ASSEMBLY CONCURRENT
RESOLUTION No. 124

STATE OF NEW JERSEY
216th LEGISLATURE

INTRODUCED FEBRUARY 24, 2014

Sponsored by:
Assemblyman  BRIAN E. RUMPF
District 9 (Atlantic, Burlington and Ocean)
Assemblywoman  DIANNE C. GOVE
District 9 (Atlantic, Burlington and Ocean)

SYNOPSIS
Proposes temporary constitutional amendment to provide for State
constitutional convention to reduce government spending and to reform system
of property taxation.

CURRENT VERSION OF TEXT
As introduced.
ACR124 RUMPF, GOVE

A CONCURRENT RESOLUTION to amend Article IV, Section VI of the Constitution of the State of New Jersey.

BE IT RESOLVED by the General Assembly of the State of New Jersey (the Senate concurring):

1. The following proposed amendment to the Constitution of the State of New Jersey is hereby agreed to:

PROPOSED AMENDMENT

Amend Article IV, Section VI by the addition of a new paragraph 5 as follows:

5. (a) The people of this State find and declare that:

WHEREAS, All political power is inherent in the people and government exists for the protection, security and benefit of the people; and

WHEREAS, The people of this State have reserved to themselves, as part of their intrinsic sovereignty, the right to alter or reform the State Constitution when the public good may require it; and

WHEREAS, The current system of property taxation in this State is unfair because it is not based on the ability to pay and is applied in an inequitable and nonuniform manner; and

WHEREAS, There is a need to revise and amend the State Constitution and the statutes to lessen the dependence of local government on property taxes, reduce property taxes as a share of overall public revenue, and find alternative means of funding local government services; and

WHEREAS, There is a need to revise and amend the State Constitution and the statutes to reduce government spending by revising the spending priorities of the State and local governments and providing other opportunities to reduce spending by government; and

WHEREAS, The Legislature, when considering proposals for broad restructuring of revenue sources, recognizes that there is great political risk in making recommendations which the general public might perceive as increasing taxes; and

WHEREAS, It is, therefore, essential that the citizens of New Jersey are fully engaged in the effort to restructure taxes; and

WHEREAS, The most effective way to have maximum participation is a public vote on whether or not to proceed with the process of reducing government spending and reforming property taxes and, if this question is approved, another vote by the public to ratify the recommendations for tax and spending reform; and

WHEREAS, The convening of a constitutional convention for the purpose of recommending amendments to the New Jersey Constitution and changes to the statutes is the most appropriate method for building a consensus for, and implementing, reform.
(b) A constitutional convention shall convene in New Brunswick at Rutgers, the State University, or if a suitable facility at Rutgers is unavailable at a location selected by the Governor, on a date next following voter approval of this paragraph, to be selected by the Attorney General, for the purpose of proposing amendments to the New Jersey Constitution, and changes to the statutes, which revise the system of property taxation and reduce government spending in this State, following approval by the voters of the holding of such a convention and the election of delegates thereto in the manner provided herein.

(c) The convention shall recommend amendments to the New Jersey Constitution and revisions to the statutes that reduce government spending by revising the spending priorities of the State and local governments, and providing other opportunities to reduce spending by government, and which, while revenue neutral in their overall impact, eliminate inequities in the current system of property taxation, ensure greater uniformity in the application of property taxes, reduce property taxes as a share of overall public revenue, provide alternatives which lessen the dependence of local government on property taxes, and provide alternative means of reducing local government spending. As used in this paragraph, "revenue neutral" means that the aggregate amount of all revenues enacted under the powers of the State, as accurately as can be estimated and measured, shall be the same after changes recommended by the convention as they were before such changes. The convention shall not consider or recommend any proposal providing for a Statewide equalized school property tax. The convention shall be limited to considering and making recommendations in regard to the aforesaid matters and the implementation thereof.

(d) The convention shall complete and agree upon its proposals on a date in August selected by the Attorney General next following its convening and provide for the submission thereof at the next general election, for approval or rejection by the voters. The convention shall have the authority to propose for voter approval at the general election the amendment or repeal of existing statutes or the enactment of new statutes which are within the scope of the convention's mandate. Any such changes to the statutory law approved by the voters may thereafter be amended or repealed by the Legislature by law.

