

STAY NJ (PROPERTY TAX RELIEF PROGRAM) TASK FORCE MEETING

Minutes of the Meeting

February 8, 2024

Minutes of the meeting of the Stay NJ Property Tax Relief Program Task Force (the “Task Force”) held via Microsoft Teams on Thursday, February 8, 2024 at 1:05 PM Eastern Standard Time.

MEMBERS OF THE BOARD IN ATTENDANCE

Dennis Zeveloff, Governor’s Office, Chief Policy Advisor

Aaron Binder, Department of the Treasury, Deputy State Treasurer, Cabinet Designee

Dr. Christopher Wheeler, Department of Community Affairs, Chief Data Officer, Cabinet Designee

Jessica Cohen, Public Member

Honorable John E. McCormac, Public Member

Honorable Adrian O. Mapp, Public Member

This constituted a quorum of the members of the Stay NJ Task Force.

ADDITIONAL ATTENDEES

David Ridolfino, Executive Director, Stay NJ Task Force

Christine Machnowsky, Deputy Attorney General

Kavin Mistry, Deputy Attorney General

David Drescher, Governor’s Office

Assad Akhter, Governor’s Office

Gregory Aquilino, Governor’s Office

Marita Sciarrotta, Treasury, Division of Taxation

Jacob Foy, Treasury, Division of Taxation

LaShera Kirk, Treasury, Division of Administration

Seth Hahn, Assembly Majority

Patrick Brennan, Assembly Majority

Elizabeth Mahn, Senate Majority (arrived at 1:53pm)

Chair Designee Dennis Zeveloff presided over the meeting and LaShera Kirk, Treasury, Division of Administration, kept the minutes.

Chair Designee Zeveloff called the meeting to order at 1:05 PM. Chair Designee Zeveloff introduced himself and made the following statement:

I wish to announce that adequate notice of this meeting was provided in accordance with the Open Public Meetings Act. Notice of today’s meeting was filed with the Secretary of State, distributed by email and mail to the following five newspapers of general distribution: The Courier Post, Times of Trenton, the Asbury Park Press, the Star Ledger, and North Jersey.com and it was posted in the main entrance at the New Jersey Department of the Treasury and on the bulletin board for the Secretary of State.

Chair Designee Zeveloff turned the meeting over to Executive Director, David Ridolfino for roll call.

The following Board members acknowledged their presence:

Dennis Zeveloff, Governor's Office, Chief Policy Advisor

Aaron Binder, Department of the Treasury, Deputy State Treasurer, Cabinet Designee

Dr. Christopher Wheeler, Department of Community Affairs, Chief Data Officer, Cabinet Designee

Jessica Cohen, Public Member

Honorable John E. McCormac, Public Member

Honorable Adrian O. Mapp, Public Member

Chair Designee Zeveloff made a general note reminding the Board, due to the virtual nature of the meeting, to identify themselves before making or seconding a motion and moved forward with the agenda.

ITEMS OF DISCUSSION

I. Approval of the minutes from the 12/20/23 meeting

Chair Designee Zeveloff requested a motion to approve the meeting minutes from the December 20, 2023 Stay NJ Board Meeting. A motion was made to approve the meeting minutes by public Member, Mayor John E. McCormac and was seconded by Cabinet Designee, Dr. Christopher Wheeler and was approved by the affirmative vote of the six (6) voting members present.

Chair Designee Zeveloff turned the meeting over to Executive Director and Acting Secretary Ridolfino for the Executive Director's Report.

II. Executive Director's Report

Executive Director Ridolfino provided an update since the December Board Meeting.

Executive Director Ridolfino stated that with the help of the Department of the Treasury, he was able to develop a comprehensive summary of the eligibility requirements and features of the two major property tax relief programs, ANCHOR and Senior Freeze. The document was shared with the Task Force in early January and provided additional logistical and administrative challenges related to the programs. The document will serve as a menu of items continually updated based on feedback from the Task Force and the public that will need to be considered regardless of the final recommendations.

Executive Director Ridolfino stated that the Task Force Members have expressed a desire to understand what other states are doing in this regard. As a result, Executive Director Ridolfino created and circulated a document summarizing the tax environment by state, providing sales tax rates, income tax rates, property tax rates, and the efforts that each state has in place to provide property tax relief to its senior residents. Just about every state is doing something to reduce their state's property tax burden to seniors and using some combination of income, age, and residency to determine benefits. Executive Director Ridolfino summarized some of his specific findings

regarding property tax relief efforts in other states. Overall there is a wide range of efforts across the states.

