From:	John Donnadio <jdonnadio@njac.org>
Sent time:	03/15/2019 01:00:40 PM
To:	Undisclosed recipients:
BCc:	cjinotti@co.ocean.nj.us; gquinn@co.ocean.nj.us; cbove@co.ocean.nj.us; Deckler , Gail <gdeckler@co.ocean.nj.us>
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Good afternoon. I hope all is well.

So not only are the brownies out of the box making a comeback, but we've changed the layout of the convention floor to provide a better flow of traffic and easier access to our 82 vendors at NJAC's annual celebration of county government scheduled from May 8th through May 10th at Caesar's in Atlantic City. For the first time, we're also awarding scholarships to our county vocational technical school cook-off challenge winners and honoring all freeholders who have served in that capacity for at least 20 years with the inaugural freeholder hall of fame. And, stayed tuned next week for our terrific lineup of professional development workshops. Make sure to visit NJAC's website at www.njac.org for additional details about this outstanding event where we're expecting a record turnout of county officials from all 21 counties. In the meantime, please find attached for your review, this week's edition of State House News, which contains legislative updates on 911 fees, the statute of limitations, county correctional police officers, county transportation services, and local aid allocations. This week's edition also contains articles on legalized weed and the State's most recent revenue projections. Thank you as always for your time and consideration and have a great rest of the day.

John G. Donnadio, Esq.
Executive Director
New Jersey Association of Counties
Government Finance Officers Association of New Jersey
150 West State Street
Trenton, New Jersey 08608
Telephone (609) 394-3467
www.njac.org

NEW JERSEY ASSOCIATION OF COUNTIES

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BRENDAN GILL
NJAC President
Essex County Freeholder

JOHN G. DONNADIO
Executive Director

STATE HOUSE NEWS

March 15, 2019

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911 FEE DIVERSION

On March 5th, Governor Phil Murphy unveiled his $38.6 billion dollar spending plan for State Fiscal Year 2020. Although we're still in the process of reviewing the annual budget, it unfortunately does not include any new funding for county and municipal 911 centers as recommended by the Federal Communications Commission (FCC).

Despite our meetings with State leaders, op-ed pieces, press conferences, media coverage, and resolutions from nearly every county, the State will once again divert an estimated 89.0% of the $120.0 million in surcharges it expects to collect this year as 911 System and Emergency Response Fees. As has been well documented, the State of New Jersey is the worst offender of diverting 911 fees in the nation and has collected an estimated $1.4 billion since 2006 with only 11% of Fund monies being spent on eligible expenses for the 3 State operated 911 centers. Moreover, the State has failed to provide any funding to local 911 centers operated by counties and municipalities; and, has instead diverted the balance of Fund dollars to cover general operating expenses in the Department of Law and Public Safety. As a direct result of the State's decade long practice, and the similar diversion of 911 funds by several other states, the FCC recently adopted rules that now prohibits New Jersey and its local governing bodies from applying for up to $115.0 million in grant program funding to upgrade 911 centers with Next Generation 911 (NG911) capabilities.

Over the next few weeks, NJAC plans to testify before the Assembly Budget Committee, and the Senate Budget and Appropriations Committee, that the State of New Jersey should comply with federal guidelines to adequately fund county and municipal 911 centers pursuant to FCC guidelines. Moreover, the State of New Jersey should also adopt the best practices outlined in the "New Jersey 911 Consolidation Study" published in 2006, which in part, calls for reducing the number of local 911 centers to streamline operations and save taxpayer dollars. Counties and municipalities as first responders handle most of the State's public safety service requests through local 911 centers and have come to inequitably rely on the collection of local property taxpayer dollars to improve, operate, and maintain 911 systems. County governments alone spent approximately $300.0 million over the last five years in capital improvements for facility upgrades, telephone systems, computer aided dispatch, location mapping technology, voice recording technology, data analytics, and NG911 upgrades. Counties also spent an estimated $100.0 million in 2016 on operating expenses for salaries, staff training, system maintenance, network security, and IT consulting services. On the average, county governments provide some level of 911 dispatch services for approximately of 73% of the municipalities located within their borders Fund.

STATUTE OF LIMITATIONS

On March 11th, the Senate passed by a vote of 32-1 **SENATE, NO. 477** *(Vitale D-19/Scutari D-22),* which would eliminate the statute of limitations in certain civil actions for sexual abuse, expand the categories of defendants liable in such actions, and remove the safeguards provided local governing bodies under the New Jersey Tort Claims Act (TCA).

NJAC commends the sponsors for their efforts to provide the victims of sexual abuse with additional remedies against the perpetrators and entities guilty of committing such heinous crimes. However, we remain concerned that the most recent changes to this legislation would eliminate, in its entirety, the safeguards provided local governing bodies under the TCA as all lawsuits are defended with limited property taxpayer dollars. During our testimony on March 11th before the Assembly Judiciary Committee on the companion version **ASSEMBLY, NO. 3648** *(Quijano D-20/Vainieri-Huttle D-37),* NJAC, the New Jersey State League of Municipalities (NJLM), and the New Jersey School Boards Association (NJSBA) submitted that the TCA does prohibit the filing of lawsuits against the State, counties, municipalities, and school districts. Instead, the law simply provides important procedural protections that make the litigation process more deliberate. The Assembly Judiciary Committee favorably reported the measure and the General Assembly is expected to vote on the bill on March 25th. In the meantime, we're meeting with the Governor's office next week to discuss our concerns and recommendations.

In general, this legislation would establish an extended statute of limitations period for sexual abuse, one of which would apply to persons who were abused when minors under the age of 18 years old, and one of which would apply to persons who were abused after reaching 18 years of age. For abuse that occurred prior to, on or after the bill's effective date, a lawsuit would need to be filed within 37 years after the child victim turns 18 years of age (filed by the victim's 55th birthday), or within seven years of discovering the injury and its cause if the end date of the seven-year period would occur after the victim turns 55 years of age. Since the extended statute of limitations is retroactive to cover past acts of abuse, any child victim of past abuse who is under the age of 55 years when the bill takes effect, or who will reach 55 years of age sometime after the bill takes effect, and who is aware of the injury and its cause could file a suit; the "reasonable discovery" requirement would only apply if the victim filed suit after turning 55 years of age due to a delayed discovery of the injury and its cause.

As noted above, this legislation would provide that the TCA or any other law, that may provide some form of governmental immunity from lawsuits based on injuries resulting from acts of sexual abuse are inapplicable, so that any public entity, as defined in the TCA, may be held liable in any such suit in the same manner as a private organization. The bill would also eliminate the two-year statute of limitations period, set forth in N.J.S.A. 59:8-8, for bringing a sexual abuse lawsuit against a public entity, as well as any of the act's procedural requirements, such as the 90-day period for filing notice of a claim of liability against a public entity for such lawsuits; the process of filing a lawsuit with service upon the liable public entity or entities would thus be the same as when suing a private organization. Public entities would also be subject, just like a private organization, to the new, extended statute of limitations periods for child and adult victims of abuse summarized above. *Please note that this legislation presents several complex legal challenges and we recommend county counsels to review it in its entirety as this summary provides a condensed version of the measure.*

County Correctional Police Officers

On March 7th, the Assembly Law and Public Safety Committee amended and favorably reported **Senate, No. 1739/Assembly, No. 3236** *(Van Drew D-1/Oroho R-24)(Land D-1/Andrzejczak D-1)* to clarify that legislation would not authorize the transfer of pension benefits from the Public Employee Retirement System (PERS) to the Police and Firemen's Retirement System (PFRS) for county correction officers.

Although NJAC supports the retitling of county correction officers to county correctional police officers under S-1739, NJAC advocated for the amendment to clarify that the measure would not alter the pension benefits of any person whose title would change. In general, county correction officers that participate in PERS are typically hired by counties at 35 years of age or older or fail to meet other PFRS requirements. NJAC testified at the Committee hearing that approximately 250 county correction officers statewide fall into this category, and that the transfer of these employees from PERS to PFRS would cost approximately $3.7 million per year statewide for active employees. Please note that the current employer pension contribution rate for PERS employees is 13.37% of an employee's annual salary, while the current employer pension contribution rate for PFRS employees is 27.3%.

Please further note that the above figure above does not include employees who would transfer from PERS to PFRS and then retiree, and that PFRS retirees are costlier for local governing bodies as their pension benefits are greater and may be taken for a longer period. At a time in which State leaders are struggling to protect the long-term viability of the pension systems, and minimize the impact on property taxpayers, NJAC thanks the sponsors for their leadership in agreeing to amend the bill accordingly. The General Assembly is expected to vote on the measure at one of its upcoming voting sessions and the Senate is expected to concur with the amendments.

County Transportation Services

Special thanks to Michael Viera, Executive Director of NJ COST, for taking the time out of his busy schedule to testify with NJAC on March 11th before the Assembly Transportation and Independent Authorities Committee concerning the transportation services provided by county governments to senior citizens, individuals with disabilities, and others with mobility needs.

Thank you as well to our county administrators for providing NJAC with summaries of these vital services, and to Committee Chairman Daniel Benson for inviting NJAC to participate in this important and timely discussion. As noted in Bergen County's materials, these vital services are *"life sustaining for clients with serious medical and health needs; provide a lifeline to homebound clients who are delivered nutritional meals; and, offer a link to social services for clients who would otherwise be isolated or alone."* These essential services are typically provided, but not limited to, the following individuals:

- Persons with Disabilities
- Senior Citizens
- Veterans
- Welfare-to-Work Residents

Although the types of transportation services may vary somewhat from county-to-county, the list below provides a general, but not exhaustive, summary of the rides available to the State's most vulnerable population.

- Medical Appointments for Hemodialysis, Chemotherapy, and Radiation
- Physical and Mental Therapies
- Employment and Educational Training Opportunities
- Veteran Services
- Recreational Activities
- Meals on Wheels
- Visitation to loved ones in nursing homes and hospitals

As demand for community transportation systems have grown exponentially, monies from the Casino Revenue Fund, which supports the Senior Citizens and Disabled Transportation Assistance Program (SCDRTAP), have decreased by 51% since 2008 forcing county governments to either subsidize the programs or reduce services. With this in mind, NJAC is urging State leaders to develop a more dependable and stable source of revenue, so that county governments across the State may continue delivering essential transportation services for senior citizens, individuals with disabilities, and others with mobility needs.

LOCAL AID ALLOCATIONS

On March 18th, the Senate Budget and Appropriations Committee will consider **SENATE, NO. 2863** *(Sarlo D36)(Sweeney D-3)*, which would revise the requirements for receiving grant funding from the Local Aid program under the Transportation Trust Fund (TTF).

The Senate Transportation Committee previously amended the bill to addresses the vast majority of NJAC's initial concerns and would require that failure to award construction or other approved contracts for 100 percent of the county's allotment within three years of notification by the Department of Transportation (DOT) of that year's allotment, or failure to award construction or other approved contracts for any percentage of a county's allotment within one year following the date the county receives the first payment of the allotment, would result in the allotment being immediately rescinded, returned, or deducted by DOT from future allotments. With respect to municipalities, the legislation would require that failure to award construction or other approved contracts for 100 percent of a municipality's allotment within two years of notification by the department of that year's allotment, or failure to award construction or other approved contracts for any percentage of a municipality's allotment within one year following the date the municipality receives the first payment of the allotment would result in shall result in that year's allocation being immediately rescinded.

The measure would also authorize the Commissioner of DOT to reallocate funds on a grant basis for counties or cost reimbursement basis for municipalities. The bill would further provide that the new one year requirement may be extended if a designated chief financial officer of the county or municipality certifies to the DOT that the project would not begin construction because: (1) the allotment is aggregated with future funds for a specific project; (2) a permit needed for completion of the project has not been issued due to a delay in the permitting process; (3) the acquisition of an interest in State-owned land needed to complete the project is delayed due to the divestment of a deed restriction; (4) the project requires a utility to be relocated; or (5) a catastrophic event occurs and results in the declaration of a state of emergency.

The bill would further prohibit a local government entity from using Local Aid program funds to support the work of a local government entity's employees on Local Aid construction projects funded from Local Aid funds; would require construction contracts for projects funded out of funds from the local aid program to be bid in accordance with local public contracts law; would require all bidders on Local Aid program funded construction contracts valued at more than $500,000 to be prequalified by the department; and, would permit Local aid Program grant recipients to use 10 percent of their awards on design costs in fiscal year 2019, and five percent of their awards on design costs in fiscal years 2020 and beyond.

MURPHY, DEM LEADERS NOW MUST ROUND UP VOTES FOR MARIJUANA LEGISLATION
Carly Sitrin, NJ Spotlight, March 13, 2019

Have they the support of enough Democrats to legalize adult use in New Jersey? That's just one question arising out of this week's agreement on legislation. Although Gov. Phil Murphy and Democratic legislative leaders have finally reached an agreement to legalize marijuana for recreational adult use in New Jersey, the smoke hasn't yet cleared enough to see whether they have the votes to pass a bill. On the heels of what looks to be a more amicable beginning to the annual budget process, the Democratic governor and Senate President Steve Sweeney have settled on the outlines of a bill to legalize cannabis for those aged 21 and older. (Specific wording of the bill has not been released.) The Murphy administration is hoping for a committee vote on March 18 and final passage by March 25. It will take at least 21 votes to pass the legislation in the upper house and as of last November before they cut this deal, there were only 20 votes in favor, at best.

"We have a deal," Murphy said Tuesday. "This was not easy. We're standing up an entire new industry so not surprisingly it took time." The proposal includes a $42 per-ounce flat tax to be levied on cultivators, 2 percent tax revenue for municipalities, an expedited expungement process for people convicted of low-level marijuana offenses in the past, and a five-member Cannabis Regulatory Commission to oversee the industry, among other provisions. The speculation is they are taxing by weight to avoid an additional sales tax, and the $42 per-ounce tax on growers would be passed on to consumers. Murphy is anticipating that legalization will deliver "thousands of jobs and billions of dollars of economic activity" for the state, given the experiences of states like Colorado and Massachusetts that already have legalized. Indeed, according to data compiled by Whitney Economics and the online cannabis website Leafly.com, the state-licensed cannabis industry gained over 64,000 new employees in 2018, and now employs more than 200,000 full-time workers nationally. Data compiled by the Institute on Taxation and Economic Policy show that tax revenues in 2018 derived from state-sanctioned recreational sales surpassed $1 billion, a 57 percent increase over 2017 levels.

Murphy's fiscal year 2020 budget proposal counts on $60 million in new revenue from a tax the state would apply to the sale of recreational marijuana. The governor called that number "modest" and said there would also be a cost to the state of $21 million expense: $9 million in a one-time startup cost and $12 million in ongoing "implementation fees," although he did not clarify what those fees would be.
It's not clear when, if passed, the new law would take effect, but Murphy has targeted early 2020. Legalizing adult-use cannabis has been a priority for Democrats since Murphy's election as they were unable to make any progress under former Gov. Chris Christie, a Republican. Supporters of legalization cite data showing cannabis arrests cause extensive harm to communities of color and take up significant law-enforcement time and resources. Murphy has repeatedly said that his priority at the deal-making

table was administering "social justice" for those incarcerated or otherwise harmed by the nation's longtime war on drugs.

"I got there via the notion [of] the yawning gaps of social injustice in our state," Murphy said. He added that there's a "big expungement piece" to this deal, including a "very robust lookback provision" that will handle clearing the records of individuals convicted of low-level marijuana offenses. "Without it there wouldn't be a deal," he said. At the same time, some lawmakers opposed to full-fledged legalization are pushing to put the issue on the ballot for voters to decide. Assemblywoman Holly Schepisi (R-Bergen) has proposed a referendum on the matter and is in talks with Sen. Ronald Rice (D-Essex) for him to be a potential co-sponsor in the upper house.

"I do not support the legalization of recreational marijuana in New Jersey. I have spoken with Assemblywoman Holly Schepisi on pushing for the measure to be put on the ballot this year because I believe the voters should decide whether recreational marijuana is legalized in this state," Rice said in a statement. How many lawmakers will oppose? Still, it is unknown how many legislators may oppose this attempt at legalization, and legislative leaders are hoping to sell their deal to enough lawmakers to get it passed in both chambers. "This plan will allow for the adult use of cannabis in a responsible way," said Senate President Sweeney (D-Gloucester) in a statement. "It will create a strictly regulated system that permits adults to purchase limited amounts of marijuana for personal use. It will bring marijuana out of the underground market so that it can be controlled, regulated and taxed."

One of the major sticking points for legislators and local leaders alike has been the rate at which marijuana would be taxed. Murphy spent months pushing for a tax as high as 25 percent while Sweeney emphasized he would not go higher than 12 percent. In the agreement reached on Tuesday, adult-use marijuana will be subject to an excise tax of $42 per ounce imposed on cultivators. Municipalities that have retail shops would be able to impose a 3-percent tax on items sold within their borders, while towns that host marijuana growers would be able to impose a 2-percent tax, and towns with wholesalers could charge a 1 percent tax. Mayors and municipal officials however have long asserted that 2 percent or 3 percent is not nearly enough for them to offset the potential costs of policing and other aspects of implementing legalization.

When the bill language is released, many will be looking to see if there's provision for the Police Training Commission in the Department of Law and Public Safety to reimburse county and municipal expenses for training costs, as was the case in the bill's previous version. So why a tax on weight? Politically, it protects Murphy and Sweeney from the insinuation that either gave in on their tax demands. Economically, taxing by weight takes into account the dips in marijuana pricing that states like Colorado and Oregon have experienced since legalizing. That $42 excise tax would remain static whether the ounce cost $300, $150, or less.

Another major factor in the legalization debate has been how to handle expungements for those whose crimes will no longer be crimes, overnight. This disproportionately affects black New Jerseyans who are currently three times more likely to be arrested for marijuana possession than whites, despite similar cannabis use rates. ACLU data shows that hundreds of thousands of New Jerseyans could be eligible to have their records cleared if this agreement passes, but the process is lengthy and difficult to navigate. The agreement reached by Murphy and legislative leaders would establish an expedited expungement process for those convicted of low-level marijuana offenses, and it would put into place an electronic expungement process they say will "automatically prevent certain marijuana offenses from being taken into account in certain =areas such as education, housing, and occupational licensing." Further details will be released sometime this week, but advocates already have flagged a potential problem with the way arrest and conviction data is stored, collected, and entered into computer systems (or left in boxes in basements) that could put a wrinkle in the ease promised by an automated "virtual" expungement rollout.

"In as much as we would want this to be automatic it is functionally not possible," Murphy said of expungement. He noted that many of the issues with processing people through the system will be for the regulatory commission to tease out. "All of us would have preferred an automatic, just one minute after midnight everybody's expunged [solution] and that is not possible ... how that is going to evolve, if you could bear with us, I would appreciate that." Although the state will be relying heavily on the newly created commission to work out many details of the legalization and to oversee all license applications for dispensaries, the regulatory body itself has been a point of contention for Sweeney and Murphy. To gain the governor's blessing, Sweeney and Assembly Speaker Craig Coughlin agreed to grant the governor full authority to appoint a majority — three of the five commission members with the Senate's consent. The other two members will be appointed by the governor, by recommendations of the Speaker and Senate President.

Additionally, there are provisions in the agreement aimed at creating space in the industry for those who have been impacted by marijuana prohibition, including minority and women-owned businesses, low- and middle-income individuals, and disadvantaged communities. As the final text of the bill is being edited, stakeholders will be watching to see how their concerns will be addressed including further details on the expungement process: Will small-time dealers be included or just those convicted of possession? How will the Administrative Office of the Courts be directed to handle expungements? Will those applying to have their records cleared incur a cost? How will marijuana be handled in the workplace? What provision will there be for handling intoxicated driving and cannabis-use disorder or addiction?

Indeed, upon the announcement of the agreement, longtime legalization opponent Sen. Gerald Cardinale (R-Bergen) noted the serious concerns of his constituents and many others across the state. The principal duty of government "is to safeguard public health and safety. Legalizing marijuana for recreational use is a shameful abdication of that responsibility," Cardinale said. "In November, New Jersey's law enforcement community testified that we don't have the funds, personnel, or technology to identify drugged drivers. There is no breathalyzer for marijuana." While New Jersey could see a vote on legalization within a couple of weeks, the issue is also gaining ground on the federal level. U.S. Sen. Cory Booker (D-NJ), who announced his candidacy for president earlier this year, reintroduced his Marijuana Justice Act, which he first introduced in 2017. It would decriminalize cannabis at the national level and leverage federal funds to encourage states to legalize it. Several other presidential hopefuls have signed on to support Booker's bill.

But even if the New Jersey legalization bill gets passed by both houses in Trenton, implementation could still be a year away. "Assuming there is not any meaningful amount of recreational sale out of the current medical dispensaries and for a lot of reasons we don't expect that," Murphy said, "early next year would be my best guess." He added the next step is for himself, Sweeney, Coughlin, and sponsors of the bill in the Assembly and Senate to work to convince others that their plan is worth signing on to. "We have to get the votes now," Murphy said. "I'm all in to help them get this over the goal line."

REVENUE FORECAST CUT FOR FY 2019
John Reitmeyer, NJ Spotlight, March 7, 2019

Worries about an income tax shortfall that have dogged the Murphy administration for much of the year could come to nothing, now that the Department of Treasury has upgraded slightly the revenue forecast for state taxes in the fiscal year 2019 budget

In fact, that change, along with others made by the administration to this year's state budget are meant to ensure that spending stays in balance through the end of June. And that's good news for Gov. Phil Murphy, who's got to sell his fiscal 2020 budget proposal to lawmakers, some of whom have already expressed some skepticism about his numbers. Treasury's increase of the overall revenue projection for the 2019 fiscal year is in large part due to a surge in corporate business-tax collections. That comes after the state's top-end CBT rate was increased last year through a policy change that was not part of Murphy's original budget proposal, but instead was pushed by Senate President Steve Sweeney (D-Gloucester).

In fact, the CBT is now forecast to bring in nearly $700 million more than the original projection made in July. That more than makes up for the reduction in the income-tax projection, which totals $414 million. It's also helping push the overall revenue forecast up by about $330 million compared with last year's original estimates. Despite the income-tax downgrade, Treasury officials say they remain confident that April returns will still generate a sizable haul for the state by the time fiscal 2019 closes on June 30. "It's our belief that we will see a correction in April," Treasurer Elizabeth Maher Muoio told reporters earlier this week during a briefing on Murphy's proposed budget for fiscal 2020.

While budget adjustments are made on a routine basis whenever a new state budget is proposed, it was Murphy himself who raised concerns about the pace of growth in state tax collections for fiscal 2019 back in January when he issued a controversial veto of a bill sponsored by Sweeney that sought to increase aid for a public-assistance program that is used to prevent homelessness. At the time, the state's income tax and overall tax collections were underperforming the growth projections that were included as part of the original budget the governor signed into law in July for the 2019 fiscal year. Concerns only grew after Treasury disclosed last month that income-tax collections continued to trail the year-end growth target through the end of January, and that overall tax collections were up about 3 percent. To stay in balance through the end of June, when the fiscal year closes, the original budget needed to hit a 7.5 percent growth rate.

Among the many budget adjustments released by the Murphy administration on Tuesday is the downgrading of the revenue forecast for the income tax. That comes even after Murphy, a first-term Democrat, worked with legislative leaders from his own party last year to hike the state's top-end marginal income tax rate to 10.75 percent on earnings over $5 million. (Murphy's budget proposal for fiscal 2020 is seeking to apply that rate to all earnings over $1 million). In all, the income tax is now projected to bring in $15.56 billion in fiscal 2019, down slightly from the nearly $16 billion that was projected in July. But with April around the corner, Muoio and other Treasury officials say they don't see signs that a much larger drop-off is coming because they think taxpayers this year will wait until the last minute to file their payments. That behavior would stand in contrast to last year, when many taxpayers — including high earners who provide an outsized portion of the income-tax receipts — pushed their payments into tax-year 2017 to avoid new federal tax-policy changes that took effect last year. They included a new, $10,000 limit on the federal deduction for state and local taxes known as SALT.

Also seeing a slight reduction is Treasury's fiscal 2019 forecast for the state sales tax, which was expected to get a boost in the 2019 fiscal year, thanks to a recent U.S. Supreme Court ruling that allowed the state to extend the sales tax to most online purchases. The sales-tax downgrade announced on Tuesday is roughly $80 million, bringing the overall projection for that tax down to $10.05 billion. Going in the other direction is the forecast for a number of smaller revenue sources that are also tracked by Treasury. Those are being upgraded by nearly $160 million. But by far the biggest budget adjustment is the change to the forecast for the corporate-business tax, from $3.05 billion up to $3.71 billion. That adjustment comes after the top-end corporate rate was hiked last year for businesses with more than $1 million in profits, from 9 percent to 11.5 percent, under a proposal that was originally floated by Sweeney.

The CBT receipts are also being boosted this year by funds coming back into the United States from overseas under corporate-tax changes enacted at the federal level for tax-year 2018, Treasury officials said. In all, Treasury is now expecting to see total revenues increase by about $330 million compared to the original forecast from July, reaching $37.74 billion by the time fiscal 2019 closes on June 30. And the size of the state's rainyday budget surplus — which is used to hedge against any revenue shortfalls — has also been increased in the budget for the 2019 fiscal year, from $765 million to a little over $1 billion, according to budget documents.

UPCOMING NJAC EVENTS: Make sure to mark your calendars for NJAC's Annual Celebration of County Government set for May 8th through May 10th at Caesar's in Atlantic City. And, don't forget to join us at our next board meeting on March 22nd in Committee Room 4 of the State House Annex in Trenton.

STATE HOUSE TRIVIA: Even though I typically get crab grass, did you know that the first spring flowers are typically lilacs, irises, lilies, tulips, and daffodils?

"Spring is nature's way of saying let's party." Robin Williams

From: John Donnadio <jdonnadio@njac.org>
Sent time: 01/30/2019 11:35:18 AM
To: Undisclosed recipients:
BCc: cjinotti@co.ocean.nj.us; gdeckler@co.ocean.nj.us; gquinn@co.ocean.nj.us; lmurtagh@ocbss.ocean.nj.us; cbove@co.ocean.nj.us; Karen Isnardi <kisnardi@ocbss.ocean.nj.us>; Meredith Sheehan <msheehan@ocbss.ocean.nj.us>
Subject: State House News
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Good morning. I hope all is well.

Please find attached for your review, this week's edition of State House News, which contains updates on the minimum wage, vote-by-mail, tax abatements, code blue alerts, and 911 funding. The edition also contains terrific articles on voting rights and the State's Business Incentive Program. *And, stay tuned later this week for details about our outstanding Annual Celebration of County Government set for May 8th through May 10th at Caesar's in Atlantic City.* In the meantime, we're accepting proposals for conference workshops. Space is limited, so please submit your proposal no later than *February 1st* to Loren Wizman by email at loren@njac.org. To make sure that our elected officials, administrators, finance officers, purchasing officials, planners, engineers, attorneys, public works employees, accountants, and other county officials actively participate in our conference, the conference committee will give priority consideration to workshops approved for continuing education credits by the appropriate State agencies and the Rutgers University Center for Local Government Services.

1. Workshop sessions should be educational and informative, and 50-60 minutes long.
2. Proposals should include the name, title, and company information of those presenting.
3. Proposals should be typewritten in Garamond font Pitch 9.
4. Proposals should contain a title and one-page informative summary of the workshop, so that we may include these details in our conference journal.
5. Proposals should include handouts, power point presentations, and other similar materials.
6. Proposals should be submitted by *February 1st*.
7. We will notify you in writing of the time, location, and other important details concerning your workshop well in advance of the conference.

Thank you as always for your time and consideration, and have a great day – hopefully inside somewhere with a fireplace.

John G. Donnadio, Esq.
Executive Director
New Jersey Association of Counties
Government Finance Officers Association of New Jersey
150 West State Street
Trenton, New Jersey 08608
Telephone (609) 394-3467
www.njac.org

BRENDAN GILL
NJAC President
Essex County Freeholder

JOHN G. DONNADIO
Executive Director

STATE HOUSE NEWS

January 30, 2019

MINIMUM WAGE

On January 28th, NJAC, the New Jersey State League of Municipalities (NJLM), the New Jersey School Boards Association, and the Government Finance Officers Association of New Jersey (GFOA) testified before the Assembly Appropriations Committee and the Senate Budget and Appropriations Committee on **ASSEMBLY, NO. 15/SENATE, NO. 15** *(Coughlin D/ Tucker D)(Sweeney D-3)*, which would increase the minimum wage to $15.00 per hour over time.

Our collective organizations testified that this legislation, may ultimately, force certain local governing bodies to either increase user fees, reduce or eliminate services, or cut staff as the measure would now include counties, municipalities, and school districts as employers. The State's current minimum wage law only applies to private businesses and does not include the State, counties, municipalities, and school districts Allen v. Fauver 327 N.J. Super. 14 (App. Div. 1999). However, all must comply with the federal minimum wage of $7.25 per hour. Given that local governments are subject to a 2% property tax cap levy, recently enacted laws such as the "Workplace Democracy Enhancement Act" and "Earned Sick Leave" that place additional burdens on local governing bodies, and the failure to permanently extend the 2% cap on binding interest arbitration awards and Chapter 78, a mandated increase in the minimum wage does not help counties and municipalities deliver often services in an effective and efficient manner, and does help control the continued growth of property taxes.

Thank you to our county finance officers and the Government Finance Officers Association of New Jersey (GFOA) for providing data on how an increase in the minimum wage would impact local governing bodies across the State. Please let us know if you would like to review a summary of the results, which vary from a minimal fiscal impact in certain counties and municipalities to a considerable one in others. For example, an increase in the minimum wage would have little impact on Cinnaminson Township and Cumberland County, but Toms River reported that it would cost the Township $575,673.00 per year to fully implement a $15.00 per hour minimum wage. Toms River further reported that the increase would force the Township to increase registration fees for recreation programs, youth programs, beach tags, and the Township's swimming pool. In an effort to alleviate some of our concerns, both committees amended the legislation to expand the definition for "seasonal employment" to mean *"employment during a year by an employer that is a seasonal employer, or non-profit or government entity of an individual who is not employed by that employer outside of the period of that year commencing on May 1 and ending September 30, or employment by a governmental entity in a recreational program or service during the period commencing on May 1 and ending September 30, except that "seasonal employment" does not include employment of employees engaged to labor on a farm on either a piece-rate or regular hourly rate basis."* As summarized below, the legislation would not exempt seasonal employees but would extend the phase-in date to $15.00 per hour to 2026.

More specifically, this legislation would incorporate into the minimum wage law the constitutional provision which has resulted in the increase of the minimum wage rate to $8.85 per hour on January 1, 2019, and which increases the rate on January 1 of each subsequent year by any increase which occurs in the consumer price index for all urban wage earners and clerical workers (CPI-W) during the 12 months prior to the September 30th before that January 1st. The bill would als incorporates into the law that whenever the federal minimum wage exceeds the State minimum wage, the federal minimum wage would be adopted as the State minimum wage and the increases based on increases in the CPI-W would be applied to the federal minimum wage rate.

In addition, the bill would provide for certain increases in the State minimum wage greater than the increases resulting from the provisions of the Constitution. The bill would provide that except for certain specified workers, the general minimum wage rate would be increased to $10.00 per hour on July 1, 2019, to $11.00 per hour on January 1, 2020, followed by $1.00 increases each year until the rate reaches a level of $15.00 per hour in 2024. As noted above, the measure would provide for a longer phase-in period for employees of any employer with less than six employees, and for seasonal employees other than tipped employees. For these employees, the minimum wage rate would be increased to $10.30 per hour on January 1, 2020, and then increased each year from 2021 to 2025 by eighty cents, and then increased in 2026 by seventy cents so that it reaches a level of $15.00 per hour in 2026, followed by further increases from 2027 to 2028 as needed to have these employees earning the same minimum wage rate as the general minimum wage rate in 2019. Both houses are expected to pass the legislation shortly, and Governor Murphy is expected to sign the bill into law.

VOTE BY MAIL

As authorized by NJAC's Board of Directors at its December 14, 2018 meeting and pursuant to resolutions adopted by Atlantic, Cape May, Hudson, Hunterdon, Monmouth, Morris, and Somerset counties, NJAC recently filed a complaint with the New Jersey Council on Local Mandates that the "Vote-by-Mail" law enacted as P.L. 2018, Chapter 72 constitutes an unfunded State mandate in violation of the State's Constitution.

As a result of the unfunded mandate imposed by the new Vote-by-Mail law, county governments across the State spent approximately $1.51 million to implement and administer in 2018 and will continue to spend additional property taxpayer dollars every year thereafter on personnel, printing, postage, and supplies as a direct result of the new law. These ongoing costs include: personnel costs, such as salaries, wages, health and other fringe benefits; contracted costs with outside vendors for printing services; postage and letters; and, additional costs such as supplies and labels.

In part, the new law requires county clerks to add to the list of registered voters receiving mail-in ballots in all future elections: all voters who requested and received mail-in ballots for the 2016 general election. This new mail-in ballot voting procedure is forcing county clerks to use valuable staff time, and other resources normally dedicated to regular pre-election duties, as it requires their offices to manually convert such voters to the vote-by-mail system as the Statewide Voter Registration System does not have the capability to manage the transfers otherwise. The new law also requires county clerks to automatically furnish mail-in ballots to voters that vote-by-mail in all future elections without further request. This new mail-in ballot voting procedure is forcing county clerks to substantially increase the number of mail-in ballots their offices must prepare, deliver, receive, process, and record. As a result, county clerks are struggling to manage the new mail-in ballot voting procedure with existing staff and have hired or are planning to hire temporary, part-time, or full-time staff to comply with the Act. The new mail-in ballot voting procedure is also forcing county clerks to spend additional county resources on printing, postage, and other supplies.

The new law also requires county clerks to provide written notice to voters who vote-by-mail that they will automatically receive mail-in ballots for all future elections and until a voter informs a clerk that the voter no longer chooses to vote-by-mail accordingly. This new mail-in ballot voting procedure is forcing county clerks to use valuable staff time preparing the notice and additional county resources mailing the notice to qualified voters accordingly. This new mail-in ballot voting procedure is also causing confusion among voters who are mailed ballots but decide to vote at a polling station as the Act requires such voters to vote by provisional ballot if they do not opt out as prescribed under the new law – creating additional operational burdens and expenses in preparing provisional ballots.

In general, the New Jersey Council on Local Mandates is responsible for resolving disputes on whether a law, rule, or regulation adopted after 1996 constitutes an unfunded mandate. In general, an unfunded mandate upon boards of education, municipalities, and counties is a law, rule, or regulation that does not authorize resources, other than the property tax, to offset additional direct expenditures required to implement said law, rule, or regulation. Please note that the following categories of laws, rules, or regulations are not considered unfunded mandates: (1) those which are required to comply with federal laws or rules or to meet eligibility standards for federal entitlements; (2) those which are imposed on both government and non-government entities in the same or substantially similar circumstance; (3) those which repeal, revise, or ease an existing requirement or mandate or which reapportion the costs of activities between boards of education, counties, and municipalities; (4) those which stem from failing to comply with previously enacted laws or rules or regulations issued pursuant to a law; and, (5) those which implement provisions of the Constitution

Tax Abatements

On January 17th, the Senate Community and Urban Affairs Committee favorably reported **Senate, No. 58** *(Singleton D-7),* which would require municipalities to file copies of tax abatement and exemption agreements with county chief financial officer and county counsel with 10 days of execution.

In summary, this bill would require municipalities to file copies of any tax agreements authorizing short-term property tax abatements and exemptions with the county chief financial officer and county counsel within 10 days of their adoption. Under current law, these tax agreements are required to be filed within 30 days of their adoption with the Division of Local Government Services in the Department of Community Affairs. This bill would lower this timeframe to 10 days, delete the requirement that a copy be sent to the Division of Local Government Services, and instead require copies be forwarded to the county chief financial officer and county counsel.

This bill would also require municipalities that provide short-term property tax abatements and exemptions to annually report the total amount of real property taxes exempted and abated in the current tax year. Under current law, this information is only reported to the Division of Local Government Services and the Division of Taxation in the Department of the Treasury. This bill would add the county chief financial officer and county counsel to the list of recipients of this information. S-58 is on Second Reading in the Senate with no current companion version in the General Assembly.

Code Blue Alerts

On December 17th, the Senate passed **Senate, No. 2737** *(Singleton D-7/Ruiz)* by a vote of 39-0 and substituted the measure with **Assembly, No. 4177** (*Pintor Marin D-39/Mukherji D-33),* which the General Assembly passed by a vote of 76-0-1 on October 9th. Since the Senate amended the bill, the General Assembly must vote on the new version at one of its upcoming voting sessions.

As amended, this legislation would allow county governing bodies to increase the homelessness housing fund surcharge from $3.00 to $5.00 and would further dedicate the $2.00 increase to support emergency shelter for the homeless services provided in connection with a Code Blue alert. NJAC supports this modest increase as it would help counties provide adequate shelter for homeless individuals during inclement weather without affecting existing programs that support permanent housing and self-sufficiency. In 2017, Governor Christie signed into law legislation that requires county governing bodies, through their offices of emergency management or other appropriate offices, agencies or departments, to establish plans for issuing Code Blue alerts to municipalities, social service agencies, and non-profit organizations that provide services to at-risk individuals and are located within the county's borders.

In summary, the new law requires emergency management coordinators to declare a Code Blue alert after evaluating weather forecasts and advisories produced by the National Weather Service that predict the following weather conditions in the county within 24 to 48 hours: temperatures will reach 25 degrees Fahrenheit or lower without precipitation; or 32 degrees Fahrenheit or lower with precipitation; or, the National Weather Service wind chill temperature will be 0 degrees Fahrenheit or less for a period of 2 hours or more. Since that time, county governments across the State have been struggling to fund and implement the 2017 law; and, NJAC has adopted the legislation as one of its top priorities. Special thanks to Senator Singleton and Assemblywoman Pintor-Marin for their leadership in supporting this important and timely initiative.

911 Fees

As Governor Murphy and legislative leaders begin planning for State fiscal year 2020, NJAC will continue to advocate for properly funding county and municipal 911 centers as recommended under federal law.

As has been well documented, the State diverts an estimated 89.0% of the $120.0 million in surcharges it collects each year as 911 System and Emergency Response Fees (Fees) and of which it deposits into the 911 System and Emergency Trust Fund Account (Fund). In fact, the State has collected approximately $1.3 billion in fees since 2006 with only 11% of Fund monies being spent on eligible expenses as recently reported by the Federal Communications Commission (FCC). Moreover, the State has failed to provide any funding for eligible expenses to local 911 centers operated by counties and municipalities; and, has instead diverted Fund dollars to cover general operating expenses in the Department of Law and Public Safety. As a result of the State's decade long practice, and the similar diversion of 911 funds by several other states, the FCC recently adopted rules that prohibits New Jersey and its local governing bodies from applying for $115.0 million in grant program funding to upgrade 911 centers with Next Generation 911 (NG911) capabilities.

Importantly, counties and municipalities as first responders handle the vast majority of the State's public safety service requests through local PSAPs and have come to inequitably rely on the collection of local property taxpayer dollars to improve, operate, and maintain 911 systems. County governments alone spent approximately $300.0 million over the last five years in capital improvements for facility upgrades, telephone systems, computer aided dispatch, location mapping technology, voice recording technology, data analytics, and NG911 upgrades. Counties also spent an estimated $100.0 million in 2016 on operating expenses for salaries, staff training, system maintenance, network security, and IT consulting services. On the average, county governments provide some level of 911 dispatch services for approximately of 73% of the municipalities located within their borders Fund dollars, comply with federal guidelines for grant funding, and adopt the best practices outlined in the "New Jersey 911 Consolidation Study" published in 2006, which in part, calls for reducing the number of local 911 centers to streamline operations and save taxpayer dollars.

MURPHY CALLS FOR RETURNING RIGHT TO VOTE TO FELONS ON PROBATION OR PAROLE
Colleen O'Dea, NJ Spotlight, January 17, 2019

Gov. Phil Murphy wasn't shy about patting himself and lawmakers on the back in his State of the State speech for making it easier both to register to vote and to cast a ballot. But he also wants to increase the number of registered voters by re-enfranchising felons on probation or parole, a controversial initiative.

This marked Murphy's first public support for the concerted effort, launched last year by a number of progressive advocacy groups and legislators, to undo a 175-year-old law that strips the right to vote from those convicted of serious crimes until they have completed their entire sentence. But the governor stopped short of fully embracing legislation — embodied in S-2100 and A-3456 — that would return the right to vote to those who are incarcerated. "Let's open the doors to our democracy even wider," Murphy said toward the end of his speech to a joint session of the Legislature on Tuesday. "Let's restore voting rights for individuals on probation or parole, so we can further their reentry into society. And we further their reentry into society by allowing them to exercise the most sacred right offered by our society — the right to vote."

During his address, Murphy also called for lawmakers to pass additional voter expansion measures that he backed during his campaign. These include: allowing residents to register to vote online; permitting Election Day registration at the polls; letting 17-year-olds register and vote in the June primary if they will turn 18 in time for the November general election; and, enacting "true" early, in-person voting statewide. But Murphy's call for restoring voting rights to convicted felons on probation or parole is likely to be the most controversial of his efforts to expand voting. Republicans, certainly, were not enthusiastic, but it is the type of issue that could cross party lines.

Murphy's call came a day after activists gathered in Trenton to push for a number of progressive priorities, including expanding the right to vote. "We must continue the work of building an inclusive democracy in the Garden State by restoring the right to vote to nearly 100,000 people with convictions," said Ryan Haygood, president of the New Jersey Institute for Social Justice. "The lesson to take from this important moment is that people who care about social and racial justice cannot afford to be timid. The heart of our democracy is at stake." The institute has been at the fore of the push, releasing a report last February that showed more than 94,000 New Jerseyans — 87 percent of them not in jail but on probation or parole — cannot vote as a result of the 1844 law. More than half of the disenfranchised, or about 47,400 people, were African-Americans.

Murphy's support for restoring the vote to that 87 percent drew applause from the crowd in the Assembly chamber, but also some head-shaking by a few Republicans. Following the speech, Assembly Minority Leader Jon Bramnick (R-Union) said this effort should not be one of Murphy's priorities and voiced his own opposition to the idea. "Whether you agree with that or not, clearly, I don't believe that that's one of the priorities for the voters and the residents of the state of New Jersey ... for the people who are trying to put food on the table," he said. "I would have some concerns that until you've completed your entire sentence ... including probation and parole. At that point, the person has met all the requirements by the law." Until then, Bramnick continued, "you're still under the supervision of the courts or probation, which indicates you haven't completely paid your price to society."

Supporters for re-enfranchisement argue that there's no reason why losing the right to vote needs to be a part of the price a person must pay, and it is under lawmakers' control to change that. Currently, all those convicted of indictable offenses lose the right to vote until they complete their entire sentences, which include probation or parole. Such offenses range from being charged as a minor for marijuana distribution or shoplifting more than $200 in merchandise to rape or murder.

It had been common throughout the country for states to strip felons of their voting rights, sometimes forever. More recently, however, states have been reinstating these rights to some degree. According to the National Conference of State Legislatures, felons never lose their right to vote in two states — Maine and Vermont. In 14 other states and Washington, D.C., felons cannot vote while incarcerated but are automatically re-registered upon release, including while on parole. The laws in 21 other states are similar to New Jersey's. In the remaining 12 states, felons have an additional waiting period, have to seek gubernatorial or court approval to vote again, or may never be able to vote again for convictions for the most serious offenses.

Legislative sponsors and advocates view restoring the vote here as a civil rights issue. Blacks in New Jersey are affected disproportionately by the current system because they make up such a large portion of the prison population. Although African-Americans account for just 15 percent of New Jersey's overall population, they represent about half of those who have lost their voting rights as a result of a criminal conviction, according to the NJISJ report. More than 5 percent of New Jersey's voting-age African-Americans have been denied the right to vote by the law. The effort to change the voting law has the support of about 80 organizations. Groups like the institute hold the position that voting rights should never be taken away for a crime, thus allowing prisoners to continue to vote while behind bars. An inmate would vote by mail using the address where he lived prior to incarceration.

