

RESOLUTION IN SUPPORT OF LEGISLATIVE ACTION ON THE GOVERNOR'S  
PROPOSED 2.5% CONSTITUTIONAL CAP ON PROPERTY TAX LEVIES, WITH  
MODIFICATIONS AND CLARIFICATIONS, AND AFTER PASSAGE OF THE  
GOVERNOR'S "TOOLKIT" REFORMS AND MANDATES RELIEF

WHEREAS, Governor Christopher Christie has called for a Constitutional Amendment to cap annual property tax levy increases at 2.5% and another Constitutional Amendment to limit some annual State spending increases to 2.5%; and

WHEREAS, New Jersey mayors and municipal officials enthusiastically support such caps, as long as municipalities are also given the tools to continue to provide our citizens with high-quality, vital services life-sustaining and life-enhancing services, within that limit;

WHEREAS, we commend Governor Christie, who has recognized this as an absolute necessity, both when he introduced his toolkit, and when he said about the cap, in Hoboken, "If that's all we do, what we leave for Mayor Zimmer is an impossible situation;" and

WHEREAS, there is a danger that the Legislature may advance the cap question to the voters and be delayed in acting on the other reforms; and while the Governor can delay signing a bill that would amend current law or enact a new statute, nothing can delay a proposed Constitutional Amendment, once the Legislature passes the Resolution by sufficient majorities; and

WHEREAS, it is, therefore, imperative for the other toolkit and mandates reform bills to be on the Governor's Desk, before the Legislature votes to advance the proposed caps; now therefore be it

RESOLVED, by the \_\_\_\_\_ (GOVERNING BODY) \_\_\_\_\_ of the  
\_\_\_\_\_ (NAME OF MUNICIPALITY) \_\_\_\_\_ does  
register its enthusiastic support for Governor Chris Christie's proposed 2.5%  
Constitutional Cap on property tax levies, with modifications and clarifications, and after  
the passage of the Governor's "Toolkit" reforms and mandates relief; and

BE IT FURTHER RESOLVED, that the cap proposal must be the final piece, not the  
centerpiece, of a well-thought-out 'toolkit' of reforms; and

BE IT FURTHER RESOLVED, statutory reforms relating to binding arbitration, civil  
service, public employee pensions and benefits, disciplinary procedures, school and  
special district elections and mandates relief must be enacted **BEFORE** the voters are  
asked to approve the Constitutional Caps; and

BE IT FURTHER RESOLVED, statutory arbitration reforms must limit the full  
economic impact of awards to conform to the 2.5% cap; and

BE IT FURTHER RESOLVED, statutory Health benefit reforms must conform future  
health benefit costs to the 2.5% cap; and

BE IT FURTHER RESOLVED, municipal revenues, such as the Energy Tax, which are now collected by, and diverted to, the State, but which are legally intended for municipal property tax relief, must be constitutionally dedicated for their original purpose; or in the alternative, those taxes should be reformed to allow collection directly by municipalities; and

BE IT FURTHER RESOLVED, the Administration must advance immediate mandates relief initiatives to assist municipalities in managing within the 2.5% cap; and

BE IT FURTHER RESOLVED, the cap must allow local units some flexibility to deal with pension costs, utility costs, disaster and emergency response costs and other costs imposed by factors beyond the control of local leaders, it must mirror the State cap, where possible, on exceptions and the process needed to exceed cap limits, it should include a provision allowing an exception to the cap, up to a limit of, for example, 5%, to be approved by a 2/3 vote of the governing body; and

BE IT FURTHER RESOLVED, so that the will of the majority may be allowed to prevail, the proposal could still require the voters to approve by a simple majority any increase over that level, and

BE IT FURTHER RESOLVED, a cap exception for the costs associated with tax appeals should be included, and costs mandated by the Administrative Office of the Courts (AOC) should be excepted from the 2.5% cap or the costs of new AOC mandates should be capped at 2.5%; now therefore

BE IT FURTHER RESOLVED, that copies of this Resolution be forwarded to New Jersey Governor Christopher Christie, to Senate President Stephen Sweeney, to Assembly Speaker Sheila Oliver, to our State Senator, to our two Representatives in the General Assembly, and to the New Jersey League of Municipalities.