

ASSEMBLY, No. 127

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblyman JONES

1 AN ACT concerning the adoption of local budgets and amending
2 N.J.S.40A:4-10.

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

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7 1. N.J.S.40A:4-10 is amended to read as follows:

8 40A:4-10. No budget or amendment thereof shall be [adopted]
9 passed by the governing body unless the director shall have previously
10 certified his approval thereof. [Final adoption] Passage shall be by
11 resolution adopted by a majority of the full membership of the
12 governing body, and may be by title where the procedures required by
13 sections 40A:4-8 and 40A:4-9 have been followed.

14 After the budget has been passed by the governing body, the
15 governing body shall, within three days of the passage of the budget,
16 forward a copy of the budget to the mayor, in the case of a
17 municipality, or to the county executive, in the case of a county
18 operating under the provisions of the county executive plan of the
19 "Optional County Charter Law," P.L.1972, c.154 (C.40:41A-1 et
20 seq.). The mayor or the county executive, as appropriate, shall accept
21 delivery and, within five days of delivery, may veto the passed budget
22 in order to restore to the budget any item of appropriation that
23 appeared in the budget as introduced pursuant to N.J.S.40A:4-5. If
24 the mayor or the county executive, as appropriate, takes no action on
25 the budget within the five-day period, the budget shall be deemed
26 adopted. If, within the five-day period, the mayor or the county
27 executive, as appropriate, returns to the governing body the copy of
28 the budget with a veto which restores to the budget any item of
29 appropriation that appeared in the budget as introduced pursuant to
30 N.J.S.40A:4-5, together with a written explanation of the reasons for
31 the veto, the budget shall not be deemed adopted unless the governing
32 body overrides the veto by a two-thirds vote of its full membership

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

Matter underlined thus is new matter.

1 within five days of the receipt of the veto action. Prior to any override
2 of the vetoed budget by the governing body, the governing body shall
3 hold a public hearing to solicit public opinion regarding the mayor's or
4 the county executive's action on the budget. If the governing body
5 does not override the vetoed budget within the five-day period, the
6 budget as vetoed by the mayor or county executive shall be deemed
7 adopted.

8 The budget shall be adopted in the case of a county not later than
9 February 25, and in the case of a municipality not later than March 20
10 of the fiscal year or September 1 of the State fiscal year, except that
11 the [governing body may adopt] the budget may be adopted at any
12 time within 10 days after the director shall have certified his approval
13 thereof and returned the same, if such certification shall be later than
14 the date of the advertised hearing.

15 If, in the case of a municipality which operates on the State fiscal
16 year, [the governing body fails to adopt] the budget is not adopted
17 within the permitted time, the chief financial officer of the local unit
18 shall so notify the director the next working day after the expiration of
19 the permitted time.

20 Three certified copies of the budget, as adopted, shall be
21 transmitted to the director within three days after adoption

22 Upon adoption, the budget shall constitute an appropriation for the
23 purposes stated therein and an authorization of the amount to be raised
24 by taxation for the purposes of the local unit.

25 (cf: P.L.1991, c.75, s.11)

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27 2. This act shall take effect immediately.

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STATEMENT

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32 This bill permits mayors in all municipalities in the State and county
33 executives in counties that operate under the county executive plan of
34 the "Optional County Charter Law," P.L.1972, c.154 (C.40:41A-1 et
35 seq.) to veto the municipal or county budget, as appropriate, in order
36 to restore an original appropriation to the budget.

37 The bill requires that after the budget has been passed by the
38 governing body, the governing body must, within three days of the
39 passage of the budget, forward a copy of the budget to the mayor, in
40 the case of a municipality, or to the county executive, in the case of a
41 county operating under the provisions of the county executive plan of
42 the "Optional County Charter Law," P.L.1972, c.154 (C.40:41A-1 et
43 seq.). The mayor or the county executive, as appropriate, must accept
44 delivery and, within five days of delivery, may veto the passed budget
45 only in order to restore any item of appropriation to the budget that
46 appeared in the budget as introduced pursuant to N.J.S.40A:4-5. If

1 the mayor or the county executive takes no action on the budget
2 within the five-day period, the budget will be deemed adopted. If,
3 within the five-day period, the mayor or the county executive returns
4 to the governing body the copy of the budget with a veto, together
5 with a written explanation of the reasons for the veto, the budget will
6 not be deemed adopted unless the governing body overrides the veto
7 of the action by a two-thirds vote of its full membership within five
8 days of the receipt of the veto action. If the governing body does not
9 override the vetoed budget within the five-day period, the budget as
10 vetoed by the mayor or the county executive shall be deemed adopted.

11 The bill also requires that, prior to any override of the vetoed
12 budget by the governing body, the governing body must hold a public
13 hearing to solicit public opinion regarding the mayor's or the county
14 executive's action on the budget.

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19 Provides veto power to mayors and county executives in local budget
20 process.