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Local Finance Notice

Philip D. Murphy
Governor

Lt. Governor Sheila Y. Oliver
Commissioner

Jacquelyn A. Suárez
Director

Contact Information

Director's Office

V. 609.292.6613
F. 609.633.6243

Local Assistance Bureau

V. 609.292.6858
F. 609.633.6243

Financial Regulation and Assistance

V. 609.292.4806
F. 609.984.7388

Local Finance Board

V. 609.292.0479
F. 609.633.6243

Administrative Services Unit

V. 609.292.6126
F. 609.633.6243

Mail and Delivery

101 South Broad St.
PO Box 803
Trenton, New Jersey
08625-0803

Web:

www.nj.gov/dca/divisions/dlgs

E-mail: dlgs@dca.nj.gov

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Local Government Ethics Law 2022 Financial Disclosure Statements Filing Information for Local Government Officers

Introduction

Pursuant to the Local Government Ethics Law (LGEL), specifically N.J.S.A. 40A:9-22.6, local government officers shall annually file a financial disclosure statement (FDS).

Your local government entity has determined that you are a local government officer (LGO) who is required to file. N.J.S.A. 40A:9-22.3.g defines a local government officer as “any person, whether compensated or not, whether part-time or full-time: (1) elected to any office of a local government agency; (2) serving on a local government agency, which has the authority to enact ordinances, approve development applications or grant zoning variances; (3) who is a member of an independent municipal, county or regional authority; or (4) who is a managerial executive employee of a local government agency, as defined in rules and regulations adopted by the Director of the Division of Local Government Services in the Department of Community Affairs pursuant to the “Administrative Procedure Act,” P.L. 1968, c. 410 (C.52:14B-1 et seq.), but shall not mean any employee of a school district or member of a school board.” Please note that, effective with the 2017 filing year, the Division of Local Government Services (Division) adopted Rules and Regulations determining positions specifically required to file under the managerial executive section of the LGEL. For a more comprehensive explanation of the managerial executive changes, please refer to [LFN 2022-05](#).

The Local Finance Board (Board or LFB) has also amended the FDS form to conform to the Police Information Laws (N.J.S.A. 2C:20-31.1, N.J.S.A. 47:1-17, and N.J.S.A. 56:8-166.1) and Daniel’s Law (P.L. 2021, c.371). These changes are further discussed on Page 5 of this LFN. In another change to the FDS form, home addresses and telephone numbers included in Section 1-Personal Information (optional) will not appear in public search results. A footnote has been added to the form reflecting this change.

The Board commends you for accepting the opportunity to serve the public. For most LGOs, public service is a gratifying personal experience, and you will no doubt be exposed to various types of public policy and fiscal challenges facing your community.

Public office and employment are a public trust. The annual FDS filing requirement serves as an important reminder to each LGO that the citizens of New Jersey hold you to a high standard of ethical conduct. As such, both paid and volunteer LGOs are required to file an FDS.

This Local Finance Notice outlines filing procedures that are designed to facilitate efficiency and enhance transparency by using available technology to capture and report the financial disclosure statements we collect. This notice was written for local government officers and contains specific step-by-step instructions for successfully filing the financial disclosure statement online.

A separate Local Finance Notice has been issued to local government entity representatives (LGEs). LGEs are municipal clerks, county clerks, and those serving in similar positions who have administrative responsibilities under the LGEL pertaining to financial disclosure statements. If a more comprehensive explanation of the financial disclosure statement filing requirements is desired, please read LFN 2022-05 and the other materials that are posted on the Division of Local Government Services' web site, www.fds.nj.gov.

Online Filing Procedure

Beginning with the 2013 filing year, online filing of FDS forms became mandatory for all local government officers (LGOs). For the 2022 FDS, the LFB is using the online filing system that has been in use since 2014.

