

May 15, 2015

RE: Weekly Policy Update

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

Mayor:

Here's a recap of major policy issues of interest to local governments.

I. BPU/Verizon

On May 6th Verizon New Jersey (Verizon) entered into a proposed stipulation agreement with the staff of the Board of Public Utilities (BPU). This proposed agreement stems from a proceeding dating back to 2011. See IMO Board's Investigation Regarding the Reclassification of Incumbent Local Exchange Carrier (ILEC) Services as Competitive-Phase II, Docket No. TX 11090570 (11/30/11). If approved by the BPU's commissioners, this agreement could have long lasting and permanent effects on municipalities currently served by Verizon, particularly those municipalities in areas of the state which are served only by landline telephone service and not FIOS.

The League is most concerned with the change regarding service quality standards. Many New Jersey towns have poor landline telephone service, particularly in those towns which lack FIOS services. When it rains, or when the air is humid, these telephone lines do not work. This deteriorating infrastructure is a security, health and safety hazard. Over the last few years some towns have been able to get some infrastructure improvements by raising service quality issues. These towns were successful in arguing that Verizon ought to be held to the BPU's standards.

The language regarding service quality is troubling. The proposed stipulation agreement could provide a pathway to sunset existing service quality standards. In doing so, it would remove any basis for towns to insist that their landline service be maintained.

The League, along with other stakeholders such as the Division of Rate, AARP-NJ, the Farm Bureau and NJ Citizen Action have expressed its concerns with the proposed agreement and requested an extension of the public comment period so to allow municipalities and the general public to assess this agreement. However, it appears that request will not be honored as the agreement is on the BPU's May 19th agenda. The Office of the Rate Counsel has indicated that it will appeal the agreement if BPU approves it on the 19th.

For more, please see the League's May 12 letter: <http://nj-njslom.civicplus.com/Archive.aspx?ADID=324>

Contact: Ed Purcell, Esq., 609-695-3481 x137 or epurcell@njslom.org

II. Unfunded Mandate Passes Assembly

Yesterday by a vote of 45-21 and 4 abstentions, the General Assembly approved A-4343, which would require every municipal police department "...to develop and adopt a cultural diversity training course that includes instruction and exercises designed to promote positive interaction with the racial, ethnic and religious communities with each department's respective jurisdiction."

The League appreciates the laudable intent of A-4343. Our primary concern is that there is **no funding** provided, and thus we believe the legislation would constitute an unfunded state mandate. For this reason, the League opposes the legislation. The League requested the Office of Legislative Services issues a fiscal note on this bill so that the financial impact could be assessed. The bill now joins its Senate companion, S-2888, which is referenced to the Senate Law and Public Safety Committee.

Contact: Jon Moran, 609-695-3481, x 120 or jmoran@njslom.org

III. Permissive Legislation to Facilitate Private Financing of Water Conservation Advances

On Tuesday, the Senate Budget and Appropriations Committee approved companion legislation A-2579 and S-1510, which would, authorize municipalities to facilitate private financing of water conservation, storm shelter construction, and flood and hurricane resistance projects through the use of voluntary special assessments. In doing so, the bill will expand the "clean energy special assessment," established pursuant to NJSA 40:56-1.4 et al assessed clean energy." The League supports this permissive financing tool.

Under current law, a municipality, upon approval by the Director of the Division of Local Government Services can authorize the financing of the purchase and installation of renewable energy systems and energy efficiency improvements made by property owners. In doing so, the municipality may provide for a "clean energy special assessment" to be imposed on those properties when the property owner has requested the assessment in exchange for receiving assistance with the initial financing. Currently, the only projects eligible for this treatment are installations of renewable energy systems and energy efficiency improvements. This legislation was previously approved by the Assembly and now awaits a Senate vote. **Contact:** Mike Cerra, 609-695-3481 ext. 120 or mcerra@njslom.org

IV. DLGS Streamlining bill

Earlier this week, Senate Budget and Appropriations Committee amended and Released S-2454, the "Division of Local Government Services Modernization and Local Mandate Relief Act of 2014". S-2454 is updating outdated policies and procedures as well as providing municipalities with much need mandate relief and flexibility. Many of the amendments will result in cost savings. For more information on S-2454 please see <http://www.njslom.org/letters/2014-1017weeklyupdate.html>.

Some of the Senate Budget committee amendments include the following:

- Authorizing the Director of Division of Local Government Services to extend the 6 month grace period for renewal of expired certifications for Municipal Clerks, Chief

Financial Officers, Tax Collectors, Public Works Manager and Qualified Purchasing Agents up to additional six months in cases of natural disasters or illness that would have prevented the timely renewal;

- Clarify that bidders on local bond notes can use cash delivery by wire or otherwise for a bid deposit;
- Permits the municipality to employ a temporary chief financial officer for up to three consecutive years;
- Allow municipalities to make special emergency appropriations for the expenses of a consolidation commission and lay-off related unemployment costs

The League **supports** S-2454 as most of the proposed amendments in the bill are issues that the League has raised before the Red Tape Review Commission, in previous year's conference resolutions and in testimony on various pieces of legislation. S-2454 is now up for consideration by the full Senate on Monday. Please contact your Senator and urge them to support S-2454.

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

V. League opposes State intrusion on local discretion

The State Senate is also set to consider on Monday [S-2741](#), which would **permits** solicitation to perform snow shoveling within 24 hours of predicted snowstorm and invalidate portions of municipal ordinances to the contrary. The League **opposes** this unnecessary legislation that infringes on local enforcement and discretion. It is our understanding that the bill is a response to a particular, incident in the hours before an anticipated snowstorm. Further, the enforcement of anti-solicitation ordinances is for public safety reasons and best left to local authorities. Please ask your State Senator to oppose S-2741.

Contact: Mike Cerra, 609-695-3481 ext. 120 or mcerra@njslom.org

Very truly yours,

William G. Dressel, Jr.
Executive Director