

December 15, 2017

**RE: WEEKLY UPDATE**

- I. State Issues
- II. Federal Issues
- III. League Conference Updates
- IV. Also of Interest

Dear Mayor:

**I. State Issues:**

**a. Final Push to Extend Important Taxpayer Protection**

With only 16 days left before the 2% cap on interest arbitration awards expire, your voices need to be heard! Even if you are one of the thousands of local officials, representing millions of our taxpayers, who already publicly called on the Legislature to extend the 2% IA cap by resolution, by letter, by email or by phone, please do it one more time. Please contact your State representatives, the Legislative Leaders, Governor Christie, and Governor-Elect Murphy expressing the urgent need for the extension of the 2% cap on interest arbitration awards.

You may also want to consider sending a coalition letter with your county officials and mayors like Essex County, which is available [here](#), [Middlesex County mayors, which is available here](#) or the [Camden County freeholders, which is available here](#).

Last week, the League, along with a coalition of local government and business groups, has sent a letter to the Governor, Governor-Elect, and Legislature clearly expressing the need to extend the cap on arbitration. The letter noted that this is a critical issue for all of our organizations, as the expiration of the cap will have a negative impact on property taxes and jeopardize the continued delivery of critical services as well as adversely impacting residential and commercial property taxpayers, working-class families, and those on fixed incomes.

[Please click here for a copy of the coalition letter.](#)

We thank the following organizations who signed the coalition letter and support the extension of the 2% interest arbitration cap:

- Chamber of Commerce Southern New Jersey
- Commerce and Industry Association of New Jersey
- Government Finance Officers Association of New Jersey (GFOANJ)
- International Council of Shopping Centers (ICSC), NJ Chapter
- NAIOP New Jersey (Commercial Developers)
- New Jersey Association of Counties (NJAC)
- New Jersey Builders Association (NJBA)
- New Jersey Business & Industry Association (NJBIA)

New Jersey Chamber of Commerce (NJCC)

New Jersey Conference of Mayors (NJCM)

New Jersey League of Municipalities (NJLM)

New Jersey Municipal Management Association (NJMMA)

New Jersey Realtors (NJR)

New Jersey Urban Mayors Association (NJUMA)

**Trenton needs to hear directly from you on the critical need for the common sense extension of the 2% cap on interest arbitration awards.** In 16 calendar days, the cap will expire; with this deadline looming, local officials' voices must be heard in Trenton. If the cap is not extended it will be local leaders, not the special interest groups or State elected leaders, facing the dilemma of funding an unelected third party arbitrator's award under the statemandated 2% levy cap.

### **Resources:**

- [Please click here](#) for the League's 2% IA cap page.
- Please [click here for the League's Town Crier](#) blog post on this issue.
- Editorial boards across the State support our call to extend the interest arbitration cap. To read these, please see the [League's 2% IA cap page](#).

### **Contacts:**

- Michael F. Cerra, Assistant Executive Director, [mcerra@njslom.org](mailto:mcerra@njslom.org), 609-695-3481 x120. Lori Buckelew, Senior Legislative Analyst, [lbuckelew@njslom.org](mailto:lbuckelew@njslom.org), 609-695-3481 x112.

## **II. Federal Issues**

### **a. Tax Reform Discussions Continue**

By all accounts, it appears that the House-Senate Conference Committee has rejected the LanceGottheimer amendment, discussed in last week's update. At this point, it seems that the Committee has, instead, accepted a provision that would allow taxpayers to deduct up to Ten Thousand Dollars (\$10,000.00), for combined state and local income, sales, and property taxes. The proposals that had passed in each House allowed only deductions for property taxes, up to that Ten Thousand Dollar (\$10,000.00) limit.

Needing 50 'Ayes' (with the Vice President's tie-breaker) to pass in the Senate, the Majority Party can afford to lose no more than two affirmative votes. And with Florida Senator Marco Rubio holding out for a fully refundable Child Tax Credit and with Arizona Senator John McCain currently hospitalized for cancer treatments, at this point nothing is certain. Still, Leaders in both House are confident that the Conference Committee bill will be voted on, next week. Please contact and thank our U.S. Senators and your Member of the House of Representatives, if they intend to vote against this particular tax reform proposal.

**Contact:** Jon Moran, Senior Legislative Analyst, [jmoran@njslom.org](mailto:jmoran@njslom.org), 609-695-3481 x121.

#### **b. 2020 Census Update Registration Closes on TODAY!**

The Local Update of Census Addresses (LUCA) program is the once-in-a-decade opportunity for governments to add, correct, or delete addresses on the lists and maps used to conduct the decennial census. It represents the first step to ensuring an accurate and complete count in your municipality; but, in order to participate in the [Local Update of Census Addresses](#) program, you will need to register today. The Census Bureau should have already mailed LUCA registration forms and instructions to every municipality. You can also access all the forms and information needed to register at the links available online at the LUCA Operations Page.