Murphy spokesmen did not return a request for comment on whether the governor might also support allowing felons to vote while still in prison, which he did not expressly state. Neither the institute nor the American Civil Liberties Union of New

Jersey responded to the question of whether they would back the re-enfranchisement of those on parole and probation if it did not also apply to those still incarcerated. Sen. Sandra Cunningham (D-Hudson), a co-sponsor of the legislation to re-enfranchise felons, issued a statement praising Murphy's call for action on the issue. The measure, introduced last March, has not had a hearing in either the Senate or Assembly. "The incarcerated are among the most underrepresented population in the state. New Jersey already allows for former non-violent felons to vote, but we can do better," Cunningham said. "New Jersey could become a leader in this country with this needed criminal justice reform. I look forward to working with him on this important issue in the near future."

Audit Sparks Overlapping Probes Into State Business Incentive Programs
Colleen O'Dea, NJ Spotlight, January 25, 2019

Two investigations — a task force empaneled by Gov. Phil Murphy and a joint hearing scheduled by the Legislature — are announced hours apart Two branches of government announced new plans to conduct overlapping probes of New Jersey's system of business tax incentives, despite — or due to — a recent State Comptroller audit that raised troubling questions about oversight of the incentives and their effectiveness. The two investigations, one by Gov. Phil Murphy's administration and another by the Legislature, also point to the continued divide between the separate branches of government, both led by Democrats.

Murphy, who has proposed new incentive programs to replace the ones in question, signed an executive order Thursday creating the Task Force on EDA's Tax Incentives to "conduct an in-depth examination of the deficiencies in the design, implementation, and oversight" of the state's two major incentive programs. The task force will have subpoena power and its legal team will include the former co-chair of a commission that investigated public corruption in New York. About two-and-a-half hours later, the leaders of the state Senate and Assembly announced a joint legislative hearing for mid-February "to review the operations, oversight and effectiveness of the New Jersey Economic Development Authority and its tax incentive programs." That hearing will delve into the audit released earlier this month by the State Comptroller, as well as other assessments of the incentives.

These will bring to three the number of investigations spurred by the audit. Last week, state Attorney General Gurbir Grewal said his office was probing whether any wrongdoing had occurred. New Jersey has offered tax incentives for over two decades, but the programs got a major facelift in 2013 by former Republican Gov. Chris Christie, working with Democratic legislative leaders, in an attempt to add jobs and boost economic growth in the wake of the Great Recession. One of Murphy's earliest actions on taking office was to order the audit of the incentives — the Grow New Jersey Assistance and the Economic Redevelopment and Growth Grant programs that remain in place, as well as earlier incentives — to determine their effectiveness. "The audit released earlier this month unfortunately validated my long-standing concerns that New

Jersey's tax incentive programs gave out billions of dollars in tax breaks but failed to deliver the promised economic benefits," Murphy said in a statement announcing the task force. "The idea that up to $11 billion was awarded without so much as basic verification of claims regarding job creation and retention should shock and appall every New Jersey taxpayer."

While $11 billion in incentives has been approved, some dating back to the early days of the programs, most of that has not been handed over yet to businesses. Of roughly $8 billion actually ratified by the EDA, less than 9 percent, or close to $700 million, has been paid out. (The earliest $3 billion was allotted before the existence of the EDA.) The audit came to some troubling conclusions, particularly regarding job creation and retention — major requirements of GrowNJ and some of its predecessor programs. Businesses can receive annual tax credits of up to $5,000 per job created or retained, with additional bonus credits possible. The audit cited the EDA for "a failure to properly analyze recipient performance data to determine whether the incented jobs were actually created or retained pursuant to the award terms." In a sample of projects examined, the audit could not find proof that almost 3,000 jobs were created or kept — about 20 percent of those promised. Additionally, the audit found that the EDA did not use the proper statute and regulations in evaluating five commercial projects and so improperly awarded them $179 million in incentives. It also cited the agency for inadequate monitoring, for lacking an adequate process to determine whether the state realized promised economic benefits and for failing to assess and collect appropriate fees from all applicants.

In total, 1,000 projects approved for almost $11 billion over the life of the incentive programs were to have created or retained about 240,000 jobs and resulted in $34 billion in capital investments. The way the audit was conducted, it was impossible to determine whether its finding that one in five jobs may not actually have been saved or created applied to all projects. Murphy said he is pleased that the EDA, which disputed some of the audit findings, has put some policies in place, and pledged others, to address some of the deficiencies found by the comptroller's office. "But taxpayers deserve a full explanation of how and why these massive shortcomings in performance existed," Murphy said. "The Task Force I am establishing today will give the public that explanation, and help provide a roadmap for how tax incentives can be responsibly designed and implemented going forward."

Murphy has his own plan for revamping the incentive programs, which expire mid-year. First announced last fall, it envisions programs to provide gap financing to projects, reward businesses that create jobs in certain areas, encourage the redevelopment of brownfields and preservation of historic sites and help boost the state's startup sector. The agency's board approved Murphy's choice of Tim Sullivan to lead the EDA last February. To chair the new task force, Murphy tapped Ronald Chen, dean of Rutgers Law School in Newark and a former state public advocate. The governor did not name any other members, but announced that the group will have legal counsel from Walden Macht & Haran LLP of New York. Its lead attorneys will include Jim Walden, a former

Assistant U.S. Attorney for the Eastern District of New York, and Milton L. Williams, former co-chair of the Moreland Commission created in 2013 by New York Gov. Andrew Cuomo to investigate public corruption.

"We look forward to undertaking an objective and straightforward investigation to determine whether New Jersey's tax-credit programs were misused," Walden said in a statement. Murphy's office did not answer questions about whether the state has entered into a contract with Walden Macht & Haran or how much they expected to pay the firm and its attorneys for their work. The governor's task force will hold public hearings. If necessary, it can refer matters to the state comptroller's office to exercise its subpoena authority, or to the EDA to exercise its authority over the incentive programs. The legislative hearing is scheduled for February 11 before the Senate Economic Growth and the Assembly Commerce and Economic Development committees. Lawmakers issued no comment on either Murphy's task force or their hearing. The notice of the hearing states that the committees' findings "will be used to inform the Legislature on how to improve the state's incentive programs, how they should be structured and implemented, and what oversight controls are needed to ensure full accountability." Murphy's recent criticisms of the incentive programs have seemed to exacerbate his ongoing feud with Sen. President Steve Sweeney (D-Gloucester). Following the governor's State of the State address last week, half of which Murphy devoted to the audit, Sweeney defended the programs.

"To say the programs we did were bad is just wrong," he said. "It was the enforcement within the agency ... I can point to Subaru and many others who would have left the state if not for these programs." Sweeney worked with Christie on revamping the programs six years ago. Some of the changes allowed companies and developers to get more generous tax incentives, while also reducing their requirements for investment and job creation This was especially true in places like Camden, where Sweeney and other South Jersey Democrats determined the most significant economic boosts were needed. Any changes to the programs will require Murphy to reach accommodation with the Legislature, as he will have to gain the support of Sweeney and Assembly Speaker Craig Coughlin (D-Middlesex) to get his proposals or other program revisions enacted.

UPCOMING NJAC EVENTS: Make sure to mark your calendars for NJAC's Annual Celebration of County Government set for May 8th through May 10th at Caesar's in Atlantic City. And, you're welcome to join us at our next board meeting on March 22nd.

STATE HOUSE TRIVIA: Did you know that midway through the 2018/19 legislatives session, legislators have introduced 8,265 bills and Governor Murphy has signed 169 into law?

"Lead me, follow me, or get out of my way." General George Patton

From: John Donnadio <jdonnadio@njac.org>
Sent time: 01/30/2019 11:36:54 AM
To: Undisclosed recipients:
BCc: vhaines@co.ocean.nj.us; dflynn@co.ocean.nj.us; dconnors@co.ocean.nj.us; jmoran@co.ocean.nj.us; jbusch@co.ocean.nj.us; mfiure@co.ocean.nj.us; tmaksel@co.ocean.nj.us; Block, Carl <cblock@co.ocean.nj.us>
Subject: State House News
Attachments: State House News 013019.doc

Good morning. I hope all is well.

Please find attached for your review, this week's edition of State House News, which contains updates on the minimum wage, vote-by-mail, tax abatements, code blue alerts, and 911 funding. The edition also contains terrific articles on voting rights and the State's Business Incentive Program. *And, stay tuned later this week for details about our outstanding Annual Celebration of County Government set for May 8th through May 10th at Caesar's in Atlantic City.* In the meantime, we're accepting proposals for conference workshops. Space is limited, so please submit your proposal no later than *February 1st* to Loren Wizman by email at loren@njac.org. To make sure that our elected officials, administrators, finance officers, purchasing officials, planners, engineers, attorneys, public works employees, accountants, and other county officials actively participate in our conference, the conference committee will give priority consideration to workshops approved for continuing education credits by the appropriate State agencies and the Rutgers University Center for Local Government Services.

1. Workshop sessions should be educational and informative, and 50-60 minutes long.
2. Proposals should include the name, title, and company information of those presenting.
3. Proposals should be typewritten in Garamond font Pitch 9.
4. Proposals should contain a title and one-page informative summary of the workshop, so that we may include these details in our conference journal.
5. Proposals should include handouts, power point presentations, and other similar materials.
6. Proposals should be submitted by *February 1st*.
7. We will notify you in writing of the time, location, and other important details concerning your workshop well in advance of the conference.

Thank you as always for your time and consideration, and have a great day – hopefully inside somewhere with a fireplace.

John G. Donnadio, Esq.
Executive Director
New Jersey Association of Counties
Government Finance Officers Association of New Jersey
150 West State Street
Trenton, New Jersey 08608
Telephone (609) 394-3467
www.njac.org

BRENDAN GILL
NJAC President
Essex County Freeholder

JOHN G. DONNADIO
Executive Director

STATE HOUSE NEWS

January 30, 2019

MINIMUM WAGE

On January 28th, NJAC, the New Jersey State League of Municipalities (NJLM), the New Jersey School Boards Association, and the Government Finance Officers Association of New Jersey (GFOA) testified before the Assembly Appropriations Committee and the Senate Budget and Appropriations Committee on **ASSEMBLY, NO. 15/SENATE, NO. 15** *(Coughlin D/ Tucker D)(Sweeney D-3)*, which would increase the minimum wage to $15.00 per hour over time.

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VOTE BY MAIL

As authorized by NJAC's Board of Directors at its December 14, 2018 meeting and pursuant to resolutions adopted by Atlantic, Cape May, Hudson, Hunterdon, Monmouth, Morris, and Somerset counties, NJAC recently filed a complaint with the New Jersey Council on Local Mandates that the "Vote-by-Mail" law enacted as P.L. 2018, Chapter 72 constitutes an unfunded State mandate in violation of the State's Constitution.

As a result of the unfunded mandate imposed by the new Vote-by-Mail law, county governments across the State spent approximately $1.51 million to implement and administer in 2018 and will continue to spend additional property taxpayer dollars every year thereafter on personnel, printing, postage, and supplies as a direct result of the new law. These ongoing costs include: personnel costs, such as salaries, wages, health and other fringe benefits; contracted costs with outside vendors for printing services; postage and letters; and, additional costs such as supplies and labels.

In part, the new law requires county clerks to add to the list of registered voters receiving mail-in ballots in all future elections: all voters who requested and received mail-in ballots for the 2016 general election. This new mail-in ballot voting procedure is forcing county clerks to use valuable staff time, and other resources normally dedicated to regular pre-election duties, as it requires their offices to manually convert such voters to the vote-by-mail system as the Statewide Voter Registration System does not have the capability to manage the transfers otherwise. The new law also requires county clerks to automatically furnish mail-in ballots to voters that vote-by-mail in all future elections without further request. This new mail-in ballot voting procedure is forcing county clerks to substantially increase the number of mail-in ballots their offices must prepare, deliver, receive, process, and record. As a result, county clerks are struggling to manage the new mail-in ballot voting procedure with existing staff and have hired or are planning to hire temporary, part-time, or full-time staff to comply with the Act. The new mail-in ballot voting procedure is also forcing county clerks to spend additional county resources on printing, postage, and other supplies.

The new law also requires county clerks to provide written notice to voters who vote-by-mail that they will automatically receive mail-in ballots for all future elections and until a voter informs a clerk that the voter no longer chooses to vote-by-mail accordingly. This new mail-in ballot voting procedure is forcing county clerks to use valuable staff time preparing the notice and additional county resources mailing the notice to qualified voters accordingly. This new mail-in ballot voting procedure is also causing confusion among voters who are mailed ballots but decide to vote at a polling station as the Act requires such voters to vote by provisional ballot if they do not opt out as prescribed under the new law – creating additional operational burdens and expenses in preparing provisional ballots.

In general, the New Jersey Council on Local Mandates is responsible for resolving disputes on whether a law, rule, or regulation adopted after 1996 constitutes an unfunded mandate. In general, an unfunded mandate upon boards of education, municipalities, and counties is a law, rule, or regulation that does not authorize resources, other than the property tax, to offset additional direct expenditures required to implement said law, rule, or regulation. Please note that the following categories of laws, rules, or regulations are not considered unfunded mandates: (1) those which are required to comply with federal laws or rules or to meet eligibility standards for federal entitlements; (2) those which are imposed on both government and non-government entities in the same or substantially similar circumstance; (3) those which repeal, revise, or ease an existing requirement or mandate or which reapportion the costs of activities between boards of education, counties, and municipalities; (4) those which stem from failing to comply with previously enacted laws or rules or regulations issued pursuant to a law; and, (5) those which implement provisions of the Constitution

TAX ABATEMENTS

On January 17th, the Senate Community and Urban Affairs Committee favorably reported **SENATE, NO. 58** *(Singleton D-7),* which would require municipalities to file copies of tax abatement and exemption agreements with county chief financial officer and county counsel with 10 days of execution.

In summary, this bill would require municipalities to file copies of any tax agreements authorizing short-term property tax abatements and exemptions with the county chief financial officer and county counsel within 10 days of their adoption. Under current law, these tax agreements are required to be filed within 30 days of their adoption with the Division of Local Government Services in the Department of Community Affairs. This bill would lower this timeframe to 10 days, delete the requirement that a copy be sent to the Division of Local Government Services, and instead require copies be forwarded to the county chief financial officer and county counsel.

This bill would also require municipalities that provide short-term property tax abatements and exemptions to annually report the total amount of real property taxes exempted and abated in the current tax year. Under current law, this information is only reported to the Division of Local Government Services and the Division of Taxation in the Department of the Treasury. This bill would add the county chief financial officer and county counsel to the list of recipients of this information. S-58 is on Second Reading in the Senate with no current companion version in the General Assembly.

CODE BLUE ALERTS

On December 17th, the Senate passed **SENATE, NO. 2737** *(Singleton D-7/Ruiz)* by a vote of 39-0 and substituted the measure with **ASSEMBLY, NO. 4177** (*Pintor Marin D-39/Mukherji D-33),* which the General Assembly passed by a vote of 76-0-1 on October 9th. Since the Senate amended the bill, the General Assembly must vote on the new version at one of its upcoming voting sessions.

As amended, this legislation would allow county governing bodies to increase the homelessness housing fund surcharge from $3.00 to $5.00 and would further dedicate the $2.00 increase to support emergency shelter for the homeless services provided in connection with a Code Blue alert. NJAC supports this modest increase as it would help counties provide adequate shelter for homeless individuals during inclement weather without affecting existing programs that support permanent housing and self-sufficiency. In 2017, Governor Christie signed into law legislation that requires county governing bodies, through their offices of emergency management or other appropriate offices, agencies or departments, to establish plans for issuing Code Blue alerts to municipalities, social service agencies, and non-profit organizations that provide services to at-risk individuals and are located within the county's borders.

In summary, the new law requires emergency management coordinators to declare a Code Blue alert after evaluating weather forecasts and advisories produced by the National Weather Service that predict the following weather conditions in the county within 24 to 48 hours: temperatures will reach 25 degrees Fahrenheit or lower without precipitation; or 32 degrees Fahrenheit or lower with precipitation; or, the National Weather Service wind chill temperature will be 0 degrees Fahrenheit or less for a period of 2 hours or more. Since that time, county governments across the State have been struggling to fund and implement the 2017 law; and, NJAC has adopted the legislation as one of its top priorities. Special thanks to Senator Singleton and Assemblywoman Pintor-Marin for their leadership in supporting this important and timely initiative.

911 Fees

As Governor Murphy and legislative leaders begin planning for State fiscal year 2020, NJAC will continue to advocate for properly funding county and municipal 911 centers as recommended under federal law.

As has been well documented, the State diverts an estimated 89.0% of the $120.0 million in surcharges it collects each year as 911 System and Emergency Response Fees (Fees) and of which it deposits into the 911 System and Emergency Trust Fund Account (Fund). In fact, the State has collected approximately $1.3 billion in fees since 2006 with only 11% of Fund monies being spent on eligible expenses as recently reported by the Federal Communications Commission (FCC). Moreover, the State has failed to provide any funding for eligible expenses to local 911 centers operated by counties and municipalities; and, has instead diverted Fund dollars to cover general operating expenses in the Department of Law and Public Safety. As a result of the State's decade long practice, and the similar diversion of 911 funds by several other states, the FCC recently adopted rules that prohibits New Jersey and its local governing bodies from applying for $115.0 million in grant program funding to upgrade 911 centers with Next Generation 911 (NG911) capabilities.

Importantly, counties and municipalities as first responders handle the vast majority of the State's public safety service requests through local PSAPs and have come to inequitably rely on the collection of local property taxpayer dollars to improve, operate, and maintain 911 systems. County governments alone spent approximately $300.0 million over the last five years in capital improvements for facility upgrades, telephone systems, computer aided dispatch, location mapping technology, voice recording technology, data analytics, and NG911 upgrades. Counties also spent an estimated $100.0 million in 2016 on operating expenses for salaries, staff training, system maintenance, network security, and IT consulting services. On the average, county governments provide some level of 911 dispatch services for approximately of 73% of the municipalities located within their borders Fund dollars, comply with federal guidelines for grant funding, and adopt the best practices outlined in the "New Jersey 911 Consolidation Study" published in 2006, which in part, calls for reducing the number of local 911 centers to streamline operations and save taxpayer dollars.

MURPHY CALLS FOR RETURNING RIGHT TO VOTE TO FELONS ON PROBATION OR PAROLE
Colleen O'Dea, NJ Spotlight, January 17, 2019

Gov. Phil Murphy wasn't shy about patting himself and lawmakers on the back in his State of the State speech for making it easier both to register to vote and to cast a ballot. But he also wants to increase the number of registered voters by re-enfranchising felons on probation or parole, a controversial initiative.

This marked Murphy's first public support for the concerted effort, launched last year by a number of progressive advocacy groups and legislators, to undo a 175-year-old law that strips the right to vote from those convicted of serious crimes until they have completed their entire sentence. But the governor stopped short of fully embracing legislation — embodied in S-2100 and A-3456 — that would return the right to vote to those who are incarcerated. "Let's open the doors to our democracy even wider," Murphy said toward the end of his speech to a joint session of the Legislature on Tuesday. "Let's restore voting rights for individuals on probation or parole, so we can further their reentry into society. And we further their reentry into society by allowing them to exercise the most sacred right offered by our society — the right to vote."

During his address, Murphy also called for lawmakers to pass additional voter expansion measures that he backed during his campaign. These include: allowing residents to register to vote online; permitting Election Day registration at the polls; letting 17-year-olds register and vote in the June primary if they will turn 18 in time for the November general election; and, enacting "true" early, in-person voting statewide. But Murphy's call for restoring voting rights to convicted felons on probation or parole is likely to be the most controversial of his efforts to expand voting. Republicans, certainly, were not enthusiastic, but it is the type of issue that could cross party lines.

Murphy's call came a day after activists gathered in Trenton to push for a number of progressive priorities, including expanding the right to vote. "We must continue the work of building an inclusive democracy in the Garden State by restoring the right to vote to nearly 100,000 people with convictions," said Ryan Haygood, president of the New Jersey Institute for Social Justice. "The lesson to take from this important moment is that people who care about social and racial justice cannot afford to be timid. The heart of our democracy is at stake." The institute has been at the fore of the push, releasing a report last February that showed more than 94,000 New Jerseyans — 87 percent of them not in jail but on probation or parole — cannot vote as a result of the 1844 law. More than half of the disenfranchised, or about 47,400 people, were African-Americans.

Murphy's support for restoring the vote to that 87 percent drew applause from the crowd in the Assembly chamber, but also some head-shaking by a few Republicans. Following the speech, Assembly Minority Leader Jon Bramnick (R-Union) said this effort should not be one of Murphy's priorities and voiced his own opposition to the idea. "Whether you agree with that or not, clearly, I don't believe that that's one of the priorities for the voters and the residents of the state of New Jersey ... for the people who are trying to put food on the table," he said. "I would have some concerns that until you've completed your entire sentence ... including probation and parole. At that point, the person has met all the requirements by the law." Until then, Bramnick continued, "you're still under the supervision of the courts or probation, which indicates you haven't completely paid your price to society."

Supporters for re-enfranchisement argue that there's no reason why losing the right to vote needs to be a part of the price a person must pay, and it is under lawmakers' control to change that. Currently, all those convicted of indictable offenses lose the right to vote until they complete their entire sentences, which include probation or parole. Such offenses range from being charged as a minor for marijuana distribution or shoplifting more than $200 in merchandise to rape or murder.

It had been common throughout the country for states to strip felons of their voting rights, sometimes forever. More recently, however, states have been reinstating these rights to some degree. According to the National Conference of State Legislatures, felons never lose their right to vote in two states — Maine and Vermont. In 14 other states and Washington, D.C., felons cannot vote while incarcerated but are automatically re-registered upon release, including while on parole. The laws in 21 other states are similar to New Jersey's. In the remaining 12 states, felons have an additional waiting period, have to seek gubernatorial or court approval to vote again, or may never be able to vote again for convictions for the most serious offenses.

Legislative sponsors and advocates view restoring the vote here as a civil rights issue. Blacks in New Jersey are affected disproportionately by the current system because they make up such a large portion of the prison population. Although African-Americans account for just 15 percent of New Jersey's overall population, they represent about half of those who have lost their voting rights as a result of a criminal conviction, according to the NJISJ report. More than 5 percent of New Jersey's voting-age African-Americans have been denied the right to vote by the law. The effort to change the voting law has the support of about 80 organizations. Groups like the institute hold the position that voting rights should never be taken away for a crime, thus allowing prisoners to continue to vote while behind bars. An inmate would vote by mail using the address where he lived prior to incarceration.

Murphy spokesmen did not return a request for comment on whether the governor might also support allowing felons to vote while still in prison, which he did not expressly state. Neither the institute nor the American Civil Liberties Union of New

Jersey responded to the question of whether they would back the re-enfranchisement of those on parole and probation if it did not also apply to those still incarcerated. Sen. Sandra Cunningham (D-Hudson), a co-sponsor of the legislation to re-enfranchise felons, issued a statement praising Murphy's call for action on the issue. The measure, introduced last March, has not had a hearing in either the Senate or Assembly. "The incarcerated are among the most underrepresented population in the state. New Jersey already allows for former non-violent felons to vote, but we can do better," Cunningham said. "New Jersey could become a leader in this country with this needed criminal justice reform. I look forward to working with him on this important issue in the near future."

AUDIT SPARKS OVERLAPPING PROBES INTO STATE BUSINESS INCENTIVE PROGRAMS
Colleen O'Dea, NJ Spotlight, January 25, 2019

Two investigations — a task force empaneled by Gov. Phil Murphy and a joint hearing scheduled by the Legislature — are announced hours apart Two branches of government announced new plans to conduct overlapping probes of New Jersey's system of business tax incentives, despite — or due to — a recent State Comptroller audit that raised troubling questions about oversight of the incentives and their effectiveness. The two investigations, one by Gov. Phil Murphy's administration and another by the Legislature, also point to the continued divide between the separate branches of government, both led by Democrats.

Murphy, who has proposed new incentive programs to replace the ones in question, signed an executive order Thursday creating the Task Force on EDA's Tax Incentives to "conduct an in-depth examination of the deficiencies in the design, implementation, and oversight" of the state's two major incentive programs. The task force will have subpoena power and its legal team will include the former co-chair of a commission that investigated public corruption in New York. About two-and-a-half hours later, the leaders of the state Senate and Assembly announced a joint legislative hearing for mid-February "to review the operations, oversight and effectiveness of the New Jersey Economic Development Authority and its tax incentive programs." That hearing will delve into the audit released earlier this month by the State Comptroller, as well as other assessments of the incentives.

These will bring to three the number of investigations spurred by the audit. Last week, state Attorney General Gurbir Grewal said his office was probing whether any wrongdoing had occurred. New Jersey has offered tax incentives for over two decades, but the programs got a major facelift in 2013 by former Republican Gov. Chris Christie, working with Democratic legislative leaders, in an attempt to add jobs and boost economic growth in the wake of the Great Recession. One of Murphy's earliest actions on taking office was to order the audit of the incentives — the Grow New Jersey Assistance and the Economic Redevelopment and Growth Grant programs that remain in place, as well as earlier incentives — to determine their effectiveness. "The audit released earlier this month unfortunately validated my long-standing concerns that New

Jersey's tax incentive programs gave out billions of dollars in tax breaks but failed to deliver the promised economic benefits," Murphy said in a statement announcing the task force. "The idea that up to $11 billion was awarded without so much as basic verification of claims regarding job creation and retention should shock and appall every New Jersey taxpayer."

While $11 billion in incentives has been approved, some dating back to the early days of the programs, most of that has not been handed over yet to businesses. Of roughly $8 billion actually ratified by the EDA, less than 9 percent, or close to $700 million, has been paid out. (The earliest $3 billion was allotted before the existence of the EDA.) The audit came to some troubling conclusions, particularly regarding job creation and retention — major requirements of GrowNJ and some of its predecessor programs. Businesses can receive annual tax credits of up to $5,000 per job created or retained, with additional bonus credits possible. The audit cited the EDA for "a failure to properly analyze recipient performance data to determine whether the incented jobs were actually created or retained pursuant to the award terms." In a sample of projects examined, the audit could not find proof that almost 3,000 jobs were created or kept — about 20 percent of those promised. Additionally, the audit found that the EDA did not use the proper statute and regulations in evaluating five commercial projects and so improperly awarded them $179 million in incentives. It also cited the agency for inadequate monitoring, for lacking an adequate process to determine whether the state realized promised economic benefits and for failing to assess and collect appropriate fees from all applicants.

In total, 1,000 projects approved for almost $11 billion over the life of the incentive programs were to have created or retained about 240,000 jobs and resulted in $34 billion in capital investments. The way the audit was conducted, it was impossible to determine whether its finding that one in five jobs may not actually have been saved or created applied to all projects. Murphy said he is pleased that the EDA, which disputed some of the audit findings, has put some policies in place, and pledged others, to address some of the deficiencies found by the comptroller's office. "But taxpayers deserve a full explanation of how and why these massive shortcomings in performance existed," Murphy said. "The Task Force I am establishing today will give the public that explanation, and help provide a roadmap for how tax incentives can be responsibly designed and implemented going forward."

Murphy has his own plan for revamping the incentive programs, which expire mid-year. First announced last fall, it envisions programs to provide gap financing to projects, reward businesses that create jobs in certain areas, encourage the redevelopment of brownfields and preservation of historic sites and help boost the state's startup sector. The agency's board approved Murphy's choice of Tim Sullivan to lead the EDA last February. To chair the new task force, Murphy tapped Ronald Chen, dean of Rutgers Law School in Newark and a former state public advocate. The governor did not name any other members, but announced that the group will have legal counsel from Walden Macht & Haran LLP of New York. Its lead attorneys will include Jim Walden, a former

Assistant U.S. Attorney for the Eastern District of New York, and Milton L. Williams, former co-chair of the Moreland Commission created in 2013 by New York Gov. Andrew Cuomo to investigate public corruption.

"We look forward to undertaking an objective and straightforward investigation to determine whether New Jersey's tax-credit programs were misused," Walden said in a statement. Murphy's office did not answer questions about whether the state has entered into a contract with Walden Macht & Haran or how much they expected to pay the firm and its attorneys for their work. The governor's task force will hold public hearings. If necessary, it can refer matters to the state comptroller's office to exercise its subpoena authority, or to the EDA to exercise its authority over the incentive programs. The legislative hearing is scheduled for February 11 before the Senate Economic Growth and the Assembly Commerce and Economic Development committees. Lawmakers issued no comment on either Murphy's task force or their hearing. The notice of the hearing states that the committees' findings "will be used to inform the Legislature on how to improve the state's incentive programs, how they should be structured and implemented, and what oversight controls are needed to ensure full accountability." Murphy's recent criticisms of the incentive programs have seemed to exacerbate his ongoing feud with Sen. President Steve Sweeney (D-Gloucester). Following the governor's State of the State address last week, half of which Murphy devoted to the audit, Sweeney defended the programs.

"To say the programs we did were bad is just wrong," he said. "It was the enforcement within the agency ... I can point to Subaru and many others who would have left the state if not for these programs." Sweeney worked with Christie on revamping the programs six years ago. Some of the changes allowed companies and developers to get more generous tax incentives, while also reducing their requirements for investment and job creation This was especially true in places like Camden, where Sweeney and other South Jersey Democrats determined the most significant economic boosts were needed. Any changes to the programs will require Murphy to reach accommodation with the Legislature, as he will have to gain the support of Sweeney and Assembly Speaker Craig Coughlin (D-Middlesex) to get his proposals or other program revisions enacted.

UPCOMING NJAC EVENTS: Make sure to mark your calendars for NJAC's Annual Celebration of County Government set for May 8th through May 10th at Caesar's in Atlantic City. And, you're welcome to join us at our next board meeting on March 22nd.

STATE HOUSE TRIVIA: Did you know that midway through the 2018/19 legislatives session, legislators have introduced 8,265 bills and Governor Murphy has signed 169 into law?

"Lead me, follow me, or get out of my way." General George Patton

From:	John Donnadio <jdonnadio@njac.org>
Sent time:	03/15/2019 01:04:00 PM
To:	Undisclosed recipients:
BCc:	cblock@co.ocean.nj.us; vhaines@co.ocean.nj.us; dflynn@co.ocean.nj.us; dconnors@co.ocean.nj.us; jmoran@co.ocean.nj.us; OCPlanning <ocplanning@co.ocean.nj.us>
Subject:	State House News
Attachments:	State House News 031519 .doc

Good afternoon. I hope all is well.

So not only are the brownies out of the box making a comeback, but we've changed the layout of the convention floor to provide a better flow of traffic and easier access to our 82 vendors at NJAC's annual celebration of county government scheduled from May 8th through May 10th at Caesar's in Atlantic City. For the first time, we're also awarding scholarships to our county vocational technical school cook-off challenge winners and honoring all freeholders who have served in that capacity for at least 20 years with the inaugural freeholder hall of fame. And, stayed tuned next week for our terrific lineup of professional development workshops. Make sure to visit NJAC's website at www.njac.org for additional details about this outstanding event where we're expecting a record turnout of county officials from all 21 counties. In the meantime, please find attached for your review, this week's edition of State House News, which contains legislative updates on 911 fees, the statute of limitations, county correctional police officers, county transportation services, and local aid allocations. This week's edition also contains articles on legalized weed and the State's most recent revenue projections. Thank you as always for your time and consideration and have a great rest of the day.

John G. Donnadio, Esq.
Executive Director
New Jersey Association of Counties
Government Finance Officers Association of New Jersey
150 West State Street
Trenton, New Jersey 08608
Telephone (609) 394-3467
www.njac.org

New Jersey Association of Counties

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Brendan Gill
NJAC President
Essex County Freeholder

John G. Donnadio
Executive Director

State House News

March 15, 2019

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911 Fee Diversion

On March 5th, Governor Phil Murphy unveiled his $38.6 billion dollar spending plan for State Fiscal Year 2020. Although we're still in the process of reviewing the annual budget, it unfortunately does not include any new funding for county and municipal 911 centers as recommended by the Federal Communications Commission (FCC).

Despite our meetings with State leaders, op-ed pieces, press conferences, media coverage, and resolutions from nearly every county, the State will once again divert an estimated 89.0% of the $120.0 million in surcharges it expects to collect this year as 911 System and Emergency Response Fees. As has been well documented, the State of New Jersey is the worst offender of diverting 911 fees in the nation and has collected an estimated $1.4 billion since 2006 with only 11% of Fund monies being spent on eligible expenses for the 3 State operated 911 centers. Moreover, the State has failed to provide any funding to local 911 centers operated by counties and municipalities; and, has instead diverted the balance of Fund dollars to cover general operating expenses in the Department of Law and Public Safety. As a direct result of the State's decade long practice, and the similar diversion of 911 funds by several other states, the FCC recently adopted rules that now prohibits New Jersey and its local governing bodies from applying for up to $115.0 million in grant program funding to upgrade 911 centers with Next Generation 911 (NG911) capabilities.

Over the next few weeks, NJAC plans to testify before the Assembly Budget Committee, and the Senate Budget and Appropriations Committee, that the State of New Jersey should comply with federal guidelines to adequately fund county and municipal 911 centers pursuant to FCC guidelines. Moreover, the State of New Jersey should also adopt the best practices outlined in the "New Jersey 911 Consolidation Study" published in 2006, which in part, calls for reducing the number of local 911 centers to streamline operations and save taxpayer dollars. Counties and municipalities as first responders handle most of the State's public safety service requests through local 911 centers and have come to inequitably rely on the collection of local property taxpayer dollars to improve, operate, and maintain 911 systems. County governments alone spent approximately $300.0 million over the last five years in capital improvements for facility upgrades, telephone systems, computer aided dispatch, location mapping technology, voice recording technology, data analytics, and NG911 upgrades. Counties also spent an estimated $100.0 million in 2016 on operating expenses for salaries, staff training, system maintenance, network security, and IT consulting services. On the average, county governments provide some level of 911 dispatch services for approximately of 73% of the municipalities located within their borders Fund.

STATUTE OF LIMITATIONS

On March 11th, the Senate passed by a vote of 32-1 **SENATE, NO. 477** *(Vitale D-19/Scutari D-22),* which would eliminate the statute of limitations in certain civil actions for sexual abuse, expand the categories of defendants liable in such actions, and remove the safeguards provided local governing bodies under the New Jersey Tort Claims Act (TCA).

NJAC commends the sponsors for their efforts to provide the victims of sexual abuse with additional remedies against the perpetrators and entities guilty of committing such heinous crimes. However, we remain concerned that the most recent changes to this legislation would eliminate, in its entirety, the safeguards provided local governing bodies under the TCA as all lawsuits are defended with limited property taxpayer dollars. During our testimony on March 11th before the Assembly Judiciary Committee on the companion version **ASSEMBLY, NO. 3648** *(Quijano D-20/Vainieri-Huttle D-37),* NJAC, the New Jersey State League of Municipalities (NJLM), and the New Jersey School Boards Association (NJSBA) submitted that the TCA does prohibit the filing of lawsuits against the State, counties, municipalities, and school districts. Instead, the law simply provides important procedural protections that make the litigation process more deliberate. The Assembly Judiciary Committee favorably reported the measure and the General Assembly is expected to vote on the bill on March 25th. In the meantime, we're meeting with the Governor's office next week to discuss our concerns and recommendations.

In general, this legislation would establish an extended statute of limitations period for sexual abuse, one of which would apply to persons who were abused when minors under the age of 18 years old, and one of which would apply to persons who were abused after reaching 18 years of age. For abuse that occurred prior to, on or after the bill's effective date, a lawsuit would need to be filed within 37 years after the child victim turns 18 years of age (filed by the victim's 55th birthday), or within seven years of discovering the injury and its cause if the end date of the seven-year period would occur after the victim turns 55 years of age. Since the extended statute of limitations is retroactive to cover past acts of abuse, any child victim of past abuse who is under the age of 55 years when the bill takes effect, or who will reach 55 years of age sometime after the bill takes effect, and who is aware of the injury and its cause could file a suit; the "reasonable discovery" requirement would only apply if the victim filed suit after turning 55 years of age due to a delayed discovery of the injury and its cause.

As noted above, this legislation would provide that the TCA or any other law, that may provide some form of governmental immunity from lawsuits based on injuries resulting from acts of sexual abuse are inapplicable, so that any public entity, as defined in the TCA, may be held liable in any such suit in the same manner as a private organization. The bill would also eliminate the two-year statute of limitations period, set forth in N.J.S.A. 59:8-8, for bringing a sexual abuse lawsuit against a public entity, as well as any of the act's procedural requirements, such as the 90-day period for filing notice of a claim of liability against a public entity for such lawsuits; the process of filing a lawsuit with service upon the liable public entity or entities would thus be the same as when suing a private organization. Public entities would also be subject, just like a private organization, to the new, extended statute of limitations periods for child and adult victims of abuse summarized above. *Please note that this legislation presents several complex legal challenges and we recommend county counsels to review it in its entirety as this summary provides a condensed version of the measure.*

County Correctional Police Officers

On March 7th, the Assembly Law and Public Safety Committee amended and favorably reported **Senate, No. 1739/Assembly, No. 3236** *(Van Drew D-1/Oroho R-24)(Land D-1/Andrzejczak D-1)* to clarify that legislation would not authorize the transfer of pension benefits from the Public Employee Retirement System (PERS) to the Police and Firemen's Retirement System (PFRS) for county correction officers.

Although NJAC supports the retitling of county correction officers to county correctional police officers under S-1739, NJAC advocated for the amendment to clarify that the measure would not alter the pension benefits of any person whose title would change. In general, county correction officers that participate in PERS are typically hired by counties at 35 years of age or older or fail to meet other PFRS requirements. NJAC testified at the Committee hearing that approximately 250 county correction officers statewide fall into this category, and that the transfer of these employees from PERS to PFRS would cost approximately $3.7 million per year statewide for active employees. Please note that the current employer pension contribution rate for PERS employees is 13.37% of an employee's annual salary, while the current employer pension contribution rate for PFRS employees is 27.3%.

Please further note that the above figure above does not include employees who would transfer from PERS to PFRS and then retiree, and that PFRS retirees are costlier for local governing bodies as their pension benefits are greater and may be taken for a longer period. At a time in which State leaders are struggling to protect the long-term viability of the pension systems, and minimize the impact on property taxpayers, NJAC thanks the sponsors for their leadership in agreeing to amend the bill accordingly. The General Assembly is expected to vote on the measure at one of its upcoming voting sessions and the Senate is expected to concur with the amendments.

County Transportation Services

Special thanks to Michael Viera, Executive Director of NJ COST, for taking the time out of his busy schedule to testify with NJAC on March 11th before the Assembly Transportation and Independent Authorities Committee concerning the transportation services provided by county governments to senior citizens, individuals with disabilities, and others with mobility needs.

Thank you as well to our county administrators for providing NJAC with summaries of these vital services, and to Committee Chairman Daniel Benson for inviting NJAC to participate in this important and timely discussion. As noted in Bergen County's materials, these vital services are *"life sustaining for clients with serious medical and health needs; provide a lifeline to homebound clients who are delivered nutritional meals; and, offer a link to social services for clients who would otherwise be isolated or alone."* These essential services are typically provided, but not limited to, the following individuals:

- Persons with Disabilities
- Senior Citizens
- Veterans
- Welfare-to-Work Residents

Although the types of transportation services may vary somewhat from county-to-county, the list below provides a general, but not exhaustive, summary of the rides available to the State's most vulnerable population.

- Medical Appointments for Hemodialysis, Chemotherapy, and Radiation
- Physical and Mental Therapies
- Employment and Educational Training Opportunities
- Veteran Services
- Recreational Activities
- Meals on Wheels
- Visitation to loved ones in nursing homes and hospitals

As demand for community transportation systems have grown exponentially, monies from the Casino Revenue Fund, which supports the Senior Citizens and Disabled Transportation Assistance Program (SCDRTAP), have decreased by 51% since 2008 forcing county governments to either subsidize the programs or reduce services. With this in mind, NJAC is urging State leaders to develop a more dependable and stable source of revenue, so that county governments across the State may continue delivering essential transportation services for senior citizens, individuals with disabilities, and others with mobility needs.

LOCAL AID ALLOCATIONS

On March 18th, the Senate Budget and Appropriations Committee will consider **SENATE, NO. 2863** *(Sarlo D36)(Sweeney D-3)*, which would revise the requirements for receiving grant funding from the Local Aid program under the Transportation Trust Fund (TTF).

The Senate Transportation Committee previously amended the bill to addresses the vast majority of NJAC's initial concerns and would require that failure to award construction or other approved contracts for 100 percent of the county's allotment within three years of notification by the Department of Transportation (DOT) of that year's allotment, or failure to award construction or other approved contracts for any percentage of a county's allotment within one year following the date the county receives the first payment of the allotment, would result in the allotment being immediately rescinded, returned, or deducted by DOT from future allotments. With respect to municipalities, the legislation would require that failure to award construction or other approved contracts for 100 percent of a municipality's allotment within two years of notification by the department of that year's allotment, or failure to award construction or other approved contracts for any percentage of a municipality's allotment within one year following the date the municipality receives the first payment of the allotment would result in shall result in that year's allocation being immediately rescinded.

The measure would also authorize the Commissioner of DOT to reallocate funds on a grant basis for counties or cost reimbursement basis for municipalities. The bill would further provide that the new one year requirement may be extended if a designated chief financial officer of the county or municipality certifies to the DOT that the project would not begin construction because: (1) the allotment is aggregated with future funds for a specific project; (2) a permit needed for completion of the project has not been issued due to a delay in the permitting process; (3) the acquisition of an interest in State-owned land needed to complete the project is delayed due to the divestment of a deed restriction; (4) the project requires a utility to be relocated; or (5) a catastrophic event occurs and results in the declaration of a state of emergency.

The bill would further prohibit a local government entity from using Local Aid program funds to support the work of a local government entity's employees on Local Aid construction projects funded from Local Aid funds; would require construction contracts for projects funded out of funds from the local aid program to be bid in accordance with local public contracts law; would require all bidders on Local Aid program funded construction contracts valued at more than $500,000 to be prequalified by the department; and, would permit Local aid Program grant recipients to use 10 percent of their awards on design costs in fiscal year 2019, and five percent of their awards on design costs in fiscal years 2020 and beyond.

Murphy, Dem Leaders Now Must Round Up Votes for Marijuana Legislation

Carly Sitrin, NJ Spotlight, March 13, 2019

Have they the support of enough Democrats to legalize adult use in New Jersey? That's just one question arising out of this week's agreement on legislation. Although Gov. Phil Murphy and Democratic legislative leaders have finally reached an agreement to legalize marijuana for recreational adult use in New Jersey, the smoke hasn't yet cleared enough to see whether they have the votes to pass a bill. On the heels of what looks to be a more amicable beginning to the annual budget process, the Democratic governor and Senate President Steve Sweeney have settled on the outlines of a bill to legalize cannabis for those aged 21 and older. (Specific wording of the bill has not been released.) The Murphy administration is hoping for a committee vote on March 18 and final passage by March 25. It will take at least 21 votes to pass the legislation in the upper house and as of last November before they cut this deal, there were only 20 votes in favor, at best.

"We have a deal," Murphy said Tuesday. "This was not easy. We're standing up an entire new industry so not surprisingly it took time." The proposal includes a $42 per-ounce flat tax to be levied on cultivators, 2 percent tax revenue for municipalities, an expedited expungement process for people convicted of low-level marijuana offenses in the past, and a five-member Cannabis Regulatory Commission to oversee the industry, among other provisions. The speculation is they are taxing by weight to avoid an additional sales tax, and the $42 per-ounce tax on growers would be passed on to consumers. Murphy is anticipating that legalization will deliver "thousands of jobs and billions of dollars of economic activity" for the state, given the experiences of states like Colorado and Massachusetts that already have legalized. Indeed, according to data compiled by Whitney Economics and the online cannabis website Leafly.com, the state-licensed cannabis industry gained over 64,000 new employees in 2018, and now employs more than 200,000 full-time workers nationally. Data compiled by the Institute on Taxation and Economic Policy show that tax revenues in 2018 derived from state-sanctioned recreational sales surpassed $1 billion, a 57 percent increase over 2017 levels.

