

52:27D-178

LEGISLATIVE HISTORY CHECKLIST

NJSA: 52:27D-178

(State aid to municipalities -
certain - increase)

LAWS OF: 1983

CHAPTER: 384

Bill No: A1768

Sponsor(s): Baer and Visotoky

Date Introduced: July 8, 1982

Committee:

Assembly: Revenue, Finance and Appropriations

Senate: Revenue, Finance and Appropriations; County
and Municipal Government Municipal

Amended during passage:

YES

Amendments during passage denoted
by asterisks

Date of Passage:

Assembly: February 28, 1983

Senate: September 15, 1983

Date of Approval: November 16, 1983

Following statements are attached if available:

Sponsor statement:

YES

Committee statement:

Assembly

YES

Senate

YES

6/30/83 & 4/25/83

Fiscal Note:

NO

Veto Message:

NO

Message on Signing:

YES

Following were printed:

Reports:

NO

Hearings:

NO

Collected by

11-16-83

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ASSEMBLY, No. 1768

STATE OF NEW JERSEY

INTRODUCED JULY 8, 1982

By Assemblymen BAER and VISOTCKY

AN ACT to amend "An act to provide State aid to certain municipalities for the purposes of enabling such municipalities to maintain and upgrade municipal services and to offset local property taxes," approved March 30, 1978 (P. L. 1978, c. 14).

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

1 1. Section 1 of P. L. 1978, c. 14 (C. 52:27D-178) is amended to
2 read as follows:

3 1. For the purposes of this act, unless the context clearly indi-
4 cates otherwise:

5 "Base year" means the second year preceding the annual appor-
6 tionment of State aid to this act.

7 "Director" means the Director of the Division of Local Govern-
8 ment Services in the Department of Community Affairs.

9 "Net valuation taxable" means the total value of property on
10 which the general tax rate is computed as expressed in column 6
11 of the Table of Aggregates pursuant to R. S. 54:4-52 for the base
12 year.

13 "Equalization ratio" means the ratio of assessed value to true
14 value of real property as published in the Certification of Table
15 of Equalized Valuations by the Director of the Division of Taxation
16 for the base year pursuant to P. L. 1954, c. 86, s. 1 (54:1-35.1).

17 "Equalized valuation" means net valuation taxable divided by
18 the equalization ratio.

19 "Municipal equalized valuation per capita" means a munici-
20 pality's equalized valuation divided by the population of the
21 municipality.

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:

*—Assembly committee amendments adopted February 14, 1983.

**—Senate committee amendment adopted April 25, 1983.

22 “State equalized valuation per capita” means the sum of the
23 equalized valuations of all the municipalities of the State divided
24 by the population of the State.

25 “General tax rate” means the tax rate for local taxing purposes
26 as defined in R. S. 54:4-52 and as expressed in column 7 of the
27 Table of Aggregates for the base year.

28 “Equalized tax rate” means the general tax rate multiplied by
29 the equalization ratio.

30 “State equalized tax rate” means the sum of the total levies on
31 which the tax rates for all the municipalities of the State are
32 computed divided by the sum of the equalized valuations of all the
33 municipalities of the State for the base year.

34 “Population” means the official population count of the State
35 of New Jersey for the base year as reported by the New Jersey
36 Department of Labor [and Industry], Office of [Business
36A Economics] *Demographic and Economic Analysis*.

37 “Ratio H” means the proportion that residential and apartment
38 assessed valuation bear to the total assessed valuation of the real
39 property of a municipality, as calculated by the Division of Taxa-
40 tion in the Treasury Department.

41 “Publicly financed housing” means any dwelling unit constructed
42 and operated under any of the following Federal and State housing
43 programs:

44 (a) Any dwelling unit constructed under grants or mortgage
45 financing of the New Jersey Housing Finance Agency.

