

LEGISLATIVE HISTORY CHECKLIST

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LAWS of 1999

CHAPTER: 58

NJSA:40:43-66.41

(Consolidation of municipalities & municipal services)

BILL NO:A11 (Substituted for S1693)

SPONSOR(S):Thompson and Talarico

DATE INTRODUCED: December 3, 1998

COMMITTEE:

*ASSEMBLY:*Local Government & Housing; Appropriations

*SENATE:*Budget & Appropriations

AMENDED DURING PASSAGE:No

DATE OF PASSAGE:

*ASSEMBLY:*February 18, 1999

*SENATE:*March 22, 1999

DATE OF APPROVAL:April 13, 1999

THE FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL: *Yes*Original

(Amendments during passage denoted by superscript numbers)

A11

SPONSORS STATEMENT: *Yes*(Begins on page 9 of original bill)

COMMITTEE STATEMENT:

ASSEMBLY:Yes

December 3, 1998

February 11, 1999

SENATE:Yes

FLOOR AMENDMENT STATEMENTS: *No*

LEGISLATIVE FISCAL ESTIMATE: *No*

S1693

SPONSORS STATEMENT: *Yes*(Begins on page 9 of original bill)

Bill and Sponsor's Statement identical to A11

COMMITTEE STATEMENT:

ASSEMBLY: *No*

SENATE: *Yes*

February 18, 1999

March 18, 1999

Identical to Senate Statement for A11

FLOOR AMENDMENT STATEMENTS:*No*

LEGISLATIVE FISCAL ESTIMATE: *No*

GOVERNOR'S ACTIONS

VETO MESSAGE: *No*

GOVERNOR'S PRESS RELEASE ON SIGNING: *Yes*

THE FOLLOWING WERE PRINTED:

*To check for circulating copies contact New Jersey State Government Publications at the State Library
(609) 278-2640 ext. 102 or refdesk@njstatelib.org*

REPORTS:

974.90 T235, 1998e

New Jersey. Property Tax Commission.

Report of the recommendations to Governor Christine Todd Whitman

September, 1998.

HEARINGS: *No*

NEWSPAPER ARTICLES:

"Whitman signs bill cutting property taxes," New York Times, 4-14-99, p.B4.

"Whitman oks rewards for towns sharing services," Bergen Record, 4-14-99, p. 1.

P.L. 1999, CHAPTER 58, *approved April 13, 1999*

Assembly, No. 11

1 AN ACT concerning the consolidation of municipalities and municipal
2 services and amending P.L.1977, c.435 and P.L.1952, c.72.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. Section 7 of P.L.1977, c.435 (C.40:43-66.41) is amended to
8 read as follows:

9 7. a. If, within 1 year after the date on which the first ordinance,
10 pursuant to section 5 of **[this act]** P.L.1977, c.435 (C.40:43-66-39),
11 or the first petition, pursuant to section 6 of **[this act]** P.L.1977,
12 c.435 (C.40:43-66.40), is filed with the clerk of the county, either an
13 ordinance or a certified petition is transmitted to the county clerk by
14 each of the other municipalities named in the first such ordinance or
15 petition, **[the]** then one of the following shall occur:

16 (1) The question of forming a consolidation commission shall be
17 submitted to the voters of each of the municipalities named in such
18 ordinances or petitions in the following form:

19 "Shall a joint municipal consolidation study commission be formed
20 to study the feasibility of consolidating (insert the names of each of
21 the municipalities named in such ordinances or petitions) into a single
22 new municipality, to study the question of the form of government
23 under which such new municipality should be governed, to study the
24 feasibility of consolidating the local school districts of the aforesaid
25 municipalities, and to make recommendations thereon; or, in the
26 alternative, to make recommendations on the consolidation of certain
27 municipal services?"

28 The question shall be submitted to the voters of each municipality
29 so named in the ordinances or petitions on the date for the next
30 general election or on the date for the next regular municipal election,
31 whichever shall first occur at least 60 days after the date of the filing
32 with the county clerk of the final ordinance or petition necessary to
33 require the submission of the question to the voters.

34 The public question submitted to the voters shall be deemed
35 adopted, and a consolidation commission formed, if a majority of the
36 votes cast on the question in each of the municipalities in which the
37 question is submitted shall be in the affirmative; or

38 (2) An ordinance expressly creating a consolidation commission
39 shall be adopted by each of the municipalities named in such
40 ordinances or petitions. The ordinance shall state that the governing
41 body will not be submitting the question of forming a consolidation

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 commission to the voters of that municipality by referendum. The
2 ordinance shall state that the governing body is seeking the formation
3 of a consolidation commission pursuant to P.L.1977, c.435 (C.40:43-
4 66.35 et seq.), and shall name the participating municipalities for
5 which a consolidation commission is proposed. Upon adoption of the
6 ordinance, the clerk of each participating municipality adopting the
7 ordinance shall forthwith transmit a certified copy thereof to the
8 municipal clerk of each of the other participating municipalities named
9 in the ordinance, to the clerk of the county in which each participating
10 municipality is located, and to the Commissioner of Community
11 Affairs.

12 The ordinance forming a consolidation commission shall be deemed
13 adopted, and a consolidation commission formed, if each participating
14 municipality adopts an ordinance agreeing to participate in a
15 consolidation commission pursuant to this subsection; or

16 (3) One or more of the municipalities named in such ordinances or
17 petitions shall submit the question of forming a consolidation
18 commission to the voters pursuant to paragraph (1) of this subsection,
19 and one or more of those municipalities shall adopt an ordinance
20 expressly creating a consolidation commission pursuant to paragraph
21 (2) of this subsection, in any combination, provided that each of the
22 participating municipalities adopts the formation of a consolidation
23 commission.

24 b. Nothing herein contained shall be construed to prevent the
25 submission of the question of forming a consolidation commission to
26 the voters of the municipalities pursuant to paragraph (1) of
27 subsection a. of this section, or the forming of a consolidation
28 commission by ordinance pursuant to paragraph (2) of subsection a.
29 of this section, named in any combination of such ordinances pursuant
30 to section 5 of P.L.1977, c. 435 (C.40:43-66.39) and petitions
31 pursuant to section 6 of P.L.1977, c.435 (C.40:43-66.40), provided
32 that such ordinances and petitions are substantively similar.
33 (cf: P.L.1977, c.435, s.7)

34

35 2. Section 8 of P.L.1977, c.435 (C.40:43-66.42) is amended to
36 read as follows:

37 8. **【Municipal members】** Members of a consolidation commission
38 formed pursuant to paragraph (1) of subsection a. of section 7 of
39 P.L.1977, c.435 (C.40:43-66.41) shall be elected by the qualified
40 voters at the same time as the public question is submitted.

41 Duly nominated candidates for the office of commission member
42 shall be placed upon the ballot containing the public question in the
43 same manner as is provided by law for candidates nominated by
44 petition for other elective offices of a single municipality, except that
45 they shall be listed without any designation or slogan. Each voter shall
46 be instructed to vote on the question and, regardless of the manner of

1 **[his]** the voter's vote on the question, to vote for the elected members
2 of a commission.

3 The five candidates for commission member receiving the greatest
4 number of votes shall be elected and shall constitute the commission
5 members from the participating municipality in which they reside,
6 provided that if a majority of those voting on the public question in
7 any of the municipalities in which the question was submitted shall
8 have voted against the formation of a commission, none of the
9 candidates in any of the municipalities shall be elected. In the instance
10 that the vote for commission members results in six or more candidates
11 in any one participating municipality receiving sufficient votes to be
12 elected, then those candidates receiving the least and equal number of
13 votes shall draw lots to determine which shall be elected.

14 b. Members of a consolidation commission formed pursuant to
15 paragraph (2) of subsection a. of section 7 of P.L.1977, c.435
16 (C.40:43-66.41) shall be appointed by the governing body of the
17 participating municipality.

18 Five members shall be appointed to the consolidation commission
19 by the governing body of the participating municipality. The
20 governing body shall appoint not more than one individual who holds
21 a paid or volunteer position with the appointing municipality. Each
22 member, except a member holding a paid or volunteer position with
23 the appointing municipality, shall be a resident of the appointing
24 municipality.

25 (cf: P.L.1977, c.435, s.8)

26

27 3. Section 9 of P.L.1977, c.435 (C.40:43-66.43) is amended to
28 read as follows:

29 9. a. The candidates **[for a consolidation commission]** from each
30 participating municipality for a consolidation commission formed
31 pursuant to paragraph (1) of subsection a. of section 7 of P.L.1977,
32 c.435 (C.40:43-66.41) shall be registered voters of that municipality.
33 They may be nominated by petitions signed by the registered and
34 qualified voters of the municipality in a number at least equal to **[5%]**
35 one percent of the total votes cast in the municipality at the last
36 preceding general election at which members of the General Assembly
37 were elected, or by 25 registered and qualified voters of the
38 municipality, whichever is less, and filed with the municipal clerk not
39 less than 40 days prior to the date of the election.

40 b. Each nominating petition shall set forth the names, places of
41 residence, and post-office addresses of the person or persons therein
42 nominated, and a statement that the nomination is for the office of
43 commission member and that the petitioners are registered voters of
44 the municipality. Every voter signing a nominating petition shall, in
45 addition to **[his]**the voter's signature, give **[his]** the voter's place of
46 residence, post-office address and street number, if any.

1 c. Before **[filing]** being filed with the municipal clerk, each
2 nominating petition shall have fixed or appended thereto, or, if the
3 same person or persons are named in more than one petition, fixed or
4 appended to one of such petitions, a written acceptance of such
5 nomination signed by the person or persons nominated therein. Such
6 acceptance shall certify that the nominee is a registered voter of the
7 municipality, that the nominee consents to stand as a candidate at the
8 election and that, if elected, **[he]** the nominee agrees to take office
9 and serve.