Murphy's fiscal year 2020 budget proposal counts on $60 million in new revenue from a tax the state would apply to the sale of recreational marijuana. The governor called that number "modest" and said there would also be a cost to the state of $21 million expense: $9 million in a one-time startup cost and $12 million in ongoing "implementation fees," although he did not clarify what those fees would be.
It's not clear when, if passed, the new law would take effect, but Murphy has targeted early 2020. Legalizing adult-use cannabis has been a priority for Democrats since Murphy's election as they were unable to make any progress under former Gov. Chris Christie, a Republican. Supporters of legalization cite data showing cannabis arrests cause extensive harm to communities of color and take up significant law-enforcement time and resources. Murphy has repeatedly said that his priority at the deal-making

table was administering "social justice" for those incarcerated or otherwise harmed by the nation's longtime war on drugs.

"I got there via the notion [of] the yawning gaps of social injustice in our state," Murphy said. He added that there's a "big expungement piece" to this deal, including a "very robust lookback provision" that will handle clearing the records of individuals convicted of low-level marijuana offenses. "Without it there wouldn't be a deal," he said. At the same time, some lawmakers opposed to full-fledged legalization are pushing to put the issue on the ballot for voters to decide. Assemblywoman Holly Schepisi (R-Bergen) has proposed a referendum on the matter and is in talks with Sen. Ronald Rice (D-Essex) for him to be a potential co-sponsor in the upper house.

"I do not support the legalization of recreational marijuana in New Jersey. I have spoken with Assemblywoman Holly Schepisi on pushing for the measure to be put on the ballot this year because I believe the voters should decide whether recreational marijuana is legalized in this state," Rice said in a statement. How many lawmakers will oppose? Still, it is unknown how many legislators may oppose this attempt at legalization, and legislative leaders are hoping to sell their deal to enough lawmakers to get it passed in both chambers. "This plan will allow for the adult use of cannabis in a responsible way," said Senate President Sweeney (D-Gloucester) in a statement. "It will create a strictly regulated system that permits adults to purchase limited amounts of marijuana for personal use. It will bring marijuana out of the underground market so that it can be controlled, regulated and taxed."

One of the major sticking points for legislators and local leaders alike has been the rate at which marijuana would be taxed. Murphy spent months pushing for a tax as high as 25 percent while Sweeney emphasized he would not go higher than 12 percent. In the agreement reached on Tuesday, adult-use marijuana will be subject to an excise tax of $42 per ounce imposed on cultivators. Municipalities that have retail shops would be able to impose a 3-percent tax on items sold within their borders, while towns that host marijuana growers would be able to impose a 2-percent tax, and towns with wholesalers could charge a 1 percent tax. Mayors and municipal officials however have long asserted that 2 percent or 3 percent is not nearly enough for them to offset the potential costs of policing and other aspects of implementing legalization.

When the bill language is released, many will be looking to see if there's provision for the Police Training Commission in the Department of Law and Public Safety to reimburse county and municipal expenses for training costs, as was the case in the bill's previous version. So why a tax on weight? Politically, it protects Murphy and Sweeney from the insinuation that either gave in on their tax demands. Economically, taxing by weight takes into account the dips in marijuana pricing that states like Colorado and Oregon have experienced since legalizing. That $42 excise tax would remain static whether the ounce cost $300, $150, or less.

Another major factor in the legalization debate has been how to handle expungements for those whose crimes will no longer be crimes, overnight. This disproportionately affects black New Jerseyans who are currently three times more likely to be arrested for marijuana possession than whites, despite similar cannabis use rates. ACLU data shows that hundreds of thousands of New Jerseyans could be eligible to have their records cleared if this agreement passes, but the process is lengthy and difficult to navigate. The agreement reached by Murphy and legislative leaders would establish an expedited expungement process for those convicted of low-level marijuana offenses, and it would put into place an electronic expungement process they say will "automatically prevent certain marijuana offenses from being taken into account in certain =areas such as education, housing, and occupational licensing." Further details will be released sometime this week, but advocates already have flagged a potential problem with the way arrest and conviction data is stored, collected, and entered into computer systems (or left in boxes in basements) that could put a wrinkle in the ease promised by an automated "virtual" expungement rollout.

"In as much as we would want this to be automatic it is functionally not possible," Murphy said of expungement. He noted that many of the issues with processing people through the system will be for the regulatory commission to tease out. "All of us would have preferred an automatic, just one minute after midnight everybody's expunged [solution] and that is not possible ... how that is going to evolve, if you could bear with us, I would appreciate that." Although the state will be relying heavily on the newly created commission to work out many details of the legalization and to oversee all license applications for dispensaries, the regulatory body itself has been a point of contention for Sweeney and Murphy. To gain the governor's blessing, Sweeney and Assembly Speaker Craig Coughlin agreed to grant the governor full authority to appoint a majority — three of the five commission members with the Senate's consent. The other two members will be appointed by the governor, by recommendations of the Speaker and Senate President.

Additionally, there are provisions in the agreement aimed at creating space in the industry for those who have been impacted by marijuana prohibition, including minority and women-owned businesses, low- and middle-income individuals, and disadvantaged communities. As the final text of the bill is being edited, stakeholders will be watching to see how their concerns will be addressed including further details on the expungement process: Will small-time dealers be included or just those convicted of possession? How will the Administrative Office of the Courts be directed to handle expungements? Will those applying to have their records cleared incur a cost? How will marijuana be handled in the workplace? What provision will there be for handling intoxicated driving and cannabis-use disorder or addiction?

Indeed, upon the announcement of the agreement, longtime legalization opponent Sen. Gerald Cardinale (R-Bergen) noted the serious concerns of his constituents and many others across the state. The principal duty of government "is to safeguard public health and safety. Legalizing marijuana for recreational use is a shameful abdication of that responsibility," Cardinale said. "In November, New Jersey's law enforcement community testified that we don't have the funds, personnel, or technology to identify drugged drivers. There is no breathalyzer for marijuana." While New Jersey could see a vote on legalization within a couple of weeks, the issue is also gaining ground on the federal level. U.S. Sen. Cory Booker (D-NJ), who announced his candidacy for president earlier this year, reintroduced his Marijuana Justice Act, which he first introduced in 2017. It would decriminalize cannabis at the national level and leverage federal funds to encourage states to legalize it. Several other presidential hopefuls have signed on to support Booker's bill.

But even if the New Jersey legalization bill gets passed by both houses in Trenton, implementation could still be a year away. "Assuming there is not any meaningful amount of recreational sale out of the current medical dispensaries and for a lot of reasons we don't expect that," Murphy said, "early next year would be my best guess." He added the next step is for himself, Sweeney, Coughlin, and sponsors of the bill in the Assembly and Senate to work to convince others that their plan is worth signing on to. "We have to get the votes now," Murphy said. "I'm all in to help them get this over the goal line."

Revenue Forecast Cut for FY 2019

John Reitmeyer, NJ Spotlight, March 7, 2019

Worries about an income tax shortfall that have dogged the Murphy administration for much of the year could come to nothing, now that the Department of Treasury has upgraded slightly the revenue forecast for state taxes in the fiscal year 2019 budget

In fact, that change, along with others made by the administration to this year's state budget are meant to ensure that spending stays in balance through the end of June. And that's good news for Gov. Phil Murphy, who's got to sell his fiscal 2020 budget proposal to lawmakers, some of whom have already expressed some skepticism about his numbers. Treasury's increase of the overall revenue projection for the 2019 fiscal year is in large part due to a surge in corporate business-tax collections. That comes after the state's top-end CBT rate was increased last year through a policy change that was not part of Murphy's original budget proposal, but instead was pushed by Senate President Steve Sweeney (D-Gloucester).

In fact, the CBT is now forecast to bring in nearly $700 million more than the original projection made in July. That more than makes up for the reduction in the income-tax projection, which totals $414 million. It's also helping push the overall revenue forecast up by about $330 million compared with last year's original estimates. Despite the income-tax downgrade, Treasury officials say they remain confident that April returns will still generate a sizable haul for the state by the time fiscal 2019 closes on June 30. "It's our belief that we will see a correction in April," Treasurer Elizabeth Maher Muoio told reporters earlier this week during a briefing on Murphy's proposed budget for fiscal 2020.

While budget adjustments are made on a routine basis whenever a new state budget is proposed, it was Murphy himself who raised concerns about the pace of growth in state tax collections for fiscal 2019 back in January when he issued a controversial veto of a bill sponsored by Sweeney that sought to increase aid for a public-assistance program that is used to prevent homelessness. At the time, the state's income tax and overall tax collections were underperforming the growth projections that were included as part of the original budget the governor signed into law in July for the 2019 fiscal year. Concerns only grew after Treasury disclosed last month that income-tax collections continued to trail the year-end growth target through the end of January, and that overall tax collections were up about 3 percent. To stay in balance through the end of June, when the fiscal year closes, the original budget needed to hit a 7.5 percent growth rate.

Among the many budget adjustments released by the Murphy administration on Tuesday is the downgrading of the revenue forecast for the income tax. That comes even after Murphy, a first-term Democrat, worked with legislative leaders from his own party last year to hike the state's top-end marginal income tax rate to 10.75 percent on earnings over $5 million. (Murphy's budget proposal for fiscal 2020 is seeking to apply that rate to all earnings over $1 million). In all, the income tax is now projected to bring in $15.56 billion in fiscal 2019, down slightly from the nearly $16 billion that was projected in July. But with April around the corner, Muoio and other Treasury officials say they don't see signs that a much larger drop-off is coming because they think taxpayers this year will wait until the last minute to file their payments. That behavior would stand in contrast to last year, when many taxpayers — including high earners who provide an outsized portion of the income-tax receipts — pushed their payments into tax-year 2017 to avoid new federal tax-policy changes that took effect last year. They included a new, $10,000 limit on the federal deduction for state and local taxes known as SALT.

Also seeing a slight reduction is Treasury's fiscal 2019 forecast for the state sales tax, which was expected to get a boost in the 2019 fiscal year, thanks to a recent U.S. Supreme Court ruling that allowed the state to extend the sales tax to most online purchases. The sales-tax downgrade announced on Tuesday is roughly $80 million, bringing the overall projection for that tax down to $10.05 billion. Going in the other direction is the forecast for a number of smaller revenue sources that are also tracked by Treasury. Those are being upgraded by nearly $160 million. But by far the biggest budget adjustment is the change to the forecast for the corporate-business tax, from $3.05 billion up to $3.71 billion. That adjustment comes after the top-end corporate rate was hiked last year for businesses with more than $1 million in profits, from 9 percent to 11.5 percent, under a proposal that was originally floated by Sweeney.

The CBT receipts are also being boosted this year by funds coming back into the United States from overseas under corporate-tax changes enacted at the federal level for tax-year 2018, Treasury officials said. In all, Treasury is now expecting to see total revenues increase by about $330 million compared to the original forecast from July, reaching $37.74 billion by the time fiscal 2019 closes on June 30. And the size of the state's rainyday budget surplus — which is used to hedge against any revenue shortfalls — has also been increased in the budget for the 2019 fiscal year, from $765 million to a little over $1 billion, according to budget documents.

Upcoming NJAC Events: Make sure to mark your calendars for NJAC's Annual Celebration of County Government set for May 8th through May 10th at Caesar's in Atlantic City. And, don't forget to join us at our next board meeting on March 22nd in Committee Room 4 of the State House Annex in Trenton.

State House Trivia: Even though I typically get crab grass, did you know that the first spring flowers are typically lilacs, irises, lilies, tulips, and daffodils?

"Spring is nature's way of saying let's party." Robin Williams

From:	John Donnadio <jdonnadio@njac.org>
Sent time:	06/13/2019 09:22:16 PM
To:	Undisclosed recipients:
BCc:	cjinotti@co.ocean.nj.us; gdeckler@co.ocean.nj.us; gquinn@co.ocean.nj.us; tmaksel@co.ocean.nj.us; Bove, Cyndy <cbove@co.ocean.nj.us>
Subject:	State House News/NJAC Foundation/County Administrators Program
Attachments:	State House News 061419.doc PSEG Awards Grant to NJAC Foundation 061419.doc

Good evening. I hope all is well.

Please find attached for your reading pleasure, this week's edition of State House News, which contains updates on the 2% cap on binding interest arbitration awards, health benefits for retirees, Code Blue alerts, defibrillators, subcontracting agreements, county boards of elections, and the State's misappropriation of 911 fees. The edition also contains articles on health benefit exchanges and marijuana expansion.

Please also find attached, the NJAC Foundation's press release announcing that the PSEG Foundation has awarded the NJAC Foundation a grant of $12,000.00 for county vocational-technical school graduates who plan on studying environmental science, green design, green technology, alternative energy, and other related subjects at a county college or state college or university in the fall. Since 2011, PSEG has awarded the NJAC Foundation grant monies totaling $31,250.00 which has helped an estimated 138 county vocational-technical school graduates continue their education at home in the Garden State.

Additionally, NJAC and the Rutgers University Center for Government Services are pleased to announce the 2019 "New Jersey County Administrators Certificate Program" as a unique continuing education initiative designed for county administrators, finance officers, department heads, professional staff, and elected officials. This comprehensive two-day professional development workshop is open to all local government employees and elected officials who would like to advance their careers in public service. Subject matter experts from across the State will cover essential topics such as public procurement, management challenges, county fiscal affairs, and ethics. Courses will take place on September 27th and October 4th at the Rutgers University Inn and Conference Center located at 178 Ryders Lane In New Brunswick, New Jersey. All successful program graduates will receive a certificate from Rutgers University verifying their completion of training. We also look forward to seeing you at NJAC's next Board of Directors meeting set for 9:30 a.m. on June 28th in Committee Room 6 of the State House Annex; and, at our Annual Night at the Ballpark set for 7:00 p.m. on July 18th to watch the Hartford Yard Goats take on the Trenton Thunder at Arm & Hammer Park in Trenton. Please visit our website at www.njac.org for additional details all of the above. Most importantly, have a great day.

John G. Donnadio, Esq.
Executive Director
New Jersey Association of Counties
Government Finance Officers Association of New Jersey
150 West State Street
Trenton, New Jersey 08608
Telephone (609) 394-3467
www.njac.org

BRENDAN GILL
NJAC President
Essex County Freeholder

JOHN G. DONNADIO
Executive Director

STATE HOUSE NEWS

June 14, 2019

BINDING INTEREST ARBITRATION

The failure of State leaders to permanently extend the 2% cap on binding interest arbitration awards in December of 2017 has inequitably altered the collective bargaining process in favor of labor and at the expense of property taxpayers. With this in mind, NJAC and our partners plan to hold strategy sessions and develop best practices for local governing bodies on how to effectively navigate the unlevel playing field. Some initial recommendations include:

1. Make sure to utilize general counsel and an experienced labor attorney to negotiate directly with a collective bargaining unit.
2. Be prepared with a comprehensive financial analysis that includes a complete and accurate picture as an arbitrator must consider a local governing body's ability to pay.
3. Be prepared with data and all relevant information to address false claims and statements made by a collective bargaining unit.
4. Stay strong on health benefit concessions, particularly with retirees and rolling back Chapter 78 requirements.

In addition, NJAC will continue to urge State leaders to permanently extend the 2% cap on binding interest arbitration awards as police and fire unions have been aggressively leveraging its expiration to win contracts in excess of 50% of the 2% spending cap imposed on local governing bodies for nearly a decade. As has been well documented, the 2% cap on binding interest arbitration awards allowed local governments to live within their limited means and kept public safety employee salaries and wages under control, simply because parties were closer to reaching an agreement from the onset of negotiations. Moreover, the 2% cap on binding interest arbitration awards established clear parameters for negotiating reasonable successor contracts that preserved the collective bargaining process and took into consideration the separate and permanent 2% spending cap. The equation is clear, failure to renew and permanently extend the 2% cap on binding interest arbitration awards is unsustainable without increasing property taxes or eliminating essential services.

Separate, but related, counties and municipalities are facing litigation concerning health benefits for certain retirees under Chapter 78. In summary, N.J.S.A. 40A:10-21.1 provides that a retiree must contribute to the cost of health benefits coverage as determined by N.J.S.A. 52:14-17.28c, which for example, provides that for family coverage *"an employee who earns $110,000 or more shall pay 35 percent of the cost of coverage."* However, N.J.S.A. 40A:10-21.1b.(3) provides for an exemption from the retiree health benefit contribution payment levels as follows: *"(3) Employees described in paragraph (2) of this subsection who have 20 or more years of creditable service in one or more State or locally-administered retirement systems on the effective date of P.L.2011, c.78 shall not be subject to the provisions of this subsection."*

Chapter 78 took effect on June 28, 2011; and, NJAC has long understood this section of law to mean that a retiree must have accrued 20 years of creditable pension service before June 28, 2011 to qualify for the exemption. Despite a clear reading of the statutory law, several lawsuits allege that retirees are only obligated to pay no more than 1.5 percent of the monthly retirement allowance for health benefits as an exemption under N.J.S.A. 40A:10-21b.(3), which was intended to take effect on either June 28, 2011 or after the expiration of an applicable collective binding negotiations agreement in force on that effective date. In other words, these complaints contend that if an employee is subject to the health benefit contributions under N.J.S.A. 40A:10-21.1 and is covered under a binding negotiations agreement on the date that Chapter 78 took effect, then the Chapter 78 health benefit contribution requirements would not take effect until the expiration of the collective binding negotiations agreement. In this case, the retiree was covered under such an agreement from January 1, 2007 through December 31, 2014. In summary, county administrators, county counsels, labor attorneys, the New Jersey State League of Municipalities (NJLM), the New Jersey School Boards Association (NJSBA), and the Division of Local Government Services (DLGS) concur that a retiree must attain 20 years of creditable pension service before June 28, 2011 to qualify for the exemption under N.J.S.A. 40A:10-21.1b(3).

CODE BLUE ALERTS

On June 6th, NJAC testified before the Senate Law and Public Safety Committee in opposition to **SENATE, NO. 3422**, *(Singer R-30/Kean R-21)*, which would require counties to declare a Code Blue alert when the National Weather Service (NWS) predicts the temperature to be 32 degrees Fahrenheit or lower.

Although NJAC commends senators Singer and Kean for their efforts to provide comfort for at-risk individuals during severe weather events, this legislation does not contain a funding mechanism or State appropriation to offset the costs associated with extending the 2017 law that counties, municipalities, social service agencies, and non-profit organizations have struggled to implement. As you may recall, in that year, Governor Christie signed into law legislation that requires county governing bodies, through their offices of emergency management or other appropriate offices, agencies or departments, to establish plans for issuing Code Blue alerts to municipalities, social service agencies, and non-profit organizations that provide services to at-risk individuals and are located within the county's borders. In summary, the new law requires emergency management coordinators to declare a Code Blue alert after evaluating weather forecasts and advisories produced by the National Weather Service that predict the following weather conditions in the county within 24 to 48 hours: temperatures will reach 25 degrees Fahrenheit or lower without precipitation; or 32 degrees Fahrenheit or lower with precipitation; or, the National Weather Service wind chill temperature will be 0 degrees Fahrenheit or less for a period of 2 hours or more.

Under the leadership of Senator Troy Singleton *(D-7)* and Assemblywoman Pintor Marin *(D-29)*, Governor Phil Murphy recently signed into law A-4177, which now authorizes county governments to increase the homelessness housing fund surcharge from $3.00 to $5.00 and to use the $2.00 increase to support emergency shelter for homeless services provided during a Code Blue alert. NJAC supported this important and timely initiative as one of our top legislative priorities as it should help freeholder boards provide adequate shelter for homeless individuals during inclement weather without affecting existing programs that support permanent housing and self-sufficiency. Although certainly well intended, S-3422 would establish an even greater financial burden to the 2017 law that would make issuing a Code Blue alert more costly and difficult to implement, manage, and sustain. In fact, setting the parameters for issuing a Code Blue alert at 32 degrees Fahrenheit or lower would double the amount of Code Blue nights and would lead to increased costs as noted above, depleted staff and resources, and fatigued volunteers. S-3422 is on Second Reading in the Senate, but a companion version does not currently exist in the General Assembly.

DEFIBRILLATORS

On June 3rd, the Senate Health, Human Services, and Senior Citizens Committee second referenced to the Senate Budget and Appropriations Committee **SENATE, NO. 2424** *(Andrzejczak D-1)*, which would require local recreation departments and youth serving organizations to have automated external defibrillators (AED) at youth athletic events.

In summary, this legislation would require county and municipal recreation departments and youth serving organizations that organize, sponsor, or are otherwise affiliated with youth athletic events and of which are played on county, municipal, school, or other publicly-owned fields, to provide an onsite AED at all youth athletic events and practices. As such, the measure would mandate the purchase, maintenance, and secure storage of defibrillators by local governing bodies and non-profit organizations across the State that host youth athletic events on facilities owned and operated by counties, municipalities, and school districts at an estimated initial investment of approximately $40.0 million with additional monies needed annually for equipment maintenance, upgrade, and security.

Although NJAC commends Senator Andrzejczak for his efforts to improve the potential life-saving precautions taken at youth sporting events and practices, NJAC opposes the measure in its current form as it does not contain the necessary appropriation to address its broad scope and impact. Unfortunately, the measure in its current form would force local governing bodies and non-profit organizations to either increase registration fees, which could prove cost prohibitive for families struggling to make ends meet from participating in certain activities and events or result in the reduction or elimination of recreation services and programs. As noted above, S-2424 is currently in the Senate Budget and Appropriations Committee awaiting consideration, but a companion version does not exist in the General.

SUBCONTRACTING AGREEMENTS

On May 24th, the General Assembly passed by a vote of 76-6 **ASSEMBLY, NO. 3395** *(McGuckin R-10/Dancer R-12)*, which would prohibit public school districts and institutions of higher education from using subcontracting agreements that may affect employees in a collective bargaining unit under certain circumstances.

NJAC opposes this legislation and is primarily concerned with its long-term ramifications as the measure would effectively prohibit the use of subcontracting agreements used by public school districts and institutions of higher education. Although the bill may not directly impact county governing bodies, it would essentially prevent the use of subcontracting agreements by county special services school districts and county colleges. County governments provide substantial funding for county colleges and transportation services for county special services school districts.

As has been well documented, local governments across the State save valuable property taxpayer dollars, without impacting the level of service provided, by using subcontracting or privatization agreements for the delivery of food services, custodial services, transportation services, and much more. As counties, municipalities, and school districts continue struggling to make ends meet under a restrictive 2% cap on spending, the use of such agreements must remain a viable option for the delivery of services in a cost effective and efficient manner. A-3395 is currently in the Senate Education Committee awaiting consideration.

COUNTY BOARD OF ELECTIONS

On May 30th, both houses passed and sent to the Governor **ASSEMBLY, NO. 5162** *(Speight D-29/Reynolds-Jackson D-15)(Beach D-6)*, which would permit county boards of chosen freeholders to increase the membership of the county board of elections from four to six members.

In summary, this legislation would allow county board of chosen freeholders, by a majority vote of its full membership, to increase the membership of a county board of elections from four members to six members. The bill would require that three members of the county board of elections be members of the political party which at the last preceding general election, held for the election of all of the members of the General Assembly, cast the largest number of votes in this State for members of the General Assembly, and the remaining three members of the county board of elections would be members of the political party which at such election cast the next largest number of votes in the State for members of the General Assembly. The bill would also provide that within 10 days following the effective date of this bill, a one-time, mid-year appointment to increase membership of county board of elections before the 2019 primary or general election. Thereafter, persons would be nominated and appointed in accordance with the current timeframe specified under law. It's unclear if Governor Murphy will sign the bill into law.

Please note that NJAC opposed the measure as introduced as it would have mandated an increase in the membership of county boards of elections in violation of the State's prohibition against unfunded mandates on school districts, municipalities, and counties. The New Jersey Constitution prohibits State government from requiring units of local government to implement additional or expanded activities without providing funding for those activities pursuant Article VIII, Section II, Paragraph 5 and N.J.S.A. 52:13H-1(1)(b). Additionally, the New Jersey Council on Local Mandates is responsible for resolving disputes on whether a law, rule or regulation adopted after 1996 constitutes an unfunded mandate, which NJAC's submitted would have imposed on county governments by this legislation as set forth below.

Although the Governor of the State of New Jersey is responsible for appointing members to county boards of elections with the advice and consent off the Senate, county governments are responsible for paying for their salaries, wages, and other expenses under N.J.S.A. 19:45-4. Additionally, N.J.S.A. 19:45-7 requires that the *"compensation of the members of the several county boards shall be no less than the minimum salary and no more than the maximum salary..."* ranging from $3,200.00 - $10,500.00 in counties with populations less than 120,000 and from $8,700.00 - $17,600.00 in counties with populations over 550,000. As such, NJAC respectfully submitted that the legislation as introduced would have imposed an unfunded State mandate on county governments as the measure would have required freeholder boards to pay for the salaries, wages, and other expenses of new board of election members without providing any requisite State funding other than the property tax.

911 Fee Misappropriation

The good news is that senators Singleton *(D-7)* and Oroho *(R-24)* recently introduced **Senate, No. 3730**, which would add the costs associated with the regionalization of the State's 911 system, including the expansion of existing regional public safety answering points, to what is to be funded by the monies appropriated from the "911 System and Emergency Response Trust Fund Account."

Although NJAC supports this legislation as it would create a funding mechanism that would incentivize the regionalization of 911 services, the bad news is that the State will once again misappropriate an estimated 89.0% of the $120.0 million in surcharges it expects to collect as 911 System and Emergency Response Fees as a .90 cent surcharge on all telephone lines. As has been well documented, the State of New Jersey is the worst offender of diverting 911 fees in the nation and has collected an estimated $1.4 billion since 2006 with only 11% of Fund monies being spent on eligible expenses for the 3 State operated 911 centers. Moreover, the State has failed to provide any funding to local 911 centers operated by counties and municipalities; and, has instead diverted the balance of Fund dollars to cover general operating expenses in the Department of Law and Public Safety. As a direct result of the State's decade long practice, and the similar diversion of 911 funds by several other states, the FCC recently adopted rules that now prohibits New Jersey, and its local governing bodies, from applying for up to $115.0 million in grant program funding to upgrade 911 centers with Next Generation 911 (NG911) capabilities.

Not only does the misappropriation of vital 911 system funding jeopardize the public safety of residents across the State, it also amounts to double taxation as counties and municipalities have been forced to rely on the collection of local property taxpayer dollars to improve, operate, and maintain local 911 centers. Moreover, counties and municipalities are also being penalized by the federal government for the State's misuse of critical 911 funds. For these reasons, NJAC will continue urging State leaders to restore critical Fund dollars and comply with federal guidelines for grant funding and best practices. NJAC also recommends constitutionally dedicating any existing or new 911 fees or surcharges imposed by the Legislature and collected by the State to county and municipal 911 centers; and, adopting the best practices outlined in the "New Jersey 911 Consolidation Study" published in 2006, which in part, calls for reducing the number of local 911 centers to streamline operations and save taxpayer dollars.

RAFT OF BILLS ADVANCE TO EASE WAY FOR STATE HEALTH INSURANCE EXCHANGE
Lilo H. Stainton, June 10, 2019

New Jersey lawmakers have advanced a dozen bills to create the infrastructure for a state-based health insurance marketplace. The bills are part of a Democratic-led effort to better control the cost and quality of these policies and protect against attacks at the federal level by the Trump administration. But, while supporting the legislation in concept, insurance and business representatives have raised questions about some of the details, including language that would enable New Jersey to hike the tax on certain insurance plans to 5 percent — from the current 3.5 percent — which critics said would add to consumer costs. Some Republican lawmakers also have flagged this as a concern.

Versions of the bills were approved by the Senate Commerce Committee last Monday and the Assembly Financial Institutions and Insurance Committee Thursday, some along party lines. They would empower the state Department of Banking and Insurance to establish its own system to craft, market and sell federally subsidized health plans to lower-income workers who do not get insurance through work and earn too much to qualify for Medicaid. Currently in New Jersey, these "individual market" plans are sold through the federal health insurance exchange website, healthcare.gov. "With the federal government in turmoil, I'm glad the state Legislature is doing everything we can to ensure that the people who benefit from the Affordable Care Act will continue to be protected," said Senator Joseph Vitale Jr., the health committee chair and a lead sponsor of several of the measures. "We cannot leave the health and safety of New Jerseyans up to the whims of the Oval Office." "This legislation, particularly the state-based exchange for health benefits plans, will go a long way in ensuring our state can offer affordable healthcare to all of our residents," Vitale (D-Middlesex) said.

The proposals were endorsed by healthcare advocates, including hospitals, clinical professionals and NJ For Health Care — a coalition of community, labor and social justice groups that have long pushed for expanded insurance coverage through the ACA and other mechanisms. However, several people who testified Monday said they favored a state-based exchange but worried establishing this system might cost consumers more than it would to continue to use the federal governments. "One of our goals is to make sure this is run efficiently and outperforms the federal exchange. That's the reason to do this," Ward Sanders, head of the New Jersey Association of Health Plans, testified Monday. "To tax insurance to make insurance cheaper doesn't really work."

Lawmakers amended the Senate version of the bill related to the fee on exchange plans, which is estimated would raise $55 million a year to support its operation, to cap this tax at 5 percent. But Sanders said that still would allow the state to impose a burden far beyond the 3.5 percent now charged to support the federal system. (The federal fee is slated to go down to 3 percent next year. In March, Gov. Phil Murphy, a Democrat, announced his intention to take control of the exchange — a transition he said would enable the state to create higher-quality plans, better protect against cost increases, and control how plans were marketed and sold. Under Republican President Donald Trump, the federal government has drastically reduced funding for outreach and marketing of these policies and cut in half the amount of time people have to enroll each fall.

Democratic lawmakers introduced drafts of enabling legislation in late May, which would allow DOBI to collect a tax — that now goes to the federal government — to fund the creation of a website and sales platform for plans tailored to individuals; the system covered nearly 290,000 people at the end of 2018, according to state statistics. (More than two-thirds of these consumers obtain federal subsidies to help offset the costs; others benefit from the lower prices and comprehensive benefits built into these products but purchase them directly from insurance companies without any subsidy.) The proposals also call for DOBI to integrate the small-business insurance market into this same system, although there are few details of how this would happen. Small-business policies covered nearly 330,000 people in companies with fewer than 50 employees, at the end of last year, in New Jersey with plans sold through the state and the exchange.

Sanders, with AHP, is concerned that if small-business plans are rolled into the same exchange as plans for individuals they could be subject to the same tax of up to 5 percent, adding significantly to the costs of these products. And business representatives are concerned what that would mean for employers already struggling to provide coverage for their workers. "We support an exchange, but we are concerned about the costs that go along with that," said New Jersey Business & Industry Association vice president Tony Bawidamann. "Healthcare is one of the top issues for (our members) — one of the top costs," he said. As of 2018, some 28 states — including New Jersey — made use of the federal system for the sale of individual and small-business health insurance plans and 12 jurisdictions, with Washington, D.C., operated these markets themselves. Nevada is now in the process of shifting from a federal to state system, scheduled to start this fall; lawmakers there anticipate it can be run for a fee of 1.5 percent on the plans sold, saving the state half of the $12 million the federal government now spends on the operation, according to Healthinsurance.org, an industry publication. New Mexico is planning a similar shift in 2021 and Oregon is also considering taking control of its system.

While healthcare advocates in New Jersey have long pushed for a state-run exchange, dating back to 2012 at least, former Gov. Chris Christie, a Republican, declined to embrace the process and left it in the hands of the federal government. But, as the Trump administration ratcheted back support for the exchange — and attacked other elements of the ACA, or Obamacare — Democrats in the Garden State have vowed to protect the once-controversial, now highly popular program. (Federal lawmakers, including several from New Jersey, are also seeking to expand these protections. "The ACA was monumental legislation and expanded coverage for thousands of New Jerseyans," said Sen. Nellie Pou (D-Passaic), a lead sponsor of several of the bills and chair of the commerce committee. "Everyone deserves the right to affordable healthcare and codifying this federal law into state law will help give New Jerseyans more options and greater coverage for years to come, regardless of who is in charge of the Oval Office."

Most of the attention in the hearings was focused on the legislation to create the exchange and impose the controversial fee (S-49/A-5499), sponsored by Pou, Vitale, and Sen. Nia Gill (D-Essex), and Assembly members Herb Conaway (D-Burlington), John McKeon (D-Union) and Nancy Pinkin (D-Middlesex). Other bills approved last week would ensure key ACA protections are also enshrined in New Jersey law if the state creates its own exchange; many of these received bipartisan support. Among other things, these other proposals would enable adult children to remain on their parents' plans until age 27; ensure breastfeeding, contraceptives and other essential benefits are covered; and guarantee patients with pre-existing conditions could obtain insurance. Most of these elements are already codified in Garden State statute in some form. While some of the bills will go straight to the floor for a full vote in the Assembly and Senate, many were referred to the appropriations committees in both houses for further review.

GOVERNOR AND LAWMAKERS DIVERGE OVER MEDICAL MARIJUANA EXPANSION
Carly Sitrin, June 6, 2019

Gov. Phil Murphy this week made good on his promise to rapidly expand the medical marijuana program in New Jersey, but his unilateral move may put the Legislature's own expansion plan in jeopardy. As part of the governor's expansion, the state Department of Health announced on Monday it is seeking new applicants to operate up to 108 additional Alternative Treatment Centers in the Garden State for cultivating, manufacturing and dispensing medical marijuana. This represents a major increase. Currently, there are six ATCs in operation; another six permits have been granted but those facilities are not yet up and running.

Meanwhile, state lawmakers are attempting to move their own bill that would expand the program — and it contains elements that Murphy's plan does not. The bill (S-10) would remove medical marijuana from the Department of Health's jurisdiction and give it to a new five-member Cannabis Regulatory Commission in the Department of Treasury. It would also cap cultivator licenses at 23: Murphy's request for applications (known as an RFA) calls for 24. "Patients cannot continue to wait for access to life-changing medical treatment, and this week's announcement is an important step toward ensuring sustainable and affordable access," Murphy's spokesperson Alyana Alfaro said in a statement. "The Department of Health is overseeing the expansion of the Medicinal Marijuana Program to ensure that it is done responsibly and in a way that puts the needs of patients first. There was no agreement on the bill as currently written."

The governor and his administration have said expanding the program was urgent as the demand in the state for medical marijuana has skyrocketed. Indeed, since Murphy took office, the number of patients in New Jersey's medical marijuana program has swelled, from less than 17,000 to more than 47,500 as of June 3, 2019.v"We are at a point where patients just cannot wait any longer for easily accessible, affordable therapy. This request for applications allows for specialization of businesses to increase medical product in our state," said New Jersey Health Commissioner Dr. Shereef Elnahal in a statement.

Three types of licenses will be available under the new expansion — for growing, manufacturing and selling. This is the first time the state is issuing separate permits for these categories as the six ATCs already in operation — and the additional six license holders selected last year — were required to be vertically integrated, meaning they must all grow, process and sell marijuana on their own. The Department now will seek to issue up to 24 cultivation licenses (or endorsements, as the department terms them), up to 30 manufacturing licenses and up to 54 dispensary licenses. These ATCs would be throughout the state, with up to 38 in the northern region of the state (in Bergen, Essex, Hudson, Morris, Passaic, Sussex and Warren counties), up to 38 in the central region (Hunterdon, Middlesex, Mercer, Monmouth, Ocean, Somerset and Union counties), and up to 32 in the southern region (Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester and Salem counties).

According to the DOH, these regional specifications are based on an assessment it conducted of patient need. Applications will be accepted from both for-profit and nonprofit groups now that the current law's mandatory threshold for two nonprofit alternative treatment centers in each region has been met. To avoid conflict with national law, because cannabis is still federally categorized as a Schedule I drug, applicants from a nonprofit entity will not be required to be recognized as a 501(c)3 organization by the Internal Revenue Service.

Permits (or licenses) would be granted according to a scoring system which takes into account factors like ties to the local community (20 points), ability to provide appropriate research data (10 points), experience in cultivating, manufacturing, or dispensing marijuana (100 points) and a workforce and job creation plan that would involve women, minorities and military veterans (100 points). There will also be a $20,000 application fee separated in two payments to the state Treasurer, one $18,000 payment and one $2,000 payment. For unsuccessful applicants, the $18,000 will be returned, but the Department of Health gets to keep the $2,000 fee. This new request for applications was not wholly unexpected. Murphy campaigned on adult-use cannabis legalization and once that plan stalled in the Legislature, he turned his attention to medical expansion.

The state Senate passed its expansion bill just last week, and the Assembly approved its measure two weeks prior. Because the Senate added a requirement for labor peace agreements, that has sent the bill back to the Assembly before it can go to the governor for his signature. Initially, the medical expansion bill was to be packaged with legalization language and expungement reform, allowing those convicted of low-level cannabis crimes to clear their records. At the time, Murphy deferred to lawmakers to pass their bills but noted if they couldn't get it done, he would step in. "I'm prepared to hold off for a short amount of time, and I would say the month of May would be the edge of that," Murphy said in March.

When the Legislature failed to secure the votes to pass all three bills, Murphy went ahead in early May with his own new rules that would extend the program's reach, widen the list of qualifying conditions, reduce patient costs, and allow doctors to participate without being named publicly. And when the Senate sent its bill back to the Assembly again last week, Murphy pulled the trigger on further medical expansion, earning the ire of Senate President Steve Sweeney (D-Gloucester). "Once again, the governor is ignoring the hard work of the Legislature and the agreement between the Senate, the Assembly and the administration on this issue," Sweeney (D-Gloucester), said in a statement. "The legislation that is in the process of being approved by both houses is a direct reflection of that agreement — and now the governor wants to preempt what is a thoughtful plan to expand medical marijuana in an effective and responsible way." The Legislature's plan differs slightly from Murphy's as it would install a Cannabis Regulatory Commission to oversee the industry and set rules and regulations for how permits would be granted, and businesses run. The proposal for a commission was copied directly from the adult-use bill and had been an ongoing point of contention between Sweeney and Murphy, as both wanted power to appoint members to it.

In addition, the lawmakers' bills would cap cultivator licenses at 23 whereas Murphy's plan would grant 24. All of this could mean Murphy is squaring up to conditionally veto the bill once it makes it to his desk. Another option on the table could be amending the request for applications to align with the Legislature's cap but that still would not address the conflict over the commission. The medical expansion bill — with the Senate's small labor agreement changes — will be put to a vote in the Assembly again on June 10.

UPCOMING NJAC EVENTS AND THE ANNUAL CELEBRATION OF COUNTY GOVERNMENT

Don't miss NJAC's next Board of Directors meeting set for 9:30 a.m. on June 28th in Committee Room 6 of the State House Annex in Trenton. And, we look forward to seeing you at NJAC's Annual Night at the Ballpark on July 18th to watch the Hartford Yard Goats take on the Trenton Thunder at Arm & Hammer Park in Trenton. This event is free for county officials, but space is limited, so please visit our website at www.njac.org for additional details.

STATE HOUSE TRIVIA: *Did you know* that the top 10 most hazardous summer injuries are caused by: 10) weedwhackers 9) charcoal barbecue grills 8) camping equipment 7) Red Rider BB Guns 6) amusement park rides 5) lawn mowers 4) trampolines 3) skateboards 2) diving boards, and 1) insect bites and stings, so bee careful out there.

"A perfect summer day is when the sun is shining, the breeze is blowing, the birds are singing, and the lawn mower is broken." James Dent

150 West State Street · Trenton, New Jersey 08608 · Phone 609-394-3467 · Fax 609-989-8567 · www.njac.org

NJAC FOUNDATION

Affiliated with the New Jersey Association Counties

DONALD DE LEO
NJAC Foundation President

JOHN G. DONNADIO
Executive Director

PSEG AWARDS $12,000.00 GRANT TO NJAC FOUNDATION FOR VO-TECH GRADUATES STUDYING GREEN!

For Immediate Release: June 14, 2019
Contact: John G. Donnadio, Executive Director

(Trenton) The PSEG Foundation awarded the NJAC Foundation a grant of $12,000.00 for county vocational-technical school graduates who plan on studying environmental science, green design, green technology, alternative energy, and other related subjects at a county college or state college or university in the fall.

> "As our nation grows increasingly proactive about protecting the environment for future generations, I'm thrilled that PSEG and the NJAC Foundation have once again partnered on this important and timely initiative to support county vocational-technical school graduates across the State," *commented NJAC Foundation President Donald De Leo.*

The NJAC Foundation plans to award one $850.00 scholarship to a student nominated by the superintendent of their school in each county where PSEG maintains a service territory or generation facility. These counties include: Bergen, Burlington, Camden, Essex, Gloucester, Hudson, Mercer, Middlesex, Morris, Passaic, Salem, Somerset, and Union counties. 2019 county vocational-technical school graduates must plan on studying environmental science, green design, green technology, alternative energy, and other related subjects at a county college or State college or university in the fall.

> "On behalf of the Board of Trustees of the NJAC Foundation, I commend PSEG for its continued commitment and generosity to the communities in which it serves and look forward to working with our county vocational-technical schools to select talented students dedicated to creating green solutions and advancing their education," *said De Leo.*

Since 2011, PSEG has awarded the NJAC Foundation grant monies totaling $106,000.00 which has helped an estimated 138 county vocational-technical school graduate continue their education at home in the Garden State. The NJAC Foundation is a non-profit organization affiliated with the New Jersey Association of Counties (NJAC) and is committed to providing innovative educational opportunities for county vocational-technical school and county college students.

From:	John Donnadio <jdonnadio@njac.org>
Sent time:	06/13/2019 09:23:45 PM
To:	Undisclosed recipients:
BCc:	cblock@co.ocean.nj.us; vhaines@co.ocean.nj.us; dconnors@co.ocean.nj.us; ocplanning@co.ocean.nj.us; tmaksel@co.ocean.nj.us; Busch, Jamie <jbusch@co.ocean.nj.us>
Subject:	State House News/NJAC Foundation/County Administrators Program
Attachments:	State House News 061419.doc PSEG Awards Grant to NJAC Foundation 061419.doc

Good evening. I hope all is well.

Please find attached for your reading pleasure, this week's edition of State House News, which contains updates on the 2% cap on binding interest arbitration awards, health benefits for retirees, Code Blue alerts, defibrillators, subcontracting agreements, county boards of elections, and the State's misappropriation of 911 fees. The edition also contains articles on health benefit exchanges and marijuana expansion.

Please also find attached, the NJAC Foundation's press release announcing that the PSEG Foundation has awarded the NJAC Foundation a grant of $12,000.00 for county vocational-technical school graduates who plan on studying environmental science, green design, green technology, alternative energy, and other related subjects at a county college or state college or university in the fall. Since 2011, PSEG has awarded the NJAC Foundation grant monies totaling $31,250.00 which has helped an estimated 138 county vocational-technical school graduates continue their education at home in the Garden State.

Additionally, NJAC and the Rutgers University Center for Government Services are pleased to announce the 2019 "New Jersey County Administrators Certificate Program" as a unique continuing education initiative designed for county administrators, finance officers, department heads, professional staff, and elected officials. This comprehensive two-day professional development workshop is open to all local government employees and elected officials who would like to advance their careers in public service. Subject matter experts from across the State will cover essential topics such as public procurement, management challenges, county fiscal affairs, and ethics. Courses will take place on September 27th and October 4th at the Rutgers University Inn and Conference Center located at 178 Ryders Lane In New Brunswick, New Jersey. All successful program graduates will receive a certificate from Rutgers University verifying their completion of training. We also look forward to seeing you at NJAC's next Board of Directors meeting set for 9:30 a.m. on June 28th in Committee Room 6 of the State House Annex; and, at our Annual Night at the Ballpark set for 7:00 p.m. on July 18th to watch the Hartford Yard Goats take on the Trenton Thunder at Arm & Hammer Park in Trenton. Please visit our website at www.njac.org for additional details all of the above. Most importantly, have a great day.

