

[Third Reprint]

SENATE, No. 2454

STATE OF NEW JERSEY
216th LEGISLATURE

INTRODUCED OCTOBER 9, 2014

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Co-Sponsored by:

Senator Thompson and Assemblyman O'Scanlon

SYNOPSIS

Streamlines responsibilities of Division of Local Government Services and local governments; designated as the Division of Local Government Services Modernization and Local Mandate Relief Act of 2015.

CURRENT VERSION OF TEXT

As reported by the Assembly State and Local Government Committee on June 18, 2015, with amendments.

(Sponsorship Updated As Of: 6/26/2015)

1 AN ACT concerning local governments and designated as the
2 Division of Local Government Services Modernization and
3 Local Mandate Relief Act of ¹~~2014~~ 2015¹, and amending and
4 repealing various parts of the statutory law.

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

8
9 1. N.J.S.18A:8-12 is amended to read as follows:
10 18A:8-12. Within 15 days after the filing of the answers to the
11 petition, the **commissioner of education** shall submit the petition
12 and answers to a board of review consisting of the commissioner of
13 education, as chairman, the commissioner of conservation and
14 economic development and the director of the division of local
15 government in the department of the treasury, which
16 Commissioner of Education shall hold a hearing thereon at the
17 request of any interested party and shall consider the effect of the
18 proposed separation upon the educational and financial condition of
19 both the new and remaining districts on the basis of the allegations
20 of the petition and answers and of any other factors which might
21 have been alleged in the answers as hereinbefore provided.
22 (cf: N.J.S.18A:8-12)

23
24 2. N.J.S.18A:8-13 is amended to read as follows:
25 18A:8-13. Within 60 days after the receipt of the petition and
26 answers, the **board of review** Commissioner of Education shall **[**,
27 by a recorded roll call majority vote of the full membership of such
28 board,**]** grant the application and determine the amount of
29 indebtedness, if any, to be assumed by the remaining and new
30 districts, respectively, or deny the same.
31 (cf: N.J.S.18A:8-13)

32
33 3. N.J.S.18A:8-22 is amended to read as follows:
34 18A:8-22. Upon the creation of the new district, title to all
35 school grounds and buildings and the furnishings and equipment
36 thereof situate therein shall vest in the board of education of that
37 district, and such board shall thereupon assume such amount of the
38 indebtedness of the original school district as shall have been
39 determined upon by the **board of review** Commissioner of
40 Education and shall pay to the board of the remaining district, at
41 least five days before the same shall become due, the amount of the
42 principal and interest of the indebtedness so assumed, and said
43 principal and interest shall be paid by the board of the remaining

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:

¹Senate SCU committee amendments adopted March 9, 2015.

²Senate SBA committee amendments adopted May 14, 2015.

³Assembly ASL committee amendments adopted June 18, 2015.

1 district as and when the same becomes due and payable.
2 (cf: N.J.S.18A:8-22)

3

4 4. Section 6 of P.L.1975, c.360 (C.18A:13-56) is amended to
5 read as follows:

6 6. **【Within 15 days after the filing of the answers to the**
7 **petition, the】** The Commissioner of Education shall **【submit】**
8 **review** the petition and answers **【to a board of review consisting of**
9 **the commissioner as chairman, a member of the State Board of**
10 **Education to be appointed by the president thereof, the State**
11 **Treasurer or his designee and the Director of the Division of Local**
12 **Government Services in the Department of Community Affairs,】**
13 **for a determination as to whether or not the petition should be**
14 **granted, and if so, the amount of indebtedness, if any, to be**
15 **assumed by the remaining and the new district, or by each of the**
16 **constituent districts in the event of a dissolution, upon approval of**
17 **the legal voters pursuant to section 9 of P.L.1975, c.360 (C.18A:13-**
18 **59) at a special school election. The 【board of review】**
19 **commissioner** shall consider the effect of the proposed withdrawal
20 or dissolution upon the educational and financial condition of the
21 withdrawing and the remaining districts, or upon each of the
22 constituent districts in the event of a dissolution, and shall schedule
23 and hold a public hearing on the petition upon the application of
24 any interested party. In considering the effect of the proposed
25 withdrawal or dissolution upon the educational and financial
26 condition of the withdrawing and remaining districts, or upon each
27 of the constituent districts in the event of a dissolution, the **【board**
28 **of review】** commissioner shall:

29 a. Consent to the granting of the application; or

30 b. Oppose the same because, if the same be granted

31 1. An excessive debt burden will be imposed upon the remaining
32 districts, or the withdrawing district, or upon any of the constituent
33 districts in the event of a dissolution;

34 2. An efficient school system cannot be maintained in the
35 remaining districts or the withdrawing district, or in any of the
36 constituent districts in the event of a dissolution, without excessive
37 costs;

38 3. Insufficient pupils will be left in the remaining districts, or
39 in any of the constituent districts in the event of a dissolution, to
40 maintain a properly graded school system; or

41 4. Any other reason, which it may deem to be sufficient; or

42 c. Request that if the petition be granted, the amount of debt
43 which the remaining districts, or any of the constituent districts in
44 the event of a dissolution, would be required to assume, calculated
45 as hereinbefore provided, be reduced for the reason that--

1 1. Such amount of indebtedness, together with all other
2 indebtedness of the municipalities or school districts would be
3 excessive;

4 2. The amount of expenditure for debt service which would be
5 required would be so great that sufficient funds would not be
6 available for current expenses without excessive taxation; or

7 3. Such amount of indebtedness is inequitable in relation to the
8 value of the property to be acquired by the remaining districts, or by
9 any of the constituent districts in the event of a dissolution, and
10 would materially impair the credit of the municipalities or such
11 districts and the ability to pay punctually the principal and interest
12 of their debt and to supply such essential educational facilities and
13 public improvements and services as might reasonably be
14 anticipated would be required of them.

15 The **【board of review】** commissioner shall make **【its】** findings
16 and render a determination **【**, by the recorded vote of at least three
17 of the four members of the board,**】** within 60 days of the receipt of
18 the petition and answers.

19 (cf: P.L.1993, c.255, s.5)

20

21 5. Section 11 of P.L.1975, c.360 (C.18A:13-61) is amended to
22 read as follows:

23 11. The withdrawing district and the remaining districts, or each
24 constituent district in the event of a dissolution, shall take title to
25 and control of all school grounds and buildings, and the furnishings
26 and equipment therein, other than those which had been rotated or
27 shared among the regional schools, situated in their respective
28 districts on the effective date of withdrawal or dissolution as
29 established by the commissioner. The county superintendent shall
30 allot a fair proportion of the shared or rotated furnishings and
31 equipment to the withdrawing district or to each of the constituent
32 districts in the event of a dissolution.

33 Upon the assumption of title, each board shall also assume such
34 amount of the indebtedness of the original regional school district
35 as shall have been determined by the **【board of review】**
36 commissioner. In the event of a withdrawal, the withdrawing
37 district shall pay to the regional board of education, at least five
38 days before it becomes due, the amount of the principal and interest
39 of the assumed indebtedness; such principal and interest shall be
40 paid by the regional board, together with such amount due on its
41 assumed indebtedness, at and when it becomes due and payable. In
42 the event of a dissolution, the county superintendent and **【board of**
43 **review】** commissioner, in determining the amount of indebtedness
44 to be assumed by each constituent district, shall give due regard to
45 the value of school buildings and grounds being conveyed to the

1 constituent district in which those buildings and grounds are
2 located.