(e) Following approval by the voters of the holding a constitutional convention, a special election shall be held on a date selected by the Attorney General in March next thereafter for the purpose of electing two delegates from each legislative district, for a total of 80 elected delegates, to the convention. The special election to elect delegates to the convention shall be held during the same hours, at the same places, using the same records and facilities as at the general election and shall be conducted by the same
officers and employees who generally conduct the general election.

(f) Each candidate for the office of delegate shall be a registered voter in the legislative district from which the candidate seeks election and shall have been a citizen and resident of the State for not less than two years preceding the date of the special election. Each candidate shall be nominated by a separate petition filed with the Attorney General by a date selected by the Attorney General. Each nominating petition shall be signed by at least 500 legally qualified voters registered to vote within the legislative district from which the delegate seeks election.

(g) A candidate for the office of delegate shall be subject to the provisions of “The New Jersey Campaign Contributions and Expenditures Reporting Act,” P.L.1973, c.83 (C.19:44A-1 et seq.), which apply to a candidate for the office of member of the Legislature, except joint candidate committees shall not be permitted, the limit on an individual contribution to a candidate committee shall be $500, the limit on a contribution by a county committee of a political party to a candidate committee shall be $5,000 and the aggregate limit on contributions by all committees of a political party shall be $10,000. If the candidate for delegate also maintains a continuing political committee or a candidate committee, separate accounts shall be maintained in connection with each campaign and neither of those two committees shall contribute to the candidate's delegate committee. The Election Law Enforcement Commission shall adopt rules to effectuate the purposes of this subparagraph.

(h) Each nominating petition shall set forth the name, place of residence and post-office address of the candidate nominated by that petition, that the nomination is for the office of delegate to the State constitutional convention to be convened in accordance with the provisions of this act, that the signers of the petition are legally qualified to vote for that candidate and pledge to support and to vote in favor of that candidate for the office of delegate, and that the signers have not signed more than one other nominating petition for the office of delegate. Each voter signing a nominating petition shall add thereto the voter's place of residence and post-office address.

(i) Each nominating petition shall include the name of any political party, as defined in R.S.19:1-1, with which the candidate nominated by the petition was affiliated on the preceding November 2. The petition of a candidate who does not have such an affiliation with a political party shall not indicate that the nominee is affiliated with a political party. A petition shall not include any designation, slogan or statement of affiliation other than as permitted by this section. Each petition shall name three persons as a vacancy committee. In the event a vacancy in the nomination occurs for any reason, the committee shall have the power to file a certificate of nomination with the Attorney General to fill the vacancy.
(j) Each nominating petition, at the time it is filed with the Attorney General, shall be accompanied by a written acceptance of the nomination signed by the nominee. In the acceptance, the nominee shall certify that the nominee meets the residency and citizenship requirements set forth herein, that the nominee consents to stand as a candidate for election to the office of delegate to the constitutional convention, and that, if elected, the nominee agrees to take office and serve as a delegate from the legislative district from which elected.

(k) Each nominating petition shall be signed by the circulator thereof who shall certify that the petition was signed by the signers thereof, that to the circulator’s best knowledge and belief the signers meet the qualifications required herein of signers, and that the petition is prepared and filed in good faith for the sole purpose of nominating the person named therein for the office of delegate to the constitutional convention.

(l) A nominating petition filed with the Attorney General as provided in this paragraph shall be a public record pursuant to P.L.1963, c.73 (C.47:1A-1 et seq.). An objection to the validity of a petition shall conform to the provisions of Title 19 of the Revised Statutes regarding petitions directly nominating a candidate for election to public office at the general election. A vacancy in a nomination occurring for any reason shall be filled by the vacancy committee named in the nominee's petition.

(m) The Attorney General, on or before the 48th day before the special election for the election of delegates, shall deliver to each county clerk a notice of the names of persons nominated as delegates to be elected from each legislative district located in whole or in part within that county and it shall be the duty of the Attorney General and the county clerks to arrange for the election of delegates to the constitutional convention in accordance with the provisions of this act and of Title 19 of the Revised Statutes to the extent that the provisions of Title 19 are not inconsistent with this paragraph.