John G. Donnadio, Esq.
Executive Director
New Jersey Association of Counties
Government Finance Officers Association of New Jersey
150 West State Street
Trenton, New Jersey 08608
Telephone (609) 394-3467
www.njac.org

BRENDAN GILL
NJAC President
Essex County Freeholder

JOHN G. DONNADIO
Executive Director

STATE HOUSE NEWS
June 14, 2019

BINDING INTEREST ARBITRATION

The failure of State leaders to permanently extend the 2% cap on binding interest arbitration awards in December of 2017 has inequitably altered the collective bargaining process in favor of labor and at the expense of property taxpayers. With this in mind, NJAC and our partners plan to hold strategy sessions and develop best practices for local governing bodies on how to effectively navigate the unlevel playing field. Some initial recommendations include:

1. Make sure to utilize general counsel and an experienced labor attorney to negotiate directly with a collective bargaining unit.
2. Be prepared with a comprehensive financial analysis that includes a complete and accurate picture as an arbitrator must consider a local governing body's ability to pay.
3. Be prepared with data and all relevant information to address false claims and statements made by a collective bargaining unit.
4. Stay strong on health benefit concessions, particularly with retirees and rolling back Chapter 78 requirements.

In addition, NJAC will continue to urge State leaders to permanently extend the 2% cap on binding interest arbitration awards as police and fire unions have been aggressively leveraging its expiration to win contracts in excess of 50% of the 2% spending cap imposed on local governing bodies for nearly a decade. As has been well documented, the 2% cap on binding interest arbitration awards allowed local governments to live within their limited means and kept public safety employee salaries and wages under control, simply because parties were closer to reaching an agreement from the onset of negotiations. Moreover, the 2% cap on binding interest arbitration awards established clear parameters for negotiating reasonable successor contracts that preserved the collective bargaining process and took into consideration the separate and permanent 2% spending cap. The equation is clear, failure to renew and permanently extend the 2% cap on binding interest arbitration awards is unsustainable without increasing property taxes or eliminating essential services.

Separate, but related, counties and municipalities are facing litigation concerning health benefits for certain retirees under Chapter 78. In summary, N.J.S.A. 40A:10-21.1 provides that a retiree must contribute to the cost of health benefits coverage as determined by N.J.S.A. 52:14-17.28c, which for example, provides that for family coverage *"an employee who earns $110,000 or more shall pay 35 percent of the cost of coverage."* However, N.J.S.A. 40A:10-21.1b.(3) provides for an exemption from the retiree health benefit contribution payment levels as follows: *"(3) Employees described in paragraph (2) of this subsection who have 20 or more years of creditable service in one or more State or locally-administered retirement systems on the effective date of P.L.2011, c.78 shall not be subject to the provisions of this subsection."*

Chapter 78 took effect on June 28, 2011; and, NJAC has long understood this section of law to mean that a retiree must have accrued 20 years of creditable pension service before June 28, 2011 to qualify for the exemption. Despite a clear reading of the statutory law, several lawsuits allege that retirees are only obligated to pay no more than 1.5 percent of the monthly retirement allowance for health benefits as an exemption under N.J.S.A. 40A:10-21b.(3), which was intended to take effect on either June 28, 2011 or after the expiration of an applicable collective binding negotiations agreement in force on that effective date. In other words, these complaints contend that if an employee is subject to the health benefit contributions under N.J.S.A. 40A:10-21.1 and is covered under a binding negotiations agreement on the date that Chapter 78 took effect, then the Chapter 78 health benefit contribution requirements would not take effect until the expiration of the collective binding negotiations agreement. In this case, the retiree was covered under such an agreement from January 1, 2007 through December 31, 2014. In summary, county administrators, county counsels, labor attorneys, the New Jersey State League of Municipalities (NJLM), the New Jersey School Boards Association (NJSBA), and the Division of Local Government Services (DLGS) concur that a retiree must attain 20 years of creditable pension service before June 28, 2011 to qualify for the exemption under N.J.S.A. 40A:10-21.1b(3).

CODE BLUE ALERTS

On June 6th, NJAC testified before the Senate Law and Public Safety Committee in opposition to **SENATE, NO. 3422**, *(Singer R-30/Kean R-21)*, which would require counties to declare a Code Blue alert when the National Weather Service (NWS) predicts the temperature to be 32 degrees Fahrenheit or lower.

Although NJAC commends senators Singer and Kean for their efforts to provide comfort for at-risk individuals during severe weather events, this legislation does not contain a funding mechanism or State appropriation to offset the costs associated with extending the 2017 law that counties, municipalities, social service agencies, and non-profit organizations have struggled to implement. As you may recall, in that year, Governor Christie signed into law legislation that requires county governing bodies, through their offices of emergency management or other appropriate offices, agencies or departments, to establish plans for issuing Code Blue alerts to municipalities, social service agencies, and non-profit organizations that provide services to at-risk individuals and are located within the county's borders. In summary, the new law requires emergency management coordinators to declare a Code Blue alert after evaluating weather forecasts and advisories produced by the National Weather Service that predict the following weather conditions in the county within 24 to 48 hours: temperatures will reach 25 degrees Fahrenheit or lower without precipitation; or 32 degrees Fahrenheit or lower with precipitation; or, the National Weather Service wind chill temperature will be 0 degrees Fahrenheit or less for a period of 2 hours or more.

Under the leadership of Senator Troy Singleton *(D-7)* and Assemblywoman Pintor Marin *(D-29)*, Governor Phil Murphy recently signed into law A-4177, which now authorizes county governments to increase the homelessness housing fund surcharge from $3.00 to $5.00 and to use the $2.00 increase to support emergency shelter for homeless services provided during a Code Blue alert. NJAC supported this important and timely initiative as one of our top legislative priorities as it should help freeholder boards provide adequate shelter for homeless individuals during inclement weather without affecting existing programs that support permanent housing and self-sufficiency. Although certainly well intended, S-3422 would establish an even greater financial burden to the 2017 law that would make issuing a Code Blue alert more costly and difficult to implement, manage, and sustain. In fact, setting the parameters for issuing a Code Blue alert at 32 degrees Fahrenheit or lower would double the amount of Code Blue nights and would lead to increased costs as noted above, depleted staff and resources, and fatigued volunteers. S-3422 is on Second Reading in the Senate, but a companion version does not currently exist in the General Assembly.

DEFIBRILLATORS

On June 3rd, the Senate Health, Human Services, and Senior Citizens Committee second referenced to the Senate Budget and Appropriations Committee **SENATE, NO. 2424** *(Andrzejczak D-1)*, which would require local recreation departments and youth serving organizations to have automated external defibrillators (AED) at youth athletic events.

In summary, this legislation would require county and municipal recreation departments and youth serving organizations that organize, sponsor, or are otherwise affiliated with youth athletic events and of which are played on county, municipal, school, or other publicly-owned fields, to provide an onsite AED at all youth athletic events and practices. As such, the measure would mandate the purchase, maintenance, and secure storage of defibrillators by local governing bodies and non-profit organizations across the State that host youth athletic events on facilities owned and operated by counties, municipalities, and school districts at an estimated initial investment of approximately $40.0 million with additional monies needed annually for equipment maintenance, upgrade, and security.

Although NJAC commends Senator Andrzejczak for his efforts to improve the potential life-saving precautions taken at youth sporting events and practices, NJAC opposes the measure in its current form as it does not contain the necessary appropriation to address its broad scope and impact. Unfortunately, the measure in its current form would force local governing bodies and non-profit organizations to either increase registration fees, which could prove cost prohibitive for families struggling to make ends meet from participating in certain activities and events or result in the reduction or elimination of recreation services and programs. As noted above, S-2424 is currently in the Senate Budget and Appropriations Committee awaiting consideration, but a companion version does not exist in the General.

SUBCONTRACTING AGREEMENTS

On May 24th, the General Assembly passed by a vote of 76-6 **ASSEMBLY, NO. 3395** *(McGuckin R-10/Dancer R-12)*, which would prohibit public school districts and institutions of higher education from using subcontracting agreements that may affect employees in a collective bargaining unit under certain circumstances.

NJAC opposes this legislation and is primarily concerned with its long-term ramifications as the measure would effectively prohibit the use of subcontracting agreements used by public school districts and institutions of higher education. Although the bill may not directly impact county governing bodies, it would essentially prevent the use of subcontracting agreements by county special services school districts and county colleges. County governments provide substantial funding for county colleges and transportation services for county special services school districts.

As has been well documented, local governments across the State save valuable property taxpayer dollars, without impacting the level of service provided, by using subcontracting or privatization agreements for the delivery of food services, custodial services, transportation services, and much more. As counties, municipalities, and school districts continue struggling to make ends meet under a restrictive 2% cap on spending, the use of such agreements must remain a viable option for the delivery of services in a cost effective and efficient manner. A-3395 is currently in the Senate Education Committee awaiting consideration.

COUNTY BOARD OF ELECTIONS

On May 30th, both houses passed and sent to the Governor **ASSEMBLY, NO. 5162** *(Speight D-29/Reynolds-Jackson D-15)(Beach D-6)*, which would permit county boards of chosen freeholders to increase the membership of the county board of elections from four to six members.

In summary, this legislation would allow county board of chosen freeholders, by a majority vote of its full membership, to increase the membership of a county board of elections from four members to six members. The bill would require that three members of the county board of elections be members of the political party which at the last preceding general election, held for the election of all of the members of the General Assembly, cast the largest number of votes in this State for members of the General Assembly, and the remaining three members of the county board of elections would be members of the political party which at such election cast the next largest number of votes in the State for members of the General Assembly. The bill would also provide that within 10 days following the effective date of this bill, a one-time, mid-year appointment to increase membership of county board of elections before the 2019 primary or general election. Thereafter, persons would be nominated and appointed in accordance with the current timeframe specified under law. It's unclear if Governor Murphy will sign the bill into law.

Please note that NJAC opposed the measure as introduced as it would have mandated an increase in the membership of county boards of elections in violation of the State's prohibition against unfunded mandates on school districts, municipalities, and counties. The New Jersey Constitution prohibits State government from requiring units of local government to implement additional or expanded activities without providing funding for those activities pursuant Article VIII, Section II, Paragraph 5 and N.J.S.A. 52:13H-1(1)(b). Additionally, the New Jersey Council on Local Mandates is responsible for resolving disputes on whether a law, rule or regulation adopted after 1996 constitutes an unfunded mandate, which NJAC's submitted would have imposed on county governments by this legislation as set forth below.

Although the Governor of the State of New Jersey is responsible for appointing members to county boards of elections with the advice and consent off the Senate, county governments are responsible for paying for their salaries, wages, and other expenses under N.J.S.A. 19:45-4. Additionally, N.J.S.A. 19:45-7 requires that the *"compensation of the members of the several county boards shall be no less than the minimum salary and no more than the maximum salary…"* ranging from $3,200.00 - $10,500.00 in counties with populations less than 120,000 and from $8,700.00 - $17,600.00 in counties with populations over 550,000. As such, NJAC respectfully submitted that the legislation as introduced would have imposed an unfunded State mandate on county governments as the measure would have required freeholder boards to pay for the salaries, wages, and other expenses of new board of election members without providing any requisite State funding other than the property tax.

911 Fee Misappropriation

The good news is that senators Singleton *(D-7)* and Oroho *(R-24)* recently introduced **Senate, No. 3730**, which would add the costs associated with the regionalization of the State's 911 system, including the expansion of existing regional public safety answering points, to what is to be funded by the monies appropriated from the "911 System and Emergency Response Trust Fund Account."

Although NJAC supports this legislation as it would create a funding mechanism that would incentivize the regionalization of 911 services, the bad news is that the State will once again misappropriate an estimated 89.0% of the $120.0 million in surcharges it expects to collect as 911 System and Emergency Response Fees as a .90 cent surcharge on all telephone lines. As has been well documented, the State of New Jersey is the worst offender of diverting 911 fees in the nation and has collected an estimated $1.4 billion since 2006 with only 11% of Fund monies being spent on eligible expenses for the 3 State operated 911 centers. Moreover, the State has failed to provide any funding to local 911 centers operated by counties and municipalities; and, has instead diverted the balance of Fund dollars to cover general operating expenses in the Department of Law and Public Safety. As a direct result of the State's decade long practice, and the similar diversion of 911 funds by several other states, the FCC recently adopted rules that now prohibits New Jersey, and its local governing bodies, from applying for up to $115.0 million in grant program funding to upgrade 911 centers with Next Generation 911 (NG911) capabilities.

Not only does the misappropriation of vital 911 system funding jeopardize the public safety of residents across the State, it also amounts to double taxation as counties and municipalities have been forced to rely on the collection of local property taxpayer dollars to improve, operate, and maintain local 911 centers. Moreover, counties and municipalities are also being penalized by the federal government for the State's misuse of critical 911 funds. For these reasons, NJAC will continue urging State leaders to restore critical Fund dollars and comply with federal guidelines for grant funding and best practices. NJAC also recommends constitutionally dedicating any existing or new 911 fees or surcharges imposed by the Legislature and collected by the State to county and municipal 911 centers; and, adopting the best practices outlined in the "New Jersey 911 Consolidation Study" published in 2006, which in part, calls for reducing the number of local 911 centers to streamline operations and save taxpayer dollars.

RAFT OF BILLS ADVANCE TO EASE WAY FOR STATE HEALTH INSURANCE EXCHANGE

Lilo H. Stainton, June 10, 2019

New Jersey lawmakers have advanced a dozen bills to create the infrastructure for a state-based health insurance marketplace. The bills are part of a Democratic-led effort to better control the cost and quality of these policies and protect against attacks at the federal level by the Trump administration. But, while supporting the legislation in concept, insurance and business representatives have raised questions about some of the details, including language that would enable New Jersey to hike the tax on certain insurance plans to 5 percent — from the current 3.5 percent — which critics said would add to consumer costs. Some Republican lawmakers also have flagged this as a concern.

Versions of the bills were approved by the Senate Commerce Committee last Monday and the Assembly Financial Institutions and Insurance Committee Thursday, some along party lines. They would empower the state Department of Banking and Insurance to establish its own system to craft, market and sell federally subsidized health plans to lower-income workers who do not get insurance through work and earn too much to qualify for Medicaid. Currently in New Jersey, these "individual market" plans are sold through the federal health insurance exchange website, healthcare.gov. "With the federal government in turmoil, I'm glad the state Legislature is doing everything we can to ensure that the people who benefit from the Affordable Care Act will continue to be protected," said Senator Joseph Vitale Jr., the health committee chair and a lead sponsor of several of the measures. "We cannot leave the health and safety of New Jerseyans up to the whims of the Oval Office." "This legislation, particularly the state-based exchange for health benefits plans, will go a long way in ensuring our state can offer affordable healthcare to all of our residents," Vitale (D-Middlesex) said.

The proposals were endorsed by healthcare advocates, including hospitals, clinical professionals and NJ For Health Care — a coalition of community, labor and social justice groups that have long pushed for expanded insurance coverage through the ACA and other mechanisms. However, several people who testified Monday said they favored a state-based exchange but worried establishing this system might cost consumers more than it would to continue to use the federal governments. "One of our goals is to make sure this is run efficiently and outperforms the federal exchange. That's the reason to do this," Ward Sanders, head of the New Jersey Association of Health Plans, testified Monday. "To tax insurance to make insurance cheaper doesn't really work."

Lawmakers amended the Senate version of the bill related to the fee on exchange plans, which is estimated would raise $55 million a year to support its operation, to cap this tax at 5 percent. But Sanders said that still would allow the state to impose a burden far beyond the 3.5 percent now charged to support the federal system. (The federal fee is slated to go down to 3 percent next year. In March, Gov. Phil Murphy, a Democrat, announced his intention to take control of the exchange — a transition he said would enable the state to create higher-quality plans, better protect against cost increases, and control how plans were marketed and sold. Under Republican President Donald Trump, the federal government has drastically reduced funding for outreach and marketing of these policies and cut in half the amount of time people have to enroll each fall.

Democratic lawmakers introduced drafts of enabling legislation in late May, which would allow DOBI to collect a tax — that now goes to the federal government — to fund the creation of a website and sales platform for plans tailored to individuals; the system covered nearly 290,000 people at the end of 2018, according to state statistics. (More than two-thirds of these consumers obtain federal subsidies to help offset the costs; others benefit from the lower prices and comprehensive benefits built into these products but purchase them directly from insurance companies without any subsidy.) The proposals also call for DOBI to integrate the small-business insurance market into this same system, although there are few details of how this would happen. Small-business policies covered nearly 330,000 people in companies with fewer than 50 employees, at the end of last year, in New Jersey with plans sold through the state and the exchange.

Sanders, with AHP, is concerned that if small-business plans are rolled into the same exchange as plans for individuals they could be subject to the same tax of up to 5 percent, adding significantly to the costs of these products. And business representatives are concerned what that would mean for employers already struggling to provide coverage for their workers. "We support an exchange, but we are concerned about the costs that go along with that," said New Jersey Business & Industry Association vice president Tony Bawidamann. "Healthcare is one of the top issues for (our members) — one of the top costs," he said. As of 2018, some 28 states — including New Jersey — made use of the federal system for the sale of individual and small-business health insurance plans and 12 jurisdictions, with Washington, D.C., operated these markets themselves. Nevada is now in the process of shifting from a federal to state system, scheduled to start this fall; lawmakers there anticipate it can be run for a fee of 1.5 percent on the plans sold, saving the state half of the $12 million the federal government now spends on the operation, according to Healthinsurance.org, an industry publication. New Mexico is planning a similar shift in 2021 and Oregon is also considering taking control of its system.

While healthcare advocates in New Jersey have long pushed for a state-run exchange, dating back to 2012 at least, former Gov. Chris Christie, a Republican, declined to embrace the process and left it in the hands of the federal government. But, as the Trump administration ratcheted back support for the exchange — and attacked other elements of the ACA, or Obamacare — Democrats in the Garden State have vowed to protect the once-controversial, now highly popular program. (Federal lawmakers, including several from New Jersey, are also seeking to expand these protections. "The ACA was monumental legislation and expanded coverage for thousands of New Jerseyans," said Sen. Nellie Pou (D-Passaic), a lead sponsor of several of the bills and chair of the commerce committee. "Everyone deserves the right to affordable healthcare and codifying this federal law into state law will help give New Jerseyans more options and greater coverage for years to come, regardless of who is in charge of the Oval Office."

Most of the attention in the hearings was focused on the legislation to create the exchange and impose the controversial fee (S-49/A-5499), sponsored by Pou, Vitale, and Sen. Nia Gill (D-Essex), and Assembly members Herb Conaway (D-Burlington), John McKeon (D-Union) and Nancy Pinkin (D-Middlesex). Other bills approved last week would ensure key ACA protections are also enshrined in New Jersey law if the state creates its own exchange; many of these received bipartisan support. Among other things, these other proposals would enable adult children to remain on their parents' plans until age 27; ensure breastfeeding, contraceptives and other essential benefits are covered; and guarantee patients with pre-existing conditions could obtain insurance. Most of these elements are already codified in Garden State statute in some form. While some of the bills will go straight to the floor for a full vote in the Assembly and Senate, many were referred to the appropriations committees in both houses for further review.

Governor and Lawmakers Diverge over Medical Marijuana Expansion

Carly Sitrin, June 6, 2019

Gov. Phil Murphy this week made good on his promise to rapidly expand the medical marijuana program in New Jersey, but his unilateral move may put the Legislature's own expansion plan in jeopardy. As part of the governor's expansion, the state Department of Health announced on Monday it is seeking new applicants to operate up to 108 additional Alternative Treatment Centers in the Garden State for cultivating, manufacturing and dispensing medical marijuana. This represents a major increase. Currently, there are six ATCs in operation; another six permits have been granted but those facilities are not yet up and running.

Meanwhile, state lawmakers are attempting to move their own bill that would expand the program — and it contains elements that Murphy's plan does not. The bill (S-10) would remove medical marijuana from the Department of Health's jurisdiction and give it to a new five-member Cannabis Regulatory Commission in the Department of Treasury. It would also cap cultivator licenses at 23: Murphy's request for applications (known as an RFA) calls for 24. "Patients cannot continue to wait for access to life-changing medical treatment, and this week's announcement is an important step toward ensuring sustainable and affordable access," Murphy's spokesperson Alyana Alfaro said in a statement. "The Department of Health is overseeing the expansion of the Medicinal Marijuana Program to ensure that it is done responsibly and in a way that puts the needs of patients first. There was no agreement on the bill as currently written."

The governor and his administration have said expanding the program was urgent as the demand in the state for medical marijuana has skyrocketed. Indeed, since Murphy took office, the number of patients in New Jersey's medical marijuana program has swelled, from less than 17,000 to more than 47,500 as of June 3, 2019.v"We are at a point where patients just cannot wait any longer for easily accessible, affordable therapy. This request for applications allows for specialization of businesses to increase medical product in our state," said New Jersey Health Commissioner Dr. Shereef Elnahal in a statement.

Three types of licenses will be available under the new expansion — for growing, manufacturing and selling. This is the first time the state is issuing separate permits for these categories as the six ATCs already in operation — and the additional six license holders selected last year — were required to be vertically integrated, meaning they must all grow, process and sell marijuana on their own. The Department now will seek to issue up to 24 cultivation licenses (or endorsements, as the department terms them), up to 30 manufacturing licenses and up to 54 dispensary licenses. These ATCs would be throughout the state, with up to 38 in the northern region of the state (in Bergen, Essex, Hudson, Morris, Passaic, Sussex and Warren counties), up to 38 in the central region (Hunterdon, Middlesex, Mercer, Monmouth, Ocean, Somerset and Union counties), and up to 32 in the southern region (Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester and Salem counties).

According to the DOH, these regional specifications are based on an assessment it conducted of patient need. Applications will be accepted from both for-profit and nonprofit groups now that the current law's mandatory threshold for two nonprofit alternative treatment centers in each region has been met. To avoid conflict with national law, because cannabis is still federally categorized as a Schedule I drug, applicants from a nonprofit entity will not be required to be recognized as a 501(c)3 organization by the Internal Revenue Service.

Permits (or licenses) would be granted according to a scoring system which takes into account factors like ties to the local community (20 points), ability to provide appropriate research data (10 points), experience in cultivating, manufacturing, or dispensing marijuana (100 points) and a workforce and job creation plan that would involve women, minorities and military veterans (100 points). There will also be a $20,000 application fee separated in two payments to the state Treasurer, one $18,000 payment and one $2,000 payment. For unsuccessful applicants, the $18,000 will be returned, but the Department of Health gets to keep the $2,000 fee. This new request for applications was not wholly unexpected. Murphy campaigned on adult-use cannabis legalization and once that plan stalled in the Legislature, he turned his attention to medical expansion.

The state Senate passed its expansion bill just last week, and the Assembly approved its measure two weeks prior. Because the Senate added a requirement for labor peace agreements, that has sent the bill back to the Assembly before it can go to the governor for his signature. Initially, the medical expansion bill was to be packaged with legalization language and expungement reform, allowing those convicted of low-level cannabis crimes to clear their records. At the time, Murphy deferred to lawmakers to pass their bills but noted if they couldn't get it done, he would step in. "I'm prepared to hold off for a short amount of time, and I would say the month of May would be the edge of that," Murphy said in March.

When the Legislature failed to secure the votes to pass all three bills, Murphy went ahead in early May with his own new rules that would extend the program's reach, widen the list of qualifying conditions, reduce patient costs, and allow doctors to participate without being named publicly. And when the Senate sent its bill back to the Assembly again last week, Murphy pulled the trigger on further medical expansion, earning the ire of Senate President Steve Sweeney (D-Gloucester). "Once again, the governor is ignoring the hard work of the Legislature and the agreement between the Senate, the Assembly and the administration on this issue," Sweeney (D-Gloucester), said in a statement. "The legislation that is in the process of being approved by both houses is a direct reflection of that agreement — and now the governor wants to preempt what is a thoughtful plan to expand medical marijuana in an effective and responsible way." The Legislature's plan differs slightly from Murphy's as it would install a Cannabis Regulatory Commission to oversee the industry and set rules and regulations for how permits would be granted, and businesses run. The proposal for a commission was copied directly from the adult-use bill and had been an ongoing point of contention between Sweeney and Murphy, as both wanted power to appoint members to it.

In addition, the lawmakers' bills would cap cultivator licenses at 23 whereas Murphy's plan would grant 24. All of this could mean Murphy is squaring up to conditionally veto the bill once it makes it to his desk. Another option on the table could be amending the request for applications to align with the Legislature's cap but that still would not address the conflict over the commission. The medical expansion bill — with the Senate's small labor agreement changes — will be put to a vote in the Assembly again on June 10.

UPCOMING NJAC EVENTS AND THE ANNUAL CELEBRATION OF COUNTY GOVERNMENT

Don't miss NJAC's next Board of Directors meeting set for 9:30 a.m. on June 28th in Committee Room 6 of the State House Annex in Trenton. And, we look forward to seeing you at NJAC's Annual Night at the Ballpark on July 18th to watch the Hartford Yard Goats take on the Trenton Thunder at Arm & Hammer Park in Trenton. This event is free for county officials, but space is limited, so please visit our website at www.njac.org for additional details.

STATE HOUSE TRIVIA: *Did you know* that the top 10 most hazardous summer injuries are caused by: 10) weedwhackers 9) charcoal barbecue grills 8) camping equipment 7) Red Rider BB Guns 6) amusement park rides 5) lawn mowers 4) trampolines 3) skateboards 2) diving boards, and 1) insect bites and stings, so bee careful out there.

"A perfect summer day is when the sun is shining, the breeze is blowing, the birds are singing, and the lawn mower is broken." James Dent

NJAC FOUNDATION

Affiliated with the New Jersey Association Counties

DONALD DE LEO
NJAC Foundation President

JOHN G. DONNADIO
Executive Director

PSEG AWARDS $12,000.00 GRANT TO NJAC FOUNDATION FOR VO-TECH GRADUATES STUDYING GREEN!

For Immediate Release: June 14, 2019
Contact: John G. Donnadio, Executive Director

(Trenton) The PSEG Foundation awarded the NJAC Foundation a grant of $12,000.00 for county vocational-technical school graduates who plan on studying environmental science, green design, green technology, alternative energy, and other related subjects at a county college or state college or university in the fall.

> "As our nation grows increasingly proactive about protecting the environment for future generations, I'm thrilled that PSEG and the NJAC Foundation have once again partnered on this important and timely initiative to support county vocational-technical school graduates across the State," *commented NJAC Foundation President Donald De Leo.*

The NJAC Foundation plans to award one $850.00 scholarship to a student nominated by the superintendent of their school in each county where PSEG maintains a service territory or generation facility. These counties include: Bergen, Burlington, Camden, Essex, Gloucester, Hudson, Mercer, Middlesex, Morris, Passaic, Salem, Somerset, and Union counties. 2019 county vocational-technical school graduates must plan on studying environmental science, green design, green technology, alternative energy, and other related subjects at a county college or State college or university in the fall.

> "On behalf of the Board of Trustees of the NJAC Foundation, I commend PSEG for its continued commitment and generosity to the communities in which it serves and look forward to working with our county vocational-technical schools to select talented students dedicated to creating green solutions and advancing their education," *said De Leo.*

Since 2011, PSEG has awarded the NJAC Foundation grant monies totaling $106,000.00 which has helped an estimated 138 county vocational-technical school graduate continue their education at home in the Garden State. The NJAC Foundation is a non-profit organization affiliated with the New Jersey Association of Counties (NJAC) and is committed to providing innovative educational opportunities for county vocational-technical school and county college students.

From:	John Donnadio <jdonnadio@njac.org>
Sent time:	04/12/2019 09:48:51 AM
To:	Undisclosed recipients:
BCc:	cjinotti@co.ocean.nj.us; gdeckler@co.ocean.nj.us; cbove@co.ocean.nj.us; Quinn, Gary <gquinn@co.ocean.nj.us>
Subject:	State House News & NJAC Conference Update
Attachments:	State House News 041219.doc

Good morning. I hope all is well and that the sun will shine for more than one day this weekend.

I'm pleased to announce that we've sold out of exhibit space for NJAC's annual celebration of county government set for May 8th through May 10th and that we're working with Caesar's to locate additional room for exhibitors on our waiting list. Registration and sponsorship opportunities are still available, so please visit NJAC's website at www.njac.org for additional details about this outstanding event where we're expecting a record turnout of county officials from all 21 counties. In the meantime, please find attached for your review, this week's edition of State House News, which contains updates on the misappropriation of 911 fees, code blue funding, county board of elections, bed bugs, CNA staffing levels, law enforcement testing reforms, and recent articles concerning bail reform and legalized weed. Thank you as always for your time and consideration and have great rest of the day.

John G. Donnadio, Esq.
Executive Director
New Jersey Association of Counties
Government Finance Officers Association of New Jersey
150 West State Street
Trenton, New Jersey 08608
Telephone (609) 394-3467
www.njac.org

NEW JERSEY ASSOCIATION OF COUNTIES

County Government with a Unified Voice!

BRENDAN GILL
NJAC President
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JOHN G. DONNADIO
Executive Director

STATE HOUSE NEWS

April 12, 2019

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911 FEE MISAPPROPRIATION

Last week, NJAC testified before the Assembly Budget Committee and submitted written testimony to the Senate Budget and Appropriations Committee urging Governor Phil Murphy and the New Jersey State Legislature to properly allocate 911 System and Emergency Trust Fund (Fund) monies to county and municipal 911 centers as recommended by the Federal Communications Commission (FCC).

Unfortunately, the Governor's proposed $38.6 billion spending plan for State Fiscal Year 2020 will once again divert an estimated 89.0% of the $120.0 million in surcharges it expects to collect as 911 System and Emergency Response Fees as a .90 cent surcharge on all telephone lines. As has been well documented, the State of New Jersey is the worst offender of diverting 911 fees in the nation and has collected an estimated $1.4 billion since 2006 with only 11% of Fund monies being spent on eligible expenses for the 3 State operated 911 centers. Moreover, the State has failed to provide any funding to local 911 centers operated by counties and municipalities; and, has instead diverted the balance of Fund dollars to cover general operating expenses in the Department of Law and Public Safety. As a direct result of the State's decade long practice, and the similar diversion of 911 funds by several other states, the FCC recently adopted rules that now prohibits New Jersey, and its local governing bodies, from applying for up to $115.0 million in grant program funding to upgrade 911 centers with Next Generation 911 (NG911) capabilities.

Not only does the misappropriation of vital 911 system funding jeopardize the public safety of residents across the State, it also amounts to double taxation as counties and municipalities have been forced to rely on the collection of local property taxpayer dollars to improve, operate, and maintain local 911 centers. Moreover, counties and municipalities are also being penalized by the federal government for the State's misuse of critical 911 funds. For these reasons, NJAC is urging State leaders to restore critical Fund dollars and comply with federal guidelines for grant funding and best practices. NJAC also recommends constitutionally dedicating any existing or new 911 fees or surcharges imposed by the Legislature and collected by the State to county and municipal 911 centers; and, adopting the best practices outlined in the "New Jersey 911 Consolidation Study" published in 2006, which in part, calls for reducing the number of local 911 centers to streamline operations and save taxpayer dollars.

CODE BLUE FUND

On March 18th, Governor Murphy signed into law A-4177 *(Pintor Marin D-29/Mukherji D-33)(Singleton D-7/Ruiz D-29),* which would authorize county governments to increase the homelessness housing fund surcharge from $3.00 to $5.00 and would dedicate the $2.00 increase to support emergency shelter for homeless services provided during Code blue alerts.

NJAC supported this important and timely initiative as one of our top legislative priorities as it will now help freeholder boards provide adequate shelter for homeless individuals during inclement weather without affecting existing programs that support permanent housing and self-sufficiency. Changes to the law in 2017 require county governments, through their offices of emergency management or other appropriate offices, agencies or departments, to establish plans for issuing Code Blue alerts to municipalities, social service agencies, and non-profit organizations that provide services to at-risk individuals and are located within the county's borders. Since that time, county governments across the State have been struggling to fund and implement the new law. Special thanks to Passaic County Deputy County Administrator Matthew Jordan for coming up with the idea; and, to Assemblywoman Eliana Pintor-Marin and Senator Troy Singleton for their leadership and support.

COUNTY BOARD OF ELECTIONS

Thank you to the sponsors of **ASSEMBLY, NO. 5162** *(Speight D-29)* and **SENATE, NO. 3554** *(Beach D-6)* for amending the legislation to permit county boards of chosen freeholders to increase the membership of the county board of elections from four to six members.

More specifically, S-3554 as amended would require that if a county board of chosen freeholders opts to increase the membership of the county board of elections, the two new members would be legal voters of the counties for which they are appointed, and the board of elections would consist of an equal representation between the political parties which at the last preceding general election, held for the election of all of the members of the General Assembly, cast the largest and next largest number of votes in the State for members of the General Assembly. On March 25th, the Senate passed S-3554 by a vote of 22-15.

The General Assembly also passed its amended version of the bill on March 25th by a vote of 71-4-3. However, the two versions are not identical as A-5162 would allow county board of chosen freeholders, by a majority vote of its full membership, to increase the membership of a county board of elections from four members to six members. The bill would require that three members of the county board of elections be members of the political party which at the last preceding general election, held for the election of all of the members of the General Assembly, cast the largest number of votes in this State for members of the General Assembly, and the remaining three members of the county board of elections would be members of the political party which at such election cast the next largest number of votes in the State for members of the General Assembly. The bill would also provide that within 10 days following the effective date of this bill, a one-time, mid-year appointment to increase membership of county board of elections before the 2019 primary or general election. Thereafter, persons would be nominated and appointed in accordance with the current timeframe specified under law. In general, all legislation must pass both houses in identical form before heading to the Governor's Desk, so stay tuned for additional details.

Please note that NJAC opposed the measure as introduced as it would have mandated an increase in the membership of county boards of elections in violation of the State's prohibition against unfunded mandates on school districts, municipalities, and counties. The New Jersey Constitution prohibits State government from requiring units of local government to implement additional or expanded activities without providing funding for those activities pursuant Article VIII, Section II, Paragraph 5 and N.J.S.A. 52:13H-1(1)(b). Additionally, the New Jersey Council on Local Mandates is responsible for resolving disputes on whether a law, rule or regulation adopted after 1996 constitutes an unfunded mandate, which NJAC's submitted would have imposed on county governments by this legislation as set forth below.

Although the Governor of the State of New Jersey is responsible for appointing members to county boards of elections with the advice and consent off the Senate, county governments are responsible for paying for their salaries, wages, and other expenses under N.J.S.A. 19:45-4. Additionally, N.J.S.A.19:45-7 requires that the *"compensation of the members of the several county boards shall be no less than the minimum salary and no more than the maximum salary..."* ranging from \$3,200.00 - \$10,500.00 in counties with populations less than 120,000 and from \$8,700.00 - \$17,600.00 in counties with populations over 550,000. As such, NJAC respectfully submitted that the legislation as introduced would have imposed an unfunded State mandate on county governments as the measure would have required freeholder boards to pay for the salaries, wages, and other expenses of new board of election members without providing any requisite State funding other than the property tax.

Bed Bugs

On March 4th, the Senate Community and Urban Affairs Committee favorably reported **Senate, No. 1295** *(Bucco R-25)*, which would establish procedures to prevent and eradicate bedbug infestations in certain residential properties.

NJAC testified before the Committee that although we commend the sponsors for their intent to require owners of multiple dwellings to maintain a safe and clean living environment free from the presence of bedbugs, we're concerned that S-1295 would create a statutory framework in which county health departments would become the lead government agencies responsible for the remediation of bedbugs when landlords are unresponsive for the clean-up and maintenance of infested properties. In general, we're concerned with the increased workload and expense this legislation would impose on county health departments, most of which provide local public health services on behalf of constituent municipalities.

County health departments are charged with protecting and enhancing the general health and welfare of county residents throughout the State. However, county health departments typically inspect and fine violators under certain circumstances, but do not engage in remediation or mitigation as it is often costly and timely consuming. Although this would authorize local boards of health to impose fines or place liens of the properties of unresponsive landlords, we're concerned that these mechanisms would not adequately compensate county health departments for the significant amount of work and substantial expense necessary to remediate properties infested with bedbugs. The Committee second referenced S-1295 to the Senate Budget and Appropriations Committee for consideration, so the Committee may conduct a comprehensive review of the legislation's fiscal impact on county health departments. The companion version **Assembly, No. 1271** *(Tucker D-28/Sumter D-35)* is current in the Assembly Housing and Community Development Committee awaiting consideration.

CNA Staffing Levels

On March 15th, the Assembly Appropriations Committee was set to consider, but held **Senate, No. 1612/Assembly, No. 382** *(Stack D-33/Gopal D-11)(Jiminez D-32),* which would establish minimum ratios for the number of certified nurse aides (CNAs) to the number of residents in nursing homes.

Atlantic, Bergen, Cape May, Gloucester, Middlesex, and Passaic counties still operate nursing homes and have long-struggled with CNA staffing shortages. Although these facilities certainly appreciate the intent of the legislation and have adopted innovative strategies to deal with the shortages such as using volunteers, changing shifts, and negotiating with LPN unions to conduct certain CNA activities, this legislation would require hiring a minimum of 9-11 new CNAs per facility at an estimated cost of $400,000.00 - $500,000.00 per year *($28,000.00 per year for the average CNA salary + $14,000 per year for health, pension, and other fringe benefits)*. County nursing homes have also struggled to find the resources necessary to maintain a consistent level of quality care residents deserve and this legislation may force these counties to sell their nursing homes as boards of chosen freeholders continue to struggle with finding a balance between what is fair to taxpayers and what is right for the senior and disabled population. Importantly note that because of Managed Long-Term Care and devasting cuts to Medicaid funding, 8 counties have sold their nursing homes since 2012, while the remaining have been forced to reduce, privatize, or eliminate critical housekeeping, food, social, and other necessary services simply to make ends meet.

County operated nursing homes provide a safety net of care for low income patients with medical conditions that typically prevent their admission to privately owned nursing homes. In fact, approximately 80% of patients that currently reside in county operated nursing are classified as Medicaid patients without the necessary resources to afford health insurance on their own. Unlike most privately-owned nursing homes that carry a much higher percentage of private pay patients, county operated nursing homes maintain an average of 10% of its population in this capacity. Importantly, the core mission of county operated nursing homes is to provide a high standard of nursing care to residents and their families. To achieve this objective and make readily available an essential community service, county operated nursing homes retain qualified staff that offer a continuity of care as dedicated public servants. Moreover, county operating nursing homes maintain a higher than average rate of nursing hours per patient; offer comprehensive rehabilitation programs; and, provide progressive treatment initiatives with new technologies. Most notably, county operated nursing homes are committed to providing a valuable and much needed public service. The Senate passed S-1612/A-382 by a vote of 22-15 on July 1st.

LAW ENFORCEMENT TESTING REFORMS

Thank you to the Civil Service Commission (CSC) for taking the time to hear the concerns of county government and for making the following positive changes to the law enforcement testing process.

- Beginning in 2019, the CSC will conduct an Entry Level Law Enforcement Exam (LEE) every other year as opposed to one every three years.
- Beginning in 2020, the CSC will conduct an Entry Level Law Enforcement Exam specifically for county correction officers every year.

These changes should help alleviate long-term vacancies for county correction officers as counties may select qualified candidates to fill vacancies from both lists. For immediate vacancies, county governments may hire county correction officers from the upcoming Entry Level Law Enforcement Exam list for State correction officers by seeking approval from the Civil Service Commission to hire candidates from this list. Special thanks to Camden County Freeholder Jon Young, Camden County Counsel Chris Orlando, and Camden County Jail Warden Karen Taylor for working on this issue for several years and joining NJAC in Trenton on March 13th for a meeting with the Commission

AMID LINGERING CONCERNS, STATE REPORT ON BAIL REFORM NOTES SUCCESSES
Colleen O'Dea, NJ Spotlight, April 3, 2019

A report by the state judiciary shows that fears of 'chaos' and 'mayhem' have failed to come to fruition Still, there are some concerns and outstanding questions in the judiciary's 2018 report to Gov. Phil Murphy and the Legislature. The number of defendants being held pending trial rose by 7.8 percent from 2017, the first full year of the reform, to 2018. Black males continue to make up the majority of the overall jail population and the question of whether black defendants are detained pending trial at a higher rate than whites remains unanswered.

And the courts expect to not have enough money to fully pay for the system as soon as next year. "New Jersey's criminal justice system has begun to remove inequities created by the heavy reliance on monetary bail," said state Supreme Court Chief Justice Stuart Rabner in a statement Tuesday. "Criminal Justice Reform has reduced the unnecessary detention of low-risk defendants, ensured community safety, upheld constitutional principles, and preserved the integrity of the criminal justice system." The report found a slight increase in the percent of defendants released pending trial charged with an indictable crime in 2017, compared to 2014, when money bail was the primary mechanism for release from jail before a trial — 13.7 percent in 2017 versus 12.7 percent in 2014. There was also a rise in the percent of those charged with a disorderly persons offense after release — 13.2 percent in 2017 versus 11.5 percent three years earlier. In addition, the percentage of defendants released pending trial who showed up for pretrial court appearances declined last year to 89.4 percent, from 92.7 percent in 2014.

Sen. Declan O'Scanlon (R-Monmouth), who was among the sponsors of the reform legislation, said those patterns are not necessarily troubling and could indicate a natural fluctuation in offender actions, but they are something the state needs to keep monitoring. "If re-offenses and failure to show had gone down, that would be a pretty definitive indication of success," he said. "The fact they went up marginally is something we have to continue to pay attention to ... The bail industry had predicted chaos and mayhem and that is not the case."

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Regardless of how it was achieved, advocates who had pushed for the reform as a social-justice issue cheered the reduction in the jail population, particularly as it has meant that 3,000 fewer blacks and 1,300 fewer Hispanics, as well as 1,500 whites, were held last October than six years earlier. "Thousands of individuals, mostly people of color, have been able to remain free pending trial," Scotti said. "They have been able to stay with their families and communities. They have been able to keep their jobs and their housing." On the other hand, a section of the report that looked at the overall jail population and not just those awaiting trial shows that the racial and ethnic makeup of the overall jail population remained disproportionately black, with no change from 2012 to 2018: 54 percent of all those in prison were African-Americans. Blacks make up about 15 percent of the state population.

The court's report notes this, stating, "the Judiciary recognizes the need to continue to examine the effect of CJR on racial disparity in the criminal justice system and to ensure that all defendants are treated equally by the courts." "It is certainly problematic," Shalom said. "It is not good enough that things have not gotten worse. There exist many drivers of disparities; our system of pretrial justice should look to address and eliminate them wherever it can." One question not answered by the report is whether blacks and Hispanics accused of a crime are detained pending trial at a greater rate than whites. That could contribute to the continuing large proportion of people of color in jail and it is something about which advocates have been concerned. Shalom praised the state for including data about race and ethnicity in its report, but added, "More data would be useful on this point."

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"Any increase in detention rates raises red flags," Shalom said. "Our system succeeds when it prioritizes liberty; we've made tremendous strides in changing the culture of pretrial justice to one that has release as a default, but there is more work to be done. The pretrial services program added 30 employees last year and has a total staff of 297, in addition to the judges who hear cases. It costs $4.19 per defendant per day for electronic monitoring. "There is a continuing critical need to identify and implement a sustainable means to fund the program," the report states. "The current method — which relies on annual court filing fees — is not a workable approach. As predicted at the outset of CJR, the model in place has a built-in structural deficit, and within the next year, will result in an actual funding deficit."

The amount collected in court filing fees has been dropping since the 2016 fiscal year. In the last fiscal year, the judiciary collected $40.5 million and collections for FY2019 are so far 1 percent below where they were at the same time last year. Shalom said the state needs to come up with a stable source of adequate funding to keep the program going. "The time has come to fund the program from the state budget rather than from filing fees," he said. "The opportunity for long-term financial savings due to a sharply diminished New Jersey jail population is real; regardless, the gains — a fairer system, families that aren't disrupted, and stronger communities — are worth every penny of our investment in this system."

