ASSEMBLY, No. 635

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

WITHDRAWN

By Assemblyman IMPREVEDUTO

AN ACT concerning certain credits against the intermunicipal account of the Hackensack Meadowlands Development Commission and amending P.L.1968, c.404.

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

1. Section 65 of P.L.1968, c.404 (C.13:17-67) is amended to read as follows:

65. (a) As used in this section, except as otherwise specifically provided:

(1) The increase or decrease in aggregate true value of taxable real property for any adjustment year shall be the difference between:

(i) The aggregate true value of that portion of taxable real property, exclusive of Class II railroad property, in the municipality located within the district in the comparison year, and

(ii) The aggregate true value of said property in the base year.

(2) Aggregate true value of all taxable real property shall be determined by aggregating the assessed value of all real property within the district boundaries in each constituent municipality, and dividing said total by the average assessment ratio as promulgated by the Director of the Division of Taxation in the Department of the Treasury for State school aid purposes on October 1 of the respective years for which aggregate true value is to be determined, pursuant to P.L.1954, c.86, as amended, as the same may have been modified by the tax court.

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(3) For the purpose of calculating aggregate true value, the assessed value of taxable real property for any given year shall comprise:

(i) The assessed value shown on the assessment duplicate for such year, as certified by the county board of taxation and reflected in the county table of aggregates prepared pursuant to R.S.54:4-52, as the

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined <u>thus</u> is new matter.

same may be modified by the county board of taxation upon appeal, plus

(ii) The prorated assessed values pertaining to such year, as certified by the county board of taxation on or before October 10, with respect to the assessor's added assessment list for such year, as the same may be modified by the county board of taxation upon appeal, plus

(iii) The assessed values pertaining to such year, as certified by the county board of taxation on or about October 10, with respect to the assessor's omitted property assessment list for such year, as the same may be modified by the county board of taxation upon appeal.

(b) The amount payable to the intermunicipal account by each constituent municipality in any adjustment year shall be determined in the following manner: the apportionment rates calculated for the comparison year shall be multiplied by the increase, if any, in aggregate true value of taxable real property for such year; provided, however, that the amount payable to the intermunicipal account shall be limited to 10% of the amount so calculated in the adjustment year 1973 and shall increase 4 percentage points a year until 50% of the amount so calculated is paid into the intermunicipal account in the adjustment year 1983 through adjustment year 1988. Beginning in adjustment year 1989 the amount payable into the intermunicipal account shall be reduced by 2 percentage points a year until 40% of the amount calculated pursuant to this subsection is paid into the intermunicipal account in the adjustment year 1993 and thereafter.

(c) If, during any comparison year, a constituent municipality has received a payment in lieu of real estate taxes on property located within the district, then, for the purpose of calculating the increase or decrease in the municipality's aggregate true value under subsection (a)(1) of this section, there shall be added to the aggregate true value otherwise determined for such comparison year an amount determined by dividing the amount of said in lieu payment by the municipal tax rate for the comparison year and dividing the result by the average assessment ratio for school aid purposes as promulgated by the Director of the Division of Taxation, as same may have been modified by the tax court.

<u>(d) The amount payable to the intermunicipal account by each constituent municipality, determined under subsection (b) of this section, shall be reduced by:</u>

<u>(1) the annual debt service during the comparison year for municipal infrastructure improvements required to service properties within the Hackensack Meadowlands District. If a specific infrastructure improvement provides a benefit to areas both within the Hackensack Meadowlands District and outside of the boundaries thereof, the proportionate share of the debt service attributable to that portion of the infrastructure improvement which provides a benefit to</u>

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properties within the Hackensack Meadowlands District shall be deducted; and

(2) the annual cost during the comparison year to repair and maintain formerly private streets, roads and highways, and the storm and sanitary sewers thereunder, that the constituent municipality has accepted for dedication for public use as a public street, road or highway. The repair and maintenance costs shall include, but not be limited to, expenses for street lighting, snow removal, street sweeping, and sewer repair. This paragraph shall apply only to formerly private streets, roads, or highways created pursuant to planning approval from the Hackensack Meadowlands Development Commission. The repair and maintenance functions may be performed by municipal employees or may be performed by private contractors pursuant to a contract with the municipality subject to the requirements of the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.). Contract cost overruns for extraordinary occurrences, such as excessive snow removal, shall be carried over and credited in the following year.

(cf: P.L.1989, c.26, s.3)

2. This act shall take effect immediately and shall be applicable to improvements completed and road maintenance costs incurred after the date of enactment.

STATEMENT

This bill reduces the amount that a constituent municipality of the Hackensack Meadowlands Development Commission is required to pay into the intermunicipal account by the amount of its annual debt service during the comparison year attributable to infrastructure improvements that were required by the commission and by the amounts expended by the municipality during the comparison year to maintain and repair certain formerly private streets, roads or highways that are accepted for public dedication.

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Permits certain credits against HMDC intermunicipal account.