10 d. Each nominating petition shall be verified by an oath or
11 affirmation of one or more of the signers thereof, taken and
12 subscribed before a person qualified under the laws of New Jersey to
13 administer an oath, to the effect that the petition was signed by each
14 of the signers thereof in **[his]** each signer's proper handwriting, that
15 the signers are, to the best knowledge and belief of the affiant,
16 registered voters of the municipality, and that the petition is prepared
17 and filed in good faith for the sole purpose of endorsing the person or
18 persons named therein for election as stated in the petition.

19 e. If any nominating petition, or any oath, affirmation or written
20 statement attached thereto, is defective, the person designated in the
21 petition for such purpose may cause such petition or oath, affirmation
22 or written statement to be amended in the manner prescribed for the
23 amendment of defective petitions for nominating candidates for
24 general elections in R.S.19:13-13.
25 (cf: P.L.1977, c.435, s.9)
26

27 4. Section 11 of P.L.1977, c.435 (C.40:43-66.45) is amended to
28 read as follows:

29 11. The membership of a joint municipal consolidation study
30 commission formed pursuant to the provisions of **[this act]** P.L.1977,
31 c.435 (C.40:43-66.35 e seq.) shall consist of five members from each
32 participating municipality.

33 **[The five candidates for commission member receiving the greatest**
34 **number of votes shall be elected and shall constitute the commission**
35 **members from the participating municipality in which they reside,**
36 **provided that if a majority of those voting on the public question in**
37 **any of the municipalities in which the question was submitted shall**
38 **have voted against the formation of a commission, none of the**
39 **candidates in any of the municipalities shall be elected. In the instance**
40 **that the vote for commission members should result in six or more**
41 **candidates in any one participating municipality receiving sufficient**
42 **votes to be elected, then those candidates receiving the least and**
43 **equal number of votes shall draw lots to determine which shall be**
44 **elected.]**

45 (cf: P.L.1977, c.435, s.11)

1 5. Section 13 of P.L.1977, c.435 (C.40:43-66.47) is amended to
2 read as follows:

3 13. The Commissioner of Community Affairs shall appoint a person
4 to act as **【his】** the commissioner's representative to the commission.
5 The commissioner's appointee shall not be a member or an officer of
6 the commission, shall not be a resident of any of the participating
7 municipalities, but shall participate in all meetings, activities and
8 proceedings of the commission.
9 (cf: P.L.1977, c.435, s.13)

10

11 6. Section 14 of P.L.1977, c.435 (C.40:43-66.48) is amended to
12 read as follows:

13 14. As soon as possible and in any event no later than 15 days after
14 the election or appointment of all its members, the consolidation
15 commission shall organize and hold its first meeting. The commission
16 shall elect from its membership a **【chairman】** chair and a
17 **【vice-chairman】** vice-chair. The commission shall fix its hours and
18 places of meeting, adopt such rules for the conduct of its business as
19 it may deem necessary and advisable, and appoint a secretary, who
20 need not be a member of the commission. A majority of the total
21 membership of the commission shall constitute a quorum for the
22 transaction of business, but no recommendation of said commission
23 shall have any legal effect pursuant to **【this act】** P.L.1977, c.435
24 (C.40:43-66.35 et seq.), unless adopted by a majority of the five
25 commission members from each of the participating municipalities.

26 At its first meeting, or as soon thereafter as possible, the
27 commission shall establish a schedule for the conduct of its business
28 which shall take into account the following mandatory dates:

29 a. The 5 month date set forth in section 20 of **【this act】** P.L.1977.
30 c.435 (C.40:43-66.54) by which the Department of Community Affairs
31 is required to report its fiscal findings to the commission;

32 b. **【The 6 month date set forth in section 21 of this act by which**
33 **the commission is required to make a preliminary report to the**
34 **department and to the governing bodies of the participating**
35 **municipalities;】** (Deleted by amendment, P.L. , c. .) (Pending before
36 the Legislature as this bill)

37 c. **【The 8 month date set forth in section 21 of this act by which**
38 **the department is required to provide its evaluative statement to the**
39 **commission;】** (Deleted by amendment, P.L. , c. .) (Pending before
40 the Legislature as this bill) and,

41 d. The **【9】**10 month date set forth in section 22 of **【this act】**
42 P.L.1977, c.435 (C.40:43-66.56) by which the commission is required
43 to submit its final report.

44 A copy of such schedule shall be filed with the commissioner and
45 with the clerk of each of the participating municipalities within 30 days

1 after the first meeting.

2 (cf: P.L.1977, c.435, s.14)

3

4 7. Section 20 of P.L.1977, c.435 (C.40:43-66.54) is amended to
5 read as follows:

6 20. a. The Department of Community Affairs shall, within
7 5 months from the date of its receipt of all the election results or
8 ordinances, or both, establishing a commission pursuant to section **[10**
9 **of this act]** 7 of P.L.1977, c.435 (C.40:43-66.41), prepare an
10 objective study of the fiscal aspects of the proposed consolidation, and
11 shall report its findings to the commission.

12 b. The department shall, to every possible extent, advise and
13 cooperate with any consolidation commission created pursuant to **[this**
14 **act]** P.L.1977, c.435 (C.40:43-66.35 et seq.) and shall make available
15 its facilities, records, and technical and professional resources. The
16 department shall consider promptly any commission application for a
17 State grant to conduct, or any commission request for the department
18 to conduct, any other feasibility study or studies consistent with the
19 provisions of **[this act]** P.L.1977, c.435 (C.40:43-66.35 et seq.);
20 provided, however, that whenever any such study or studies are to be
21 conducted by a party other than the department, said party shall be
22 approved by, and conduct such study or studies under the supervision
23 of, the department**],** and the amount of State financial assistance
24 therefor, shall not exceed in the aggregate 75% of the cost of such
25 study or studies**].** Upon approval of such study or studies, the
26 commissioner shall certify the amount approved therefor to the State
27 Treasurer, who shall make immediate payment thereon. Any
28 application for financial assistance submitted by a commission created
29 pursuant to **[this act]** P.L.1977, c.435 (C.40:43-66.35 et seq.) shall
30 have first claim on any moneys appropriated under **[the "Interlocal**
31 **Services Aid Act"** which have not been expended or committed at the
32 time of application**]** any State aid or grant program that authorizes the
33 use of funds for these purposes. At the written request of such a
34 commission, a reservation of moneys shall be made by the
35 commissioner prior to the formal filing of an application therefor by
36 such commission.

37 (cf: P.L.1977, c.435 s.20)

38

39 8. Section 22 of P.L.1977, c.435 (C.40:43-66.56) is amended to
40 read as follows:

41 22. a. The joint municipal consolidation study commission shall
42 publish and file its final report and recommendations within **[9]** ten
43 calendar months from the date all of its **[election]** members are
44 elected or appointed. A copy of such final report signed by the
45 chairman of the commission shall be filed with the Secretary of State,

1 the department, the county clerk and with the municipal clerk of each
2 participating municipality. Included in such final report shall be: a
3 statement, if any, by any member of the commission dissenting from
4 the findings and recommendations set forth in the final report; and the
5 department's findings on the fiscal aspects of the proposed
6 consolidation【; the commissioner's evaluative statement concerning
7 the fiscal feasibility of the proposed consolidation; and, any written
8 comments received from the governing bodies of the participating
9 municipalities】. The municipal clerks shall deliver a copy of such
10 final report to each member of the governing body of their respective
11 municipalities. The commission shall cause a reasonable number of
12 copies of the final report to be printed and made available to the
13 general public upon request.

14 b. If the commission recommends consolidation, it shall prepare an
15 "official abstract" of its report and recommendations and plan of
16 consolidation consisting of a concise statement, which shall be
17 objective in content and presentation, and shall be descriptive of the
18 substance of the plan. At the time the commission publishes and files
19 its final report, and again on a date not less than 30 days preceding the
20 date fixed for the election, the commission shall cause the official
21 abstract to be published at least once in a newspaper of general
22 circulation in the participating municipalities, together with notice of:

23 (1) The time, place and purpose of the election;

24 (2) The manner in which copies of the commission's final report
25 and recommendations may be obtained;

26 (3) 【The commissioner's evaluative statement concerning the fiscal
27 feasibility of the proposed consolidation;】 (Deleted by amendment,
28 P.L. , c. .) (Pending before the Legislature as this bill.)

29 (4) The fact that if the voters favor the consolidation by a majority
30 vote in each of the participating municipalities, the consolidation plan
31 shall become binding and legally enforceable between or among such
32 municipalities.

33 (cf: P.L.1977, c.435 s.22)

34

35 9. Section 5 of P.L.1952, c.72 (C.40:48B-5) is amended to read as
36 follows:

37 5. The joint contract shall provide for the constitution and
38 appointment of a management committee to consist of 【one member】
39 not more than three members to be appointed by the governing body
40 of each of the local units executing same, who shall be 【a resident】
41 residents of the appointing local unit, except that a member who is the
42 chief financial officer, business administrator, municipal administrator
43 or municipal manager of the local unit making the appointment need
44 not be a resident of the appointing local unit. Such 【appointee】
45 appointees may or may not be 【a member】 members of the appointing
46 governing body. Each member of the management committee shall

1 hold office for the term of one year and until **[his]** the member's
2 successor has been appointed and qualified. In the event that only two
3 local units are parties to the contract and only one member is
4 appointed by each governing body, the management committee shall
5 consist of three members, one **[selected from each]** appointed by each
6 of the governing bodies and one member selected by the two other
7 appointed members.

