

[Second Reprint]

SENATE, No. 2356

STATE OF NEW JERSEY
213th LEGISLATURE

INTRODUCED NOVEMBER 24, 2008

Sponsored by:

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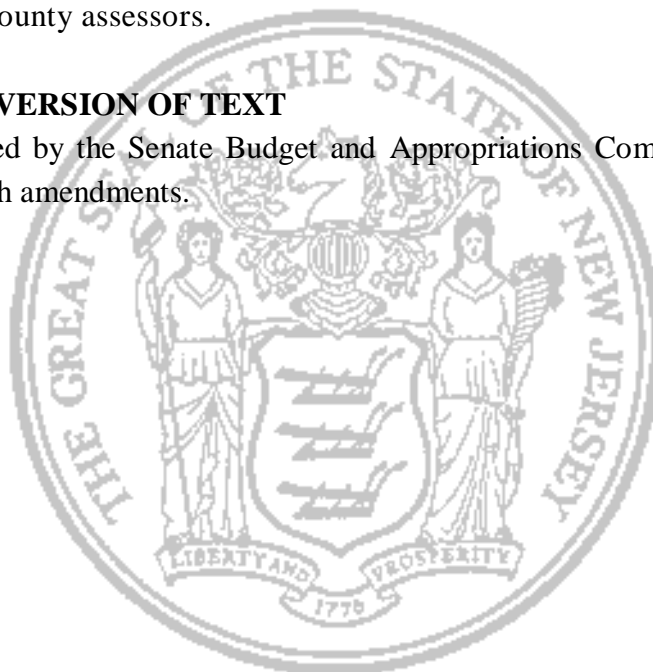
Senator Whelan

SYNOPSIS

Establishes pilot program in Gloucester County, transferring municipal tax assessment function to county through appointment of a county assessor and deputy county assessors.

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on June 22, 2009, with amendments.



(Sponsorship Updated As Of: 6/23/2009)

1 AN ACT concerning a pilot program to transfer the property
2 assessment function from municipalities to the county,
3 supplementing Title 54 of the Revised Statutes, and amending
4 P.L.2007, c.54.

5
6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:

8
9 1. (New section) Sections 1 through 15 of P.L. , c. (C.)
10 (pending before the Legislature as this bill) shall be known and may
11 be cited as the "**1**[County]**1** Property Tax Assessment Reform Act."

12
13 2. (New section) The Legislature finds and declares:

14 a. Under the current real property assessment system, each
15 municipality within a county assesses its property at a different
16 percentage of market value, requiring that property be equalized to
17 apportion county taxes among the constituent municipalities in
18 order to meet the requirements of the Uniformity Clause, Article
19 VIII, Section I, paragraph 1 of the New Jersey Constitution.

20 b. Under the current real property assessment system each
21 municipality has its own assessor. The decision to revalue is often
22 postponed beyond what is prudent, causing some property taxpayers
23 in a municipality to subsidize other property taxpayers for many
24 years.

25 c. A county tax assessment system will help address the
26 shortcomings of the municipal assessment system by removing
27 local responsibility for local revaluation costs.

28
29 3. (New section) As used in this act:

30 "County governing body" means the county board of chosen
31 freeholders of the pilot county.

32 "County **1**[tax]**1** assessor" means the person appointed by
33 the county governing body pursuant to section 4 of P.L. ,
34 c. (C.) (pending before the Legislature as this bill) to assess
35 property within the county for the purposes of taxation and
36 exemption from taxation.

37 "Department" means the Department of the Treasury.

38 "Director" means the Director of the Division of Property
39 Assessment in the Department of the Treasury.

40 "Deputy county **1**[tax]**1** assessor" means the holder of a certified
41 property assessor certificate who is employed by the office of the
42 county **1**[tax]**1** assessor within the pilot county and assigned to
43 perform duties and responsibilities for the assessment of property

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SCU committee amendments adopted May 4, 2009.

²Senate SBA committee amendments adopted June 22, 2009.

1 for purposes of taxation under the supervision of the county '[tax]'
2 assessor.

3 "Division" means the Division of Taxation in the Department of
4 the Treasury.

5 "Pilot county" means the County of Gloucester.
6

7 4. (New section) a. On the first day of January of the first full
8 calendar year next following the effective date of P.L. ,
9 c. (C.) (pending before the Legislature as this bill), or as soon
10 thereafter as may be practicable, the county governing body shall
11 appoint a county '[tax]' assessor.