**Contact:** Jon Moran, Senior Legislative Analyst, [jmoran@njslom.org](mailto:jmoran@njslom.org), 609-695-3481 x121.

#### **c. Governors Agree on Gateway Funding**

Governor Christie and New York Governor Cuomo announced an agreement that would allow both States to meet their share of the funding needed for the crucial Amtrak Gateway Project. The initial funding would be in the form of Federal Loans. New Jersey's repayment commitment would be met by steadily raising fares on NJ Transit trains, over the next 20 years. New York, on the other hand, would pay down the loan through annual appropriations, over 35 years. With this announcement and a previous commitment by the Port Authority, fully half of the required funding has been put in place. A commitment by the Federal government is all that is needed to commence work on this project, which is crucial for our State, our region, and the National economy.

Amtrak has estimated the 100-year-old tubes into New York could fail in ten to fifteen years. The project would allow continued rail traffic between Newark and Mid-town Manhattan during badly needed repairs on the existing, 105-year-old concrete and steel tubes. Ultimately, the project, slated for completion by 2030, would provide two new tunnels, doubling the rail traffic capacity under the Hudson River.

Governor-elect Murphy expressed reservation about using fare increases to finance the loan. We expect him to review that source when he takes office next month.

In the meantime, please contact your representatives in the Capitol, urging them to address the need for Federal action.

**Contact:** Jon Moran, Senior Legislative Analyst, [jmoran@njslom.org](mailto:jmoran@njslom.org), 609-695-3481 x121.

#### **d. FCC Votes to Repeal Net Neutrality Rules**

Yesterday, the Federal Communications Commission (FCC) voted 3 to 2 along party lines to undo rules regulating internet service providers (ISP). The now-scrapped regulations, commonly known as net neutrality rules, classified high-speed internet as a utility and prohibited ISPs from blocking websites or charging higher prices for certain content. The proposal to repeal the net neutrality rules was met with overwhelming public opposition.

The repeal of the rules will take weeks to go into effect and could take longer considering the strong opposition to the FCC's action has caused many interested parties to seek challenging the rules in court. A more in-depth discussion of the effects the repeal of these regulations will have on municipalities is forthcoming.

**Contact:** Frank Marshall, Esq., League Staff Attorney, [fmarshall@njslom.org](mailto:fmarshall@njslom.org), 609-695-3481 x137.

### **III. League Conference Follow Up**

#### **a. Claim Your CEU's from the Annual Conference**

Attention Municipal Officials! Do Not Forget to Claim Your CEU's from the 2017 NJLM Annual Conference! Please click on the following link to claim your credits:  
<https://nj-njslom.civicplus.com/300/Conference>.

#### **b. The Conference App is Still Available!**

*Misplaced your printed Session or Exhibitor Program Guide?* The app can still be downloaded in your app store to reference session details or view contact information for participating consultants and exhibitors. The app will be available for download through the end of this calendar year and remains available for accessing on your device as long as it is installed.

#### **c. Exhibits at the Annual Conference**

Don't forget to follow up with the exhibitors you met during the Annual Conference! They're available to answer your questions and provide solutions to your town's issues. The full listing with contact information is available on the [interactive floor plan](#) and the mobile app.

### **IV. Also of Interest**

#### **a. Annual League Survey**

As 2017 comes to a close, we here at the League would like to know what you thought about our services provided throughout the year.

Please forward this email to your municipal staff, administration, elected and appointed officials so they can complete our short online survey.

The link for the survey is: <http://2017annualsurvey.questionpro.com>

#### **b. Alert from the NJ Department of Agriculture – Invasive Insect and Christmas Trees**

The New Jersey Department of Agriculture, Division of Plant Industry requests that municipalities chip Christmas trees that are collected after the Holiday season to reduce any risk

of movement of Spotted Lanternfly (SLF) egg masses. During the Holiday season, there are numerous shipments of Christmas trees into New Jersey from Pennsylvania and various other states. The Spotted lanternfly was discovered in Pennsylvania in 2014 which initiated a quarantine to restrict the movement of this invasive agricultural insect to other counties and states. Pennsylvania Christmas tree growers shipping their commodities out of the SLF quarantine zone currently follow compliance guidelines issued by the Pennsylvania Department of Agriculture. So far, there has been no observed occurrence of SLF egg masses being found on cut Christmas trees.

The Spotted Lanternfly, *Lycorma delicatula*, is a planthopper that is native to China. It feeds on many hosts and is considered an economic pest of grapes and other agricultural crops in its native range. Nymphs feed on a variety of hosts, but adults prefer the tree of heaven, *Ailanthus altissima* for feeding and oviposition and subsequent overwintering, which occurs in the egg stage. The insect naturally disperses slowly but is a prolific hitchhiker and its propensity for laying egg masses on flat surfaces. To learn more about the SLF please click [here](#).

As of November 2, 2017, SLF has been detected within 13 Pennsylvania counties: Berks, Bucks, Carbon, Chester, Cumberland, Lancaster, Lebanon, Lehigh, Monroe, Montgomery, Northampton, Philadelphia, and Schuylkill. To date, this insect has spread to Delaware and portions of New York state.

Please pass this information along to your public works department or any other department that should be made aware of this important issue.

Sincerely,

Michael J. Darcy, CAE  
Executive Director