

February 26, 2016

**RE: Weekly Policy Update**

- I. Release of State Aid Numbers**
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- III. Governor Christie Announced Small Business Administration Disaster Assistance for Seven Counties Impacted By Winter Storm Jonas**
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Dear Mayor:

Here is summary of some issues of interest to local governments.

**I. Release of Property Tax Relief Numbers**

As previously reported, the Governor's State Fiscal Year 2017 (SFY '17) budget proposes level aggregate funding to most municipalities for Consolidated Municipal Property Tax Relief Aid (CMPTRA), Energy Tax Receipts Property Tax Relief (ETR), Garden State Trust and Watershed Moratorium Offset aid. Funding for Transitional Aid (TA) will also continue, though prior recipients may see a reduction, depending on a review of the applications.

Today, the Division of Local Government Services posted the CY 2016/SFY 2017 Property Tax Relief Certification for each municipality on the Division's website under the Information Resources/[Municipal State Aid](#) heading. Municipalities are required to obtain their certifications from the website. They will not be mailed. For more information please see [Local Finance Notice 2016-5](#).

**Contact:** Jon Moran, 609-695-3481 ext. 121 or [jmoran@njslom.org](mailto:jmoran@njslom.org)

**II. Assembly Committee Takes Testimony of Telecom Personal Property Bill**

After deriving profits from the use of public rights of way for decades, in 2009 Verizon claimed itself exempt from the payment of Business Personal Property Taxes (BPPT) in five municipalities. It based this claim on its own original interpretation of a 1997 law, when it unilaterally determined that it no longer provided dial tone access to at least 51% of the local telephone exchanges in those communities. In every succeeding year, more and more municipalities were informed by Verizon that they would receive no further BPPT payments. Over 150 municipalities are now forced to balance their budgets without this vital property tax relief funding.

Your municipality could be next.

The legislative intent in 1997 was to protect the interests of property taxpayers. There is no provision in the law for an annual test. The only time the word ‘annual’ is used in the statute is in the first sentence, which states that “All real and personal property ... not expressly exempted ... shall be subject to taxation annually ...”

Because the Tax Court misread the law, more and more property taxpayers in more and more municipalities will pay the price, each passing year. To correct this matter, legislation was introduced by Assemblyman Ralph Caputo and Senator Bob Smith to provide clear direction to the courts regarding the legislature’s intent to protect residential taxpayers, when the laws regarding State taxation of telecommunications providers were reformed in 1997.

In the current session of the legislature, Assemblyman Caputo, along with seven co-sponsors, has reintroduced his bill. That bill, [A-184](#), has been referred to the Assembly Telecommunications and Utilities Committee. On Monday, that Committee took testimony, but deferred a vote on this bill.

Please ask your legislators to support A-184.

**Contact:** Jon Moran, 609-695-3481 ext. 121 or [jmoran@njslom.org](mailto:jmoran@njslom.org)

### **III. Governor Christie Announced Small Business Administration Disaster Assistance for Seven Counties Impacted By Winter Storm Jonas**

Earlier this week Governor Christie announced that New Jersey businesses and residents affected by Winter Storm Jonas, the severe winter snow storm of January 22 -24, 2016, can apply for low-interest disaster loans from the U.S. Small Business Administration (SBA). The declaration covers Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, and Ocean Counties.

Through the SBA Disaster Loan Program, eligible homeowners and renters can borrow up to \$40,000 to repair or replace contents damaged during the storm. In addition, eligible homeowners can borrow up to \$200,000 to repair or replace their primary residence to its predisaster condition. For businesses, a business of any size can borrow up to \$2 million to address physical damage and small businesses (as defined by SBA) can borrow up to \$2 million to address economic injury. Loan amounts and terms are set by the SBA and are based on each applicant’s financial condition.

SBA’s customer service representatives are available at the Disaster Loan Outreach Center in Atlantic County to answer questions about the disaster loan program and help individuals complete their applications. It is located in the following community and is open as indicated until further notice:

Atlantic County  
City of Atlantic City - City Hall Room 129  
1301 Bacharach Blvd

Atlantic City, New Jersey 08401

Opening: Tuesday, Feb. 23, 2016

Days: Monday – Friday Hours: 8  
a.m. to 4:30 p.m.

Applicants may apply online using the Electronic Loan Application (ELA) via SBA's secure website at <https://disasterloan.sba.gov/ela>.

Businesses and individuals may also obtain information and loan applications by calling the SBA's Customer Service Center at 1-800-659-2955 (1-800-877-8339 for the deaf and hard-of-hearing), or by emailing [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov).

Loan applications can also be downloaded at [www.sba.gov/disaster](http://www.sba.gov/disaster). Completed applications should be returned to the center or mailed to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

The filing deadline to return applications for physical property damage is **April 22, 2016**. The deadline to return economic injury applications is **Nov. 22, 2016**.

#### **IV. South Jersey Verizon Hearing**

The New Jersey Board of Public Utilities (BPU) has indicated that it will hold a public meeting regarding complaints of poor telephone and internet service provided by Verizon. This action is the result of a petition filed by 16 South Jersey towns last year. The towns' complaint is twofold. First, they argue that poor telephone and internet service is the result of deteriorating copper landlines. Second, they argue that this issue is being made more acute by the lack of a viable alternative, like fiber, in their communities. The towns' petition follows two controversial BPU orders regarding Verizon's obligations to provide broadband under a 1993 law called Opportunity New Jersey and another order that reclassifies Verizon's basic telephone service and removes [service quality standards](#) on basic telephone by 2018 at the earliest.

The County of Cumberland is managing this petition. If your municipality is having telephone and internet service issues please contact Cumberland County Solicitor Theodore Baker Esq. at [theodoreba@co.cumberland.nj.us](mailto:theodoreba@co.cumberland.nj.us).

**Contact:** Ed Purcell Esq. at (609) 695-3481 x. 137 or [epurcell@njslom.org](mailto:epurcell@njslom.org)

#### **V. Recent Unreported Appellate Division Decision Regarding Municipal Inspection of Residential Rental Units**

A recent unreported Appellate decision, [State of New Jersey v. Mill Village Apartments](#), strongly limits a previous decision, [Timber Glen Phase III v. Township of Hamilton](#). An analysis of *Mill Village Apartments* by the League's counsel can be found [here](#).

By way of background, *Timber Glen* curbed the ability of municipalities to regulate residential rental properties through the Licensing Act. Following *Timber Glen*, many lawsuits have been filed challenging municipal residential rental ordinances. *Mill Village Apartments* clarifies municipal authority related to inspections. Thus, *Mill Village Apartments* may be beneficial for municipalities currently in litigation or reviewing their ordinances in light of *Timber Glen*.

**Contact:** Ed Purcell Esq. at (609) 695-3481 x. 137 or [epurcell@njslom.org](mailto:epurcell@njslom.org)

## **VI. April 12 Hearing – Municipal Stormwater NJPDES Permit Program**

The New Jersey Clean Water Council (NJCWC) plans to seek public testimony on the Preliminary Draft Renewal of the municipal stormwater permit on April 12, 2016 at the New Jersey Forensic Science Technology Center at 1200 Negron Dr., Hamilton, NJ, from 1 to 4pm. A formal notice for the hearing with additional information will follow. [Click here](#) for additional information.

Sincerely,

Michael J. Darcy, CAE Executive  
Director