

square footage of indoor and/or outdoor covered sales area as previously approved shall not be considered a new facility.

(q) On-farm direct marketing facilities, activities, and events shall comply with relevant Federal and State laws, rules, and regulations, including, but not limited to:

1. The Highlands Water Protection and Planning Act, N.J.S.A. 13:20-1 et seq.;
2. The Soil Erosion and Sediment Control Act, N.J.S.A. 4:24-39 et seq.;
3. The New Jersey Uniform Construction Code, N.J.A.C. 5:23;
4. The New Jersey Uniform Fire Code, N.J.A.C. 5:70;
5. The Stormwater Management rules, N.J.A.C. 7:8;
6. The State Highway Access Management Code, N.J.A.C. 16:47;
7. The Sanitation in Retail Food Establishments and Food and Beverage Vending Machines rules, N.J.A.C. 8:24; and
8. The Pinelands Comprehensive Management Plan, N.J.A.C. 7:50.

(r) Additional miscellaneous provisions for on-farm direct marketing facilities, activities, and events on commercial farms shall be as follows:

1. This agricultural management practice does not preclude a commercial farm from requesting a site-specific agricultural management practice determination for on-farm direct marketing facilities, activities, and events pursuant to N.J.A.C. 2:76-2.3 and 2.4. A board or the Committee, pursuant to N.J.A.C. 2:76-2.3 and 2.4, may make site-specific agricultural management practice determinations for facilities, activities, and events, provided such site-specific agricultural management practice determinations are consistent with the practices set forth in this section.

2. If a commercial farm believes a municipality's standards for the construction of building and parking areas applicable to on-farm direct marketing facilities are unduly restrictive, or believes a municipality is unreasonably withholding local zoning approval related to a facility, the commercial farm may request that the appropriate board, or the Committee in counties where no board exists, make a determination in the matter by requesting a site-specific agricultural management practice pursuant to N.J.A.C. 2:76-2.3 and 2.4.

[2:76-2B.2 Eligibility of pick-your-own operations for Right to Farm protections

(a) As used in this section, "pick-your-own operation" means a direct marketing alternative wherein retail or wholesale customers are invited onto a commercial farm in order to harvest agricultural, floricultural or horticultural products.

(b) A pick-your-own operation is determined to be a permissible activity entitled to receive the protections and benefits of the Right to Farm Act, provided that the commercial farm operation of which the pick-your-own operation is a component meets the criteria as set forth in N.J.S.A. 4:1C-9.]

2:76-2B.2 Eligibility of pick-your-own operations for Right to Farm protections

Pick-your-own operations rules are set forth in N.J.A.C. 2:76-2A.13.

COMMUNITY AFFAIRS

(a)

DIVISION OF LOCAL GOVERNMENT SERVICES

LOCAL FINANCE BOARD

Tax Collection Administration

Proposed Redooption: N.J.A.C. 5:33

Authorized By: Local Finance Board, Thomas H. Neff, Chair as to N.J.A.C. 5:33-1 (save for N.J.A.C. 5:33-1.2); Thomas H. Neff, Director, Division of Local Government Services, as to N.J.A.C.

5:33-1.2, 2, and 3; and Richard E. Constable, III, Commissioner, Department of Community Affairs, as to N.J.A.C. 5:33-4. Authority: N.J.S.A. 52:27BB-10 and 32; 54:4-122.9; 40A:5-43; 40A:9-145.3c; 54:4-6.10; 54:4-8.81; 40A:4-27.3(d); and 17:16F-15 et seq.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2013-102.

Submit written comments by August 16, 2013 to:

Patricia McNamara, Executive Secretary
Local Finance Board
Department of Community Affairs
P.O. Box 803
Trenton, New Jersey 08625-0803

The agency proposal follows:

Summary

N.J.A.C. 5:33 establishes rules for the administration of tax collection, the certification requirements for tax collectors, the administration of the tenant property tax rebate program, and the performance of mortgage escrow account transactions by tax collectors. Pursuant to N.J.S.A. 52:14B-5.1.b, the rules concerning tax collection administration, N.J.A.C. 5:33, are scheduled to expire on May 16, 2013. However, as this notice of proposed reoption has been filed prior to May 16, 2013, the expiration date of these rules is hereby extended 180 days to November 12, 2013 pursuant to N.J.S.A. 52:14B-5.1c(2).

