

NEXT STEPS TO RESTORE 2008-09 STATE BUDGET CUTS

1. Contact your Legislators and urge them to restore budget cuts. Illustrate how these cuts will impact your citizens and taxpayers. Remind them of all you are already doing to limit property tax increases – service sharing, deferral of capital projects, service cuts, etc.
2. Engage your citizens and community groups in your efforts.
3. Contact the reporter(s) who cover your municipality to explain local impact on quality of life.
4. Do a letter to the editor and/or Op-Ed piece for your local press.
5. Attend one of the hearings of the Senate and Assembly Budget Committees (See list). The League has reserved time slots for each of the hearings and, even if you can NOT speak, your presence there is extremely important. Contact Jon Moran at the League office at jmoran@njslom.com or (609) 695-3481, ext. 121. He will be coordinating these details.
6. Register in the League's Urgent E-Lines for updates and consult the League's website often to stay informed on the latest developments.
7. Keep us informed of your efforts by contacting me, either at bdressel@njslom.com or by phone at (609) 695-3481, ext. 122.

**SAMPLE RESOLUTION OPPOSING THE FAILURE OF THE GOVERNOR'S
PROPOSED STATE BUDGET FOR THE 2008-2009 FISCAL YEAR TO TREAT
PROPERTY TAX RELIEF AS OUR PRIORITY**

WHEREAS, on February 26, 2008, in Trenton, Governor Jon S. Corzine presented his FY 2009 Budget proposal to a Joint Session of the State Legislature, which proposal now goes to the Legislature, which must pass a balanced budget by the start of the State's next Fiscal Year, which begins on July 1; and

WHEREAS, the proposal, which represents what the Governor called "many unpleasant choices," calls for the elimination of two Departments of State Government (the Departments of Agriculture and Personnel) and the State Commerce Commission, and asks all other Departments to absorb funding cuts, and further calls for sacrifice in a number of other areas, including direct property tax relief, hospital aid, higher education assistance and Medicaid, with the inordinately deep cuts in municipal property tax relief funding; and

WHEREAS, one year after the historic Special Session for Property Tax Reform, which purportedly eliminated the need for a Citizens' Convention, our property taxpayers will once again be asked for patience, and they will be asked to shoulder more than their fair share of the funding burden; and

WHEREAS, local officials have done so much with so little for so long, that State Budget-makers now believe some can do everything with absolutely nothing; and

WHEREAS, municipal property tax relief will be slashed by \$189.6 million; and

WHEREAS, for municipalities with a population of less than 5,000, there will be no CMPTRA funding this year; for municipalities with a population total between 5,000 and 10,000, this relief will be limited to one-half of the amount received in the State's 2006-2007 budget; and the \$32.6 million distributed according to the CMPTRA formula, which municipalities received last year as 2008 Municipal Property Tax Assistance, is gone; and

WHEREAS, all municipalities will receive level Energy Tax Receipts Property Tax Relief funding, despite State Law that 'requires' annual inflationary adjustments of this (and CMPTRA) funding; and

WHEREAS, last year, municipal efficiency was promoted to the tune of \$34.8 million, but in this proposal, this funding has been eliminated; and

WHEREAS, last year's \$32 million in Municipal Homeland Security Funding is gone, Special Municipal Aid funding is cut from \$153 million to \$145.4 – a loss of \$7.6 million, Extraordinary Aid funding is reduced by \$1.7 million – from \$34 million to \$32.3 million, and the \$8 million Regional Efficiency Aid Program will not be funded; and

WHEREAS, beyond these cuts, certain municipalities served by the State Police will be asked to contribute \$20 million to the State's General Fund, and Homestead Rebates for Homeowners will be cut by \$257 million, and for Renters by \$124 million; and

WHEREAS, *(insert specific examples of how this is unfair to your taxpayers)* now, therefore, be it

RESOLVED, that the governing body of *(name of municipality)* calls on its elected representatives in Trenton, Senator _____ and Assembly members _____ and _____, to work with their colleagues in the Legislature and with the Governor to take affirmative action to restore program funding sufficient to honor state statutes and their stated commitment to the cause of property tax relief in all New Jersey municipalities; and be it further

RESOLVED, that copies of this resolution be forwarded to Governor Jon S. Corzine, Acting State Treasurer R. David Rousseau, Senate President Richard J. Codey, Senate Minority Leader Thomas H. Kean, Assembly Speaker Joseph J. Roberts, Assembly Minority Leader Alex DeCroce, the Chairs and Members of the Senate and Assembly Budget and Appropriations Committees, our own Senator _____ and Assembly members _____ and _____ and to the New Jersey State League of Municipalities.

We encourage you add specific examples of how the proposal would unfairly impact your property tax payers. This Sample will also be available on our website.

If you have any questions, please call Jon Moran at 609-695-3481, ext. 121.

State Budget Cut Details
(Excerpted from a February 28 NJLM letter to all Mayors)

In his address to the Legislature, among the many proposed cuts, the Governor mentioned three funding areas he was forced to short-change – hospitals, higher education and municipal property tax relief. Guess which one of those faces the deepest dollar cuts? Higher Ed will be cut by \$75.6 million. Hospitals will lose \$143.5 million. And municipal property tax relief will be slashed by \$189.6 million.

