

[First Reprint]

SENATE, No. 956

STATE OF NEW JERSEY
217th LEGISLATURE

INTRODUCED FEBRUARY 4, 2016

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SYNOPSIS

Authorizes special emergency appropriations for the payment of certain expenses incurred by municipalities to implement a municipal consolidation.

CURRENT VERSION OF TEXT

As amended on June 26, 2017 by the Senate pursuant to the Governor's recommendations.

(Sponsorship Updated As Of: 6/27/2017)

1 AN ACT concerning expenses related to the consolidation of
 2 municipalities and amending N.J.S.40A:4-53 ¹and P.L.2007,
 3 c.62¹.

4
 5 **BE IT ENACTED** by the Senate and General Assembly of the State
 6 of New Jersey:

- 7
 8 1. N.J.S.40A:4-53 is amended to read as follows:
 9 40A:4-53. A local unit may adopt an ordinance authorizing
 10 special emergency appropriations for the carrying out of any of the
 11 following purposes:
- 12 a. Preparation of an approved tax map.
 - 13 b. Preparation and execution of a complete program of
 14 revaluation of real property for the use of the local assessor, or of
 15 any program to update and make current any previous revaluation
 16 program when such is ordered by the county board of taxation.
 - 17 c. Preparation of a revision and codification of its ordinances.
 - 18 d. Engagement of special consultants for the preparation, and
 19 the preparation of a master plan or plans, when required to conform
 20 to the planning laws of the State.
 - 21 e. Preparation of drainage maps for flood control purposes.
 - 22 f. Preliminary engineering studies and planning necessary for
 23 the installation and construction of a sanitary sewer system.
 - 24 g. Authorized expenses of a consolidation commission
 25 established pursuant to the "Municipal Consolidation Act,"
 26 P.L.1977, c.435 (C.40:43-66.35 et seq.) or sections 25 through 29 of
 27 the "Uniform Shared Services and Consolidation Act," [sections 1
 28 through 35 of] P.L.2007, c.63 [(C.40A:65-1 through C.40A:65-
 29 35)] (C.40A:65-25 through C.40A:65-29).
 - 30 h. Contractually required severance liabilities resulting from
 31 the layoff or retirement of employees. Such liabilities shall be paid
 32 without interest and, at the sole discretion of the local unit, may be
 33 paid in equal annual installments over a period not to exceed five
 34 years.
 - 35 i. Preparation of a sanitary or storm system map.
 - 36 j. Liabilities incurred to the Department of Labor and
 37 Workforce Development for the reimbursement of unemployment
 38 benefits paid to former employees.
 - 39 k. ¹**[Non-recurring]** Subject to approval by the Director of the
 40 Division of Local Government Services, non-recurring¹ expenses
 41 incurred by a municipality to implement a consolidation with
 42 another municipality, or municipalities, pursuant to the "Municipal
 43 Consolidation Act," P.L.1977, c.435 (C.40:43-66.35 et seq.); the
 44 sparsely populated municipalities law, P.L.1995, c.376 (C.40:43-

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate amendments adopted in accordance with Governor's recommendations June 26, 2017.

1 66.78 et seq.); sections 25 through 29 of the “Uniform Shared
2 Services and Consolidation Act,” P.L.2007, c.63 (C.40A:65-25
3 through C.40A:65-29); or N.J.S.40A:7-1 et seq., in the case of a
4 consolidation effectuated through the annexation of land comprising
5 an entire municipality or entire municipalities, to another
6 municipality. ¹The director shall approve the ordinance if he or she
7 determines that the non-recurring expenses are reasonable and
8 permissible by law and that the consolidation will result in long-
9 term savings for the municipality.¹

10 A copy of all ordinances or resolutions as adopted relating to
11 special emergency appropriations shall be filed with the director.
12 (cf: P.L 2015, c.95, s.39)

13

14 ¹[2. Section 10 of P.L.2007, c.62 (C.40A:4-45.45) is amended
15 to read as follows

16 10. a. (1) In the preparation of its budget the amount to be raised
17 by taxation by a local unit shall not exceed, except as provided in
18 paragraph (2) of this subsection, the sum of new ratables, the
19 adjusted tax levy, and the total of waivers approved pursuant to
20 section 11 of P.L.2007, c.62 (C.40A:4-45.46); provided, however,
21 that in the case of a county, the amount to be raised by taxation
22 shall not exceed the amount permitted by section 4 of P.L.1976,
23 c.68 (C.40A:4-45.4).

24 (2) A local unit that has not been granted approval for a waiver
25 pursuant to section 11 of P.L.2007, c.62 (C.40A:4-45.46), may add
26 to its adjusted tax levy in any one of the next three succeeding
27 years, the amount of the difference between the maximum
28 allowable amount to be raised by taxation or county purposes tax,
29 as applicable, for the current local budget year pursuant to
30 paragraph (1) of this subsection and the actual amount to be raised
31 by taxation or county purposes tax, as applicable, for the current
32 local budget year.

33 b. The following exclusions shall be added to the calculation of
34 the adjusted tax levy:

35 increases in amounts required to be raised by taxation for capital
36 expenditures, including debt service as defined by law; increases in
37 pension contributions and accrued liability for pension
38 contributions in excess of 2.0%; increases in health care costs equal
39 to that portion of the actual increase in total health care costs for the
40 budget year that is in excess of 2.0% of the total health care costs in
41 the prior year, but is not in excess of the product of the total health
42 care costs in the prior year and the average percentage increase of
43 the State Health Benefits Program, P.L.1961, c.49 (C.52:14-17.25 et
44 seq.), as annually determined by the Division of Pensions and
45 Benefits in the Department of the Treasury; **[and]** extraordinary
46 costs incurred by a local unit directly related to a declared
47 emergency, as defined by regulation promulgated by the
48 Commissioner of the Department of Community Affairs, in

1 consultation with the Commissioner of Education, as appropriate;
2 and any non-recurring expenses incurred by a municipality to
3 implement a consolidation with another municipality, or
4 municipalities, pursuant to the “Municipal Consolidation Act,”
5 P.L.1977, c.435 (C.40:43-66.35 et seq.); the sparsely populated
6 municipalities law, P.L.1995, c.376 (C.40:43-66.78 et seq.);
7 sections 25 through 29 of the “Uniform Shared Services and
8 Consolidation Act,” P.L.2007, c.63 (C.40A:65-25 through
9 C.40A:65-29); or N.J.S.40A:7-1 et seq., in the case of a
10 consolidation effectuated through the annexation of land comprising
11 an entire municipality or entire municipalities, to another
12 municipality.

13 If there are no exclusions, then the amount of the difference shall
14 reduce the adjusted tax levy by that amount. Any cancelled or
15 unexpended appropriation for any exclusion pursuant to this
16 subsection or waiver pursuant to section 11 of P.L.2007, c.62
17 (C.40A:4-45.46), also shall be deducted from the sum of the
18 exclusions listed in this subsection or directly reduce the adjusted
19 tax levy if there are no exclusions.

20 (cf: P.L.2010, c.44, s.9)¹

21

22 ¹**[3.] 2.**¹ This act shall take effect immediately.