The authority for the Local Finance Board (Board) to regulate tax collection administration is found at N.J.S.A. 52:27BB-10 and 32. These sections authorize the Local Finance Board to promulgate reasonable rules and regulations, forms, and practices for the interpretation and administration of State laws within the jurisdiction of the Division of Local Government Services in the Department of Community Affairs, which include tax collection administration. Authority for the Director of the Division of Local Government Services (Director) to establish rules applicable to bank collection of tax payments and the certification of tax collectors is found under N.J.S.A. 54:4-122.9.b and 40A:9-145.3c, respectively. The Director's authority to promulgate regulations concerning administration of the Tenant Property Tax Rebate Program, including regulating the distribution of Regional Efficiency Aid Program (REAP) aid through said Program, is found at N.J.S.A. 40A:4-27.3.d, 54:4-6.10, and 54:4-8.81. The authority of the Commissioner of the Department of Community Affairs (Commissioner) to promulgate rules applicable to mortgage escrow account transactions by tax collectors is found at P.L. 1990, c. 69, §15.

The Board, the Director, and the Commissioner have reviewed the rules proposed for reoption and have determined them to be necessary, reasonable, and proper for the purposes for which they were originally promulgated. There is a continued need to set rules to ensure Statewide consistency and a high level of professional competence in the administration of municipal tax collection practices, tenant rebate procedures, and mortgage escrow account transactions. The rules promulgated at N.J.A.C. 5:33 fulfill this need and serve to uphold the integrity of these respective administrative processes. The Local Finance Board approved the proposed reoption of N.J.A.C. 5:33 at its May 8, 2013 meeting.

The rules at N.J.A.C. 5:33 were originally adopted in 1990, having been amended and supplemented over the years pursuant to statutory changes and new developments in property tax collection. Redooption of N.J.A.C. 5:33 is essential to ensuring fairness and integrity in the realm of public procurement along with the most efficient use of public funds.

The rules proposed for reoption in Subchapter 1 address a variety of different issues related to tax collection practices. The sections in this subchapter are described as follows:

N.J.A.C. 5:33-1.1 was repealed on September 5, 1995. The section is being held in reserve for future use.

N.J.A.C. 5:33-1.2 establishes tax collection procedures and notification requirements applicable to municipalities engaging the services of a bank or trust company to collect tax or utility receipts on their behalf.

N.J.A.C. 5:33-1.3 requires tax collectors to utilize standard forms for posting preliminary and final taxes.

N.J.A.C. 5:33-1.4 requires municipal taxing districts to use specified forms for recording Certificates of Sale for Unpaid Municipal Liens and Certificates of Search for Municipal Liens.

N.J.A.C. 5:33-1.5 establishes requirements for reconciling discrepancies involving property tax payments made by third-party property tax processing or servicing organizations.

N.J.A.C. 5:33-1.6 provides definitions for the key words and terms used in Subchapter 1.

N.J.A.C. 5:33-1.7 and 1.8 specify the procedures that must be followed in making tax payments using original or duplicate tax bills, respectively.

N.J.A.C. 5:33-1.9 requires the Division to prepare and annually publish a listing of each municipal tax collection office, with pertinent tax collection practices of each respective office.

The rules proposed for readoption in Subchapter 2 detail the procedures and requirements for the certification of municipal tax collectors. The sections described in this subchapter are as follows:

N.J.A.C. 5:33-2.1 requires that candidates for certification as tax collectors must successfully complete certain courses, which include Principles of Municipal Tax Collection I, II, and III.

N.J.A.C. 5:33-2.2 sets forth the process by which applicants who did not pass the certification examination may review their particular examination to ascertain their grade and results in each test category.