12 b. (1) The county '[tax]' assessor shall be an employee of the
13 pilot county and shall serve on a full-time basis for an initial five-
14 year term.

15 (2) No person shall be appointed as county '[tax]' assessor
16 unless that person holds a certified property assessor's certificate
17 and has at least five years of experience as a municipal tax assessor
18 or deputy county '[tax]' assessor, or held the position of county tax
19 administrator prior to the appointment of the first county '[tax]'
20 assessor pursuant to this section.

21 (3) The county '[tax]' assessor shall acquire tenure in office
22 upon reappointment to a second five-year term and thereafter shall
23 hold office during good behavior '[,] and' efficiency '[, and
24 residence in the pilot county]', and shall not be removed for
25 political reasons or for any cause other than incapacity,
26 misconduct, '[nonresidence,]' disobedience of rules or regulations
27 established by the director or by the county governing body, failure
28 to meet the standards of performance established by the director, or
29 schedules or standards adopted pursuant to P.L. , c. (C.)
30 (pending before the Legislature as this bill).

31 c. The pilot county shall constitute a taxing district for the
32 purpose of the assessment of property in the State.
33

34 5. (New section) a. On or before December 31 of the third full
35 calendar year next following the effective date of P.L. ,
36 c. (C.) (pending before the Legislature as this bill) every
37 municipality within the pilot county shall implement a real property
38 revaluation.

39 b. (1) The county '[tax]' assessor appointed pursuant to
40 subsection a. of section 4 of P.L. , c. (C.) (pending before the
41 Legislature as this bill) shall assist the municipalities in meeting the
42 requirements of subsection a. of this section through the
43 promulgation of a phase-in plan for the orderly completion and
44 implementation of the municipal revaluations, or by any other
45 means he deems appropriate.

46 (2) The county '[tax]' assessor may waive the revaluation
47 requirement for a particular municipality under subsection a. of this

1 section upon his finding that the municipality implemented a
 2 revaluation within ~~'[18] 24'~~¹ months of the effective date of P.L. ,
 3 c. (C.) (pending before the Legislature as this bill).

4 c. The cost of the revaluations required under subsection a. of
 5 this section shall be ~~'[paid]'~~²~~'[reimbursed]'~~¹ paid by the pilot
 6 county. The costs of a previous revaluation for a municipality that
 7 has been granted a waiver under paragraph (2) of subsection b. of
 8 this section shall be reimbursed by the pilot county. Following the
 9 completion of the three year period established pursuant to
 10 subsection a. of this section, the State shall reimburse the pilot
 11 county for those amounts² using funds made available to the
 12 ~~'[municipalities within the]'~~² pilot county from ~~'either'~~¹ the SHARE
 13 program pursuant to section 30 of P.L.2007, c.63 (C.40A:65-30)¹or
 14 from the Consolidation Fund established by P.L.2008, c.35, or both
 15 ~~'[; provided, however, that the costs of a previous revaluation for a~~
 16 municipality that has been granted a waiver under paragraph (2) of
 17 subsection b. of this section shall be reimbursed]² in equal
 18 installments, over three years²~~'[, from those same sources]'~~².

19 ²d. The monies required to be paid for municipal revaluations by
 20 a pilot county pursuant to subsection c. of this section and the pilot
 21 county's administrative start-up costs shall not be included or
 22 considered a part of the county tax levy under section 4 of
 23 P.L.1976, c.68 (C.40A:4-45.4) or a part of the county's adjusted tax
 24 levy under sections 9 and 10 of P.L.2007, c.62 (C.40A:4-45.44 and
 25 40A:4-45.45).²

26
 27 6. (New section) a. During the revaluation period set forth
 28 pursuant to section 5 of P.L. , c. (C.) (pending before the
 29 Legislature as this bill), and subject to the requirements of section
 30 13 of P.L. , c. (C.) (pending before the Legislature as this
 31 bill), the governing body shall appoint deputy county ~~'[tax]'~~¹
 32 assessors as needed.

33 b. The county ~~'[tax]'~~¹ assessor shall direct the work of all
 34 deputy county ~~'[tax]'~~¹ assessors.

