

DCA's Rejection of Community Petition Halts Efforts for Property Tax Relief in NJ

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BY GINA GENOVESE

Recently, the state Department of Community of Affairs (DCA) rejected an application by the citizens of Merchantville and the Township of Cherry Hill to study municipal consolidation. The ruling was surprising, disappointing and – most importantly – wrong.

At a time when New Jersey is facing a severe fiscal crisis, we need every cost-saving option at our disposal. It's remarkable that the DCA would turn its back on a grassroots effort to reduce local expenses and eliminate unnecessary bureaucracy. Once again, Trenton is getting in the way of much-needed reform.

The DCA's decision turned on two clauses of a 2007 law creating a new form of consolidation, called "Local Option Municipal Consolidation." The law reads: "[I]n order to encourage municipalities to increase efficiency through municipal consolidation for the purpose of reducing expenses borne by their property taxpayers, more flexible options need to be available to the elected municipal officials and voters." In addition, the law states that its provisions "shall be liberally construed" to encourage municipal consolidation.

The state legislators who wrote this bill four years ago wanted to encourage consolidation however possible. They allowed towns to initiate the consolidation study process in one of two ways: by governing body resolution or by voter petition. But, in a narrow and technical ruling, the DCA decided that all of the towns seeking to create a joint study commission must use the same form of approval – in other words, each town must obtain approval by resolution, or each town must obtain approval by petition. For various reasons, Merchantville and Cherry Hill needed to file a "hybrid" or "mix-and-match" application, whereby one town obtains approval by resolution and the other by petition. But that wasn't good enough for the DCA. The Department rejected the application, in direct violation of the law's requirement that it offer "flexible options" to towns considering consolidation.

This might seem like an esoteric discussion of legal interpretation. But it's these tiny technical issues that get in the way of real reform. And given Governor Christie's goal of fixing this state, it's amazing that he has allowed his bureaucrats to stymie progress.

The truth is, we need widespread consolidation, and soon. Consider the facts:

New Jersey leads in the nation with the highest property taxes.

New Jersey has more municipalities per square mile than any other state in the country. By raw numbers, we have more municipalities than California.

More than half of our towns have fewer than 10,000 residents.

The federal government provides generous aid to municipalities with more than 50,000 residents. Because 95 percent of New Jersey's municipalities do not meet this criterion, our state loses out on much-needed funding.

According to our Governor, New Jersey's "day of reckoning has arrived." But how are we supposed to tackle these problems with one arm tied behind our back?

Let's hope Christie tells the DCA to reconsider its ruling. Municipal consolidation should be a top priority in this state, and we need all the help we can get.

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