

July 2018

IMPORTANT UPCOMING EVENTS

Please consult the League [Web Calendar](#)

- July 4-
Independence Day
- July 22-
Parents Day
- July 27-
National Korean War Veterans
Armistice Day
- Nov 13-15-
[103rd Annual League Conference-Atlantic City
Convention Center, Atlantic City](#)

- ✓ Beware of Scam Housing Communications
- ✓ Innovation in Governance Awards
- ✓ Michael A Pane Award
- ✓ Nominations for Mayors Hall of Fame

- ✓

FROM THE PRESIDENT

By Mayor James L. Cassella, President

Late evening on June 30, Governor Murphy signed a \$37.4 billion state budget. Included in the budget was an amendment to alter the funding source of Energy Tax Receipts. While the amount of the Energy Tax Receipts for this year will remain flat at \$788,492, the funding is split between the General Fund (\$355,492,000) and the Property Tax Relief Aid Fund (\$453,000,000). To fund energy tax receipts, the state intends to zero out the Property Tax Relief Aid Fund prior to using the revenues from the General Fund.

While this does not diminish the amount of funding your municipality will see this year, the League strenuously objected to this transfer. We are rightly concerned that the state may not view this action as a one-time bandage, but a recurring option to help address state budget funding issues. [History](#) has taught local officials some hard lessons about the erosion of dedicated municipal funds. If this reoccurs, it could jeopardize the most significant and reliable source of municipal revenues, other than the property tax, in future State budgets.

The budget projects \$705 million in new revenue from the Millionaire's Tax for those making over \$5 million by increasing income tax from 8.97% to 10.75% and a four-year surcharge on Corporate Business Tax, which imposes a surcharge on all companies earning more than \$1 million per year by increasing the current rate of 9% by 2.5% for two years with a two-year phase down.

Continued on next page under "Presidents Message Continued"

Presidents Message Continued

The budget also projects additional revenue from new levies by extending the tobacco products wholesale sales and use tax to liquid nicotine used in electronic cigarettes and similar devices, at the rate of \$0.10 per milliliter of liquid nicotine, and a \$0.50 rider surcharge, with the rider paying \$0.25, on transportation network companies. It also includes additional sale tax revenue from online sales as a result of the U.S. Supreme Court [Wayfair](#) decision (over \$120 million) and tax amnesty program for all state taxes payable to the New Jersey Division of Taxation, including the Corporation Business Tax, Sales and Use Tax, and Gross Income Tax.

The budget also restores funding for the Homestead property tax relief program, increases the state income tax deduction for property taxes from \$10,000 to \$15,000, includes a \$3.2 billion pension contribution, assumes savings from State Health Benefits plan design reforms, and continues the Best Practice Inventory.

The legislation establishing the rider surcharge also included language increasing the Title 39 surcharge for “New Jersey Forensic DNA Laboratory Fund” from \$2 to \$3.

The budget did not include an increase of the State sales tax from 6.625% to 7% and the surcharge on plastic bags. While the “bag bill” awaits the Governor’s action, the projected revenues are not part of the state budget. The League opposes this bill and has asked the Governor to either veto the bill or, in the alternative, to conditionally veto it to remove the municipal preemption. [Please click here for more.](#)

As part of the budget compromise, the Governor and legislative leadership agreed to revisions of the school funding formula as outlined in [S-2](#). At this time, S-2 has passed both houses and awaits the Governor’s signature.

We will continue to keep you posted.

For more information on the State Budget, please contact Michael F. Cerra, Assistant Executive Director, mcerra@njslom.org , 609-695-3481, Ext. 120.

Beware Of Scam Conference Housing Communications

-Contact Dee Kotch at 115 or dkotch@njslom.org

It has come to our attention that there are unauthorized firms soliciting housing and hotel reservations from League conference attendees.

Please Note: The only firm authorized to handle our conference housing reservations is AC Central Reservations. They will not call, email or contact anyone unsolicited.