(n) Each county clerk shall include in all ballots prepared for the primary election, including sample, military service, and civilian absentee ballots, provisions for the election of delegates to the constitutional convention.

(o) Each county clerk shall arrange for the placement of nominees for the office of delegate in the following manner. The county clerk shall list the nominees in random order on the ballot for one election district in a legislative district, or part thereof, within the county. In each succeeding election district, the county clerk shall move the name at the top of the list in the preceding district to the bottom of the list in the subsequent district and shall continue in like manner in each succeeding election district so that the order in which the names of nominees appear on the ballot rotates by one name in each succeeding election district within the
legislative district, or part thereof, located within that county. A
nominee shall not be bracketed with any other nominee on the
ballot and no designation, slogan or affiliation shall be printed on
the ballot except that a nominee shall have printed next to the
nominee's name in parenthesis and in upper case the first letter of
the name of any political party, as defined in R.S.19:1-1, with
which the nominee was affiliated on the date that this paragraph is
approved by the voters. If the nominee does not have such a party
affiliation, no letter shall appear next to the candidate's name. The
ballot shall instruct the voter to "vote for two" nominees as
delegates to the constitutional convention.

(p) The votes cast for delegates in each legislative district shall
be counted, and the results thereof returned by the election officials,
and a canvas of such election made as provided by law in the case
of members of the General Assembly. The two nominees who
receive the greatest number of votes in each legislative district shall
be the delegate from that district to the constitutional convention.
The Attorney General shall determine and declare the persons
elected as delegates to the constitutional convention.

(q) The Governor shall open the convention and preside at its
first session and until permanent officers are selected. The
convention shall be the judge of the qualifications of its members
and their election or selection. The convention shall choose, by a
majority vote of its membership, a president and a secretary and all
other appropriate officers from among the delegates, prescribe their
functions, powers, and duties, and make rules and regulations for
the conduct of its business. Before entering upon office, each
delegate shall take and subscribe an oath or affirmation, before any
person qualified to administer an oath, that the delegate will
faithfully discharge the duties of delegate.

(r) If any delegate shall die, resign, remove from the State or
the legislative district from which elected or otherwise become
disqualified from serving, or if a vacancy occurs in the office of
delegate for any reason, the delegate's vacancy committee,
designated in the candidate's nominating petition, shall fill the
vacancy.

(s) When the convention by a majority vote of its members shall
have agreed upon a proposal of amendments to the State
Constitution reducing government spending and reforming the
system of property taxation, as well as any necessary revisions to
the statutes, and the manner of submitting the proposal to the
voters, an original and two true copies thereof shall be prepared,
signed by the president and the secretary of the convention and filed
with the Attorney General and the Chief Justice of the New Jersey
Supreme Court. The Chief Justice shall appoint a committee of
three retired members of the Judiciary, no more than two of whom
shall be of the same political party, to review the convention's
proposal and, within two days, determine whether the convention
has complied with its instructions as voted by the people and not exceeded those instructions or its limited purpose in any way. Upon determining that the convention has complied with its instructions and not exceeded those instructions or its limited purpose, the committee shall certify to the convention that it is in compliance with its instructions. Upon receipt of the certification, the convention shall form the question and interpretive statement to be placed upon the ballot. The convention shall prepare an address to the people consisting of a summary and an explanation of the proposed constitutional amendments and statutory revisions. The address shall be distributed together with the sample ballots for the general election, and shall be in addition to any other summary or statement which may be required by law. The convention may make such directions to officials and others for the submission to the people of the proposed amendments and revisions and for notice and publication of the same and of the address, and for the distribution of copies thereof to such persons, places and institutions through the office of the Attorney General or other persons and at such times and in such manner as it shall determine. The convention may direct that its provisions for notice, publication and distribution shall be in lieu of any other such provisions of law relating to public questions.

(t) The question aforesaid shall be submitted to the people at the next general election in such manner that the voters shall approve or disapprove of all the amendments and statutory revisions proposed by the convention and shall not be permitted to approve some, but not all, of the conventions proposals. The ballots shall be counted, and the results thereof determined, in accordance with the provisions of Title 19 of the Revised Statutes for the submission to the people of public questions to be voted upon by the voters of the entire State, except as such provisions are inconsistent with this act or the directions of the convention; and except as stated, all the provisions of that Title are made applicable to the provisions hereof and the acts to be performed hereunder.