CMPTRA FORMULA FUNDING

For municipalities with a population of less than 5,000, there will be no CMPTRA funding this year. For municipalities with a population total between 5,000 and 10,000, you will receive one-half of the amount you received in the State's 2006-2007 budget. For municipalities with a population greater than 10,000, you will receive the amount that you received in the State's 2006-2007 budget. The \$32.6 million distributed according to the CMPTRA formula, which municipalities received last year as 2008 Municipal Property Tax Assistance, is gone.

ENERGY TAX RECEIPTS PROPERTY TAX RELIEF AID

All municipalities will receive level funding, despite State Law that 'requires' annual inflationary adjustments of this (and CMPTRA) funding.

MUNICIPAL EFFICIENCY PROMOTION AID PROGRAM

Last year, municipal efficiency was promoted to the tune of \$34.8 million. This funding has been eliminated.

MUNICIPAL HOMELAND SECURITY ASSISTANCE

Last year's \$32 million is gone.

SPECIAL MUNICIPAL AID

Funding is cut from \$153 million to \$145.4 – a loss of \$7.6 million.

EXTRAORDINARY AID

Funding is reduced by \$1.7 million – from \$34 million to \$32.3 million.

REGIONAL EFFICIENCY AID PROGRAM

This \$8 million program will not be funded.

OPEN SPACE PAYMENTS IN LIEU OF TAXES

This is the only municipal property tax relief funding that we have been able to identify that will actually increase – by \$200,000, from \$9.8 million to an even \$10 million.

STATE POLICE AND HOMESTEAD REBATES

Beyond these cuts, certain municipalities served by the State Police will be asked to contribute \$20 million to the State's General Fund. And Homestead Rebates for Homeowners will be cut by \$257 million, and for Renters by \$124 million.

NJLM State Budget Resources

NJLM Web site "Sound Off On The State Budget"
<http://www.njslom.org/mayor-budget-comments.html>

NJLM Web Resources on State Fiscal Year 2009 - Proposed Budget
<http://www.njslom.org/2009-budget-main.html>

If you wish to receive legislative email updates on the CMPTRA and Budget issues and all legislative issues, please register for Legislative E-Mail Alerts from NJLM at <http://www.njslom.org/registration.html>

NJLM Legislative Staff Contacts

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NOTICE OF PUBLIC HEARINGS

The Senate Budget and Appropriations Committee will hold three public hearings on the Fiscal Year 2009 State Budget on the following dates:

- March 12, 2008 Rutgers University
 Student Center
 126 College Avenue
 New Brunswick, New Jersey
- March 20, 2008 State House Annex
 Committee Room 4, First Floor
 Trenton, New Jersey
- March 25, 2008 Gloucester County Institute of Technology
 The McLean Fitness Center
 Deptford, New Jersey

Senate hearings will start at 9:00 AM.

Persons wishing to testify can register online (www.njleg.state.nj.us and next to "Budget Hearings," click online registration) or can call the Legislative Budget and Finance Office at 609-984-6798 or register by phone. Those persons presenting written testimony are asked to provide 25 copies on the day of the hearing. For questions or other inquiries call 609-292-8030.

The Assembly Budget Committee will hold three public hearings on the Fiscal Year 2009 State Budget on the following dates:

- March 19, 2008 Liberty Science Center
 222 Jersey City Boulevard
 The Board Room, Third Floor
 Jersey City, New Jersey
 TOPICS: Education, Higher Education, and Local Government Issues
- March 26, 2008 The Enterprise Center at Burlington County College
 3331 Route 38
 The Pemberton Room
 Mt. Laurel, New Jersey
 TOPICS: Arts, History, Cultural Affairs, Transportation and Environmental Issues

April 1, 2008

State House Annex

Committee Room 11, Fourth Floor

Trenton, New Jersey

TOPICS: Health & Human Services, Senior, Family and Children's Issues
(and all other subjects not listed for March 19th or 26th)

Assembly hearings will start at 9:00 AM.

Persons wishing to testify an register online (www.njleg.state.nj.us and next to "Budget Hearings," click online registration) or can call the Legislative Budget and Finance Office at 609-984-6798 to register by phone. Those persons presenting written testimony are asked to provide 25 copies on the day of the hearing. For questions or other inquiries call 609-292-8030.

SENATE

Budget and Appropriations (Budget Hearings Only)

Buono, Barbara - Chair

Sarlo, Paul A. - Vice-Chair

Bucco, Anthony R.

Cunningham, Sandra B.

Haines, Philip E.

Lance, Leonard

O'Toole, Kevin J.

Oroho, Steven V.

Redd, Dana

Ruiz, M. Teresa

Stack, Brian P.

Sweeney, Stephen M.

Turner, Shirley K.

Vitale, Joseph F.

Senate Leadership President Richard Codey – D Majority Leader Steven Sweeny – D Minority Leader Thomas Kean - R
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ASSEMBLY

Budget Committee (Budget Hearings Only)

Greenwald, Louis D. - Chair

Schaer, Gary S. - Vice-Chair

Burzichelli, John J.

Cryan, Joseph

Johnson, Gordon M.

Karrow, Marcia A.

Malone, Joseph R.

McHose, Alison Littell

O'Scanlon, Declan J.

Pou, Nellie

Quigley, Joan M.

Vas, Joseph

Assembly Leadership Speaker Joseph Roberts – D Majority Leader Bonnie Watson Coleman -D Republican Leader Alex DeCroce - R