8 The management committee shall elect annually from among its
9 members a **[chairman]** chair to preside over its meetings. The
10 management committee may appoint such other officers and
11 employees, including counsel, who need not be members of the
12 management committee or members of the governing bodies or
13 employees or residents of the local units, as it may deem necessary.
14 The employees appointed by the management committee shall hold
15 office for such term not exceeding four years as may be provided by
16 the joint contract. The management committee shall adopt rules and
17 regulations to provide for the conduct of its meetings and the duties
18 and powers of the chairman and such other officers and employees as
19 may be appointed. All actions of the management committee shall be
20 by vote of the majority of the entire membership of the committee,
21 except for those matters for which the contract requires a greater
22 number, and shall be binding on all local units who have executed the
23 joint contract. The management committee shall exercise all of the
24 powers of the joint meeting subject to the provisions of the joint
25 contract.

26 The joint contract may provide for the delegation of the
27 administration of any or all of the services, lands, public
28 improvements, works, facilities or undertakings of the joint meeting to
29 the governing body of any one of the several contracting local units,
30 in which event such governing body shall have and exercise all of the
31 powers and authority of the management committee with respect to
32 such delegated functions.

33 (cf: P.L.1995, c.336, s.1)

34

35 10. Section 10 and section 21 of P.L.1977, c.435 (C.40:43-66.44
36 and 40:43-66.55) are repealed.

37

38 11. This act shall take effect immediately .

39

40

41

STATEMENT

42

43 This bill is intended to implement five recommendations of the
44 Property Tax Commission. The bill would facilitate consolidation of
45 municipalities and municipal services by amending the "Municipal
46 Consolidation Act," P.L.1977, c.435 (C.40:43-66.35 et seq.) and the

1 "Consolidated Municipal Services Act," P.L.1952, c.72 (C.40:48B-1
2 et seq.). First, it allows for the creation of a consolidation commission
3 by ordinance, rather than only by voter referendum as provided under
4 current law. Second, the bill repeals section 21 of P.L.1977, c.435
5 (C.40:43-66.55), and thereby eliminates two requirements: (1) that the
6 joint municipal consolidation study commission prepare and file a
7 preliminary report and recommendations; and (2) that the
8 Commissioner of Community Affairs provide an evaluative statement
9 regarding the fiscal feasibility of the proposed commission. Third, the
10 bill lengthens the time period for the joint municipal consolidation
11 study commission to file its final report from nine months to ten
12 months to allow greater community input into the study phase. Fourth,
13 to facilitate candidacy to the commission, the bill reduces the number
14 of signatures required for nominating petitions.

15 In addition, the bill amends one provision of the Consolidated
16 Municipal Services Act." Instead of allowing each participating local
17 unit to have only one representative on the management committee as
18 provided under current law, the bill allows participating local units to
19 have up to three members on the management committee. The number
20 of members agreed upon by each participating local unit would be
21 stated in the joint contract. Allowing more than one representative
22 from each participating local unit recognizes the advantages under
23 certain circumstances of having individuals with diverse backgrounds
24 on the management committee, including individuals with
25 administrative or technical backgrounds.

26

27

28

29

30 Facilitates consolidation of municipalities and municipal services.

ASSEMBLY, No. 11

STATE OF NEW JERSEY

208th LEGISLATURE

INTRODUCED DECEMBER 3, 1998

Sponsored by:

Assemblyman SAMUEL D. THOMPSON

District 13 (Middlesex and Monmouth)

Assemblyman GUY F. TALARICO

District 38 (Bergen)

Co-Sponsored by:

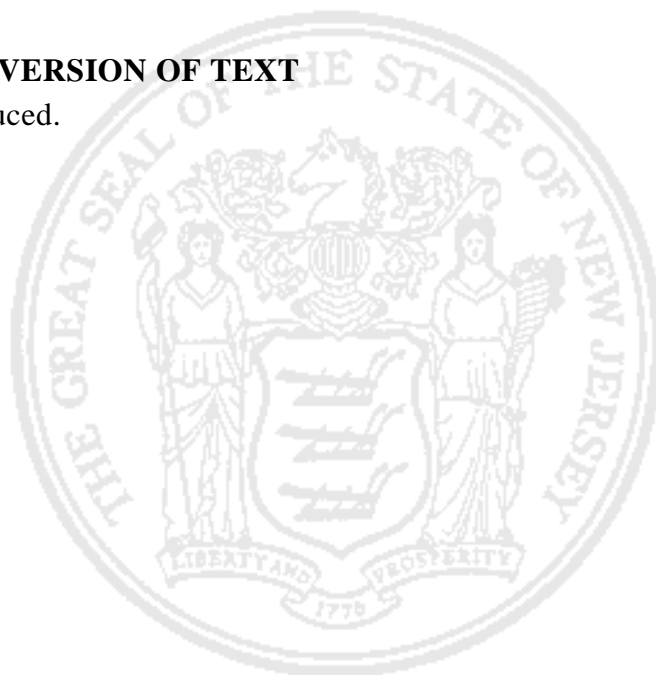
**Assemblymen Garcia, Doria, Romano, Weingarten, Conaway, Conners,
Luongo, Corodemus, Gusciora, Assemblywoman Watson Coleman,
Senators Lynch, Bark, Allen, Schluter, Kyrillos and Baer**

SYNOPSIS

Facilitates consolidation of municipalities and municipal services.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/23/1999)

A11 THOMPSON, TALARICO

2

1 AN ACT concerning the consolidation of municipalities and municipal
2 services and amending P.L.1977, c.435 and P.L.1952, c.72.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. Section 7 of P.L.1977, c.435 (C.40:43-66.41) is amended to
8 read as follows:

9 7. a. If, within 1 year after the date on which the first ordinance,
10 pursuant to section 5 of **[this act]** P.L.1977, c.435 (C.40:43-66-39),
11 or the first petition, pursuant to section 6 of **[this act]** P.L.1977,
12 c.435 (C.40:43-66.40), is filed with the clerk of the county, either an
13 ordinance or a certified petition is transmitted to the county clerk by
14 each of the other municipalities named in the first such ordinance or
15 petition, **[the]** then one of the following shall occur:

16 (1) The question of forming a consolidation commission shall be
17 submitted to the voters of each of the municipalities named in such
18 ordinances or petitions in the following form:

19 "Shall a joint municipal consolidation study commission be formed
20 to study the feasibility of consolidating (insert the names of each of
21 the municipalities named in such ordinances or petitions) into a single
22 new municipality, to study the question of the form of government
23 under which such new municipality should be governed, to study the
24 feasibility of consolidating the local school districts of the aforesaid
25 municipalities, and to make recommendations thereon; or, in the
26 alternative, to make recommendations on the consolidation of certain
27 municipal services?"

28 The question shall be submitted to the voters of each municipality
29 so named in the ordinances or petitions on the date for the next
30 general election or on the date for the next regular municipal election,
31 whichever shall first occur at least 60 days after the date of the filing
32 with the county clerk of the final ordinance or petition necessary to
33 require the submission of the question to the voters.

34 The public question submitted to the voters shall be deemed
35 adopted, and a consolidation commission formed, if a majority of the
36 votes cast on the question in each of the municipalities in which the
37 question is submitted shall be in the affirmative; or

38 (2) An ordinance expressly creating a consolidation commission
39 shall be adopted by each of the municipalities named in such
40 ordinances or petitions. The ordinance shall state that the governing
41 body will not be submitting the question of forming a consolidation
42 commission to the voters of that municipality by referendum. The
43 ordinance shall state that the governing body is seeking the formation

EXPLANATION - Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 of a consolidation commission pursuant to P.L.1977, c.435 (C.40:43-
2 66.35 et seq.), and shall name the participating municipalities for
3 which a consolidation commission is proposed. Upon adoption of the
4 ordinance, the clerk of each participating municipality adopting the
5 ordinance shall forthwith transmit a certified copy thereof to the
6 municipal clerk of each of the other participating municipalities named
7 in the ordinance, to the clerk of the county in which each participating
8 municipality is located, and to the Commissioner of Community
9 Affairs.

10 The ordinance forming a consolidation commission shall be deemed
11 adopted, and a consolidation commission formed, if each participating
12 municipality adopts an ordinance agreeing to participate in a
13 consolidation commission pursuant to this subsection; or

14 (3) One or more of the municipalities named in such ordinances or
15 petitions shall submit the question of forming a consolidation
16 commission to the voters pursuant to paragraph (1) of this subsection,
17 and one or more of those municipalities shall adopt an ordinance
18 expressly creating a consolidation commission pursuant to paragraph
19 (2) of this subsection, in any combination, provided that each of the
20 participating municipalities adopts the formation of a consolidation
21 commission.

22 b. Nothing herein contained shall be construed to prevent the
23 submission of the question of forming a consolidation commission to
24 the voters of the municipalities pursuant to paragraph (1) of
25 subsection a. of this section, or the forming of a consolidation
26 commission by ordinance pursuant to paragraph (2) of subsection a.
27 of this section, named in any combination of such ordinances pursuant
28 to section 5 of P.L.1977, c. 435 (C.40:43-66.39) and petitions
29 pursuant to section 6 of P.L.1977, c.435 (C.40:43-66.40), provided
30 that such ordinances and petitions are substantively similar.

31 (cf: P.L.1977, c.435, s.7)

32
33 2. Section 8 of P.L.1977, c.435 (C.40:43-66.42) is amended to
34 read as follows:

35 8. **【Municipal members】** Members of a consolidation commission
36 formed pursuant to paragraph (1) of subsection a. of section 7 of
37 P.L.1977, c.435 (C.40:43-66.41) shall be elected by the qualified
38 voters at the same time as the public question is submitted.

39 Duly nominated candidates for the office of commission member
40 shall be placed upon the ballot containing the public question in the
41 same manner as is provided by law for candidates nominated by
42 petition for other elective offices of a single municipality, except that
43 they shall be listed without any designation or slogan. Each voter shall
44 be instructed to vote on the question and, regardless of the manner of
45 **【his】** the voter's vote on the question, to vote for the elected members
46 of a commission.