John Donnadio, executive director of the New Jersey Association of Counties, said the counties need more time to determine how much they might be able to save in jail costs. "With respect to operating county jails, we will need another year or so to determine if the reduction in the overall jail population will result in any cost savings," he said, adding that the jails are continuing to process defendants. "Over time, county jails should realize cost savings through attrition and the retirement of correction officers, but it's still too early to make that determination. "However, he added, county governments spent between $45 million and $50 million hiring additional prosecutors to implement another component of the reform — setting time limits for court proceedings to ensure that a defendant who is kept in custody does not have to wait overly long for his case to be decided. For instance, a person cannot be held more than 90 days before an indictment, or more than 180 days after an indictment, with some exceptions.

While the report does not go into detail about the state's performance on keeping to those deadlines, courts spokesman Peter McAleer said that trials have been proceeding according to those timeframes. "We only know of a very small number of instances, like one or two, where we missed the deadline," he said.

MURPHY TO MEET WITH TOP DEMS ABOUT LEGALIZING WEED IN NJ AS HIS DEADLINE LOOMS
Brent Johnson, NJ Advance Media for NJ.com, April 11, 2019

EDITOR'S NOTE: Entrepreneurs everywhere are eyeing the billion-dollar legal weed industry, an economic opportunity unrivaled in modern N.J. history. NJ Cannabis Insider features exclusive weekly content geared toward those interested in the marijuana industry. View a sample issue.

Thursday could be an important day in the seemingly never-ending saga to legalize marijuana in New Jersey. Eyeing a possible vote by the end of next month, the Garden State's top three elected state officials are scheduled to strategize about their latest push to gather enough support in the state Legislature to pass a bill that would legalize weed here. Gov. Phil Murphy confirmed Wednesday night during his radio show that he will meet and talk pot with his fellow Democrats who lead the Legislature — state Senate President Stephen Sweeney and state Assembly Speaker Craig Coughlin.

The sit-down comes a few weeks after Sweeney, D-Gloucester, and Coughlin, D-Middlesex, canceled a planned vote on the bill when it became clear it would not have enough votes to pass the Senate. Leaders have now been considering holding the vote in May — that is, if they can muster the 21 votes that are needed for the Senate to approve the measure, which would legalize recreational weed for people 21 and older in New Jersey. Murphy was asked Wednesday during his regular call-in radio show what the chances were of the bill passing by the end of May. He declined to put odds on it. But Murphy said he's "cautiously optimistic."

"We came very close," he said during "Ask Governor Murphy," which was broadcast on public radio stations. "We came within a vote or two. I hope we can print this sooner than later." A legislative source confirmed Wednesday's meeting to NJ Advance Media but said a time was not certain. Depending on whom you talk to, leaders have secured anywhere from 18 to 20 votes in the Senate, according to sources. One issue casting a cloud over the gathering: The Legislature has packaged the bill with two other measures — one that would greatly expand the state's medical marijuana program and another that would expunge the records of thousands of people with pot convictions in the state. The hope is to garner more support for the legalization bill if all three are put up for a vote at the same time.

But Murphy has said if lawmakers don't pass the measures by the end of May, he will use his executive authority to expand the medical weed program because patients have waited too long. Sources have told NJ Advance Media that lawmakers are worried that gives some legislators reason not to vote for legal pot because medical marijuana will be expanded either way. But Murphy defended his plans Wednesday, saying he'd have "no choice" because the "demand to open (the program) up further is overwhelming." "Next month is a reasonable amount of time," the governor said. "There's too much at stake here," he added. "We must continue to open it up."

Upcoming NJAC Events: We hope to see you at NJAC's Annual Celebration of County Government from May 8th through May 10th at Caesar's in Atlantic City.

State House Trivia: Did you know that the honorary flowers for April are the Daisies and Sweet Peas?

"When I do good, I feel good, when I do bad, I feel bad, and that's my religion." Abraham Lincoln

From:	John Donnadio <jdonnadio@njac.org>
Sent time:	04/12/2019 09:51:06 AM
To:	Undisclosed recipients:
BCc:	cblock@co.ocean.nj.us; vhaines@co.ocean.nj.us; dconnors@co.ocean.nj.us; jbusch@co.ocean.nj.us; tmaksel@co.ocean.nj.us; Flynn, Donna <dflynn@co.ocean.nj.us>
Subject:	State House News & NJAC Conference Update
Attachments:	State House News 041219.doc

Good morning. I hope all is well and that the sun will shine for more than one day this weekend.

I'm pleased to announce that we've sold out of exhibit space for NJAC's annual celebration of county government set for May 8th through May 10th and that we're working with Caesar's to locate additional room for exhibitors on our waiting list. Registration and sponsorship opportunities are still available, so please visit NJAC's website at www.njac.org for additional details about this outstanding event where we're expecting a record turnout of county officials from all 21 counties. In the meantime, please find attached for your review, this week's edition of State House News, which contains updates on the misappropriation of 911 fees, code blue funding, county board of elections, bed bugs, CNA staffing levels, law enforcement testing reforms, and recent articles concerning bail reform and legalized weed. Thank you as always for your time and consideration and have great rest of the day.

John G. Donnadio, Esq.
Executive Director
New Jersey Association of Counties
Government Finance Officers Association of New Jersey
150 West State Street
Trenton, New Jersey 08608
Telephone (609) 394-3467
www.njac.org

NEW JERSEY ASSOCIATION OF COUNTIES

County Government with a Unified Voice!

BRENDAN GILL
NJAC President
Essex County Freeholder

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Executive Director

STATE HOUSE NEWS

April 12, 2019

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911 FEE MISAPPROPRIATION

Last week, NJAC testified before the Assembly Budget Committee and submitted written testimony to the Senate Budget and Appropriations Committee urging Governor Phil Murphy and the New Jersey State Legislature to properly allocate 911 System and Emergency Trust Fund (Fund) monies to county and municipal 911 centers as recommended by the Federal Communications Commission (FCC).

Unfortunately, the Governor's proposed $38.6 billion spending plan for State Fiscal Year 2020 will once again divert an estimated 89.0% of the $120.0 million in surcharges it expects to collect as 911 System and Emergency Response Fees as a .90 cent surcharge on all telephone lines. As has been well documented, the State of New Jersey is the worst offender of diverting 911 fees in the nation and has collected an estimated $1.4 billion since 2006 with only 11% of Fund monies being spent on eligible expenses for the 3 State operated 911 centers. Moreover, the State has failed to provide any funding to local 911 centers operated by counties and municipalities; and, has instead diverted the balance of Fund dollars to cover general operating expenses in the Department of Law and Public Safety. As a direct result of the State's decade long practice, and the similar diversion of 911 funds by several other states, the FCC recently adopted rules that now prohibits New Jersey, and its local governing bodies, from applying for up to $115.0 million in grant program funding to upgrade 911 centers with Next Generation 911 (NG911) capabilities.

Not only does the misappropriation of vital 911 system funding jeopardize the public safety of residents across the State, it also amounts to double taxation as counties and municipalities have been forced to rely on the collection of local property taxpayer dollars to improve, operate, and maintain local 911 centers. Moreover, counties and municipalities are also being penalized by the federal government for the State's misuse of critical 911 funds. For these reasons, NJAC is urging State leaders to restore critical Fund dollars and comply with federal guidelines for grant funding and best practices. NJAC also recommends constitutionally dedicating any existing or new 911 fees or surcharges imposed by the Legislature and collected by the State to county and municipal 911 centers; and, adopting the best practices outlined in the "New Jersey 911 Consolidation Study" published in 2006, which in part, calls for reducing the number of local 911 centers to streamline operations and save taxpayer dollars.

Code Blue Fund

On March 18th, Governor Murphy signed into law A-4177 *(Pintor Marin D-29/Mukherji D-33)(Singleton D-7/Ruiz D-29),* which would authorize county governments to increase the homelessness housing fund surcharge from $3.00 to $5.00 and would dedicate the $2.00 increase to support emergency shelter for homeless services provided during Code blue alerts.

NJAC supported this important and timely initiative as one of our top legislative priorities as it will now help freeholder boards provide adequate shelter for homeless individuals during inclement weather without affecting existing programs that support permanent housing and self-sufficiency. Changes to the law in 2017 require county governments, through their offices of emergency management or other appropriate offices, agencies or departments, to establish plans for issuing Code Blue alerts to municipalities, social service agencies, and non-profit organizations that provide services to at-risk individuals and are located within the county's borders. Since that time, county governments across the State have been struggling to fund and implement the new law. Special thanks to Passaic County Deputy County Administrator Matthew Jordan for coming up with the idea; and, to Assemblywoman Eliana Pintor-Marin and Senator Troy Singleton for their leadership and support.

County Board of Elections

Thank you to the sponsors of **Assembly, No. 5162** *(Speight D-29)* and **Senate, No. 3554** *(Beach D-6)* for amending the legislation to permit county boards of chosen freeholders to increase the membership of the county board of elections from four to six members.

More specifically, S-3554 as amended would require that if a county board of chosen freeholders opts to increase the membership of the county board of elections, the two new members would be legal voters of the counties for which they are appointed, and the board of elections would consist of an equal representation between the political parties which at the last preceding general election, held for the election of all of the members of the General Assembly, cast the largest and next largest number of votes in the State for members of the General Assembly. On March 25th, the Senate passed S-3554 by a vote of 22-15.

The General Assembly also passed its amended version of the bill on March 25th by a vote of 71-4-3. However, the two versions are not identical as A-5162 would allow county board of chosen freeholders, by a majority vote of its full membership, to increase the membership of a county board of elections from four members to six members. The bill would require that three members of the county board of elections be members of the political party which at the last preceding general election, held for the election of all of the members of the General Assembly, cast the largest number of votes in this State for members of the General Assembly, and the remaining three members of the county board of elections would be members of the political party which at such election cast the next largest number of votes in the State for members of the General Assembly. The bill would also provide that within 10 days following the effective date of this bill, a one-time, mid-year appointment to increase membership of county board of elections before the 2019 primary or general election. Thereafter, persons would be nominated and appointed in accordance with the current timeframe specified under law. In general, all legislation must pass both houses in identical form before heading to the Governor's Desk, so stay tuned for additional details.

Please note that NJAC opposed the measure as introduced as it would have mandated an increase in the membership of county boards of elections in violation of the State's prohibition against unfunded mandates on school districts, municipalities, and counties. The New Jersey Constitution prohibits State government from requiring units of local government to implement additional or expanded activities without providing funding for those activities pursuant Article VIII, Section II, Paragraph 5 and N.J.S.A. 52:13H-1(1)(b). Additionally, the New Jersey Council on Local Mandates is responsible for resolving disputes on whether a law, rule or regulation adopted after 1996 constitutes an unfunded mandate, which NJAC's submitted would have imposed on county governments by this legislation as set forth below.

Although the Governor of the State of New Jersey is responsible for appointing members to county boards of elections with the advice and consent off the Senate, county governments are responsible for paying for their salaries, wages, and other expenses under N.J.S.A. 19:45-4. Additionally, N.J.S.A.19:45-7 requires that the *"compensation of the members of the several county boards shall be no less than the minimum salary and no more than the maximum salary..."* ranging from $3,200.00 - $10,500.00 in counties with populations less than 120,000 and from $8,700.00 - $17,600.00 in counties with populations over 550,000. As such, NJAC respectfully submitted that the legislation as introduced would have imposed an unfunded State mandate on county governments as the measure would have required freeholder boards to pay for the salaries, wages, and other expenses of new board of election members without providing any requisite State funding other than the property tax.

Bed Bugs

On March 4th, the Senate Community and Urban Affairs Committee favorably reported **Senate, No. 1295** *(Bucco R-25)*, which would establish procedures to prevent and eradicate bedbug infestations in certain residential properties.

NJAC testified before the Committee that although we commend the sponsors for their intent to require owners of multiple dwellings to maintain a safe and clean living environment free from the presence of bedbugs, we're concerned that S-1295 would create a statutory framework in which county health departments would become the lead government agencies responsible for the remediation of bedbugs when landlords are unresponsive for the clean-up and maintenance of infested properties. In general, we're concerned with the increased workload and expense this legislation would impose on county health departments, most of which provide local public health services on behalf of constituent municipalities.

County health departments are charged with protecting and enhancing the general health and welfare of county residents throughout the State. However, county health departments typically inspect and fine violators under certain circumstances, but do not engage in remediation or mitigation as it is often costly and timely consuming. Although this would authorize local boards of health to impose fines or place liens of the properties of unresponsive landlords, we're concerned that these mechanisms would not adequately compensate county health departments for the significant amount of work and substantial expense necessary to remediate properties infested with bedbugs. The Committee second referenced S-1295 to the Senate Budget and Appropriations Committee for consideration, so the Committee may conduct a comprehensive review of the legislation's fiscal impact on county health departments. The companion version **ASSEMBLY, NO. 1271** *(Tucker D-28/Sumter D-35)* is current in the Assembly Housing and Community Development Committee awaiting consideration.

CNA STAFFING LEVELS

On March 15th, the Assembly Appropriations Committee was set to consider, but held **SENATE, NO. 1612/ASSEMBLY, NO. 382** *(Stack D-33/Gopal D-11)(Jiminez D-32)*, which would establish minimum ratios for the number of certified nurse aides (CNAs) to the number of residents in nursing homes.

Atlantic, Bergen, Cape May, Gloucester, Middlesex, and Passaic counties still operate nursing homes and have long-struggled with CNA staffing shortages. Although these facilities certainly appreciate the intent of the legislation and have adopted innovative strategies to deal with the shortages such as using volunteers, changing shifts, and negotiating with LPN unions to conduct certain CNA activities, this legislation would require hiring a minimum of 9-11 new CNAs per facility at an estimated cost of $400,000.00 - $500,000.00 per year *($28,000.00 per year for the average CNA salary + $14,000 per year for health, pension, and other fringe benefits)*. County nursing homes have also struggled to find the resources necessary to maintain a consistent level of quality care residents deserve and this legislation may force these counties to sell their nursing homes as boards of chosen freeholders continue to struggle with finding a balance between what is fair to taxpayers and what is right for the senior and disabled population. Importantly note that because of Managed Long-Term Care and devasting cuts to Medicaid funding, 8 counties have sold their nursing homes since 2012, while the remaining have been forced to reduce, privatize, or eliminate critical housekeeping, food, social, and other necessary services simply to make ends meet.

County operated nursing homes provide a safety net of care for low income patients with medical conditions that typically prevent their admission to privately owned nursing homes. In fact, approximately 80% of patients that currently reside in county operated nursing are classified as Medicaid patients without the necessary resources to afford health insurance on their own. Unlike most privately-owned nursing homes that carry a much higher percentage of private pay patients, county operated nursing homes maintain an average of 10% of its population in this capacity. Importantly, the core mission of county operated nursing homes is to provide a high standard of nursing care to residents and their families. To achieve this objective and make readily available an essential community service, county operated nursing homes retain qualified staff that offer a continuity of care as dedicated public servants. Moreover, county operating nursing homes maintain a higher than average rate of nursing hours per patient; offer comprehensive rehabilitation programs; and, provide progressive treatment initiatives with new technologies. Most notably, county operated nursing homes are committed to providing a valuable and much needed public service. The Senate passed S-1612/A-382 by a vote of 22-15 on July 1st.

LAW ENFORCEMENT TESTING REFORMS

Thank you to the Civil Service Commission (CSC) for taking the time to hear the concerns of county government and for making the following positive changes to the law enforcement testing process.

- Beginning in 2019, the CSC will conduct an Entry Level Law Enforcement Exam (LEE) every other year as opposed to one every three years.
- Beginning in 2020, the CSC will conduct an Entry Level Law Enforcement Exam specifically for county correction officers every year.

These changes should help alleviate long-term vacancies for county correction officers as counties may select qualified candidates to fill vacancies from both lists. For immediate vacancies, county governments may hire county correction officers from the upcoming Entry Level Law Enforcement Exam list for State correction officers by seeking approval from the Civil Service Commission to hire candidates from this list. Special thanks to Camden County Freeholder Jon Young, Camden County Counsel Chris Orlando, and Camden County Jail Warden Karen Taylor for working on this issue for several years and joining NJAC in Trenton on March 13th for a meeting with the Commission

AMID LINGERING CONCERNS, STATE REPORT ON BAIL REFORM NOTES SUCCESSES
Colleen O'Dea, NJ Spotlight, April 3, 2019

A report by the state judiciary shows that fears of 'chaos' and 'mayhem' have failed to come to fruition Still, there are some concerns and outstanding questions in the judiciary's 2018 report to Gov. Phil Murphy and the Legislature. The number of defendants being held pending trial rose by 7.8 percent from 2017, the first full year of the reform, to 2018. Black males continue to make up the majority of the overall jail population and the question of whether black defendants are detained pending trial at a higher rate than whites remains unanswered.

And the courts expect to not have enough money to fully pay for the system as soon as next year. "New Jersey's criminal justice system has begun to remove inequities created by the heavy reliance on monetary bail," said state Supreme Court Chief Justice Stuart Rabner in a statement Tuesday. "Criminal Justice Reform has reduced the unnecessary detention of low-risk defendants, ensured community safety, upheld constitutional principles, and preserved the integrity of the criminal justice system." The report found a slight increase in the percent of defendants released pending trial charged with an indictable crime in 2017, compared to 2014, when money bail was the primary mechanism for release from jail before a trial — 13.7 percent in 2017 versus 12.7 percent in 2014. There was also a rise in the percent of those charged with a disorderly persons offense after release — 13.2 percent in 2017 versus 11.5 percent three years earlier. In addition, the percentage of defendants released pending trial who showed up for pretrial court appearances declined last year to 89.4 percent, from 92.7 percent in 2014.

Sen. Declan O'Scanlon (R-Monmouth), who was among the sponsors of the reform legislation, said those patterns are not necessarily troubling and could indicate a natural fluctuation in offender actions, but they are something the state needs to keep monitoring. "If re-offenses and failure to show had gone down, that would be a pretty definitive indication of success," he said. "The fact they went up marginally is something we have to continue to pay attention to ... The bail industry had predicted chaos and mayhem and that is not the case."

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Another report finding of potential concern is the increase from 2017 to 2018 in the percentage of arrested defendants who are detained in jail while awaiting court proceedings. Jails held more than 600 additional defendants last year than in the first year of bail reform. (There is essentially no more cash bail so these are people denied release because the algorithm determined they were either a risk to public safety or a flight risk.) The detention rate for those charged on a warrant rose from 18.1 percent in 2017 to 19.5 percent last year. It's unclear whether that may have been because of changes in guidance from the courts or the attorney general about when to seek or approve detention or for other reasons. Prosecutors also filed more requests to detain defendants — from 43.7 percent of cases in 2017 to 49 percent last year.

"Any increase in detention rates raises red flags," Shalom said. "Our system succeeds when it prioritizes liberty; we've made tremendous strides in changing the culture of pretrial justice to one that has release as a default, but there is more work to be done. The pretrial services program added 30 employees last year and has a total staff of 297, in addition to the judges who hear cases. It costs $4.19 per defendant per day for electronic monitoring. "There is a continuing critical need to identify and implement a sustainable means to fund the program," the report states. "The current method — which relies on annual court filing fees — is not a workable approach. As predicted at the outset of CJR, the model in place has a built-in structural deficit, and within the next year, will result in an actual funding deficit."

The amount collected in court filing fees has been dropping since the 2016 fiscal year. In the last fiscal year, the judiciary collected $40.5 million and collections for FY2019 are so far 1 percent below where they were at the same time last year. Shalom said the state needs to come up with a stable source of adequate funding to keep the program going. "The time has come to fund the program from the state budget rather than from filing fees," he said. "The opportunity for long-term financial savings due to a sharply diminished New Jersey jail population is real; regardless, the gains — a fairer system, families that aren't disrupted, and stronger communities — are worth every penny of our investment in this system."

John Donnadio, executive director of the New Jersey Association of Counties, said the counties need more time to determine how much they might be able to save in jail costs. "With respect to operating county jails, we will need another year or so to determine if the reduction in the overall jail population will result in any cost savings," he said, adding that the jails are continuing to process defendants. "Over time, county jails should realize cost savings through attrition and the retirement of correction officers, but it's still too early to make that determination. "However, he added, county governments spent between $45 million and $50 million hiring additional prosecutors to implement another component of the reform — setting time limits for court proceedings to ensure that a defendant who is kept in custody does not have to wait overly long for his case to be decided. For instance, a person cannot be held more than 90 days before an indictment, or more than 180 days after an indictment, with some exceptions.

While the report does not go into detail about the state's performance on keeping to those deadlines, courts spokesman Peter McAleer said that trials have been proceeding according to those timeframes. "We only know of a very small number of instances, like one or two, where we missed the deadline," he said.

MURPHY TO MEET WITH TOP DEMS ABOUT LEGALIZING WEED IN NJ AS HIS DEADLINE LOOMS
Brent Johnson, NJ Advance Media for NJ.com, April 11, 2019

EDITOR'S NOTE: Entrepreneurs everywhere are eyeing the billion-dollar legal weed industry, an economic opportunity unrivaled in modern N.J. history. NJ Cannabis Insider features exclusive weekly content geared toward those interested in the marijuana industry. View a sample issue.

Thursday could be an important day in the seemingly never-ending saga to legalize marijuana in New Jersey. Eyeing a possible vote by the end of next month, the Garden State's top three elected state officials are scheduled to strategize about their latest push to gather enough support in the state Legislature to pass a bill that would legalize weed here. Gov. Phil Murphy confirmed Wednesday night during his radio show that he will meet and talk pot with his fellow Democrats who lead the Legislature — state Senate President Stephen Sweeney and state Assembly Speaker Craig Coughlin.

The sit-down comes a few weeks after Sweeney, D-Gloucester, and Coughlin, D-Middlesex, canceled a planned vote on the bill when it became clear it would not have enough votes to pass the Senate. Leaders have now been considering holding the vote in May — that is, if they can muster the 21 votes that are needed for the Senate to approve the measure, which would legalize recreational weed for people 21 and older in New Jersey. Murphy was asked Wednesday during his regular call-in radio show what the chances were of the bill passing by the end of May. He declined to put odds on it. But Murphy said he's "cautiously optimistic."

"We came very close," he said during "Ask Governor Murphy," which was broadcast on public radio stations. "We came within a vote or two. I hope we can print this sooner than later." A legislative source confirmed Wednesday's meeting to NJ Advance Media but said a time was not certain. Depending on whom you talk to, leaders have secured anywhere from 18 to 20 votes in the Senate, according to sources. One issue casting a cloud over the gathering: The Legislature has packaged the bill with two other measures — one that would greatly expand the state's medical marijuana program and another that would expunge the records of thousands of people with pot convictions in the state. The hope is to garner more support for the legalization bill if all three are put up for a vote at the same time.

But Murphy has said if lawmakers don't pass the measures by the end of May, he will use his executive authority to expand the medical weed program because patients have waited too long. Sources have told NJ Advance Media that lawmakers are worried that gives some legislators reason not to vote for legal pot because medical marijuana will be expanded either way. But Murphy defended his plans Wednesday, saying he'd have "no choice" because the "demand to open (the program) up further is overwhelming." "Next month is a reasonable amount of time," the governor said. "There's too much at stake here," he added. "We must continue to open it up."

UPCOMING NJAC EVENTS: We hope to see you at NJAC's Annual Celebration of County Government from May 8th through May 10th at Caesar's in Atlantic City.

STATE HOUSE TRIVIA: Did you know that the honorary flowers for April are the Daisies and Sweet Peas?

"When I do good, I feel good, when I do bad, I feel bad, and that's my religion." Abraham Lincoln

From:	John Donnadio <jdonnadio@njac.org>
Sent time:	11/15/2019 01:36:28 PM
To:	Undisclosed recipients:
BCc:	cblock@co.ocean.nj.us; vhaines@co.ocean.nj.us; dflynn@co.ocean.nj.us; ocplanning@co.ocean.nj.us; jbusch@co.ocean.nj.us; mfiure@co.ocean.nj.us; tmaksel@co.ocean.nj.us; Cifrodella, Angia <acifrodella@co.ocean.nj.us>
Subject:	State House News & Summit on the Suicide Crisis
Attachments:	State House News 111519 .doc NJAC Summit on the Suicide Crisis Agenda 2019 .doc

Good afternoon. I hope all is well. Please find attached for your review, this week's edition of State House News, which contains updates on the Mental Health Advisory Task Force, code blue and code red alerts, small wireless facilities, and the electronic notice of bond ordinances. The edition also contains articles concerning the establishment of a public bank and new restrictions on vaping. Please also find attached for your review, the outstanding lineup for NJAC's December 20th Summit, where we'll examine the alarming increase in suicide rates among teenagers, adults, veterans, and law enforcement professionals. Mental health specialists and other leading authorities will also discuss essential strategies for prevention and recommend resources for providing vital support for those in need. Registration is free for public officials, but space is limited and you must register to attend. I look forward to seeing you then and have a great weekend.

John G. Donnadio, Esq.
Executive Director
New Jersey Association of Counties
Government Finance Officers Association of New Jersey
150 West State Street
Trenton, New Jersey 08608
Telephone (609) 394-3467
www.njac.org

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Executive Director

STATE HOUSE NEWS

November 15, 2019

MENTAL HEALTH ADVISORY TASK FORCE

NJAC is pleased report that the Association will serve on the Mental Health Advisory Task Force created by the Administrative Office of the Courts (AOC) to address system-wide issues concerning individuals with mental illness. The Committee met for the first time on November 13th, where Chief Justice Stuart Rabner provided the opening remarks and shared his vision of how collaboratively the State should guide individuals struggling with mental illness to treatment and not into correctional facilities.

Department of Human Services Commissioner Carole Johnson and Essex County Vicinage Assignment Judge Sallyanne Floria will serve as co-chairs of Committee, which will *"examine points of intersection between individuals with mental illness and the Judiciary; determine whether mental health services can or should be provided at these various points; and, identify and formalize best practices and programs to create new initiatives that can be used to further the goal of better serving those with mental illness who interact with the justice system."* Thank you to the AOC and the Honorable Glenn Grant for including NJAC in this important and timely endeavor. In addition to the Association, county government is well represented by Eugene Caldwell as the Gloucester County Jail Warden and President of the New Jersey County Jail Wardens Association; Steven Horvath with the Monmouth County Office of Mental Health and the New Jersey Association of County Mental Health Administrators; and, Camelia Valdes, the Passaic County Prosecutor.

We'll make sure to keep you posted on the Committee's progress and encourage you to share your thoughts and suggestions throughout the process. NJAC plans to serve on the Mental Health Summit Planning and Community Outreach subcommittees and looks forward to hearing from our county welfare directors, human service directors, adjusters, administrators, and other county professionals. Additional subcommittees include the Mental Health Pilot Subcommittee; the Crisis Intervention Team (CIT), Mental Health Training, and Educational Materials for Key Stakeholders Subcommittee; the Data Collection, Measures, and Outcomes Subcommittee; and, the Treatment and Service Capacity Subcommittee.

CODE BLUE

NJAC is concerned that the Assembly Homeland Security and State Preparedness Committee will consider during lame duck **SENATE, NO. 3422** *(Singer R-30/Kean R-21),* which would require counties to declare a Code Blue alert when the National Weather Service (NWS) Predicts the temperature to be 32 degrees Fahrenheit or lower.

Although NJAC commends senators Singer and Kean for their efforts to provide comfort for at-risk individuals during severe weather events, this legislation does not contain a funding mechanism or State appropriation to offset the costs associated with extending the 2017 law that counties, municipalities, social service agencies, and non-profit organizations have struggled to implement. In summary, the relatively new law requires county governing bodies, through their offices of emergency management or other appropriate offices, agencies or departments, to establish plans for issuing Code Blue alerts to municipalities, social service agencies, and non-profit organizations that provide services to at-risk individuals and are located within the county's borders. In summary, the new law requires emergency management coordinators to declare a Code Blue alert after evaluating weather forecasts and advisories produced by the National Weather Service that predict the following weather conditions in the county within 24 to 48 hours: temperatures will reach 25 degrees Fahrenheit or lower without precipitation; or 32 degrees Fahrenheit or lower with precipitation; or, the National Weather Service wind chill temperature will be 0 degrees Fahrenheit or less for a period of 2 hours or more.

Under the leadership of Senator Troy Singleton *(D-7)* and Assemblywoman Pintor Marin *(D-29)*, Governor Phil Murphy signed into law earlier this year legislation that now authorizes county governments to increase the homelessness housing fund surcharge from $3.00 to $5.00 and to use the $2.00 increase to support emergency shelter for homeless services provided during a Code Blue alert. NJAC supported this important and timely initiative as one of our top legislative priorities as it should help freeholder boards provide adequate shelter for homeless individuals during inclement weather without affecting existing programs that support permanent housing and self-sufficiency. Although certainly well intended, S-3422 would establish an even greater financial burden than the 2017 law and would make issuing a Code Blue alert more costly and difficult to implement, manage, and sustain. In fact, setting the parameters for issuing a Code Blue alert at 32 degrees Fahrenheit or lower would double the amount of Code Blue nights and would lead to increased costs as noted above, depleted staff and resources, and fatigued volunteers.

For these reasons and considering the several pieces of legislation that affect issuing Code Blue and Code red alerts, NJAC respectfully opposes S-3422 and instead recommends that the Legislature establish a task force to study and recommend Code Blue and Code Red alert best practices and guidelines. In fact, NJAC is seeking sponsors

to introduce legislation that would establish a task force to recommend Code Blue and Code Red alert best practices based on the following general parameters: 1) reasonable temperatures for issuing Code Red and Code Blue alerts; 2) clearly defined roles for counties, municipalities, social service agencies, non-profit organizations, and other volunteers; 3) the appropriate use of facilities, staffing levels, fire codes, permits, and other resources; and, 4) a permanent and steady source of funding to offset the costs associated with issuing Code Red and Code Blue alerts.

The task force should include representatives from the following county affiliated organizations: the New Jersey Association of Counties, the New Jersey Association of Human Service Directors, the New Jersey Association of County Emergency Management Coordinators, The New Jersey Association of County Welfare Directors, the New Jersey Association of County Mental Health Administrators, and the New Jersey Sheriff's Association. The task force should also include representatives from the New Jersey State League of Municipalities, the New Jersey Department of Human Services, the New Jersey Department of Community Affairs, the New Jersey Office of Emergency Management, the Office of the State Treasurer, appropriate social service and non-profit organizations, and legislators from both houses and on both sides of the aisle. In general, the task force may meet in person at least (4) times and must deliver a final report to the Legislature within (1) year.

The intent of this important and timely task force would be to establish uniformity in the law that should help provide adequate shelter for homeless individuals during inclement weather in conjunction with existing programs that support permanent housing and self-sufficiency.

Small Wireless Facilities

On November 14th, NJAC and the New Jersey State League of Municipalities (NJLM) testified before the Assembly Telecommunications and Utilities Committee on **Assembly, No. 5560** *(Murphy D-7/Greenwald D-6)*, which would provide for the uniform regulation of small wireless facility deployment.

Although NJAC appreciates the need to uniformly and expediently deploy small wireless facilities to meet increasing consumer demand for wireless data, deployment must be executed in a collaborative effort between wireless providers and counties and municipalities as caretakers of public lands. NJAC plans to meet with the sponsors to discuss the measure in more detail as it would generally restrict a local government's authority over a wireless provider's use of public rights of way, cap application and permit fees, impose new timelines for automatic project approval, require local governments to repair or remove small wireless facilities under certain circumstances, and essentially eliminate indemnity protection. NJAC will also seek to address the longstanding issue of utility relocation in a timely manner when planning for long-term

capital improvement projects on county bridges of which often delays projects unnecessarily.

In general, this legislation would provide for the uniform regulation of small wireless facility deployment in this State by local government units (authorities). The bill would prohibit an authority from regulating small wireless facilities in a manner that is inconsistent with the bill. An authority may not enter into an exclusive arrangement with any person or entity for the use of the right-of-way for: the collocation of a small wireless facility; the mounting or installation of a small wireless facility on new or replacement poles; the installation of associated antenna equipment adjacent to a structure on which a small wireless facility is or will be collocated, mounted, or installed; or, the installation, operation, marketing, modification, maintenance, or replacement of associated poles.

The bill would also provide that a wireless provider would to have the right, as a permitted use not subject to zoning review or approval, and without the need for municipal consent to: collocate small wireless facilities; mount or install small wireless facilities on new or replacement poles; install associated antenna equipment adjacent to a structure on which a small wireless facility is or will be collocated, mounted, or installed; or, install, modify, or replace its own poles, or, with the permission of the owner, a third party's poles, associated with a small wireless facility, along, across, upon, and under the right-of-way.

The measure would further provide that each new, replaced, or modified pole installed in the right-of-way for the purpose of collocating, mounting, or installing a small wireless facility is to follow certain height restrictions pursuant to the bill. An authority may adopt aesthetics requirements governing the deployment of small wireless facilities and associated antenna equipment and poles in the right-of-way, subject to certain requirements pursuant to the bill. A wireless provider would have to comply with undergrounding requirements that are consistent with the bill. The bill provides that an authority may require a wireless provider to repair all damage to the right-of-way caused by the activities of the wireless provider and to return the right-of-way to its functional equivalence before the damage, pursuant to the competitively neutral, reasonable requirements and specifications of the authority. If the wireless provider fails to make the repairs required by the authority within a reasonable time after written notice, the authority may make those repairs and charge the applicable party the reasonable, documented cost of the repairs.

A wireless provider would not be required to replace or upgrade an existing pole except for reasons of structural necessity or compliance with applicable building codes. A wireless provider may, with the permission of the pole owner, replace or modify the existing pole, but any replacement or modification shall be consistent with the design aesthetics of the pole being modified or replaced. The bill requires wireless provider to notify an authority at least 30 days before the abandonment of

a small wireless facility located within the authority's jurisdiction. Following receipt of the notice, the authority is to direct the wireless provider to remove all or any portion of the small wireless facility and associated antenna equipment that the authority determines would be in the best interest of public safety. If the wireless provider fails to remove the abandoned small wireless facility within 90 days after the notice, the authority may undertake to remove the small wireless facility and recover the actual and reasonable expenses of the removal from the wireless provider, its successors, or assigns. The bill would allow an authority to require an applicant to obtain a permit for: the collocation of a small wireless facility; mounting or installation of a small wireless facility on a new, modified, or replacement pole; or, the installation, modification, or replacement of associated poles or antenna equipment as provided the bill.

Each permit issued pursuant to the bill would be of general applicability and would not to apply exclusively to a small wireless facility. An authority would be required to receive and process applications following certain requirements pursuant to the bill. Additionally, rates, fees, and terms and conditions for any make-ready work to collocate, mount, or install a small wireless facility on an authority pole and to install associated antenna equipment would be non-discriminatory, competitively neutral, and commercially reasonable. The legislation would further provide that all rates and fees established pursuant to the bill are to be a reasonable approximation of the authority's reasonable costs and would be applied by the authority in a non-discriminatory manner. An authority may not require a wireless provider to pay any rates, fees, or compensation to the authority or other person other than what is expressly authorized by the bill for the right to use or occupy the right-of-way for the collocation, mounting, or installation of a small wireless facility on a pole in the right-of-way, or for the installation, maintenance, modification, or replacement of associated antenna equipment or a pole in the right-of-way.

Application fees for any permit would not to exceed certain amounts pursuant to the bill. The bill provides that an authority is not to have or exercise any jurisdiction or authority over the design, engineering, construction, installation, or operation of a small wireless facility located in an interior structure or upon the site of a campus, stadium, or athletic facility not owned or controlled by the authority, other than to require compliance with applicable building codes. Further, except as it relates to small wireless facilities subject to the permit and fee requirements established pursuant the bill or otherwise specifically authorized by State or federal law, an authority is not to adopt or enforce any regulations or requirements on the placement or operation of communications facilities in the right-of-way by a communications service provider authorized by federal, State, or local law to operate in the right-of-way, regulate any communications services, or impose or collect any tax, fee, rate, or charge for the provision of additional communications service over the communications service provider's communications facilities in the right-of-way. The bill would allow for an authority to adopt an ordinance that makes

available to wireless providers rates, fees, and other terms and conditions that comply with the bill. An ordinance or agreement that does not fully comply with the bill is to apply only to small wireless facilities and any associated poles and antenna equipment that were operational before the effective date the bill and are to be deemed invalid and unenforceable beginning on the 181st day after the effective date of the bill unless amended to fully comply with the bill.

The measure would provide that an authority may adopt reasonable indemnification, insurance, and bonding requirements related to a small wireless facility and associated pole permits and antenna equipment. An authority is not to require a wireless provider to indemnify and hold the authority and its officers and employees harmless against any claims, lawsuits, judgments, costs, liens, losses, expenses, or fees, except when a court of competent jurisdiction has found that the negligence of the wireless provider while installing, repairing, or maintaining a small wireless facility or associated poles and antenna equipment caused the harm that created the claims, lawsuits, judgments, costs, liens, losses, expenses, or fees. The bill provides that an authority may require a wireless provider to have in effect insurance coverage consistent with the bill. The bill also allows an authority to adopt bonding requirements for small wireless facilities if the authority imposes similar requirements in connection with permits issued for other right-of-way users. The bill provides that a court of competent jurisdiction is to have jurisdiction to determine disputes arising pursuant to the bill. A dispute is to be pursued in accordance with accelerated docket or complaint procedures, where available.

ELECTRONIC NOTICE OF BOND ORDINANCES

Also, on November 14th, NJAC noted its support before the Senate Community and Urban Affairs Committee for **SENATE, NO. 3037** *(Lagana D-38)*/**ASSEMBLY, NO. 4476** *(Mazzeo D-2/Armato D-2)*, which would permit the transmittal of certain proposed bond ordinances by electronic mail.

Along the lines of similar NJAC legislative initiatives that were signed into law, such as authorizing local governing bodies to pay employees by direct deposit and to pay bills by electronic fund transfer technologies, NJAC strongly supports this legislation as it would streamline and modernize the antiquated bond notification process. Under current law, a board of chosen freeholders in charter counties *(Atlantic, Bergen, Essex, Hudson, Mercer, and Union)* must provide, by regular mail within one week prior to the date of a hearing on a proposed bond ordinance, a copy of the proposed ordinance to the clerk of each municipality within the county. As ordinances typically range from 10 to 25 pages with anywhere from 15 to 70 municipalities in such counties, authorizing a board of chosen freeholders to notify municipalities by email of a proposed bond ordinance would save valuable time, resources, taxpayer dollars, and would provide clarification on the process to non-charter counties. The General Assembly unanimously passed A-4476 on March 25th and the Senate is expected to pass the measure during lame duck.

GOVERNOR'S PLAN FOR PUBLIC BANK IS MET BY ACCLAIM – AND SOME CONCERNS
John Reitmeyer, NJ Spotlight, November 14, 2019

Gov. Phil Murphy's long-awaited first step to establish a public bank in New Jersey has thrilled advocates for financial reform. But it is also generating concerns, including from those who worry New Jersey is a poor fit for a state-run financial institution. Murphy yesterday signed an executive order that formally set up a 14-member "implementation board" for a public bank in New Jersey. He has also given the panel a year to come up with a business plan and other operating guidelines for the institution. While the move was praised by financial reform advocates, Republican lawmakers and a representative of the state's banking community were among those critical of the move. "It just seems a little strange to be creating another state agency," said Michael Affuso, director of government relations for the New Jersey Bankers Association.

The basic premise of a public bank is to leverage the millions of dollars in taxpayer deposits that are normally kept in commercial banks and to use them as capital to underwrite loans that serve some sort of public purpose. Right now, North Dakota is the only state that operates such a bank. But Murphy, a Democrat, made the establishment of a public bank in New Jersey a central issue during his run for office in 2017. Yesterday's announcement marks the governor's first significant move toward making it a reality since he took office in early 2018. "I am so proud to be able to say we are governing as we said we would," Murphy said moments before signing the executive order during an event in Newark.

Financial reform advocates immediately praised the governor's action. Supporters included Joan Bartl, co-director of a group called Banking on New Jersey that has long called for the establishment of a public bank in the Garden State. "It's very exciting," said Bartl, who Murphy picked to serve on the implementation board. Advocates of public banks say they can provide borrowers with fairer interest rates and other favorable lending terms because there's no need to charge high fees to fund things like large executive bonuses or to pump up shareholder profits. Murphy also suggested a public bank in New Jersey could be used to boost affordable housing projects, fund infrastructure investments and provide better lending terms to college students and small-business owners.

"A public bank is about power to the people," said Lt. Gov. Sheila Oliver, who was also on hand yesterday as Murphy signed the executive order. Phyllis Salowe-Kaye, executive director of New Jersey Citizen Action, said discussions about establishing a public bank in New Jersey go back decades. She credited Murphy for bringing the idea this far even while acknowledging there's more work to do over the next year. "Today marks a very important step toward making a state public bank in New Jersey a reality, and getting some of these very important projects funded," said Salowe-Kaye, who will also serve on the implementation board. Under the executive order, the 14-member

panel will hold at least three public hearings as it sketches out a business plan for the bank. State Banking and Insurance Commissioner Marlene Caride will lead the board.

Tim Sullivan, chief executive of the state Economic Development Authority , said after yesterday's event that the bank could play an important role in a broader push to improve the state economy by giving more entrepreneurs and small-business owners access to capital in New Jersey. "We're trying to shift how the marketplace thinks about a lot of these opportunities," Sullivan said. He cited as an example an EDA small-business "microlending" program that currently has only $1 million in available funding. "It could be scaled up with a public bank, for sure," Sullivan said. "Hopefully, we can figure out some of the particulars of how this could work." Not everyone is thrilled to see the governor advance the public-bank initiative, including Republican lawmakers, who raised concerns yesterday about the potential for taxpayers to take on risky loans. "This poses too great of a potential liability for New Jersey families who already struggle with taxes," said Sen. Anthony Bucco (R-Morris).

Bucco also raised concerns about political influence in his own response to Murphy's announcement, which came as his administration is still in the midst of probing the state's administration of lucrative economic-development tax incentives. At least one criminal referral has been made as a result of that investigation. "Governor Murphy needs to focus on New Jersey's high property taxes and underfunded schools, rather than launch this bottomless money pit that will no doubt be run by politically connected folks," Bucco said. One of the big questions the implementation board will have to address is how the public bank would interact or complement existing financial institutions in New Jersey, including credit unions and community banks.

Michael Affuso of the New Jersey Bankers Association said banks already have a responsibility under the federal Community Reinvestment Act to work with low- and moderate-income communities, which would also be one of the public bank's goals. He also questioned the state's creation of another financial bureaucracy, since there are already agencies like the EDA, the Higher Education Student Assistance Authority and the Housing and Mortgage Finance Agency operating in Trenton. "We think we can get exactly where the governor wants to get without creating any additional state bureaucracy," he added. Also raising eyebrows was Murphy's decision to appoint senior adviser Derrick Green to serve on the implementation board alongside advocates like Bartl and Salowe-Kaye, and administration officials like Caride and state Treasurer Elizabeth Maher Muoio. Green, according to northjersey.com reports, was connected to a campaign-finance scandal several years ago in Bermuda. He was never charged with any wrongdoing, but GOP lawmakers had already been critical of Murphy's selection of Green to serve in his administration before he was picked to fill a seat on the public-bank panel. "Governor Murphy is once again intentionally ignoring significant issues involving someone within his administration, and doing so conspicuously," said Assemblywoman Holly Schepisi (R-Bergen). "It is a disturbing trend."

BILLS IN BOTH HOUSES WOULD TIGHTEN RESTRICTIONS ON VAPING, E-CIGS
Lilo H. Stanton, NJ Spotlight, November 14, 2019

New Jersey lawmakers are scheduled today to consider proposals that would eliminate all flavored tobacco and e-cigarette products — including menthol cigarettes — increase taxes on vapes, create an electronic tracking system for their sales and tighten regulations for retail outlets to reduce sales to those under age 21.