3 (cf: P.L.1993, c.255, s.10)

4

5 6. Section 6 of P.L.1989, c.90 (C.18A:13-71) is amended to
6 read as follows:

7 6. **【Within 15 days after the filing of the answers to the**
8 **petition, the】** The Commissioner of Education shall **【submit】**
9 review the petition and answers **【to a board of review consisting of**
10 **the commissioner, as chairman, the State Treasurer or his designee**
11 **and the Director of the Division of Local Government Services in**
12 **the Department of Community Affairs,】** for a determination as to
13 whether or not the petition should be granted, and if so, the amount
14 of indebtedness, if any, to be assumed by the withdrawing
15 municipality and the all purpose regional district upon approval of
16 the legal voters of the withdrawing municipality and the remaining
17 constituent municipalities at a special school election. The **【board**
18 **of review】** commissioner shall consider the effect of the proposed
19 withdrawal upon the educational and financial condition of the
20 withdrawing municipality and the all purpose regional district and
21 shall schedule and hold a public hearing on the petition upon the
22 application of any interested party. In considering the effect of the
23 proposed withdrawal upon the educational and financial condition
24 of the withdrawing and remaining municipalities , the **【board of**
25 **review】** commissioner shall:

26 a. Consent to the granting of the application;

27 b. Oppose the granting of the application because, if it is
28 granted:

29 (1) An excessive debt burden will be imposed upon the
30 withdrawing municipality and regional district;

31 (2) An efficient school system cannot be maintained in the all
32 purpose regional district or the withdrawing municipality without
33 excessive costs;

34 (3) Insufficient pupils will be left in the all purpose regional
35 district to maintain a properly graded school system; or

36 (4) Any other reason, which it may deem to be sufficient; or

37 c. Request that if the petition is granted, the amount of debt
38 which the regional district would be required to assume, calculated
39 as hereinbefore provided, be reduced for the reason that:

40 (1) The amount of indebtedness, together with all other
41 indebtedness of the constituent municipalities of the all purpose
42 regional district would be excessive;

43 (2) The amount of expenditure for debt service which would be
44 required would be so great that sufficient funds would not be
45 available for current expenses without excessive taxation; or

46 (3) The amount of indebtedness is inequitable in relation to the
47 value of the property to be acquired by the all purpose regional

1 district and would materially impair the credit of the constituent
2 municipalities of the district, and the ability to pay punctually the
3 principal and interest of their debt and so supply the essential
4 educational facilities and public improvements and services that
5 might reasonably be anticipated would be required of them.

6 The **【board of review】** commissioner shall make **【its】** findings
7 and render a determination **【, by the recorded vote of at least two of**
8 **the three members of the board,】** within 60 days of the receipt of
9 the petition and answers.
10 (cf: P.L.1989, c.90, s.6)

11
12 7. Section 12 of P.L.1989, c.90 (C.18A:13-77) is amended to
13 read as follows:

14 12. The new district and the all purpose regional district shall
15 take title to and control of all school grounds and buildings, and the
16 furnishings and equipment therein, other than those which had been
17 rotated or shared among the regional schools, situated in their
18 respective districts on the effective date of withdrawal as
19 established by the commissioner. The county superintendent shall
20 allot a fair proportion of the shared or rotated furnishings and
21 equipment to the new district.

22 Upon the assumption of title, each board shall also assume the
23 amount of the indebtedness of the original all purpose regional
24 district as determined by the **【board of review】** commissioner. The
25 new district shall pay to the regional board of education, at least
26 five days before it becomes due, the amount of the principal and
27 interest of the assumed indebtedness. The principal and interest
28 shall be paid by the regional board, together with the amount due on
29 its assumed indebtedness, as and when it becomes due and payable.
30 (cf: P.L.1989, c.90, s.12)

31
32 8. Section 1 of P.L.1964, c.81 (C.39:10A-1) is amended to read
33 as follows:

34 1. a. When the State or any county, county park commission,
35 municipality or any authority created by any thereof, hereinafter
36 referred to as a "public agency," shall have taken possession of a
37 motor vehicle found abandoned, such taking of possession shall be
38 reported immediately to

39 (1) The Chief Administrator of the Motor Vehicle Commission
40 on a form prescribed by the administrator, for verification of
41 ownership and

42 (2) The National Insurance Crime Bureau.

43 (3) Upon receipt of verification of ownership of the vehicle
44 from the administrator, the public agency shall within three
45 business days provide notice of possession of the vehicle to the
46 owner of record and the holder of any security interest filed with the
47 administrator by telephone, mail, facsimile or electronically. The
48 public agency may assess the person claiming the vehicle, be it the

1 owner of record or the holder of any security interest, for the actual
2 costs of providing the notice required under this paragraph.

3 (4) The public agency shall also within three business days
4 notify the person storing the abandoned motor vehicle. The notice
5 shall be given in the same manner as in the case of notification of
6 the owner of record and the security interest holder and shall
7 include the name and address of the owner of record and the holder
8 of any security interest in the stored motor vehicle.

9 (5) Upon receipt of the notice required by paragraph (4) of this
10 subsection, the person storing the abandoned motor vehicle shall
11 provide notice to the owner of record and to any security interest
12 holder.

13 (a) The notice shall be by first class mail, with a certificate of
14 mailing, and shall include a schedule of the costs imposed for
15 storing the motor vehicle and instructions explaining how the owner
16 of record or the security interest holder may claim the stored motor
17 vehicle.

18 (b) Except as provided in subparagraph (c) of this paragraph, if
19 the person storing the motor vehicle fails to provide this notice to
20 the owner of record and to the security interest holder within 30
21 days of the date on which the storer of the vehicle received the
22 notice required under paragraph (4) from the public agency, the
23 maximum amount that person may charge the owner of record or
24 the security interest holder for storing that motor vehicle shall be
25 \$750, provided that the owner of record or security interest holder
26 submits a proper claim for the vehicle not later than the 30th day
27 following the date the notice is delivered from the public agency to
28 the person storing the motor vehicle.

29 (c) When a vehicle is abandoned due to the death or
30 incapacitation of the driver or any passenger, the person storing the
31 vehicle shall charge the owner of record or the security interest
32 holder no more than \$100 for the first 72 hours after the vehicle is
33 placed on the premises.

34 (d) If the owner of record or security interest holder fails to
35 submit a proper claim for the vehicle on or before that 30th day, the
36 person storing the motor vehicle may charge the security interest
37 holder reasonable costs for the removal and storage of the motor
38 vehicle. If the notice is properly provided by the person storing the
39 motor vehicle, that person may charge the owner of record or the
40 security interest holder reasonable costs for the removal and storage
41 of the motor vehicle from the date the person removed and stored
42 the motor vehicle.

43 (e) The public agency may assess the person storing the
44 abandoned motor vehicle, and the person storing the abandoned
45 motor vehicle may assess the security interest holder, for the actual
46 costs of providing the notices required under paragraphs (4) and (5)
47 of this subsection.

1 b. When such motor vehicle which has been ascertained not to
2 be stolen and to be one which can be certified for a junk title
3 certificate under section 3 of P.L.1964, c.81 (C.39:10A-3) shall
4 have remained unclaimed by the owner or other person having a
5 legal right thereto for a period of 15 business days, even if at that
6 time the owner has not been identified as a result of efforts to make
7 identification by the public agency or the Motor Vehicle
8 Commission, the same may be sold at auction in a public place. If
9 the certified motor vehicle is sold at auction prior to identification
10 of the owner, the public agency shall document the condition of the
11 motor vehicle in writing and with photographs prior to the sale;
12 document the amount obtained from the sale of the motor vehicle;
13 and notify the owner, if his name and address are identified after the
14 sale, of the actions taken by the public agency to dispose of the
15 motor vehicle.

