

## HISTORY OF THE LEAGUE

In the early 1900's, New Jersey municipalities usually had to solve their problems alone. At best, they might have had the support of a make-shift alliance of neighboring communities when they shared the same difficulty.

Mayor George N. Seger of Passaic got clear evidence of that fact in 1911 when he led a movement to lower gas rates among several cities in northern New Jersey. The Mayor's experience pointed up the need for a strong, statewide organization capable of marshaling municipal interests and representing them both before the State Legislature and elsewhere.

Out of a discussion with Frederick W. Donnelly, then Mayor of Trenton, came a decision to dispatch Clinton J. Swartz, Trenton's Tax Collector, to several national conventions of municipal officials. Mr. Swartz took copious notes during the next few years, and reported back accomplishments in other states by municipalities joined in a common cause which convinced several New Jersey mayors that such an alliance in the Garden State was a must.

The groundwork was laid at a meeting in Trenton in February, 1915. A bill was subsequently introduced and passed by the Legislature which "authorized municipalities in this State to join or to form and join an organization of municipalities for joint municipal action upon questions affecting the general welfare of such municipalities." The bill was signed into law that April as Chapter 163, Laws of 1915.

More meetings took place in May and a final organization session was held in June. Fifty-one charter member municipalities adopted a League Constitution and elected Mayor Donnelly as the fledgling group's first president.

From these early meetings emerged a spirit of cooperation, coupled with a dedication to good government which has enabled the League to grow literally ten-fold over the next century. A few statistics prove the point: The League's original membership roster listed 51 municipalities. Today the total stands at 565. Thirty five communities were represented at the first League Conference which convened in 1916, while currently some 20,000 people regularly attend the League Conference.

### **ORGANIZATIONAL STRUCTURE**

When organized, the League's structure consisted of a president, three vice presidents, an executive committee composed of 14 members and an executive secretary who handled daily administration. The present framework is essentially the same; the changes being that the

executive committee is now known as the executive board and it consists of 26 members. The executive secretary's title was changed to that of executive director in 1949.

Other committees have been created over the years to assist in formulating League policy on general or special matters. These have included the Advisory Committee, Legislative Committee, several Conference Committees and numerous others appointed on an ad hoc basis.

Also rendering invaluable services have been the respective associations of functional and professional municipal officials which are affiliated with the League. Presently numbering 21, these groups are represented on many League committees and their special orientations provide depth and diversity to deliberations on League policy.

### **HOME RULE ADVOCACY**

The League's founders saw clearly that the only hope for the preservation and growth of grass roots democracy lay in municipal unity across the State -- unity both in the face of other interests and the State Legislature. The struggle which spawned the League involved a rate dispute with the Public Service Corporation of New Jersey. And soon the organization was serving as the focal point of concerted municipal sentiment in the State House chambers in Trenton.

Originally, the League position on legislation was expressed through the Executive Committee and the Legal Advisory Committee. By 1920, however, a Legislative Committee was functioning as a key body within the organization. This Committee has continued to play a vital role. In recent years the 100 member group has been analyzing more than 400 bills annually at periodic study meetings while the Legislature has been in session.

The Legislative Committee, which is composed of officials representing a cross-section of communities as well as municipal officers and functions, has forged a solid record of accomplishment. The League has long been recognized as the spokesman for local government and its voice commands respect.

The first major piece of legislation aiding municipalities which emerged out of League influence was Chapter 152 of the Laws of 1917 -- the Home Rule Act. The Act granted municipalities broader powers than they had ever possessed to enact ordinances and regulations providing for the public welfare and order. The Act still stands as one of the three major sources of authorization for local autonomy in New Jersey.

As the decades passed, countless other legislative accomplishments were tallied in the League's continuing effort to improve local administration. Examples were the Zoning Act of 1928, relief financing, the Municipal Budget Act of 1936 and property tax exemption reforms. In 1944, the League contributed to the creation of an actuarially sound Police and Firemen's Retirement System.