Executive Director Ridolfino stated that the Stay NJ Task Force website (www.nj.gov/treasury/staynj) went live on January 19, 2024 and will be used to post meeting agendas and other relevant items. Most importantly, it can also be used by individuals or organizations to provide feedback to the Task Force to help in developing recommendations. To date, we've received about three dozen comments, some of which are from individuals who are a little confused about the program. Though this is a very small sample size, the comments illustrate the need to make sure the eventual recommendations are simple to implement and easy to understand.

Executive Director Ridolfino stated that, over the course of the next month, the focus will be on arranging a meeting that will be open for public comment, but that he will be available to discuss any ideas or thoughts the Task Force members may have about next steps or concept solutions.

Executive Director Ridolfino concluded his report and the meeting was turned over to Chair Designee Zeveloff who asked if there were any questions. There being none, Chairman Zeveloff continued with the next item on the agenda.

III. Presentation: State of New Jersey, Department of the Treasury, Division of Taxation

Chair Designee Zeveloff turned the meeting over to Jacob Foy, Division of Taxation, who introduced himself and began his presentation by covering some highlights of the recent ANCHOR program, the Senior Freeze program with some general information on the upcoming 2023 filing season. Mr. Foy also discussed some of the more major challenges of creating a combined application as is required under the Stay NJ Act.

At the conclusion of the presentation, public Member, Mayor Adrian O. Mapp asked Mr. Foy about the rationale for the age 65 look back to 2020 in order to be eligible and why the ANCHOR program was still on tax year 2020.

Mr. Foy responded that, because of budget appropriations years ago that had either skipped or reduced the ANCHOR (formally Homestead) benefit, there were years where the program was not paid out and then not caught up afterwards. This put the program two years behind where it used to be.

Public Member, Mayor John E. McCormac asked Mr. Foy what the statutory deadlines are after which you cannot apply for each program.

Mr. Foy responded that the taxpayer will always be given the right to file for an application year and, if it's denied, there are further administrative remedies available to each applicant.

Public Member, Mayor John E. McCormac asked Mr. Foy how capital improvements are accounted for on a taxpayer's property.

Mr. Foy responded that the application process for Senior Freeze provides the information needed for the reimbursement to be calculated based on the property taxes without the added assessment.

This ended the questions pertaining to the presentation and the meeting was turned over to Chair Designee Zeveloff who moved on to the Open Discussion portion of the Meeting.

IV. Task Force Members Open Discussion

Public Member, Mayor John E. McCormac stated that the Task Force should be working towards a common base year, a common definition of income, and a common definition of residency.

Public Member, Mayor Adrian O. Mapp echoed this thought with the need to also create a single application for all the programs.

Public Member, Mayor John E. McCormac stated that the Task Force will need to consider whether the 12% budget surplus threshold is too high. Cabinet Designee, Dr. Christopher Wheeler suggested that the Task Force may benefit from a historical analysis of what that has been to put it into context. This would also provide good justification to the Legislature on adjusting the 12% budget surplus threshold to a more reasonable number.

Cabinet Designee, Aaron Binder commented on the need to align the timing of the programs. A challenge the Task Force will face is that the ANCHOR program is not limited to senior citizens and that two-thirds of the eligible population are non-seniors.

Executive Director Ridolfino offered to provide the Task Force with a few options on how to align factors like residency, income, benefit year, and the alignment of the application with the other programs to discuss at the next meeting.

Executive Director Ridolfino expressed the needed for swiftness in getting feedback from the Task Force regarding guest to be invited to the public meeting as it will require more time and effort to put the meeting together.

Public Member, Jessica Cohen asked for a list of the people that testified about this during the budget hearings.

Public Member, Aaron Binder confirmed that a list could be provided.

Chairman Zeveloff agreed with Executive Director Ridolfino that providing some options to help with the discussion points brought up by the Task Force members and in figuring out logistics and policy recommendations would be a good idea.

Chairman Zeveloff appreciated that there were still issues the Task Force could continue to discuss but, due to time constraints, he requested a motion to adjourn. On a motion by public Member, Mayor John E. McCormac, and seconded by Cabinet Designee, Dr. Christopher Wheeler, and carried by voice vote from members present voting in favor, the meeting was adjourned at 2:03PM.