35 c. (1) The county ~~'[tax]'~~¹ assessor shall be responsible to the
 36 county governing body for the efficient operation of his office and
 37 of the deputy county ~~'[tax]'~~¹ assessors within the pilot county.

38 (2) The county ~~'[tax]'~~¹ assessor shall determine employment
 39 jurisdictions for deputy county ~~'[tax]'~~¹ assessors under his
 40 supervision, however, the county governing body shall establish
 41 their hours of employment, the terms and conditions of their
 42 employment, and fix their compensation.

43 d. The county ~~'[tax]'~~¹ assessor shall establish a permanent
 44 central office within the pilot county, and may authorize additional
 45 permanent or temporary district offices within the pilot county,

1 within the limits of funds made available for those purposes by the
2 county governing body.

3 e. (1) The county '[tax]' assessor may request that the county
4 governing body employ such additional professional and clerical
5 assistants as are necessary for the performance of his duties.

6 (2) Any professional or clerical assistants supervised by the
7 county '[tax]' assessor shall be employees of the pilot county.

8 f. After December 31 of the third full year next following
9 enactment of P.L. , c. (C.) (pending before the Legislature
10 as this bill), the position of county tax administrator is abolished in
11 the pilot county.

12
13 7. (New section) The county '[tax]' assessor shall:

14 a. supervise the deputy county '[tax]' assessors and, when
15 appropriate, recommend the removal of a deputy county '[tax]'
16 assessor for failure to adhere to standards of performance adopted
17 by the director or schedules or standards adopted pursuant to
18 P.L. , c. (C.) (pending before the Legislature as this bill);

19 b. assure compliance with standards adopted by the director for
20 staff of the deputy county '[tax]' assessors, office space,
21 equipment, and other resources;

22 c. notify the county tax board of any revaluation, or complete
23 or partial reassessment, which may be necessary and appropriate for
24 a taxing district, and monitor the progress and review, revise or
25 correct the results of any revaluation or reassessment which may be
26 ordered by the county tax board;

27 d. monitor the progress, and review, revise, or correct the
28 results of any other revaluation or reassessment conducted within
29 his jurisdiction;

30 e. review, revise, and correct all property assessment lists
31 prepared by the deputy county '[tax]' assessors within the pilot
32 county;

33 f. provide such technical and professional assistance as may be
34 requested by deputy county '[tax]' assessors, and as may be
35 practicable within the support provided for the county '[tax]'
36 assessor by the county governing body; and

37 g. perform any other tasks which the director deems necessary to
38 ensure the valuation of property within the pilot county pursuant to
39 law.

40
41 8. (New section) a. The county '[tax]' assessor, through a
42 staff of deputy county '[tax]' assessors, shall locate, identify, and
43 determine the taxable status of property within every municipality
44 within the pilot county, determine the taxable value of the property,
45 and prepare tax lists and tables of aggregates and equalization in the
46 same form and manner as is provided under chapter 4 of Title 54 of

1 the Revised Statutes, pursuant to a schedule established by the
2 county '[tax]' assessor.

3 b. The county '[tax]' assessor shall be responsible for
4 reviewing, revising, and correcting all work done by the staff of
5 deputy county '[tax]' assessors within the pilot county.

6
7 9. (New section) a. Whenever any law, rule or regulation
8 provides for the review, revision or correction of an assessor's list
9 or duplicate, or a list of added or omitted properties, that review,
10 revision or correction shall be performed by the county '[tax]'
11 assessor in the pilot county, except any correction performed as the
12 result of an assessment appeal, which correction shall be made by
13 the county board of taxation after notice to the county '[tax]'
14 assessor.

15 b. Any reference in any law, rule, or regulation to a revised and
16 corrected assessor's list or duplicate in the pilot county, except in
17 the case of a revision or correction made pursuant to an assessment
18 appeal, shall mean the list or duplicate reviewed, revised or
19 corrected by the county '[tax]' assessor.

20
21 10. (New section) Notwithstanding any law to the contrary, the
22 county '[tax]' assessor shall make the annual tax list and property
23 values for each municipality available for public inspection within
24 that municipality. Following the completion of the three-year
25 phase-in schedule pursuant to section 12 of P.L. , c. (C.)
26 (pending before the Legislature as this bill), sufficient staff shall be
27 present in each district office authorized within the pilot county
28 pursuant to subsection c. of section 6 of P.L. , c. (C.)
29 (pending before the Legislature as this bill) to assist the county
30 '[tax]' assessor and to answer questions and address concerns that
31 taxpayers have in reference to the assessment values and other
32 property assessment and tax-related matters.

