County Authority

Somewhat Restrictive (Flexible Dillon’s Rule): Despite home rule not being granted by name, the New Jersey constitution establishes that constitutional and statutory provisions for county governance are construed liberally in the favor of counties. While six counties have adopted a charter form of government, the general authority of counties is more limited than that of municipalities.

TOP REVENUE SOURCES FOR NEW JERSEY COUNTIES

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td>$4.86 B</td>
<td>48%</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>$2.87 B</td>
<td>29%</td>
</tr>
<tr>
<td>Charges and Fees</td>
<td>$1.75 B</td>
<td>17%</td>
</tr>
<tr>
<td>License Taxes</td>
<td>$13 M</td>
<td>1%</td>
</tr>
</tbody>
</table>

Summary of County Services

Services counties MUST provide:
- Coordinate emergency responses.
- Establish free public libraries.
- Develop plans for community mental health services.

Services counties MAY provide:
- Establish a county health department, own and operate a hospital, provide childcare programs and establish a welfare board.
- Construct roads and highways.
- Create housing authorities.

Services counties CANNOT provide:
- Establish fire departments.
- Enforce zoning regulations.
SUMMARY

New Jersey counties are governed by a board of three to nine county commissioners and may elect a county executive. The board of the commissioners of a county passes ordinances on resolutions. While not every county has a county executive, all counties in New Jersey typically have an appointed administrator. New Jersey legislation includes a system where counties are classified by population. The structure of a county and its authority to provide services and levy taxes may be dependent on its classification.

<table>
<thead>
<tr>
<th>Row Officers</th>
<th>Elected/Appointed</th>
<th>Mandatory/Optional</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clerk</td>
<td>Elected</td>
<td>Mandatory</td>
</tr>
<tr>
<td>Register of Deeds*</td>
<td>Elected</td>
<td>Optional</td>
</tr>
<tr>
<td>Sheriff</td>
<td>Elected</td>
<td>Mandatory</td>
</tr>
<tr>
<td>Superintendent of Elections</td>
<td>Appointed</td>
<td>Optional</td>
</tr>
<tr>
<td>Surrogate</td>
<td>Elected</td>
<td>Mandatory</td>
</tr>
</tbody>
</table>

*A register of deeds has only been elected in Hudson and Essex counties. New Jersey law was adapted to allow county clerks to assume the responsibility of the register of deeds and mortgages.

COUNTY STRUCTURE

**Legislative Branch:** A board of 3-9 commissioners acts as the legislative decision-making body for counties.

**Executive Branch:** A board of 3-9 commissioners acts as the executive decision-making body for counties. Counties may elect a county executive.

**Judicial Branch:** The New Jersey superior courts are the main trial courts in New Jersey. Each of New Jersey’s 21 counties contains a superior court. These courts hear all criminal, civil and family cases and hear some tax cases. New Jersey also has a tax court which hears appeals of decisions made by county boards of taxation.

**Optional Forms of Government:**
- Board of Commissioners
- County Executive Plan
- County Manager Plan
- County Supervisor Plan

COUNTY AUTHORITY

**Executive Power:** County authority in New Jersey is more limited than municipality authority. Subject to a county charter or general law, counties may organize and regulate internal affairs and create, alter and abolish offices. Counties may adopt, construct and maintain public projects. In counties with the optional county executive, the executive must supervise, direct and control administrative departments. The executive may approve or veto any ordinance of the board. A veto may be overridden by a two-thirds vote by the board of commissioners.

**Ability to Form Partnerships:** Counties may enter into contracts with any other governmental body or group of bodies in the state. These contracts must specify the terms for rendering services as well as the level, quality, cost, duration and scope of the services.

**Call a State of Emergency:** Only the governor of New Jersey may declare a state of emergency and utilize all available resources. Counties, however, must appoint an emergency management coordinator to coordinate emergency responses with the state.

**Special Districts:** New Jersey has around 247 special districts. There are 11 different types of authorities, commissions and special districts, including county improvement authorities, fire districts and joint water commissions.
OVERVIEW OF COUNTY SERVICES

New Jersey counties have broad jurisdiction over many services and usually delegate much of the administration to special districts, commissions or authorities. For example, counties may establish county park commissions, welfare boards and improvement authorities to carry out certain services. Counties may provide county road services, police services, special and vocational schooling, public libraries and certain utilities such as water, sewage and solid waste collection. While there are some services that counties cannot be directly involved in, such as fire departments, school districts or zoning, county boards may still choose to advise on or fund related services.

