

P.L.2017, CHAPTER 260, *approved January 8, 2018*
Assembly, No. 1427

1 AN ACT concerning municipal free public library funding,
2 amending R.S.40:54-8 and P.L.1959, c.155, and supplementing
3 chapter 54 of Title 40 of the Revised Statutes.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. R.S.40:54-8 is amended to read as follows:

9 40:54-8. a. Within every municipality governed by this article
10 there shall annually be raised by taxation a sum equal to one-third
11 of a mill, unless a higher rate is approved by the voters pursuant to
12 subsection b. of this section, on every dollar of assessable property
13 within such municipality based on the equalized valuation of such
14 property as certified by the Director of the Division of Taxation in
15 the Department of the Treasury in accordance with the provisions of
16 R.S.54:4-49. The amount to be raised by taxation for a free public
17 library pursuant to this subsection shall be assessed, levied, and
18 collected in the same manner and at the same time as other
19 municipal purposes taxes are assessed, levied, and collected therein
20 and shall be paid from the disbursing officer to the treasurer of the
21 free public library on a quarterly basis.

22 b. (1) The governing body of a municipality may by resolution
23 submit to the voters of the municipality, at a general election, a
24 proposition to change the rate of the tax required to annually be
25 raised pursuant to subsection a. of this section, as deemed
26 appropriate for the proper maintenance of a free public library;
27 provided, however, that the rate in the proposition shall not be
28 lower than one-third of a mill. Upon approval of the proposition by
29 a majority of the votes cast by the voters of the municipality, the
30 governing body of the municipality shall implement it in the manner
31 set forth in subsection a. of this section. If the majority of votes
32 cast are against the proposition, the existing rate of the tax to
33 annually be raised for a free public library shall remain unchanged.

34 (2) Upon petition to the governing body of a municipality signed
35 by qualified voters of the municipality equal in number to at least
36 15 percent of the votes cast therein at the last preceding general
37 election, filed with the clerk of the municipality at least 90 days
38 before a general election, the governing body shall submit to the
39 voters of the municipality, at the general election, a proposition
40 otherwise authorized pursuant to paragraph (1) of this subsection.

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 (3) A proposition under this subsection shall not be submitted to
2 the voters of a municipality more than once in any three-year
3 election period.

4 (4) An additional sum raised by taxation for a free public library
5 required by a proposition approved pursuant to this subsection shall,
6 for the first tax year in which the proposition is implemented, be
7 exempt from the limitation set forth in section 5 of P.L.1985, c.541
8 (C.40:54-8.1), and shall not be considered excess funds as set forth
9 in R.S.40:54-15.

10 (5) If a proposition is approved pursuant to this subsection, the
11 information required to be printed upon the property tax bill
12 pursuant to R.S.54:4-65 shall be adjusted accordingly and shall be
13 reflected on a single line of the property tax bill.

14 (6) A proposition approved pursuant to this subsection
15 establishing a tax rate higher than one-third of a mill shall expire
16 after 10 tax years or after the tax year in which a new proposition
17 establishing a different tax rate is approved, whichever occurs first.
18 The tax rate shall revert to one-third of a mill upon the expiration of
19 a higher tax rate.

20 c. Following enactment of P.L.2011, c.38, the **[director]**
21 Director of the Division of Local Government Services in the
22 Department of Community Affairs shall decrease the municipality's
23 adjusted tax levy pursuant to subsection d. of section 11 of
24 P.L.2007, c.62 (C.40A:4-45.46) by the amount raised by taxation
25 for a free public library pursuant to this section, so that there is no
26 net impact on the amount of the adjusted tax levy available to the
27 municipality for non-library purposes pursuant to section 9 of
28 P.L.2007, c.62 (C.40A:4-45.44).

29 d. Such additional sum, as in the judgment of the municipal
30 governing body or appropriate board of the municipality, is
31 necessary for the proper maintenance of a free public library, may
32 be appropriated in the municipal budget from the general purposes
33 municipal tax levy.

34 (cf: P.L.2011, c.38, s.1)

35
36 2. Section 1 of P.L.1959, c.155 (C.40:54-29.3) is amended to
37 read as follows:

38 1. a. (1) Any two or more municipalities may unite in the
39 support, maintenance and control of a joint free public library for
40 the use and benefit of the residents of such municipalities.

41 (2) Every library established under this chapter shall be
42 considered a free public library as defined under R. S. 40:54-1 et
43 seq. and shall have the same benefits, powers, duties and
44 responsibilities granted to free public libraries and their governing
45 boards of trustees.

46 b. The combined minimum appropriation for the joint free
47 public library annually shall be not less than one-third of a mill on
48 every dollar of assessable property within the participating

1 municipalities based upon the equalized valuation of such property
2 within the combined municipalities as certified by the Director of
3 the Division of Taxation in the Department of the Treasury in
4 accordance with the provisions of R.S.54:4-49.

5 (cf: P.L.1988, c.38, s.1)

6

7 3. Section 7 of P.L.1959, c.155 (C.40:54-29.9) is amended to
8 read as follows:

9 7. a. The joint library agreement may be amended by
10 agreement among the parties thereto but such amendments shall not
11 become effective until approved in each of the participating
12 municipalities by ordinance, which ordinances may incorporate
13 such amendments by reference.

