



**From:** NJLM - Municipal Clerks [mailto:njlm-clerks@cityconnections.com]  
**Sent:** Tuesday, March 10, 2009 3:10 PM  
**To:** Lashway, Lisa  
**Subject:** From NJLM Governor Corzine's Budget Message

## LEAGUE ALERT

Municipal Clerk: Please forward to Mayor and Governing Body.

March 10, 2009

**Re: Governor Corzine's Budget Message**

Dear Mayor:

Today in Trenton, Governor Corzine presented his State Budget for the next Fiscal Year, which will begin on July 1, to the Legislature and the people of New Jersey.

(<http://www.nj.gov/governor/home/budget10/index.html>). The proposal includes a 2% cut in total municipal property tax relief funding. We understand that some municipalities may face deeper cuts, above the average of 2%. We will comment further on that, once the specifics of the cuts are disclosed.

Though never welcome, cuts of municipal property tax relief funding are no longer surprising. They, inevitably, put upward pressure on property taxes. This year, we will again ask the Legislature to recognize that fact and to give us the tools we will need to relieve that upward pressure. We hope they will be able to find the means to help us on the revenue side. We also hope that they will give us back the tools that we can use to address the pressures that unfunded mandates put on the expenditure side.

It won't cost the State a penny to relax or eliminate some of the many mandates that have been imposed, legislatively and administratively, over the course of decades. These mandates drive up the costs of local government and force local budget makers to address a laundry list of State priorities, before they can even begin to plan on how best to meet the local need for vital municipal programs and services.

The imposition of the arbitrary and inflexible 4% levy cap is forcing local policy makers to drain the surpluses that have been carefully built over the years, through prudent professional management, to sustain a local government facing unanticipated events. It is forcing local budget makers to deplete the reserve for uncollected taxes, further imperiling sound financial management. And, at a time when our Representatives in Washington are doing all that can be done to put Americans back to work and to prevent an increase in unemployment, the 4% levy cap is forcing layoffs of local workers, the elimination or modification of any variety of municipal services and the cancellation or postponement of vital public works projects. At times like these, a strong case can be made for cap waivers and exceptions.

Local officials want to do all that they can to contribute to our economic recovery. And the State can allow

us to help, if it will heed our call for immediate mandates relief. At the outset of the budget discussions, we have identified a few areas in need of fast attention.

First, we call for the repeal of the State's binding arbitration law, which forces local officials to submit police and fire contract disputes to the decision of a professional arbitrator. This process has consistently given the police and fire unions raises exceeding increases in the cost of living. And its ripple effect has led to excessive increases in the salaries of virtually all other local employees. Studies and surveys have consistently identified binding arbitration as the biggest driver of municipal costs. Past efforts at reform have not reversed this trend. Accordingly, we call for immediate repeal.

Second, a whole host of DEP, DOT and other agency mandates force local governments to delay action on necessary improvements. These delays are often the result of State reductions-in-force that have asked fewer State workers to deal with a workload that has increased in both volume and complexity. These delays drive up the costs of local projects. They will, most likely, delay the effective use of whatever federal stimulus funding that trickles down to local governments. Accordingly, we ask that any permit application not denied for specific reason within 90 days of submission be deemed approved. And we further ask that a municipal engineer's certification of the subsequent remedy of defects be sufficient for permit approval.

Third, there are various training and certification requirements, which have been put in place by assorted State offices and agencies, over the course of decades, for a range of local officers and employees. These include four hours of automatic weapons/carbines training for all police officers, four times a year; training for police officers and dispatchers on the use of Automatic Electronic Defibrillators; and bi-annual gas mask fit testing for officers and dispatchers. These are all important things. But we believe that, in these trying fiscal times, it would be appropriate to allow local policy makers to determine who needs to be trained in what area, how often and in what manner. Accordingly, we ask for the elimination of these training and certification requirements. That, instead, they be issued as advisories and that local officials be directed to perform a risk assessment, and to devise and implement a plan to meet their individual needs in the most cost effective manner possible.

Fourth, regarding a number of land use and environmental regulations, such as the six year cycle for Master Plan review/reexamination and the Stormwater Management programs, we will ask the State to postpone enforcement of these mandates, until such time as the State can meet its statutory responsibility to fully fund the Consolidated Municipal Property Tax Relief Fund and the Energy Tax Receipts Property Tax Relief Program. If circumstances beyond its control prevent the State from honoring its self-imposed statutory mandates, local officials should be excused from compliance from onerous State imposed program requirements.

Fifth, with regards to the Open Public Records Act, given decreased staffing and increased interest, we ask that the time limit on response to requests be extended to 30 days and that the law allow local units to recoup the full cost of materials and labor time, through the assessment of reasonable user fees.

Sixth, the League seeks relaxation of the inordinate steps and time limits with which municipalities must comply to institute layoffs. If this is the last means of compliance with the tax levy cap and loss of

revenues, the State should permit more expeditious actions to effect layoffs.

Finally, for local municipal building improvements and renovations, we ask that the Public Contracts Law be amended to allow “design and build” projects. Such contracts can often save time and money, both directly and by decreasing the need for professional services.

We trust the Legislature will seize this opportunity for meaningful and lasting mandates relief. We are eager to work with all interested in delivering on the promise of true property tax relief, as the budget process moves forward.

We will supply you with a full analysis of the proposal, after a careful analysis of the specifics of the plan. (<http://www.state.nj.us/treasury/omb/publications/10bib/AbbrevBudget.pdf>) If you have any questions or comments, please call Jon Moran at 609-695-3481, ext. 121.

Very truly yours,

William G. Dressel, Jr.  
Executive Director

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