

CHAPTER 85

AN ACT establishing a Property Tax Convention Task Force to study property tax relief and the need for a constitutional convention to review the property tax system and making an appropriation.

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

1. The Legislature finds and declares that:
 - for more than a decade, the problem of high property taxes has been among the most significant faced by the people of New Jersey;
 - property taxes are a primary funding source for local services, including public schools, public works and public safety departments and other institutions;
 - there is uniform agreement among governmental representatives that there is a need to lessen the dependence of local governments on property taxes, find alternative means to fund vital government services, and assist local governments in identifying and maximizing all potential fiscal efficiencies;
 - to that end, attempts have been made to mitigate the burden of property taxes on the people through rebate programs, freezes and other measures;
 - any such relief measures necessarily are limited by the fact that the current property tax system, as required by the State Constitution, is such that structural changes to it cannot be made without constitutional amendment;
 - it is imperative that the State undertake a comprehensive review of State and local funding responsibilities, including considering the elimination of unnecessary State mandates, the maximization of shared services, and the adoption of spending reforms, while ensuring that a quality public education system and other public services are maintained at appropriate levels;
 - in our State, the people have reserved to themselves the right to alter or reform the State Constitution and therefore the people must ultimately decide how the property tax system should be structured through consideration of a constitutional change;
 - fundamental changes to the Constitution typically have been made through a constitutional convention, which is convened upon the approval of the voters;
 - due to the uniquely complex and controversial nature of this issue, long-debated questions on how such a convention should be organized and what issues should be addressed require careful consideration, and will be integral to the success of the convention; and
 - the immediate convening of a task force of experts for the purpose of making concrete recommendations by a date certain to determine how to bring about all possible property tax relief within the current system and how a constitutional convention to consider systemic change should be composed is imperative to ensure that the long-standing problem of property taxes is addressed in the most effective, efficient and fair way possible.
2. There is hereby established the Property Tax Convention Task Force.
 - a. The task force shall consist of 15 members: nine members appointed by the Governor; two members appointed by the Senate President, one of whom shall be a member of the Senate and one of whom shall be a member of the public; two members appointed by the Speaker of the General Assembly, one of whom shall be a member of the General Assembly and one of whom shall be a member of the public; one member appointed by the Minority Leader of the Senate who shall be a member of the Senate; and one member appointed by the Minority Leader of the General Assembly who shall be a member of the General Assembly. The members shall have substantial expertise and experience in State and local government matters, constitutional law, public finance or other related areas.
 - b. The Governor shall appoint the chair of the task force from among its members.
3. The duties of the task force shall be limited to the following:
 - a. Considering and developing recommendations regarding the process of conducting a constitutional convention designed to change the existing property tax system. Such recommendations shall include, but not be limited to, the recommended method for the selection of delegates to the convention, the appropriate scope of the convention's inquiry and the method for consideration of the convention's recommendations, and shall identify the specific issues or questions that the convention should consider as well as the estimated costs of the convention.

b. Holding hearings throughout the State for the purpose of receiving input from members of the public on these issues.

c. Issuing a report by December 31, 2004 containing the task force's recommendations for legislative and programmatic changes and, if appropriate, a draft legislative proposal to implement the convening of such a convention.

4. The task force is authorized to call upon any department, office, division or agency of this State to supply it with data and other information or assistance that the task force deems necessary to discharge its duties under this act. Each department, office, division or agency of this State is hereby directed, to the extent not inconsistent with law, to cooperate fully with the task force and to furnish it with such information and assistance as is necessary to accomplish the purposes of this act.

5. The task force shall issue its report by December 31, 2004. The deadline for this report shall not be extended. The report shall be submitted to the Governor and the Legislature, who shall immediately review the task force's report upon its receipt. Each house of the Legislature shall consider the task force's report and legislative proposal or proposals regarding the convening of a constitutional convention within 60 days of receipt of the report.

6. There is hereby appropriated the amount of \$250,000 from the General Fund to the task force to effectuate the purposes of this act.

7. This act shall take effect upon enactment into law of P.L.2004, c.40 (C.54A:9-29 et al.), P.L.2004, c.73 (C.18A:7F-5 et al.) and P.L.2004, c.74 (C.40A:4-45.15c et al.).

Approved July 7, 2004.