

[First Reprint]

ASSEMBLY, No. 3859

STATE OF NEW JERSEY
214th LEGISLATURE

INTRODUCED FEBRUARY 22, 2011

Sponsored by:

Assemblyman ALBERT COUTINHO
District 29 (Essex and Union)

Co-Sponsored by:

Assemblyman Fuentes

SYNOPSIS

Requires approval of extending special improvement districts every 10 years by majority of affected property owners.

CURRENT VERSION OF TEXT

As reported by the Assembly Commerce and Economic Development Committee on March 7, 2011, with amendments.



(Sponsorship Updated As Of: 3/15/2011)

1 AN ACT concerning special improvement districts and
2 supplementing P.L.1972, c.134 (C.40:56-65 et seq.).
3

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

7 1. Notwithstanding the provisions to the contrary of any law or
8 any rule or regulation adopted pursuant thereto, the governing body
9 of a municipality that establishes a special improvement district
10 pursuant to P.L.1972, c.134 (C.40:56-65 et seq.) shall, at intervals
11 of every ten years from the date of the creation of the special
12 improvement district, or by December 31, 2012 and every ten years
13 thereafter where a special improvement district has been established
14 for a period of more than ten years as of the effective date of this
15 act, send by certified mail, return receipt requested, a ballot in the
16 form of a question to each owner of real property situated within the
17 boundaries of the special improvement district. The form of the
18 question on the ballot shall be as follows:
19

20 "Shall the.....(Name of municipality).....continue the special
21 improvement district known as the.....(Name of Special
22 Improvement District).....as provided by.....(Statutory Reference
23 of Ordinance Establishing Special Improvement District).....?"
24

25 If you favor the proposition printed above make a cross (X) or
26 check (✓) on the line opposite the word "Yes." If you are opposed
27 thereto make a cross (X) or check (✓) on the line opposite the word
28 "No."
29

30 Yes _____ NO _____
31
32 Date.._____ Signature _____
33

34 Sworn before me, (name), on this (date) day of
35 (month), (year),
36

37 STATE OF NEW JERSEY) ss.
38 (Name) County) Attorney or Notary Public
39

40 2. An owner of real property situated within the boundaries of
41 the special improvement district shall indicate the owner's decision
42 and return the signed, dated, and notarized ballot to the clerk of the
43 municipality within 30 days after receiving the ballot. Where an
44 owner of such real property is a corporation, the chief executive
45 officer of the corporation shall be the person to make the decision.

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.
Matter enclosed in superscript numerals has been adopted as follows:
¹Assembly ACE committee amendments adopted March 7, 2011.

1 It shall be the duty of the municipal clerk to perform all the duties
2 with regard to the distribution and collection of the ballots, and
3 reporting the results of the question as would be required of a
4 municipal clerk for any applicable duties pertaining to a referendum
5 conducted by the municipality.
6

7 3. If a majority of those property owners '["voting"] eligible to
8 vote' on the question 'either fail to respond or' vote in the negative,
9 the governing body of the municipality shall, by ordinance, not less
10 than 90 days following the referendum, dissolve the special
11 improvement district and the district management corporation upon
12 making adequate provision, in accordance with a bond resolution or
13 otherwise, for the payment of all creditors or obligees of the special
14 improvement district or district management corporation, and that
15 adequate provision is made for the assumption of those services
16 provided by the special improvement district or district management
17 corporation which are necessary for the health, safety, and welfare
18 of the recipients of those services. In the event that the special
19 improvement district or district management corporation have
20 obligations outstanding at the time of the taking effect of the
21 ordinance to dissolve the special improvement district or district
22 management corporation, the municipality is authorized to either
23 issue obligations in furtherance of the dissolution or assume the
24 responsibility for and payment of the obligations of the special
25 improvement district or district management corporation being
26 dissolved. 'The municipality may impose an assessment for
27 benefits on the property owners within the dissolved special
28 improvement district in the same manner as in R.S.40:56-21 et seq.
29 until the outstanding obligations of the district are satisfied.' If a
30 majority of those property owners '["voting"] eligible to vote' on the
31 question 'either fail to respond or' vote in the negative, the
32 governing body of any such municipality shall be prohibited from
33 establishing another special improvement district within the
34 municipality for a period of ten years after the dissolution of the
35 special improvement district that is the subject of the ballot
36 question submitted as prescribed under section 1 of this act.
37

38 4. This act shall take effect immediately 'and shall be operative
39 immediately with respect to all special improvement districts that
40 were established less than 10 years prior to the date of enactment,
41 but shall remain inoperative until the first day of the thirteenth
42 month next following enactment with respect to all
43 special improvement districts that had been established for 10 years
44 or more as of the date of enactment'.