

54:4-2.2e

LEGISLATIVE HISTORY CHECKLIST

NJSA: 54:4-2.2e

(State payments in lieu of taxes - increase maximum)

LAWS OF: 1983

CHAPTER: 256

Bill No: S1168

Sponsor(s): Lynch and Weiss

Date Introduced: March 8, 1982

Committee: **Assembly:** Revenue, Finance & Appropriations

Senate: Revenue, Finance & Appropriations

Amended during passage: Yes

Amendments during passage denoted by asterisk

Date of Passage: **Assembly:** May 26, 1983

Senate: October 18, 1982

Date of Approval: July 7, 1983

Following statements are attached if available:

Sponsor statement: Yes

Committee statement: **Assembly** Yes

Senate Yes

Fiscal Note: Yes

Veto Message: No

Message on Signing: ~~No~~ Yes

Following were printed:

Reports: No

Hearings: No



7-7-83

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SENATE, No. 1168

STATE OF NEW JERSEY

INTRODUCED MARCH 8, 1982

By Senators LYNCH and WEISS

Referred to Committee on Revenue, Finance and Appropriations

AN ACT to amend "An act providing for payments for local services in lieu of taxes on State property, and repealing R. S. 54:4-2.1 and R. S. 54:4-2.2," approved October 26, 1977 (P. L. 1977, c. 272).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. Section 5 of P. L. 1977, c. 272 (C. 54:4-2.2e) is amended to
2 read as follows:

3 5. After completion of the review of the assessments of State
4 property, the director shall compute the State's liability for in
5 lieu tax payments in each municipality affected. The in lieu pay-
6 ment shall be calculated by applying the effective local purpose
7 tax rate of the municipality for the tax year 1977 and thereafter
8 to the aggregate amount of State property, as defined in section 1,
9 in the municipality and the sum of such calculations shall constitute
10 the State's liability; provided, however, the State shall have no
11 liability to any one municipality when the sum of its liability is
12 less than \$1,000.00, and no municipality shall receive an in lieu
13 payment from the State greater than an amount equal to **[25%]**
14 *35% of the local purpose tax levy*, which for the purposes of this*
15 *act shall include revenues which are used for municipal purposes*
16 *and derived from tax abated properties,** for the year for which
17 the calculations are made; provided, however, that in any calendar
18 year no municipality which receives or is entitled to receive any
19 extraordinary payment for municipal services and in lieu of taxes
20 under P. L. 1977, c. 137 shall receive less under this act than the
21 amount that it received under said P. L. 1977, c. 137.

1 2. This act shall take effect immediately.

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 printed in italics thus is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

***—Senate committee amendment adopted September 16, 1982.**

STATEMENT

This bill increases the maximum amount payable to any municipality under the payments for local services in lieu of taxes on State property program from 25% to 35% of the local purpose tax levy.

There are very few municipalities effected by this restriction. While establishing some proportion of the local levy as a restriction on maximum payments is reasonable, the current 25% restriction bears no reasonable relationship to the proportion of total property represented by State owned, and therefore exempt, property which demand municipal services. A 35% restriction appears more reasonable.

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ASSEMBLY REVENUE, FINANCE AND APPROPRIATIONS
COMMITTEE

STATEMENT TO
SENATE, No. 1168

STATE OF NEW JERSEY

DATED: MAY 5, 1983

Senate Bill No. 1168 would amend the law that provides State payments to municipalities for local services in lieu of taxes on State property. A municipality could receive a maximum amount equal to 35% of the local purpose tax levy instead of 25% of that levy.

The additional costs of this proposal are estimated at \$316,000.00 based on payments that will be made in calendar year 1983.

SENATE REVENUE, FINANCE AND APPROPRIATIONS
COMMITTEE

STATEMENT TO

SENATE, No. 1168

with Senate committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 16, 1982

PURPOSE

Senate Bill No. 1168 amends the law that provides State payments to municipalities for local services in lieu of taxes on State property.

The amendment will increase the maximum amount a municipality can receive under the program from an amount equal to 25% of the local purpose tax levy to an amount equal to 35% of that levy.

FISCAL IMPACT

A fiscal estimate worksheet on this bill indicates that the additional cost of this measure based on the 1981 payment levels would be \$283,420.00.

More recent information indicates that this bill would increase program costs by \$316,000.00 based on payments that will be made in calendar year 1983.

COMMITTEE AMENDMENTS

An amendment was made to the bill to include as a part of the tax levy effort revenues that are used for municipal purposes and derived from tax abated properties.

FISCAL ESTIMATE TO
SENATE, No. 1168

STATE OF NEW JERSEY

DATED: AUGUST 18, 1982

Senate Bill No. 1168, of 1982, would increase the maximum amount payable to any municipality (under the payment for local services in lieu of taxes on State property program) from 25% to 35% of the local purpose tax levy.

This legislative fiscal estimate has been produced by the Office of Legislative Services due to failure of the Executive Branch to respond to our request for a fiscal note.

The estimated additional State cost to the program, if this bill is enacted, would approach \$300,000.00, based on complete data available for CY 1981.

The following effect of Senate Bill No. 1168 is based on municipalities subject to the CAP provisions of the State in lieu of tax:

Municipality	Actual 1981 In Lieu Payment	1981 Payment Under S-1168	Increased Cost of Program
Chesterfield Twp. (Burlington)	\$7,334.00	\$10,268.00	\$2,934.00
Woodbine Boro (Cape May)	24,966.00	34,953.00	9,987.00
Maurice River Twp. (Cumberland)	47,683.00	66,756.00	19,073.00
New Brunswick City (Middlesex)	1,034,271.00	1,285,697.00*	251,426.00
Totals	\$1,114,254.00	\$1,397,674.00	\$283,420.00

*New Brunswick would no longer be subject to the CAP.

The bill would take effect immediately, but the first State payments would not be before municipal year 1983.

In compliance with written request received, there is hereby submitted a fiscal estimate for the above bill, pursuant to P. L. 1980, c. 67.

OFFICE OF THE GOVERNOR

RELEASE: IMMEDIATE

CONTACT: PAUL WOLCOTT

FRIDAY, JULY 8, 1983

Governor Thomas H. Kean has signed the following bills:

A-1605, sponsored by Assemblyman Dean A. Gallo, R-Morris, which makes it a crime to injure or harm a police animal or to interfere with a police animal's performance of duty. The bill makes such an action a disorderly persons offense.

A-696, sponsored by Assemblyman David C. Schwartz, D-Middlesex, which authorizes the Director of the Division of Aeronautics to adopt and enforce zoning regulations which specify land use in the area around airports to prevent the creation of airport hazards. The bill defines "airport hazard" as any use of land or water which creates a dangerous situation for persons or property in or about an airport or aircraft during landing or take-off at an airport, or any structure or tree which obstructs the air space required for the flight of aircraft in landing or taking off.

S-1183, sponsored by State Senator Walter Rand, D-Camden, which permits bicycle riders to use a roadway even when there is adjacent bike path. The bill notes that some bike paths are poorly constructed, and the cyclists traveling at high speeds often cannot use bike paths because of the presence of children and pedestrians.

S-1168, sponsored by State Senator John A. Lynch, D-Middlesex, which amends the law providing for payment by the State for local services in lieu of taxes. Currently the law sets a maximum of 25 percent of the local tax levy on the amount the city of New Brunswick and Maurice River, Woodbine and Chesterfield Townships.

~~SECRET~~