16 c. When a motor vehicle which cannot be certified for a junk
17 title certificate under section 3 of P.L.1964, c.81 (C.39:10A-3)
18 remains unclaimed by the owner or other person having a legal right
19 thereto for a period of 20 business days, the motor vehicle may be
20 sold at auction in a public place, but shall be sold no later than 90
21 business days after the public agency takes possession of the
22 vehicle **】, except that a waiver of the 90-day limit may be obtained**
23 **for good cause from the Division of Local Government Services in**
24 **the Department of Community Affairs】.**

25 d. The public agency shall give notice of a sale conducted
26 pursuant to subsection b. or c. of this section, by certified mail, to
27 the owner, if his name and address be known and to the holder of
28 any security interest filed with the administrator, and by publication
29 in a form to be prescribed by the administrator by one insertion, at
30 least five days before the date of the sale, in one or more
31 newspapers published in this State and circulating in the
32 municipality in which such motor vehicle is held.
33 (cf: P.L.2008, c.107, s.2)
34

35 9. Section 2 of P.L.1998, c.115 (C.40:56-71.2) is amended to
36 read as follows:

37 2. With the exception of a municipality in which an urban
38 enterprise zone has been designated, any municipality which has
39 adopted or adopts an ordinance authorizing the establishment of a
40 special improvement district pursuant to section 7 of P.L.1972,
41 c.134 (C.40:56-71) may, by ordinance, designate all or any portion
42 of that district which contains primarily businesses providing retail
43 goods and services as a "downtown business improvement zone."

44 **【Within 10 business days of the adoption of an ordinance**
45 **pursuant to this section, the municipal clerk shall forward a copy of**
46 **the ordinance to the Director of the Division of Local Government**
47 **Services in the Department of Community Affairs.】**

48 (cf: P.L.1998, c.115, s.2)

1 10. Section 22 of P.L.1984, c.151 (C.40:56-88) is amended to
2 read as follows:

3 22. The district management corporation shall cause an annual
4 audit of its books, accounts and financial transactions to be made
5 and filed with the governing body of the municipality, and for that
6 purpose the corporation shall employ a certified public accountant
7 of New Jersey. The annual audit shall be completed and filed with
8 the governing body within four months after the close of the fiscal
9 year of the corporation **】, and a certified duplicate copy of the audit**
10 **shall be filed with the Director of the Division of Local Government**
11 **Services in the Department of Community Affairs within five days**
12 **of the filing of the audit with the governing body of the**
13 **municipality**】.****

14 (cf: P.L.1984, c.151, s.22)

15

16 11. Section 3 of P.L.1981, c.547 (C.40:68A-43.1) is amended to
17 read as follows:

18 3. In accordance with rules and regulations which the Local
19 Finance Board is hereby authorized to adopt, municipal port
20 authorities created pursuant to P.L.1960, c.192 (C.40:68A-29 et
21 seq.) are subject to the following provisions:

22 (a) Every authority shall be required to submit an annual budget
23 to the **【Local Finance Board】** Director of the Division of Local
24 Government Services in the Department of Community Affairs for
25 approval.

26 (b) The issuance of any obligations of an authority, agreements
27 regarding municipal guaranties of authority bonds, financing
28 agreements entered into by an authority, and all leases, sales or
29 dispositions of real property made by an authority shall be subject
30 to the approval of the Local Finance Board.

31 (cf: P.L.1981, c.547, s.3)

32

33 ³**【12. N.J.S.40A:2-22 is amended to read as follows:**

34 40A:2-22. The governing body of the local unit shall determine
35 the period of usefulness of any purpose according to its reasonable
36 life computed from the date of the bonds, which period shall not be
37 greater than the following:

38 a. Buildings and structures.

39 1. Bridges, including retaining walls and approaches, or
40 permanent structures of brick, stone, concrete or metal, or similar
41 durable construction, 30 years.

42 2. Buildings, including the original furnishings and equipment
43 therefor:

44 Class A: A building, of which all walls, floors, partitions, stairs
45 and roof are wholly of incombustible material, except the window
46 frames, doors, top flooring and wooden handrails on the stairs, 40
47 years;

- 1 Class B: A building, the outer walls of which are wholly of
2 incombustible material, except the window frames and doors, 30
3 years;
- 4 Class C: A building which does not meet the requirements of
5 Class A or Class B, 20 years.
- 6 3. Buildings or structures acquired substantially reconstructed
7 or additions thereto, one-half the period fixed in this subsection for
8 such buildings or structures.
- 9 4. Additional furnishings, five years.
- 10 b. Marine improvements.
- 11 1. Harbor improvements, docks or marine terminals, 40 years.
- 12 2. Dikes, bulkheads, jetties or similar devices of stone,
13 concrete or metal, 15 years; of wood or partly of wood, 10 years.
- 14 c. Additional equipment and machinery.
- 15 1. Additional or replacement equipment and machinery, 15
16 years.
- 17 2. Voting machines, 15 years.
- 18 3. Information technology and telecommunications equipment,
19 7 years, except that for items with a unit cost of less than \$5,000, 5
20 years.
- 21 d. Real property.
- 22 1. Acquisition for any public purpose of lands or riparian
23 rights, or both, and the original dredging, grading, draining or
24 planting thereof, 40 years.
- 25 2. Improvement of airport, cemetery, golf course, park,
26 playground, 15 years.
- 27 3. Stadia of concrete or other incombustible materials, 20
28 years.
- 29 e. Streets or thoroughfares.
- 30 1. Elimination of grade crossings, 35 years.
- 31 2. Streets or roads:
- 32 Class A: Rigid pavement. A pavement of not less than eight
33 inches of cement concrete or a six-inch cement concrete base with
34 not less than three-inch bituminous concrete surface course, or
35 equivalent wearing surface, 20 years.
- 36 Flexible pavement. A pavement not less than 10 inches in depth
37 consisting of five-inch macadam base, three-inch modified
38 penetration macadam and three-inch bituminous concrete surface
39 course or other pavements of equivalent strength, in accordance
40 with the findings of the American Association of State Highway
41 Officials (AASHO) Road Test, 20 years.
- 42 Class B: Mixed surface-treated road. An eight-inch surface of
43 gravel, stone or other selected material under partial control mixed
44 with cement or lime and fly ash, six inches in compacted thickness
45 with bituminous surface treatment and cover, 10 years.
- 46 Bituminous penetration road. A five-inch gravel or stone base
47 course and a three-inch course bound with a bituminous or
48 equivalent binder, 10 years.

1 Class C: Mixed bituminous road. An eight-inch surface of
2 gravel, stone, or other selected material under partial control mixed
3 with bituminous material one inch or more in compacted thickness,
4 five years.

5 Penetration macadam road. A road of sand, gravel or water-
6 bound macadam, or surfacing with penetration macadam, five years.

7 3. Sidewalks, curbs and gutters of stone, concrete or brick, 10
8 years.

9 The period of usefulness in this subsection shall apply to
10 construction and reconstruction of streets and thoroughfares.

11 f. Utilities and municipal systems.

12 1. Sewerage system, whether sanitary or storm water, water
13 supply or distribution system, 40 years.

14 2. Electric light, power or gas systems, garbage, refuse or ashes
15 incinerator or disposal plant, 25 years.

16 3. Communication and signal systems, 10 years.

17 4. House connections to publicly-owned gas, water or sewerage
18 systems from the service main in the street to the curb or property
19 lines where not part of original installation, five years.

20 g. Vehicles and apparatus.

21 1. Fire engines, apparatus and equipment, when purchased
22 new, but not fire equipment purchased separately, 10 years.