Bills scheduled to be heard in the Assembly and Senate health panels would codify some of the key recommendations of the Electronic Smoking Device Task Force Gov. Phil Murphy empaneled earlier this year to address concerns about vape use, which has soared in recent years among young people. At least one in five Garden State high schoolers now uses e-cigs although state law prohibits sales of any tobacco product to minors. Lawmakers first tried to ban e-cigarette flavors in 2016 but the issue has recently received new attention as health officials across the country face a growing number of vape-related lung injury cases. More than 2,000 cases are under review and 39 people have died nationwide, including one in New Jersey; initial research suggests street-altered products may be largely to blame. "Young people are using flavor as a gateway to nicotine addiction," said Sen. Joseph Vitale (D-Middlesex), chair of the health committee and a sponsor of several bills. "There's going to be pushback" from the vaping industry, he said, "but we'll get this done."

While e-cigarettes — which heat a liquid infused with nicotine or marijuana into a vapor that is inhaled — do not contain the same cancer-causing tar as traditional cigarettes, they do contain higher levels of nicotine. Health experts also note little is known about the effect of some of the flavors and other substances, but some users swear the products have saved their lives by allowing them to stop smoking cigarettes. A total of seven bills are on the agenda for Thursday, but several are nearly identical versions of the same proposals. Vitale and Assemblyman Herb Conaway (D-Burlington), who chairs the health committee in his chamber, are the lead sponsors on a number of measures, including the flavor ban. Senate President Steve Sweeney (D-Gloucester) is sponsoring a tax that would require vape products be carefully tracked. Vitale said most are likely to head to the budget committees next, where amendments will be made to resolve any disparities between the versions. *The bills scheduled for consideration Thursday include:*

S-3265/A-3178, which would make it illegal to sell, give away or otherwise distribute vape products that contain flavoring of any kind. It would impose fines ranging from $250 for the first offense to $1,000 for the third or later violation. It is up for a vote in both health committees today. This proposal dates to January 2016 and cleared hearings in both houses in the previous legislative session but has yet to gain traction — until now. Vitale, Sen. Shirley Turner (D-Mercer) and Sen. Richard Codey (D-Essex) are lead sponsors of the current Senate version. Conaway and Assemblywomen Carol Murphy (D-Camden) and Valerie Vainieri Huttle (D-Bergen) have championed the measure in their house.

A-5922/S-4224, which would revise sales requirements for tobacco, vape products; increases penalties This bill seeks to tighten and clarify state laws regulating tobacco product sales in order to reduce minors' access to vapes; it also spells out that these limits don't apply to medical cannabis. It would further require the use of an electronic system to monitor the sale of e-cigarette products, pending under another bill, which would allow regulators to track vape products through a system similar to how the state taxes and controls cigarettes. In addition, the proposal calls for vendors to keep all tobacco products, including vapes, in a locked cabinet behind the counter or other restricted area. It would also require salespeople to confirm the age of the buyer before selling any tobacco items. Retailers could face penalties ranging from $500 to $2,000 — double the current rate — for violations; the clerk making an underage sale could be charged with a disorderly persons offense and fined $1,000, also twice the current amount. And minors who buy vapes could face similar charges, with a fine of up to $500 and as much as 30 days in jail, or both, as they now do for buying tobacco products under the legal age. The proposal would also create new regulations to restrict what vape products can be sold legally, including banning devices that look like unrelated items — like flash drives or phones. In addition, it would require all products sold to be registered with the federal Food and Drug Administration and to include an electronic-tracking feature; vape liquids couldn't contain more than 2% nicotine or be tampered with outside the factory. Conaway is the sponsor of the Assembly version, which appears to align with draft text of the bill Vitale will formally introduce tomorrow. Both committees are scheduled to vote on the measure.

A-5923/S-4223, which would change how vape sellers are licensed under the state Treasury Department, raise and expand the sales taxes charged on these products, and establish a new electronic-tracking system for e-cigarettes like the so-called tax stamp used protect the legitimacy of conventional cigarette sales. It also creates new categories of business to separate shops largely devoted to e-cigarette products from other retail sites that offer a limited selection of these products; all of these retailers would need a license under the new bill. Currently, only vape shops that sell liquid refills require a special e-cigarette license, the bill notes. The proposal raises the fee for vape-shop licenses from $50 annually to at least $500; more extensive businesses would need to pay $1,000 a year. It would also permit municipalities to require additional fees, if the revenue generated is spent on enforcement. Businesses that sell vape products to underage buyers would face a $2,000 fine and could lose their license; operating without a license could result in daily penalties of $1,000.

In addition, the measure would impose a new 20% retail tax rate on vapes and liquids and doubles the existing 10-cents-per-milliliter tax on refills. (New Jersey charges an excise tax of $2.70 per pack of cigarettes, in addition to the 6.6% sales tax.) The bill also requires the Treasury's Division of Taxation to establish a database and an electronic system — with a stamp or barcode of some kind — that allows it to track all vape-related products sold. When he first discussed his plan, Sweeney said he envisioned

something akin to the tax stamps the state currently uses to regulate cigarette sales and ensure they are distributed legally. Two months after this process was developed, manufacturers would need to start building this tracking device into their products, upload information on these items to the state system, and report any problems to regulators, the bill notes. Items without the stamp would be considered contraband, like cigarettes without the state tax stamp. The measure is sponsored by Conaway; it appears almost identical to a plan Sweeney will introduce Thursday.

S-1947, sponsored by Vitale and Sen. Robert Singer (R-Monmouth) amends a 2008 statute that banned flavored cigarettes to include menthol and clove products, both of which were exempted at the time. The legislation notes that research has shown the cooling aspect of the menthol flavor desensitizes smokers so that they light up more frequently than their peers who prefer unflavored tobacco, which puts them at greater risk for addiction and smoking-related diseases. Menthol products have historically been marketed to the black community, the bill adds, and nearly nine-in-10 African American smokers prefer menthols. Conaway first introduced this measure in the Assembly in January 2018, when it also passed the health committee he chairs and was referred to the Assembly's appropriations panel, where the measure remains. (The Assembly version is not up for a hearing Thursday.) Federal regulators, who banned other flavored smokes in 2009, have also explored further restrictions on menthol products but have not imposed any ban, lawmakers note.

UPCOMING NJAC EVENTS

We hope you'll join us on December 20th for NJAC's "Summit on the Suicide Crisis," where we'll examine the alarming increase in suicide rates among teenagers, adults, veterans, and law enforcement professionals. Registration is free for all public officials; however, space is limited, and you *must* to attend.

STATE HOUSE TRIVIA: *Did you know* that the Macy's Day Parade began as a Christmas Parade with animals from the Central Park Zoo, entertainers, and employees.

"Thanksgiving is an emotional time. People travel thousands of miles to be with people they see only once a year. And then discover once a year is way too often." Johnny Carson.

150 West State Street · Trenton, New Jersey 08608 · Phone 609-394-3467 · Fax 609-989-8567 · www.njac.org

NJAC Summit on the Suicide Crisis & Prevention

December 20, 2020

9:30 a.m. – 1:30 p.m.

Trenton Country Club, 201 Sullivan Way, Trenton, New Jersey

Thank you for joining the New Jersey Association of Counties (NJAC) for an important and timely discussion on county governments' role in combatting the suicide crisis and providing critical resources for those in need.

NJAC Board of Directors Meeting
9:00 a.m. – 9:30 a.m.

Registration & Continental Breakfast
9:00 a.m. – 10:00 a.m.

Opening Remarks
10:00 a.m. – 10:15 a.m.

The Suicide Crisis
10:15 a.m. – 11:15 a.m.
Subject matter experts from across the State will examine the alarming increase in suicide rates among teenagers, adults, veterans and law enforcement professionals. *Eric Scott with Townsquare Media to moderate both panels!*

- Tricia Baker, Attitudes in Reverse
- Valentina Sanchez, Mental Health Association of Monmouth County
- Roy Diaz, Cop2Cop
- Jennifer Stivers, Community Hope

Coffee Break
11:15 a.m. – 11:30 a.m.

Suicide Prevention and awareness
11:30 a.m. - 12:30 p.m.
Mental health specialists and other leading authorities will discuss essential strategies for prevention and recommend resources for providing support to those in need.

- Maria Kirchner, NJ Division of Mental Health and Addiction Services
- Shauna Moses, NJ Association of Mental Health and Addiction Agencies
- Maureen Underwood, Lifelines: A Suicide Prevention Program
- Andrew Ominus, Minding Your Mind
- Douglas Forrester, First Responder Partnership Health Center

Keynote Speaker and Luncheon
12:30 p.m. – 1:30 p.m.
Nick LeDonne, Awarding Winning Filmmaker, "Hanging to Hang On"

From:	John Donnadio <jdonnadio@njac.org>
Sent time:	11/15/2019 01:36:28 PM
Subject:	State House News & Summit on the Suicide Crisis
Attachments:	State House News 111519 .doc NJAC Summit on the Suicide Crisis Agenda 2019 .doc

Good afternoon. I hope all is well. Please find attached for your review, this week's edition of State House News, which contains updates on the Mental Health Advisory Task Force, code blue and code red alerts, small wireless facilities, and the electronic notice of bond ordinances. The edition also contains articles concerning the establishment of a public bank and new restrictions on vaping. Please also find attached for your review, the outstanding lineup for NJAC's December 20th Summit, where we'll examine the alarming increase in suicide rates among teenagers, adults, veterans, and law enforcement professionals. Mental health specialists and other leading authorities will also discuss essential strategies for prevention and recommend resources for providing vital support for those in need. Registration is free for public officials, but space is limited and you must register to attend. I look forward to seeing you then and have a great weekend.

John G. Donnadio, Esq.
Executive Director
New Jersey Association of Counties
Government Finance Officers Association of New Jersey
150 West State Street
Trenton, New Jersey 08608
Telephone (609) 394-3467
www.njac.org

NEW JERSEY ASSOCIATION OF COUNTIES

County Government with a Unified Voice!

BRENDAN GILL
NJAC President
Essex County Freeholder

JOHN G. DONNADIO
Executive Director

STATE HOUSE NEWS

November 15, 2019

MENTAL HEALTH ADVISORY TASK FORCE

NJAC is pleased report that the Association will serve on the Mental Health Advisory Task Force created by the Administrative Office of the Courts (AOC) to address system-wide issues concerning individuals with mental illness. The Committee met for the first time on November 13th, where Chief Justice Stuart Rabner provided the opening remarks and shared his vision of how collaboratively the State should guide individuals struggling with mental illness to treatment and not into correctional facilities.

Department of Human Services Commissioner Carole Johnson and Essex County Vicinage Assignment Judge Sallyanne Floria will serve as co-chairs of Committee, which will *"examine points of intersection between individuals with mental illness and the Judiciary; determine whether mental health services can or should be provided at these various points; and, identify and formalize best practices and programs to create new initiatives that can be used to further the goal of better serving those with mental illness who interact with the justice system."* Thank you to the AOC and the Honorable Glenn Grant for including NJAC in this important and timely endeavor. In addition to the Association, county government is well represented by Eugene Caldwell as the Gloucester County Jail Warden and President of the New Jersey County Jail Wardens Association; Steven Horvath with the Monmouth County Office of Mental Health and the New Jersey Association of County Mental Health Administrators; and, Camelia Valdes, the Passaic County Prosecutor.

We'll make sure to keep you posted on the Committee's progress and encourage you to share your thoughts and suggestions throughout the process. NJAC plans to serve on the Mental Health Summit Planning and Community Outreach subcommittees and looks forward to hearing from our county welfare directors, human service directors, adjusters, administrators, and other county professionals. Additional subcommittees include the Mental Health Pilot Subcommittee; the Crisis Intervention Team (CIT), Mental Health Training, and Educational Materials for Key Stakeholders Subcommittee; the Data Collection, Measures, and Outcomes Subcommittee; and, the Treatment and Service Capacity Subcommittee.

CODE BLUE

NJAC is concerned that the Assembly Homeland Security and State Preparedness Committee will consider during lame duck **SENATE, NO. 3422** *(Singer R-30/Kean R-21),* which would require counties to declare a Code Blue alert when the National Weather Service (NWS) Predicts the temperature to be 32 degrees Fahrenheit or lower.

Although NJAC commends senators Singer and Kean for their efforts to provide comfort for at-risk individuals during severe weather events, this legislation does not contain a funding mechanism or State appropriation to offset the costs associated with extending the 2017 law that counties, municipalities, social service agencies, and non-profit organizations have struggled to implement. In summary, the relatively new law requires county governing bodies, through their offices of emergency management or other appropriate offices, agencies or departments, to establish plans for issuing Code Blue alerts to municipalities, social service agencies, and non-profit organizations that provide services to at-risk individuals and are located within the county's borders. In summary, the new law requires emergency management coordinators to declare a Code Blue alert after evaluating weather forecasts and advisories produced by the National Weather Service that predict the following weather conditions in the county within 24 to 48 hours: temperatures will reach 25 degrees Fahrenheit or lower without precipitation; or 32 degrees Fahrenheit or lower with precipitation; or, the National Weather Service wind chill temperature will be 0 degrees Fahrenheit or less for a period of 2 hours or more.

Under the leadership of Senator Troy Singleton *(D-7)* and Assemblywoman Pintor Marin *(D-29)*, Governor Phil Murphy signed into law earlier this year legislation that now authorizes county governments to increase the homelessness housing fund surcharge from $3.00 to $5.00 and to use the $2.00 increase to support emergency shelter for homeless services provided during a Code Blue alert. NJAC supported this important and timely initiative as one of our top legislative priorities as it should help freeholder boards provide adequate shelter for homeless individuals during inclement weather without affecting existing programs that support permanent housing and self-sufficiency. Although certainly well intended, S-3422 would establish an even greater financial burden than the 2017 law and would make issuing a Code Blue alert more costly and difficult to implement, manage, and sustain. In fact, setting the parameters for issuing a Code Blue alert at 32 degrees Fahrenheit or lower would double the amount of Code Blue nights and would lead to increased costs as noted above, depleted staff and resources, and fatigued volunteers.

For these reasons and considering the several pieces of legislation that affect issuing Code Blue and Code red alerts, NJAC respectfully opposes S-3422 and instead recommends that the Legislature establish a task force to study and recommend Code Blue and Code Red alert best practices and guidelines. In fact, NJAC is seeking sponsors

to introduce legislation that would establish a task force to recommend Code Blue and Code Red alert best practices based on the following general parameters: 1) reasonable temperatures for issuing Code Red and Code Blue alerts; 2) clearly defined roles for counties, municipalities, social service agencies, non-profit organizations, and other volunteers; 3) the appropriate use of facilities, staffing levels, fire codes, permits, and other resources; and, 4) a permanent and steady source of funding to offset the costs associated with issuing Code Red and Code Blue alerts.

The task force should include representatives from the following county affiliated organizations: the New Jersey Association of Counties, the New Jersey Association of Human Service Directors, the New Jersey Association of County Emergency Management Coordinators, The New Jersey Association of County Welfare Directors, the New Jersey Association of County Mental Health Administrators, and the New Jersey Sheriff's Association. The task force should also include representatives from the New Jersey State League of Municipalities, the New Jersey Department of Human Services, the New Jersey Department of Community Affairs, the New Jersey Office of Emergency Management, the Office of the State Treasurer, appropriate social service and non-profit organizations, and legislators from both houses and on both sides of the aisle. In general, the task force may meet in person at least (4) times and must deliver a final report to the Legislature within (1) year.

The intent of this important and timely task force would be to establish uniformity in the law that should help provide adequate shelter for homeless individuals during inclement weather in conjunction with existing programs that support permanent housing and self-sufficiency.

SMALL WIRELESS FACILITIES

On November 14th, NJAC and the New Jersey State League of Municipalities (NJLM) testified before the Assembly Telecommunications and Utilities Committee on **ASSEMBLY, No. 5560** *(Murphy D-7/Greenwald D-6)*, which would provide for the uniform regulation of small wireless facility deployment.

Although NJAC appreciates the need to uniformly and expediently deploy small wireless facilities to meet increasing consumer demand for wireless data, deployment must be executed in a collaborative effort between wireless providers and counties and municipalities as caretakers of public lands. NJAC plans to meet with the sponsors to discuss the measure in more detail as it would generally restrict a local government's authority over a wireless provider's use of public rights of way, cap application and permit fees, impose new timelines for automatic project approval, require local governments to repair or remove small wireless facilities under certain circumstances, and essentially eliminate indemnity protection. NJAC will also seek to address the longstanding issue of utility relocation in a timely manner when planning for long-term

capital improvement projects on county bridges of which often delays projects unnecessarily.

In general, this legislation would provide for the uniform regulation of small wireless facility deployment in this State by local government units (authorities). The bill would prohibit an authority from regulating small wireless facilities in a manner that is inconsistent with the bill. An authority may not enter into an exclusive arrangement with any person or entity for the use of the right-of-way for: the collocation of a small wireless facility; the mounting or installation of a small wireless facility on new or replacement poles; the installation of associated antenna equipment adjacent to a structure on which a small wireless facility is or will be collocated, mounted, or installed; or, the installation, operation, marketing, modification, maintenance, or replacement of associated poles.

The bill would also provide that a wireless provider would to have the right, as a permitted use not subject to zoning review or approval, and without the need for municipal consent to: collocate small wireless facilities; mount or install small wireless facilities on new or replacement poles; install associated antenna equipment adjacent to a structure on which a small wireless facility is or will be collocated, mounted, or installed; or, install, modify, or replace its own poles, or, with the permission of the owner, a third party's poles, associated with a small wireless facility, along, across, upon, and under the right-of-way.

The measure would further provide that each new, replaced, or modified pole installed in the right-of-way for the purpose of collocating, mounting, or installing a small wireless facility is to follow certain height restrictions pursuant to the bill. An authority may adopt aesthetics requirements governing the deployment of small wireless facilities and associated antenna equipment and poles in the right-of-way, subject to certain requirements pursuant to the bill. A wireless provider would have to comply with undergrounding requirements that are consistent with the bill. The bill provides that an authority may require a wireless provider to repair all damage to the right-of-way caused by the activities of the wireless provider and to return the right-of-way to its functional equivalence before the damage, pursuant to the competitively neutral, reasonable requirements and specifications of the authority. If the wireless provider fails to make the repairs required by the authority within a reasonable time after written notice, the authority may make those repairs and charge the applicable party the reasonable, documented cost of the repairs.

A wireless provider would not be required to replace or upgrade an existing pole except for reasons of structural necessity or compliance with applicable building codes. A wireless provider may, with the permission of the pole owner, replace or modify the existing pole, but any replacement or modification shall be consistent with the design aesthetics of the pole being modified or replaced. The bill requires wireless provider to notify an authority at least 30 days before the abandonment of

a small wireless facility located within the authority's jurisdiction. Following receipt of the notice, the authority is to direct the wireless provider to remove all or any portion of the small wireless facility and associated antenna equipment that the authority determines would be in the best interest of public safety. If the wireless provider fails to remove the abandoned small wireless facility within 90 days after the notice, the authority may undertake to remove the small wireless facility and recover the actual and reasonable expenses of the removal from the wireless provider, its successors, or assigns. The bill would allow an authority to require an applicant to obtain a permit for: the collocation of a small wireless facility; mounting or installation of a small wireless facility on a new, modified, or replacement pole; or, the installation, modification, or replacement of associated poles or antenna equipment as provided the bill.

Each permit issued pursuant to the bill would be of general applicability and would not to apply exclusively to a small wireless facility. An authority would be required to receive and process applications following certain requirements pursuant to the bill. Additionally, rates, fees, and terms and conditions for any make-ready work to collocate, mount, or install a small wireless facility on an authority pole and to install associated antenna equipment would be non-discriminatory, competitively neutral, and commercially reasonable. The legislation would further provide that all rates and fees established pursuant to the bill are to be a reasonable approximation of the authority's reasonable costs and would be applied by the authority in a non-discriminatory manner. An authority may not require a wireless provider to pay any rates, fees, or compensation to the authority or other person other than what is expressly authorized by the bill for the right to use or occupy the right-of-way for the collocation, mounting, or installation of a small wireless facility on a pole in the right-of-way, or for the installation, maintenance, modification, or replacement of associated antenna equipment or a pole in the right-of-way.

Application fees for any permit would not to exceed certain amounts pursuant to the bill. The bill provides that an authority is not to have or exercise any jurisdiction or authority over the design, engineering, construction, installation, or operation of a small wireless facility located in an interior structure or upon the site of a campus, stadium, or athletic facility not owned or controlled by the authority, other than to require compliance with applicable building codes. Further, except as it relates to small wireless facilities subject to the permit and fee requirements established pursuant the bill or otherwise specifically authorized by State or federal law, an authority is not to adopt or enforce any regulations or requirements on the placement or operation of communications facilities in the right-of-way by a communications service provider authorized by federal, State, or local law to operate in the right-of-way, regulate any communications services, or impose or collect any tax, fee, rate, or charge for the provision of additional communications service over the communications service provider's communications facilities in the right-of-way. The bill would allow for an authority to adopt an ordinance that makes

available to wireless providers rates, fees, and other terms and conditions that comply with the bill. An ordinance or agreement that does not fully comply with the bill is to apply only to small wireless facilities and any associated poles and antenna equipment that were operational before the effective date the bill and are to be deemed invalid and unenforceable beginning on the 181st day after the effective date of the bill unless amended to fully comply with the bill.

The measure would provide that an authority may adopt reasonable indemnification, insurance, and bonding requirements related to a small wireless facility and associated pole permits and antenna equipment. An authority is not to require a wireless provider to indemnify and hold the authority and its officers and employees harmless against any claims, lawsuits, judgments, costs, liens, losses, expenses, or fees, except when a court of competent jurisdiction has found that the negligence of the wireless provider while installing, repairing, or maintaining a small wireless facility or associated poles and antenna equipment caused the harm that created the claims, lawsuits, judgments, costs, liens, losses, expenses, or fees. The bill provides that an authority may require a wireless provider to have in effect insurance coverage consistent with the bill. The bill also allows an authority to adopt bonding requirements for small wireless facilities if the authority imposes similar requirements in connection with permits issued for other right-of-way users. The bill provides that a court of competent jurisdiction is to have jurisdiction to determine disputes arising pursuant to the bill. A dispute is to be pursued in accordance with accelerated docket or complaint procedures, where available.

Electronic Notice of Bond Ordinances

Also, on November 14th, NJAC noted its support before the Senate Community and Urban Affairs Committee for **Senate, No. 3037** *(Lagana D-38)*/**Assembly, No. 4476** *(Mazzeo D-2/Armato D-2)*, which would permit the transmittal of certain proposed bond ordinances by electronic mail.

Along the lines of similar NJAC legislative initiatives that were signed into law, such as authorizing local governing bodies to pay employees by direct deposit and to pay bills by electronic fund transfer technologies, NJAC strongly supports this legislation as it would streamline and modernize the antiquated bond notification process. Under current law, a board of chosen freeholders in charter counties *(Atlantic, Bergen, Essex, Hudson, Mercer, and Union)* must provide, by regular mail within one week prior to the date of a hearing on a proposed bond ordinance, a copy of the proposed ordinance to the clerk of each municipality within the county. As ordinances typically range from 10 to 25 pages with anywhere from 15 to 70 municipalities in such counties, authorizing a board of chosen freeholders to notify municipalities by email of a proposed bond ordinance would save valuable time, resources, taxpayer dollars, and would provide clarification on the process to non-charter counties. The General Assembly unanimously passed A-4476 on March 25th and the Senate is expected to pass the measure during lame duck.

Governor's Plan For Public Bank Is Met By Acclaim – and Some Concerns
John Reitmeyer, NJ Spotlight, November 14, 2019

Gov. Phil Murphy's long-awaited first step to establish a public bank in New Jersey has thrilled advocates for financial reform. But it is also generating concerns, including from those who worry New Jersey is a poor fit for a state-run financial institution. Murphy yesterday signed an executive order that formally set up a 14-member "implementation board" for a public bank in New Jersey. He has also given the panel a year to come up with a business plan and other operating guidelines for the institution. While the move was praised by financial reform advocates, Republican lawmakers and a representative of the state's banking community were among those critical of the move. "It just seems a little strange to be creating another state agency," said Michael Affuso, director of government relations for the New Jersey Bankers Association.

The basic premise of a public bank is to leverage the millions of dollars in taxpayer deposits that are normally kept in commercial banks and to use them as capital to underwrite loans that serve some sort of public purpose. Right now, North Dakota is the only state that operates such a bank. But Murphy, a Democrat, made the establishment of a public bank in New Jersey a central issue during his run for office in 2017. Yesterday's announcement marks the governor's first significant move toward making it a reality since he took office in early 2018. "I am so proud to be able to say we are governing as we said we would," Murphy said moments before signing the executive order during an event in Newark.

Financial reform advocates immediately praised the governor's action. Supporters included Joan Bartl, co-director of a group called Banking on New Jersey that has long called for the establishment of a public bank in the Garden State. "It's very exciting," said Bartl, who Murphy picked to serve on the implementation board. Advocates of public banks say they can provide borrowers with fairer interest rates and other favorable lending terms because there's no need to charge high fees to fund things like large executive bonuses or to pump up shareholder profits. Murphy also suggested a public bank in New Jersey could be used to boost affordable housing projects, fund infrastructure investments and provide better lending terms to college students and small-business owners.

"A public bank is about power to the people," said Lt. Gov. Sheila Oliver, who was also on hand yesterday as Murphy signed the executive order. Phyllis Salowe-Kaye, executive director of New Jersey Citizen Action, said discussions about establishing a public bank in New Jersey go back decades. She credited Murphy for bringing the idea this far even while acknowledging there's more work to do over the next year. "Today marks a very important step toward making a state public bank in New Jersey a reality, and getting some of these very important projects funded," said Salowe-Kaye, who will also serve on the implementation board. Under the executive order, the 14-member

panel will hold at least three public hearings as it sketches out a business plan for the bank. State Banking and Insurance Commissioner Marlene Caride will lead the board.

Tim Sullivan, chief executive of the state Economic Development Authority , said after yesterday's event that the bank could play an important role in a broader push to improve the state economy by giving more entrepreneurs and small-business owners access to capital in New Jersey. "We're trying to shift how the marketplace thinks about a lot of these opportunities," Sullivan said. He cited as an example an EDA small-business "microlending" program that currently has only $1 million in available funding. "It could be scaled up with a public bank, for sure," Sullivan said. "Hopefully, we can figure out some of the particulars of how this could work." Not everyone is thrilled to see the governor advance the public-bank initiative, including Republican lawmakers, who raised concerns yesterday about the potential for taxpayers to take on risky loans. "This poses too great of a potential liability for New Jersey families who already struggle with taxes," said Sen. Anthony Bucco (R-Morris).

Bucco also raised concerns about political influence in his own response to Murphy's announcement, which came as his administration is still in the midst of probing the state's administration of lucrative economic-development tax incentives. At least one criminal referral has been made as a result of that investigation. "Governor Murphy needs to focus on New Jersey's high property taxes and underfunded schools, rather than launch this bottomless money pit that will no doubt be run by politically connected folks," Bucco said. One of the big questions the implementation board will have to address is how the public bank would interact or complement existing financial institutions in New Jersey, including credit unions and community banks.

Michael Affuso of the New Jersey Bankers Association said banks already have a responsibility under the federal Community Reinvestment Act to work with low- and moderate-income communities, which would also be one of the public bank's goals. He also questioned the state's creation of another financial bureaucracy, since there are already agencies like the EDA, the Higher Education Student Assistance Authority and the Housing and Mortgage Finance Agency operating in Trenton. "We think we can get exactly where the governor wants to get without creating any additional state bureaucracy," he added. Also raising eyebrows was Murphy's decision to appoint senior adviser Derrick Green to serve on the implementation board alongside advocates like Bartl and Salowe-Kaye, and administration officials like Caride and state Treasurer Elizabeth Maher Muoio. Green, according to northjersey.com reports, was connected to a campaign-finance scandal several years ago in Bermuda. He was never charged with any wrongdoing, but GOP lawmakers had already been critical of Murphy's selection of Green to serve in his administration before he was picked to fill a seat on the public-bank panel. "Governor Murphy is once again intentionally ignoring significant issues involving someone within his administration, and doing so conspicuously," said Assemblywoman Holly Schepisi (R-Bergen). "It is a disturbing trend."

Bills In Both Houses Would tighten Restrictions on Vaping, E-Cigs
Lilo H. Stanton, NJ Spotlight, November 14, 2019

New Jersey lawmakers are scheduled today to consider proposals that would eliminate all flavored tobacco and e-cigarette products — including menthol cigarettes — increase taxes on vapes, create an electronic tracking system for their sales and tighten regulations for retail outlets to reduce sales to those under age 21.

Bills scheduled to be heard in the Assembly and Senate health panels would codify some of the key recommendations of the Electronic Smoking Device Task Force Gov. Phil Murphy empaneled earlier this year to address concerns about vape use, which has soared in recent years among young people. At least one in five Garden State high schoolers now uses e-cigs although state law prohibits sales of any tobacco product to minors. Lawmakers first tried to ban e-cigarette flavors in 2016 but the issue has recently received new attention as health officials across the country face a growing number of vape-related lung injury cases. More than 2,000 cases are under review and 39 people have died nationwide, including one in New Jersey; initial research suggests street-altered products may be largely to blame. "Young people are using flavor as a gateway to nicotine addiction," said Sen. Joseph Vitale (D-Middlesex), chair of the health committee and a sponsor of several bills. "There's going to be pushback" from the vaping industry, he said, "but we'll get this done."

While e-cigarettes — which heat a liquid infused with nicotine or marijuana into a vapor that is inhaled — do not contain the same cancer-causing tar as traditional cigarettes, they do contain higher levels of nicotine. Health experts also note little is known about the effect of some of the flavors and other substances, but some users swear the products have saved their lives by allowing them to stop smoking cigarettes. A total of seven bills are on the agenda for Thursday, but several are nearly identical versions of the same proposals. Vitale and Assemblyman Herb Conaway (D-Burlington), who chairs the health committee in his chamber, are the lead sponsors on a number of measures, including the flavor ban. Senate President Steve Sweeney (D-Gloucester) is sponsoring a tax that would require vape products be carefully tracked. Vitale said most are likely to head to the budget committees next, where amendments will be made to resolve any disparities between the versions. *The bills scheduled for consideration Thursday include:*

S-3265/A-3178, which would make it illegal to sell, give away or otherwise distribute vape products that contain flavoring of any kind. It would impose fines ranging from $250 for the first offense to $1,000 for the third or later violation. It is up for a vote in both health committees today. This proposal dates to January 2016 and cleared hearings in both houses in the previous legislative session but has yet to gain traction — until now. Vitale, Sen. Shirley Turner (D-Mercer) and Sen. Richard Codey (D-Essex) are lead sponsors of the current Senate version. Conaway and Assemblywomen Carol Murphy (D-Camden) and Valerie Vainieri Huttle (D-Bergen) have championed the measure in their house.

A-5922/S-4224, which would revise sales requirements for tobacco, vape products; increases penalties This bill seeks to tighten and clarify state laws regulating tobacco product sales in order to reduce minors' access to vapes; it also spells out that these limits don't apply to medical cannabis. It would further require the use of an electronic system to monitor the sale of e-cigarette products, pending under another bill, which would allow regulators to track vape products through a system similar to how the state taxes and controls cigarettes. In addition, the proposal calls for vendors to keep all tobacco products, including vapes, in a locked cabinet behind the counter or other restricted area. It would also require salespeople to confirm the age of the buyer before selling any tobacco items. Retailers could face penalties ranging from $500 to $2,000 — double the current rate — for violations; the clerk making an underage sale could be charged with a disorderly persons offense and fined $1,000, also twice the current amount. And minors who buy vapes could face similar charges, with a fine of up to $500 and as much as 30 days in jail, or both, as they now do for buying tobacco products under the legal age. The proposal would also create new regulations to restrict what vape products can be sold legally, including banning devices that look like unrelated items — like flash drives or phones. In addition, it would require all products sold to be registered with the federal Food and Drug Administration and to include an electronic-tracking feature; vape liquids couldn't contain more than 2% nicotine or be tampered with outside the factory. Conaway is the sponsor of the Assembly version, which appears to align with draft text of the bill Vitale will formally introduce tomorrow. Both committees are scheduled to vote on the measure.

A-5923/S-4223, which would change how vape sellers are licensed under the state Treasury Department, raise and expand the sales taxes charged on these products, and establish a new electronic-tracking system for e-cigarettes like the so-called tax stamp used protect the legitimacy of conventional cigarette sales. It also creates new categories of business to separate shops largely devoted to e-cigarette products from other retail sites that offer a limited selection of these products; all of these retailers would need a license under the new bill. Currently, only vape shops that sell liquid refills require a special e-cigarette license, the bill notes. The proposal raises the fee for vape-shop licenses from $50 annually to at least $500; more extensive businesses would need to pay $1,000 a year. It would also permit municipalities to require additional fees, if the revenue generated is spent on enforcement. Businesses that sell vape products to underage buyers would face a $2,000 fine and could lose their license; operating without a license could result in daily penalties of $1,000.

In addition, the measure would impose a new 20% retail tax rate on vapes and liquids and doubles the existing 10-cents-per-milliliter tax on refills. (New Jersey charges an excise tax of $2.70 per pack of cigarettes, in addition to the 6.6% sales tax.) The bill also requires the Treasury's Division of Taxation to establish a database and an electronic system — with a stamp or barcode of some kind — that allows it to track all vape-related products sold. When he first discussed his plan, Sweeney said he envisioned

something akin to the tax stamps the state currently uses to regulate cigarette sales and ensure they are distributed legally. Two months after this process was developed, manufacturers would need to start building this tracking device into their products, upload information on these items to the state system, and report any problems to regulators, the bill notes. Items without the stamp would be considered contraband, like cigarettes without the state tax stamp. The measure is sponsored by Conaway; it appears almost identical to a plan Sweeney will introduce Thursday.

S-1947, sponsored by Vitale and Sen. Robert Singer (R-Monmouth) amends a 2008 statute that banned flavored cigarettes to include menthol and clove products, both of which were exempted at the time. The legislation notes that research has shown the cooling aspect of the menthol flavor desensitizes smokers so that they light up more frequently than their peers who prefer unflavored tobacco, which puts them at greater risk for addiction and smoking-related diseases. Menthol products have historically been marketed to the black community, the bill adds, and nearly nine-in-10 African American smokers prefer menthols. Conaway first introduced this measure in the Assembly in January 2018, when it also passed the health committee he chairs and was referred to the Assembly's appropriations panel, where the measure remains. (The Assembly version is not up for a hearing Thursday.) Federal regulators, who banned other flavored smokes in 2009, have also explored further restrictions on menthol products but have not imposed any ban, lawmakers note.

UPCOMING NJAC EVENTS

We hope you'll join us on December 20th for NJAC's "Summit on the Suicide Crisis," where we'll examine the alarming increase in suicide rates among teenagers, adults, veterans, and law enforcement professionals. Registration is free for all public officials; however, space is limited, and you *must* to attend.

STATE HOUSE TRIVIA: *Did you know* that the Macy's Day Parade began as a Christmas Parade with animals from the Central Park Zoo, entertainers, and employees.

"Thanksgiving is an emotional time. People travel thousands of miles to be with people they see only once a year. And then discover once a year is way too often." Johnny Carson.

NJAC SUMMIT ON THE SUICIDE CRISIS & PREVENTION
December 20, 2020
9:30 a.m. – 1:30 p.m.
Trenton Country Club, 201 Sullivan Way, Trenton, New Jersey

Thank you for joining the New Jersey Association of Counties (NJAC) for an important and timely discussion on county governments' role in combatting the suicide crisis and providing critical resources for those in need.

NJAC BOARD OF DIRECTORS MEETING
9:00 a.m. – 9:30 a.m.

REGISTRATION & CONTINENTAL BREAKFAST
9:00 a.m. – 10:00 a.m.

OPENING REMARKS
10:00 a.m. – 10:15 a.m.

THE SUICIDE CRISIS
10:15 a.m. – 11:15 a.m.
Subject matter experts from across the State will examine the alarming increase in suicide rates among teenagers, adults, veterans and law enforcement professionals. *Eric Scott with Townsquare Media to moderate both panels!*

- Tricia Baker, Attitudes in Reverse
- Valentina Sanchez, Mental Health Association of Monmouth County
- Roy Diaz, Cop2Cop
- Jennifer Stivers, Community Hope

COFFEE BREAK
11:15 a.m. – 11:30 a.m.

SUICIDE PREVENTION AND AWARENESS
11:30 a.m. - 12:30 p.m.
Mental health specialists and other leading authorities will discuss essential strategies for prevention and recommend resources for providing support to those in need.

- Maria Kirchner, NJ Division of Mental Health and Addiction Services
- Shauna Moses, NJ Association of Mental Health and Addiction Agencies
- Maureen Underwood, Lifelines: A Suicide Prevention Program
- Andrew Ominus, Minding Your Mind
- Douglas Forrester, First Responder Partnership Health Center

KEYNOTE SPEAKER AND LUNCHEON
12:30 p.m. – 1:30 p.m.
Nick LeDonne, Awarding Winning Filmmaker, "Hanging to Hang On"

From: John Donnadio <jdonnadio@njac.org>
Sent time: 11/15/2019 01:35:46 PM
To: Undisclosed recipients:
BCc: cjinotti@co.ocean.nj.us; gdeckler@co.ocean.nj.us; gquinn@co.ocean.nj.us; cbove@co.ocean.nj.us; Maksel , Tracy <tmaksel@co.ocean.nj.us>
Subject: State House News & Summit on the Suicide Crisis
Attachments: State House News 111519 .doc NJAC Summit on the Suicide Crisis Agenda 2019 .doc

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Good afternoon. I hope all is well. Please find attached for your review, this week's edition of State House News, which contains updates on the Mental Health Advisory Task Force, code blue and code red alerts, small wireless facilities, and the electronic notice of bond ordinances. The edition also contains articles concerning the establishment of a public bank and new restrictions on vaping. Please also find attached for your review, the outstanding lineup for NJAC's December 20th Summit, where we'll examine the alarming increase in suicide rates among teenagers, adults, veterans, and law enforcement professionals. Mental health specialists and other leading authorities will also discuss essential strategies for prevention and recommend resources for providing vital support for those in need. Registration is free for public officials, but space is limited and you must register to attend. I look forward to seeing you then and have a great weekend.

John G. Donnadio, Esq.
Executive Director
New Jersey Association of Counties
Government Finance Officers Association of New Jersey
150 West State Street
Trenton, New Jersey 08608
Telephone (609) 394-3467
www.njac.org

NEW JERSEY ASSOCIATION OF COUNTIES

County Government with a Unified Voice!

BRENDAN GILL
NJAC President
Essex County Freeholder

JOHN G. DONNADIO
Executive Director

STATE HOUSE NEWS

November 15, 2019

MENTAL HEALTH ADVISORY TASK FORCE

NJAC is pleased report that the Association will serve on the Mental Health Advisory Task Force created by the Administrative Office of the Courts (AOC) to address system-wide issues concerning individuals with mental illness. The Committee met for the first time on November 13th, where Chief Justice Stuart Rabner provided the opening remarks and shared his vision of how collaboratively the State should guide individuals struggling with mental illness to treatment and not into correctional facilities.

Department of Human Services Commissioner Carole Johnson and Essex County Vicinage Assignment Judge Sallyanne Floria will serve as co-chairs of Committee, which will *"examine points of intersection between individuals with mental illness and the Judiciary; determine whether mental health services can or should be provided at these various points; and, identify and formalize best practices and programs to create new initiatives that can be used to further the goal of better serving those with mental illness who interact with the justice system."* Thank you to the AOC and the Honorable Glenn Grant for including NJAC in this important and timely endeavor. In addition to the Association, county government is well represented by Eugene Caldwell as the Gloucester County Jail Warden and President of the New Jersey County Jail Wardens Association; Steven Horvath with the Monmouth County Office of Mental Health and the New Jersey Association of County Mental Health Administrators; and, Camelia Valdes, the Passaic County Prosecutor.

We'll make sure to keep you posted on the Committee's progress and encourage you to share your thoughts and suggestions throughout the process. NJAC plans to serve on the Mental Health Summit Planning and Community Outreach subcommittees and looks forward to hearing from our county welfare directors, human service directors, adjusters, administrators, and other county professionals. Additional subcommittees include the Mental Health Pilot Subcommittee; the Crisis Intervention Team (CIT), Mental Health Training, and Educational Materials for Key Stakeholders Subcommittee; the Data Collection, Measures, and Outcomes Subcommittee; and, the Treatment and Service Capacity Subcommittee.

Code Blue

NJAC is concerned that the Assembly Homeland Security and State Preparedness Committee will consider during lame duck **Senate, No. 3422** *(Singer R-30/Kean R-21),* which would require counties to declare a Code Blue alert when the National Weather Service (NWS) Predicts the temperature to be 32 degrees Fahrenheit or lower.

Although NJAC commends senators Singer and Kean for their efforts to provide comfort for at-risk individuals during severe weather events, this legislation does not contain a funding mechanism or State appropriation to offset the costs associated with extending the 2017 law that counties, municipalities, social service agencies, and non-profit organizations have struggled to implement. In summary, the relatively new law requires county governing bodies, through their offices of emergency management or other appropriate offices, agencies or departments, to establish plans for issuing Code Blue alerts to municipalities, social service agencies, and non-profit organizations that provide services to at-risk individuals and are located within the county's borders. In summary, the new law requires emergency management coordinators to declare a Code Blue alert after evaluating weather forecasts and advisories produced by the National Weather Service that predict the following weather conditions in the county within 24 to 48 hours: temperatures will reach 25 degrees Fahrenheit or lower without precipitation; or 32 degrees Fahrenheit or lower with precipitation; or, the National Weather Service wind chill temperature will be 0 degrees Fahrenheit or less for a period of 2 hours or more.

Under the leadership of Senator Troy Singleton *(D-7)* and Assemblywoman Pintor Marin *(D-29)*, Governor Phil Murphy signed into law earlier this year legislation that now authorizes county governments to increase the homelessness housing fund surcharge from $3.00 to $5.00 and to use the $2.00 increase to support emergency shelter for homeless services provided during a Code Blue alert. NJAC supported this important and timely initiative as one of our top legislative priorities as it should help freeholder boards provide adequate shelter for homeless individuals during inclement weather without affecting existing programs that support permanent housing and self-sufficiency. Although certainly well intended, S-3422 would establish an even greater financial burden than the 2017 law and would make issuing a Code Blue alert more costly and difficult to implement, manage, and sustain. In fact, setting the parameters for issuing a Code Blue alert at 32 degrees Fahrenheit or lower would double the amount of Code Blue nights and would lead to increased costs as noted above, depleted staff and resources, and fatigued volunteers.

For these reasons and considering the several pieces of legislation that affect issuing Code Blue and Code red alerts, NJAC respectfully opposes S-3422 and instead recommends that the Legislature establish a task force to study and recommend Code Blue and Code Red alert best practices and guidelines. In fact, NJAC is seeking sponsors

to introduce legislation that would establish a task force to recommend Code Blue and Code Red alert best practices based on the following general parameters: 1) reasonable temperatures for issuing Code Red and Code Blue alerts; 2) clearly defined roles for counties, municipalities, social service agencies, non-profit organizations, and other volunteers; 3) the appropriate use of facilities, staffing levels, fire codes, permits, and other resources; and, 4) a permanent and steady source of funding to offset the costs associated with issuing Code Red and Code Blue alerts.

The task force should include representatives from the following county affiliated organizations: the New Jersey Association of Counties, the New Jersey Association of Human Service Directors, the New Jersey Association of County Emergency Management Coordinators, The New Jersey Association of County Welfare Directors, the New Jersey Association of County Mental Health Administrators, and the New Jersey Sheriff's Association. The task force should also include representatives from the New Jersey State League of Municipalities, the New Jersey Department of Human Services, the New Jersey Department of Community Affairs, the New Jersey Office of Emergency Management, the Office of the State Treasurer, appropriate social service and non-profit organizations, and legislators from both houses and on both sides of the aisle. In general, the task force may meet in person at least (4) times and must deliver a final report to the Legislature within (1) year.