Municipalities had much at stake during the revision of New Jersey's Constitution in the summer of 1947. A League Constitutional Committee was appointed to work with the State Constitutional Convention to protect municipal rights under the new document. Three major

issues held the League's primary interest: (1) the drafting of a proper tax clause, (2) the recognition of home rule, and (3) opposition to a proposed constitutional proposition to dedicate highway funds.

League efforts were successful on all three counts. The Constitution's new tax clause was in line with municipal thinking, considerably strengthened home rule powers were forthcoming, and the move to dedicate highway funds was defeated.

Another important League legislative accomplishment was the passage in 1949 of the In Rem Tax Foreclosure Act which has saved millions of dollars for communities in foreclosing municipal tax liens.

The early 1950's found the League engaged in a series of vitally important legislative skirmishes. In 1950 appeared a package of legislation embodying recommendations of the Faulkner Commission which had been appointed two years previously by the Governor to study the structure of local government. The League objected to a number of mandatory provisions in the legislation, and succeeded in having them removed by amendment before the measures took effect as the Optional Municipal Charter Law of 1950.

Home Rule traditions were again defended when the League opposed two important measures in 1951. The Local Health District Act of that year, when finally enacted, contained substantial modifications over previous versions which made it permissive rather than mandatory in nature.

Similarly, a proposed Public Assistance Code of 1951 met such strenuous opposition by the League because of its flagrant violation of home rule that it was rejected by the Legislature. The Legislature subsequently appointed a study commission to review the welfare field, but its conclusions were likewise disapproved by the League and legislation on the subject was again defeated when it was introduced in 1954.

All League positions were not negative, however, as shown by the organization's active endorsement in 1954 of the proposed Public Employees' Retirement System which gave New Jersey's public employees a retirement program which was second to none in the country.

The League strongly endorsed the objectives of the Commission to revise Title 40, County and Municipal Statutes, which was appointed in 1960. From the Commission's recommendation came a new Fiscal Affairs Law for municipalities and a revised Budget Law and Bond Law.

The creation of the Police Training Commission in 1961 has been counted as another League accomplishment. The League felt that adequately trained municipal policemen were essential;

and the Commission was established to develop basic standards and to supervise instruction at locations around the State.

Assessment and tax reform proposals have loomed large in the history of League legislative activity over the decades. The organization originally supported the familiar County Uniform

Assessment Ratio Law when it was enacted as Chapter 51, P.L. 1960 and unsuccessfully fought its postponement for several years. A flurry of amendment activity took place, however, in 1963 and 1964 which radically altered some of the basic aspects of the law. The League and other municipal interests were finally able to restore a vital provision setting a 20 percent floor on the depreciation of business machinery and equipment which became part of the final version when it took effect in 1965.

By the late 60's, revenue sharing between Federal, State and municipal governments became the focus of major policy. In 1966, the State's first broad based tax -- the Sale and Use Tax -- was enacted and it yielded \$25 million in revenues for municipalities. These revenues provided partial relief to the long-since overburdened local property taxpayer until 1974 when the distribution was summarily terminated. League efforts to have the funding restored were unsuccessful.

In 1972, the landmark Federal Revenue Sharing Program was put in place which provided badly needed revenues for municipalities throughout America.

New Jersey's second broad base tax -- the income tax -- was signed into law in 1976 and with it came \$50 million in revenue sharing for municipalities plus nearly one billion dollars in taxpayer relief through increased aid to education.

By the early 80's, however, it was clear that the commitment on the part of the Federal and State Government to share revenues with local governments was weakening. In the 80's Federal Revenue Sharing was eliminated and our gross receipts and franchise tax revenues became targeted for diversion by the State. During the 80's the League aggressively fought state efforts to siphon off gross receipts and franchise tax revenues while crusading for municipal aid programs such as the Municipal Tax Assistance Fund, Urban Aid Assistance and Solid Waste Assistance. Meanwhile, the burden on the local property taxpayer increased, unabated by the troublesome Municipal Expenditure Limitation Law which only served to complicate budget reporting procedures while hamstringing local service delivery. The League was instrumental in the early 80's in bringing about several amendments to the Cap Law which eased its impact somewhat.