If you have previously utilized the online filing system to file your FDS electronically, you will again use the login ID (e-mail address) and password from the prior year. You do not need a new PIN if you continue to serve in the same position in which you served in the prior year. You only need a new PIN if you have any new or additional positions that were not on your 2021 FDS. If you have additional positions for which you have been assigned a new PIN, you must also validate the new PIN# using the "Manage Positions" button after logging in. Properly completing this process will link your filing requirements under a single login allowing you to meet your filing duty for each of the positions you hold.

If you filed in previous years, but not in 2021, use the same login ID (e-mail address) and password from the year you previously filed the FDS. Your LGE must give you a new PIN for 2022. After logging in, use the "Manage Positions" feature to validate the PIN issued and update your profile.

If you are a new filer, you will first need to obtain the PIN from your LGE and confirm with the LGE how your name was listed on the roster (e.g. James Smith vs. Jim Smith). Your first and last name entered to validate the PIN must match the name as it was entered on the roster by your LGE.

If you are a new filer who is identified as an LGO by multiple local government entities (e.g., you serve as a business administrator for a municipality and also serve as a commissioner for a joint insurance fund), you will receive separate PINs from each entity. You will link each PIN to a single LGO user account by using the "Manage Positions" feature after you validate the first PIN issued and create your profile. More detailed instructions are provided below and at www.fds.nj.gov. Please note that if you hold multiple positions within the same local government entity (e.g., municipal

governing body member also serving on the local planning board), you should only be assigned one PIN. Contact your LGE if you received two PINs from the same entity.

Step-By-Step Instructions

STEP 1: Carefully review this Local Finance Notice.

STEP 2: Read the FDS instructions available at www.fds.nj.gov and/or watch the webinar training video.

STEP 3: Go to www.fds.nj.gov. To access the login page, click on the button titled, "File Financial Disclosure Statement."

New Filers:

STEP 4: First time users must click the "New Registration (Local Government Officer)" link at the bottom of the login screen. Authorization names are not used as the login ID; you will establish your login ID and password in Step 7.

STEP 5: Obtain your authorization name (the name the LGE representative used for you on the roster) and PIN from your LGE.

STEP 6: Register and validate your PIN (you must use the same name entered on the roster and provided by your LGE).

STEP 7: Complete the information in the box entitled, "Local Government Officer (LGO) Credentials" and create a login and password. Your login must be in the form of a valid email address. Maintain a record of the login and password you selected for future access to the system.

STEP 8: Log into the system as a registered LGO using the login and password you just created to begin your financial disclosure statement. Proceed to STEP 12.

Returning Users:

STEP 9: If you filed in 2021, login using the login ID (your e-mail address) and password you created to establish that profile. Proceed to STEP 12.

- If you have forgotten your password, click on "Forgot Password" on the bottom of the login page. The password will be e-mailed to the e-mail used as the login ID. Your LGE can also reset your password if you do not remember it.
- If you need to edit or change your e-mail address, please contact your LGE to have the e-mail address edited.

Former Inactive Users:

STEP 10: If you filed in prior years using the online FDS system, but had a break in service whereby you were marked as INACTIVE on the 2021 roster by your LGE, login using the login ID (your e-mail address) and password you created to establish your user profile in the past.

STEP 11: After logging in, validate the new PIN the LGE has provided by going to the "Manage Positions" section. Proceed to STEP 12.

All Users:

- STEP 12: Validate any additional PINs received from different entities using the “Manage Positions” button prior to starting your financial disclosure statement. Any PINs validated after you originally submitted your form will not be recorded as filed until you re-submit the form.
- STEP 13: Once all PINs have been validated, click on the “File” link and start the FDS, making sure to accurately fill out the form. It is recommended that you read the instructions and/or Frequently Asked Questions, also on www.fds.nj.gov, if you have questions about definitions or the sections of the FDS, such as what constitutes sources of income, etc.
- STEP 14: You can start your FDS and save the information to be submitted at a later time, or you can submit your FDS right away.
- STEP 15: If you want, you may print a copy of your FDS for your own records. It is unnecessary for you to file a paper copy of your FDS with the LFB or your local government entity. Once you submit your FDS online it is immediately available through the public search feature. Click on the “Search Financial Disclosure Statements” button on www.fds.nj.gov to view your submitted statement.
- STEP 16: If you receive any PINs after you have submitted your FDS, login and click the “Manage Positions” button to validate the additional PINs. After validating the PINs, click the “File” link, proceed through the FDS sections, and re-submit the FDS. The previously filed FDS will also remain available through the public search tool.