33
34 11. (New section) A hiring preference shall be given to tenured,
35 certified tax assessors, deputy '[tax]' assessors, and to county tax
36 administrators for the filling of staff positions in the office of the
37 county '[tax]' assessor. Pension rights for those hired for staff
38 positions shall be transferred.

39
40 12. (New section) The county '[tax]' assessor, in consultation
41 with every municipal governing body and municipal tax assessor,
42 shall promulgate a three-year schedule for the abolishment of the
43 office of municipal tax assessor for every municipality within the
44 pilot county. Thereafter, with respect to those municipalities, any
45 reference in law to the duties and responsibilities of the office of
46 municipal tax assessor pertaining to the assessment and
47 reassessment of property shall be construed in the context of the

1 statutory scheme of sections 1 through 15 of P.L. , c. (C.)
 2 (pending before the Legislature as this bill) to mean the deputy
 3 county '[tax]' assessor under the supervision of the county '[tax]'
 4 assessor. Any reference in law to the office of municipal tax
 5 assessor which conflicts in whole or in part with sections 1 through
 6 15 of P.L. , c. (C.) (pending before the Legislature as this
 7 bill), particularly with regard to the appointment, employment, and
 8 removal of municipal tax assessors, shall be construed to have been
 9 repealed in whole or in conflicting part, with respect to
 10 municipalities located within the pilot county, by the provisions of
 11 sections 1 through 15 of P.L. , c. (C.) (pending before the
 12 Legislature as this bill).

13

14 13. (New section) a. A serving municipal tax assessor or
 15 deputy 'municipal' tax assessor who holds tenure in the position, or
 16 who has obtained a certified tax assessor certificate immediately
 17 prior to the appointment of the first county '[tax]' assessor
 18 pursuant to section 4 of P.L. , c. (C.) (pending before the
 19 Legislature as this bill), shall be entitled to preference with regard
 20 to the appointment of deputy county '[tax]' assessors pursuant to
 21 subsection a. of section 6 of P.L. , c. (C.) (pending before
 22 the Legislature as this bill)'; provided, however, that the person is
 23 not also employed in the tax assessor's office of a municipality that
 24 is located outside of the pilot county]'.
 25

26 b. Each person appointed as a deputy county '[tax]' assessor
 27 shall acquire tenure in office after serving three continuous years in
 28 the office. Thereafter, a deputy county '[tax]' assessor shall hold
 29 office during good behavior, efficiency, '[and residence in the pilot
 30 county,]' and shall not be removed for political reasons or for any
 31 cause other than incapacity, misconduct, '[nonresidence,]'
 32 disobedience of rules or regulations established by the director or
 33 by the county governing body, failure to meet the standards of
 34 performance established by the director, or schedules or standards
 35 adopted pursuant to P.L. , c. (C.) (pending before the
 36 Legislature as this bill).

36

37 14. (New section) 'a.' In accordance with the phase-in
 38 schedule promulgated by the county '[tax]' assessor pursuant to
 39 section 12 of P.L. , c. (C.) (pending before the Legislature
 40 as this bill), the county tax administrator for the pilot county, in
 41 consultation with the county governing body and the county '[tax]'
 42 assessor, shall effectuate the transfer of the property assessment
 43 function in all of the municipalities within the pilot county to the
 44 county '[tax]' assessor. 'All current or pending assessment and
 45 abatement programs and agreements under the "Long Term Tax
 46 Exemption Law," P.L.1991, c.431 (C.40A:20-1 et seq.), and the

1 “Five-Year Exemption and Abatement Law,” P.L.1991, c.441
2 (C.40A:21-1 et seq.), shall continue to be approved by the
3 municipality.

4 b. If a county assessor seeks to settle a property tax appeal,
5 filed pursuant to R.S.54:3-21, the county assessor shall inform the
6 municipality in which the property that is the subject of the appeal
7 is located prior to entering into any final settlement agreement,
8 pursuant to procedures promulgated by the director.¹

9
10 15. (New section) The Director of the Division of Taxation in
11 the Department of the Treasury shall adopt rules and regulations
12 concerning the valuation of property in the pilot county to
13 effectuate the purposes of sections 1 through 14 of P.L. ,
14 c. (C.) (pending before the Legislature as this bill). The
15 rules and regulations shall include provisions permitting segmental
16 assessment.

