

NEW JERSEY ASSOCIATION OF COUNTIES

County Government with a Unified Voice!

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STATE HOUSE NEWS

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FY 26 STATE BUDGET MATTERS

On April 10th, NJAC testified before Senate Budget and Appropriations Committee at its public hearing on the fiscal year 2026 state budget concerning the following matters:

- **HOMELESS GRANTS:** NJAC's Transitional Housing Working Group reported that nonprofit organizations, civic centers, churches, and more are struggling to provide temporary shelter for those in need and have become more reliant on assistance from county governments. As such, the Working Group recommended increasing the State's annual appropriation for emergency shelters to include direct grants that a county may use to either operate, or contract with selected agencies to manage temporary shelters. The Working Group's recommendation is for the Department of Community Affairs (DCA) to allocate \$5,250,000.00 in emergency shelter funding for counties in fiscal year 2026 contingent on matching county funds of up to \$250,000.00 per county.

The Working Group further reported that although services and resources may be readily available for individuals with no income, those with limited income are often ineligible for the same level of assistance and are in grave jeopardy of becoming homeless. With this in mind, the Group recommended increasing the State's annual appropriation and expanding the use of Social Services for Homeless Prevention (SSH) dollars to better capture this underserved population and provide enhanced transitional housing opportunities. The Working Group's recommendation is for the Department of Human Services (DHS) to allocate an additional \$5,250,000.00 in SSH funding for counties in fiscal year 2026 contingent on matching county funds of up to \$250,000.00 per county.

- **COUNTY 911 CENTERS:** NJAC was disappointed to learn that Governor Murphy's budget includes a 50% cut in funding for county 911 centers from \$10.0 million to \$5.0 million. Despite making monies available for county 911 centers in the last three budget cycles, the State of New Jersey has remained one of the worst offenders of diverting 911 fees in the entire nation. In fact, the State has collected approximately \$1.75 billion in 911 fees since 2006 with only 11% of such monies spent on federally eligible expenses at the State level pursuant to guidelines established under the NET911 Act. Moreover, the State failed to provide any funding for expenses incurred by local 911 centers operated by counties

and municipalities until allocating \$10.0 million in grant funding under the “Public Safety Answering Upgrades and Consolidation” in the last three budget cycles as noted above.

County governments alone spent an estimated \$175.0 million over the last several years on capital improvements for facility upgrades, telephone systems, computer aided dispatch, location mapping technology, voice recording technology, data analytics, and Next Generation 911 upgrades. Counties also spend an estimated \$100.0 million per year on general operating expenses for salaries, staff training, system maintenance, and network security. As such, NJAC urges the Legislature to restore this critical funding, and increase the amount to 21.0 million with a \$1.0 million grant being made available for each county to regionalize, upgrade, or maintain its 911 system with a precise, accurate, and reliable communication network.

- **COUNTY COLLEGES:** NJAC urges the Legislature to restore the historic investment of \$169.0 million included in the last two budget cycles as it helped offset significant increases in operating costs faced by the State’s 18 community colleges. Although county governments remain committed to supporting community colleges that provide residents with an affordable and quality education while building a skilled workforce, the proposed \$20.0 million reduction in this year’s budget would carry long-term consequences for students, their families, and property taxpayers.
- **COUNTY REENTRY COORDINATOR:** NJAC supports the budget’s continued commitment to grant funding of \$2.1 million, or \$100,000 per county, for each county to hire a re-entry coordinator responsible for helping inmates navigate the broad spectrum of services available upon release from a county jail such as reentry and rehabilitative programs, substance abuse initiatives, housing alternatives, food security, job training, and much more.
- **LOCAL PENSION OBLIGATIONS:** NJAC supports Governor Murphy’s commitment to making full contributions to the State’s pension systems of \$7.2 billion in this year’s budget as it will help to preserve the long-term health, viability, and solvency of the retirement systems. Please note however that employer contributions for both the Public Employees Retirement System (PERS) and the Police and Firemen’s Retirement System (PFRS) increased again this year at 17.11% and 37.0% respectively.
- **HEALTH BENEFITS INCREASES:** NJAC is alarmed with the projected double digit increases in health benefit premiums for local governments participating in the State Health Benefits Program (SHBP) and is urging the Legislature to implement long-term structural reforms to more effectively manage these ever-increasing costs. If State leaders fail to act on the much needed and long overdue changes to SHBP by enacting potential solutions such as referenced base pricing and identifying the factors driving medical inflation, local government employers will have no choice but to cut vital services, layoff employees, or increase property taxes.