(u) If a majority of all votes cast for and against the adoption of the convention's proposal shall be in favor of its adoption, such amendments and revisions shall become a part of the Constitution and the statutes.

(v) The Attorney General shall certify the results of the election to the Governor. If the proposal shall have been adopted in accordance with the provisions of this act, the Governor shall thereupon issue a proclamation which shall set forth the full text of the proposal adopted.

(w) The proposal submitted to the people for approval or rejection shall provide in what manner and at what time such proposal shall take effect, if adopted at the general election.

(x) The convention shall have power to incur such expenses as may be necessary in order to exercise the powers conferred and to
perform its duties. The convention may retain such professional personnel and clerical and technical assistants as it may require and may provide for the printing, advertising and publication of its proceedings and of any proposals considered or adopted by the convention.

Delegates to the convention shall serve without compensation but shall be entitled to be reimbursed for their actual expenses incurred in the performance of their duties.

All expenses shall be approved by the president and the secretary of the convention and shall be submitted to the Treasurer of the State upon vouchers or warrants.

(y) Upon the approval by the voters of this constitutional amendment, the Legislative Services Commission shall undertake a series of research tasks for the benefit of the convention in advance of the convening of the convention which shall include, but not be limited to:

(1) an update of the research data provided to the New Jersey Tax Policy Committee of 1972, the State and Local Expenditure And Revenue Policy Commission of 1985-88, and the Governor's Property Tax Commission of 1997;

(2) an analysis of existing State revenues, including sales, income, business and other taxes, as well as fees, assessments and bond financing;

(3) an analysis of the proportion of income paid by taxpayers at varying income levels for the gross income tax, sales and use tax, and property tax;

(4) an analysis of the volatility of various revenue sources under a range of economic conditions;

(5) a comparison of New Jersey's tax structure and revenue streams with those of other states;

(6) an analysis of factors, including but not limited to information technology, economic transformations, and demographic shifts, which might differentially impact particular revenue sources in the future;

(7) a review and analysis of the property tax assessment system by area and by type of property;

(8) an analysis of the social, land use and other effects of the State's heavy reliance on property taxes;

(9) an analysis of alternative revenue sources and structures, including but not limited to tax base sharing, municipal surcharge on income tax, personality tax on intangibles, and increased rates of present taxes, as well as a review of various alternative sources and adjustment of existing sources;

(10) an evaluation of the appropriate allocation of responsibilities between the State and units of local government in providing and financing services, including but not limited to county prosecutors, use of county correctional facilities to house State prisoners, county colleges, and the coordination of land-use
planning; and

(11) an analysis of methods of reducing government spending by providing alternative means of funding public schools, revising the laws governing the tenure of public employees, including but not limited to teachers, judges and justices, and civil service employees at all levels of government, revising the spending priorities of the State and local governments, and providing other opportunities to reduce spending by government.

(z) In addition, the Legislative Services Commission shall begin the recruitment process of qualified employees who may be employed by the convention.

(aa) All procedural requirements of this paragraph, all provisions and requirements of Title 19 of the Revised Statutes made applicable hereunder and all directions of the convention as to the manner of the submission to the people of the proposal agreed upon, shall be directory only, and failure to comply or faulty compliance therewith shall not in any manner prevent the submission thereof.

(bb) In order that any additional costs to be incurred in the several counties in connection with the conduct of the primary election for the general election or the general election shall be provided from State funds, the Attorney General shall ascertain the costs to be so incurred by the several counties for the purpose of reimbursing the counties.

(cc) The State House Commission shall make necessary advance arrangements for the holding of the constitutional convention and may avail itself and provide for the use by the convention of such services and facilities of any State department, officer or agency as it deems appropriate and as may be available in connection therewith and as the convention may require.

2. When this proposed amendment to the Constitution is finally agreed to pursuant to Article IX, paragraph 1 of the Constitution, it shall be submitted to the people at the next general election occurring more than three months after the final agreement and shall be published at least once in at least one newspaper of each county designated by the President of the Senate, the Speaker of the General Assembly and the Attorney General, not less than three months prior to the general election.