The rules proposed for readoption in Subchapter 3 establish procedures for administering the Tenants' Property Tax Rebate Program. The sections in this subchapter are described, as follows:

N.J.A.C. 5:33-3.1 cites the statutory authority for the rules set forth in this subchapter and provides an address for receiving correspondence and inquires.

N.J.A.C. 5:33-3.2 provides definitions of the key words and terms used in this subchapter.

N.J.A.C. 5:33-3.3 establishes the responsibilities of the tax collector in administering the Tenant Rebate Program.

N.J.A.C. 5:33-3.4 provides that Tax Reduction Notices issued by tax collectors and MOD IV data centers in New Jersey shall be substantially uniform. It also lists the information required for such notices. This section is supplemented by subchapter Appendix A, which provides a standard form to be used when issuing the notices.

N.J.A.C. 5:33-3.5 prescribes actions property owners must take within 30 days following receipt of a Notice of Tax Reduction.

N.J.A.C. 5:33-3.6 provides a formula for calculating the amount to be rebated to tenants residing in qualified properties. The various steps included in the formula are explained and demonstrated, and a sample of how to apply the formula is given in Appendix A.

N.J.A.C. 5:33-3.7 references the penalty provisions applicable to owners failing to provide tenant rebates when due or who fail to comply with other provisions of the Tenants' Property Tax Rebate Act, N.J.S.A. 54:4-6.2 et seq. (Act).

N.J.A.C. 5:33-3.8 provides that tenants living in subsidized housing are entitled to the full amount of any property tax rebate, unless the sponsoring agency directs otherwise.

N.J.A.C. 5:33-3.9 allows the local rent control agency, should one exist, to represent the municipality or tenants in any legal action providing for rent reductions or rent rebates in instances when property taxes are reduced.

N.J.A.C. 5:33-3.10 indicates that the provisions of the Act and of this subchapter shall supersede any municipal regulations providing for rent reductions or rent rebates in instances when property taxes are reduced.

Subchapter 4 details the procedures and requirements for administering mortgage escrow account transactions. The sections in this subchapter are described as follows:

N.J.A.C. 5:33-4.1 references the statutory authority for the rules set forth in the subchapter.

N.J.A.C. 5:33-4.2 provides definitions of key words and terms used in the subchapter.

N.J.A.C. 5:33-4.3 prescribes the various standard forms that must be used to record and execute mortgage escrow account transactions.

N.J.A.C. 5:33-4.4 requires that all mortgagees, servicing organizations, or property tax processing organizations, as the case may be, shall file form ME-1 (Initial Tax Authorization Notice) to initially authorize the tax collector to send the tax bill to the respective mortgagee, servicing organization, or property tax processing organization.

N.J.A.C. 5:33-4.5 establishes requirements for filing form ME-2 (Escrow Account Transaction Notice) which deals with the sale, assignment, satisfaction, or transfer of a mortgage escrow account.

N.J.A.C. 5:33-4.6 requires the tax collector to include form MR-4 (Notice Regarding Sale of Municipal Lien) with any tax sale notice in instances when property taxes are paid through a mortgage escrow account.

N.J.A.C. 5:33-4.7 sets forth the procedure for requesting duplicate tax bills. Such requests shall be sent to the municipal tax collector on form ME-3 (Request for Duplicate Tax Bill).

N.J.A.C. 5:33-4.8 prescribes the maximum fees that may be charged for the issuance of duplicate tax bills and sets.

N.J.A.C. 5:33-4.9 sets forth the procedures for filing a Request for Review on form ME-5 (Request for Review) in instances where the tax collector determines that a request to deliver a mortgagor's tax bill to a property tax processing organization is inappropriate.

N.J.A.C. 5:33-4.10 specifies that in the event of any conflicts between the rules prescribed in Subchapter 4 and the Federal Real Estate Settlement Practices Act (RESPA), 12 U.S.C. §§ 2601 et seq., the provisions of RESPA shall prevail.

This notice of proposal provides for a comment period of 60 days and, therefore, pursuant to N.J.A.C. 1:30-3.3(a)5, is not subject to the provisions of N.J.A.C. 1:30-3.1 and 3.2 governing rulemaking calendars.