46 (b) Any dwelling unit constructed under the following sections
47 of the National Housing Act (Public Law 73-479) as amended and
48 supplemented: section 221(d)(3) as added to by the Housing Act
49 of 1961 (P. L. 87-70) and as subsequently amended; section 236
50 as added to by the Housing and Urban Development Act of 1968
51 (P. L. 90-448) and as subsequently amended; section 202, Housing
52 Act of 1959 (P. L. 86-372) and as subsequently amended; section
53 221-H, as added by the Demonstration Cities and Metropolitan
54 Development Act of 1966 (P. L. 89-754) and as subsequently
55 amended.

56 (c) Any dwelling unit constructed or operated under the United
57 States Housing Act of 1937 (Public Law 75-412) and as subse-
58 quently added to and amended.

59 “ADC children” means the number of children between the ages
60 of five and 17 years in the municipality enrolled in the Aid to
61 Dependent Children Program, as made available by the Division
62 of Public Welfare in the Department of Human Services for the
63 base year in the publication “State of New Jersey, ADC Data

64 Needed to Implement Public Law 89-10, the Elementary and
 65 Secondary Education Act of 1965," provided however that the
 66 director shall use the best available data comparable to the data
 67 provided for the allocation of funds in 1975 pursuant to P. L. 1975,
 68 c. 68.

69 "Qualifying municipality" means a municipality in which:

70 Population exceeds 15,000 or exceeds 10,000 per square mile,
 71 and

72 The number of ADC children exceeds ****[350]** **250** ***,
 72A *except when the municipality's population exceeds 20,000 with*
 72B *a density exceeding 7,000 per square mile and the municipi-*
 72C *ality's equalized valuation per capita is less than the State*
 72D *equalized valuation per capita by \$4,500.00 or more**, and

73 There exists publicly financed housing, and

74 The municipality's equalized tax rate exceeds the State
 75 equalized tax rate, *or the municipality's equalized valuation*
 76 *per capita is less than the State equalized valuation per capita*
 77 *by \$2,000.00 or more and *its population exceeds 25,000, and**

78 The municipality's equalized valuation per capita is less than
 79 the State equalized valuation per capita *or the municipality's*
 80 *equalized tax rate exceeds the State equalized tax rate by*
 81 *\$0.75 or more.*

82 ***[No municipality whose municipal purposes equalized tax rate is**
 83 *less than two-thirds of the State average municipal purposes equal-*
 84 *ized tax rate shall qualify under this act; no municipality which*
 85 *during the last five preceding tax years has had a municipal*
 86 *purposes tax rate of \$0.10 or less shall qualify under this act.*

87 *Notwithstanding any prior existing law, no municipality whose*
 88 *equalized tax rate is less than the State equalized tax rate or whose*
 89 *equalized valuation per capita is more than the State equalized*
 90 *valuation per capita shall be eligible to receive aid under the provi-*
 91 *sions of P. L. 1979, c. 118.]**

92 "Distribution factor" means for each qualifying municipality
 93 the following:

$$94 \quad DF = 0.6 \left(\frac{W}{\Sigma W} \right) + 0.4 \left(\frac{T}{\Sigma T} \right)$$

95 where, DF equals the Distribution Factor

96 W equals ADC children in the municipality

97 T equals $P (V_s - V_m) (R_m - R_s) Z$

98 *For the purposes of computing the distribution factor, when*
 99 *T has a negative value, it shall be assigned a value of zero.*

100 P equals Population

- 101 V_s equals State Equalized Valuation Per Capita
 - 102 V_m equals Municipal Equalized Valuation Per Capita
 - 103 R_m equals Municipal Equalized Tax Rate
 - 104 R_s equals State Equalized Tax Rate
 - 105 Z equals Ratio H
- 1 2. This act shall take effect immediately.
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STATEMENT

This bill addresses the situation where a municipality satisfies all the criteria for receiving Urban Aid except for the fact that either its tax rate is slightly below the State average, or its equalized valuation per capita is slightly above the State's equalized valuation per capita.

A1768 (1982)

ASSEMBLY REVENUE, FINANCE AND APPROPRIATIONS
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1768

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 14, 1983

This bill addresses the situation where a municipality satisfies all the criteria for receiving urban aid except for the fact that either its tax rate is slightly below the State average, its equalized valuation per capital is slightly above the State's equalized valuation per capita, or the ADC children count is below 350.

