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# New Jersey bill forcing mergers of 'doughnut' towns mirrors other failed bills

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TRENTON | It's been proposed over and over again, and in these tough economic times, lawmakers are once again looking at consolidating some of the state's 566 towns as a way to cut costs.

Legislation is being discussed in Trenton that would force two dozen so-called doughnut-hole towns, those encompassed by another municipality, to either consolidate or share services with the surrounding municipality.

"While some of these towns share services, some do not," Assemblyman Reed Gusciora, D-Mercer, the bill sponsor, said of the targeted towns. "There's no reason why many of these towns have separate police departments, fire departments, zoning board, animal control, public works, municipal buildings when, if they were to consolidate, they would save property taxes for many of them."

The proposal follows similar measures in New Jersey's long history of attempting to use consolidation and shared services to curb property taxes in a state with 566 municipalities, 616 school districts, 486 local authorities and 186 fire districts.

Last year, Gov. Jon S. Corzine proposed drastically cutting state aid to municipalities for small towns to encourage shared services and consolidations.

At the same time, a state-commissioned panel was beginning its study of consolidation. The panel was to look at optimal service levels for municipalities, the correct ratio of employees to the population served and the best level of government to provide certain services. It also was set to analyze and address hurdles to the consolidation process.

Lawmakers representing the small towns argued the state should wait for the recommendations from the Local Unit Alignment Reorganization and Consolidation Commission, before jumping the gun. They lobbied for restoration of some of the state aid and the widespread shared service agreements expected from the proposal failed to take shape.

Last week, less than two months from the commission's one-year report, opponents of the doughnut bill took the same stance.

"They just authorized the creation of the LUARCC commission," said Bill Dressel, executive director of the New Jersey League of Municipalities. "Before these folks can even look at these efficiency issues, they want to start consolidating."

In a state with a strong tradition of home rule, lawmakers acknowledged the complexity of property taxes and the intense opposition that is bound to develop with a sweeping forced merger of a group of towns.

Members of the Assembly Housing and Local Government Committee, who discussed the proposal, seemed cautious in voicing strong support for the bill. The measure was only posted for discussion.

LUARCC must submit its one-year report by March 31.

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