1 The five candidates for commission member receiving the greatest
2 number of votes shall be elected and shall constitute the commission
3 members from the participating municipality in which they reside,
4 provided that if a majority of those voting on the public question in
5 any of the municipalities in which the question was submitted shall
6 have voted against the formation of a commission, none of the
7 candidates in any of the municipalities shall be elected. In the instance
8 that the vote for commission members results in six or more candidates
9 in any one participating municipality receiving sufficient votes to be
10 elected, then those candidates receiving the least and equal number of
11 votes shall draw lots to determine which shall be elected.

12 b. Members of a consolidation commission formed pursuant to
13 paragraph (2) of subsection a. of section 7 of P.L.1977, c.435
14 (C.40:43-66.41) shall be appointed by the governing body of the
15 participating municipality.

16 Five members shall be appointed to the consolidation commission
17 by the governing body of the participating municipality. The
18 governing body shall appoint not more than one individual who holds
19 a paid or volunteer position with the appointing municipality. Each
20 member, except a member holding a paid or volunteer position with
21 the appointing municipality, shall be a resident of the appointing
22 municipality.

23 (cf: P.L.1977, c.435, s.8)

24

25 3. Section 9 of P.L.1977, c.435 (C.40:43-66.43) is amended to
26 read as follows:

27 9. a. The candidates **【for a consolidation commission】** from each
28 participating municipality for a consolidation commission formed
29 pursuant to paragraph (1) of subsection a. of section 7 of P.L.1977,
30 c.435 (C.40:43-66.41) shall be registered voters of that municipality.
31 They may be nominated by petitions signed by the registered and
32 qualified voters of the municipality in a number at least equal to **【5%】**
33 one percent of the total votes cast in the municipality at the last
34 preceding general election at which members of the General Assembly
35 were elected, or by 25 registered and qualified voters of the
36 municipality, whichever is less, and filed with the municipal clerk not
37 less than 40 days prior to the date of the election.

38 b. Each nominating petition shall set forth the names, places of
39 residence, and post-office addresses of the person or persons therein
40 nominated, and a statement that the nomination is for the office of
41 commission member and that the petitioners are registered voters of
42 the municipality. Every voter signing a nominating petition shall, in
43 addition to **【his】**the voter's signature, give **【his】** the voter's place of
44 residence, post-office address and street number, if any.

45 c. Before **【filing】** being filed with the municipal clerk, each
46 nominating petition shall have fixed or appended thereto, or, if the

1 same person or persons are named in more than one petition, fixed or
2 appended to one of such petitions, a written acceptance of such
3 nomination signed by the person or persons nominated therein. Such
4 acceptance shall certify that the nominee is a registered voter of the
5 municipality, that the nominee consents to stand as a candidate at the
6 election and that, if elected, **[he]** the nominee agrees to take office
7 and serve.

8 d. Each nominating petition shall be verified by an oath or
9 affirmation of one or more of the signers thereof, taken and
10 subscribed before a person qualified under the laws of New Jersey to
11 administer an oath, to the effect that the petition was signed by each
12 of the signers thereof in **[his]** each signer's proper handwriting, that
13 the signers are, to the best knowledge and belief of the affiant,
14 registered voters of the municipality, and that the petition is prepared
15 and filed in good faith for the sole purpose of endorsing the person or
16 persons named therein for election as stated in the petition.

17 e. If any nominating petition, or any oath, affirmation or written
18 statement attached thereto, is defective, the person designated in the
19 petition for such purpose may cause such petition or oath, affirmation
20 or written statement to be amended in the manner prescribed for the
21 amendment of defective petitions for nominating candidates for
22 general elections in R.S.19:13-13.

23 (cf: P.L.1977, c.435, s.9)

24

25 4. Section 11 of P.L.1977, c.435 (C.40:43-66.45) is amended to
26 read as follows:

27 11. The membership of a joint municipal consolidation study
28 commission formed pursuant to the provisions of **[this act]** P.L.1977,
29 c.435 (C.40:43-66.35 e seq.) shall consist of five members from each
30 participating municipality.

31 **[The five candidates for commission member receiving the greatest**
32 **number of votes shall be elected and shall constitute the commission**
33 **members from the participating municipality in which they reside,**
34 **provided that if a majority of those voting on the public question in**
35 **any of the municipalities in which the question was submitted shall**
36 **have voted against the formation of a commission, none of the**
37 **candidates in any of the municipalities shall be elected. In the instance**
38 **that the vote for commission members should result in six or more**
39 **candidates in any one participating municipality receiving sufficient**
40 **votes to be elected, then those candidates receiving the least and**
41 **equal number of votes shall draw lots to determine which shall be**
42 **elected.]**

43 (cf: P.L.1977, c.435, s.11)

44

45 5. Section 13 of P.L.1977, c.435 (C.40:43-66.47) is amended to
46 read as follows:

1 13. The Commissioner of Community Affairs shall appoint a person
2 to act as **his** the commissioner's representative to the commission.
3 The commissioner's appointee shall not be a member or an officer of
4 the commission, shall not be a resident of any of the participating
5 municipalities, but shall participate in all meetings, activities and
6 proceedings of the commission.
7 (cf: P.L.1977, c.435, s.13)

8
9 6. Section 14 of P.L.1977, c.435 (C.40:43-66.48) is amended to
10 read as follows:

11 14. As soon as possible and in any event no later than 15 days after
12 the election or appointment of all its members, the consolidation
13 commission shall organize and hold its first meeting. The commission
14 shall elect from its membership a **chairman** chair and a
15 **vice-chairman** vice-chair. The commission shall fix its hours and
16 places of meeting, adopt such rules for the conduct of its business as
17 it may deem necessary and advisable, and appoint a secretary, who
18 need not be a member of the commission. A majority of the total
19 membership of the commission shall constitute a quorum for the
20 transaction of business, but no recommendation of said commission
21 shall have any legal effect pursuant to **this act** P.L.1977, c.435
22 (C.40:43-66.35 et seq.), unless adopted by a majority of the five
23 commission members from each of the participating municipalities.

24 At its first meeting, or as soon thereafter as possible, the
25 commission shall establish a schedule for the conduct of its business
26 which shall take into account the following mandatory dates:

27 a. The 5 month date set forth in section 20 of **this act** P.L.1977.
28 c.435 (C.40:43-66.54) by which the Department of Community Affairs
29 is required to report its fiscal findings to the commission;

30 b. **The 6 month date set forth in section 21 of this act by which**
31 **the commission is required to make a preliminary report to the**
32 **department and to the governing bodies of the participating**
33 **municipalities;** (Deleted by amendment, P.L. , c. .) (Pending before
34 the Legislature as this bill)

35 c. **The 8 month date set forth in section 21 of this act by which**
36 **the department is required to provide its evaluative statement to the**
37 **commission;** (Deleted by amendment, P.L. , c. .) (Pending before
38 the Legislature as this bill) and,

39 d. The **9**10 month date set forth in section 22 of **this act**
40 P.L.1977, c.435 (C.40:43-66.56) by which the commission is required
41 to submit its final report.

42 A copy of such schedule shall be filed with the commissioner and
43 with the clerk of each of the participating municipalities within 30 days
44 after the first meeting.

45 (cf: P.L.1977, c.435, s.14)

1 7. Section 20 of P.L.1977, c.435 (C.40:43-66.54) is amended to
2 read as follows:

3 20. a. The Department of Community Affairs shall, within
4 5 months from the date of its receipt of all the election results or
5 ordinances, or both, establishing a commission pursuant to section **【10**
6 **of this act】** 7 of P.L.1977, c.435 (C.40:43-66.41), prepare an
7 objective study of the fiscal aspects of the proposed consolidation, and
8 shall report its findings to the commission.

9 b. The department shall, to every possible extent, advise and
10 cooperate with any consolidation commission created pursuant to **【this**
11 **act】** P.L.1977, c.435 (C.40:43-66.35 et seq.) and shall make available
12 its facilities, records, and technical and professional resources. The
13 department shall consider promptly any commission application for a
14 State grant to conduct, or any commission request for the department
15 to conduct, any other feasibility study or studies consistent with the
16 provisions of **【this act】** P.L.1977, c.435 (C.40:43-66.35 et seq.);
17 provided, however, that whenever any such study or studies are to be
18 conducted by a party other than the department, said party shall be
19 approved by, and conduct such study or studies under the supervision
20 of, the department**【**, and the amount of State financial assistance
21 therefor, shall not exceed in the aggregate 75% of the cost of such
22 study or studies**】**. Upon approval of such study or studies, the
23 commissioner shall certify the amount approved therefor to the State
24 Treasurer, who shall make immediate payment thereon. Any
25 application for financial assistance submitted by a commission created
26 pursuant to **【this act】** P.L.1977, c.435 (C.40:43-66.35 et seq.) shall
27 have first claim on any moneys appropriated under **【the "Interlocal**
28 **Services Aid Act" which have not been expended or committed at the**
29 **time of application】** any State aid or grant program that authorizes the
30 use of funds for these purposes. At the written request of such a
31 commission, a reservation of moneys shall be made by the
32 commissioner prior to the formal filing of an application therefor by
33 such commission.

34 (cf: P.L.1977, c.435 s.20)

35

36 8. Section 22 of P.L.1977, c.435 (C.40:43-66.56) is amended to
37 read as follows:

38 22. a. The joint municipal consolidation study commission shall
39 publish and file its final report and recommendations within **【9】** ten
40 calendar months from the date all of its **【election】** members are
41 elected or appointed. A copy of such final report signed by the
42 chairman of the commission shall be filed with the Secretary of State,
43 the department, the county clerk and with the municipal clerk of each
44 participating municipality. Included in such final report shall be: a
45 statement, if any, by any member of the commission dissenting from

1 the findings and recommendations set forth in the final report; and the
2 department's findings on the fiscal aspects of the proposed
3 consolidation【; the commissioner's evaluative statement concerning
4 the fiscal feasibility of the proposed consolidation; and, any written
5 comments received from the governing bodies of the participating
6 municipalities】. The municipal clerks shall deliver a copy of such
7 final report to each member of the governing body of their respective
8 municipalities. The commission shall cause a reasonable number of
9 copies of the final report to be printed and made available to the
10 general public upon request.