To Amend:

- STEP 17: Should you need to amend your FDS after it was submitted, please log in using the login ID (your e-mail address) and password you created to establish your user profile in the past.
- STEP 18: Click on “Amend” and complete the FDS.
- NOTE: After amending the FDS, the original FDS, as well as any amended FDSs, will be available publicly.

Filing Deadline

Financial disclosure statements must be filed annually on or before **April 30th** each year. In addition, once the annual filing deadline has passed, per N.J.S.A. 40A:9-22.6(b), new local government officers shall file a financial disclosure statement within 30 days of taking office.

Enforcement of FDS

In the LFB’s enforcement of the LGEL, the LFB takes the statutory requirement to file the FDS seriously. Notices of Violation are routinely issued by the LFB against non-filers. LGOs can be assessed an appropriate fine that is not less than \$100 nor more than \$500 pursuant to N.J.S.A. 40A:9-22.10. LGOs are reminded that the statutory deadline is April 30th, and therefore, all LGOs are expected to file by that date.

Ignorance of the requirement to file the FDS is not considered “good cause” to obviate the finding of a violation based on non-filing of the FDS. It is expected that LGOs will take time to

understand their responsibilities under the LGEL and will consider the annual filing requirement an important duty to be fulfilled as part of their public service. The LFB reminds LGOs that the Division does not send out reminder e-mails to LGOs directly. In addition, any reminder e-mails are sent as a courtesy and are not a statutory requirement.

The LFB anticipates that at its June 8th, 2022 meeting it will find any LGO who has not filed the 2022 FDS to be in violation of the filing requirement of the LGEL.

FDS Compliance Schedule

FDS Deadline	April 30, 2022
Violation Issuance Date	June 8, 2022

The LFB further reminds LGOs that compliance is not just submitting an FDS but filing an accurate FDS. The LGEL authorizes the LFB to find violations when an LGO does not meet his or her filing duty. For example, in recent years, violations have been found when local officials failed to disclose pension income as a source of income in excess of \$2,000, when there was a failure to disclose rental property income as sources of income, or when there was a failure to disclose real property in the State of New Jersey for which an interest was held.

Information for Law Enforcement Officers

In 2016, the Legislature passed a series of Police Information Laws, N.J.S.A. 2C:20-31.1 (posting of information on the Internet); N.J.S.A. 47:1-17 (publishing certain information by government entity) and, N.J.S.A. 56:8-166.1 (person, business, association prohibited from publishing certain information on the Internet) that pertain specifically to the disclosure of certain law enforcement officers' home addresses and home telephone numbers on the Internet. To comply with the legislation, the LFB made a change to the FDS form and the availability of the information supplied on the form.

In 2021, the Legislature passed and Governor Murphy signed into law [P.L. 2021, c.371](#), commonly referred to as Daniel's Law. The bill amends the Open Public Records Act (OPRA) to exclude from the definition of a government record the portion of any document which discloses the home address of any active or retired 1) judge, 2) prosecutor or 3) law enforcement officer. Further, the law prohibits government agencies, individuals, and businesses from knowingly publishing on the Internet, or otherwise making available, the home address or unpublished home telephone number of any active, formerly active, or retired judicial officer, prosecutor, or law enforcement officer. Daniel's Law established an Office of Information Privacy. Once the Office of Information Privacy is operational, it will establish a process for authorized persons to submit a request for the redaction or nondisclosure of a covered person's home address from certain records and Internet postings.