14 b. (1) The governing body of each municipality shall, by
15 resolution, submit to the voters of the municipality, at a general
16 election, a proposition to change the rate of the tax required to
17 annually be raised to support the joint free public library agreement
18 and, pursuant to section 15 of P.L.1959, c.155 (C.40:54-29.17), as
19 deemed appropriate for the proper maintenance of a joint free
20 public library; provided, however, that the rate in the proposition
21 shall not be lower than one-third of a mill on every dollar of
22 assessable property within the participating municipalities based
23 upon the equalized valuation of such property within the combined
24 municipalities as certified by the Director of the Division of
25 Taxation in the Department of the Treasury in accordance with the
26 provisions of R.S.54:4-49. Upon approval of the proposition by a
27 majority of the votes cast by the voters of the municipality, the
28 governing body of the municipality shall implement it in the manner
29 set forth in section 15 of P.L.1959, c.155 (C.40:54-29.17).

30 (2) Upon petition to the governing body of a municipality signed
31 by qualified voters of the municipality equal in number to at least
32 15 percent of the votes cast therein at the last preceding general
33 election, filed with the clerk of the municipality at least 90 days
34 before a general election, the governing body shall submit to the
35 voters of the municipality, at the general election, a proposition
36 otherwise authorized pursuant to paragraph (1) of this subsection.

37 (3) A proposition under this subsection shall not be submitted to
38 the voters of a municipality more than once in any three-year
39 election period.

40 (4) An additional sum raised by taxation for a joint free public
41 library required by a proposition approved pursuant to this
42 subsection shall be exempt from the limitation set forth in section 5
43 of P.L.1985, c.541 (C.40:54-8.1) for the first tax year in which the
44 proposition is implemented and shall not be considered excess
45 funds as set forth in R.S.40:54-15.

46 (5) If a proposition is approved pursuant to this subsection
47 changing the rate of tax required to annually be raised to support the
48 joint free public library agreement, the information required to be

1 printed upon the property tax bill pursuant to R.S.54:4-65 shall be
2 adjusted accordingly and shall be reflected on a single line of the
3 property tax bill.

4 (6) Whenever one municipality in a joint free public library
5 system changes the rate of its dedicated joint free public library tax
6 rate, any of the participating municipalities in that joint free public
7 library system may demand that the joint free public library
8 agreement be amended or renegotiated.

9 (7) A proposition approved pursuant to this subsection
10 establishing a tax rate higher than one-third of a mill shall expire
11 after 10 tax years or after the tax year in which a new proposition
12 establishing a different tax rate is approved, whichever occurs first.
13 The tax rate shall revert to one-third of a mill upon the expiration of
14 a higher tax rate.

15 c. Following the effective date of P.L.2011, c.38 (March 21,
16 2011), the Director of the Division of Local Government Services
17 in the Department of Community Affairs shall decrease the
18 municipality's adjusted tax levy pursuant to subsection d. of section
19 11 of P.L.2007, c.62 (C.40A:4-45.46) by the amount raised by
20 taxation for a joint free public library pursuant to this section so that
21 there is no net impact on the amount of the adjusted tax levy
22 available to the municipality for non-library purposes pursuant to
23 section 9 of P.L.2007, c.62 (C.40A:4-45.44).

24 d. Such additional sum, as in the judgment of the municipal
25 governing body or appropriate board of the municipality, is
26 necessary for the proper maintenance of a joint free public library,
27 may be appropriated in the municipal budget from the general
28 purposes municipal tax levy.

29 (cf: P.L.1959, c.155, s.7)

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31 4. (New section) a. The officer charged with the duty of
32 preparing the ballots for an election in which a proposition is to be
33 submitted to the voters pursuant to subsection b. of R.S.40:54-8 or
34 pursuant to subsection b. of section 7 of P.L.1959, c.155 (C.40:54-
35 29.9) shall cause the proposition to be printed on the official ballots
36 for such election in substantially the following form, as applicable.

37 (1) If the proposition is to increase the rate of the tax to annually
38 be raised for the support of a free public library established
39 pursuant to R.S.40:54-1 et seq.:

40 “Shall the rate of the tax annually levied for the support of the
41 free public library in (name of municipality) be increased
42 from cents per \$100 of assessed equalized value of real
43 property to cents per \$100 of assessed equalized value
44 of real property?”

45 (2) If the proposition is to reduce the rate of the tax to annually
46 be raised for the support of a free public library established
47 pursuant to R.S.40:54-1 et seq.:

1 “Shall the rate of the tax annually levied for the support of the
2 free public library in (name of municipality) be reduced
3 from cents per \$100 of assessed equalized value of real
4 property to cents per \$100 of assessed equalized value
5 of real property?”

6 b. The officer charged with the duty of preparing the ballots for
7 an election in which a proposition is to be submitted to the voters
8 pursuant to subsection b. of R.S.40:54-8 shall also cause an
9 accompanying explanatory statement to be printed on the official
10 ballots for such election, which statement shall include the
11 following, as applicable:

12 (1) The minimum amount required to annually be raised by
13 taxation for the support of the free public library pursuant to
14 subsection a. of R.S.40:54-8;

15 (2) The current amount annually raised by taxation for the
16 support of the free public library if above the minimum amount
17 required to annually be raised by taxation pursuant to subsection a.
18 of R.S.40:54-8;

19 (3) The proposed change in the amount to annually be raised by
20 taxation for the support of the free public library;

21 (4) The effect of the proposed change on the property taxes of a
22 residential property assessed at the average assessed value of
23 residential properties in the municipality; and

24 (5) The length of time that a higher tax rate will be in effect, if
25 applicable.

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27 5. This act shall take effect immediately.

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33 Permits increase in municipal free public library tax upon voter
approval.