

Local Finance Notice

LFN 2026-06

Mikie Sherrill
Governor

Dr. Dale G. Caldwell
Lt. Governor

Jacquelyn A. Suárez
Commissioner

Michael F. Rogers
Director

Contact

Website

www.nj.gov/dca/dlgs

E-mail

dlgs@dca.nj.gov

Phone

609.292.6613

Mail and Delivery

101 South Broad St.
PO Box 803

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Distribution

Municipal Clerks
Clerks, County Boards
of Commissioners
County Clerks
Local Ethics Boards
County Colleges
Joint Insurance Funds
Joint
Meetings/Regional
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Local Government Ethics Law: 2026 Financial Disclosure Statements (2026 Filing Year)

Local Government Entity (LGE) Roster Updates Due: **March 31, 2026**

Introduction

The Local Government Ethics Law (LGEL) requires local government officers to annually file a financial disclosure statement on or before April 30th of each year. This Local Finance Notice (LFN) outlines the filing procedure that is designed to facilitate efficiency and enhance transparency by using available technology to accept and report financial disclosure statements online. This notice is intended for municipal clerks, county clerks, and other local government entity representatives who have administrative responsibilities concerning roster maintenance for financial disclosure statements. Local Finance Notice 2026-07 contains information for local government officers and will be issued in the coming weeks.

The following abbreviations are used throughout this LFN:

LGO = local government officer

FDS = financial disclosure statement(s)

LGE = local government entity

LFB = Local Finance Board

LFN = Local Finance Notice

NJAC = New Jersey Administrative Code

DLGS = Division of Local Government Services

“Local government entity representative” is intended herein to mean the municipal clerk, county clerk, or other person who has administrative responsibilities on behalf of a local government entity regarding financial disclosure statements.

Table of Contents

- I. Background
- II. Statutory Requirements/Concepts
- III. Role of Municipal Clerks, County Clerks, and other Local Government Entity Representatives
- IV. Determining Local Government Officers Required to File
- V. Distribution of Local Finance Notice 2026-06
- VI. Local Ethics Boards
- VII. Best Practices Inventory
- VIII. LGE Representative Contact Information
- IX. Help System

I. Background

For the 2026 FDS, the LFB is using the online filing system that has been used since 2014. The 2025 rosters will be carried over, and LGE representatives can make necessary updates for 2026 without creating a new roster.

All completed financial disclosure statements must be submitted using the LFB's online filing system at www.fds.nj.gov.

II. Statutory Requirements/Concepts

N.J.S.A. 40A:9-22.6.a provides that “[l]ocal government officers shall annually file a financial disclosure statement.” N.J.S.A. 40A:9-22.6.b provides that statements shall be filed on or before April 30th each year, except that each local government officer shall file a financial disclosure statement within 30 days of taking office.

The concept that LGOs have personal responsibility for annually filing their FDS forms is an important one. Municipal clerks, county clerks, and other local government entity representatives with administrative responsibilities concerning the FDS filing process are not required to complete FDS forms on behalf of LGOs, nor are they required to ensure that LGOs satisfy their statutory obligation to file an FDS annually. The failure of any LGO to comply with the annual filing requirement subjects the LGO personally to the penalties and disciplinary action provisions set forth in N.J.S.A. 40A:9-22.10 and 40A:9-22.11.

This means that each LGO has the personal duty, by virtue of the LGO's public office, appointment, or employment, to carefully read LFN 2026-07 (to be issued in the coming weeks), understand the online filing procedure, and take necessary steps to timely file the LGO's FDS.

N.J.S.A. 40A:9-22.6.b provides that the “Local Finance Board shall prescribe a financial disclosure statement form for filing purposes.” N.J.S.A. 40A:9-22.6.d further provides that “the Division of Local Government Services in the Department of Community Affairs may establish an electronic filing system for financial disclosure statements required to be filed pursuant to this section.”

N.J.S.A. 40A:9-22.6.b further provides that “the original statement shall be filed with” the municipal clerk, county clerk, or other local government entity representative as appropriate to the circumstances. This requirement is satisfied when the LGO submits the FDS using the online filing system.

