

**EXECUTIVE ORDER NO. 128**

WHEREAS, beginning on October 28, 2012 and continuing through October 30, 2012, Superstorm Sandy struck the State of New Jersey, producing unprecedented damage and destruction; and

WHEREAS, thanks to the efforts of all New Jerseyans, our State continues to recover and rebuild; and

WHEREAS, in addition to the significant damage caused to our State's infrastructure, many residential and commercial properties were substantially damaged or completely destroyed by Superstorm Sandy, which caused a reduction in property values; and

WHEREAS, certain municipalities impacted by Superstorm Sandy may experience a decline in property tax collections due to both the hardships visited upon residents, and the reduction in the assessed value of their properties; and

WHEREAS, municipalities may also face a higher number of property tax appeals related to the damage caused by Superstorm Sandy, which may further reduce property valuations; and

WHEREAS, municipalities and local authorities providing water and sewer utility services may likewise experience revenue reductions associated with damage to their facilities, and the resulting lapse of services; and

WHEREAS, many municipalities, counties, school districts, fire districts, and local authorities recovering from Superstorm Sandy are bearing the cost of certain disaster-related expenses that are ineligible for reimbursement by the Federal Emergency Management Agency ("FEMA"); and

WHEREAS, these fluctuations in property values combined with the costs of reconstruction may trigger a substantial and untenable increase in the property taxes levied on our citizens; and

WHEREAS, in order to ameliorate or eliminate increases in property taxes, municipalities, counties, school districts, fire districts, and local authorities must look to every source of available assistance;

WHEREAS, FEMA administers a Community Disaster Loan Program offering resources that will help offset these potential lost revenues and unreimbursed disaster-related expenses; and

WHEREAS, a Community Disaster Loan may be available to those municipalities, counties, school districts, fire districts, and local authorities that have experienced, or will experience, a greater than five-percent revenue loss for either the fiscal year of Superstorm Sandy, or the succeeding fiscal year; and

WHEREAS, a Community Disaster Loan enjoys an extremely low rate of interest tied to the five-year Treasury Bill; and

WHEREAS, a Community Disaster Loan is available for a five-year term, with authorization for FEMA to extend the term up to an additional five years based on the recipient's financial condition; and

WHEREAS, FEMA is authorized to forgive all or part of a Community Disaster Loan where the recipient has met the relevant statutory and regulatory criteria; and

WHEREAS, the Community Disaster Loan Program provides a vital source of assistance that will help maintain essential services and prevent increases in property tax and utility rates that would impede our State's recovery, and compound the distress and suffering already present in many communities; and

WHEREAS, it is incumbent upon every municipality, county, school district, fire district, and local authority that qualifies for a Community Disaster Loan to make an appropriate and timely application for a loan to ensure that every possible benefit is provided to our citizens as they rebuild our State; and

WHEREAS, on October 27, 2012, in light of the dangers posed by Superstorm Sandy, and pursuant to the authority provided under the Constitution and statutes of the State of New Jersey, particularly the provisions of N.J.S.A. App. A:9-33, et seq., N.J.S.A. 38A:3-6.1, and N.J.S.A. 38A:2-4, and all amendments and supplements thereto, I declared a State of Emergency; and

WHEREAS, in accordance with N.J.S.A. App. A:9-34 and -51, I reserved the right to utilize and employ all available resources of the State government and of each and every political subdivision of the State, to protect against the emergency created by Sandy; and

WHEREAS, in light of the foregoing, and pursuant to the authority provided under the Constitution and the statutes of the State of New Jersey, particularly N.J.S.A. App. A:9-40, N.J.S.A. App. A:9-45, and N.J.S.A. App. A:9-62, which confer upon the Governor certain emergency powers, including but not limited to the power to make such orders, rules, and regulations regarding "any matter that may be necessary to protect the health, safety and welfare of the public or that will aid in the prevention of loss to and destruction of property" and permit the State to facilitate the delivery of funds by way of gift, grant, or loan from the Federal government to all State political subdivisions for purposes of disaster relief;

NOW, THEREFORE, I, CHRIS CHRISTIE, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and the statutes of this State, do hereby ORDER and DIRECT:

1. Every municipality, county, school district, fire district, local authority, and any other local government entity, which can meet the eligibility requirements of the FEMA Community Disaster Loan Program as determined by the Director of the Division of Local Government Services in the Department of Community Affairs or the Commissioner of Education, as appropriate, may be required by the Division of Local Government Services or the Department of Education to apply for a loan under said program; and

2. The Director of the Division of Local Government Services and the Commissioner of Education, as appropriate, shall have the power and authority to take all necessary and appropriate steps to implement the Community Disaster Loan Program in this State and to require the Community Disaster Loan application of a municipality, county, school district, fire district, local authority, or other local government entity, including, but not limited to, the power and authority to adjust tax levies as appropriate to reflect the use of loan proceeds and waive or relax any statutory or regulatory provision that may prevent, hinder, or otherwise frustrate an eligible entity's application for or receipt of a Community Disaster Loan or ability to recognize such funds as revenue for use in its annual budget; and

3. No municipality, county, school district, fire district, local authority, or other local government entity of this State shall enact or enforce any order, rule, regulation, ordinance, or resolution that will or may in any way conflict with any of the provisions of this Order, or will or may interfere with or impede its achievement; and

4. The Director of the Division of Local Government Services and the Commissioner of Education shall have the power to effectuate and enforce this Order;

5. This Order shall take effect immediately.

GIVEN, under my hand and seal this  
15<sup>th</sup> day of March,  
Two Thousand and Thirteen,  
and of the Independence of  
the United States, the Two  
Hundred and Thirty-Seventh.

[seal]

/s/Chris Christie

Governor

Attest:

/s/Charles B. McKenna

Chief Counsel to the Governor