

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR ASSEMBLY, Nos. 7, 819, 1123, 1127, 1134, 1219 and SENATE, No. 179

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: JUNE 13, 1996

The Assembly Appropriations Committee reports favorably Assembly Bill No. 7, 819, 1123, 1127, 1134, 1219 and Senate, No. 179 ACS, with committee amendments.

Assembly Bill No. 7, 819, 1123, 1127, 1134, 1219 and Senate, No. 179 ACS, as amended, is intended to relieve counties and municipalities of certain State mandates to save costs to reduce local taxes.

Bill sections 1 and 2 permit a municipality to stagger the expiration of pet licenses, making administration easier since renewals would not occur at the same time.

Section 3 requires the Department of State to investigate methods of reducing mandatory election costs in municipalities with populations of 500 persons or fewer. The department shall report its findings to the Governor and to the Legislature in about six months from the date of the bill's enactment.

Sections 4 and 5 permit ordinances and health codes adopted by a local board of health to be published in summary form, both prior to the public hearing and after adoption, to reduce publication costs.

Section 6 permits a municipality or county to impose parking restrictions, designate no passing zones, paint road striping and pavement markings, on self-contained streets under municipal or county jurisdiction, as appropriate, without prior approval of the Commissioner of Transportation. Amendments to R.S.39:4-8 permit a municipality or county to effect the traffic control measure by ordinance or resolution, as appropriate, subject to a 90 day statutory, engineering and traffic flow review by the Commissioner of Transportation.

Section 7 permits ordinances adopted by any municipal or county agency, board or commission authorized by law to adopt ordinances to be published by title, or by title and summary.

Section 8 permits a nine member planning board in any

municipality to exercise the powers of a zoning board of adjustment, if so provided by ordinance approved by voter referendum. This option is currently available under section 16 of P.L.1975, c.291 (C.40:55D-25) to municipalities with a population of 10,000 persons or fewer. Section 8 also provides the mechanism for a municipality that has previously approved a referendum to allow its planning board to exercise the powers of a zoning board to return to the previous system.

Section 9 allows a local unit to bond for the amount of any contribution that it makes as a sending municipality under a regional contribution agreement pursuant to section 12 of P.L.1985, c.222 (C.52:27D-312). This will encourage regional contribution agreements and enhance low and moderate income housing stock in the State.

Section 10 amends N.J.S.40A:4-19 to increase the permissible amount of temporary county and municipal budgets from 25% of the previous year's total appropriations to 26.25% of those appropriations, an increase representing the proportional part of the 5% budget increase "cap" for those years a county or municipality increases its tax levy or budget. This will allow counties and municipalities greater flexibility in the time until an annual budget is adopted.

Sections 11 and 12 authorize a local unit to establish a dedicated fund for deposit of refunds from a joint insurance fund, as a reserve for years when claims payable by the joint insurance fund exceed contributions paid into the joint insurance fund by the local unit. Such a reserve fund allows a local unit to have assets readily available for additional contributions into the joint insurance fund without resorting to raising monies at that time.

Section 13 permits the Local Finance Board to adopt rules establishing a three-year budget review cycle by the Director of the Division of Local Government Services in the Department of Community Affairs, for most municipalities. The governing body and the chief financial officer are required to certify to the director that the municipality is in compliance with the statutory and regulatory budget procedures; the director could require immediate compliance with the State budget law by any municipality in which the exemption from annual State review impairs the fiscal integrity or solvency of the municipality.

Section 14 increases, from \$5 to \$10, the amount for which a tax collector can be preauthorized by resolution of the municipal governing body to process property tax refunds or to process cancellations of refunds or delinquencies.

Sections 15 through 17 permit municipalities to appoint police officers as adult crossing guards. Such appointees would not have to be specially trained in traffic control and, in the discretion of the chief of police, they could wear their normal police uniforms.

Sections 18 and 19 amend sections 3 and 15 respectively, of the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-3 and

40A:11-15), to extend the period of normal local public contracts from 12 months to 24 months, except those for professional services. The longer contract will enable local units to bargain for better prices.

Section 20 amends the "Fair Housing Act" to clarify that the neither the Affordable Housing Management Service of the Department of Community Affairs or any other entity providing certain services to municipalities and developers providing affordable housing under that act cannot require an exclusive contract to service all of the eligible housing units of the municipality. This will allow a municipality with an appropriate administrative agency to save money by servicing a portion of the eligible units itself or contracting with another provider.

Section 21 allows the governing body of a municipality to direct that the canvass of dogs in the municipality be made biennially instead of annually.

FISCAL IMPACT:

The provisions of the bill concerning the staggered expiration of pet licenses, reducing mandatory election costs, permitting ordinances to be published in summary form, expediting traffic control ordinances, shifting to a three year budget review cycle, and the elimination of exclusive contracting have the potential to reduce local government costs. In particular, the provision that would extend the period of normal local public contracts from 12 months to 24 months is likely to enable local units to bargain for better prices, and may yield significant cost reductions.

However, because many of the provisions are local unit options that depend on specific local unit characteristics, it is not possible to estimate potential property tax savings.

COMMITTEE AMENDMENTS:

The amendments provide a new section seven of the bill, so that the publication by title and summary requirements apply to any municipal or county agency, board or commission authorized by law to adopt ordinances (including a park, parkway or shade tree commission, as originally provided for). The amendments to section 8 of the bill clarify that a municipal planning board may only exercise the powers of a zoning board of adjustment subject to voter referendum, and provide for a conversion back to the original system. The amendments add section 21 to the bill, allowing the canvass of dogs to be made every other year instead of annually.