March 8, 2018

I.  State Issues
   a. Senate Committee Approves Bill Removing Statute of Limitations on Civil Actions for Sexual Abuse

Yesterday, the Senate Judiciary Committee approved S-477 which would remove the statute of limitations on certain civil actions for sexual abuse, including claims against public bodies, and would expand the categories of defendants liable in such actions. In its current form, the League opposes S-477.

There is no question that the individual perpetrators of such heinous offenses should be held liable for their abuse and not be shielded by the statute of limitations. And, to that extent, we would support legislative action. But the bill would also lift the limitations on civil suits against public entities, including local governments.

Under this bill municipalities, schoolboards, counties, and the state could be faced with the near impossible task of defending a claim of sexual abuse that may be decades old. Further, local and State governments would be held to a higher standard of care that exists today but may not have existed at the time of the claim. In the case of more recent claim of abuse, the officials who may have been negligent in supervising their employees may still be in power, and thus may suffer some indirect repercussions, such as the loss of their office or employment. However, in the case of a decades-old claim of abuse, those
New Jersey local governments do not generate profits that can be cut to cover a settlement or a judgment in such cases. They lack surplus property or other forms of wealth that can be liquidated to cover such costs. Permitting these types of claims against the municipality itself would hold current taxpayers liable for the actions of other persons.

On Monday, the Assembly Judiciary committee will review A-3648, the Assembly companion bill. We believe it is possible to craft legislation that will balance the need for victims to receive the justice and compensation they deserve and the nature of municipal governments.

We urge you to contact your legislators to ensure municipal concerns are addressed before the passage of a final bill.

Contact:
- Michael F. Cerra, Assistant Executive Director, mcerra@njlm.org, 609-695-3481 x120.
- Jon Moran, Senior Legislative Analyst, jmoran@njlm.org, 609-695-3481 x121.
- Frank Marshall, Esq., League Staff Attorney, fmarshall@njlm.org, 609-695-3481 x 137.

b. SCOTUS Declines Review of NJ Case Involving Grant Money Given to Churches

On Monday, the Supreme Court of the United States (SCOTUS) declined review of last year’s State Supreme Court ruling in Freedom from Religion Foundation v. Morris County Board of Chosen Freeholders, which we wrote about last year.

SCOTUS’s decision not to review the case means that the New Jersey State Supreme Court’s ruling which found that Morris County’s program providing historic preservation grants to certain religious institutions was unconstitutional, stands.

Municipalities should be aware of this ruling as it could impact the administration of their own grant programs. You should review this ruling with your municipal attorney for further information on how it may impact your town.

Contact: Frank Marshall, Esq., League Staff Attorney, fmarshall@njlm.org, 609-695-3481 x 137.

c. Marijuana Legalization Update

Recent published reports in various outlets indicate that the Governor, the Senate President and the Assembly Speaker have reached an agreement on the major broad strokes of legalization and regulation of adult cannabis use. It has also been reported that news of this consensus on major sticking points was leaked prematurely, as other important issues, including issues of particular interest to municipalities, are still being negotiated.

From these news reports, it appears there is an agreement on how the state would tax cannabis products. It is our understanding, however, that while progress has been
made, there remain a number of issues that still need to be worked out.

The current legislative proposal sets the tax rate at 12%, which would include the State’s current sales tax. While the Governor’s office never publicly stated what it believes the tax rate should be it has been reported consistently that the Governor wanted a 25% tax rate. Now, there is an apparent agreement to instead implement a $42 per ounce state tax on the sale of recreational cannabis. The rationale behind this new approach is that taxing cannabis sales by weight will mitigate any negative impact based on market demands and provide a steadier revenue stream to the State.

Here are some important takeaways for local officials:

- It is our understanding that there is no agreement in place on the rate of the local option tax. The current proposal includes an optional 2% excise tax on any of the 4 proposed licenses. The League continues to argue that municipalities should have the flexibility to implement a rate up to 5%. **This is still an area of negotiation.**
- It is also our understanding that issue of expungement and restorative justice is still subject to negotiation. Currently, the bill allows for the automatic eligibility for expungement of convictions for possession of 50 grams or less of marijuana. There remain concerns regarding an individual’s cost of seeking expungement, which can be time-consuming, complicated and burdensome. **This too is still an area of negotiation.**

Some media accounts have suggested that a final vote could come this month. That would appear very unlikely since there are a number of outstanding issues. Further, even with an agreement in place the respective legislative caucuses would need to be briefed, votes would need to be whipped and there could be further hearings and amendments on other issues. Thus, it appears more likely that a vote could come by the end of March.

Please take action and contact your Legislators immediately and let them know your thoughts on the issue. Further, we urge you to prioritize the issues highlighted above, that is the need to increase the 2% local option tax to 5% so that taxpayers are made whole and full funding and expansion of the expungement provisions. **Your timely outreach to your State representatives can help us achieve a positive outcome for municipalities.**

The League’s November 27 letter has additional details as does the PDF of the free webinar offered by the League on November 30 and the Cannabis Legalization web page.

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

II. League Conference Follow Up

a. Do Not Forget to Claim Your CEUs from the 2018 NJLM Annual Conference!

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

III. Also of Interest

a. How to Celebrate 1st NJ Local Government Week April 7-13!

The 1st NJ Local Government Week is approaching quickly; have you started planning yet? NJ Local Government week creates an opportunity to let your residents know about your municipal facilities and careers, and highlight the services that their local government provides on a daily basis.

Visit the League website for a how to packet with ideas ranging from basic, no cost activities to some that are more complex.

Want the League to share the events that your municipality is planning to hold? Complete this form on the League website and let us help you spread the word! Share your activities and event photos with the League so that we may share on the League’s website, social media and in NJ Municipalities magazine. And remember to use the #NJLocalGovt on social media.

b. Let your Vendors Know about NJ Municipalities magazine!

Do you work with vendors that you would recommend to other municipalities? Let these vendors know about the League’s magazine; placing advertisements in the magazine helps to increase the reach of their marketing message and supports the League as an organization in the process.

Contact Taran Samhammer at tsamhammer@njlm.org with your vendor’s mailing address and we will send them a sample issue!

c. League Publications: Read All About It

The League offers a wide variety of publications to provide extra insights on the hot topics in local government, from Newly Elected guidebooks to the latest editions on OPMA, License Fees, Salaries, and Local Public Contracts. For more information on the full publication list or to order volumes for your reference, see the Publication Order Form.

d. Registration Now Open for the 2019 New Jersey Sustainability Summit

Friday, June 14th at Bell Works, Holmdel, NJ

The New Jersey Sustainability Summit is an exceptional one-day forum, annually drawing more than 350 change-makers from across the political, private and public sectors. Participants will engage in thoughtful discussions, share best practices, hail the work that is currently being done in sustainability across the state, and identify areas for future regional collaboration. This year’s Summit will be bigger and better than ever to celebrate Sustainable Jersey’s 10th Anniversary! Register and learn more