N.J.S.A. 40A:9-22.6.b also provides that “a copy of the statement shall be filed with the [Local Finance] board.” This requirement is satisfied when the LGO submits the FDS using the online filing system. The electronically submitted FDS forms will be accepted as the LFB’s copy.

III. Role of Municipal Clerks, County Clerks & Other Local Government Entity Representatives Regarding Financial Disclosure Statements and Rosters

The annual filing of an FDS starts with updating the LGE roster. The following steps pertain only to municipal clerks, county clerks, and other LGE representatives who have administrative responsibilities concerning managing the roster in connection with financial disclosure statements:

- STEP 1: Carefully review this LFN.
- STEP 2: Visit the FDS website www.fds.nj.gov for FDS instructions and other resources.
- STEP 3: To log in, go to www.fds.nj.gov and select “Manage Local Government Roster.” Log in as the entity representative using the ID and password the entity used last year. Your login ID is an e-mail address. Please remember that a different e-mail address must be used to file your personal FDS. If you are a new LGE representative and do not have a login ID and password, or if you need to change your e-mail address as the LGE representative, please e-mail the LFB at LFB_FDS@dca.nj.gov.
- STEP 4: Using the “Manage LGO Roster” button, update the roster to add new 2026 LGOs; update existing LGOs’ positions and information; or “In-Activate” those LGOs that are no longer serving the LGE. All LGO rosters must be completed no later than Tuesday, March 31, 2026, so that LGOs have sufficient time to complete and submit their FDS forms by Thursday, April 30, 2026.

Updating Existing LGOs:

All changes to an existing LGO can be done by clicking the “EDIT” button under the “Actions” column to the far right in the roster listing.

- If an LGO no longer serves in any of the positions listed in the FDS, you must deactivate that LGO from the system by checking the box labeled “In-Active.”
- To delete one or more positions (but not all positions) for an LGO no longer serving in a certain position(s), click the “Delete” button for each position to be deleted.
- To add a new position for an existing LGO, complete the information in the “Add LGO position” box.
- After making any changes, be sure to click the “Save” button on the page.

NOTE: If you add any positions to an LGO's profile after the LGO has submitted their FDS, the LGO will need to re-submit their FDS to reflect the changes in their profile.

Adding New LGOs:

- To add a new LGO, click the "Add LGO" button at the bottom of the Roster listing screen and complete the Local Government Officer information boxes.
- After making any changes, be sure to click the "Save" button on the page.

STEP 5: As you update the LGO roster, a PIN will be generated for each new LGO. Distribute the PIN along with a copy of Local Finance Notice 2026-07 (when issued) to each new LGO, keeping in mind that the login information is confidential and should be given only to the associated LGO. Inform any new LGO that this PIN must be used to register and that their FDS must be filed on or before April 30th.

STEP 6: Inform LGOs who filed in 2025 that they must use the same Login ID (e-mail address) and password used to update their previous FDS. Once it is available, distribute to each LGO a copy of LFN 2026-07. Please wait until LFN 2026-07 has been issued to inform LGOs that they can begin filing the 2026 FDS. Inform the LGOs that they must file their FDS on or before April 30th. The method you choose to distribute this information is a local decision.

- If an LGO forgets his or her login ID/e-mail, you may provide it to him or her from the e-mail shown on your roster.
- If an LGO needs to change his or her e-mail address and/or password, you may do so for him or her by updating the LGO's profile. Click on "manage your roster," then select "edit" under actions, then select "Edit Profile" for the LGO whose e-mail address or password you need to edit or change.
- Remember that the PIN is separate from the password. Once an LGO has registered, he or she no longer needs the PIN.

STEP 7: View your roster and make sure the roster is up to date. To view the roster in its entirety, click on "Reports." You can export your roster by selecting the "Export" button (it looks like a floppy disk). You can then view your roster as a PDF or Excel document, which may make it easier to view and/or sort. You can also view your roster through the public search by going to www.fds.nj.gov, clicking the "search" button, and selecting "search local government officer roster."