The intent of this important and timely task force would be to establish uniformity in the law that should help provide adequate shelter for homeless individuals during inclement weather in conjunction with existing programs that support permanent housing and self-sufficiency.

SMALL WIRELESS FACILITIES

On November 14th, NJAC and the New Jersey State League of Municipalities (NJLM) testified before the Assembly Telecommunications and Utilities Committee on **ASSEMBLY, No. 5560** *(Murphy D-7/Greenwald D-6)*, which would provide for the uniform regulation of small wireless facility deployment.

Although NJAC appreciates the need to uniformly and expediently deploy small wireless facilities to meet increasing consumer demand for wireless data, deployment must be executed in a collaborative effort between wireless providers and counties and municipalities as caretakers of public lands. NJAC plans to meet with the sponsors to discuss the measure in more detail as it would generally restrict a local government's authority over a wireless provider's use of public rights of way, cap application and permit fees, impose new timelines for automatic project approval, require local governments to repair or remove small wireless facilities under certain circumstances, and essentially eliminate indemnity protection. NJAC will also seek to address the longstanding issue of utility relocation in a timely manner when planning for long-term

capital improvement projects on county bridges of which often delays projects unnecessarily.

In general, this legislation would provide for the uniform regulation of small wireless facility deployment in this State by local government units (authorities). The bill would prohibit an authority from regulating small wireless facilities in a manner that is inconsistent with the bill. An authority may not enter into an exclusive arrangement with any person or entity for the use of the right-of-way for: the collocation of a small wireless facility; the mounting or installation of a small wireless facility on new or replacement poles; the installation of associated antenna equipment adjacent to a structure on which a small wireless facility is or will be collocated, mounted, or installed; or, the installation, operation, marketing, modification, maintenance, or replacement of associated poles.

The bill would also provide that a wireless provider would to have the right, as a permitted use not subject to zoning review or approval, and without the need for municipal consent to: collocate small wireless facilities; mount or install small wireless facilities on new or replacement poles; install associated antenna equipment adjacent to a structure on which a small wireless facility is or will be collocated, mounted, or installed; or, install, modify, or replace its own poles, or, with the permission of the owner, a third party's poles, associated with a small wireless facility, along, across, upon, and under the right-of-way.

The measure would further provide that each new, replaced, or modified pole installed in the right-of-way for the purpose of collocating, mounting, or installing a small wireless facility is to follow certain height restrictions pursuant to the bill. An authority may adopt aesthetics requirements governing the deployment of small wireless facilities and associated antenna equipment and poles in the right-of-way, subject to certain requirements pursuant to the bill. A wireless provider would have to comply with undergrounding requirements that are consistent with the bill. The bill provides that an authority may require a wireless provider to repair all damage to the right-of-way caused by the activities of the wireless provider and to return the right-of-way to its functional equivalence before the damage, pursuant to the competitively neutral, reasonable requirements and specifications of the authority. If the wireless provider fails to make the repairs required by the authority within a reasonable time after written notice, the authority may make those repairs and charge the applicable party the reasonable, documented cost of the repairs.

A wireless provider would not be required to replace or upgrade an existing pole except for reasons of structural necessity or compliance with applicable building codes. A wireless provider may, with the permission of the pole owner, replace or modify the existing pole, but any replacement or modification shall be consistent with the design aesthetics of the pole being modified or replaced. The bill requires wireless provider to notify an authority at least 30 days before the abandonment of

a small wireless facility located within the authority's jurisdiction. Following receipt of the notice, the authority is to direct the wireless provider to remove all or any portion of the small wireless facility and associated antenna equipment that the authority determines would be in the best interest of public safety. If the wireless provider fails to remove the abandoned small wireless facility within 90 days after the notice, the authority may undertake to remove the small wireless facility and recover the actual and reasonable expenses of the removal from the wireless provider, its successors, or assigns. The bill would allow an authority to require an applicant to obtain a permit for: the collocation of a small wireless facility; mounting or installation of a small wireless facility on a new, modified, or replacement pole; or, the installation, modification, or replacement of associated poles or antenna equipment as provided the bill.

Each permit issued pursuant to the bill would be of general applicability and would not to apply exclusively to a small wireless facility. An authority would be required to receive and process applications following certain requirements pursuant to the bill. Additionally, rates, fees, and terms and conditions for any make-ready work to collocate, mount, or install a small wireless facility on an authority pole and to install associated antenna equipment would be non-discriminatory, competitively neutral, and commercially reasonable. The legislation would further provide that all rates and fees established pursuant to the bill are to be a reasonable approximation of the authority's reasonable costs and would be applied by the authority in a non-discriminatory manner. An authority may not require a wireless provider to pay any rates, fees, or compensation to the authority or other person other than what is expressly authorized by the bill for the right to use or occupy the right-of-way for the collocation, mounting, or installation of a small wireless facility on a pole in the right-of-way, or for the installation, maintenance, modification, or replacement of associated antenna equipment or a pole in the right-of-way.

Application fees for any permit would not to exceed certain amounts pursuant to the bill. The bill provides that an authority is not to have or exercise any jurisdiction or authority over the design, engineering, construction, installation, or operation of a small wireless facility located in an interior structure or upon the site of a campus, stadium, or athletic facility not owned or controlled by the authority, other than to require compliance with applicable building codes. Further, except as it relates to small wireless facilities subject to the permit and fee requirements established pursuant the bill or otherwise specifically authorized by State or federal law, an authority is not to adopt or enforce any regulations or requirements on the placement or operation of communications facilities in the right-of-way by a communications service provider authorized by federal, State, or local law to operate in the right-of-way, regulate any communications services, or impose or collect any tax, fee, rate, or charge for the provision of additional communications service over the communications service provider's communications facilities in the right-of-way. The bill would allow for an authority to adopt an ordinance that makes

available to wireless providers rates, fees, and other terms and conditions that comply with the bill. An ordinance or agreement that does not fully comply with the bill is to apply only to small wireless facilities and any associated poles and antenna equipment that were operational before the effective date the bill and are to be deemed invalid and unenforceable beginning on the 181st day after the effective date of the bill unless amended to fully comply with the bill.

The measure would provide that an authority may adopt reasonable indemnification, insurance, and bonding requirements related to a small wireless facility and associated pole permits and antenna equipment. An authority is not to require a wireless provider to indemnify and hold the authority and its officers and employees harmless against any claims, lawsuits, judgments, costs, liens, losses, expenses, or fees, except when a court of competent jurisdiction has found that the negligence of the wireless provider while installing, repairing, or maintaining a small wireless facility or associated poles and antenna equipment caused the harm that created the claims, lawsuits, judgments, costs, liens, losses, expenses, or fees. The bill provides that an authority may require a wireless provider to have in effect insurance coverage consistent with the bill. The bill also allows an authority to adopt bonding requirements for small wireless facilities if the authority imposes similar requirements in connection with permits issued for other right-of-way users. The bill provides that a court of competent jurisdiction is to have jurisdiction to determine disputes arising pursuant to the bill. A dispute is to be pursued in accordance with accelerated docket or complaint procedures, where available.

ELECTRONIC NOTICE OF BOND ORDINANCES

Also, on November 14th, NJAC noted its support before the Senate Community and Urban Affairs Committee for **SENATE, NO. 3037** *(Lagana D-38)*/**ASSEMBLY, NO. 4476** *(Mazzeo D-2/Armato D-2),* which would permit the transmittal of certain proposed bond ordinances by electronic mail.

Along the lines of similar NJAC legislative initiatives that were signed into law, such as authorizing local governing bodies to pay employees by direct deposit and to pay bills by electronic fund transfer technologies, NJAC strongly supports this legislation as it would streamline and modernize the antiquated bond notification process. Under current law, a board of chosen freeholders in charter counties *(Atlantic, Bergen, Essex, Hudson, Mercer, and Union)* must provide, by regular mail within one week prior to the date of a hearing on a proposed bond ordinance, a copy of the proposed ordinance to the clerk of each municipality within the county. As ordinances typically range from 10 to 25 pages with anywhere from 15 to 70 municipalities in such counties, authorizing a board of chosen freeholders to notify municipalities by email of a proposed bond ordinance would save valuable time, resources, taxpayer dollars, and would provide clarification on the process to non-charter counties. The General Assembly unanimously passed A-4476 on March 25th and the Senate is expected to pass the measure during lame duck.

Governor's Plan For Public Bank Is Met By Acclaim – and Some Concerns

John Reitmeyer, NJ Spotlight, November 14, 2019

Gov. Phil Murphy's long-awaited first step to establish a public bank in New Jersey has thrilled advocates for financial reform. But it is also generating concerns, including from those who worry New Jersey is a poor fit for a state-run financial institution. Murphy yesterday signed an executive order that formally set up a 14-member "implementation board" for a public bank in New Jersey. He has also given the panel a year to come up with a business plan and other operating guidelines for the institution. While the move was praised by financial reform advocates, Republican lawmakers and a representative of the state's banking community were among those critical of the move. "It just seems a little strange to be creating another state agency," said Michael Affuso, director of government relations for the New Jersey Bankers Association.

The basic premise of a public bank is to leverage the millions of dollars in taxpayer deposits that are normally kept in commercial banks and to use them as capital to underwrite loans that serve some sort of public purpose. Right now, North Dakota is the only state that operates such a bank. But Murphy, a Democrat, made the establishment of a public bank in New Jersey a central issue during his run for office in 2017. Yesterday's announcement marks the governor's first significant move toward making it a reality since he took office in early 2018. "I am so proud to be able to say we are governing as we said we would," Murphy said moments before signing the executive order during an event in Newark.

Financial reform advocates immediately praised the governor's action. Supporters included Joan Bartl, co-director of a group called Banking on New Jersey that has long called for the establishment of a public bank in the Garden State. "It's very exciting," said Bartl, who Murphy picked to serve on the implementation board. Advocates of public banks say they can provide borrowers with fairer interest rates and other favorable lending terms because there's no need to charge high fees to fund things like large executive bonuses or to pump up shareholder profits. Murphy also suggested a public bank in New Jersey could be used to boost affordable housing projects, fund infrastructure investments and provide better lending terms to college students and small-business owners.

"A public bank is about power to the people," said Lt. Gov. Sheila Oliver, who was also on hand yesterday as Murphy signed the executive order. Phyllis Salowe-Kaye, executive director of New Jersey Citizen Action, said discussions about establishing a public bank in New Jersey go back decades. She credited Murphy for bringing the idea this far even while acknowledging there's more work to do over the next year. "Today marks a very important step toward making a state public bank in New Jersey a reality, and getting some of these very important projects funded," said Salowe-Kaye, who will also serve on the implementation board. Under the executive order, the 14-member

panel will hold at least three public hearings as it sketches out a business plan for the bank. State Banking and Insurance Commissioner Marlene Caride will lead the board.

Tim Sullivan, chief executive of the state Economic Development Authority , said after yesterday's event that the bank could play an important role in a broader push to improve the state economy by giving more entrepreneurs and small-business owners access to capital in New Jersey. "We're trying to shift how the marketplace thinks about a lot of these opportunities," Sullivan said. He cited as an example an EDA small-business "microlending" program that currently has only $1 million in available funding. "It could be scaled up with a public bank, for sure," Sullivan said. "Hopefully, we can figure out some of the particulars of how this could work." Not everyone is thrilled to see the governor advance the public-bank initiative, including Republican lawmakers, who raised concerns yesterday about the potential for taxpayers to take on risky loans. "This poses too great of a potential liability for New Jersey families who already struggle with taxes," said Sen. Anthony Bucco (R-Morris).

Bucco also raised concerns about political influence in his own response to Murphy's announcement, which came as his administration is still in the midst of probing the state's administration of lucrative economic-development tax incentives. At least one criminal referral has been made as a result of that investigation. "Governor Murphy needs to focus on New Jersey's high property taxes and underfunded schools, rather than launch this bottomless money pit that will no doubt be run by politically connected folks," Bucco said. One of the big questions the implementation board will have to address is how the public bank would interact or complement existing financial institutions in New Jersey, including credit unions and community banks.

Michael Affuso of the New Jersey Bankers Association said banks already have a responsibility under the federal Community Reinvestment Act to work with low- and moderate-income communities, which would also be one of the public bank's goals. He also questioned the state's creation of another financial bureaucracy, since there are already agencies like the EDA, the Higher Education Student Assistance Authority and the Housing and Mortgage Finance Agency operating in Trenton. "We think we can get exactly where the governor wants to get without creating any additional state bureaucracy," he added. Also raising eyebrows was Murphy's decision to appoint senior adviser Derrick Green to serve on the implementation board alongside advocates like Bartl and Salowe-Kaye, and administration officials like Caride and state Treasurer Elizabeth Maher Muoio. Green, according to northjersey.com reports, was connected to a campaign-finance scandal several years ago in Bermuda. He was never charged with any wrongdoing, but GOP lawmakers had already been critical of Murphy's selection of Green to serve in his administration before he was picked to fill a seat on the public-bank panel. "Governor Murphy is once again intentionally ignoring significant issues involving someone within his administration, and doing so conspicuously," said Assemblywoman Holly Schepisi (R-Bergen). "It is a disturbing trend."

Bills In Both Houses Would tighten Restrictions on Vaping, E-Cigs

Lilo H. Stanton, NJ Spotlight, November 14, 2019

New Jersey lawmakers are scheduled today to consider proposals that would eliminate all flavored tobacco and e-cigarette products — including menthol cigarettes — increase taxes on vapes, create an electronic tracking system for their sales and tighten regulations for retail outlets to reduce sales to those under age 21.

Bills scheduled to be heard in the Assembly and Senate health panels would codify some of the key recommendations of the Electronic Smoking Device Task Force Gov. Phil Murphy empaneled earlier this year to address concerns about vape use, which has soared in recent years among young people. At least one in five Garden State high schoolers now uses e-cigs although state law prohibits sales of any tobacco product to minors. Lawmakers first tried to ban e-cigarette flavors in 2016 but the issue has recently received new attention as health officials across the country face a growing number of vape-related lung injury cases. More than 2,000 cases are under review and 39 people have died nationwide, including one in New Jersey; initial research suggests street-altered products may be largely to blame. "Young people are using flavor as a gateway to nicotine addiction," said Sen. Joseph Vitale (D-Middlesex), chair of the health committee and a sponsor of several bills. "There's going to be pushback" from the vaping industry, he said, "but we'll get this done."

While e-cigarettes — which heat a liquid infused with nicotine or marijuana into a vapor that is inhaled — do not contain the same cancer-causing tar as traditional cigarettes, they do contain higher levels of nicotine. Health experts also note little is known about the effect of some of the flavors and other substances, but some users swear the products have saved their lives by allowing them to stop smoking cigarettes. A total of seven bills are on the agenda for Thursday, but several are nearly identical versions of the same proposals. Vitale and Assemblyman Herb Conaway (D-Burlington), who chairs the health committee in his chamber, are the lead sponsors on a number of measures, including the flavor ban. Senate President Steve Sweeney (D-Gloucester) is sponsoring a tax that would require vape products be carefully tracked. Vitale said most are likely to head to the budget committees next, where amendments will be made to resolve any disparities between the versions. *The bills scheduled for consideration Thursday include:*

S-3265/A-3178, which would make it illegal to sell, give away or otherwise distribute vape products that contain flavoring of any kind. It would impose fines ranging from $250 for the first offense to $1,000 for the third or later violation. It is up for a vote in both health committees today. This proposal dates to January 2016 and cleared hearings in both houses in the previous legislative session but has yet to gain traction — until now. Vitale, Sen. Shirley Turner (D-Mercer) and Sen. Richard Codey (D-Essex) are lead sponsors of the current Senate version. Conaway and Assemblywomen Carol Murphy (D-Camden) and Valerie Vainieri Huttle (D-Bergen) have championed the measure in their house.

A-5922/S-4224, which would revise sales requirements for tobacco, vape products; increases penalties This bill seeks to tighten and clarify state laws regulating tobacco product sales in order to reduce minors' access to vapes; it also spells out that these limits don't apply to medical cannabis. It would further require the use of an electronic system to monitor the sale of e-cigarette products, pending under another bill, which would allow regulators to track vape products through a system similar to how the state taxes and controls cigarettes. In addition, the proposal calls for vendors to keep all tobacco products, including vapes, in a locked cabinet behind the counter or other restricted area. It would also require salespeople to confirm the age of the buyer before selling any tobacco items. Retailers could face penalties ranging from $500 to $2,000 — double the current rate — for violations; the clerk making an underage sale could be charged with a disorderly persons offense and fined $1,000, also twice the current amount. And minors who buy vapes could face similar charges, with a fine of up to $500 and as much as 30 days in jail, or both, as they now do for buying tobacco products under the legal age. The proposal would also create new regulations to restrict what vape products can be sold legally, including banning devices that look like unrelated items — like flash drives or phones. In addition, it would require all products sold to be registered with the federal Food and Drug Administration and to include an electronic-tracking feature; vape liquids couldn't contain more than 2% nicotine or be tampered with outside the factory. Conaway is the sponsor of the Assembly version, which appears to align with draft text of the bill Vitale will formally introduce tomorrow. Both committees are scheduled to vote on the measure.

A-5923/S-4223, which would change how vape sellers are licensed under the state Treasury Department, raise and expand the sales taxes charged on these products, and establish a new electronic-tracking system for e-cigarettes like the so-called tax stamp used protect the legitimacy of conventional cigarette sales. It also creates new categories of business to separate shops largely devoted to e-cigarette products from other retail sites that offer a limited selection of these products; all of these retailers would need a license under the new bill. Currently, only vape shops that sell liquid refills require a special e-cigarette license, the bill notes. The proposal raises the fee for vape-shop licenses from $50 annually to at least $500; more extensive businesses would need to pay $1,000 a year. It would also permit municipalities to require additional fees, if the revenue generated is spent on enforcement. Businesses that sell vape products to underage buyers would face a $2,000 fine and could lose their license; operating without a license could result in daily penalties of $1,000.

In addition, the measure would impose a new 20% retail tax rate on vapes and liquids and doubles the existing 10-cents-per-milliliter tax on refills. (New Jersey charges an excise tax of $2.70 per pack of cigarettes, in addition to the 6.6% sales tax.) The bill also requires the Treasury's Division of Taxation to establish a database and an electronic system — with a stamp or barcode of some kind — that allows it to track all vape-related products sold. When he first discussed his plan, Sweeney said he envisioned

something akin to the tax stamps the state currently uses to regulate cigarette sales and ensure they are distributed legally. Two months after this process was developed, manufacturers would need to start building this tracking device into their products, upload information on these items to the state system, and report any problems to regulators, the bill notes. Items without the stamp would be considered contraband, like cigarettes without the state tax stamp. The measure is sponsored by Conaway; it appears almost identical to a plan Sweeney will introduce Thursday.

S-1947, sponsored by Vitale and Sen. Robert Singer (R-Monmouth) amends a 2008 statute that banned flavored cigarettes to include menthol and clove products, both of which were exempted at the time. The legislation notes that research has shown the cooling aspect of the menthol flavor desensitizes smokers so that they light up more frequently than their peers who prefer unflavored tobacco, which puts them at greater risk for addiction and smoking-related diseases. Menthol products have historically been marketed to the black community, the bill adds, and nearly nine-in-10 African American smokers prefer menthols. Conaway first introduced this measure in the Assembly in January 2018, when it also passed the health committee he chairs and was referred to the Assembly's appropriations panel, where the measure remains. (The Assembly version is not up for a hearing Thursday.) Federal regulators, who banned other flavored smokes in 2009, have also explored further restrictions on menthol products but have not imposed any ban, lawmakers note.

UPCOMING NJAC EVENTS

We hope you'll join us on December 20th for NJAC's "Summit on the Suicide Crisis," where we'll examine the alarming increase in suicide rates among teenagers, adults, veterans, and law enforcement professionals. Registration is free for all public officials; however, space is limited, and you *must* to attend.

STATE HOUSE TRIVIA: *Did you know* that the Macy's Day Parade began as a Christmas Parade with animals from the Central Park Zoo, entertainers, and employees.

"Thanksgiving is an emotional time. People travel thousands of miles to be with people they see only once a year. And then discover once a year is way too often." Johnny Carson.

150 West State Street · Trenton, New Jersey 08608 · Phone 609-394-3467 · Fax 609-989-8567 · www.njac.org

NJAC Summit on the Suicide Crisis & Prevention

December 20, 2020

9:30 a.m. – 1:30 p.m.

Trenton Country Club, 201 Sullivan Way, Trenton, New Jersey

Thank you for joining the New Jersey Association of Counties (NJAC) for an important and timely discussion on county governments' role in combatting the suicide crisis and providing critical resources for those in need.

NJAC Board of Directors Meeting
9:00 a.m. – 9:30 a.m.

Registration & Continental Breakfast
9:00 a.m. – 10:00 a.m.

Opening Remarks
10:00 a.m. – 10:15 a.m.

The Suicide Crisis
10:15 a.m. – 11:15 a.m.
Subject matter experts from across the State will examine the alarming increase in suicide rates among teenagers, adults, veterans and law enforcement professionals. *Eric Scott with Townsquare Media to moderate both panels!*

- Tricia Baker, Attitudes in Reverse
- Valentina Sanchez, Mental Health Association of Monmouth County
- Roy Diaz, Cop2Cop
- Jennifer Stivers, Community Hope

Coffee Break
11:15 a.m. – 11:30 a.m.

Suicide Prevention and Awareness
11:30 a.m. - 12:30 p.m.
Mental health specialists and other leading authorities will discuss essential strategies for prevention and recommend resources for providing support to those in need.

- Maria Kirchner, NJ Division of Mental Health and Addiction Services
- Shauna Moses, NJ Association of Mental Health and Addiction Agencies
- Maureen Underwood, Lifelines: A Suicide Prevention Program
- Andrew Ominus, Minding Your Mind
- Douglas Forrester, First Responder Partnership Health Center

Keynote Speaker and Luncheon
12:30 p.m. – 1:30 p.m.
Nick LeDonne, Awarding Winning Filmmaker, "Hanging to Hang On"

From:	John Donnadio <jdonnadio@njac.org>
Sent time:	11/15/2019 01:35:46 PM
Subject:	State House News & Summit on the Suicide Crisis
Attachments:	State House News 111519 .doc NJAC Summit on the Suicide Crisis Agenda 2019 .doc

Good afternoon. I hope all is well. Please find attached for your review, this week's edition of State House News, which contains updates on the Mental Health Advisory Task Force, code blue and code red alerts, small wireless facilities, and the electronic notice of bond ordinances. The edition also contains articles concerning the establishment of a public bank and new restrictions on vaping. Please also find attached for your review, the outstanding lineup for NJAC's December 20th Summit, where we'll examine the alarming increase in suicide rates among teenagers, adults, veterans, and law enforcement professionals. Mental health specialists and other leading authorities will also discuss essential strategies for prevention and recommend resources for providing vital support for those in need. Registration is free for public officials, but space is limited and you must register to attend. I look forward to seeing you then and have a great weekend.

John G. Donnadio, Esq.
Executive Director
New Jersey Association of Counties
Government Finance Officers Association of New Jersey
150 West State Street
Trenton, New Jersey 08608
Telephone (609) 394-3467
www.njac.org

BRENDAN GILL
NJAC President
Essex County Freeholder

JOHN G. DONNADIO
Executive Director

STATE HOUSE NEWS

November 15, 2019

MENTAL HEALTH ADVISORY TASK FORCE

NJAC is pleased report that the Association will serve on the Mental Health Advisory Task Force created by the Administrative Office of the Courts (AOC) to address system-wide issues concerning individuals with mental illness. The Committee met for the first time on November 13th, where Chief Justice Stuart Rabner provided the opening remarks and shared his vision of how collaboratively the State should guide individuals struggling with mental illness to treatment and not into correctional facilities.

Department of Human Services Commissioner Carole Johnson and Essex County Vicinage Assignment Judge Sallyanne Floria will serve as co-chairs of Committee, which will *"examine points of intersection between individuals with mental illness and the Judiciary; determine whether mental health services can or should be provided at these various points; and, identify and formalize best practices and programs to create new initiatives that can be used to further the goal of better serving those with mental illness who interact with the justice system."* Thank you to the AOC and the Honorable Glenn Grant for including NJAC in this important and timely endeavor. In addition to the Association, county government is well represented by Eugene Caldwell as the Gloucester County Jail Warden and President of the New Jersey County Jail Wardens Association; Steven Horvath with the Monmouth County Office of Mental Health and the New Jersey Association of County Mental Health Administrators; and, Camelia Valdes, the Passaic County Prosecutor.

We'll make sure to keep you posted on the Committee's progress and encourage you to share your thoughts and suggestions throughout the process. NJAC plans to serve on the Mental Health Summit Planning and Community Outreach subcommittees and looks forward to hearing from our county welfare directors, human service directors, adjusters, administrators, and other county professionals. Additional subcommittees include the Mental Health Pilot Subcommittee; the Crisis Intervention Team (CIT), Mental Health Training, and Educational Materials for Key Stakeholders Subcommittee; the Data Collection, Measures, and Outcomes Subcommittee; and, the Treatment and Service Capacity Subcommittee.

CODE BLUE

NJAC is concerned that the Assembly Homeland Security and State Preparedness Committee will consider during lame duck **SENATE, NO. 3422** *(Singer R-30/Kean R-21)*, which would require counties to declare a Code Blue alert when the National Weather Service (NWS) Predicts the temperature to be 32 degrees Fahrenheit or lower.

Although NJAC commends senators Singer and Kean for their efforts to provide comfort for at-risk individuals during severe weather events, this legislation does not contain a funding mechanism or State appropriation to offset the costs associated with extending the 2017 law that counties, municipalities, social service agencies, and non-profit organizations have struggled to implement. In summary, the relatively new law requires county governing bodies, through their offices of emergency management or other appropriate offices, agencies or departments, to establish plans for issuing Code Blue alerts to municipalities, social service agencies, and non-profit organizations that provide services to at-risk individuals and are located within the county's borders. In summary, the new law requires emergency management coordinators to declare a Code Blue alert after evaluating weather forecasts and advisories produced by the National Weather Service that predict the following weather conditions in the county within 24 to 48 hours: temperatures will reach 25 degrees Fahrenheit or lower without precipitation; or 32 degrees Fahrenheit or lower with precipitation; or, the National Weather Service wind chill temperature will be 0 degrees Fahrenheit or less for a period of 2 hours or more.

Under the leadership of Senator Troy Singleton *(D-7)* and Assemblywoman Pintor Marin *(D-29)*, Governor Phil Murphy signed into law earlier this year legislation that now authorizes county governments to increase the homelessness housing fund surcharge from $3.00 to $5.00 and to use the $2.00 increase to support emergency shelter for homeless services provided during a Code Blue alert. NJAC supported this important and timely initiative as one of our top legislative priorities as it should help freeholder boards provide adequate shelter for homeless individuals during inclement weather without affecting existing programs that support permanent housing and self-sufficiency. Although certainly well intended, S-3422 would establish an even greater financial burden than the 2017 law and would make issuing a Code Blue alert more costly and difficult to implement, manage, and sustain. In fact, setting the parameters for issuing a Code Blue alert at 32 degrees Fahrenheit or lower would double the amount of Code Blue nights and would lead to increased costs as noted above, depleted staff and resources, and fatigued volunteers.

For these reasons and considering the several pieces of legislation that affect issuing Code Blue and Code red alerts, NJAC respectfully opposes S-3422 and instead recommends that the Legislature establish a task force to study and recommend Code Blue and Code Red alert best practices and guidelines. In fact, NJAC is seeking sponsors

to introduce legislation that would establish a task force to recommend Code Blue and Code Red alert best practices based on the following general parameters: 1) reasonable temperatures for issuing Code Red and Code Blue alerts; 2) clearly defined roles for counties, municipalities, social service agencies, non-profit organizations, and other volunteers; 3) the appropriate use of facilities, staffing levels, fire codes, permits, and other resources; and, 4) a permanent and steady source of funding to offset the costs associated with issuing Code Red and Code Blue alerts.

The task force should include representatives from the following county affiliated organizations: the New Jersey Association of Counties, the New Jersey Association of Human Service Directors, the New Jersey Association of County Emergency Management Coordinators, The New Jersey Association of County Welfare Directors, the New Jersey Association of County Mental Health Administrators, and the New Jersey Sheriff's Association. The task force should also include representatives from the New Jersey State League of Municipalities, the New Jersey Department of Human Services, the New Jersey Department of Community Affairs, the New Jersey Office of Emergency Management, the Office of the State Treasurer, appropriate social service and non-profit organizations, and legislators from both houses and on both sides of the aisle. In general, the task force may meet in person at least (4) times and must deliver a final report to the Legislature within (1) year.

The intent of this important and timely task force would be to establish uniformity in the law that should help provide adequate shelter for homeless individuals during inclement weather in conjunction with existing programs that support permanent housing and self-sufficiency.

SMALL WIRELESS FACILITIES

On November 14th, NJAC and the New Jersey State League of Municipalities (NJLM) testified before the Assembly Telecommunications and Utilities Committee on **ASSEMBLY, No. 5560** *(Murphy D-7/Greenwald D-6)*, which would provide for the uniform regulation of small wireless facility deployment.

Although NJAC appreciates the need to uniformly and expediently deploy small wireless facilities to meet increasing consumer demand for wireless data, deployment must be executed in a collaborative effort between wireless providers and counties and municipalities as caretakers of public lands. NJAC plans to meet with the sponsors to discuss the measure in more detail as it would generally restrict a local government's authority over a wireless provider's use of public rights of way, cap application and permit fees, impose new timelines for automatic project approval, require local governments to repair or remove small wireless facilities under certain circumstances, and essentially eliminate indemnity protection. NJAC will also seek to address the longstanding issue of utility relocation in a timely manner when planning for long-term

capital improvement projects on county bridges of which often delays projects unnecessarily.

In general, this legislation would provide for the uniform regulation of small wireless facility deployment in this State by local government units (authorities). The bill would prohibit an authority from regulating small wireless facilities in a manner that is inconsistent with the bill. An authority may not enter into an exclusive arrangement with any person or entity for the use of the right-of-way for: the collocation of a small wireless facility; the mounting or installation of a small wireless facility on new or replacement poles; the installation of associated antenna equipment adjacent to a structure on which a small wireless facility is or will be collocated, mounted, or installed; or, the installation, operation, marketing, modification, maintenance, or replacement of associated poles.

The bill would also provide that a wireless provider would to have the right, as a permitted use not subject to zoning review or approval, and without the need for municipal consent to: collocate small wireless facilities; mount or install small wireless facilities on new or replacement poles; install associated antenna equipment adjacent to a structure on which a small wireless facility is or will be collocated, mounted, or installed; or, install, modify, or replace its own poles, or, with the permission of the owner, a third party's poles, associated with a small wireless facility, along, across, upon, and under the right-of-way.

The measure would further provide that each new, replaced, or modified pole installed in the right-of-way for the purpose of collocating, mounting, or installing a small wireless facility is to follow certain height restrictions pursuant to the bill. An authority may adopt aesthetics requirements governing the deployment of small wireless facilities and associated antenna equipment and poles in the right-of-way, subject to certain requirements pursuant to the bill. A wireless provider would have to comply with undergrounding requirements that are consistent with the bill. The bill provides that an authority may require a wireless provider to repair all damage to the right-of-way caused by the activities of the wireless provider and to return the right-of-way to its functional equivalence before the damage, pursuant to the competitively neutral, reasonable requirements and specifications of the authority. If the wireless provider fails to make the repairs required by the authority within a reasonable time after written notice, the authority may make those repairs and charge the applicable party the reasonable, documented cost of the repairs.

A wireless provider would not be required to replace or upgrade an existing pole except for reasons of structural necessity or compliance with applicable building codes. A wireless provider may, with the permission of the pole owner, replace or modify the existing pole, but any replacement or modification shall be consistent with the design aesthetics of the pole being modified or replaced. The bill requires wireless provider to notify an authority at least 30 days before the abandonment of

a small wireless facility located within the authority's jurisdiction. Following receipt of the notice, the authority is to direct the wireless provider to remove all or any portion of the small wireless facility and associated antenna equipment that the authority determines would be in the best interest of public safety. If the wireless provider fails to remove the abandoned small wireless facility within 90 days after the notice, the authority may undertake to remove the small wireless facility and recover the actual and reasonable expenses of the removal from the wireless provider, its successors, or assigns. The bill would allow an authority to require an applicant to obtain a permit for: the collocation of a small wireless facility; mounting or installation of a small wireless facility on a new, modified, or replacement pole; or, the installation, modification, or replacement of associated poles or antenna equipment as provided the bill.

Each permit issued pursuant to the bill would be of general applicability and would not to apply exclusively to a small wireless facility. An authority would be required to receive and process applications following certain requirements pursuant to the bill. Additionally, rates, fees, and terms and conditions for any make-ready work to collocate, mount, or install a small wireless facility on an authority pole and to install associated antenna equipment would be non-discriminatory, competitively neutral, and commercially reasonable. The legislation would further provide that all rates and fees established pursuant to the bill are to be a reasonable approximation of the authority's reasonable costs and would be applied by the authority in a non-discriminatory manner. An authority may not require a wireless provider to pay any rates, fees, or compensation to the authority or other person other than what is expressly authorized by the bill for the right to use or occupy the right-of-way for the collocation, mounting, or installation of a small wireless facility on a pole in the right-of-way, or for the installation, maintenance, modification, or replacement of associated antenna equipment or a pole in the right-of-way.

Application fees for any permit would not to exceed certain amounts pursuant to the bill. The bill provides that an authority is not to have or exercise any jurisdiction or authority over the design, engineering, construction, installation, or operation of a small wireless facility located in an interior structure or upon the site of a campus, stadium, or athletic facility not owned or controlled by the authority, other than to require compliance with applicable building codes. Further, except as it relates to small wireless facilities subject to the permit and fee requirements established pursuant the bill or otherwise specifically authorized by State or federal law, an authority is not to adopt or enforce any regulations or requirements on the placement or operation of communications facilities in the right-of-way by a communications service provider authorized by federal, State, or local law to operate in the right-of-way, regulate any communications services, or impose or collect any tax, fee, rate, or charge for the provision of additional communications service over the communications service provider's communications facilities in the right-of-way. The bill would allow for an authority to adopt an ordinance that makes

available to wireless providers rates, fees, and other terms and conditions that comply with the bill. An ordinance or agreement that does not fully comply with the bill is to apply only to small wireless facilities and any associated poles and antenna equipment that were operational before the effective date the bill and are to be deemed invalid and unenforceable beginning on the 181st day after the effective date of the bill unless amended to fully comply with the bill.

The measure would provide that an authority may adopt reasonable indemnification, insurance, and bonding requirements related to a small wireless facility and associated pole permits and antenna equipment. An authority is not to require a wireless provider to indemnify and hold the authority and its officers and employees harmless against any claims, lawsuits, judgments, costs, liens, losses, expenses, or fees, except when a court of competent jurisdiction has found that the negligence of the wireless provider while installing, repairing, or maintaining a small wireless facility or associated poles and antenna equipment caused the harm that created the claims, lawsuits, judgments, costs, liens, losses, expenses, or fees. The bill provides that an authority may require a wireless provider to have in effect insurance coverage consistent with the bill. The bill also allows an authority to adopt bonding requirements for small wireless facilities if the authority imposes similar requirements in connection with permits issued for other right-of-way users. The bill provides that a court of competent jurisdiction is to have jurisdiction to determine disputes arising pursuant to the bill. A dispute is to be pursued in accordance with accelerated docket or complaint procedures, where available.

ELECTRONIC NOTICE OF BOND ORDINANCES

Also, on November 14th, NJAC noted its support before the Senate Community and Urban Affairs Committee for **SENATE, NO. 3037** *(Lagana D-38)*/**ASSEMBLY, NO. 4476** *(Mazzeo D-2/Armato D-2)*, which would permit the transmittal of certain proposed bond ordinances by electronic mail.

Along the lines of similar NJAC legislative initiatives that were signed into law, such as authorizing local governing bodies to pay employees by direct deposit and to pay bills by electronic fund transfer technologies, NJAC strongly supports this legislation as it would streamline and modernize the antiquated bond notification process. Under current law, a board of chosen freeholders in charter counties *(Atlantic, Bergen, Essex, Hudson, Mercer, and Union)* must provide, by regular mail within one week prior to the date of a hearing on a proposed bond ordinance, a copy of the proposed ordinance to the clerk of each municipality within the county. As ordinances typically range from 10 to 25 pages with anywhere from 15 to 70 municipalities in such counties, authorizing a board of chosen freeholders to notify municipalities by email of a proposed bond ordinance would save valuable time, resources, taxpayer dollars, and would provide clarification on the process to non-charter counties. The General Assembly unanimously passed A-4476 on March 25th and the Senate is expected to pass the measure during lame duck.

Governor's Plan For Public Bank Is Met By Acclaim – and Some Concerns

John Reitmeyer, NJ Spotlight, November 14, 2019

Gov. Phil Murphy's long-awaited first step to establish a public bank in New Jersey has thrilled advocates for financial reform. But it is also generating concerns, including from those who worry New Jersey is a poor fit for a state-run financial institution. Murphy yesterday signed an executive order that formally set up a 14-member "implementation board" for a public bank in New Jersey. He has also given the panel a year to come up with a business plan and other operating guidelines for the institution. While the move was praised by financial reform advocates, Republican lawmakers and a representative of the state's banking community were among those critical of the move. "It just seems a little strange to be creating another state agency," said Michael Affuso, director of government relations for the New Jersey Bankers Association.

The basic premise of a public bank is to leverage the millions of dollars in taxpayer deposits that are normally kept in commercial banks and to use them as capital to underwrite loans that serve some sort of public purpose. Right now, North Dakota is the only state that operates such a bank. But Murphy, a Democrat, made the establishment of a public bank in New Jersey a central issue during his run for office in 2017. Yesterday's announcement marks the governor's first significant move toward making it a reality since he took office in early 2018. "I am so proud to be able to say we are governing as we said we would," Murphy said moments before signing the executive order during an event in Newark.

Financial reform advocates immediately praised the governor's action. Supporters included Joan Bartl, co-director of a group called Banking on New Jersey that has long called for the establishment of a public bank in the Garden State. "It's very exciting," said Bartl, who Murphy picked to serve on the implementation board. Advocates of public banks say they can provide borrowers with fairer interest rates and other favorable lending terms because there's no need to charge high fees to fund things like large executive bonuses or to pump up shareholder profits. Murphy also suggested a public bank in New Jersey could be used to boost affordable housing projects, fund infrastructure investments and provide better lending terms to college students and small-business owners.

"A public bank is about power to the people," said Lt. Gov. Sheila Oliver, who was also on hand yesterday as Murphy signed the executive order. Phyllis Salowe-Kaye, executive director of New Jersey Citizen Action, said discussions about establishing a public bank in New Jersey go back decades. She credited Murphy for bringing the idea this far even while acknowledging there's more work to do over the next year. "Today marks a very important step toward making a state public bank in New Jersey a reality, and getting some of these very important projects funded," said Salowe-Kaye, who will also serve on the implementation board. Under the executive order, the 14-member

panel will hold at least three public hearings as it sketches out a business plan for the bank. State Banking and Insurance Commissioner Marlene Caride will lead the board.

Tim Sullivan, chief executive of the state Economic Development Authority , said after yesterday's event that the bank could play an important role in a broader push to improve the state economy by giving more entrepreneurs and small-business owners access to capital in New Jersey. "We're trying to shift how the marketplace thinks about a lot of these opportunities," Sullivan said. He cited as an example an EDA small-business "microlending" program that currently has only $1 million in available funding. "It could be scaled up with a public bank, for sure," Sullivan said. "Hopefully, we can figure out some of the particulars of how this could work." Not everyone is thrilled to see the governor advance the public-bank initiative, including Republican lawmakers, who raised concerns yesterday about the potential for taxpayers to take on risky loans. "This poses too great of a potential liability for New Jersey families who already struggle with taxes," said Sen. Anthony Bucco (R-Morris).

Bucco also raised concerns about political influence in his own response to Murphy's announcement, which came as his administration is still in the midst of probing the state's administration of lucrative economic-development tax incentives. At least one criminal referral has been made as a result of that investigation. "Governor Murphy needs to focus on New Jersey's high property taxes and underfunded schools, rather than launch this bottomless money pit that will no doubt be run by politically connected folks," Bucco said. One of the big questions the implementation board will have to address is how the public bank would interact or complement existing financial institutions in New Jersey, including credit unions and community banks.

Michael Affuso of the New Jersey Bankers Association said banks already have a responsibility under the federal Community Reinvestment Act to work with low- and moderate-income communities, which would also be one of the public bank's goals. He also questioned the state's creation of another financial bureaucracy, since there are already agencies like the EDA, the Higher Education Student Assistance Authority and the Housing and Mortgage Finance Agency operating in Trenton. "We think we can get exactly where the governor wants to get without creating any additional state bureaucracy," he added. Also raising eyebrows was Murphy's decision to appoint senior adviser Derrick Green to serve on the implementation board alongside advocates like Bartl and Salowe-Kaye, and administration officials like Caride and state Treasurer Elizabeth Maher Muoio. Green, according to northjersey.com reports, was connected to a campaign-finance scandal several years ago in Bermuda. He was never charged with any wrongdoing, but GOP lawmakers had already been critical of Murphy's selection of Green to serve in his administration before he was picked to fill a seat on the public-bank panel. "Governor Murphy is once again intentionally ignoring significant issues involving someone within his administration, and doing so conspicuously," said Assemblywoman Holly Schepisi (R-Bergen). "It is a disturbing trend."

Bills In Both Houses Would tighten Restrictions on Vaping, E-Cigs

Lilo H. Stanton, NJ Spotlight, November 14, 2019

New Jersey lawmakers are scheduled today to consider proposals that would eliminate all flavored tobacco and e-cigarette products — including menthol cigarettes — increase taxes on vapes, create an electronic tracking system for their sales and tighten regulations for retail outlets to reduce sales to those under age 21.

Bills scheduled to be heard in the Assembly and Senate health panels would codify some of the key recommendations of the Electronic Smoking Device Task Force Gov. Phil Murphy empaneled earlier this year to address concerns about vape use, which has soared in recent years among young people. At least one in five Garden State high schoolers now uses e-cigs although state law prohibits sales of any tobacco product to minors. Lawmakers first tried to ban e-cigarette flavors in 2016 but the issue has recently received new attention as health officials across the country face a growing number of vape-related lung injury cases. More than 2,000 cases are under review and 39 people have died nationwide, including one in New Jersey; initial research suggests street-altered products may be largely to blame. "Young people are using flavor as a gateway to nicotine addiction," said Sen. Joseph Vitale (D-Middlesex), chair of the health committee and a sponsor of several bills. "There's going to be pushback" from the vaping industry, he said, "but we'll get this done."

While e-cigarettes — which heat a liquid infused with nicotine or marijuana into a vapor that is inhaled — do not contain the same cancer-causing tar as traditional cigarettes, they do contain higher levels of nicotine. Health experts also note little is known about the effect of some of the flavors and other substances, but some users swear the products have saved their lives by allowing them to stop smoking cigarettes. A total of seven bills are on the agenda for Thursday, but several are nearly identical versions of the same proposals. Vitale and Assemblyman Herb Conaway (D-Burlington), who chairs the health committee in his chamber, are the lead sponsors on a number of measures, including the flavor ban. Senate President Steve Sweeney (D-Gloucester) is sponsoring a tax that would require vape products be carefully tracked. Vitale said most are likely to head to the budget committees next, where amendments will be made to resolve any disparities between the versions. *The bills scheduled for consideration Thursday include:*

S-3265/A-3178, which would make it illegal to sell, give away or otherwise distribute vape products that contain flavoring of any kind. It would impose fines ranging from $250 for the first offense to $1,000 for the third or later violation. It is up for a vote in both health committees today. This proposal dates to January 2016 and cleared hearings in both houses in the previous legislative session but has yet to gain traction — until now. Vitale, Sen. Shirley Turner (D-Mercer) and Sen. Richard Codey (D-Essex) are lead sponsors of the current Senate version. Conaway and Assemblywomen Carol Murphy (D-Camden) and Valerie Vainieri Huttle (D-Bergen) have championed the measure in their house.