11 b. If the commission recommends consolidation, it shall prepare an
12 "official abstract" of its report and recommendations and plan of
13 consolidation consisting of a concise statement, which shall be
14 objective in content and presentation, and shall be descriptive of the
15 substance of the plan. At the time the commission publishes and files
16 its final report, and again on a date not less than 30 days preceding the
17 date fixed for the election, the commission shall cause the official
18 abstract to be published at least once in a newspaper of general
19 circulation in the participating municipalities, together with notice of:

20 (1) The time, place and purpose of the election;

21 (2) The manner in which copies of the commission's final report
22 and recommendations may be obtained;

23 (3) 【The commissioner's evaluative statement concerning the fiscal
24 feasibility of the proposed consolidation;】 (Deleted by amendment,
25 P.L. , c. .) (Pending before the Legislature as this bill.)

26 (4) The fact that if the voters favor the consolidation by a majority
27 vote in each of the participating municipalities, the consolidation plan
28 shall become binding and legally enforceable between or among such
29 municipalities.

30 (cf: P.L.1977, c.435 s.22)

31

32 9. Section 5 of P.L.1952, c.72 (C.40:48B-5) is amended to read as
33 follows:

34 5. The joint contract shall provide for the constitution and
35 appointment of a management committee to consist of 【one member】
36 not more than three members to be appointed by the governing body
37 of each of the local units executing same, who shall be 【a resident】
38 residents of the appointing local unit, except that a member who is the
39 chief financial officer, business administrator, municipal administrator
40 or municipal manager of the local unit making the appointment need
41 not be a resident of the appointing local unit. Such 【appointee】
42 appointees may or may not be 【a member】 members of the appointing
43 governing body. Each member of the management committee shall
44 hold office for the term of one year and until 【his】 the member's
45 successor has been appointed and qualified. In the event that only two

1 local units are parties to the contract and only one member is
2 appointed by each governing body, the management committee shall
3 consist of three members, one [selected from each] appointed by each
4 of the governing bodies and one member selected by the two other
5 appointed members.

6 The management committee shall elect annually from among its
7 members a [chairman] chair to preside over its meetings. The
8 management committee may appoint such other officers and
9 employees, including counsel, who need not be members of the
10 management committee or members of the governing bodies or
11 employees or residents of the local units, as it may deem necessary.
12 The employees appointed by the management committee shall hold
13 office for such term not exceeding four years as may be provided by
14 the joint contract. The management committee shall adopt rules and
15 regulations to provide for the conduct of its meetings and the duties
16 and powers of the chairman and such other officers and employees as
17 may be appointed. All actions of the management committee shall be
18 by vote of the majority of the entire membership of the committee,
19 except for those matters for which the contract requires a greater
20 number, and shall be binding on all local units who have executed the
21 joint contract. The management committee shall exercise all of the
22 powers of the joint meeting subject to the provisions of the joint
23 contract.

24 The joint contract may provide for the delegation of the
25 administration of any or all of the services, lands, public
26 improvements, works, facilities or undertakings of the joint meeting to
27 the governing body of any one of the several contracting local units,
28 in which event such governing body shall have and exercise all of the
29 powers and authority of the management committee with respect to
30 such delegated functions.

31 (cf: P.L.1995, c.336, s.1)

32

33 10. Section 10 and section 21 of P.L.1977, c.435 (C.40:43-66.44
34 and 40:43-66.55) are repealed.

35

36 11. This act shall take effect immediately .

37

38

39

STATEMENT

40

41 This bill is intended to implement five recommendations of the
42 Property Tax Commission. The bill would facilitate consolidation of
43 municipalities and municipal services by amending the "Municipal
44 Consolidation Act," P.L.1977, c.435 (C.40:43-66.35 et seq.) and the
45 "Consolidated Municipal Services Act," P.L.1952, c.72 (C.40:48B-1
46 et seq.). First, it allows for the creation of a consolidation commission

1 by ordinance, rather than only by voter referendum as provided under
2 current law. Second, the bill repeals section 21 of P.L.1977, c.435
3 (C.40:43-66.55), and thereby eliminates two requirements: (1) that the
4 joint municipal consolidation study commission prepare and file a
5 preliminary report and recommendations; and (2) that the
6 Commissioner of Community Affairs provide an evaluative statement
7 regarding the fiscal feasibility of the proposed commission. Third, the
8 bill lengthens the time period for the joint municipal consolidation
9 study commission to file its final report from nine months to ten
10 months to allow greater community input into the study phase. Fourth,
11 to facilitate candidacy to the commission, the bill reduces the number
12 of signatures required for nominating petitions.

13 In addition, the bill amends one provision of the Consolidated
14 Municipal Services Act." Instead of allowing each participating local
15 unit to have only one representative on the management committee as
16 provided under current law, the bill allows participating local units to
17 have up to three members on the management committee. The number
18 of members agreed upon by each participating local unit would be
19 stated in the joint contract. Allowing more than one representative
20 from each participating local unit recognizes the advantages under
21 certain circumstances of having individuals with diverse backgrounds
22 on the management committee, including individuals with
23 administrative or technical backgrounds.

ASSEMBLY LOCAL GOVERNMENT AND HOUSING
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 11

STATE OF NEW JERSEY

DATED: DECEMBER 3, 1998

The Assembly Local Government and Housing Committee reports favorably Assembly Bill No. 11.

This bill is intended to implement five recommendations (2.17, 2.19, 2.20, 2.21, and 2.22) of the September 1998 Property Tax Commission Report. The bill would facilitate consolidation of municipalities and municipal services by amending the "Municipal Consolidation Act," P.L.1977, c.435 (C.40:43-66.35 et seq.) and the "Consolidated Municipal Services Act," P.L.1952, c.72 (C.40:48B-1 et seq.). First, it allows for the creation of a consolidation commission by ordinance, rather than only by voter referendum as provided under current law. Second, the bill repeals section 21 of P.L.1977, c.435 (C.40:43-66.55), and thereby eliminates two requirements: (1) that the joint municipal consolidation study commission prepare and file a preliminary report and recommendations; and (2) that the Commissioner of Community Affairs provide an evaluative statement regarding the fiscal feasibility of the proposed commission. Third, the bill lengthens the time period for the joint municipal consolidation study commission to file its final report from nine months to ten months to allow greater community input into the study phase. Fourth, to facilitate candidacy to the commission, the bill reduces the number of signatures required for nominating petitions.

In addition, the bill amends one provision of the Consolidated Municipal Services Act." Instead of allowing each participating local unit to have only one representative on the management committee as provided under current law, the bill allows participating local units to have up to three members on the management committee. The number of members agreed upon by each participating local unit would be stated in the joint contract. Allowing more than one representative from each participating local unit recognizes the advantages under certain circumstances of having individuals with diverse backgrounds on the management committee, including individuals with administrative or technical backgrounds.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 11

STATE OF NEW JERSEY

DATED: FEBRUARY 11, 1999

The Assembly Appropriations Committee reports favorably Assembly Bill No. 11.

Assembly Bill No. 11 implements five recommendations (2.17, 2.19, 2.20, 2.21, and 2.22) of the Property Tax Commission Report of September 1998. The bill facilitates consolidation of municipalities and municipal services by amending the "Municipal Consolidation Act," P.L.1977, c.435 (C.40:43-66.35 et seq.) and the "Consolidated Municipal Services Act," P.L.1952, c.72 (C.40:48B-1 et seq.). First, it allows for the creation of a consolidation commission by ordinance, rather than only by voter referendum as provided under current law. Second, the bill eliminates two requirements: (1) that the joint municipal consolidation study commission prepare and file a preliminary report and recommendations; and (2) that the Commissioner of Community Affairs provide an evaluative statement regarding the fiscal feasibility of the proposed consolidation. Third, the bill lengthens the time period for the joint municipal consolidation study commission to file its final report from nine months to ten months to allow greater community input into the study phase. Fourth, to facilitate candidacy to the commission, the bill reduces the number of signatures required for nominating petitions.

In addition, the bill amends one provision of the Consolidated Municipal Services Act" to allow participating local units to have up to three members on the management committee. The number of members agreed upon by each participating local unit would be stated in the joint contract.

FISCAL IMPACT:

This bill was not certified as requiring a fiscal note.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 11

STATE OF NEW JERSEY

DATED: MARCH 18, 1999

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 11.

This bill would facilitate the consolidation of municipalities and municipal services by making certain revisions in, respectively, the "Municipal Consolidation Act", P.L.1977, c.435 (C.40:43-66.35 et seq.) and the "Consolidated Municipal Service Act", P.L.1952, c.72 (C.40:48B-1 et seq.). These revisions were recommended by the Property Tax Commission (PTC) in its September 16, 1998 report to the Governor.

Municipal consolidation. (1) The consolidation act currently provides that each municipality seeking to create with other municipalities a joint consolidation study commission may do so only by submitting the question to its voters at a referendum. Under the bill, a municipality could approve creation of such a commission either by referendum or by ordinance of the governing body. (PTC Recommendation No. 2.20.) In conjunction with this change, the bill provides that a municipality that approves creation of such a commission by ordinance shall designate its five-member delegation to the commission by appointment of the governing body, rather than (as in municipalities approving the creation by referendum) by election.

(2) The consolidation act currently requires that petitions nominating candidates for election to membership on a joint consolidation study commission be signed by registered municipal voters equal in number to 5% of those voting in the most recent General Assembly election. The bill reduces this signature requirement (in those municipalities in which the commissioners would still be elected) to 1% of the number of those voters or 25, whichever is less. (PTC Recommendation No. 2.19.)