Daniel's Law also enables any active, formerly active, or retired judge, prosecutor, or law enforcement officer, or an immediate family member residing in the same household as the judicial officer, law enforcement officer, or prosecutor, whose home address or unpublished telephone number is disclosed on the Internet or otherwise made available to the public to request that such information be removed from submitted FDSs. In addition, an authorized person under [P.L. 2021,](#)

[c.371](#) can also request that the information be removed. Please send such requests to the Board at LFB_FDS@dca.nj.gov.

Per N.J.S.A. 40A:9-22.6(a)(5), the LGO is required to list the address and brief description of all real property in the State in which the local government officer or a member of his immediate family held an interest during the preceding calendar year.

The FDS form has been amended to allow the below statement to appear on the form under Section II, E where LGOs list this information:

Are you an active, formerly active, or retired judicial officer or law enforcement officer, as those terms are defined by section 1 of P.L.1995, c.23 (C.47:1A-1.1), or prosecutor or an immediate family member residing in the same household as the judicial officer, law enforcement officer, or prosecutor pursuant to [P.L. 2021, c.371](#) commonly referred to as Daniel's Law, or are you a law enforcement officer or retired law enforcement officer or is a member of your household a law enforcement officer pursuant to N.J.S.A. 47:1-17?

- **Yes, one or more of the positions identified above apply to me or a member of my household.**
- **No, none of the positions identified above apply to me or a member of my household.**

If you select the checkbox that indicates that your home address is exempt from disclosure pursuant to [P.L. 2021, c.371](#) and/or N.J.S.A. 47:1-17 and mark a property as a home address, your home address will not be displayed on the FDS through the public search function. Instead, the language "exempt from disclosure" will be displayed for that property. Other properties that you may have that are not home addresses will still be displayed on the public FDS form.

The LFB will continue to require that local government officers and local government employees provide their home addresses when completing the FDS, pursuant to N.J.S.A. 40A:9-22.6, notwithstanding the exemption from public disclosure for those individuals that qualify under Daniel's Law, P.L. 2021, c. 371, N.J.S.A. 47:1A-1.1, or N.J.S.A. 47:1-17.

Multiple Positions

The electronic system allows LGOs to submit one form regardless of the number of positions they might hold in different government entities. However, the LGO needs to link all of the positions together and make sure that all positions are listed on the FDS under "Section I. Personal Information." For example, in "Section I. Personal Information," a successfully linked FDS should read "ABC Municipality-Business Administrator" and "XYZ Municipality-Planning Board Member."

If you are registering for the first time, validate all PINs before you submit the FDS. If you have already submitted your FDS and receive another PIN, login and click the "Manage Positions" button to validate any additional PIN#s. After adding any PINs, go to the "File" button and re-submit the FDS.

JIF Members

Joint Insurance Funds are deemed separate local government entities for purposes of the LGEL. Therefore, member representatives of Joint Insurance Funds (JIFs) are usually listed on two rosters-the municipality's roster and the JIF's roster. LGOs who are on JIFs should link the PIN supplied by the JIF to their profile. LGOs should make sure that their FDS reflects the positions under "Section I. Personal Information," as listed on the JIF's roster, as well as their titles on the municipality's roster. For example, in "Section I. Personal Information," it should read "ABC Municipality-Business Administrator" and "XYZ JIF-Member." Being listed as a JIF member by the municipality will not satisfy the requirement of being listed on the JIF roster because the JIF is considered a separate local government entity.

Help

Numerous resources have been created to assist you through this process, including a step-by-step help guide, recorded webinar presentations, and a specially prepared LGO video tutorial, all of which can be found on the web at fds.nj.gov. However, if you need assistance after consulting those resources, please contact Local Finance Board staff by e-mailing LFB_FDS@dca.nj.gov or by phone at 609-292-4537.

Approved: Jacquelyn A. Suárez, Director