

ASSEMBLY, No. 1402

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblyman MATTISON

1 AN ACT concerning the power of mayors in certain cities of the first
2 class to veto portions of municipal budgets and amending
3 N.J.S.40A:4-10.

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

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8 1. N.J.S.40A:4-10 is amended to read as follows:
9 40A:4-10. [No] a. In any municipality not subject to the
10 provisions of subsection b. of this section no budget or amendment
11 thereof shall be adopted unless the director shall have previously
12 certified his approval thereof. Final adoption shall be by resolution
13 adopted by a majority of the full membership of the governing body,
14 and may be by title where the procedures required by sections 40A:4-8
15 and 40A:4-9 or section 12 of P.L.1995, c.259 (C.40A:4-6.1), as
16 applicable, have been followed.

17 The budget shall be adopted in the case of a county not later than
18 February 25, and in the case of a municipality not later than March 20
19 of the calendar fiscal year or September 20 of the State fiscal year,
20 except that the governing body may adopt the budget at any time
21 within 10 days after the director shall have certified his approval
22 thereof and returned the same, if such certification shall be later than
23 the date of the advertised hearing.

24 If, in the case of a municipality which operates on the State fiscal
25 year, the governing body fails to adopt the budget within the permitted
26 time, the chief financial officer of the local unit shall so notify the
27 director the next working day after the expiration of the permitted
28 time.

29 Three certified copies of the budget, as adopted, shall be
30 transmitted to the director within three days after adoption.

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

34 b. In a city of the first class with a population of not less than
35 250,000 according to the latest federal decennial census, which
36 operates under the “mayor-council plan” of the “Optional Municipal

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.

1 Charter Law,” P.L.1950, c.210 (C.40:69A-31 et seq.), no budget or
2 amendment thereof shall be passed by the governing body unless the
3 director shall have previously certified his approval thereof. Passage
4 shall be by resolution adopted by a majority of the full membership of
5 the governing body, and may be by title where the procedures required
6 by N.J.S.40A:4-8 and N.J.S.40A:4-9 or section 12 of P.L.1995, c.259
7 (C.40A:4-6.1), as applicable, have been followed. After the budget
8 has been passed by the governing body, the governing body shall,
9 within three days of the passage of the budget, forward a copy of the
10 budget to the mayor. The mayor shall accept delivery and, within five
11 days of delivery, may veto the passed budget in order to restore to the
12 budget any item of appropriation that appeared in the budget as
13 introduced pursuant to N.J.S.40A:4-5. If the mayor takes no action
14 on the budget within the five-day period, the budget shall be deemed
15 adopted. If, within the five-day period, the mayor returns to the
16 governing body the copy of the budget with a veto which restores to
17 the budget any item of appropriation that appeared in the budget as
18 introduced pursuant to N.J.S.40A:4-5, together with a written
19 explanation of the reasons for the veto, the budget without the
20 changes specified in the mayor’s veto shall be deemed adopted only if
21 the governing body overrides the veto by a two-thirds vote of its full
22 membership within five days of the receipt of the veto action. Prior to
23 any override of the vetoed budget by the governing body, the
24 governing body shall hold a public hearing to solicit public opinion
25 regarding the mayor's action. If the governing body does not override
26 the vetoed budget within the five-day period, the budget as vetoed by
27 the mayor shall be deemed adopted. The budget shall be adopted not
28 later than September 1 of the State fiscal year, except that the budget
29 may be adopted at any time within 10 days after the director shall have
30 certified his approval thereof and returned the same, if such
31 certification shall be later than the date of the advertised hearing. If
32 the budget is not adopted within the permitted time, the chief financial
33 officer of the city shall so notify the director the next working day
34 after the expiration of the permitted time.

35 Three certified copies of the budget, as adopted, shall be
36 transmitted to the director within three days after adoption. Upon
37 adoption, the budget shall constitute an appropriation for the purposes
38 stated therein and an authorization of the amount to be raised by
39 taxation for the purposes of the city.

40 (cf: P.L.1995, c.259, s.11)

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42 2. This act shall take effect immediately.

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45 STATEMENT

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47 This bill permits a mayor in a city of the first class with a population
48 of at least 250,000 according to the latest federal decennial census,

1 which operates under the “mayor-council plan” of the “Optional
2 Municipal Charter Law,” P.L.1950, c.210 (C.40:69A-31 et seq.), to
3 veto the city budget in order to restore an original appropriation to the
4 budget.

5 The bill requires that after the budget has been passed by the city
6 council, the council must, within three days of the passage of the
7 budget, forward a copy of the budget to the mayor. The mayor must
8 accept delivery and, within five days of delivery, may veto the passed
9 budget only in order to restore any item of appropriation to the budget
10 that appeared in the budget as introduced pursuant to N.J.S.40A:4-5.
11 If the mayor takes no action within the five-day period, the budget will
12 be deemed adopted. If, within the five-day period, the mayor returns
13 to the city council the copy of the budget with a veto, together with
14 a written explanation of the reasons for the veto, the budget without
15 the changes specified in the mayor’s veto will be deemed adopted only
16 if the city council overrides the veto of the action by a two-thirds vote
17 of its full membership within five days of the receipt of the veto action.
18 If the city council does not override the vetoed budget within the
19 five-day period, the budget as vetoed by the mayor shall be deemed
20 adopted.

21 The bill also requires that, prior to any override of the vetoed
22 budget by the city council, the council must hold a public hearing to
23 solicit public opinion regarding the mayor's action on the budget.

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28 Permits mayor of first class city with at least 250,000 population and
29 operating under “mayor-council plan” to exercise line-item veto power
30 on budget.