STEP 8: If you receive technical questions from LGOs concerning validating their PIN or completing their FDS forms, you can refer them to the help resources available at www.fds.nj.gov.

The LGE representative is responsible for ensuring that the LGO roster is fully and accurately updated on or before March 31, 2026. Those LGE representatives who do not update the rosters may be subjecting some LGOs to possible violations of the filing requirement in the Local Government Ethics Law. For example, all LGOs who remain active on rosters will be required to submit a 2026 FDS. Former LGOs who are improperly retained on the roster and, as a result, fail to file an FDS could be found in

violation. Notices of Violation (NOVs) for non-filing will be generated after the filing deadline based on the roster created by the LGE representative

Similarly, new LGOs who are required to be listed on the roster, but whose names have not been added, will not receive a PIN and, therefore, cannot file an FDS.

IV. Determining Local Government Officers Required to File

While the LGEL applies to all employees and officers of local governments, only “local government officers” are required to file an FDS. Individuals who are serving the local government on April 30, 2026, are considered local government officers or employees for purposes of the LGEL. Individuals who are no longer in office or employed by the local government on the filing deadline are NOT considered local government officers or employees under the LGEL. For example, an elected official whose term ended on December 31, 2025, and who is not currently serving the local government, should not be on the 2026 roster. The LFB requests that each municipal clerk, county clerk, and other LGE representative who has administrative responsibilities concerning the FDS filing process carefully review their LGO roster in consideration of the guidance provided in this section and in consultation with local counsel.

Once the April 30th filing deadline has passed, newly elected or appointed LGOs shall be added to the roster and are required to file the FDS within 30 days of taking office.

If, after review, it is determined that some individuals within the local government are not deemed to be local government officers for the purposes of the FDS and, therefore, not required to file an FDS, please update the LGO roster and notify those individuals of your determination. If the LFB receives a signed, written complaint alleging that a person is an LGO who did not file an FDS, and that person is not included on the roster, the LFB may require the LGE representative to explain how that person was determined not to be an LGO.

N.J.S.A. 40A:9-22.3.e defines a local government agency as “any agency, board, governing body, including the chief executive officer, bureau, division, office, commission or other instrumentality within a county or municipality, and any independent local authority, including any entity created by more than one county or municipality, which performs functions other than of a purely advisory nature, but shall not include a school board.”

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 that 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.”

The Office of the Attorney General has issued AO 91-0093 which helps clarify N.J.S.A. 40A:9-22.3.g(1), (2), and (3). LGE representatives should consult AO 91-0093 when deciding if a title or position must file under N.J.S.A. 40A:9-22.3.g(1), (2), and (3). For example, persons “elected to any office of a local government agency” include Fire District Commissioners. Local government agencies authorized to enact ordinances include local boards of health. Members of a municipal planning board, board of adjustment, or any other agency, such as a regional planning board which exercises the authority to approve development applications under the Municipal Land Use Law, (N.J.S.A. 40:55D-77 et seq.), would be deemed a “local government officer” and would have to file the FDS per N.J.S.A. 40A:9-22.3.g(2). Authorities that are considered “local government agencies” include, but are not limited to, Fire Districts, N.J.S.A. 40A:14-70; Local Housing Authorities, N.J.S.A. 55:14A-1 et seq.; Parking Authorities, N.J.S.A. 40:11A-1 et seq.; Redevelopment Agencies, N.J.S.A. 40:55C-1 et seq.; and Sewerage Authorities, N.J.S.A. 40:1 4A-1 et seq.