Social Impact

Readoption of the rules at N.J.A.C. 5:33-1 and 2 will continue to maintain fair and consistent standards and procedures for administering municipal tax collection practices. The rules at N.J.A.C. 5:33-2 continue the practice of requiring certification for municipal tax collectors. Accordingly, the rules in Subchapter 2 provide for continued professionalism in the field, which, in turn, has a positive social bearing.

The proposed readoption of the rules on Tenant Rebate (Subchapter 3) will continue to have a positive social impact on a considerable number of renter-occupied households whenever property taxes are reduced. The rules are applicable to renter households residing in five or more unit residential properties. Based on the latest decennial census, over half a million households in New Jersey were so classified. The census data substantiate that the benefits of the Tenant's Property Tax Rebate Program will continue to reach a sizable number of renter households in New Jersey.

The proposed readoption of Subchapter 4 will continue to provide clarity and guidance to mortgagors, mortgagees and property tax collectors in administering mortgage escrow accounts. The rules prescribe standard forms and procedures that facilitate mortgage escrow transactions. The public in general benefits from the rules by having an orderly reporting system that serves to provide homeowners (mortgagors) with up-to-date information concerning the status of escrow transactions involving their real property holdings.

Economic Impact

The rules proposed for readoption at N.J.A.C. 5:33-1, 2, 3, and 4 are part of the regulatory scheme of the State's oversight of local units, and as proposed do not add additional fees or costs onto municipalities, taxpayers, landlords, or financial institutions. The economic impact of Subchapters 1 and 2 is not specifically measurable. Subchapters 1 and 2 set guidelines that must be followed by tax collectors in the course of their duties for which, regardless of these rules, are paid by the municipality out of a combination of tax and fee revenue. Inasmuch as the rules promulgated in Subchapters 1 and 2 have been in effect for many years, readoption of the rules without change do not entail any new or additional costs.

As noted in the Social Impact above, the proposed readoption of Subchapter 3 will continue to deliver an economic benefit to tenants residing in five or more unit residential properties. Said tenants are entitled to a rent rebate whenever the owners of such properties receive a property tax reduction. Furthermore, the economic effects of the tenant

rebate rules on municipal tax collectors should continue to be positive. In particular, inasmuch as the rules extend to five or more unit residential properties, which is consistent with MOD IV classifications, tax collectors can readily identify all program eligible properties. This serves to reduce the workload and administrative costs within the tax collection unit.

With respect to landlords, Subchapter 3 implements penalty provisions for violating the Tenants' Property Tax Rebate Act that already exist in the statute. Landlords will incur administrative costs related to recordkeeping, noticing tenants, and calculating and distributing rebates to tenants, costs that can vary depending on the number of tenant rebates that must be processed, but these rules are necessary to ensure the orderly administration of the statute. No additional costs, fees, penalties, or procedures are being proposed.

Readoption of the mortgage escrow account transaction rules set forth in Subchapter 4 will continue the practice of standardizing the administration of escrow accounts. There are no new fees or other new costs involved in the readoption.

Federal Standards Statement

A Federal standards analysis is not required because the rules proposed for readoption at N.J.A.C. 5:33-1, 2, and 4 are dictated by various State statutes, and are not subject to any Federal requirements or standards.

The rules proposed for readoption at N.J.A.C. 5:33-3 apply to the Federal Housing Agency's subsidized housing program for low-income clients only when the administering State agency exercises jurisdiction and claims pro rata distribution of the tenants' property tax rebate. There are no Federal standards or requirements relating to tenant property tax rebates.

Jobs Impact

The Board does not anticipate that the rules proposed for readoption at N.J.A.C. 5:33-1, 2, 3, and 4 will have any effect on the creation or loss of jobs. The requirements established by the rules are a continuation of existing practices, and they do not impact the job market.

Agriculture Industry Impact

The Board does not anticipate that the rules proposed for readoption will have any impact on the State's agriculture industry.