23 2. Automotive vehicles, including original apparatus and
24 equipment **[(other than passenger cars and station wagons)]**, when
25 purchased new, five years.

26 3. Major repairs, reconditioning or overhaul of fire engines and
27 apparatus, ambulances, rescue vehicles, and similar public safety
28 vehicles **[(other than passenger cars and station wagons)]** which
29 may reasonably be expected to extend for at least five years the
30 period of usefulness thereof, five years.

31 h. The closure of a sanitary landfill facility utilized, owned or
32 operated by a county or municipality, 15 years; provided that the
33 closure has been approved by the Board of Public Utilities and the
34 Department of Environmental Protection. For the purposes of this
35 subsection "closure" means all activities associated with the design,
36 purchase or construction of all measures required by the
37 Department of Environmental Protection, pursuant to law, in order
38 to prevent, minimize or monitor pollution or health hazards
39 resulting from sanitary landfill facilities subsequent to the
40 termination of operations at any portion thereof, including, but not
41 necessarily limited to, the costs of the placement of earthen or
42 vegetative cover, and the installation of methane gas vents or
43 monitors and leachate monitoring wells or collection systems at the
44 site of any sanitary landfill facility.

45 i. (Deleted by amendment, P.L.2007, c.62.)

46 j. The prefunding of a claims account for environmental
47 liability claims by an environmental impairment liability insurance

1 pool pursuant to P.L.1993, c.269 (C.40A:10-38.1 et al.), 20 years.
2 (cf: P.L.2007, c.62, s.17)]³

3

4 ³[13.] 12.³ N.J.S.40A:2-26 is amended to read as follows:

5 40A:2-26. Maturities of all bonds shall be as determined by
6 bond ordinance or by subsequent resolution and within the
7 following limitations:

8 a. All bonds shall mature within the period or average period
9 of usefulness determined in the bond ordinance.

10 b. All bonds shall mature in annual installments, the first of
11 which shall be payable not more than one year from the date of the
12 bonds. No annual installment shall exceed by more than 100% the
13 amount of the smallest prior installment.

14 c. The first installment of bonds to finance a municipal public
15 utility may be made payable not later than the end of the second
16 year's operation, computed from the estimated date of completion,
17 as fixed in the project report submitted pursuant to this chapter.

18 d. Bonds to finance that part of the cost of a local improvement
19 which is to be assessed on property shall mature in annual
20 installments not exceeding in number the number of annual
21 installments or average thereof fixed in the bond ordinance for the
22 payment of special assessments. The first annual installment of
23 such bonds shall be payable not more than two years from the date
24 of the bonds, and no annual installment shall exceed the amount of
25 the smallest prior installment.

26 e. A governing body which has concluded that the limitations
27 as to maturities or amounts of annual installments will adversely
28 affect the financial position of the local unit, may make written
29 application to the **[local government board]** Local Finance Board
30 setting forth its conclusion and the reasons therefor and the desired
31 maturities or the amounts of annual installments for bonds about to
32 be issued. If the **[local government board]** Local Finance Board
33 finds such conclusion to be well founded, it may, by order, fix the
34 maturities or amounts of annual installments of such bonds as
35 desired by the local unit, or fix any such other maturities or
36 amounts of annual installments which the circumstances warrant.
37 Application to the Local Finance Board shall not be required if the
38 maturities or the amounts of annual installments have been
39 determined by ²(1)² the "New Jersey Environmental Infrastructure
40 Trust," created pursuant to section 4 of P.L.1985, c.334 (C.58:11B-
41 4), ²[for debts issued] in connection with a loan made² by the trust
42 ²or (2) the State, acting by and through the Department of
43 Environmental Protection, in connection with a loan made by the
44 State, in each case relating to the financing of one or more
45 environmental infrastructure projects as defined in section 3 of
46 P.L.1985, c.334 (C.58:11B-3)².

1 f. The governing body, by resolution, may provide for a single
2 and combined issue of bonds not exceeding the aggregate amount of
3 bonds authorized by two or more bond ordinances. The bonds of
4 such issue shall mature within the average period of usefulness
5 which shall be determined in said resolution, taking into
6 consideration the respective amount of bonds authorized by each of
7 the bond ordinances and the period or average period of usefulness
8 therein determined. The provisions of this chapter applicable to the
9 sale and issuance of a single issue of bonds shall apply to the sale
10 and issuance of such combined issue of bonds.

11 g. The governing body, by resolution, may allow the
12 adjustment of, or otherwise delegate to a finance officer the
13 authority to adjust, the maturity schedule of the bonds, up to 24
14 hours prior to the time advertised for the receipt of bids and within
15 24 hours after the award of bids; provided that no maturity schedule
16 adjustment shall exceed 10% of the principal for any maturity with
17 the aggregate adjustment to maturity not to exceed 10% of the
18 principal for the overall issue. When an adjustment has been made
19 to a maturity schedule previously approved by the **【local finance**
20 **board】** Local Finance Board, a copy of the final maturity schedule
21 which meets or complies with the limitations in this subsection shall
22 be filed with the board within 30 days of the sale and shall be
23 conclusively deemed to have been approved by the board.

24 (cf: P.L.2003, c.15, s.3)

25

26 ³**【14.】** 13.³ Section 4 of P.L.1976, c.38 (C.40A:3-4) is amended
27 to read as follows:

28 4. a. Bonds issued by any municipality pursuant to provisions
29 of this act shall be "qualified bonds" and shall be entitled to the
30 benefit of the provisions of this act.

31 b. Whenever the governing body of a municipality determines,
32 by passage of a bond ordinance upon first reading, to issue bonds
33 for any lawful purpose, it may file an application and a certified
34 copy of the ordinance as passed on first reading with the **【local**
35 **finance board】** Local Finance Board to qualify the bonds pursuant
36 to the provisions of this act. Upon receipt of any such application,
37 the **【local finance board】** Local Finance Board shall cause an
38 investigation to be made, taking into consideration such factors as
39 the need for the facilities to be financed from the proceeds of such
40 proposed qualified bonds, the ability of the municipality to supply
41 other essential public improvements and services and during the
42 ensuing 10 years to pay punctually the principal and interest on its
43 debts, the reasonableness of the amounts to be expended for each of
44 the purposes or improvements to be financed pursuant to such
45 bonds, and such other factors as the **【local finance board】** Local
46 Finance Board may deem necessary.

1 c. If such investigation shows to the satisfaction of the **【local**
2 **finance board】** Local Finance Board that such municipality should
3 be entitled to issue qualified bonds pursuant to the provisions of this
4 act, the **【local finance board】** Local Finance Board may by
5 resolution determine that such municipality is entitled to issue
6 qualified bonds. In considering any ordinance submitted to it and
7 before endorsing its consent thereon, the **【local finance board】**
8 Local Finance Board may require the governing body of any
9 municipality to adopt resolutions restricting or limiting any future
10 proceedings with respect to the authorization of bonds or other
11 matters deemed by the **【local finance board】** Local Finance Board
12 to affect any estimate made or to be made by it in accordance with
13 subsection b. **【hereof】** of this section. Every resolution so adopted
14 shall constitute a valid and binding obligation of such municipality
15 running to and enforceable by, and releasable by the **【local finance**
16 **board】** Local Finance Board.

17 d. Within 60 days after the submission to it of an application
18 made in accordance with subsection b. of this section, the **【local**
19 **finance board】** Local Finance Board shall cause its consent to be
20 endorsed upon the ordinance authorizing the issuance of qualified
21 bonds, if it shall be satisfied and record by resolution that the
22 municipality is entitled to issue qualified bonds. If the **【local**
23 **finance board】** Local Finance Board is not so satisfied, it shall
24 cause its disapproval to be endorsed upon such ordinance within
25 said period of 60 days.