N.J.S.A. 40A:9-22.3.g(4), concerning the definition of managerial executive, was amended in August 2015. LGS has adopted Rules and Regulations, effective March 6, 2017, and December 4, 2017, defining managerial executive employees for FDS filing purposes. N.J.A.C. 5:35-2.1 states that “Individuals with the following titles or responsibilities equivalent to such titles shall be considered managerial executives under the definition of “local government officer” set forth in N.J.S.A. 40A:9-22.3.g”:

Positions Specifically Required to File an FDS per N.J.A.C. 5:35-2.1

1. Chief of Staff;
2. Business administrator;
3. Municipal or county manager;
4. Chief financial officer;
5. Treasurer;
6. Municipal clerk or clerk of governing body;
7. Department heads, including executive directors, division directors, deputy directors, and assistant directors;
8. Chief or acting chief of police, part-paid fire departments, and paid fire departments, or “officer in charge” in lieu of a chief or acting chief title;
9. Deputy chiefs and assistant chiefs of police, part-paid fire departments, and paid fire departments;
10. Chief or acting chief of a beach patrol;
11. Municipal and county engineer;
12. Health officer;
13. Municipal attorney and county counsel;
14. Planning board or zoning board of adjustment attorney;
15. Planning board or zoning board of adjustment engineer;

16. Local government agency attorney;
17. Local government agency engineer;
18. Municipal and county emergency management coordinators;
19. Trustees on a library board of trustees;
20. Municipal prosecutor;
21. County prosecutors;
22. County agriculture board members;
23. County college board of trustees;
24. Board of recreation commissioners;
25. Local ethics board members;
26. Rent leveling board members;
27. Special taxing district executive director/director and its commissioners;
28. Joint insurance fund executive director/director and its commissioners;
29. Local pension board commissioners;
30. Tax collector;
31. Qualified purchasing agent;
32. Construction official; and
33. Tax assessor.

Local governments are without statutory authority to expand the definition of local government officers; therefore, the roster should not include individuals who do not hold positions as defined in N.J.S.A. 40A:9-22.3.g or the adopted rules at N.J.A.C. 5:35-2.1.

Please also note that with the 2015 Amendment to the LGEL, confidential employees are no longer considered LGOs for the purposes of the FDS filing and, therefore, are no longer required to file the FDS.

To further clarify number 16 above, local government agency attorneys are attorneys that serve a local government agency. Examples of local government agency attorneys include attorneys for fire districts and housing authorities. Special counsel, bond counsel, and labor counsel are not considered to be local government agency attorneys and, therefore, are not required to file an FDS.

In addition, per N.J.S.A. 40A:9-22.3.e, members of advisory boards are not required to file an FDS and should not be listed on the FDS roster.

Appointment of Private Entity In Lieu of Licensed Chief Municipal Finance Officer

On January 18, 2018, DLGS issued LFN 2018-03 concerning the appointment of a private entity in lieu of a licensed chief municipal finance officer. All private entity officers and employees temporarily fulfilling the duties of chief financial officer on behalf of a municipality are subject to the Local Government Ethics Law (N.J.S.A. 40A:9-22.1 et seq.). Any licensed municipal finance officer that is supervising the temporary fulfillment of chief financial officer duties for a municipality shall be considered a "chief financial officer" pursuant to N.J.A.C. 5:35-2.1, and thus, required to complete and

submit an annual FDS pursuant to N.J.S.A. 40A:9-22.6. Please refer to LFN 2018-03 for more information.

Shared Services Agreement

If an LGO serves in a managerial executive position specifically required to file an FDS per N.J.A.C. 5:35-2.1, for one or more local units as part of a Shared Services Agreement, the LGO is required to file the FDS for each local government entity served. Both LGE representatives should list the shared LGO on their respective rosters and inform the LGO of the filing requirement.

V. Distribution of Local Finance Notice 2026-07

Municipal clerks, county clerks, and other local government entity representatives are responsible for transmitting LFN 2026-07 (when it is released) to LGOs. For purposes of N.J.S.A. 40:9-22.1 et seq., officers and employees serving independent local authorities are deemed to be serving the local government. In AO #91-0093, the Office of the Attorney General determined that the term “independent authorities” encompasses most autonomous local authorities and special tax districts. This includes fire districts. Thus, municipal and county clerks must also distribute LFN 2026-07 (when it is released) to independent local authorities (including fire districts). Additionally, these LGOs should be included on the municipal or county LGO roster.

