



**From:** NJLM - Municipal Clerks [mailto:njlm-clerks@cityconnections.com]  
**Sent:** Thursday, March 19, 2009 4:13 PM  
**To:** Lashway, Lisa  
**Subject:** From NJLM Several Mayors Letters

## LEAGUE ALERT

Municipal Clerk: Please forward to Mayor and Governing Body.

March 19, 2009

- Re: I      Final Notice - "2009 Housing Summit"**
- Re: II     Affordable Housing Update Local Mandates Ruling  
              in Medford Township Challenge**
- Re: III    COBRA Continuation Requirement in the American  
              Recovery and Reinvestment Act (ARRA)**

### **Re: I. FINAL NOTICE - Don't Be Disappointed**

**Philadelphia Mayor Michael Nutter will deliver keynote address at New Jersey League  
of Municipalities Educational Foundation**

**"2009 Housing Summit"  
March 31, 2009  
East Brunswick Hilton**

Day long program will also feature experts on Five Breakout sessions on the economy,  
housing and community development.

**Register Today!**

The NJLM Educational Foundation makes all this possible for only \$50 per person. See the

Foundation web site for more details and registration. <http://www.njlmef.org/housing-summit.html> or contact Suzanne DeLany at [sdelany@njslom.com](mailto:sdelany@njslom.com) Phone: (609) 695-3481 ext 111.

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**Re: II. Affordable Housing Update Local Mandates Ruling in Medford Township Challenge**

Dear Mayor:

Yesterday, the Council on Local Mandates considered the complaint filed by Medford Township which asserted the COAH 3rd round regulations and PL 2008, c. 46 (aka A-500) were unfunded State mandates. The League participated as amicus (“friend of the court”) in support of Medford. The League was represented by Michael Butler, Esq. of the firm Mason, Griffin and Pierson. We thank Mr. Butler for his advocacy on our behalf and on behalf of our taxpayers.

The Council did not address the substantive issues related to the validity of the COAH regulations or the law. Instead, the Council ruled that it does not have jurisdiction in the matter. The basis of this ruling is the provision in the state constitution which exempts constitutional obligations from the local mandates provision.

Since the Council did not weigh the substantive issues, but rather dismissed the complaint on jurisdictional grounds, this decision has no impact on the League’s on-going challenge of the COAH regulation in the Appellate Division. In fact, members of the Council expressed reservations during the oral argument about dealing with the substantive issues since these issues are currently in front of the Appellate Division.

To date, 258 municipalities have pledged support to the League’s challenge of the COAH 3rd round regulations. COAH filed their response brief to the League and to the other appellants on March 9. The League will file a response to COAH on or around April 9. After that, the Appellate Division will schedule oral argument.

A summary of the League’s brief challenging the COAH regulations filed with the Appellate Division on January 5, is online at: <http://www.njslom.org/COAH-Executive-Summary-NJLM-Challenge.pdf>

Questions can be directed to Michael Cerra at [mcerra@njslom.com](mailto:mcerra@njslom.com) or at 609-695-3481 x120.

Very truly yours,

William G. Dressel, Jr.  
Executive Director

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**Re: III. COBRA Continuation Requirement in the American Recovery and Reinvestment Act (ARRA)**

Dear Mayor:

As you know, in addition to the stimulus funding, the ARRA contained provisions to assist individuals and families directly affected by the economic crisis.

Among those were provisions for premium reductions and additional election opportunities for health benefits under the Consolidated Omnibus Budget Reconciliation Act of 1985, commonly called COBRA. Eligible individuals pay only 35 percent of their COBRA premiums and the remaining 65 percent is reimbursed to the coverage provider through a tax credit. The premium reduction applies to periods of health coverage beginning on or after February 17, 2009 and lasts for up to nine months for those eligible for COBRA during the period beginning September 1, 2008 and ending December 31, 2009 due to an involuntary termination of employment that occurred during that period. The TAA Health Coverage Improvement Act of 2009, enacted as part of ARRA, also made changes with regard to COBRA continuation coverage.

Individuals who request the premium reduction from their group health plan, but are denied may appeal to the U.S. Department of Labor. The Department is developing a process for reviewing denials and an official application form that must be used to file an appeal that will be available shortly.

A number of questions remain to be answered. We have yet to hear from the State Health Benefits Plan administrators. We suggest you contact your auditor to learn how these provisions apply to your former employees and to you, as the employer.

For more information on this, visit the U.S. Department of Labor's website at <http://www.dol.gov/ebsa/COBRA.html>. Employers, including local governments, will be able to fully recoup their new COBRA costs, by taking them as a credit against their quarterly IRS withholdings. You can access the IRS information on this, and download the updated Form 941, at their website at <http://www.irs.gov/newsroom/article/0,,id=204505,00.html>. If your COBRA costs exceed your IRS withholdings, you will be entitled to a refund from the IRS.

For more information, contact Jon Moran at 609-695-3481, ext. 121.

Very truly yours,

William G. Dressel, Jr.  
Executive Director NJLM

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