26 e. If the governing body of a municipality shall determine by
27 resolution that a maturity schedule for its qualified bonds, other
28 than the maturity schedule approved by the **【local finance board】**
29 Local Finance Board pursuant to subsection c. of this section [3], is
30 in the best interest of said municipality, it may make application to
31 the **【local finance board】** Local Finance Board setting forth such
32 belief and the grounds therefor and requesting approval of a
33 schedule of maturities for such qualified bonds set forth in the
34 application. Within 60 days after submission to the **【local finance**
35 **board】** Local Finance Board of such application, the **【local finance**
36 **board】** Local Finance Board shall cause its approval to be endorsed
37 thereon if it shall be satisfied, and shall record by resolution its
38 findings, that the belief set forth in such application is well founded
39 and that the issuance of the bonds pursuant to the revised maturity
40 schedule in such application would not materially impair the credit
41 of the municipality or substantially reduce its ability, during the
42 ensuing 10 years, to pay punctually the principal of and interest on
43 its debts and supply essential public improvements and services. If
44 the **【local finance board】** Local Finance Board is not so satisfied, it
45 shall cause its disapproval to be endorsed on such copy within said
46 period of 60 days.

1 f. A municipality that has issued qualified bonds shall not be
2 required to obtain the approval of the Local Finance Board prior to
3 issuing any other bonds solely by reason of having previously
4 issued qualified bonds, unless such approval is otherwise required
5 by law.

6 (cf: P.L.1991, c.180, s.3)

7
8 ³**[15.] 14.**³ N.J.S.40A:4-8 is amended to read as follows:

9 40A:4-8. The public hearing shall be held at the time and place
10 specified in the advertisement thereof, but may be adjourned from
11 time to time until the hearing is closed.

12 The budget shall be read, at the public hearing in full, or it may
13 be read by its title, if

14 1. At least one week prior to the date of the hearing ²and at the
15 hearing², a complete copy of the approved budget,

16 **[a.** shall be made available for public inspection, in the case of a
17 county budget, in each free public library, if any, in each
18 municipality of the county and in the free county libraries or
19 regional libraries of the county or, in the case of a municipal
20 budget, in the free public library, if any, of the municipality and in
21 the free county libraries or regional libraries located in the
22 municipality or, if no county libraries or regional libraries are
23 located in the municipality, the county or regional library of the
24 county in which the municipality is located, and the public officer
25 delegated the responsibility for delivering copies of the approved
26 budget to such libraries shall forward to the governing body an
27 attestation that each such delivery was made, and

28 b. is made available to each person requesting the same, during
29 said week and during the public hearing**]**

30 ²a.² shall be made available for public inspection ², and

31 **b.** shall be made available to each person upon request², and

32 2. The governing body shall, by resolution passed by not less
33 than a majority of the full membership, determine that the budget
34 shall be read by its title and declare that the conditions set forth in
35 **[subsections 1.a. and 1.b.] subsection 1.** of this section have been
36 met.

37 After closing the hearing, the governing body may adopt the
38 budget, by title without amendments, or may approve amendments
39 as provided in N.J.S.40A:4-9 before adoption.

40 (cf: P.L.1995, c.259, s.9)

41
42 ³**[16.] 15.**³ N.J.S.40A:4-10 is amended to read as follows:

43 40A:4-10. No budget or amendment thereof shall be adopted
44 unless the director shall have previously certified his approval
45 thereof. Final adoption shall be by resolution adopted by a majority
46 of the full membership of the governing body, and may be by title
47 where the procedures required by N.J.S.40A:4-8 and N.J.S.40A:4-9

1 or section 12 of P.L.1995, c.259 (C.40A:4-6.1), as applicable, have
2 been followed.

3 The budget shall be adopted in the case of a county not later than
4 February 25, and in the case of a municipality not later than March
5 20 of the calendar fiscal year or September 20 of the State fiscal
6 year, except that the governing body may adopt the budget at any
7 time within 10 days after the director shall have certified his
8 approval thereof and returned the same, if such certification shall be
9 later than the date of the advertised hearing.

10 If, in the case of a municipality which operates on the State fiscal
11 year, the governing body fails to adopt the budget within the
12 permitted time, the chief financial officer of the local unit shall so
13 notify the director the next working day after the expiration of the
14 permitted time.

15 Copies of the budget, as adopted, in such form and in such
16 quantity as determined by the Local Finance Board, shall be
17 transmitted to the director **],** and made available in print for public
18 inspection at the local library, **]** within three days after adoption.

19 Upon adoption, the budget shall constitute an appropriation for
20 the purposes stated therein and an authorization of the amount to be
21 raised by taxation for the purposes of the local unit.

22 The adopted budget shall be provided for public inspection on
23 the local unit's website, if one exists, or, if one does not exist, the
24 budget shall be provided for public inspection on the website of the
25 Department of Community Affairs, and made available online and
26 in print as required by this section in a "user-friendly" summary
27 format using plain language. In addition to the current year adopted
28 budget, the local unit's adopted budgets of the immediately
29 preceding three budget years also shall be provided for public
30 inspection on the local unit's website, if one exists, or, if one does
31 not exist, those budgets also shall be provided for public inspection
32 on the website of the Department of Community Affairs. Any
33 adopted budget posted online pursuant to this section shall remain
34 posted online for the duration of the local budget year. The Local
35 Finance Board shall promulgate a "user-friendly," plain language
36 summary format for use by local units for this purpose pursuant to
37 section 39 of P.L.2007, c.63 (C.40A:5-48).

38 (cf: P.L.2011, c.7, s.1)

39

40 ²**¶**17. Section 3 of P.L.1976, c.68 (C.40A:4-45.3) is amended to
41 read as follows:

42 3. In the preparation of its budget a municipality shall limit any
43 increase in said budget to 2.5% or the cost-of-living adjustment,
44 whichever is less, over the previous year's final appropriations
45 subject to the following exceptions:

46 a. (Deleted by amendment, P.L.1990, c.89.)

47 b. Capital expenditures, including appropriations for current
48 capital expenditures, whether in the capital improvement fund or as

1 a component of a line item elsewhere in the budget, provided that
2 any such current capital expenditure would be otherwise bondable
3 under the requirements of N.J.S.40A:2-21 and **[40A:2-22]**
4 N.J.S.40A:2-22;

5 c. (1) An increase based upon emergency temporary
6 appropriations made pursuant to N.J.S.40A:4-20 to meet an urgent
7 situation or event which immediately endangers the health, safety or
8 property of the residents of the municipality, and over which the
9 governing body had no control and for which it could not plan and
10 emergency appropriations made pursuant to N.J.S.40A:4-46.
11 Emergency temporary appropriations and emergency appropriations
12 shall be approved by at least two-thirds of the governing body and
13 by the Director of the Division of Local Government Services, and
14 shall not exceed in the aggregate 3% of the previous year's final
15 current operating appropriations.

16 (2) (Deleted by amendment, P.L.1990, c.89.)

17 The approval procedure in this subsection shall not apply to
18 appropriations adopted for a purpose referred to in subsection d. or
19 j. **[below]** of this section;

20 d. All debt service, including that of a Type I school district;

21 e. Upon the approval of the Local Finance Board in the
22 Division of Local Government Services, amounts required for
23 funding a preceding year's deficit;

24 f. Amounts reserved for uncollected taxes;

25 g. (Deleted by amendment, P.L.1990, c.89.)