JUVENILE DETENTION FACILITIES

Following the Senate Law and Public Safety Committee's March 20th public hearing to discuss the substantial challenges county governments are facing with housing juvenile offenders across the State, the general recommendations below provide fair and equitable solutions for housing adults in juvenile detention facilities, streamlining case processing times, and examining a fragmented system for housing juveniles between counties that operate juvenile detention facilities and those that do not.

1. **LEGISLATIVE TASK FORCE:** Establish a Legislative Task Force to review the current juvenile detention facility structure in the State of New Jersey and make recommendations on whether the Youth Justice Commission (YJC), existing county facilities, or an entirely new system would best serve the youth and individuals that oversee them with representatives of the Task Force to include one individual from the following:
 - a) A county that operates a juvenile detention facility
 - b) A county that does not operate a juvenile detention facility
 - c) The New Jersey Association of Counties
 - d) The Sheriffs Association of New Jersey
 - e) The County Prosecutors Association of New Jersey
 - f) The County Jail Wardens Association of New Jersey
 - g) The County Human Service Directors Association of New Jersey
 - h) The New Jersey Juvenile Detention Association
 - i) The Youth Justice Commission
 - j) The New Jersey Office of the Public Defender
 - k) The Administrative Office of the Courts – Criminal Court
 - l) The Administrative Office of the Courts – Family Court
 - m) A representative from the Office of the Senate President
 - n) A representative from the Office of the Minority Leader in the Senate
 - o) A representative from the Office of the Speaker of the General Assembly
 - p) A representative from the Office of the Minority Leader of the General Assembly
 - q) (3) members of the public appointed by the Governor
2. **IN THE INTEREST OF JUSTICE HEARING:** Limit juvenile detention facilities from housing individuals over the age of 18 by implementing an in the "Interest of Justice Hearing" process to determine if it's in the interest of justice to detain an individual in a county detention facility or at the YJC's New Jersey Training Schools in Monroe Township, when an individual reaches the age of 18; when an individual violates the conditions of probation after reaching the age of 18; and when an individual over the age of 18 incurs a legal charge while in custody in a juvenile detention facility. In general, upon turning the age of 18, or when an individual is found to have violated any of the conditions as set forth above, the Court shall determine that it's in the interest of justice to remove an individual from placement in a juvenile detention facility to detention in a county detention facility

or at the YJC's New Jersey Training Schools in Monroe Township by considering the following criteria:

- a) The physical and mental danger the individual presents to juveniles.
- b) Known gang affiliations of the individual.
- c) The nature of the alleged crimes committed by the individual.
- d) The history of prior delinquent acts committed by the individual.
- e) The physical and mental maturity of the individual.
- f) The imminent risk of harm the individual presents to the individual's person.
- g) Other aggravating and mitigating factors.

Please note that county detention facilities primarily house individuals awaiting trial and that the New Jersey Training Schools in Monroe Township house adjudicated individuals up to the age of 23 pursuant to N.J.S.A. 52:17B-176. NJAC recommends amending this statute to allow the New Jersey Training Schools to house pre-adjudicated individuals where the court has determined that it's in the "Interest of Justice" for the individual to await trial at the New Jersey Training Schools.

3. **CASE PROCESSING:** Streamline the intake, remand, and placement process as the average statewide length of stay for youth in a secure detention facility is nearly 6 months and well over 1-2 years in many cases. The process should model the adult Criminal Justice Reform timelines with the final disposition or trial to take place within 2 years following the initial intake and screening of a juvenile. Please note case processing delays occur, in part, when a prosecutor files a waiver motion to have a juvenile's case transferred from family court to criminal court because the juvenile typically committed a crime in the 1st or 2nd degree. If a family court judge finds that the prosecutor did not abuse discretion in filing the waiver, the juvenile's case is transferred to criminal court accordingly. However, the time in which the juvenile spent detained in family court, and detained in a juvenile detention facility, does not count toward the juvenile's speedy trial time in criminal court and it should. P.L. 2015, c.89 governs the juvenile waiver process where the prosecutor has 60 days to file a waiver motion after a complaint is filed against a juvenile. Although including these 60 days and more pending the waiver hearing is not the only solution to streamlining case processing times, detained juveniles should be afforded this protection under the law, and it would also serve to alleviate the housing burden placed on juvenile detention facilities.
4. **FUNDING:** Make available through the Fiscal Year 2026 State budget, an annual appropriation of \$10.5 million in grant funding from the YJC to provide financial assistance to counties on an as needed basis to address the extraordinary costs associated with housing juveniles taken into custody, insufficient staffing levels, the lack of operational bed capacity, and a disjointed system for housing juveniles among counties as follows:

