

ASSEMBLY, No. 366

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman SEAN T. KEAN

District 30 (Monmouth and Ocean)

SYNOPSIS

Permits demonstration county to terminate its participation in the “Real Property Assessment Demonstration Program.”

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT permitting a demonstration county to terminate its
2 participation in the “Real Property Assessment Demonstration
3 Program,” amending and supplementing P.L.2013, c.15.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
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8 1. Section 4 of P.L.2013, c.15 (C.54:1-104) is amended to read
9 as follows:

10 4. a. There is established a real property assessment
11 demonstration program, which shall be open for participation
12 therein to any county in the State, to evaluate the efficacy and
13 functionality of a municipal system of real property assessment
14 directed by a county tax board through the county tax administrator
15 pursuant to a revised assessment, and assessment appeal, calendar.

16 A goal of the demonstration program is to demonstrate an
17 enhanced system of municipal real property assessment as a
18 complement to the county-based real property assessment system
19 pilot program undertaken pursuant to the provisions of P.L.2009,
20 c.118 (C.54:1-86 et seq.), under which the entire real property
21 assessment function formerly performed by the municipal tax
22 assessor, has been transferred to the county through the
23 appointment of a county assessor and deputy county assessors. The
24 existence of two programs under which the real property assessment
25 function is performed using two different methods will allow the
26 Legislature to evaluate the effectiveness of each system of real
27 property assessment, and to determine whether the current statutory
28 system of real property assessment function should be revised
29 Statewide.

30 For the first two full tax years immediately following the
31 enactment of P.L.2013, c.15 (C.54:1-101 et al.), no more than two
32 counties shall participate in the demonstration program established
33 in this section, and for the third and fourth full tax years
34 immediately following the enactment of P.L.2013, c.15 (C.54:1-101
35 et al.), no more than two additional counties shall participate in the
36 demonstration program established in this section. A county shall
37 not institute a demonstration program pursuant to the provisions of
38 P.L.2013, c.15 (C.54:1-101 et al.) unless it meets the following
39 criteria, and provides the required information to the Director of the
40 Division of Taxation and to the Director of the Division of Local
41 Government Services:

42 (i) the county tax board by resolution, shall certify to the
43 Director of the Division of Taxation and to the Director of the
44 Division of Local Government Services that the county tax board
45 has sufficient funds available to pay all of the costs associated with

**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.

1 the demonstration program, including the conversion to the MOD-
2 IV system and the associated expansion of the technology
3 infrastructure to the municipalities in the county. The county tax
4 board shall forward the resolution to the Director of the Division of
5 Taxation and to the Director of the Division of Local Government
6 Services;

7 (ii) the county is a State-certified MOD-IV vendor, or the county
8 has contracted with a single State-certified MOD-IV vendor to
9 provide MOD-IV technology to all of the municipalities in the
10 county. The county shall provide a copy of its MOD-IV
11 certification, or a copy of a valid contract for MOD-IV services;

12 (iii) the members of the county's assessors' association, by not
13 less than 2/3rds of its voting membership, have approved the
14 implementation of the demonstration program. The county tax
15 board shall forward the resolution to the Director of the Division of
16 Taxation and to the Director of the Division of Local Government
17 Services.

18 b. There shall be no direct appropriation of State funds used to
19 effectuate the provisions of the demonstration program established
20 in subsection a. of this section. The technical costs of the
21 demonstration program shall be paid by the county board of
22 taxation using assessment appeal filing fees collected by the county
23 board of taxation pursuant to section 18 of P.L.1979, c.499 (C.54:3-
24 21.3a).

25 c. (1) Not later than September 1 immediately preceding
26 demonstration program implementation, and using its own funds
27 therefor, the county tax board of each demonstration county
28 participating in the demonstration program established in subsection
29 a. of this section shall provide MOD-IV and CAMA software to
30 each municipality that does not use the software, at no cost to those
31 municipalities, and shall provide, at no cost to those municipalities,
32 training in the use of the software to the assessors of those
33 municipalities, and to their respective staff members. Thereafter,
34 each municipality shall pay an annual fee per each taxable line item
35 in the municipality to the county tax board for the MOD-IV and
36 CAMA service.

37 (2) On October 1 next following the provision of software under
38 paragraph (1) of this subsection, each demonstration county shall
39 commence the demonstration program under a plan developed by
40 the county tax administrator of each demonstration county,
41 approved by the county board of taxation, and submitted to the
42 Director of the Division of Taxation and the Director of the
43 Division of Local Government Services not less than 60 days prior
44 to October 1. The Director of the Division of Taxation and the
45 Director of the Division of Local Government Services shall not
46 propose or require any changes to a demonstration program plan
47 submitted by a county board of taxation unless a provision of the
48 demonstration program shall be inconsistent with State law, or the

1 decision of any court of this State, regarding the assessment of real
2 property unless the changes have been agreed to by a majority of
3 the members of a demonstration county's Assessment
4 Demonstration Program Steering Committee created pursuant to
5 paragraph (3) of this subsection. The demonstration program of
6 each demonstration county shall operate under all statutory
7 requirements and pursuant to all statutory dates and time frames
8 concerning the assessment of real property in the State, as those
9 statutory dates and time frames have been amended pursuant to the
10 provisions of P.L.2013, c.15 (C.54:1-101 et al.).