(3) The consolidation act now requires a study commission to make a preliminary report and recommendations to the Commissioner of Community Affairs, and requires the commissioner to issue a statement evaluating the fiscal feasibility of the proposed consolidation. The bill repeals both of these requirements. (PTC Recommendation No. 2.22).

(4) The bill extends the deadline for publication and filing by the study commission of its final report and recommendations, currently "within nine months" from the date on which the selection of

membership is completed, to "within 10 months" from that date. (Cf. PTC Recommendation No. 2.21).

Municipal service consolidation. The consolidated service act requires that the joint contract prescribing the terms under which two or more local units are to share municipal services shall provide for the constitution of a management committee composed of members appointed by the respective governing bodies of the several local units executing the contract. Currently, each constituent municipality appoints one member; under the bill, each municipality could appoint up to three members, as the joint contract may prescribe. (PTC Recommendation No. 2.17.)

This bill is identical to Senate Bill No. 1693.

FISCAL IMPACT

This bill was not certified as requiring a fiscal note.

SENATE, No. 1693

STATE OF NEW JERSEY 208th LEGISLATURE

INTRODUCED JANUARY 28, 1999

Sponsored by:

Senator JOHN A. LYNCH

District 17 (Middlesex, Somerset and Union)

Senator MARTHA W. BARK

District 8 (Atlantic, Burlington and Camden)

Co-Sponsored by:

Senators Allen, Schluter, Kyrillos and Baer

SYNOPSIS

Facilitates consolidation of municipalities and municipal services.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/23/1999)

S1693 LYNCH, BARK

2

1 AN ACT concerning the consolidation of municipalities and municipal
2 services and amending P.L.1977, c.435 and P.L.1952, c.72.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 7 of P.L.1977, c.435 (C.40:43-66.41) is amended to
8 read as follows:

9 7. a. If, within 1 year after the date on which the first ordinance,
10 pursuant to section 5 of **[this act]** P.L.1977, c.435 (C.40:43-66-39),
11 or the first petition, pursuant to section 6 of **[this act]** P.L.1977,
12 c.435 (C.40:43-66.40), is filed with the clerk of the county, either an
13 ordinance or a certified petition is transmitted to the county clerk by
14 each of the other municipalities named in the first such ordinance or
15 petition, **[the]** then one of the following shall occur:

16 (1) The question of forming a consolidation commission shall be
17 submitted to the voters of each of the municipalities named in such
18 ordinances or petitions in the following form:

19 "Shall a joint municipal consolidation study commission be formed
20 to study the feasibility of consolidating (insert the names of each of
21 the municipalities named in such ordinances or petitions) into a single
22 new municipality, to study the question of the form of government
23 under which such new municipality should be governed, to study the
24 feasibility of consolidating the local school districts of the aforesaid
25 municipalities, and to make recommendations thereon; or, in the
26 alternative, to make recommendations on the consolidation of certain
27 municipal services?"

28 The question shall be submitted to the voters of each municipality
29 so named in the ordinances or petitions on the date for the next
30 general election or on the date for the next regular municipal election,
31 whichever shall first occur at least 60 days after the date of the filing
32 with the county clerk of the final ordinance or petition necessary to
33 require the submission of the question to the voters.

34 The public question submitted to the voters shall be deemed
35 adopted, and a consolidation commission formed, if a majority of the
36 votes cast on the question in each of the municipalities in which the
37 question is submitted shall be in the affirmative; or

38 (2) An ordinance expressly creating a consolidation commission
39 shall be adopted by each of the municipalities named in such
40 ordinances or petitions. The ordinance shall state that the governing
41 body will not be submitting the question of forming a consolidation
42 commission to the voters of that municipality by referendum. The
43 ordinance shall state that the governing body is seeking the formation

EXPLANATION - Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 of a consolidation commission pursuant to P.L.1977, c.435 (C.40:43-
2 66.35 et seq.), and shall name the participating municipalities for
3 which a consolidation commission is proposed. Upon adoption of the
4 ordinance, the clerk of each participating municipality adopting the
5 ordinance shall forthwith transmit a certified copy thereof to the
6 municipal clerk of each of the other participating municipalities named
7 in the ordinance, to the clerk of the county in which each participating
8 municipality is located, and to the Commissioner of Community
9 Affairs.

10 The ordinance forming a consolidation commission shall be deemed
11 adopted, and a consolidation commission formed, if each participating
12 municipality adopts an ordinance agreeing to participate in a
13 consolidation commission pursuant to this subsection; or

14 (3) One or more of the municipalities named in such ordinances or
15 petitions shall submit the question of forming a consolidation
16 commission to the voters pursuant to paragraph (1) of this subsection,
17 and one or more of those municipalities shall adopt an ordinance
18 expressly creating a consolidation commission pursuant to paragraph
19 (2) of this subsection, in any combination, provided that each of the
20 participating municipalities adopts the formation of a consolidation
21 commission.

22 b. Nothing herein contained shall be construed to prevent the
23 submission of the question of forming a consolidation commission to
24 the voters of the municipalities pursuant to paragraph (1) of
25 subsection a. of this section, or the forming of a consolidation
26 commission by ordinance pursuant to paragraph (2) of subsection a.
27 of this section, named in any combination of such ordinances pursuant
28 to section 5 of P.L.1977, c. 435 (C.40:43-66.39) and petitions
29 pursuant to section 6 of P.L.1977, c.435 (C.40:43-66.40), provided
30 that such ordinances and petitions are substantively similar.

31 (cf: P.L.1977, c.435, s.7)

32
33 2. Section 8 of P.L.1977, c.435 (C.40:43-66.42) is amended to
34 read as follows:

35 8. **[Municipal members]** **Members** of a consolidation commission
36 formed pursuant to paragraph (1) of subsection a. of section 7 of
37 P.L.1977, c.435 (C.40:43-66.41) shall be elected by the qualified
38 voters at the same time as the public question is submitted.

39 Duly nominated candidates for the office of commission member
40 shall be placed upon the ballot containing the public question in the
41 same manner as is provided by law for candidates nominated by
42 petition for other elective offices of a single municipality, except that
43 they shall be listed without any designation or slogan. Each voter shall
44 be instructed to vote on the question and, regardless of the manner of
45 **[his]** **the voter's** vote on the question, to vote for the elected members
46 of a commission.

1 a. The five candidates for commission member receiving the
2 greatest number of votes shall be elected and shall constitute the
3 commission members from the participating municipality in which they
4 reside, provided that if a majority of those voting on the public
5 question in any of the municipalities in which the question was
6 submitted shall have voted against the formation of a commission,
7 none of the candidates in any of the municipalities shall be elected. In
8 the instance that the vote for commission members results in six or
9 more candidates in any one participating municipality receiving
10 sufficient votes to be elected, then those candidates receiving the least
11 and equal number of votes shall draw lots to determine which shall be
12 elected.

13 b. Members of a consolidation commission formed pursuant to
14 paragraph (2) of subsection a. of section 7 of P.L.1977, c.435
15 (C.40:43-66.41) shall be appointed by the governing body of the
16 participating municipality.

17 Five members shall be appointed to the consolidation commission
18 by the governing body of the participating municipality. The
19 governing body shall appoint not more than one individual who holds
20 a paid or volunteer position with the appointing municipality. Each
21 member, except a member holding a paid or volunteer position with
22 the appointing municipality, shall be a resident of the appointing
23 municipality.

24 (cf: P.L.1977, c.435, s.8)

25

26 3. Section 9 of P.L.1977, c.435 (C.40:43-66.43) is amended to
27 read as follows:

28 9. a. The candidates **[for a consolidation commission]** from each
29 participating municipality for a consolidation commission formed
30 pursuant to paragraph (1) of subsection a. of section 7 of P.L.1977,
31 c.435 (C.40:43-66.41) shall be registered voters of that municipality.
32 They may be nominated by petitions signed by the registered and
33 qualified voters of the municipality in a number at least equal to **[5%]**
34 one percent of the total votes cast in the municipality at the last
35 preceding general election at which members of the General Assembly
36 were elected, or by 25 registered and qualified voters of the
37 municipality, whichever is less, and filed with the municipal clerk not
38 less than 40 days prior to the date of the election.

39 b. Each nominating petition shall set forth the names, places of
40 residence, and post-office addresses of the person or persons therein
41 nominated, and a statement that the nomination is for the office of
42 commission member and that the petitioners are registered voters of
43 the municipality. Every voter signing a nominating petition shall, in
44 addition to **[his]**the voter's signature, give **[his]** the voter's place of
45 residence, post-office address and street number, if any.

46 c. Before **[filing]** being filed with the municipal clerk, each

1 nominating petition shall have fixed or appended thereto, or, if the
2 same person or persons are named in more than one petition, fixed or
3 appended to one of such petitions, a written acceptance of such
4 nomination signed by the person or persons nominated therein. Such
5 acceptance shall certify that the nominee is a registered voter of the
6 municipality, that the nominee consents to stand as a candidate at the
7 election and that, if elected, **[he]** the nominee agrees to take office
8 and serve.

9 d. Each nominating petition shall be verified by an oath or
10 affirmation of one or more of the signers thereof, taken and
11 subscribed before a person qualified under the laws of New Jersey to
12 administer an oath, to the effect that the petition was signed by each
13 of the signers thereof in **[his]** each signer's proper handwriting, that
14 the signers are, to the best knowledge and belief of the affiant,
15 registered voters of the municipality, and that the petition is prepared
16 and filed in good faith for the sole purpose of endorsing the person or
17 persons named therein for election as stated in the petition.