However, for a municipality or county that has established an ethics board, the local ethics boards are required to make LFN 2026-07 (when it is released) available to LGOs within their jurisdiction. Please forward this communication to representatives of your local ethics board for necessary action. The LFB does not have up-to-date, direct contact information for local ethics boards.

Other local government entity representatives: county colleges (e.g., office of the president), regional authorities, joint insurance funds, health insurance funds, and joint meetings should designate an individual internally to transmit LFN 2026-07 (when it is released) to their respective LGOs in accordance with N.J.S.A. 40A:9-22.6 and to be responsible for submitting the entity’s LGO roster through the online filing system.

VI. Enforcement of FDS

The LFB views the timely annual filing of the FDS as a critical component of enforcing the LGEL. Notices of Violation (NOVs) 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.

The LFB does not send out reminder e-mails to LGOs directly. Please remember to distribute all notices sent from the LFB to the LGOs. In its enforcement of the filing requirement, the LFB may request home addresses or additional information from the LGE representatives. Your anticipated cooperation with these requests is appreciated.

VII. Local Ethics Boards

Pursuant to N.J.S.A. 40A:9-22.4, the LFB shall have jurisdiction to govern and guide the conduct of local government officers or employees regarding violations of the provisions of this act “who are not otherwise regulated by a county or municipal code of ethics promulgated by a county or municipal ethics board in accordance with the provisions of this act.”

If you are the LGE representative for a municipality or county that has a local ethics board, the local ethics board is responsible for enforcement of the FDS filing requirements. All notices, including violation notices, concerning the FDS shall come from the local ethics board and not the LFB.

You can find on our website a list of municipalities and counties that have informed the Board that they have a local ethics board. Please advise the LFB if your ethics board is not listed on our website or whether your municipality or county is improperly identified as having a local board.

VIII. Best Practices Inventory

The State's Fiscal Year 2024 Appropriations Act (P.L. 2023, c.74) requires DLGS to determine whether some portion of a municipality's State Aid will be withheld based on the results of a Best Practices Inventory to be completed by each municipality. See LFN 2023-17 for a more detailed explanation. One of the questions on the Best Practices Inventory is whether all elected officials in the municipality have filed their FDS. Therefore, your municipality should be aware that elected officials who do not file an FDS can affect the amount of municipal aid received.

IX. LGE Representative Contact Information

It is important that the LGE contact information, which is the login information, is kept up to date with the LFB throughout the year. Please remember to contact the LFB by e-mail at LFB_FDS@dca.nj.gov if you are changing e-mail addresses or if you are changing the LGE representative for your entity. Local government entities can add an additional LGE user to assist with managing the roster. This second user will have the same powers as the first LGE representative and will be able to update or edit the roster as needed. To add a second user for the entity:

- STEP 1: Go to www.fds.nj.gov and select "Manage Local Government Roster." Log in as the entity representative with the login and password for the entity.
- STEP 2: Click on "Edit Local Government Entity Profile/Manage Users."
- STEP 3: Click on "Manage Users."
- STEP 4: Select "Add LGE Login."
- STEP 5: Fill in the Local Government Entity User Information as prompted.
- STEP 6: If you need to deactivate the additional user for any reason, select "Edit Local Government Entity Profile/Manage Users," then select "Manage Users," then under "Actions" select the "Edit" function and check the "Disabled" box.

X. Help System

The following help resources have been developed for both LGEs and LGOs:

1. Webinar trainings for LGE representatives can be found at www.fds.nj.gov.
2. Separate reference guides have been created for local government entity representatives and LGOs. These documents are available at www.fds.nj.gov.

3. A video training was specially created for LGOs and is available at www.fds.nj.gov.
4. A Frequently Asked Questions document is available at www.fds.nj.gov.

Questions should be directed to the Local Finance Board staff via e-mail at LFB_FDS@dca.nj.gov or by phone at 609-815-3904.

Approved: Michael F. Rogers, Director