Here is their website: <http://acrooms.com/events/NJLM2018/>

Using unauthorized reservation services creates real problems for you and the conference as a whole. You cannot be assured your credit card or financial information is secure and your room reservation may not actually be made. Also, your room will not be part of the official conference housing block so you won't get emergency housing information nor will there be adequate shuttle bus services to your hotel.

As always, the League is available to answer your questions on any aspect of the annual conference and we strive to make your participation both enjoyable and highly productive.

Call for Nominations for Sixteenth Annual Innovation in Governance Awards

Contact Ciara Bradley at x 128 or cbradley@njslom.org

The New Jersey Department of Community Affairs (DCA) and the New Jersey League of Municipalities will again acknowledge and promote Innovation in Governance through our annual recognition program. This is a great opportunity to showcase innovative solutions to any problems that have cropped up – either suddenly or over time – in your municipality. It can also be an opportunity to let your peers in on innovations that prevented problems from even arising.

This year, the Innovation in Governance Awards Committee is looking for any original approaches in public administration undertaken by a Garden State municipality during the past and forthcoming 16 months – from the beginning of June 2017 to September 30, 2018. Any innovation in any department or program will be considered for recognition.

This program was established to highlight exemplary local government activities that exhibit creative and practical approaches to local problems and concerns. We will share the winning entries with municipal leaders at the 103rd Annual League of Municipalities Conference Mayors' Luncheon on Wednesday, November 14, 2018 at the Sheraton in Atlantic City, and in the January issue of our magazine, New Jersey Municipalities.

This year's judges will be League Past Presidents Paul Maticera and Plainsboro Mayor Peter Cantu, Director of the Division of Local Government Services in DCA, and League Executive Director Michael Darcy.

The application can be accessed by clicking on the link below:

•League of Municipalities website – [2018 Innovation Application](#)

The nomination deadline for this program is October 1. Accordingly, we encourage you to forward this information to the appropriate people in your municipality today, giving them ample time to meet our deadline.

If you have any questions on the Innovation in Governance awards, please contact Ciara Bradley at the League of Municipalities 609-695-3481 ext. 128 or cbradley@njslom.org

16th Annual Michael A. Pane Award Nominations Are Now Being Accepted

Contact Johnnifer Harris at x119 or jharris@njslom.org

In honor of the memory of Michael A. Pane, the fifteenth annual award will be presented to a professional (attorney, engineer or planner) that personifies outstanding ability, integrity, and a high standard of ethics in his or her dealings with local government. This award includes a \$500 honorarium.

Mr. Pane personified and promoted integrity in local government, and it is the purpose of this award to recognize an individual who has over a period of years, demonstrated the same professional commitment to service, and who by so doing, has set high standards that all involved in local government should strive to match.

The award ceremony will be held during the League's Annual Conference in Atlantic City, on Thursday, November 15th, during a session of the New Jersey Institute of Local Government Attorneys. Nominations for this award will be accepted through September 15, 2018. Please fax, mail or email your nomination to:

Johnnifer Harris

c/o NJLM Educational Foundation, Inc.
222 West State Street
Trenton, New Jersey 08608
Fax: (609) 695-5156
jharris@njslom.org

“The League thanks the NJLM Educational Foundation for making this possible and is honored to participate in the promotion of the Michael A. Pane Award.” said League Executive Director Michael J. Darcy. A list of past award winners may be seen at <http://www.njslom.org/257/Michael-A-Pane-Award>

**Nominations Sought
For Mayors Hall Of Fame**

-Contact Michael Darcy x 116 or mdarcy@njslom.org

The League is accepting nominations for the 2018 Mayors Hall of Fame. To qualify, a mayor must be serving in at least their 10th cumulative year for the silver level, 20th year for the gold level, or 30th year for the platinum level. Mayors who rotate into office can qualify after holding the office of mayor for 10 years.

Qualifying mayors will be inducted into the New Jersey State League of Municipalities Mayors' Hall of Fame during the Mayors' Luncheon at the Annual Conference Wednesday, November 14, in Atlantic City. For nomination forms and more information about the Mayors' Hall of Fame, visit the [Mayors Hall of Fame webpage](#) or contact the League at 609-695-3481 x116.