The League continued to make a major impact on planning legislation important to municipalities. The comprehensive revision of New Jersey's Planning Zoning Statutes enacted in 1975 as the Municipal Land Use Law was produced by a League committee which is still functioning today. The Municipal Land Use Law has been recognized nationally as a model piece of legislation. Several major amendment packages have been recommended by the Drafting Committee over the ensuing years, all of which have become law.

Throughout the 1990's, your League continued to fight against unfunded mandates and for significant and sustainable property tax relief and reform.

In 1995, our decades-long efforts to get the State legislature to put a "State Pay for State Mandates" question on the ballot finally bore fruit. And once they did, the people of New Jersey overwhelmingly approved an Amendment to their Constitution that significantly curtailed the ability of the Executive and Legislative Branches of State Government to impose new costs on local budgets. In addition, the amendment led to the creation of a permanent independent watchdog – the Council on Local Mandates – to invalidate any attempts to impose new unfunded mandates. Nowhere else do municipalities have a constitutionally assured recourse to an independent body that can invalidate an unfunded mandate.

Energy utility deregulation brought energy tax reforms. Our mission in this was to protect, to the maximum extent possible, vital municipal property tax relief revenues. The Energy Tax 'poison pill,' specifically designed to accomplish that purpose, was included in the adopted legislation. Ever since, State budget-makers have had to account for this provision. For four years, this helped to insure municipalities of annually increased funding through the Energy Tax Receipts Property Tax Relief program. Thereafter, despite the State's practice of diverting other relief funding in order to subvert its intent, the 'poison pill' has served to limit property tax relief reductions.

One of the great positive values of local government in New Jersey is our abiding faith in the ability of our people to govern themselves, wisely and well. Accordingly, as we moved into the Twenty-First Century, our insistent campaign for property tax reform looked to a Citizens Convention for Property Tax Reform to break the logjam of reform efforts caused by the unwillingness of the Legislature to act. We launched a coalition aimed at gaining support for such a Convention. Despite opposition from vested interests, intent on preserving the status quo, we gained the support of key State policy-makers. But our arguments failed to convince all the gate-keepers in Trenton. We were extremely active during a special session of the Legislature, which was convened as an alternative to the Citizens Convention. And some progress was made. But the great recession of 2008 and its negative impact on State finances drew attention and energies away from the property tax reform movement.

## **RESEARCH AND TRAINING**

Given high priority on the list of the League's organizational objectives in 1915 was the creation of a research and information service which would provide authoritative, factual answers to members' questions on all aspects of municipal affairs. Such a unit, named the Bureau of Municipal Information, was established and soon was functioning in the League's first office -- a small room in a wing of the ivy-covered Princeton University Library.

The years have proved the Bureau to be one of the most valuable, and therefore popular, services in the League program. From the beginning, municipal officials have relied on the Bureau's reference facilities to give them badly needed information. Its files are recognized as the most comprehensive single source of municipal information in the State.

Officials of member municipalities know that contacting the League will bring a prompt response, and more than 2,000 inquiries are answered each year.

In addition to supplying answers to specific inquiries, the Bureau's staff members research and publish periodic special reports for distribution to member municipalities. Recent studies have included salaries for mayors, governing body members, and key municipal officials; license fees in selected New Jersey municipalities; building, zoning and subdivision fees; analyses of the Optional Municipal Charter Law; Mt. Laurel Housing issues; Police Salary Trends; etc.

The League has cooperated with other research agencies in the State. The League was instrumental in the creation of the Bureau of Government Research at Rutgers University in 1950 and is currently represented on the Bureau's Advisory Committee.

In recognition of the growing complexity of local government, the League embarked in the 80's on a training and education program to supplement the annual training opportunities offered by the Conferences. Each winter and spring the League offers one day training seminars on a range of current issues which draw more than 1,000 officials each year.

Licensing and professionalization of many critical municipal position led in the early 2000's to an increased requirement for formal continuing education as part of professional certification. The League training program responded by tailoring special training that met the needs imposed on local officials. The League training programs continue to evolve in response to these changing trends and needs such as by use of distance education (webinars) in 2013.