- a) To hire and retain juvenile detention officers at a rate of pay commensurate with the compensation of similarly employed YJC employees; or
 - b) To Seek reimbursement from the YJC if the YJC establishes a uniform base rate of pay for guaranteed and per diem bed space whereby the YJC must reimburse counties that operate juvenile detention facilities for the difference between the YJC's uniform base rate of pay and that county's actual cost to house a juvenile; or,
 - c) To expand programming, operational, and facility capacity at county juvenile detention facilities.
5. ATLANTIC COUNTY LITIGATION: Codify into law the Superior Court's decision in the County of Atlantic v. State of New Jersey No. ATL-L-1947-24 December 23, 2024, specifically where the Superior Court granted Atlantic County Declaratory Relief and ultimately held that the YJC "is responsible for placing detained juveniles ... pursuant to N.J.S.A. 2A:4A:37."

OVERVIEW OF CHALLENGES: With only one-third of the State's twenty-one counties currently operating juvenile detention facilities, county governments across the State have been struggling to secure and maintain adequate housing and provide vital support services for juveniles taken into custody. County law enforcement officials, juvenile detention officers, social service professionals, and management attribute these struggles to a variety of factors that include an increase in serious crimes committed by juveniles, the housing of certain adults in juvenile detention facilities, inadequate staffing and training opportunities, lengthy case processing times, and a fragmented system for housing juveniles between counties that operate juvenile detention facilities and those that do not.

These long brewing challenges came to an unfortunate head late last year, when on multiple occasions, Atlantic, Cumberland, and Gloucester counties could not secure placement for juvenile offenders because "no beds were available" in any State or county facility. The matter in Atlantic County is now working its way through the courts as the County filed a lawsuit demanding that the Juvenile Justice Commission (JJC) is ultimately responsible for the placement of detained juveniles under the law. To further complicate the situation, and notwithstanding existing contractual agreements among county governments, the JJC subsequently issued an Administrative Order to cease all juvenile admissions in Atlantic County at the Harborfields Juvenile Detention Center as the facility is at maximum capacity. Moreover, the Administrative Order forced juvenile detention facilities in the six counties that operate such facilities to accept Atlantic County youth within five days. Although the Appellate Division must still consider several matters concerning civil rights violations, contractual obligations, and more, the Superior Court ultimately granted Atlantic County Declaratory Relief as noted above.

As a result of the Juvenile Detention Alternatives Initiative (JDAI) and work of the JJC to provide effective alternatives for housing youthful offenders in secure detention facilities, the JDAI framework forced most counties to close their facilities within the past twenty years as approved by the JJC. As noted above, only six counties currently operate juvenile detention facilities in Bergen, Camden, Essex, Middlesex, Morris, and Ocean with the JJC responsible for managing

Harborfields in collaboration with the Atlantic County Department of Law and Public Safety. Each of the remaining fourteen counties must enter into a shared services agreement to house juveniles taken into custody in their counties with counties that operate a facility for either a guaranteed number of beds or on a per-diem basis. *For example, Cumberland County may enter into a shared services agreement with Ocean County for five guaranteed beds to house Cumberland juveniles when necessary. Cumberland and Ocean counties may also enter into a per diem agreement if Ocean County is currently housing the five guaranteed juveniles from Cumberland, but Cumberland needs an additional bed for a sixth juvenile.* However, if the Ocean County facility is at maximum capacity or cannot house additional juveniles for safety, staffing, or other reasons, Cumberland County must locate a separate facility to house the sixth juvenile through a per diem agreement. Herein lies perhaps the most significant challenge that county governments have been struggling to navigate and the basis for the above litigation that ultimately held the YJC responsible for the placement of juveniles accordingly.

HEALTH BENEFIT INCREASES

Something has to give with the unsustainable growth in healthcare costs as medical inflation has increased dramatically over the past decade. In addition to implementing long-term structural reforms to the State's health benefits system, such as adopting reference based pricing, incentivizing employees to select lower cost plans designs, modifying co-pays for specialists and urgent care, and implementing other innovative cost containment measures, NJAC supports **A-5376** (*Reynolds-Jackson D-15/Carter D-22*) as the measure would provide important transparency in hospital pricing and ultimately reign-in medical costs for local governments, employees, and property taxpayers.