26 h. Expenditure of amounts derived from new or increased
27 construction, housing, health or fire safety inspection or other
28 service fees imposed by State law, rule or regulation or by local
29 ordinance;

30 i. Any amount approved by any referendum;

31 j. Amounts required to be paid pursuant to (1) any contract
32 with respect to use, service or provision of any project, facility or
33 public improvement for water, sewerage, parking, senior citizen
34 housing or any similar purpose, or payments on account of debt
35 service therefor, between a municipality and any other municipality,
36 county, school or other district, agency, authority, commission,
37 instrumentality, public corporation, body corporate and politic or
38 political subdivision of this State; (2) the provisions of article 9 of
39 P.L.1968, c.404 (C.13:17-60 through **[13:17-76]** C.13:17-76) by a
40 constituent municipality to the intermunicipal account; (3) any lease
41 of a facility owned by a county improvement authority when the
42 lease payment represents the proportionate amount necessary to
43 amortize the debt incurred by the authority in providing the facility
44 which is leased, in whole or in part; and (4) any repayments under a
45 loan agreement entered into in accordance with the provisions of
46 section 5 of P.L.1992, c.89 (C.40:48-2.5b);

47 k. (Deleted by amendment, P.L.1987, c.74.)

- 1 l. Appropriations of federal, county, independent authority or
2 State funds, or by grants from private parties or nonprofit
3 organizations for a specific purpose, and amounts received or to be
4 received from such sources in reimbursement for local
5 expenditures. If a municipality provides matching funds in order to
6 receive the federal, county, independent authority or State funds, or
7 the grants from private parties or nonprofit organizations for a
8 specific purpose, the amount of the match which is required by law
9 or agreement to be provided by the municipality shall be excepted;
- 10 m. (Deleted by amendment, P.L.1987, c.74.)
- 11 n. (Deleted by amendment, P.L.1987, c.74.)
- 12 o. (Deleted by amendment, P.L.1990, c.89.)
- 13 p. (Deleted by amendment, P.L.1987, c.74.)
- 14 q. (Deleted by amendment, P.L.1990, c.89.)
- 15 r. Amounts expended to fund a free public library established
16 pursuant to the provisions of R.S.40:54-1 through **【40:54-29】**
17 R.S.40:54-29, inclusive;
- 18 s. (Deleted by amendment, P.L.1990, c.89.)
- 19 t. Amounts expended in preparing and implementing a housing
20 element and fair share plan pursuant to the provisions of P.L.1985,
21 c.222 (C.52:27D-301 et al.) and any amounts received by a
22 municipality under a regional contribution agreement pursuant to
23 section 12 of **【that act】** P.L.1985, c.222 (C.52:27D-312);
- 24 u. (Deleted by amendment, P.L.2004, c.74.)
- 25 v. (Deleted by amendment, P.L.1990, c.89.)
- 26 w. (Deleted by amendment, P.L.2004, c.74.)
- 27 x. Amounts expended to aid privately owned libraries and
28 reading rooms, pursuant to R.S.40:54-35;
- 29 y. (Deleted by amendment, P.L.1990, c.89.)
- 30 z. (Deleted by amendment, P.L.1990, c.89.)
- 31 aa. Extraordinary expenses, approved by the Local Finance
32 Board, required for the implementation of an interlocal services
33 agreement;
- 34 bb. Any expenditure mandated as a result of a natural disaster,
35 civil disturbance or other emergency that is specifically authorized
36 pursuant to a declaration of an emergency by the President of the
37 United States or by the Governor;
- 38 cc. Expenditures for the cost of services mandated by any order
39 of court, by any federal or State statute, or by administrative rule,
40 directive, order, or other legally binding device issued by a State
41 agency which has identified such cost as mandated expenditures on
42 certification to the Local Finance Board by the State agency;
- 43 dd. Expenditures of amounts actually realized in the local
44 budget year from the sale of municipal assets in extraordinary cases
45 and with the permission of the Local Finance Board;
- 46 ee. Any local unit which is determined to be experiencing fiscal
47 distress pursuant to the provisions of P.L.1987, c.75 (C.52:27D-
48 118.24 et seq.), whether or not a local unit is an "eligible

1 municipality" as defined in section 3 of P.L.1987, c.75 (C.52:27D-
2 118.26), and which has available surplus pursuant to the spending
3 limitations imposed by P.L.1976, c.68 (C.40A:4-45.1 et seq.), may
4 appropriate and expend an amount of that surplus approved by the
5 director and the Local Finance Board as an exception to the
6 spending limitation ; provided, however, that if the Local Finance
7 Board has so approved appropriations and expenditures in amounts
8 exceeding the spending limitations for a local unit in at least three
9 consecutive years, the Local Finance Board may, upon granting
10 such approval in the next subsequent year and finding it reasonable
11 to not require future approvals under this exception, adjust the
12 spending limitations applicable to a later increase in the local unit's
13 budget to 2.5% or the cost-of-living adjustment, whichever is less,
14 over the amount approved to be appropriated and expended in that
15 year. Any determination approving the appropriation and
16 expenditure of surplus as an exception to the spending limitations
17 shall be based upon:

18 1) the local unit's revenue needs for the current local budget
19 year and its revenue raising capacity;

20 2) the intended actions of the governing body of the local unit
21 to meet the local unit's revenue needs;

22 3) the intended actions of the governing body of the local unit
23 to expand its revenue generating capacity for subsequent local
24 budget years;

25 4) the local unit's ability to demonstrate the source and
26 existence of sufficient surplus as would be prudent to appropriate as
27 an exception to the spending limitations to meet the operating
28 expenses for the local unit's current budget year; and

29 5) the impact of utilization of surplus upon succeeding budgets
30 of the local unit;

31 ff. Newly authorized operating appropriations for the municipal
32 court or violation's bureau when approved by the vicinage Presiding
33 Judge of the Municipal Court after consultation with the mayor and
34 governing body of the municipality;

35 gg. (Deleted by amendment, P.L.2004, c.74.)

36 hh. (Deleted by amendment, P.L.2004, c.74.)

37 ii. Subject to the approval of the Local Finance Board,
38 expenditures related to the cost of conducting and implementing a
39 total property tax levy sale pursuant to section 16 of P.L.1997, c.99
40 (C.54:5-113.5);

41 jj. Amounts expended for a length of service award program
42 pursuant to P.L.1997, c.388 (C.40A:14-183 et al.);

43 kk. Amounts expended to provide municipal services or
44 reimbursement amounts to multifamily dwellings for the collection
45 and disposal of solid waste generated by the residents of the
46 multifamily dwellings. This subsection shall cease to be operative
47 at the end of the first local budget year in which the municipality
48 has fully phased in its reimbursement amount expenses;

1 ll. Amounts expended by a municipality under an interlocal
2 services agreement entered into pursuant to the "Interlocal Services
3 Act," P.L.1973, c.208 (C.40:8A-1 et al.) entered into after the
4 effective date of P.L.2000, c.126 (C.52:13H-21 et al.). The
5 governing body of the municipality that will receive the service
6 may choose to allow the amount of projected annual savings to be
7 added to the amount of final appropriations upon which its
8 permissible expenditures are calculated pursuant to section 2 of
9 P.L.1976, c.68 (C.40A:4-45.2);

10 mm. Amounts expended under a joint contract pursuant to the
11 "Consolidated Municipal Service Act," P.L.1952, c.72 (C.40:48B-1
12 et seq.) entered into after the effective date of P.L.2000, c.126
13 (C.52:13H-21 et al.). The governing body of each participating
14 municipality may choose to allow the amount of projected annual
15 savings to be added to the amount of final appropriations upon
16 which its permissible expenditures are calculated pursuant to
17 section 2 of P.L.1976, c.68 (C.40A:4-45.2);

18 nn. (Deleted by amendment, P.L.2004, c.74.)