HEALTH AND HUMAN SERVICES

County Health Department: The board of commissioners of any county may establish a county health department or, alternatively, provide a detailed report describing how health services will be delivered to county residents.

Hospitals: Counties may own and operate a county hospital. If a county does not own a hospital, they may establish a hospital authority to acquire one.

Senior Care Facilities: Counties typically do not own senior centers but may contribute to non-profits that operate senior centers; however, there are some counties in the state that still independently run nursing homes.

Mental Health Services: Counties may appoint a county mental health board. Counties must develop plans for community mental health services as well as make recommendations to local agencies, the community mental health board and the state.

Child Welfare: Counties may appropriate funds for childcare programs through non-profit childcare centers.

Welfare: Counties may establish a welfare board to distribute state and federal funding for social service programs.

INFRASTRUCTURE

Roads: Counties may lay out, acquire, improve and maintain roads, highways and bridges. A board of commissioners may issue bonds for road construction or improvement.

Utilities: Counties may provide water and sewer utilities as well as produce hydroelectricity. Counties may create a public body corporate and politic utility authority consisting of five members appointed by the county. The utility authority has full responsibility and power to establish, collect, enforce and use fees for the provided utility services. Counties and municipalities may agree to jointly provide water, sewage or solid waste services.

- Water: Counties and county utility authorities may acquire, construct, maintain or operate water utilities.
- Sewage: Counties and county utility authorities may collect, treat, purify and dispose.
- Solid waste: Counties and county utility authorities may provide collection, treatment, recycling and disposal of solid waste.
- Electric: Counties and county utility authorities may only provide dams and facilities for hydroelectric power.
PUBLIC AMENITIES

Parks and Recreation: Counties may appoint members to a board of recreation commission with full control over lands, playgrounds and recreation locations. Counties and municipalities must maintain and fund upkeep and improvements to their parks.

County Park Commissions: First- and second-class counties (defined as counties with a population over 200,000) may appoint a county park commission to acquire and maintain public spaces, indoor and outdoor recreation facilities and parks. Counties may charge fees or rent on the use of facilities such as golf courses, zoos, nature centers, sport centers and boating areas. The commission may appoint a police system to enforce the rules and regulations of the park.

Libraries: Counties must establish a free public library if voters approve. A county may contract out their library services to any existing library to provide a free county library for their residents. Counties cannot construct a library without first demonstrating to the state that they have the taxes and levies needed to pay for construction and maintenance.

ZONING AND DEVELOPMENT

Zoning Power: Zoning power lies with municipalities rather than with counties; however, counties may form a planning board that may put forth a guiding master plan to influence the decisions made by municipalities.

Zoning Restriction: The zoning ordinances municipalities pass may not interfere with the operation of youth group homes or favor public over private schools or vice versa. The master plans of counties would have to follow these laws in order to be valid.

Housing Authority: Counties may establish a housing authority. Municipalities need permission from the county housing authority to establish their own housing authority.

County Improvement Authority: Counties may create and appoint members to a county improvement authority which finances, constructs and operates public transportation buildings and facilities, solid waste disposal, aviation and low-income housing and redevelopment projects. The authority may collect fees, accept intergovernmental funding and issue revenue bonds to fund these projects.
PUBLIC SAFETY

**Law Enforcement:** Counties *may* create a police department to enforce county rules and regulations. County sheriffs must appoint deputies and officers to serve court processes, attend court proceedings and investigate and apprehend violators of the law.

**Jails:** Counties *may* establish jails if the state approves their plans.

**Courthouses:** Counties *must* provide suitable courtrooms, chambers, equipment and supplies to process and decide cases from the county’s law division and the chancery division’s family part.

**Fire:** Counties *cannot* establish fire departments, as fire districts are established by municipal ordinances. However, counties may create a county fire marshal position to assist and advise local departments.