18 e. If any nominating petition, or any oath, affirmation or written
19 statement attached thereto, is defective, the person designated in the
20 petition for such purpose may cause such petition or oath, affirmation
21 or written statement to be amended in the manner prescribed for the
22 amendment of defective petitions for nominating candidates for
23 general elections in R.S.19:13-13.

24 (cf: P.L.1977, c.435, s.9)

25

26 4. Section 11 of P.L.1977, c.435 (C.40:43-66.45) is amended to
27 read as follows:

28 11. The membership of a joint municipal consolidation study
29 commission formed pursuant to the provisions of **[this act]** P.L.1977,
30 c.435 (C.40:43-66.35 e seq.) shall consist of five members from each
31 participating municipality.

32 **[The five candidates for commission member receiving the greatest**
33 **number of votes shall be elected and shall constitute the commission**
34 **members from the participating municipality in which they reside,**
35 **provided that if a majority of those voting on the public question in**
36 **any of the municipalities in which the question was submitted shall**
37 **have voted against the formation of a commission, none of the**
38 **candidates in any of the municipalities shall be elected. In the instance**
39 **that the vote for commission members should result in six or more**
40 **candidates in any one participating municipality receiving sufficient**
41 **votes to be elected, then those candidates receiving the least and**
42 **equal number of votes shall draw lots to determine which shall be**
43 **elected.]**

44 (cf: P.L.1977, c.435, s.11)

45

46 5. Section 13 of P.L.1977, c.435 (C.40:43-66.47) is amended to

1 read as follows:

2 13. The Commissioner of Community Affairs shall appoint a person
3 to act as **his** the commissioner's representative to the commission.
4 The commissioner's appointee shall not be a member or an officer of
5 the commission, shall not be a resident of any of the participating
6 municipalities, but shall participate in all meetings, activities and
7 proceedings of the commission.

8 (cf: P.L.1977, c.435, s.13)

9

10 6. Section 14 of P.L.1977, c.435 (C.40:43-66.48) is amended to
11 read as follows:

12 14. As soon as possible and in any event no later than 15 days after
13 the election or appointment of all its members, the consolidation
14 commission shall organize and hold its first meeting. The commission
15 shall elect from its membership a **chairman** chair and a
16 **vice-chairman** vice-chair. The commission shall fix its hours and
17 places of meeting, adopt such rules for the conduct of its business as
18 it may deem necessary and advisable, and appoint a secretary, who
19 need not be a member of the commission. A majority of the total
20 membership of the commission shall constitute a quorum for the
21 transaction of business, but no recommendation of said commission
22 shall have any legal effect pursuant to **this act** P.L.1977, c.435
23 (C.40:43-66.35 et seq.), unless adopted by a majority of the five
24 commission members from each of the participating municipalities.

25 At its first meeting, or as soon thereafter as possible, the
26 commission shall establish a schedule for the conduct of its business
27 which shall take into account the following mandatory dates:

28 a. The 5 month date set forth in section 20 of **this act** P.L.1977.
29 c.435 (C.40:43-66.54) by which the Department of Community Affairs
30 is required to report its fiscal findings to the commission;

31 b. **The 6 month date set forth in section 21 of this act by which**
32 **the commission is required to make a preliminary report to the**
33 **department and to the governing bodies of the participating**
34 **municipalities;** (Deleted by amendment, P.L. , c. .) (Pending before
35 the Legislature as this bill)

36 c. **The 8 month date set forth in section 21 of this act by which**
37 **the department is required to provide its evaluative statement to the**
38 **commission;** (Deleted by amendment, P.L. , c. .) (Pending before
39 the Legislature as this bill) and,

40 d. The **9** 10 month date set forth in section 22 of **this act**
41 P.L.1977, c.435 (C.40:43-66.56) by which the commission is required
42 to submit its final report.

43 A copy of such schedule shall be filed with the commissioner and
44 with the clerk of each of the participating municipalities within 30 days

1 after the first meeting.
2 (cf: P.L.1977, c.435, s.14)

3
4 7. Section 20 of P.L.1977, c.435 (C.40:43-66.54) is amended to
5 read as follows:

6 20. a. The Department of Community Affairs shall, within
7 5 months from the date of its receipt of all the election results or
8 ordinances, or both, establishing a commission pursuant to section **[10**
9 **of this act]** 7 of P.L.1977, c.435 (C.40:43-66.41), prepare an
10 objective study of the fiscal aspects of the proposed consolidation, and
11 shall report its findings to the commission.

12 b. The department shall, to every possible extent, advise and
13 cooperate with any consolidation commission created pursuant to **[this**
14 **act]** P.L.1977, c.435 (C.40:43-66.35 et seq.) and shall make available
15 its facilities, records, and technical and professional resources. The
16 department shall consider promptly any commission application for a
17 State grant to conduct, or any commission request for the department
18 to conduct, any other feasibility study or studies consistent with the
19 provisions of **[this act]** P.L.1977, c.435 (C.40:43-66.35 et seq.);
20 provided, however, that whenever any such study or studies are to be
21 conducted by a party other than the department, said party shall be
22 approved by, and conduct such study or studies under the supervision
23 of, the department**],** and the amount of State financial assistance
24 therefor, shall not exceed in the aggregate 75% of the cost of such
25 study or studies**].** Upon approval of such study or studies, the
26 commissioner shall certify the amount approved therefor to the State
27 Treasurer, who shall make immediate payment thereon. Any
28 application for financial assistance submitted by a commission created
29 pursuant to **[this act]** P.L.1977, c.435 (C.40:43-66.35 et seq.) shall
30 have first claim on any moneys appropriated under **[the "Interlocal**
31 **Services Aid Act"** which have not been expended or committed at the
32 time of application**]** any State aid or grant program that authorizes the
33 use of funds for these purposes. At the written request of such a
34 commission, a reservation of moneys shall be made by the
35 commissioner prior to the formal filing of an application therefor by
36 such commission.

37 (cf: P.L.1977, c.435 s.20)

38
39 8. Section 22 of P.L.1977, c.435 (C.40:43-66.56) is amended to
40 read as follows:

41 22. a. The joint municipal consolidation study commission shall
42 publish and file its final report and recommendations within **[9]** ten
43 calendar months from the date all of its **[election]** members are
44 elected or appointed. A copy of such final report signed by the
45 chairman of the commission shall be filed with the Secretary of State,

1 the department, the county clerk and with the municipal clerk of each
2 participating municipality. Included in such final report shall be: a
3 statement, if any, by any member of the commission dissenting from
4 the findings and recommendations set forth in the final report; and the
5 department's findings on the fiscal aspects of the proposed
6 consolidation【; the commissioner's evaluative statement concerning
7 the fiscal feasibility of the proposed consolidation; and, any written
8 comments received from the governing bodies of the participating
9 municipalities】. The municipal clerks shall deliver a copy of such
10 final report to each member of the governing body of their respective
11 municipalities. The commission shall cause a reasonable number of
12 copies of the final report to be printed and made available to the
13 general public upon request.

14 b. If the commission recommends consolidation, it shall prepare an
15 "official abstract" of its report and recommendations and plan of
16 consolidation consisting of a concise statement, which shall be
17 objective in content and presentation, and shall be descriptive of the
18 substance of the plan. At the time the commission publishes and files
19 its final report, and again on a date not less than 30 days preceding the
20 date fixed for the election, the commission shall cause the official
21 abstract to be published at least once in a newspaper of general
22 circulation in the participating municipalities, together with notice of:

23 (1) The time, place and purpose of the election;

24 (2) The manner in which copies of the commission's final report
25 and recommendations may be obtained;

26 (3) 【The commissioner's evaluative statement concerning the fiscal
27 feasibility of the proposed consolidation;】 (Deleted by amendment,
28 P.L. , c. .) (Pending before the Legislature as this bill.)

29 (4) The fact that if the voters favor the consolidation by a majority
30 vote in each of the participating municipalities, the consolidation plan
31 shall become binding and legally enforceable between or among such
32 municipalities.

33 (cf: P.L.1977, c.435 s.22)

34

35 9. Section 5 of P.L.1952, c.72 (C.40:48B-5) is amended to read as
36 follows:

37 5. The joint contract shall provide for the constitution and
38 appointment of a management committee to consist of 【one member】
39 not more than three members to be appointed by the governing body
40 of each of the local units executing same, who shall be 【a resident】
41 residents of the appointing local unit, except that a member who is the
42 chief financial officer, business administrator, municipal administrator
43 or municipal manager of the local unit making the appointment need
44 not be a resident of the appointing local unit. Such 【appointee】
45 appointees may or may not be 【a member】 members of the appointing
46 governing body. Each member of the management committee shall

1 hold office for the term of one year and until **[his]** the member's
2 successor has been appointed and qualified. In the event that only two
3 local units are parties to the contract and only one member is
4 appointed by each governing body, the management committee shall
5 consist of three members, one **[selected from each]** appointed by each
6 of the governing bodies and one member selected by the two other
7 appointed members.

8 The management committee shall elect annually from among its
9 members a **[chairman]** chair to preside over its meetings. The
10 management committee may appoint such other officers and
11 employees, including counsel, who need not be members of the
12 management committee or members of the governing bodies or
13 employees or residents of the local units, as it may deem necessary.
14 The employees appointed by the management committee shall hold
15 office for such term not exceeding four years as may be provided by
16 the joint contract. The management committee shall adopt rules and
17 regulations to provide for the conduct of its meetings and the duties
18 and powers of the chairman and such other officers and employees as
19 may be appointed. All actions of the management committee shall be
20 by vote of the majority of the entire membership of the committee,
21 except for those matters for which the contract requires a greater
22 number, and shall be binding on all local units who have executed the
23 joint contract. The management committee shall exercise all of the
24 powers of the joint meeting subject to the provisions of the joint
25 contract.