19 oo. Amounts appropriated in the first three years after the
20 effective date of P.L.2003, c.92 (C.18A:7F-5b et al.) for liability
21 insurance, workers' compensation insurance and employee group
22 insurance;

23 pp. Amounts appropriated in the first three years after the
24 effective date of P.L.2003, c.92 (C.18A:7F-5b et al.) for costs of
25 domestic security preparedness and responses to incidents and
26 threats to domestic security;

27 qq. Amounts required to be paid by a municipality pursuant to
28 the provisions of section 4 of P.L.2007, c.311 (C.13:1E-96.5).

29 In the first full year when an existing appropriation or
30 expenditure that is subject to budget limitations is made an
31 exception to budget limitations, a municipality shall deduct from its
32 final appropriations upon which its permissible expenditures are
33 calculated pursuant to section 2 of P.L.1976, c.68 (C.40A:4-45.2),
34 the amount which the municipality expended for that purpose
35 during the last full budget year, or portion thereof, in which the
36 purpose so excepted was funded from appropriations in the
37 municipal budget.

38 In the first full year when an existing appropriation or
39 expenditure that is not subject to budget limitations is made subject
40 to budget limitations, a municipality shall add to its final
41 appropriations upon which its permissible expenditures are
42 calculated pursuant to section 2 of P.L.1976, c.68 (C.40A:4-45.2),
43 the amount which the municipality expended for that purpose
44 during the last full budget year, or portion thereof, in which the
45 purpose so excepted was funded from appropriations in the
46 municipal budget.

47 (cf: P.L.2007, c.311, s.17) **1**²

1 ²~~18.~~ ³~~17.~~ ²16. ³ Section 8 of P.L.1977, c.396 (C.40A:5-15.1)
2 is amended to read as follows:

3 8. Securities which may be purchased by local units.

4 a. When authorized by a cash management plan approved
5 pursuant to N.J.S.40A:5-14, any local unit may use moneys which
6 may be in hand for the purchase of the following types of securities
7 which, if suitable for registry, may be registered in the name of the
8 local unit:

9 (1) Bonds or other obligations of the United States of America
10 or obligations guaranteed by the United States of America;

11 (2) Government money market mutual funds;

12 (3) Any obligation that a federal agency or a federal
13 instrumentality has issued in accordance with an act of Congress,
14 which security has a maturity date not greater than 397 days from
15 the date of purchase, provided that such obligation bears a fixed rate
16 of interest not dependent on any index or other external factor;

17 (4) Bonds or other obligations of the local unit or bonds or other
18 obligations of school districts of which the local unit is a part or
19 within which the school district is located;

20 (5) Bonds or other obligations, having a maturity date not more
21 than 397 days from the date of purchase, approved by the Division
22 of ~~Investment of~~ Local Government Services in the Department
23 of ~~the Treasury~~ Community Affairs for investment by local units;

24 (6) Local government investment pools;

25 (7) Deposits with the State of New Jersey Cash Management
26 Fund established pursuant to section 1 of P.L.1977, c.281
27 (C.52:18A-90.4); or

28 (8) Agreements for the repurchase of fully collateralized
29 securities, if:

30 (a) the underlying securities are permitted investments pursuant
31 to paragraphs (1) and (3) of this subsection a.;

32 (b) the custody of collateral is transferred to a third party;

33 (c) the maturity of the agreement is not more than 30 days;

34 (d) the underlying securities are purchased through a public
35 depository as defined in section 1 of P.L.1970, c.236 (C.17:9-41);
36 and

37 (e) a master repurchase agreement providing for the custody and
38 security of collateral is executed.

39 b. Any investment instruments in which the security is not
40 physically held by the local unit shall be covered by a third party
41 custodial agreement which shall provide for the designation of such
42 investments in the name of the local unit and prevent unauthorized
43 use of such investments.

44 c. Purchase of investment securities shall be executed by the
45 "delivery versus payment" method to ensure that securities are
46 either received by the local unit or a third party custodian prior to or
47 upon the release of the local unit's funds.

1 d. Any investments not purchased and redeemed directly from
2 the issuer, government money market mutual fund, local
3 government investment pool, or the State of New Jersey Cash
4 Management Fund, shall be purchased and redeemed through the
5 use of a national or State bank located within this State or through a
6 broker-dealer which, at the time of purchase or redemption, has
7 been registered continuously for a period of at least two years
8 pursuant to section 9 of P.L.1967, c.93 (C.49:3-56) and has at least
9 \$25 million in capital stock (or equivalent capitalization if not a
10 corporation), surplus reserves for contingencies and undivided
11 profits, or through a securities dealer who makes primary markets
12 in U.S. Government securities and reports daily to the Federal
13 Reserve Bank of New York its position in and borrowing on such
14 U.S. Government securities.

15 e. For the purposes of this section:

16 (1) a "government money market mutual fund" means an
17 investment company or investment trust:

18 (a) which is registered with the Securities and Exchange
19 Commission under the "Investment Company Act of 1940," 15
20 U.S.C. s.80a-1 et seq., and operated in accordance with 17 C.F.R.
21 s.270.2a-7;

22 (b) the portfolio of which is limited to U.S. Government
23 securities that meet the definition of an eligible security pursuant to
24 17 C.F.R. s.270.2a-7 and repurchase agreements that are
25 collateralized by such U.S. Government securities in which direct
26 investment may be made pursuant to paragraphs (1) and (3) of
27 subsection a. of this section; and

28 (c) which is rated by a nationally recognized statistical rating
29 organization.

30 (2) a "local government investment pool" means an investment
31 pool:

32 (a) which is managed in accordance with 17 C.F.R. s.270.2a-7;

33 (b) which is rated in the highest category by a nationally
34 recognized statistical rating organization;

35 (c) which is limited to U.S. Government securities that meet the
36 definition of an eligible security pursuant to 17 C.F.R. 270.2a-7 and
37 repurchase agreements that are collateralized by such U.S.
38 Government securities in which direct investment may be made
39 pursuant to paragraphs (1) and (3) of subsection a. of this section;

40 (d) which is in compliance with rules adopted pursuant to the
41 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
42 seq.) by the Local Finance Board of the Division of Local
43 Government Services in the Department of Community Affairs,
44 which rules shall provide for disclosure and reporting requirements,
45 and other provisions deemed necessary by the board to provide for
46 the safety, liquidity and yield of the investments;

47 (e) which does not permit investments in instruments that: are
48 subject to high price volatility with changing market conditions;

1 cannot reasonably be expected, at the time of interest rate
2 adjustment, to have a market value that approximates their par
3 value; or utilize an index that does not support a stable net asset
4 value ; and

5 (f) which purchases and redeems investments directly from the
6 issuer, government money market mutual fund, or the State of New
7 Jersey Cash Management Fund, or through the use of a national or
8 State bank located within this State, or through a broker-dealer
9 which, at the time of purchase or redemption, has been registered
10 continuously for a period of at least two years pursuant to section 9
11 of P.L.1967, c.93 (C.49:3-56) and has at least \$25 million in capital
12 stock (or equivalent capitalization if not a corporation), surplus
13 reserves for contingencies and undivided profits, or through a
14 securities dealer who makes primary markets in U.S. Government
15 securities and reports daily to the Federal Reserve Bank of New
16 York its position in and borrowing on such U.S. Government
17 securities.

