

March 4, 2016

RE: Weekly Policy Update

- I. State Aid Numbers Update: Delayed Distribution of Tax Relief Aid**
- II. League Opposes PILOT changes**
- III. Online Registration for Senate and Assembly Public Budget Hearings**
- IV. New Jersey Future March 11 Redevelopment Forum**
- V. April 12 Hearing – Municipal Stormwater NJPDES Permit Program**
- VI. New Jersey Public Employment Conference**

Dear Mayor:

Here is summary of some issues of interest to local governments.

I. State Aid Numbers Update: Delayed Distribution of Tax Relief Aid

As previously reported, the Governor's State Fiscal Year 2017 (SFY '17) budget proposes level aggregate funding to most municipalities for Consolidated Municipal Property Tax Relief Aid (CMPTRA), Energy Tax Receipts Property Tax Relief (ETR), Garden State Trust and Watershed Moratorium Offset aid. Funding for Transitional Aid (TA) will also continue, though prior recipients may see a reduction, depending on a review of the applications.

Last Friday, the Division of Local Government Services posted the CY 2016/SFY 2017 Property Tax Relief Certification for each municipality on the Division's website under the Information Resources/[Municipal State Aid](#) heading. Municipalities are required to obtain their certifications from the website. They will not be mailed. For more information please see [Local Finance Notice 2016-5](#).

It is worth noting that the proposed budget would delay the distribution of CMPTRA (Page D-56 of the detailed Budget) and Energy Tax (page D-403). Instead of distributing the final 5% on December 1, this proposal delays the distribution of the final 15% until December 20. Under this proposal, revenues that were, in the past, provided to municipalities by October 1, would now remain in the State Treasury until December 20. We have heard that the change will address some State cash-flow problems.

At this point, it is also worth noting that, when faced with a budget problem, the State has, once again, looked to municipal budgets for a solution.

Please ask your Chief Financial Officer to review this change. And, please, let us know if you foresee any problems it might cause. We hope that you will allow us to share your responses with State budget-makers, as the process moves along.

Please e-mail any comments or questions to Jon Moran at jmoran@njslom.org.

Please put “Back-loaded PTR” on the Subject line.

Contact: Jon Moran, 609-695-3481 ext. 121 or jmoran@njslom.org

II. League Opposes PILOT changes

The League **opposes** two bills which would make unnecessary changes to the laws governing payment-in-lieu-of-taxes (PILOT) agreements as part of the redevelopment law. These bills are scheduled for consideration before the Assembly State and Local Government committee on Monday, March 7:

[A-326](#), Requires municipalities to share certain payments received in lieu of taxes with counties and school districts; informs counties and school districts of application for tax exemption. (To date, there is no Senate companion to this bill.)

[A-1475](#), Requires municipalities comprised within regional school districts to share certain payments received in lieu of taxes with counties and regional school districts. (Senate: S-1769.)

We anticipate that the committee will combine these bills into a committee substitute and the committee substitute will advance. The League opposes these unnecessary bills, which could serve to undermine economic redevelopment. We note that both school districts and counties already receive 100% of their assessment, while not sharing in the cost of collection. The actual financial impact and potential disincentives to such agreements are unknown. PILOT agreements are a hugely successful economic development tool and such changes are simply unwarranted.

We urge you to contact your Assembly representatives and ask them to oppose A-326 and A1475.

Contact: Lori Buckelew, 609-695-3481 ext. 112 or lbuckelew@njslom.org

III. Online Registration for Senate and Assembly Public Budget Hearings

Online registration for Senate and Assembly Public Budget Hearings is now open. They will fill up fast, so if you are interested in testifying on State budget matters, please get your application in as soon as possible.

The choices are: **For**

the Senate:

March 15 - a Tuesday - at Rowan University in Glassboro, 11 AM; or

March 22 – a Tuesday - at NJIT in Newark, 10 AM

For the Assembly:

March 9 – a Wednesday - at Montclair State University, 9:30 AM; or

March 16 - a Wednesday - at the Scottish Rite Auditorium in Collingswood, 9:30 AM; or

March 21 – a Monday - at the State House Annex in Trenton, beginning at 9:30 AM

Links to register for the Public Hearings are on line at [Budget Hearing Schedules](#).

IV. New Jersey Future March 11 Redevelopment Forum

New Jersey Future’s annual Redevelopment Forum attracts more than 500 attendees. New Jersey State Senator Stephen Sweeney will be the breakfast speaker and Gabe Klein, former director of the Chicago Department of Transportation, will be the keynote luncheon speaker. For more information about the sessions and speakers, view the agenda.

V. April 12 Hearing – Municipal Stormwater NJPDES Permit Program

The New Jersey Clean Water Council (NJCWC) plans to seek public testimony on the Preliminary Draft Renewal of the municipal stormwater permit on April 12, 2016 at the New Jersey Forensic Science Technology Center at 1200 Negron Dr., Hamilton, NJ, from 1 to 4pm. A formal notice for the hearing with additional information will follow. Click here for additional information.

VI. New Jersey Public Employment Conference

Presented by NJ Institute of Continuing Legal Education
Friday, April 29, 2016 - 8:45 a.m. to 4 p.m. East Brunswick

Why You Should Attend: This Annual Conference covers the year’s developments in the public employment sector. Hear updates on collective negotiations, pensions, health benefits and more. Whether you represent unions or public employers or are a neutral, this conference will prepare you for 2016.

For full details and to register visit www.NJICLE.com or call NJICLE at: (732) 214-8500

Sincerely,

Michael J. Darcy, CAE Executive
Director