

August 28, 2015

RE: Weekly Policy Update

- I. Important PERC Decision Regarding Employee Health Contributions**
- II. Help Identify Municipal Road Infrastructure Costs**
- III. Governor Signs Bill making certain changes to Environmental Infrastructure Trust Financing Program**
- IV. FEMA September 15 deadline approaching**

Municipal Clerk: Please forward a copy to all Governing Body Members

Dear Mayor:

I. Important PERC Decision Regarding Employee Health Contributions

On August 13, 2015, the Public Employment Relations Commission issued a decision in Clementon Board of Education and Clementon Education Association, SN-2015-041 clarifying employers' obligations in negotiating health care contribution levels pursuant to Chapter 78. This decision can be found [here](#). It has been reported that the union will be appealing this decision.

Pending that appeal, the Commission's decision establishes two key standards regarding the timing of negotiating employee health care contributions. First, the Commission interpreted N.J.S.A. 18A:16-7.2 to provide that health insurance contributions become negotiable in the next collective negotiations agreement *after* Chapter 78 contributions are fully implemented. Here is one example. If tier 4 payments are fully implemented on June 30, 2015, i.e. a full year of tier 4 payments, and the collective negotiations agreement during which the tier 4 payments become fully implemented expires on June 30, 2016, then beginning on July 1, 2016 health insurance contributions become a negotiable issue. Let's use another example. If an agreement which was on the fourth tier expires on June 30, 2017, then health insurance contributions become negotiable on July 1, 2017.

Second, the Commission determined at what level health insurance contributions shall be negotiated once negotiations is permitted on this issue. The Commission determined that parties shall negotiate from the tier 4 levels of contributions under Chapter 78 once this issue becomes negotiable. In other words, the tier 4 payment levels become the status quo for negotiations.

This decision clarifies the issue faced by public employers, as the mandatory phase-in for health contributions begins to end. Thus, as part of the preparation for upcoming and current negotiations, public employers should familiarize themselves with this decision and consult with their labor counsel to determine how this decision applies to their circumstances in developing negotiations moving forward.

Contact: Ed Purcell Esq. at x. 137 or epurcell@njslom.org

II. Help Identify Municipal Road Infrastructure Costs

As you know, the reauthorization of the Transportation Trust Fund (TTF) is a major priority for the League. The New Jersey Society of Municipal Engineers (NJSME), an affiliate organization of the League, supports our effort to increase the funding available for municipal transportation projects. Specifically, NJSME is seeking the help of all Mayors, urging you to ask your Municipal Engineers to determine the amount of curb and sidewalk in your municipality – not only on municipal roadways, but also on roads under State and County jurisdiction, since typically the responsibility to maintain curb and sidewalks along County and sometimes State roads falls upon the municipality.

This information is crucial for us to develop an accurate estimate of the Municipal need for future funding from the Transportation Trust Fund.

Please bring the NJSME [Dear Mayor letter](#) to the attention of your Municipal Engineer.

To download the survey, please click [here](#).

Contact: Michael Cerra at mcerra@njslom.org or ext. 120.

III. Governor Signs Bill making certain changes to Environmental Infrastructure Trust Financing Program

On August 25 Governor Christie signed into law [A-4527/S-2964](#), which makes certain changes to the Environmental Infrastructure Trust Financing Program. Specifically, P.L. 2015, c. 160, which took effect immediately, made the following changes. The new law:

- Extends the possible term of bonds, notes, or other obligations issued by the Environmental Infrastructure Trust from 20 years to 30 years or a shorter period of time as may be applicable pursuant to federal law or regulation.
- Permits funds for the short-term financing programs to be drawn by the trust from a revolving line of credit for deposit into the certain funds to provide sufficient funds to finance or refinance short-term or temporary loans pursuant to the Interim Financing Program, Emergency Financing Program, Planning and Design Financing Program, Supplemental Financing Program, Disaster Relief Emergency Financing Program, and the Equipment Loan Program.
- Allows short-term or temporary loans to bear interest at a variable rate.
- Permits short term or temporary loans made pursuant to the Planning and Design Financing Program for Combined Sewer Overflow Abatement Projects to mature no later than the last day of the tenth succeeding fiscal year following the closing date on which the Planning and Design loan was made.
- Expands the potential use of the amounts in the Loan Origination Fee Fund to be applied as State matching funds or loans to local government units for the cost of wastewater treatment system or water supply projects.

Contact: Lori Buckelew at lbuckelew@njslom.org or ext. 112.

IV. FEMA September 15 Sandy damage claim deadline approaching

The Federal Emergency Management Agency (FEMA) recently issued a reminder that those who filed Sandy-related claims under the National Flood Insurance Program have until Tuesday, September 15 to request a review of their claims if they believe they were underpaid.

To be eligible, the claimants must have experienced flood damage between Oct. 27 and Nov. 6, 2012 as a result of Sandy. Policyholders can call the NFIP's Hurricane Sandy claims center at **1866-337-4262** or go to www.fema.gov/sandyclaims to download a form requesting a review. The downloaded form may be filled out and emailed to FEMA-sandyclaimsreview@fema.dhs.gov to start the review process.

For more information [click here](#)

Sincerely,

Michael J. Darcy, CAE
Executive Director