

May 1, 2015

RE: Weekly Policy Update

Dear Mayor:

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

I. Acting DCA Commissioner Testifies on Budget

On Wednesday, in Trenton, Acting Department of Community Affairs (DCA) Commissioner Chuck Richman appeared before the Assembly Budget Committee. The Committee has been reviewing different aspects of the Governor's proposed State Budget for the 2015-2016 Fiscal Year (SFY '16). Commissioner Richman spoke, and answered questions, on the implications of the Governor's proposal for DCA programs and services.

You can access his prepared testimony on the Office of Legislative Services (OLS) "Analysis of the Governor's Budget" website at <http://www.njleg.state.nj.us/legislativepub/govbudget2015-2016.asp>. That site also includes links to the OLS analysis of the DCA Budget, and to the Department's responses to questions posed to the Acting Commissioner by OLS, on behalf of State Legislators reviewing the proposal.

Acting Commissioner Richman also took this opportunity to outline his hopes for DCA, over the next year. Having now served with DCA for over 29 years, he noted:

The Department of Community Affairs Act authorizes the Commissioner to assist and strengthen local government capacity in taxation, fiscal affairs, organization, and purchasing; ensure building safety; support sound community planning and development; and promote intergovernmental cooperation, to name only a few of the responsibilities delegated to the Department.

...

The agenda that I am setting for the Department re-focuses our activities on the core mission and responsibilities that were originally defined for the Department -- adjusted to reflect current economic realities and to respond to the different priorities and expectations of our State's residents today.

...

Local officials rely heavily on the technical assistance that the Division of Local Government Services provides that advance their ability to meet constituent needs, comply with complex state laws, and address their obligation to properly utilize taxpayer dollars.

The Division can and should also be a valuable source of data, research and analysis for local officials, legislators, and state policy makers. To that end, we will devote more staff time to analyzing the factors that drive local decision making and disseminating that information to help local officials make considered decisions.

Commissioner Richman faced intense questions on the pace of Sandy recovery, the reductions in municipal property tax relief funding, the future of the Council on Affordable Housing and Court involvement in the development of State affordable housing policy and in the prospects for a reinvigorated Urban Enterprise Zone/ Urban Redevelopment policy.

One area of concern to us that was not addressed at Wednesday's hearing relates to the "Best Practices" inventory.

This proposed amendment would **require** the Director of the Division of Local Government Services to take into account a municipality's failure to comply with **any** statute, regulation or Executive Order in effect prior to the commencement of the previous fiscal year, when computing its compliance rating with the Best Practices Inventory. This change was proposed by the Department during last year's Fiscal Year 2015 budget process. This grants overly-broad discretion to the Director, without providing clear guidance to a local official. At our request, it was not included in the annual appropriations act enacted by the Legislature.

Since the State is permitted to withhold the final 5% or \$500, whichever is greater, of the total amount of Consolidated Municipal Property Tax Relief Aid due to municipalities that do not receive a minimum score indicating compliance with the Best Practices Inventory, this could result in lost property tax relief funding.

Acting Commissioner Richman is next scheduled to testify before the Senate Budget and Appropriations Committee next Tuesday, May 5.

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II. Governor Signs Legislation on Opioid Drug Abuse

Earlier this week, Governor Christie signed into law S-2372/A-1436 enhancing the State's Project Medicine Drop program and to strengthen the Attorney General's law enforcement coordination efforts against opioid drug abuse. Effective immediately the Attorney General shall coordinate and direct the Statewide efforts of law enforcement agencies, Division of Consumer Affairs and professional licensing boards, such as pharmacist, to identify, investigate and prosecute the illegal sources and distribution of prescription opioid drugs as well as provide training for law enforcement officials and recommend training for physicians, pharmacist and other health care professionals in the state-of-the-art methods to detect prescription drug diversions and related abuses.

The law also requires the Attorney General to issue appropriate directives, establish task forces and implement other measures necessary to carry out efforts against opioid drug abuse. The Attorney General may call upon the services of employees of any State, county or municipal department. Annually the Attorney General must report to the Governor and Legislature on his activities on this effort including the coordination of the Statewide effort by various agencies to combat opioid abuse and progress in efforts to investigate and prosecute the illegal sources and distribution of illegal opioid drugs.

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Very truly yours,

William G. Dressel, Jr.
Executive Director