17
18 16. Section 5 of P.L.2007, c.54 (C.52:27D-505) is amended to
19 read as follows:

20 5. a. (1) The commission shall study and report on the structure
21 and functions of county and municipal government, including local
22 taxing districts, their statutory bases, including the fiscal
23 relationship between local governments, and the appropriate
24 allocation of service delivery responsibilities from the standpoint of
25 efficiency. The study of the transfer of the municipal tax
26 assessment function to the county through the appointment of a
27 county ‘[tax]’ assessor and deputy county ‘[tax]’ assessors in a
28 pilot county pursuant to the "County Property Assessment Reform
29 Act," sections 1 through 15 of P.L. , c. (C.) (pending before
30 the Legislature as this bill), shall be conducted in consultation with
31 the Director of the Division of Taxation in the Department of the
32 Treasury.

33 (2) The commission shall recommend legislative changes which
34 would encourage the more efficient operation of local government.
35 These changes may include the structural and administrative
36 streamlining of county and municipal government functions,
37 including but not limited to, the transfer of functions from one level
38 of government to another, and the use or establishment of regional
39 service delivery entities.

40 (3) The commission shall also consider optimal service levels,
41 ratios of employees to population served, cost structures for service
42 delivery, and other best practices.

43 Within two years following the effective date of [this act]
44 P.L.2007, c.54 (C.52:27D-501 et al.), the commission shall report
45 its findings to the Governor, the President of the Senate, and the
46 Speaker of the General Assembly; provided, however, that findings
47 concerning the transfer of the municipal tax assessment function to
48 the county through the appointment of a county ‘[tax]’ assessor

1 and deputy county '【tax】' assessors shall be reported on or before
2 February 1 of the sixth year next following the effective date of
3 P.L. , c. (C.) (pending before the Legislature as this bill).

4 b. Based on its findings pursuant to paragraph **【3】** ~~(3)~~ of
5 subsection a. of this section, the commission shall develop criteria
6 to serve as the basis for recommending the consolidation of specific
7 municipalities, the merger of specific existing autonomous agencies
8 into the parent municipal or county government, or the sharing of
9 services between municipalities or between municipalities and other
10 public entities. Recommendations for sharing services may result
11 from a study focusing exclusively on the sharing of services or may
12 result from a study examining potential consolidation.
13 Municipalities to be considered for consolidation shall be within the
14 same county and shall also be situated within the same legislative
15 district.

16 The criteria to govern a study to examine consolidation or the
17 sharing of services shall include, but need not be limited to:

18 (1) a consideration of geographic factors, such as a shared
19 boundary, or in the case of the recommended consolidation of more
20 than two local units, that the consolidated local unit will have a
21 contiguous boundary;

22 (2) an analysis of the economic costs and benefits of
23 consolidation or the sharing of services, as the case may be,
24 including potential tax savings and reductions in government costs
25 through economies of scale;

26 (3) measures to ensure that costs and benefits of consolidation
27 or service sharing are distributed equitably across the entire
28 community; and

29 (4) measures to safeguard the interests of communities in the
30 municipalities for which consolidation is recommended.

31 The commission shall give priority to local units that volunteer
32 to be studied.

33 c. When a municipal consolidation is recommended by the
34 commission, the commission shall substitute for a joint municipal
35 consolidation study commission that would be formed pursuant to
36 section 7 of the "Municipal Consolidation Act," P.L.1977, c.435
37 (C.40:43-66.41) or any other statute governing municipal
38 consolidation, and no voter approval shall be required to create the
39 study commission.

40 d. When a consolidation or shared service is recommended by
41 the commission, the commission shall recommend **【for】** State
42 funding for any extraordinary expenses necessitated by the
43 consolidation plan or shared service agreement. The commission
44 shall recommend that this funding be provided either by funds made
45 available to the commission for that purpose or by the Legislature
46 or State Treasurer as part of the annual State budget process.

47 (cf: P.L.2007, c.54, s.5)

S2356 [2R] SWEENEY, OROHO

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1 17. This act shall take effect immediately.