



From: NJLM - Municipal Clerks [mailto:njlm-clerks@cityconnections.com]
Sent: Wednesday, October 22, 2008 4:20 PM
To: Lashway, Lisa
Subject: Municipal Clerks from NJLM



LEAGUE ALERT

Municipal Clerk: Please forward to Mayor and Governing Body.

October 22, 2008

Re: I Mandates Relief for 89 Will Benefit 566

Dear Mayor:

In Trenton today, the State's Council on Local Mandates nullified those provisions of the State Budget that would have required 89 municipalities to enter into 'cost sharing' agreements with the State Treasurer, in order to fund the State Police budget, or to forfeit all or a part of their property tax relief funding.

In so doing, the Council rejected the State's two main arguments regarding the imposition of unfunded mandates. The State, first, argued that the Constitutional prohibition on unfunded mandates did not apply to new costs imposed by the State's Annual Appropriations Act. If the Council had accepted this radical doctrine, the State would be free to begin to impose new charges on property taxpayers in any or all of our 566 member municipalities, in order to fund other agencies of State Government, such as the Division of Local Government Services.

The State, further, argued that by setting aside any funding (In this case, \$5 million in SHARE Grants was earmarked to assist the taxpayers saddled with the \$12.6 million bill.), the State could exempt itself from the Constitutional ban. If the Council had accepted that argument, State legislatures and regulators would have been able to easily circumvent the will of the overburdened property taxpaying people of the State, who amended their Constitution in 1986 to curtail that practice.

New Jersey Mayors in attendance, including Chuck Chiarello of Buena Vista, Dan Asay of Mannington and Ed Zimmerman of Rocky Hill, want to commend all of their colleagues, who contributed to this victory. We also commend the legal team that spearheaded this effort, especially including Ted Baker, Michael Garofalo, Doug Heinold and George Morris.

League First Vice President, Mayor Tim McDonough of Hope Township, Co-Chair (with

Mayor Chiarello) of our State Policing Task Force, extends his appreciation to the Mayors and Governing Bodies of the municipalities that originated this proceeding – Shiloh, Southampton, Deerfield, Rocky Hill, Shamong, Upper Deerfield and Buena Vista. He wants to recognize the hard work of Tony Stanzione and the Cumberland Development Corporation on this. And he salutes League General Counsel, Bill Kearns who represented the League, on behalf and for the benefit of our 566 member municipalities, as a Friend of the Court.

We also want to thank Council Chair, Judge Pressler, and all the members of the Council on Local Mandates, for their conscientious stewardship of their Constitutional responsibilities, and for their expeditious action on this crucial matter.

We will provide you with further analysis, once the Council has issued its written opinion. For more information, contact Jon Moran at 609-695-3481, ext. 121.

Very truly yours,

William G. Dressel, Jr.
Executive Director

NJLM
222 West State Street
Trenton, NJ 08608