopment agencies to condemn properties, also requires to the condemning authority to articulate a definitive need for the property when the condemnation is challenged by an owner.
In addition, the ruling explains that stockpiling parcels of property for potential future use would not rise to the level of necessity required for condemnation. Condemning authorities must justify through supporting proof the need for the property, it is not enough to establish necessity simply by stating it.

For more information please see the Leagues recent blog post. You should review this ruling with your municipal attorney for more information on how it will impact your municipality’s potential and current redevelopment projects.

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

c. Comptroller Report on State Level Tax Incentives Released

On Wednesday, the Office of the State Comptroller released a critical report on the New Jersey Economic Development Authority’s administration of programs, meant to increase employment opportunities that gave certain business entities state tax breaks. Since 2005, the State—and New Jersey taxpayers—awarded nearly $11 billion in tax incentives, intended for companies to either create or retain jobs in New Jersey. Governor Murphy signed Executive Order No. 3 on January 19, 2018, ordering the performance audit.

You can access a copy of the final report on the Comptroller’s Website

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

II. Federal Issues

a. Shutdown Update

As the partial shutdown of Federal agencies and services continues, the impact on the citizens and municipalities of our State will increase incrementally. Immediate and personal impact will be felt on Friday, when over 5,000 New Jerseyans employed by the Federal government will not receive a paycheck. They comprise over 26% of our States total Federal workforce. For their sake, and for the sake of their families, we all need to be concerned.

Going forward, and with no compromise in sight, local officials need to know the facts.

Five of the 12 total appropriations bills needed to fund federal programs and services have been enacted. In addition to all mandatory spending programs, federal discretionary grant programs administered through the following agencies will not be impacted by the partial shutdown:

- U.S. Department of Labor
- U.S. Department of Health and Human Services
- U.S. Department of Education
- U.S. Department of Veterans Affairs
- U.S. Department of Defense
- U.S. Department of Energy
That means our citizens can expect uninterrupted operations and payments from Social Security, Medicare, and Medicaid. VA Hospitals and other service providers for veterans should remain open. Before and after school programs funded by the Department of Education, 21st Century Community Learning Center grants should not be interrupted.

Unfortunately for local leaders, the federal agencies that will be shutting down to various degrees are those that administer most federal grants allocated directly to municipal governments, including:

- U.S. Department of Commerce
- U.S. Department of Justice (DOJ)
- U.S. Department of Interior
- U.S. Environmental Protection Agency
- U.S. Department of Agriculture (USDA)
- U.S. Department of Homeland Security
- U.S. Department of Transportation (DOT)
- U.S. Department of Housing and Urban Development (HUD)
- U.S. Economic Development Administration (EDA)
- U.S. Small Business Administration (SBA)

Accordingly, federal discretionary grants that are administered to local governments from unfunded federal agencies, including HUD’s CDBG and HOME grants, DOJ’s COPS grants, DOT’s TIGER grants, EDA’s economic development grants, SBA’s small business loans, and rural loans and grants from USDA, will be unavailable for reimbursement to local governments, and agency staff will generally be unavailable to answer questions or offer technical assistance throughout the duration of the partial government shutdown. Any local employees funded by federal grants may also be required to stop work.

Regarding the Supplemental Nutrition Assistance Program (SNAP), commonly known as Food Stamps, USDA Secretary Sonny Perdue announced that, thanks to a provision in the law that allows distribution of funds within 30 days of a shutdown, States that apply by January 20 will receive funding to continue to provide the benefit through February.

Our partners at the National League of Cities have set up a Federal Government Shutdown Resource Center, which includes links to all published agency shutdown plans and the latest information on legislative developments and Office of Management and Budget (OMB) emergency actions to avert emerging problems.

And, on Tuesday, NJSpotlight.com’s John Reitmeyer reported on the impact of the current impasse in Washington, Federal Shutdown Already Hurting NJ Amid Fears of Growing Impact.

We will do our best to keep you informed. In the meantime, if any shutdown related problems arise in your municipality, please email Jon Moran at [jmoran@njslom.org](mailto:jmoran@njslom.org) with the subject line: Federal Shutdown Matter.

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

**b. Congressional Update**
We have two corrections on last week’s listing of contact information for the members of New Jersey’s Congressional delegation.

Hon Frank Pallone, Jr. (6th D)                         Hon. Donald M. Payne, Jr. (10th D)
2107 Rayburn HOB                                       103 Cannon HOB
Washington, DC 20515                                   Washington, DC 20515
Phone: (202) 225-4671                                   Phone: (202) 225-3436
Fax: (202) 225-9665                                       Fax: (202) 225-4160

To contact your Representative’s official website, where you can find contact information for the members’ District Office(s), and on legislation, positions, and committee and caucus memberships, the formula used is lastname.house.gov, except for Congresswoman Watson Coleman (watsoncoleman.house.gov) and Congressman Smith (chrissmith.house.gov).

Senator Menendez official website   Senator Booker official website

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

III. League Conference Follow Up

a. Claim Your CEUs from the 2018 NJLM Annual Conference!

Attention Municipal Officials! Claim your CEUs from the 2018 NJLM Annual Conference! Please go to our website to claim your credits.

b. The Conference App is Still Available!

Missed 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.

IV. Also of Interest

a. Annual Survey

We here at the League would like to know what you thought about our services provided throughout the last year. The survey should take less than 5 minutes.

Thank you for taking the time to let us know how we are doing.