26 The joint contract may provide for the delegation of the
27 administration of any or all of the services, lands, public
28 improvements, works, facilities or undertakings of the joint meeting to
29 the governing body of any one of the several contracting local units,
30 in which event such governing body shall have and exercise all of the
31 powers and authority of the management committee with respect to
32 such delegated functions.

33 (cf: P.L.1995, c.336, s.1)

34

35 10. Section 10 and section 21 of P.L.1977, c.435 (C.40:43-66.44
36 and 40:43-66.55) are repealed.

37

38 11. This act shall take effect immediately .

39

40

41

STATEMENT

42

43 This bill is intended to implement five recommendations of the
44 Property Tax Commission. The bill would facilitate consolidation of
45 municipalities and municipal services by amending the "Municipal
46 Consolidation Act," P.L.1977, c.435 (C.40:43-66.35 et seq.) and the

1 "Consolidated Municipal Services Act," P.L.1952, c.72 (C.40:48B-1
2 et seq.). First, it allows for the creation of a consolidation commission
3 by ordinance, rather than only by voter referendum as provided under
4 current law. Second, the bill repeals section 21 of P.L.1977, c.435
5 (C.40:43-66.55), and thereby eliminates two requirements: (1) that the
6 joint municipal consolidation study commission prepare and file a
7 preliminary report and recommendations; and (2) that the
8 Commissioner of Community Affairs provide an evaluative statement
9 regarding the fiscal feasibility of the proposed commission. Third, the
10 bill lengthens the time period for the joint municipal consolidation
11 study commission to file its final report from nine months to ten
12 months to allow greater community input into the study phase. Fourth,
13 to facilitate candidacy to the commission, the bill reduces the number
14 of signatures required for nominating petitions.

15 In addition, the bill amends one provision of the Consolidated
16 Municipal Services Act." Instead of allowing each participating local
17 unit to have only one representative on the management committee as
18 provided under current law, the bill allows participating local units to
19 have up to three members on the management committee. The number
20 of members agreed upon by each participating local unit would be
21 stated in the joint contract. Allowing more than one representative
22 from each participating local unit recognizes the advantages under
23 certain circumstances of having individuals with diverse backgrounds
24 on the management committee, including individuals with
25 administrative or technical backgrounds.

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 1693

STATE OF NEW JERSEY

DATED: FEBRUARY 18, 1999

The Senate Community and Urban Affairs Committee reports favorably Senate Bill No. 1693.

This bill would implement five recommendations (2.17, 2.19, 2.20, 2.21, and 2.22) of the Property Tax Commission Report of September 1998. The bill would facilitate the consolidation of municipalities and municipal services by amending the "Municipal Consolidation Act," P.L.1977, c.435 (C.40:43-66.35 et seq.) and the "Consolidated Municipal Services Act," P.L.1952, c.72 (C.40:48B-1 et seq.). First, it would allow for the creation of a consolidation commission by ordinance, rather than only by voter referendum as provided under current law. Second, the bill would eliminate two requirements: (1) that the joint municipal consolidation study commission prepare and file a preliminary report and recommendations; and (2) that the Commissioner of Community Affairs provide an evaluative statement regarding the fiscal feasibility of the proposed consolidation. Third, the bill would lengthen the time period for the joint municipal consolidation study commission to file its final report from nine months to ten months to allow greater community input into the study phase. Fourth, to facilitate candidacy to the commission, the bill would reduce the number of signatures required for nominating petitions.

In addition, the bill would amend one provision of the "Consolidated Municipal Services Act" to allow participating local units to have up to three members on the management committee. The number of members agreed upon by each participating local unit would be stated in the joint contract.

This bill is identical to Assembly Bill No. 11.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 1693

STATE OF NEW JERSEY

DATED: MARCH 18, 1999

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 1693.

This bill would facilitate the consolidation of municipalities and municipal services by making certain revisions in, respectively, the "Municipal Consolidation Act", P.L.1977, c.435 (C.40:43-66.35 et seq.) and the "Consolidated Municipal Service Act", P.L.1952, c.72 (C.40:48B-1 et seq.). These revisions were recommended by the Property Tax Commission (PTC) in its September 16, 1998 report to the Governor.

Municipal consolidation. (1) The consolidation act currently provides that each municipality seeking to create with other municipalities a joint consolidation study commission may do so only by submitting the question to its voters at a referendum. Under the bill, a municipality could approve creation of such a commission either by referendum or by ordinance of the governing body. (PTC Recommendation No. 2.20.) In conjunction with this change, the bill provides that a municipality that approves creation of such a commission by ordinance shall designate its five-member delegation to the commission by appointment of the governing body, rather than (as in municipalities approving the creation by referendum) by election.

(2) The consolidation act currently requires that petitions nominating candidates for election to membership on a joint consolidation study commission be signed by registered municipal voters equal in number to 5% of those voting in the most recent General Assembly election. The bill reduces this signature requirement (in those municipalities in which the commissioners would still be elected) to 1% of the number of those voters or 25, whichever is less. (PTC Recommendation No. 2.19.)

(3) The consolidation act now requires a study commission to make a preliminary report and recommendations to the Commissioner of Community Affairs, and requires the commissioner to issue a statement evaluating the fiscal feasibility of the proposed consolidation. The bill repeals both of these requirements. (PTC Recommendation No. 2.22).

(4) The bill extends the deadline for publication and filing by the study commission of its final report and recommendations, currently "within nine months" from the date on which the selection of

membership is completed, to "within 10 months" from that date. (Cf. PTC Recommendation No. 2.21).

Municipal service consolidation. The consolidated service act requires that the joint contract prescribing the terms under which two or more local units are to share municipal services shall provide for the constitution of a management committee composed of members appointed by the respective governing bodies of the several local units executing the contract. Currently, each constituent municipality appoints one member; under the bill, each municipality could appoint up to three members, as the joint contract may prescribe. (PTC Recommendation No. 2.17.)

This bill is identical to Assembly Bill No. 11.

FISCAL IMPACT

This bill was not certified as requiring a fiscal note.

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Office of the Governor
NEWS RELEASE

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RELEASE: April 13, 1999

**Governor Signs Bills to Reward Towns, Taxpayers for Sharing Services
\$35 Million Package a Key to Property Tax**

Gov. Christie Whitman today signed legislation providing \$35 million in state aid to encourage local governments to share services and to reward taxpayers in communities that take such steps.

The Governor said the new laws will promote government efficiency and taxpayer savings in a state crowded with more than 1,600 units of local government.

"With these programs, local officials can begin to make the fundamental changes in service delivery that will lead to long- term property tax reform," said Gov. Whitman.

The bills include a \$10 million Regional Efficiency Development Incentive (REDI) program to finance shared services actions and a \$25 million Regional Efficiency Aid Program (REAP) to provide tax credits to citizens in communities that combine services. The funds are included in the Governor's proposed state budget.

The Governor signed two other bills to remove regulatory stumbling blocks to shared service agreements and consolidation efforts. The bills are an outgrowth of recommendations by the Governor's Property Tax Commission, which offered 60 proposals for controlling property taxes, many of which focused on shared services, consolidation and regionalization.

The Governor today signed the following bills:

A-13, sponsored by Assembly Members Scott Garrett (R-Sussex/Hunterdon/Morris) and Paul Kramer (R-Mercer/Middlesex) and Senators Leonard Connors (R-Atlantic/Burlington/Ocean) and Edward O'Connor (R-Hudson), creates the REDI program. REDI will provide \$10 million in grants and loans to finance studies or start-up costs for new shared or regional service agreements.

A-14, sponsored by Assembly Members Leonard Lance (R-Warren/Hunterdon/Mercer) and Joseph Roberts (D-Camden/Gloucester) and Senators Norman Robertson (R-Essex/Passaic) and Bernard Kenny (D-Hudson), creates the REAP initiative. REAP will provide \$25 million as additional, permanent state aid based on specific shared service initiatives. The amount of REAP aid earned will be apportioned among all residential taxpayers and will be reflected on their local property tax bills.

A-12, sponsored by Assembly Members Michael Arnone (R- Monmouth) and Gerald Luongo (R-Camden/Gloucester) and Senators Nicholas Sacco (D-Bergen/Hudson) and Walter Kavanaugh (R-

Morris/Somerset), permits municipalities, counties and certain school districts to offer an early retirement incentive to employees affected by regionalization efforts.

A-11, sponsored by Assembly Member Samuel Thompson (R-Middlesex/Monmouth) and Guy Talarico (R-Bergen) and Senators John Lynch (D-Middlesex/Somerset/Union) and Martha Bark (R-Atlantic/Burlington/Camden), streamlines the municipal consolidation process and lets municipal officials create commissions to study consolidation by ordinance rather than through referendum.

State Department of Community Affairs Commissioner Jane M. Kenny said the new programs will help local governments work together on behalf of their taxpayers.

"Local officials will now have the resources to wage battle against the glut of government and redundancy in service that unfairly burden their taxpayers," said Commissioner Kenny. "As the Property Tax Commission found, local leaders must be willing to take a hard look at how services are provided if we are to realize property tax reform. These laws are designed to make that process easier and more beneficial."

The REDI program will be administered by the state Division of Local Government Services in the Department of Community Affairs and by the state Department of Education. Any county, municipality, school district or fire or special district is eligible to apply for REDI funds.

Because of the anticipated appeal of REDI program, the legislation authorizes DCA and the Commissioner of Education to negotiate combinations of grants and loans, depending on the types and costs of the projects proposed. Both departments will provide technical assistance to help local officials develop regional and shared programs.

The REAP assistance, meanwhile, will be based on a formula that considers points for the specific service to be shared; the community's population; the dollar value of each point awarded, and bonus points if the community is fiscally distressed.

REAP aid will be payable to the residents of any county, municipality, school district or fire or special district that entered into a new shared or regional service agreement after July 1, 1997. The aid will be paid directly to residential taxpayers as a credit on their local property tax bills for each calendar year in which the regional service agreement is in effect.