In general, this legislation would create the Health Care Cost Containment and Price Transparency Commission (Commission), the Office of Healthcare Affordability and Transparency (Office), and hospital price transparency regulations. In brief, the Office would provide support, staffing, infrastructure, and expertise to the Commission, and would comprehensively address health care cost growth while also establishing data analytics and public reporting mechanisms to ensure healthcare affordability, informed policymaking, and access for future generations. The Office would further establish guidelines for health care entities to submit necessary data for the yearly evaluation of total health care expenditures, their incremental growth, pricing information, pricing incremental growth, the formulation of the healthcare cost growth benchmark and the hospital price benchmark, and for publishing relevant data publicly.

In summary, the 18 member commission would: monitor, analyze, and contain health care prices by identifying drivers of health care cost growth including hospital price growth; establish and adopt a health care cost growth benchmark and a hospital price growth benchmark; identify health care entities that exceed the benchmark or benchmarks; and address increases in excess of the benchmark or benchmarks through public transparency, opportunities for remediation, and other actions, including civil penalties. The Commission

would also set a cost growth benchmark for health care entities and impose civil penalties on health care entities that either fail to respond to the Commission's request to submit a corrective action plan or comply with the requirements of a corrective action plan. NJAC would have a seat on the Commission. **A-5376** is currently in the Assembly Financial Institutions and Insurance Committee awaiting consideration and the companion version **S-4299 (Vitale)** is in the Senate Health, Human Services, and Senior Citizens Committee.

PUBLIC NOTICES

NJAC is encouraging all twenty-one counties to adopt the following resolution.

A RESOLUTION urging state leaders to pass legislation that will authorize counties, municipalities, school districts, and all local governments to publish legal notices in a clear, transparent, and timely manner on a local government's official website.

WHEREAS, the sunset provision of March 1, 2025 imposed under P.L. 2024 c.106 is fast approaching in what was a temporary solution that allowed local governments to comply with the notice requirements under the law in time for annual reorganization meetings in January; and,

WHEREAS, local government officials serve as the stewards of property taxpayer dollars and should no longer be required to subsidize the newspaper industry with revenues collected from publishing legal notices in the press; and,

WHEREAS, long before NJ Advanced Media's announcement that it was terminating daily print publications in January of 2025, local government officials found it increasingly difficult to comply with the notice requirements under the law as the media has become almost exclusively digitized and struggled to retain staff, resources, and publications; and,

WHEREAS, legislation that will authorize local governments to publish legal notices on a local government's official website will streamline an antiquated and overly burdensome process and save valuable time, resources, and property taxpayer dollars; and,

NOW, THEREFORE, BE IT RESOLVED that the New Jersey Association of Counties does in fact, hereby urge state leaders to pass legislation that will authorize counties, municipalities, school districts, and all local governments to publish legal notices in a clear, transparent, and timely manner on a local government's official website.

BE IT FURTHER RESOLVED that certified copies of this Resolution shall be sent to Governor Phil Murphy, Senate President Nicholas Scutari, Speaker of the General Assembly Craig Coughlin, and the clerks of the boards of county commissioners in all twenty-one counties.

UPCOMING NJAC EVENTS: Don't miss NJAC's Annual Celebration of County Government set for 5/7 – 5/9 at Caesar's in Atlantic City with additional details about registration and the action-packed schedule of events at www.njac.org.

The State's Top 7 Chicken Parm dishes – preferably drenched in vodka sauce with a bowl of angel hair pasta soaked in garlic and olive oil on the side along with a nice loaf of garlic bread and then some tartufo and a double espresso for dessert.

7. Jozanna's in Middlesex.
6. Illiano's in Hammonton
5. Espo's in Raritan
4. Revere's in Ewing
3. Café 2825 in Atlantic City
2. Laico's in Jersey City
1. Luca's in Somerset

Honorable Mention as recommended by family and friends but have yet to make a reservation:
Caetano's Cucina in Kenilworth, the Palm in Atlantic City, Federici's in Freehold, Verana's in Norwood, and Spano's in Point Pleasant.

"Opportunity often comes disguised in the form of misfortune, or temporary defeat." Napoleon Hill