

RESOLUTION SUPPORTING ASSEMBLY BILL A-2753 AND SENATE BILL S-1923 REQUIRING DIRECT PAYMENT OF ENERGY TAXES TO MUNICIPAL GOVERNMENT

WHEREAS, taxes on gas and electric utilities were originally collected by the host municipalities, and when the State made itself the collection agent for these taxes, it promised to dedicate the proceeds to municipal property tax relief; and

WHEREAS, just as municipalities collect property taxes for the benefit of school districts, counties and other entities; the State is supposed to collect Energy Taxes for the benefit of municipal governments; and

WHEREAS, for years, though, State officials have diverted funding from Energy Taxes to plug holes in the State budget and to fund State programs; and

WHEREAS, the cumulative impact of years of underfunding has left many municipalities with serious needs and burdensome property taxes; and

WHEREAS, municipalities lost \$331 million in combined Energy Tax and Consolidated Municipal Property Tax Relief Aid (CMPTRA) funding in Fiscal Years 2009, 2010, and 2011, while also being denied scheduled incremental funding; and

WHEREAS, as a result of these cuts, in a number of municipalities property taxes are higher now, despite the fact that they are spending less, proving that the State's diversion of tax relief funding has contributed to higher municipal property taxes; and

WHEREAS, A-2753, sponsored by Assemblymen Daniel Benson and Wayne DeAngelo, and S-1923, sponsored by Senator Linda Greenstein, would restore the \$331 million in municipal property tax relief funding, ensure that each municipality will be restored to the 2007 (SFY 2008) Energy Tax Receipts/CMPTRA level and adjust that amount to account for inflation.; and

WHEREAS, the bills would require certain energy tax receipts to be paid directly to municipalities and, thereby, would assure local property taxpayers compensation for hosting transmission facilities and lines that allow gas and electric energy corporations to serve customers and conduct business in our Garden State; and

WHEREAS, the time has come to restore to local budgets the millions in property tax relief that have been annually diverted to meet State needs; now therefore be it

RESOLVED, that the (governing body of name of municipality) salutes the sponsors for listening to the Mayors in their districts and all around New Jersey and for advancing this legislation; and be it further

RESOLVED, that we enthusiastically support and urge our State Legislators to pass A-2753/S-1923; and be it finally

RESOLVED, that certified copies of this Resolution be forwarded to Governor Chris Christie, Lieutenant Governor Kim Guadagno, New Jersey Senate President Steve Sweeney, New Jersey Senate Republican Leader Thomas Kean, Jr., New Jersey Assembly Speaker Sheila Oliver, New Jersey Assembly Republican Leader Jon Bramnick, our State Senator _____, our Assembly(wo)men _____ and _____, and to the New Jersey League of Municipalities.