### **NEW JERSEY MUNICIPALITIES MAGAZINE**

The League expanded its informational services in 1917 when New Jersey Municipalities was born. It was felt that a monthly magazine carrying news stories and articles on current governmental happenings in the State would be invaluable in keeping local officials knowledgeable about their field.

The magazine is now circulated each month to over 8,200 local and State officials and selected libraries and research organizations. Its pages offer a balanced fare of articles on new laws, State and Federal aid and assistance programs, successful local projects and related news items to whet every municipal reading appetite. Nearly all the articles are written by New Jersey officials, well qualified to write with authority on their respective fields.

The magazine kept up with the many changes in print publication over the years, in the early 2000's becoming an award winning periodical for its design and content. In 2014 it launched a digital version in response to the constant move towards computer based distribution of all content.

## **ANNUAL CONFERENCES**

No better yardstick for measuring League growth can be found than the annual Conference. The first conclave in 1916 was a one-day event which devoted its morning session to a business meeting while the afternoon portion consisted of addresses by 3 out-of-state municipal leaders. The Annual Conference has been held continuously ever since except for 2012 when Superstorm Sandy devastated New Jersey on October 29, forcing cancellation just thirteen days before the Conference.

Today the League can point with pride to its three-day Conference which offers nearly 600 speakers, panelists and consultants who appear before thousands of delegates and guests at approximately 100 programs and workshops. For many years, the yearly Conference has been the largest event of its kind in the United States.

The event has become a workshop and clearing house for the exchange of ideas on strengthening the structure of government. At these meetings regularly-occurring problems are explored in depth. Speakers of note, authorities in their fields, contribute suggestions and relate the experience of municipalities in other states, often helpful in arriving at solutions.

For the first twenty years or so, the Conferences were held in various cities around the State. By the late thirties, increasing hotel and meeting room requirements made Atlantic City, with its many accommodations, the most feasible location. Atlantic City has been the Conference site ever since, with the exception of the war years when coastline defense activities required a shift to New York City hotels. Throughout the 50's, 60's and into the mid 70's, the League's Conference was housed in Chalfont-Haddon Hall, one of the last of Atlantic City's grand resort hotels. From 1977 to 1996, the League's Conference was headquartered in the Atlantic City Convention Hall. In 1997 the Conference was moved to the newly constructed Atlantic City Convention Center.

Exhibits were not a part of the League Conferences until the mid 30's when they were introduced on an experimental basis. They caught on slowly evidenced by the fact the 35th Annual Conference in 1950 lists only 10 exhibitors. By 1967 the number of exhibits had increased to 91 and to 150 in 1979. In 2006 exhibits reached a zenith of 1162.

## **LEAGUE HEADQUARTERS**

The League headquarters was moved in 1921 from its original location in Princeton to Trenton to facilitate daily trips to the State House. The Capital City has since been the site of League operations, with the Trenton Trust Building being the address for over 40 years. The need for expanded office facilities brought about a relocation in 1963 to 413 West State Street. Having lost our lease in 1969, the League's offices were moved to 433 Bellevue Avenue, the location from which we operated until 1979. In 1979, the League acquired, for the first time, its own property when a Victorian brownstone structure at 407 West State Street was purchased. Expanded programming and service activities required by the changing times have transformed the once one-man staff into an efficient team of seventeen full-time employees. During 2005-

2006 the League restored the former Ferdinand Roebing Mansion at 222 West State Street as its new headquarters. Grants, loans and capital totaling \$6 million were used to historically restore and expand the building to 15,000 square feet. In January of 2007 the League moved its headquarters to 222 West State Street which is centrally located in the heart of the State House District. The League occupies 7,500 square feet of the historic portion of the building and leases the remaining 7,500 square feet to other tenants.

Today, the League is a dynamic leader in municipal affairs in New Jersey. Much of the credit for the League's record of accomplishment must go to the attitude of municipal officials everywhere whose outlook can be expressed no better than it was put at the first Conference back in 1916:

*"We have not only a League of Municipalities but we have also a fraternity of the men and women in government brought together by municipal interests, a really true municipal brotherhood."*