



OPINION: DESPITE POTENTIAL SAVINGS, NEW JERSEY HAS NO URGE TO MERGE

CARL GOLDEN | APRIL 13, 2018

Consolidation has been a tough sell in the Garden State, as Sen. Sweeney has found. Residents want their 'own' police, fire departments, and elected officials



Although he's been a study in inconsistency on tax policy — he was "yes," "maybe," and "no" on the millionaires tax and on his proposal for a 3 percent surcharge on corporate taxes — Senate President Steve Sweeney (D-Gloucester) has been unwavering in his belief that shared services and municipal consolidation can result in significant cost savings and property-tax relief.

Sweeney is convinced that cooperative agreements to provide essential services and municipal mergers — applied broadly — will deliver noticeable reductions in the cost of government and

decreases in property taxes.

History, though, suggests he's swimming against a strong tide of centuries of home rule, entrenched nativist sentiment, resolve to retain autonomy, and skepticism that any tax savings will be consequential.

With more than 1,200 government entities relying on property-tax revenue to finance operations, shared services and consolidations have emerged periodically as a way to reduce the size and cost of government.

They enjoyed a wave of interest initially, but because they are voluntary, failed to convince local officials and even homeowners griping about rising property taxes to pool resources with neighboring communities or erase geographical boundaries and become one community.

Despite governors and legislators pledging to "incentivize" service or governmental mergers, they've largely been ignored or victimized by arguments purporting to demonstrate negligible fiscal benefits. There have been only two municipal mergers in recent memory — one in 1997 in Warren County, when Pahaquarry Township dissolved and incorporated into Hardwick Township (the first merger in 45 years), and another in 2013 when Princeton Township merged with Princeton Borough, ending four attempts at consolidation over 60 years.

No stranger to merger movement

Sweeney is not a newcomer to the sharing/merger movement. His legislation became law in 2007, establishing a panel with the unwieldy name of the Local Unit Alignment Reorganization and Consolidation Commission (LUARC) to study local government functions, their fiscal relationships, and the most efficient ways to deliver services.

The commission's task is to identify areas where mergers can save money; if its recommendations are rejected by popular vote or a refusal to implement the findings, state aid in the amount of the projected savings would be withheld from the municipality.