11 (3) Each demonstration county shall establish an "Assessment
12 Demonstration Program Steering Committee" to monitor and report
13 on the activities within the demonstration county relative to the
14 demonstration program. Members of the steering committee shall
15 be the State Treasurer or his designee, the Director of the Division
16 of Taxation or his designee, the Director of the Division of Local
17 Government Services or his designee, a member of the County
18 Assessor's Association of the demonstration county, and the county
19 tax administrator of the demonstration county. Actions taken by the
20 steering committee shall be approved by a majority of the members
21 of the steering committee.

22 d. The Director of the Division of Taxation and the Director of
23 the Division of Local Government Services shall, with the advice
24 and the recommendations of the county tax administrator provide to
25 the Governor and to the Legislature, not later than July 1 next
26 following the fourth full tax year after the implementation of the
27 demonstration program, a report detailing the experience of each
28 demonstration county participating in the demonstration program,
29 the successes of the program, any problems experienced under the
30 program, and any recommendations for statutory or administrative
31 changes to the current system of real property assessment in the
32 State.

33 e. Under the demonstration program, each municipal assessor
34 in a demonstration county shall utilize the same property
35 assessment software as is used by the county tax board and
36 provided to the municipalities by the county tax board pursuant to
37 subsection c. of this section. All real property assessment functions
38 required pursuant to State law, including the revaluation or
39 reassessment of real property, as well as other assessment-based
40 functions such as the development of a compliance plan,
41 maintenance of assessments and the calculation of added
42 assessments shall be performed using the property assessment
43 software.

44 f. In accordance with the provisions of statutory law and with
45 any rule or regulation promulgated pursuant thereto, the county
46 board of taxation of a demonstration county shall compel the
47 implementation of a revaluation or reassessment of real property in
48 any municipality in the demonstration county at such time that the

1 county board of taxation determines the need therefor. If a
2 municipality fails to comply with a revaluation or reassessment, as
3 appropriate, ordered by the county board of taxation in a timely
4 manner, the county board of taxation shall cause the revaluation or
5 reassessment, as appropriate, to be performed at the municipality's
6 cost. The cost of a revaluation or reassessment, as appropriate,
7 shall be directly billed to such a municipality, in addition to the
8 apportionment valuation, through the adjustment of the county levy
9 for that municipality pursuant to R.S.54:4-48 and R.S.54:4-49. A
10 municipality feeling aggrieved by a decision of the county board of
11 taxation to cause the revaluation or reassessment, as appropriate, to
12 be performed at the municipality's cost may file an appeal of that
13 decision of the county board of taxation to the Tax Court within 45
14 days of the approval by the Director of the Division of Taxation of
15 the county tax board's order requiring the revaluation or
16 reassessment, as appropriate.

17 g. The Director of the Division of Local Government Services
18 in the Department of Community Affairs, and the Director of the
19 Division of Taxation in the Department of the Treasury, shall have
20 the authority to take any action as is deemed necessary and
21 consistent with the intent of P.L.2013, c.15 (C.54:1-101 et al.) to
22 implement its provisions, including but not limited to the authority
23 to waive any provisions of statutory law and regulations that may be
24 inconsistent with the intent or application of the provisions of
25 P.L.2013, c.15 (C.54:1-101 et al.).

26 h. (1) The governing body of a demonstration county, by
27 resolution, may terminate its participation in the demonstration
28 program prior to the issuance of the report required to be issued to
29 the Governor and to the Legislature pursuant to the provisions of
30 subsection d. of this section. The termination shall take effect for
31 the tax year immediately following the adoption of the resolution,
32 and all of the municipalities in the county shall revert to, and
33 follow, the requirements of law pertaining to the assessment of real
34 property applicable to a county board of taxation that does not
35 participate in the demonstration program.

36 (2) The Director of the Division of Local Government Services
37 in the Department of Community Affairs, and the Director of the
38 Division of Taxation in the Department of the Treasury, shall have
39 the authority to take any action as is deemed necessary and
40 consistent with the intent of this subsection to implement a county's
41 termination of its participation in the demonstration program,
42 including, but not limited to, the authority to waive any provisions
43 of statutory law and regulations that may be inconsistent with the
44 intent or application of this subsection.

45 (cf: P.L.2013, c.15, s.4)

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47 2. (New section) Notwithstanding the provisions of any law to
48 the contrary, a municipality that is undergoing a revaluation shall

1 not be included in the demonstration program for the year in which
2 the revaluation takes effect.

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4 3. This act shall take effect immediately.

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STATEMENT

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9 This bill would permit a county participating in the “Real
10 Property Assessment Demonstration Program” created in P.L.2013,
11 c.15 (C.43:1-101 et seq.), by resolution, to terminate its
12 participation in the demonstration at any time prior to the issuance
13 of the report required to be issued to the Governor and to the
14 Legislature (not later than July 1 next following the fourth full tax
15 year after the implementation of the program). The termination
16 would take effect for the tax year immediately following the
17 adoption of the resolution, and all of the municipalities in the
18 county would revert to, and follow, the requirements of law
19 pertaining to the assessment of real property that are applicable to a
20 county board of taxation that does not participate in the
21 demonstration program.

22 The bill also requires that a municipality that is undergoing a
23 revaluation shall not be included in the demonstration program for
24 the year in which the revaluation takes effect.