**Ambulance:** Counties *may* provide a volunteer ambulance association and may purchase any additional equipment.

**Emergency Management Agency:** While a state of emergency may only be declared by the governor of New Jersey, counties *must* appoint an emergency management coordinator to coordinate emergency responses with the state.

SCHOOLS

**Education, Generally:** The *state* provides and funds the public school system, sets education standards, and provides transportation for children. Counties must financially contribute to the state fund.

**School Boards:** A board of commissioners *may* establish a board of education for a county special services school district and a county vocational school district. Counties may also create a consolidated board of education.

**Community Colleges:** Counties *may* establish a community college with consent of the state commission on higher education. Counties must also provide funding to county colleges and county vocational technical schools.

NEW JERSEY COUNTIES EMPLOY 73,456 GOVERNMENT EMPLOYEES

<table>
<thead>
<tr>
<th>Top Functional Categories</th>
<th>Full-time</th>
<th>Part-time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>31,279</td>
<td>14,815</td>
</tr>
<tr>
<td>Justice &amp; Public Safety</td>
<td>7,848</td>
<td>4,483</td>
</tr>
<tr>
<td>Human Services</td>
<td>4,883</td>
<td>3,568</td>
</tr>
<tr>
<td>Public Amenities</td>
<td>3,568</td>
<td>2,547</td>
</tr>
<tr>
<td>Health and Hospitals</td>
<td>2,547</td>
<td>1,547</td>
</tr>
</tbody>
</table>

Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Employment, 2017

NEW JERSEY COUNTY GOVERNMENT EMPLOYEES BY TOP FUNCTIONAL CATEGORIES

Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Employment, 2017
OVERVIEW OF COUNTY FINANCE STRUCTURE

While New Jersey counties have broad home-rule power, the state limits taxing and borrowing authority. Counties raise most of their funds through real property taxes and may set the rate, but cannot increase it by more than 2.5 percent or the cost-of-living adjustment, whichever is less, of the previous year’s tax levy. Counties may levy personal property taxes on petroleum refineries and telecommunication companies. Other than property taxes, counties rely on intergovernmental revenues and services fees for funding.

FINANCES, TAXES AND LIMITATIONS

Property Tax: Counties may levy property taxes and set the tax rate, but municipalities assess the tax. Counties cannot increase the county tax levy by over 2 percent of the previous year’s tax levy or by more than the cost-of-living adjustment (whichever is less).

Personal Property: Counties may only levy personal property taxes on petroleum refineries and property for telecommunication businesses.

Income Tax: Counties cannot impose income taxes.

Sales Tax: Counties cannot impose sales taxes.

Mineral Tax: Counties cannot impose a mineral tax.

Gas/Fuel Taxes: Counties cannot impose gas or fuel taxes.

Debt and Debt Limit: Counties may incur debt, borrow money and authorize obligations for financing. Counties may issue bonds if they do not exceed 2 percent of the value of taxable real estate in the county.

State Shares

- Insurance Premiums Tax: Counties receive payments from the state to replace the revenue from the repealed insurance franchise tax on domestic insurance corporations. The state pays an annual amount to counties and multiplicities with a principal office of a domestic insurance company.

- Property Tax Relief Fund: The state collects funds for a Property Tax Relief Fund and appropriates it to counties per a state formula.

County Pollution Control Financing Authorities: Counties may create authorities with an appointed five-member board to finance pollution control facilities. The authorities may set rental fees and other charges and may issue revenue bonds.

NEW JERSEY COUNTIES INVEST $10 BILLION ANNUALLY

<table>
<thead>
<tr>
<th>Top Investment Categories</th>
<th>County-Generated Revenue</th>
<th>From State Government</th>
<th>From Local Government</th>
<th>From Federal Government</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>25%</td>
<td>7%</td>
<td>9%</td>
<td>2%</td>
</tr>
<tr>
<td>Health and Human Services</td>
<td>19%</td>
<td>7%</td>
<td>2%</td>
<td>71%</td>
</tr>
<tr>
<td>Justice and Public Safety</td>
<td>14%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sewerage and Solid Waste Management</td>
<td>5%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transportation</td>
<td>4%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Finance, 2017

NEW JERSEY COUNTIES RECEIVE $2.9 BILLION FROM INTERGOVERNMENTAL SOURCES

Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Finance, 2017