Regulatory Flexibility Analysis

A regulatory flexibility analysis is not required for Subchapters 1 and 2 because the rules promulgated at those respective citations do not impose reporting, recordkeeping, or other compliance requirements on small businesses, as defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The rules pertain to municipalities and their internal administrative practices as related to tax collection, and to individuals seeking to become Certified Tax Collectors.

The rules proposed for readoption at N.J.A.C. 5:33-3 affect the owners of buildings containing five or more rental units. They have no bearing on any other type of small business, as defined at N.J.S.A. 52:14B-16 et seq.

Because the realm of buildings containing five or more rental units ranges from small apartment buildings to sizable multiple-unit structures, it is difficult to determine the number of small business owners that may be impacted by these rules. When property tax reductions do occur, the tenant rebate program requires landlords to calculate and distribute rebates, attempt to locate former tenants who are eligible for rebates, and file certificates of compliance with the municipality. The proposed readoption does not create additional procedures or add additional fees. The need for special professional services to carry out these already existing responsibilities is not anticipated.

Most of the institutions affected by the mortgage escrow account transaction program (Subchapter 4) are small businesses. They include companies that service mortgage accounts when a loan is sold, assigned, or transferred to a purchasing servicing organization. The rules in this subchapter apply to such companies and pertain to the forms that must be used, and the procedures that must be followed, when real estate taxes are held in escrow by the mortgage company, and paid to municipal tax collectors, usually on a quarterly basis.

The rules proposed for readoption in Subchapter 4 establish the minimum requirements that must be followed to enable tax collectors to

maintain up-to-date records on the disposition of property taxes that are owed to municipalities. Their main purpose is to facilitate municipal tax collection practices; therefore, they pertain equally to all mortgage companies, regardless of size.

Since the rules in this subchapter are being proposed for readoption without change, there will be no additional fees or expenses to mortgage companies in carrying out the reporting, recordkeeping, and compliance requirements imposed by the rules. Existing practices will be continued without any additional costs to those administrative in nature now incurred.

Housing Affordability Impact Analysis

The rules proposed for readoption are not anticipated to affect the average costs associated with housing because they only affect tax collection administration.

Smart Growth Development Impact Analysis

Inasmuch as the rules proposed for readoption would only affect tax collection administration, it is not anticipated that the proposed readoption would evoke a change in housing production within Planning Areas 1 or 2, or within designated centers under the State Development and Redevelopment Plan.

Full text of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 5:33.

MILITARY AND VETERANS' AFFAIRS

(a)

OFFICE OF THE ADJUTANT GENERAL

DIVISION OF VETERANS' SERVICES

New Jersey Veterans' Transitional Housing Program (Veterans' Haven)

Proposed Readoption with Amendments: N.J.A.C. 5A:8

Proposed Repeals and New Rules: N.J.A.C. 5A:8 Appendices A and B

Authorized By: Brigadier General Michael L. Cunniff, the Adjutant General, Commissioner, Department of Military and Veterans' Affairs.

Authority: P.L. 1988, c. 444 and N.J.S.A. 38A:3-2.2, 38A:3-6.o and u, and 38A:3-6.4.

Calendar Reference: See Summary below for explanation of exception to calendar requirements.

Proposal Number: PRN 2013-100.

Submit written comments by August 16, 2013 to:

Mr. Albert Bucchi, Director
 Division of Veterans' Services
 New Jersey Department of Military and Veterans' Affairs
 P.O. Box 340
 Trenton, NJ 08625-0340

The agency proposal follows:

Summary

Veterans' Haven is a transitional housing program for homeless veterans. Veterans' Haven South is located on the grounds of the Ancora State Psychiatric Hospital in Winslow Township, (Camden County) New Jersey. Veterans' Haven North is located on the grounds of the Hagedorn Psychiatric Hospital in Lebanon Township, (Hunterdon County), New Jersey. The goal of Veterans' Haven is to rehabilitate homeless veterans by preparing them to return to useful and productive lives through a program of treatment and support. Veterans account for an estimated 7,000 homeless individuals in the State of New Jersey. Their prior service in the Armed Forces of the United States indicates that they did have periods of adequate job performance, and even held positions of