3. This proposed amendment to the Constitution shall be submitted to the people at that election in the following manner and form:

There shall be printed on each official ballot to be used at the general election, the following:

a. In every municipality in which voting machines are not used, a legend which shall immediately precede the question, as follows:

If you favor the proposition printed below make a cross (X), plus (+), or check (T) in the square opposite the word "Yes." If you are
opposed thereto make a cross (X), plus (+) or check (Τ) in the square opposite the word "No."

b. In every municipality the following question:

<table>
<thead>
<tr>
<th>YES</th>
<th>TEMPORARY CONSTITUTIONAL AMENDMENT PROVIDING FOR CONSTITUTIONAL CONVENTION TO REFORM PROPERTY TAXATION</th>
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<tbody>
<tr>
<td></td>
<td>Do you approve a temporary change to the New Jersey Constitution to create a Constitutional Convention? The purpose of the convention would be to propose changes to the Constitution and statutes that would reform property taxes. Any changes would have to be approved by the voters.</td>
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</tbody>
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<table>
<thead>
<tr>
<th>NO</th>
<th>INTERPRETIVE STATEMENT</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>This temporary constitutional amendment provides for a State Constitutional Convention. The convention would review government spending and the fairness of property taxation. The convention would propose changes to the State Constitution and existing laws. The convention would not be allowed to consider any other issues. The convention could not look at any proposal providing for a Statewide equalized school property tax.</td>
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<td></td>
<td>The convention’s proposals could not change the total amount of revenue the State and local governments collect, but could reduce local governments’ dependence on property taxes.</td>
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<td></td>
<td>The changes could provide for other ways of funding local government services. These other ways could include possible increases in taxes other than the property tax.</td>
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<td></td>
<td>The convention’s proposals would be placed on the ballot at the next general election. This temporary constitutional amendment would expire after the convention finishes its work.</td>
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SCHEDULE

This constitutional amendment shall become part of the New Jersey Constitution upon approval by the voters and shall expire 30 days following the general election at which the convention’s proposal appears on the ballot.

STATEMENT

This concurrent resolution proposes a temporary amendment to the New Jersey Constitution which would provide for the convening of a State constitutional convention for the purpose of reducing government spending and reforming the system of property taxation in this State.

Upon approval by the electorate of the holding of the convention, two delegates to the convention would be elected from each legislative district, for a total of 80 delegates, at a special election held in March thereafter. The names of candidates for delegate on the ballot would rotate in successive election districts in order to mitigate any potential impact of ballot position on voter choice. Candidates for the position of delegate to the convention would be subject to special campaign contribution limits.

The convention would convene in April thereafter and complete its work in August. It would be the duty of the convention to prepare a proposal consisting of amendments to the New Jersey Constitution and revisions to the statutes, which reduce government spending by revising the spending priorities of the State and local governments, and providing other opportunities to reduce spending by government and which, while revenue neutral in their overall impact, eliminate inequities in the current system of property taxation, ensure greater uniformity in the application of property taxes, reduce property taxes as a share of overall public revenue, provide alternatives which lessen the dependence of local government on property taxes, and provide alternative means of reducing local government spending. Any revisions of the statutes recommended by the convention and approved by the voters at the following general election would thereafter be subject to amendment or repeal by the Legislature and the Governor in the same manner as other laws.

The convention’s proposal would be submitted to the voters for their approval at the next general election. The voters would approve or disapprove of all the amendments and statutory revisions proposed by the convention and would not be permitted to approve some, but not all, of the convention’s proposals. The convention would be limited to considering the issues of reducing government spending and tax reform. It would not be permitted to consider any other issues. The concurrent resolution provides that the Chief
Justice would appoint a committee of three retired members of the Judiciary to review the convention's proposal prior to its placement on the ballot for the purpose of verifying that the convention has complied with its instructions and not exceeded those instructions in any way. It also directs the Legislative Services Commission to undertake relevant research tasks for the benefit of the convention prior to the convening of the convention and to recruit qualified employees who may be employed by the convention. The temporary constitutional amendment proposed by this concurrent resolution would expire 30 days following the general election at which the convention’s proposal appears on the ballot.