A-5922/S-4224, which would revise sales requirements for tobacco, vape products; increases penalties This bill seeks to tighten and clarify state laws regulating tobacco product sales in order to reduce minors' access to vapes; it also spells out that these limits don't apply to medical cannabis. It would further require the use of an electronic system to monitor the sale of e-cigarette products, pending under another bill, which would allow regulators to track vape products through a system similar to how the state taxes and controls cigarettes. In addition, the proposal calls for vendors to keep all tobacco products, including vapes, in a locked cabinet behind the counter or other restricted area. It would also require salespeople to confirm the age of the buyer before selling any tobacco items. Retailers could face penalties ranging from $500 to $2,000 — double the current rate — for violations; the clerk making an underage sale could be charged with a disorderly persons offense and fined $1,000, also twice the current amount. And minors who buy vapes could face similar charges, with a fine of up to $500 and as much as 30 days in jail, or both, as they now do for buying tobacco products under the legal age. The proposal would also create new regulations to restrict what vape products can be sold legally, including banning devices that look like unrelated items — like flash drives or phones. In addition, it would require all products sold to be registered with the federal Food and Drug Administration and to include an electronic-tracking feature; vape liquids couldn't contain more than 2% nicotine or be tampered with outside the factory. Conaway is the sponsor of the Assembly version, which appears to align with draft text of the bill Vitale will formally introduce tomorrow. Both committees are scheduled to vote on the measure.

A-5923/S-4223, which would change how vape sellers are licensed under the state Treasury Department, raise and expand the sales taxes charged on these products, and establish a new electronic-tracking system for e-cigarettes like the so-called tax stamp used protect the legitimacy of conventional cigarette sales. It also creates new categories of business to separate shops largely devoted to e-cigarette products from other retail sites that offer a limited selection of these products; all of these retailers would need a license under the new bill. Currently, only vape shops that sell liquid refills require a special e-cigarette license, the bill notes. The proposal raises the fee for vape-shop licenses from $50 annually to at least $500; more extensive businesses would need to pay $1,000 a year. It would also permit municipalities to require additional fees, if the revenue generated is spent on enforcement. Businesses that sell vape products to underage buyers would face a $2,000 fine and could lose their license; operating without a license could result in daily penalties of $1,000.

In addition, the measure would impose a new 20% retail tax rate on vapes and liquids and doubles the existing 10-cents-per-milliliter tax on refills. (New Jersey charges an excise tax of $2.70 per pack of cigarettes, in addition to the 6.6% sales tax.) The bill also requires the Treasury's Division of Taxation to establish a database and an electronic system — with a stamp or barcode of some kind — that allows it to track all vape-related products sold. When he first discussed his plan, Sweeney said he envisioned

something akin to the tax stamps the state currently uses to regulate cigarette sales and ensure they are distributed legally. Two months after this process was developed, manufacturers would need to start building this tracking device into their products, upload information on these items to the state system, and report any problems to regulators, the bill notes. Items without the stamp would be considered contraband, like cigarettes without the state tax stamp. The measure is sponsored by Conaway; it appears almost identical to a plan Sweeney will introduce Thursday.

S-1947, sponsored by Vitale and Sen. Robert Singer (R-Monmouth) amends a 2008 statute that banned flavored cigarettes to include menthol and clove products, both of which were exempted at the time. The legislation notes that research has shown the cooling aspect of the menthol flavor desensitizes smokers so that they light up more frequently than their peers who prefer unflavored tobacco, which puts them at greater risk for addiction and smoking-related diseases. Menthol products have historically been marketed to the black community, the bill adds, and nearly nine-in-10 African American smokers prefer menthols. Conaway first introduced this measure in the Assembly in January 2018, when it also passed the health committee he chairs and was referred to the Assembly's appropriations panel, where the measure remains. (The Assembly version is not up for a hearing Thursday.) Federal regulators, who banned other flavored smokes in 2009, have also explored further restrictions on menthol products but have not imposed any ban, lawmakers note.

UPCOMING NJAC EVENTS

We hope you'll join us on December 20th for NJAC's "Summit on the Suicide Crisis," where we'll examine the alarming increase in suicide rates among teenagers, adults, veterans, and law enforcement professionals. Registration is free for all public officials; however, space is limited, and you *must* to attend.

STATE HOUSE TRIVIA: *Did you know* that the Macy's Day Parade began as a Christmas Parade with animals from the Central Park Zoo, entertainers, and employees.

"Thanksgiving is an emotional time. People travel thousands of miles to be with people they see only once a year. And then discover once a year is way too often." Johnny Carson.

NJAC Summit on the Suicide Crisis & Prevention

December 20, 2020

9:30 a.m. – 1:30 p.m.

Trenton Country Club, 201 Sullivan Way, Trenton, New Jersey

Thank you for joining the New Jersey Association of Counties (NJAC) for an important and timely discussion on county governments' role in combatting the suicide crisis and providing critical resources for those in need.

NJAC Board of Directors Meeting
9:00 a.m. – 9:30 a.m.

Registration & Continental Breakfast
9:00 a.m. – 10:00 a.m.

Opening Remarks
10:00 a.m. – 10:15 a.m.

The Suicide Crisis
10:15 a.m. – 11:15 a.m.
Subject matter experts from across the State will examine the alarming increase in suicide rates among teenagers, adults, veterans and law enforcement professionals. *Eric Scott with Townsquare Media to moderate both panels!*

- Tricia Baker, Attitudes in Reverse
- Valentina Sanchez, Mental Health Association of Monmouth County
- Roy Diaz, Cop2Cop
- Jennifer Stivers, Community Hope

Coffee Break
11:15 a.m. – 11:30 a.m.

Suicide Prevention and awareness
11:30 a.m. - 12:30 p.m.
Mental health specialists and other leading authorities will discuss essential strategies for prevention and recommend resources for providing support to those in need.

- Maria Kirchner, NJ Division of Mental Health and Addiction Services
- Shauna Moses, NJ Association of Mental Health and Addiction Agencies
- Maureen Underwood, Lifelines: A Suicide Prevention Program
- Andrew Ominus, Minding Your Mind
- Douglas Forrester, First Responder Partnership Health Center

Keynote Speaker and Luncheon
12:30 p.m. – 1:30 p.m.
Nick LeDonne, Awarding Winning Filmmaker, "Hanging to Hang On"

From:	John Donnadio <jdonnadio@njac.org>
Sent time:	01/15/2019 04:18:36 PM
To:	Undisclosed recipients:
BCc:	mcilento@co.ocean.nj.us; cblock@co.ocean.nj.us; vhaines@co.ocean.nj.us; lmarzarella@co.ocean.nj.us; scolabella@co.ocean.nj.us; dflynn@co.ocean.nj.us; dconnors@co.ocean.nj.us; mmastronardy@co.ocean.nj.us; lmurtagh@ocbss.ocean.nj.us; mfiure@co.ocean.nj.us
Subject:	State of the State Address
Attachments:	Governor Murphy State of the State Address 2019.docx

Good afternoon. I hope all is well. Please find attached for your review, the full text of Governor Phil Murphy's State of the State Address that earlier today he delivered to both houses of the Legislature. Please also make sure to mark your calendars for the following and stay tuned next week for a new edition of State of House News

NJAC's Reorganization Meeting

Please make sure to join us at 11:00 a.m. on January 25th in the Senate Chambers of the State House for NJAC 's Reorganization Meeting and the swearing-in of our board of directors, executive officers, and Essex County Freeholder Brendan Gill as NJAC's 78th President. You're also welcome to join us for lunch at the historic Masonic Temple where students from the Essex County Vocational Technical Schools will also provide dessert and musical entertainment.

NJAC Annual Conference Workshop Proposals Due *02/01/19*

We're also accepting proposals for conference workshops. Space is limited, so please submit your proposal no later than *February 1st* to Loren Wizman by email at loren@njac.org. To make sure that our elected officials, administrators, finance officers, purchasing officials, planners, engineers, attorneys, public works employees, accountants, and other county officials actively participate in our conference, the conference committee will give priority consideration to workshops approved for continuing education credits by the appropriate State agencies and the Rutgers University Center for Local Government Services.

1. Workshop sessions should be educational and informative, and 50-60 minutes long.
2. Proposals should include the name, title, and company information of those presenting.
3. Proposals should be typewritten in Garamond font Pitch 9.
4. Proposals should contain a title and one-page informative summary of the workshop, so that we may include these details in our conference journal.
5. Proposals should include handouts, power point presentations, and other similar materials.
6. Proposals should be submitted by *February 1st*.
7. We will notify you in writing of the time, location, and other important details concerning your workshop well in advance of the conference.

Thank you as always for your time and consideration, and I look forward to seeing you soon.

John G. Donnadio, Esq.
Executive Director
New Jersey Association of Counties
Government Finance Officers Association of New Jersey
150 West State Street
Trenton, New Jersey 08608
Telephone (609) 394-3467
www.njac.org

Governor Murphy Delivers State of the State Address
January 15, 2019
Remarks as Prepared for Delivery

Lieutenant Governor Oliver, Senate President Sweeney, Assembly Speaker Coughlin, Majority Leaders Weinberg and Greenwald, Minority Leaders Kean and Bramnick, members of the Legislature, Chief Justice Rabner and Associate Justices of the Supreme Court, former governors Florio, McGreevey, and Codey, distinguished faith leaders, honored guests, and fellow New Jerseyans.

I had planned to give a very different speech today but, after reading the audit of New Jersey's corporate tax incentives released last week, this is not a time for business as usual.

One year ago, tomorrow, I took the oath of office as New Jersey's 56th governor. Three days later, on January 19, 2018, I ordered a full and complete audit by State Comptroller Degnan of our tax incentive programs -- it was one of my highest priorities.

My concern was that those programs were designed to do exactly what they were shown to do -- reward the well-connected while taxpayers and workers paid the price -- rather than actually create jobs and nurture innovative new businesses.

This is about wasted money, phantom jobs, squandered opportunities, and misplaced priorities. This is about a failed status quo and a broken system.

It's time to fix it and, together, we can.

Together, where there is greed we will restore opportunity. Where there is failure we will forge success. And together, we can replace narrow thinking with common cause.

Between 2010 and 2017, $8 billion in corporate tax breaks were given away. More than $11 billion have been awarded over the past 13 years to lure companies to come to, or stay in, New Jersey. By the close of 2017 we were handing out tax breaks at a cost of more than $160,000 per job.

The Comptroller could not prove that New Jersey got back benefits anywhere near what it handed out. Based on a sample, it could not even prove that 20 percent of the jobs promised to be created or retained actually ever were – meaning money flowed from taxpayers' pockets into a black hole.

Tax incentive programs should be about the best of what we do in government -- creating good jobs by investing taxpayer dollars with integrity, and subject to real oversight. That's the test. And, it's the test our system spectacularly failed.

For the past year, this administration has fought to create a New Jersey that works for everyone. This is just the latest glaring example of what we are up against -- a system that has been rigged to work for a favored few.

Let me be perfectly clear on two things.

First, I do not oppose tax incentives. Carefully crafted, properly enforced, and transparent tax incentives have a place in a successful economic program.

I am a "pro-growth" progressive, and proudly so. I am working every day to support companies and start-ups that want to grow, create jobs, and thrive in New Jersey – and that don't need to have a "friend" on the inside. Incentives do help. But, we need to do this the right way, the smart way, and the honest way.

Second, the overwhelming majority of companies receiving a tax incentive are good actors. There are many good corporate citizens with whom we want to work, with whom I talk every day, and alongside whom we are proving that New Jersey is the right place for innovative businesses.

Businesses like Mars, Teva Pharmaceuticals, and online retailer The RealReal. These three companies are using their incentives to create more than 1,500 new jobs right here in New Jersey while retaining hundreds more. Our welcome mat is out for them and every business or entrepreneur that wants to play by the rules.

Likewise, a strong and focused EDA is crucial to our economic success. Under the new leadership of Chairman Larry Downes and CEO Tim Sullivan, the EDA is working hard to implement the forward-leading policies our economy needs to grow.

However, the Comptroller verified one of our worst suspicions, that in the most egregious cases, past "business incentives" got turned into "crony capitalism."

The audit revealed bad policy, badly run -- a program more likely to have been drawn up in a smoke-filled back room than created for New Jersey's future. It showed that New Jersey did not implement a serious, strategic plan for creating jobs. It showed a stunning lack of controls to ensure that these tax break programs lived up to their promises.

The results underscore why, while the rest of the nation was recovering from the Great Recession, we lagged in both job and wage growth.

What attracts businesses and creates jobs is a skilled and agile workforce, working modern infrastructure, great public schools, cutting edge research colleges and universities, innovative public-private partnerships, an unmatched location, and a culture that encourages innovation and entrepreneurship.

I have used the example of Massachusetts before. It bears repeating. No one calls

Massachusetts a low-tax state. But, their economy over the past decade has run laps around us. How? It wasn't a single-minded reliance on tax incentives -- the average Massachusetts award is nearly one-eighth of what we had been giving out, $22,000 per job. They did it by investing in education and infrastructure, and building connections between higher education and the real economy.

In essence, where we should have invested the bulk of our $11 billion.

In the upcoming fiscal year, these tax breaks from the past will cost us more than $1 billion. To those who bemoan our inability to pay for even the most basic items in our budget, let me say that this, simply put, is nuts.

This is taxpayer money. For the same price as these tax breaks, New Jersey could have funded our public schools, funded NJ TRANSIT, met our pension obligations, provided more property tax relief, or all of the above. We could have rebuilt the entire Portal Bridge, on our own, seven times. We could have built the ARC Tunnel, or at least financed nearly the entire length of the Gateway Tunnel.

Any of these would have actually boosted our economy and made life better for New Jerseyans.

And, that, after all, is the reason we're all here -- to make life better for our residents.

Tax incentives must be just one tool in our toolbox. Education, infrastructure, workforce development -- those are the primary tools for building a stronger and fairer economy and a stronger and fairer New Jersey. Tax incentives should be used strategically and sparingly to get us to our goal.

A few tweaks to the status quo cannot, and will not, get us there.

I am calling for a new program that is capped in the amount of money it gives out, has clear eligibility criteria and oversight, has flexibility, and works to achieve our broader goals by investing in the high-wage, high-growth sectors upon which we must rebuild our economy. It is focused. It is smart. It is about fostering the new economy rather than simply helping a few big corporations.

I put forward the principles for such a program in October, when I unveiled my economic master plan -- and I have shared my proposal with legislative leadership.

We need a system that rewards those who invest in their employees through skills development and training, and that cares about growing innovative and promising small and medium-sized companies. We need a program that encourages companies to invest in our communities and our Opportunity Zones.

Several of those zones -- in Newark and Jersey City -- have already been recognized as among the most advantageous in the entire country. They are but a few of the 169 Opportunity Zones we designated in 75 municipalities, at least one in every county.

Plainfield Mayor Adrian Mapp is already moving forward on plans to maximize his city's three Opportunity Zones. Mayor Mapp is with us, and I share his excitement in Plainfield's potential.

We need this more responsible and sustainable tax-incentive program to work hand-in-hand with the rest of our pro-growth agenda, and to buttress the new startup incentive programs offered by the EDA, which are now welcoming entrepreneurs to our incubators and co-working spaces.

And, it will work alongside the new Evergreen Innovation Fund, our proposal for partnering with venture capital firms to help grow the next generation of innovative New Jersey companies.

Rising Tide Capital, a non-profit funder, is headed by Alfa Demmellash. Alfa and her team are supporting promising new businesses in underserved communities. Alfa had hoped to be here today, but is currently on an out-of-state business trip, seeking new partnership opportunities. I spoke with her this morning. I know the Evergreen Innovation Fund will give her more New Jersey partners to help fulfill Rising Tide's mission.

By the way, Alfa came to America from Ethiopia at the age of 12. She ultimately graduated from Harvard, and is now a game-changer in our state. I hope you are watching, President Trump, because her life is the American Dream.

The next transformative company is out there. We know that. With this economic master plan in place, we can increase the odds that that company will be born and bred right here in New Jersey.

The bottom line is that being competitive isn't a race to give out the biggest tax breaks. It's about leading the way on education, infrastructure, and diversity and inclusion. Companies want to stay and grow and locate in a state that allows them to flourish and for their workers to prosper in all parts of their lives. New Jersey has the potential to check every one of those boxes.

That is a vision of true success that can be shared by every family. That is how you build a stronger and fairer New Jersey. I ask you now to work with me to enact a new incentive program that will help us create a new economy.

One of my greatest privileges as governor has been getting to know the people who hired me, and for whom I work. Every day, I see the unmatched decency, character, and commitment of our people. That is why, despite these challenges, I am more optimistic than ever about our future.

The people I talk with -- in diners and town halls, on walks down the Shore, in houses of worship, or riding NJ TRANSIT -- never hesitate to give me a piece of their mind. Frankly, the more time I spend outside Trenton the more I learn that all the answers do not come from Trenton.

I often hear, "we need some help." Help paying our bills ... help paying for college ... help saving for the future. That is not a demand for a hand-out, it is an acknowledgement that their struggles are real and there is no shame in that.

I hear people say that the system doesn't work for them. And, make no mistake, the unchecked corporate tax incentive program is the most glaring example.

In these challenging times, the people of New Jersey are not wrong to be concerned. But they are far more right to be hopeful that we will level the playing field and give them their shot at success.

That is what drives me every single day. And, it is what has led us to do many good things together.

By any measure, working together – with Senate President Sweeney, Speaker Coughlin, and each of you – we had a productive year.

And, because of that, I can proudly say that the state of our state is stronger and fairer than it was one year ago.

Today, more New Jerseyans are working and fewer are unemployed.

Today, more young children are attending a high-quality pre-K program, and many older students are starting on their way to a tuition-free Associate's degree.

Today, we have more income tax fairness and more property tax relief for working families.

Today, the cost of health insurance is significantly down for thousands of New Jerseyans.

Today, Planned Parenthood is funded.

Today, women and their families benefit from the nation's strongest equal-pay law. And, the rights of our LGBTQ community are further safeguarded.

Today, our loved ones are more secure because we passed a national model for earned sick leave.

Today, more of our veterans have access to medical marijuana to treat their PTSD, so they can get their lives back, and go to work or school. We thank our veterans for their service, and may God bless them all.

Today, companies from around the world are coming here to create good jobs in the innovation economy.

Today, unions – from educators to laborers – are back at the table.
Today, New Jersey is leading the nation in fighting climate change, from promoting clean energy alternatives to rejoining RGGI.

Today, our communities are safer because we have strengthened common sense gun safety laws.

Today, that is what stronger and fairer looks like.

The vision of a stronger, fairer New Jersey was born from an understanding of what it's like for families who struggle, and a commitment to helping everyone succeed.

You may have heard me say – once or twice – that I grew up "middle class on a good day." It is the job of each of us in this chamber to make sure that New Jersey's families can have many more good days than bad.

I know what it is like taking out student loans and having to work to be able to afford the cost of college. I didn't pay off my loans until I was in my thirties. Most of all, I know what it's like when a community, a government, and our leaders have your back. And, when they work together to pull you ahead rather than push you back.

Yet, I am worried -- we should all be worried -- that my story, and the story of so many, seems further and further out of reach. The opportunities that could be earned by hard work, a good education, and playing by the rules are not there today as they were when I was growing up.

Today would have been the 90th birthday of Reverend Dr. Martin Luther King, Jr. His gospel of love and sharing common ground still inspires. Dr. King famously said, "We may have all come on different ships, but we're in the same boat now."

Our wealth gap shows how far we have to go. According to research from the New Jersey Institute for Social Justice, the median net worth of the average white family in New Jersey stands at $271,000. For Latino families it is $7,000. And, it is just $5,900 for African-American families. That is a startling statistic we must address.

But, the struggles of poverty and income know no color. Look no further than the 2018 ALICE study done by the United Way of Northern New Jersey -- more than one-third of all New Jersey households, encompassing all ages and races, in every county, still can't earn enough to afford basic needs. The fact that many of these households are headed by someone working full time, including at more than one job, shows us the need for action.

The working poor of New Jersey are no longer invisible. We see them.

Their needs point to our need for a new approach that reaches deep into every community and puts growing and sustaining a thriving middle-class before anything, or anyone, else.

It's really this simple – as governor, I'm fighting to give every child and every family in New Jersey the same opportunities I had growing up in a tight-knit, working-class family, and I won't stop fighting until they do.

Those who have been left out must be lifted up. Those who work hard must have their effort repaid. And those who are doing well should see a path to doing better.

Changing this mindset has been our Administration's charge for the past 364 days.

Overcoming these economic disparities begins by ensuring equal opportunity to a good job. Last year, from the time I took office through November 2018, our economy created 50,000 new private-sector jobs. Our unemployment rate is at its lowest level since 2001. And, we saw the creation of more than 100 new apprenticeship programs that hired more than 2,000 new apprentices and issued over 1,000 industry-recognized certificates of completion, giving more of our residents a strong start to a good career.

To prepare our kids for a better future, we invested hundreds of millions of dollars in our schools and pre-K. Now, 4,000 more three- and four-year-olds are attending a high-quality pre-K program. And, starting this semester, 13,000 worthy students are attending community college tuition-free.

We were able to make these investments by asking those with incomes over $5 million to pay a little more, and by ensuring a more equitable distribution of school aid. We are proving that investment in our kids is also an investment in middle-class tax relief. To help our property taxpayers, we are also taking steps to promote common sense shared services.

We met our pension obligation and, working in partnership with our public employees, we reached an agreement that will save state and local taxpayers half-a-billion dollars in health care costs over two years.

These advancements are taking some of the weight off the shoulders of our property taxpayers. In 2018, New Jersey saw the lowest increase in statewide average property taxes on record.

We know we have much more to do to crack the back of our property tax burden – including working with our federal delegation to reinstate the SALT deduction. But, it's a start.

While some in Washington continue their assault on our health care, we protected health care for hundreds of thousands of residents, by restoring funding for Planned Parenthood and women's health care, enacting paid sick leave protections for 1.2 million residents who couldn't take a day off, and safeguarding the Affordable Care Act -- an effort that resulted in a more than nine percent reduction in premiums on the individual market.

We put $100 million into fighting our opioid crisis, and have dedicated these resources to better strategic use, through access to treatment and recovery, careful data compilation and analytics, and helping law enforcement keep fentanyl out of our communities.

The stark reality is that we have far to go. Over 3,000 lives were senselessly lost last year. But we are putting ourselves in a better position to attack this epidemic head-on.

We are emerging as a global leader in offshore wind energy, where each dollar of investment will return nearly double to our economy, and where we are working to create thousands of good-paying new, union jobs. The Board of Public Utilities recently closed the first solicitation for potential partners in building an 1,100-megawatt wind farm off our coast -- enough energy to power half-a-million homes and businesses.

I don't think it's a stretch to say that realizing our offshore wind-energy potential is much smarter than drilling for oil off the Jersey Shore.

We opened up our democratic process through the nation's broadest Automatic Voter Registration law, and through reforms to our vote-by-mail law that helped fuel the highest statewide midterm voter turnout in a generation.

We stood up for our DREAMers -- young immigrants who are just as American as our four kids -- by finally giving them access to in-state college tuition assistance programs.

One of these students, Gloria Rodriguez, from Orange, is now attending Bloomfield College, where she is a member of the honors college. She's studying to become a special education teacher. Gloria represents the promise and spirit of our DREAMers, and is with us today -- I cannot wait to see her achieve her dream.

And, we're investing in NJ TRANSIT to make the system work again for the nearly one million New Jerseyans who depend upon it every day. There is still much to do, but I am committed to making NJ TRANSIT the turnaround story of New Jersey.

When our Administration took office, passenger safety was not a priority, and work on meeting the federal government's December 31, 2018 Positive Train Control requirement -- nearly nine years after Congress mandated it -- was just 12 percent complete. No one thought we would make it, but, in eleven months, we met the federal requirement.

There is still more to be done to have this system fully operational by the end of 2020, but our commitment -- and the hard work of NJ TRANSIT's employees -- sends a strong signal to commuters that we are listening to them and working hard to get things right at every level.

This year, NJ TRANSIT's full focus will be on improving customer communications, service, and reliability. Four classes of new rail engineers will graduate, joining newly hired bus operators. And, in my budget address six weeks from now, I will outline additional investments to continue improving NJ TRANSIT service by hiring even more engineers to fill staff shortages and get our trains running on time.

Fixing NJ TRANSIT is the right kind of business incentive.

Our focus on improving operations and instilling a customer-based mindset is changing the culture within NJ TRANSIT. And, our bipartisan reform to NJ TRANSIT's operations is sending the message to customers that NJ TRANSIT now works for them, and not the other way around.

We're not done yet, but we will get there.

All of this progress was made possible through the 169 new laws we enacted together in our first year, more than any first-year administration in over two decades. In addition, I signed more than four dozen executive orders, advancing our priorities of job creation, environmental protection, equal rights, and fair pay.

I am eager to build on this progress together with Senate President Sweeney, Speaker Coughlin, and each of you. There is still much to do. And, no one is blind to the challenges that remain.

So, let's start 2019 by finishing what we began in 2018 -- putting the minimum wage on a clear and responsible path to $15 an hour, and legalizing adult-use marijuana. We must remember that when we talk about policy we are talking about people, not politics.

Our minimum wage workers got a 25-cent per hour increase on January 1 -- a scant $10 more on a 40-hour work week. That's completely inadequate.

Working together with the Senate President and Speaker, we have made great progress over the past several days on final legislation to raise our minimum wage. I appreciate the progress we have made and I know, working together, we will get this done.

A $15 dollar an hour minimum wage will give more than one million families a stronger foothold in the middle class, and allow those who aspire to enter the middle class the means to do so. The people this will help are the same people all of us rely on – maintenance workers, child-care workers and home health aides, security guards, and many more.

Doing so will allow us to invest more in education, in infrastructure, and in other critical needs. A higher minimum wage strengthens all of New Jersey.

And, it will also strengthen our businesses. Talk with Ron Rivers, the owner of Love2Brew, a successful homebrewing supply company in North Brunswick. Ron pays his employees a starting wage of $15 per hour because he knows better pay gets him better employees who serve the customer better.

Ron is here today, and I thank him for setting an example for others to follow.

By legalizing adult-use marijuana – first and foremost – we can reverse the inequality and unfairness left from years of failed drug policies and shift public safety resources to where they can do the most good. We must ensure that those with a past mark on their records because of a low-level offense can have that stain removed, so they can move forward to get a stable job or an education.

But, it will also allow us to broadly benefit from creating an entirely new and legal industry, much as we did last year with sports betting. We are learning from the states that went before us on what not to do, but we are also seeing the positive economic impacts. Massachusetts' new industry is creating an estimated 19,000 new jobs. And, in Colorado, legalization fostered an industry that has an annual statewide economic impact measured at $2.4 billion, with 18,000 new jobs created in research, agriculture, processing, and retail.

We can do that here, and in a smart way that ensures fairness and equity for minority-owned businesses and minority communities.

Last year, we enacted seven new common-sense gun safety laws which returned us to our rightful place as a national leader. Let's take additional steps this year to close remaining loopholes -- to make it easier for prosecutors and police to keep illegal guns off our streets, regulate and track ammunition sales, and assist community-based organizations in implementing coordinated, evidence-based, violence-intervention strategies. Let's work together to get this done.

Our collective conscience has been moved by Parkland and Pittsburgh, but we have acted because of people like Hessie Williams of Jersey City, who channeled the grief of losing her own son to gun violence to organize A Mother's Pain, which brings together other mothers who have also lost children to gun violence for mutual support – and to support non-violence efforts in their community.

Hessie is with us today, and I ask that she stand and be recognized for all she is doing to stop the scourge of gun violence.

Let us use this year to also turn our attention to our aging water infrastructure. More than 1.5 million residents – north, central, and south, rural and urban – are currently serviced by water with elevated lead levels. We must leverage every opportunity to build a modern water infrastructure network that ensures the delivery of clean water to every child, and every family.

We have inherited water infrastructure that is, in some places, a century old, if not older. Some of Newark's water lines were installed in the 1880s. Mayor Ras Baraka has been on the frontlines of this, and I applaud him and his team for their work to protect Newark's residents.

Outdated infrastructure is a national problem, and it requires a federal solution. I will continue working with our Congressional delegation to press the federal government for greater support and assistance -- whether it pertains to clean water, or getting the Gateway Tunnel built.

Let's open the doors to our democracy even wider. Let's work together to allow residents to register to vote online and at the polls on Election Day. Let's enact true early, in-person voting for our residents. Let's allow 17-year olds to register and vote in our June primaries if they will turn 18 by the November general election.

Let's restore voting rights for individuals on probation or parole, so we can further their reentry into society by allowing them to exercise the most sacred right offered by our society -- the right to vote.

And, let's work together to allow all residents -- regardless of status -- to obtain a valid New Jersey driver's license. Twelve states, as varied as Delaware and Utah, plus the District of Columbia, have already done so. All they've seen is an increase in the number of licensed and insured drivers, safer roads, and lower auto insurance premiums. Let's do the same here.

One year into our work, our vision for how to move New Jersey forward has not wavered. We have stayed true to our values and true to those we serve.

We are who said we would be – and we did what we said we would do.

It comes down to this -- you can't have economic progress without social progress, and you can't have social progress without economic progress. That's where this journey is taking us – to a New Jersey that is both strong and fair.

It's not one or the other. It's both. I was not sent here to continue peddling the false choices of the past. I was sent here to build a brighter future for our people and change our state for the better.

I look forward to working with you – and with Senate President Sweeney and Speaker Coughlin and their teams and across the aisle – to build a state that leads for all the right reasons and in all the right ways. The state others point to and say, "that's what the future looks like."

It's a state with an economy that isn't content to be equal with our peers in terms of creating jobs or raising wages, but which leads the pack.

It's a state where the light bulb first flickered on, the transistor age started, and medical miracles were born that now has a strategic economic vision for growth, and reclaims our mantle as the world's home for innovation.

It's a state where young people from across our nation will want to come to start their careers, where they can find good jobs, affordable housing, and diverse and inclusive communities.

It's a state where young families can grow and prosper.

A state that redefines public education for our nation, with access to a free education from pre-K all the way to an Associate's degree.

A state where our higher education system and the real economy are connected, where good jobs can sustain middle-class dreams.

A state where our seniors can retire safe in the knowledge that someone is looking out for them so they won't have to leave for elsewhere.

It's a state where we shrink the economic inequities that have stubbornly persisted, where poverty is meaningfully reduced, and the playing field is level.

It's a state that doesn't just provide a good value, but thrives through living its strong values.

It's the New Jersey we should be -- the New Jersey, that together, we can be.

As Eleanor Roosevelt said, "the future belongs to those who believe in the beauty of their dreams."

My energy and optimism for the job ahead are boundless. They are shared by the residents I have met along this journey. I know we can make this vision a reality.

This is my charge as governor. This must be our charge as a state.

Thank you. May God continue to bless the great people and state of New Jersey, and the United States of America.

From:	Denver Marijuana Management Symposium 2019 <events@email.infocastinc.com>
Sent time:	09/26/2019 01:09:44 PM
To:	freeholderkelly@co.ocean.nj.us
BCc:	jkelly@co.ocean.nj.us; dconnors@co.ocean.nj.us; ocinfo@co.ocean.nj.us
Subject:	The Symposium Starts in 5 Days: Don't Miss Out - Register Today

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Denver Marijuana Management Symposium

On October 1, the **Denver Marijuana Management Symposium** will open its doors to nearly 400 attendees from across the U.S. and around the world. Seasoned marijuana regulators, public health officials, and law enforcement officers will gather in Denver to:

- Learn about best practices for regulation from the most experienced marijuana regulators throughout the world
- Network and build valuable relationships
- Stay ahead of the curve on international, national, state, and municipal marijuana policies
- Attain both a high--level overview and an in--depth technical

understanding of developing, implementing, and enforcing marijuana regulations

- Stay updated on the fast--paced, dynamic marijuana industry and the public sector implications surrounding it

Don't miss out. This is the last chance to register for this premier event.

The Symposium Starts Next Week.

REGISTER NOW

Featured Speakers

Michael B. Hancock
Mayor
CITY AND COUNTY OF DENVER

Andrew Brisbo
Director, Bureau of Marijuana Regulation
MICHIGAN DEPARTMENT OF LICENSING & REGULATORY AFFAIRS

Molly Duplechian
Deputy Director, Policy and Administration
CITY OF DENVER

Erik Gundersen
Director
MAINE OFFICE OF MARIJUANA POLICY

Nicole Elliott
Senior Advisor, Governor's Office of Business and Economic Development
STATE OF CALIFORNIA

Ashley Kilroy
Executive Director
DENVER EXCISE & LICENSES

Renu Kulendran
Executive Director, Legalization of Cannabis Secretariat
PROVINCE OF ONTARIO MINISTRY

Cat Packer
Executive Director, Department of Cannabis Regulation
CITY OF LOS ANGELES

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Sent time: 09/09/2019 01:20:16 PM

To: freeholderkelly@co.ocean.nj.us

BCc: jkelly@co.ocean.nj.us; dconnors@co.ocean.nj.us; ocinfo@co.ocean.nj.us

Subject: Top Ten Reasons to Attend the Symposium

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Denver Marijuana Management Symposium

2019 Symposium's Participating Organizations

Participating Organizations

Why should you attend the 5th annual **Denver Marijuana Management Symposium**? Here are the top ten reasons to register for this premier event:

1. Network, compare notes, and build valuable relationships with 400+ public sector officials from around the U.S.
2. Learn about best practices from the most experienced marijuana regulators in the world.
3. Stay updated on the fast--paced, dynamic marijuana industry and its enforcement implications.
4. Attain a high--level understanding of developing and implementing marijuana regulations in your jurisdiction.
5. Get a chance to go on a bus tour of a marijuana infused product facility and a licensed retail marijuana store.
6. Stay ahead of the curve on international, national, state and municipal policies.
7. Get an in-depth technical overview of public safety, civil litigation, and criminal issues pertaining to marijuana regulation.
8. Learn about harmonizing medical and recreational marijuana programs.
9. Develop an understanding of hemp and CBD enforcement strategies.

10. Enhance your professional education with a visit to the beautiful City of Denver.

Don't delay. The Symposium starts in 3 weeks

REGISTER NOW

Featured Speakers

Michael B. Hancock
Mayor
CITY AND COUNTY OF DENVER

Norman Birenbaum
Deputy Implementation Director, Policies and Programs
RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION

Brandon Goldner
Program Specialist, Cannabis Program
CITY OF PORTLAND

Ashley Kilroy
Executive Director
DENVER EXCISE & LICENSES

Kara Lavaux
Food Safety & Marijuana Supervisor
DENVER DEPARTMENT OF PUBLIC HEALTH & ENVIRONMENT

Cat Packer
Executive Director, Department of Cannabis Regulation
CITY OF LOS ANGELES

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From: Robert Johnson <robert.johnson@livewebinartrainings.com>
Sent time: 08/25/2020 08:32:34 AM
To: FreeholderKelly
Subject: Two Days Left - Marijuana and CBD Updates

Marijuana and CBD Update: What Employers Can Legally Do Over Concerns about Joints, Edibles, Oils, and Vapin

Live Webinar | Presented By: **Ralph R. Smith, 3rd, Esq.**

Date: **August 27, 2020** | Time: **1 pm EST**

Apply **"USA50"** to get **$50** off

REGISTER NOW

As laws change on the legality of marijuana use, employers are more perplexed than ever about what they can do, and whether they can regulate and prohibit drug use amongst their employees. Many questions have arisen. For example, can an employer continue to test for drug use? How do federal laws barring drug use (or risk loss of government funding) impact an employer's ability to test its workforce? Even if state law allows use, why can't an employer test for marijuana use since it is still illegal under federal law? And does it matter that the use is for medical purposes? These and other related questions will be addressed during this webinar.

Session Highlights

- Current trends in marijuana laws
- Employer's rights and duties in the workplace in addressing marijuana usage among its workforce.
- Interplay with federal and state disability accommodation requirements on medical marijuana use
- Dealing with drug-free workplace policies as federal funding requirements
- Crafting effective policies to address marijuana use among employees

Learning Objectives

By attending this seminar, you will develop a greater understanding of this evolving area of the law. You will get up to date tips on how to craft effective policies, and learn how to navigate through these difficult issues to better protect your company from possible legal problems. You will also receive practical advice on how to better handle these issues when your company is faced with resolving such problems.

Apply **"USA50"** at check-out to get **$50** off on your registration.

REGISTER NOW

If you prefer to order by phone, call +18004638122 or email at **support@yourown60.com**.

From: Apple News <newsdigest@insideapple.apple.com>
Sent time: 08/22/2020 10:24:03 AM
To: Quinn, Gary
Subject: Why did these influencers give away their son?

Good Morning From Apple News

It's August 22, 2020.

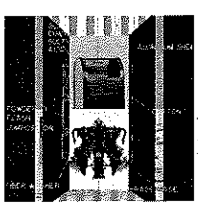
What to read this weekend.

FIVE GREAT WEEKEND READS

News+ Audio

Why Did These Influencers Give Away Their Son?

Popular YouTube couple Myka and James Stauffer adopted a toddler from China and shared every step of the process — except the last. NEW YORK MAGAZINE



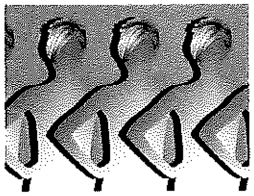
Audio

THE FURIOUS HUNT FOR THE MAGA BOMBER

Scarred by trauma and devoted to Trump, a disturbed man began mailing explosives to the president's critics — one after another — on the eve of an election. WIRED

WHAT OBAMA REALLY THOUGHT ABOUT BIDEN

Behind the friendship was a more complicated relationship, which now drives the former vice president to prove his partner wrong. POLITICO



THE DEEPER MEANING OF "KAREN"

Are white women the oppressors — or the oppressed? What the meme villain reveals about today's culture. THE ATLANTIC

News+

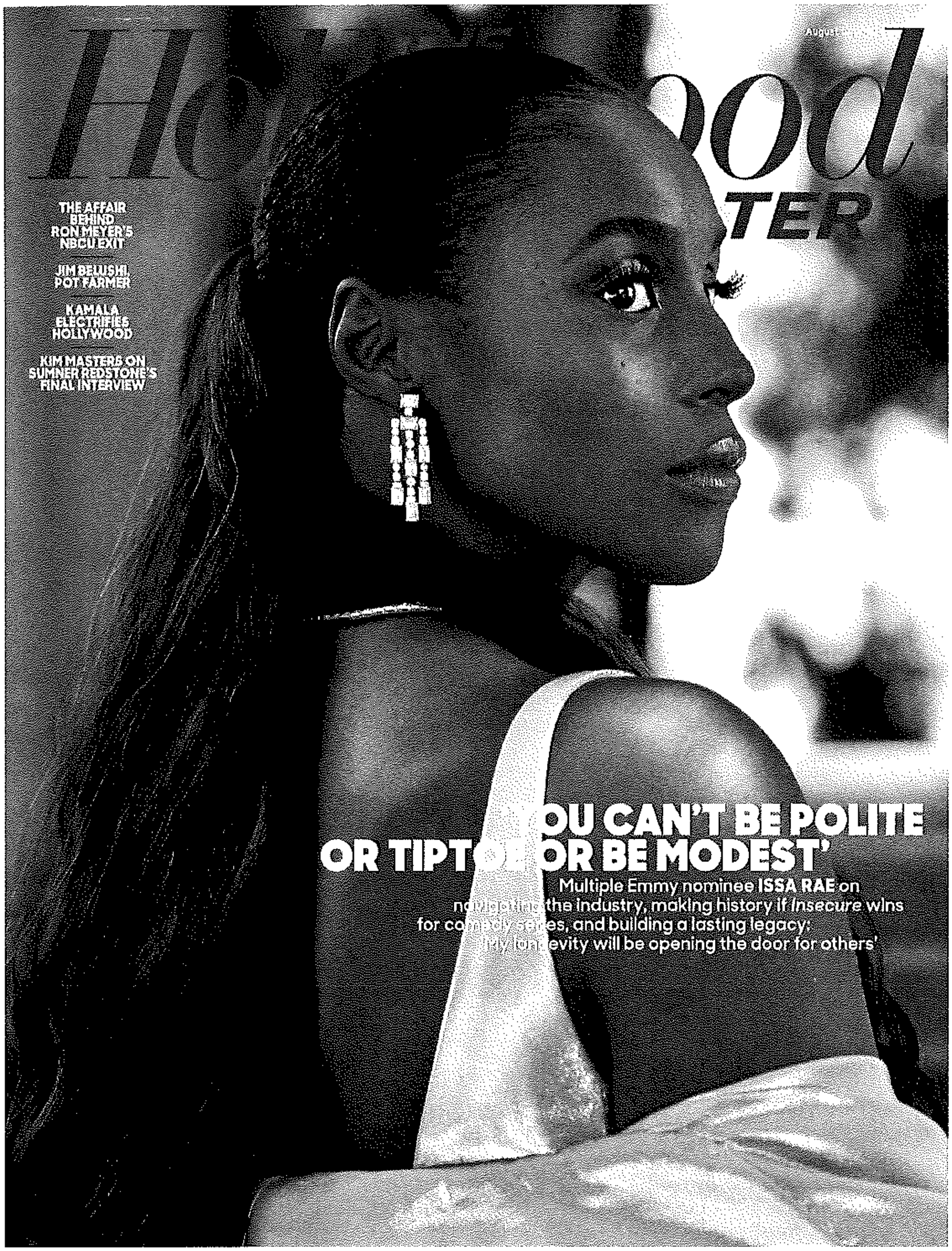
HOW TO BAKE LIKE A PRO

Recipes for giant chocolate-chip cookies, fudgy brownies, and more — plus the tips, techniques, and ingredients every home baker needs. MARTHA STEWART LIVING

ELECTION 2020

In case you missed the Democratic National Convention this week, here are the biggest takeaways. APPLE NEWS SPOTLIGHT

FEATURED ISSUE

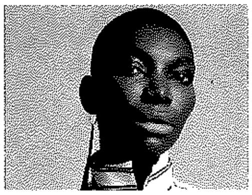


News+

How Issa Rae Navigates Hollywood

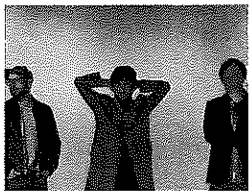
The *Insecure* creator and star — and multiple Emmy nominee — talks about her early doubts, making awards history, and **building a lasting legacy**. Plus: why non-pot-smoker **Jim Belushi** left Hollywood for a cannabis farm, ***Darkman*** turns 30, and the **top 25 film schools** in America. THE HOLLYWOOD REPORTER

WEEKEND PURSUITS



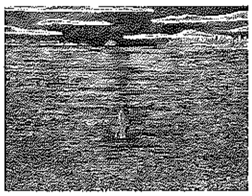
News+

ONE THING TO WATCH: *I May Destroy You*'s season finale airs Monday. Here's how creator Michaela Coel used her trauma to make one of the best and buzziest shows of the year. VARIETY



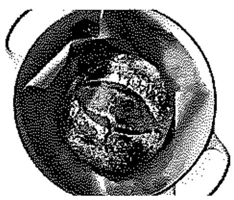
News+

ONE THING TO LISTEN TO: Bright Eyes are back with *Down in the Weeds, Where the World Once Was,* the band's first album in nearly a decade, and of course it's heavy with emotion. THE WALL STREET JOURNAL



News+

ONE THING TO READ: Discover what whales can teach us about the world — and ourselves — in Rebecca Giggs's book, *Fathoms.* THE NEW YORKER



News+

ONE THING TO EAT: This easy dough yields four impressive breads, from an apple-cranberry braid to buttery dinner rolls. BETTER HOMES & GARDENS

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