

May 8, 2015

**RE: Weekly Policy Update**

Municipal Clerk: Please forward a copy to all Governing Body Members Dear

Mayor:

Here's a recap of major policy issues of interest to local governments.

**I. MAYOR WAHLER ADDRESSES US SENATE COMMITTEE ON TRANSPORTATION**

On Tuesday in Washington D.C., New Jersey League of Municipalities President, Mayor Brian Wahler of Piscataway, testified on the need for Congress to enact a long term transportation infrastructure policy. With the Federal Highway Trust Fund slated to run out of money at the end of this month, Mayor Wahler appeared before the United States Senate Commerce, Science and Transportation Committee's Subcommittee on Surface Transportation and Merchant Marine Infrastructure, Safety and Security.

For details on this appearance, see our letter <http://nj-njslom.civicplus.com/ArchiveCenter/ViewFile/Item/318>

**NEW LAW REQUIRES STREET LIGHT OUTAGE PLANS**

The Governor took action on a number of bills on Monday, including S-1349/A-3739. This legislation, which the League supported, directs every electric public utility doing business in New Jersey, upon the direction of the Board of Public Utilities (BPU), to prepare and file with the BPU, a street light outage plan within the utility's service territory. The plan may include: methods to inform the public and local officials concerning the utility's street light outage reporting system; ways to identify and monitor street light outages in areas where outages may occur with increased frequency due to human interference, or where street light outages may pose an increased risk to public safety; information regarding the cost, timing, and manner of work required for street light outage restoration, such as whether restoration could involve the maintenance or repair of equipment that is located underground; and procedures to improve the reporting and restoration of street light outages. Finally, the new law (Chap. 39, P.L. 2015) requires the utility to consult with local elected officials and law enforcement. It requires immediate action by the utilities.

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

**II. NJ DOT/ NJ TRANSIT PRESENT SENATE TESTIMONY ON BUDGET PLANS**

In addition to further testimony regarding the need for a long term solution to the Transportation Trust Fund (see our April 24 letter at <http://nj-njslom.civicplus.com/ArchiveCenter/ViewFile/Item/341>), Department of Transportation

Commissioner Jamie Fox, advised the Assembly Budget Committee on the plan to close NJ Transit's funding gap.

NJ Transit Executive Director Veronique Hakim advised the Assembly Budget Committee that NJ Transit had identified more than \$40 million in reductions in overtime, fuel savings, energy and vehicle parts efficiencies. However, the agency still faces an approximate \$60 million budget gap for the 2016 fiscal year. To close the gap, fare and service adjustments are being proposed. The proposed service and

fare changes would take effect in September 2015 and on October 1, 2015, respectively. The proposed fare adjustment would be an average of 9 percent for the majority of NJ TRANSIT customers.

In anticipation of NJ Transit Board of Directors action in July, nine public hearings and one information session have been scheduled, beginning Saturday, May 16, 2015, to allow the public to offer comments. Details on the proposal and the public hearing schedule can be accessed at [http://www.njtransit.com/tm/tm\\_servlet.srv?hdnPageAction=PressReleaseTo&PRESS\\_RELEASE\\_ID=2988](http://www.njtransit.com/tm/tm_servlet.srv?hdnPageAction=PressReleaseTo&PRESS_RELEASE_ID=2988)

In addition, or as an alternative, to appearing in person, members of the public can also submit comments via mail to: PUBLIC HEARING OFFICE – FARE PROPOSAL COMMENTS, ONE PENN PLAZA EAST, NEWARK, NJ 07105; online at [www.njtransit.com](http://www.njtransit.com) or dropped off at Customer Service Offices. The online public comment period will end at 11:59 p.m., Thursday, May 21.

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

### **III. GOOD NEWS ON TAX RECEIPTS MAY HELP STATE CLOSE PENSION FUNDING GAP**

On Tuesday, the Governor's Office announced that better than expected State revenues might provide another \$200 million to pump into the public worker pension system this year. The State now projects up to \$200 million more in tax collections in the current fiscal year, than had been budgeted for other programs and services.

The Governor's proposed FY 2016 budget had called for \$1.3 billion in pension plan payments in the fiscal year beginning in July. That would have been \$1.8 billion less than the amount required to meet all of the State's responsibilities, as calculated by the State's actuaries.

The announcement comes as parties prepare for the State Supreme Court hearing to determine the legality of last year's decision to reduce pension funding by \$1.57 billion in the current Fiscal Year. In that case, the State is appealing a trial court ruling directing the Governor to work with the Legislature to restore the \$1.57 billion cut.

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#### **IV. STATUS REPORT ON THE “ROADMAP TO PENSION AND BENEFITS REFORM”**

As previously noted the League has been actively engaged in addressing the “Roadmap to Pension & Benefits Reform” Report. At this time, we would like to provide you a status report on the actions and plans the League Officers, Management Reform Chair and staff have been engaged in to address this urgent issue. For more information please see our May 5 Dear Mayor letter available at <http://nj-njslom.civicplus.com/ArchiveCenter/ViewFile/Item/335>. Contact: Lori Buckelew, [lbuckelew@njslom.org](mailto:lbuckelew@njslom.org) or 609-695-3481 ext. 112

#### **V. AFFORDABLE HOUSING**

We would like to call your attention to the League’s May 7 letter regarding a recent development related to affordable housing: <http://nj-njslom.civicplus.com/ArchiveCenter/ViewFile/Item/321>  
Contact: Mike Cerra, [mcerra@njslom.org](mailto:mcerra@njslom.org) or 609-695-3481 x120.

Very truly yours,

William G. Dressel, Jr.  
Executive Director