It is anticipated that four additional municipalities would qualify for urban aid as a result of this amended bill including Englewood City, Garfield, Hillside and Montclair.

SENATE REVENUE, FINANCE AND APPROPRIATIONS
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 1768

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[SENATE REPRINT]

STATE OF NEW JERSEY

DATED: JUNE 30, 1983

Senate Reprint of Assembly Bill No. 1768 OCR amends the State urban aid qualification criteria to qualify certain municipalities which meet all criteria, except that either its tax rate is slightly below the State average, its equalized valuation per capital is slightly above the State's equalized valuation per capita, or the ADC children count is below 250.

It is anticipated nine municipalities are made eligible under the provisions of this bill. Harrison, Hillside, Jackson Township, Lodi and Montclair are municipalities that received urban aid in 1983 that are requalified for the aid in 1984. New qualifiers under this bill are Englewood, Garfield, West Orange and Howell Township.

The appropriation act for fiscal year 1984 contains a \$600,000 item that is reserved for allocation to the additional municipalities that become eligible by this bill.

SENATE COUNTY AND MUNICIPAL GOVERNMENT
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1768

[OFFICIAL COPY REPRINT]

with Senate committee amendments

STATE OF NEW JERSEY

DATED: APRIL 25, 1983

Assembly Bill No. 1768 amends the State urban aid qualification criteria to qualify certain municipalities which meet all criteria, except that either its tax rate is slightly below the State average, its equalized valuation per capital is slightly above the State's equalized valuation per capita, or the ADC children count is below 350.

The Senate committee amendment reduces the ADC children requirement from 350 to 250.

Under this bill as received by the committee, four additional municipalities (Englewood City, Garfield, Hillside and Montclair) would qualify for urban aid. The Senate committee amendments includes four additional municipalities (Harrison, Jackson Twp., Lodi, West Orange), which lost urban aid in recent years because of a decline in the number of ADC children.

OFFICE OF THE GOVERNOR

RELEASE: IMMEDIATE

CONTACT: PAUL WOLCOTT

WEDNESDAY, NOVEMBER 16, 1983

Governor Thomas H. Kean today signed legislation amending the Urban Aid Law to permit nine additional municipalities to qualify for urban aid.

The bill, A-1768, was sponsored by Assemblyman Byron M. Baer, D-Bergen. It amends three of the five criteria applied in determining eligibility for urban aid.

The amendments include the following:

- o Current law required a municipality to have at least 350 children receiving Aid to Families with Dependent Children. The amendment lowers that figure to 250 and creates an exception for a municipality with a population over 20,000 exceeding 7,000 per square mile where the municipality's equalized valuation per capita is at least \$4,500 less than the State's equalized rate.

- o Current law requires that a municipality's equalized tax rate exceed the Statewide equalized rate. The bill creates an exception for a municipality over 25,000 population whose equalized valuation per capita is at least \$2,000 less than the State's.

- o Current law required that a municipality's equalized valuation per capita is less than the State's. The bill creates an exception for a municipality whose equalized tax rate exceeds the State's equalized rate by at least 75 cents.

The other two criteria, a population of at least 15,000 or at least 10,000 per square mile, and the presence in the municipality of publicly financed housing, are not affected.

- more -

BILL SIGNINGS

PAGE TWO

WEDNESDAY, NOVEMBER 16, 1983

The tentative distribution of additional Urban Aid funds under this bill is as follows: Englewood, \$39,816; Garfield, \$24,669; Harrison \$62,370; Hillside, \$144,049; Howell Township, \$23,395; Jackson Township, \$49,558; Lodi, \$39,937; Montclair, \$42,808, and West Orange, \$23,395.

The Governor also signed A-2211, sponsored by Assemblyman Joseph V. Doria, Jr., D-Hudson, which requires a 24-hour waiting period before a dead human body can be cremated.

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