18 f. Investments in, or deposits or purchases of financial
19 instruments made pursuant to this section shall not be subject to the
20 requirements of the "Local Public Contracts Law," P.L.1971, c.198
21 (C.40A:11-1 et seq.).

22 (cf: P.L.1997, c.148, s.3)

23

24 ¹¶19. Section 3 of P.L.1983, c.313 (C.40A:5A-3) is amended to
25 read as follows:

26 3. As used in this act:

27 a. "Authority" means a body, public and corporate, created by
28 one or more municipalities or counties pursuant to any law
29 authorizing that creation, which law provides that the public body
30 so created has at least the following powers:

31 (1) To adopt and use a corporate seal;

32 (2) To sue and be sued;

33 (3) To acquire and hold real or personal property for its
34 purposes; and

35 (4) To provide for and secure the payment of its bonds or other
36 obligations, or to provide for the assessment of a tax on real
37 property within its district, or to impose charges for the use of its
38 facilities or any combination thereof.

39 b. "Director" means the Director of the Division of Local
40 Government Services in the Department of Community Affairs.

41 c. "Service contract" means an agreement of a local unit or units
42 intended to provide security for an issue of obligations of an
43 authority, including, but not limited to, a contract providing for
44 payments by a local unit or units with respect to a project, facility,
45 or public improvement of an authority or payments for debt service
46 therefore, but not including such an agreement of a fire district with
47 respect to a project, facility, or public improvement approved by the
48 voters of the district pursuant to N.J.S.40A:14-86, which agreement

1 shall be approved by either the Division of Fire Safety in the
 2 Department of Community Affairs or by ordinance of the governing
 3 body of the municipality which the fire district serves.

4 d. "Local Finance Board" means the Local Finance Board in the
 5 Division of Local Government Services in the Department of
 6 Community Affairs.

7 e. "Local unit or units" means a county or municipality which
 8 created or joined in the creation of an authority, or which proposes
 9 to create or join in the creation thereof, or which proposes to enter
 10 into a service contract with an authority.

11 f. "Project financing" means the financing by an authority of a
 12 public facility for the benefit of the inhabitants of a local unit or
 13 units and for which the financing costs will be paid, directly or
 14 indirectly, by those inhabitants and includes payment for the design
 15 and plan for the public facility, but shall not include such financing
 16 by a fire district with respect to a project approved by the voters of
 17 the district pursuant to N.J.S.40A:14-86, which financing shall be
 18 approved by either the Division of Fire Safety in the Department of
 19 Community Affairs or by ordinance of the governing body of the
 20 municipality which the fire district serves.

21 g. "Bond resolution" means a bond resolution of an authority, or
 22 a trust indenture to be executed by an authority, or other similar
 23 proceeding or document.

24 (cf: P.L.1992, c.79, s.52)]¹

25

26 ¹[~~20.~~] ²[~~19.~~¹] ³[~~18.~~²] ~~17.~~³ Section 6 of P.L.1983, c.313
 27 (C.40A:5A-6) is amended to read as follows:

28 6. Prior to the adoption of a bond resolution by an authority, or
 29 the adoption of an ordinance or resolution of a local unit or units
 30 authorizing a service contract that is part of a project financing, the
 31 proposed project financing shall be submitted to the Local Finance
 32 Board for its review. The Local Finance Board may adopt rules and
 33 regulations, pursuant to the "Administrative Procedure Act,"
 34 P.L.1968, c.410 (C.52:14B-1 et seq.), to permit project financing to
 35 proceed without such application and review if the project financing
 36 is a refunding that will result in ²debt service² savings ²on
 37 outstanding bond debt². The Local Finance Board shall, in the
 38 course of its review, give consideration to:

39 a. The nature, purpose, and scope of the proposed project
 40 financing;

41 b. The engineering and feasibility studies prepared in
 42 connection therewith;

43 c. The terms and provisions of the proposed service contracts,
 44 bond resolutions and, in the instance of a negotiated offering, the
 45 proposed or maximum terms and conditions of sale;

46 d. An estimate of the proposed or maximum schedule of debt
 47 service payments required, and the impact thereof on the budget and
 48 financial condition of the authority and of the local unit;

1 e. The estimate of the annual cost of operating and maintaining
2 the project as set forth in the engineering report or feasibility
3 studies; and

4 f. The initial rate, rent, fee, or charge schedule proposed by the
5 authority, or any other proposed method of raising the amounts
6 required to finance the operations and payments of debt service on
7 the obligations of the authority.

8 The Local Finance Board may examine the estimates,
9 computations or calculations made in connection with the
10 submission, may require the production of papers, documents,
11 witnesses or information, may make or cause to be made an audit or
12 investigation and may take any other action which it may deem
13 necessary to its review of the submission.

14 (cf: P.L.1987, c.319, s.2)

15
16 ¹[21.] ²[20.1] ³[19.2] 18.³ Section 10 of P.L.1983, c.313
17 (C.40A:5A-10) is amended to read as follows:

18 10. a. Each authority shall submit a budget for each fiscal year
19 ¹[in which it has total budgeted operating appropriations in excess
20 of \$500,000]¹ to the director prior to its adoption thereof ¹[;
21 provided, however, that each fire district, notwithstanding the
22 amount of its total budgeted operations, shall submit a budget for
23 each fiscal year to the director prior to its adoption thereof]¹.
24 ¹[The Local Finance Board may adopt rules and regulations,
25 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
26 (C.52:14B-1 et seq.), to lower the threshold amount requiring
27 budget submittal pursuant to this section. An authority that has any
28 outstanding debt obligations or an unrestricted net deficit in a fiscal
29 year shall submit a budget for that fiscal year to the director prior to
30 its adoption thereof, notwithstanding its total budgeted operating
31 appropriations for the fiscal year.]¹ The budget shall comply with
32 the terms and provisions of any bond resolutions, and shall be in
33 such form and detail as to items of revenue, expenditure and other
34 content as shall be required by law or by rules and regulations of
35 the Local Finance Board.

36 b. The Local Finance Board shall prescribe by rule or regulation
37 the procedure for the adoption of budgets by authorities. The rules
38 and regulations may include or be similar to any provisions of the
39 "Local Budget Law" (N.J.S.40A:4-1 et seq.) which the Local
40 Finance Board shall deem to be practicable or necessary, and may
41 further include any other provisions and requirements which the
42 Local Finance Board shall deem appropriate or necessary. The
43 rules and regulations shall provide for approval or disapproval of a
44 budget within 45 days of the director's receipt thereof.

45 c. The Local Finance Board shall also prescribe by rule or
46 regulation the procedures and requirements for execution of any
47 budget after adoption, and for the administration of financial affairs

1 of authorities. The rules and regulations may include, without
 2 limitation, any provisions of the "Local Budget Law" (N.J.S.40A:4-
 3 1 et seq.), and the "Local Fiscal Affairs Law" (N.J.S.40A:5-1 et
 4 seq.), which the Local Finance Board shall deem to be practicable
 5 and necessary.

6 d. Notwithstanding the provisions of subsection a. of this section
 7 and N.J.S.40A:5A-11, the Local Finance Board is authorized to
 8 adopt rules and regulations, pursuant to the "Administrative
 9 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to exempt
 10 certain authorities from the requirement that the director approve
 11 their annual budgets and to provide instead for a system of local
 12 examination and approval of such budgets by authority officials,
 13 provided that:

14 (1) the director finds that such authorities are fiscally sound and
 15 that their fiscal practices are conducted in accordance with law and
 16 sound administrative practice;

17 (2) the director shall examine the budgets of such authorities in
 18 accordance with the provisions of this section and N.J.S.40A:5A-
 19 11, at least every third year;

20 (3) the governing body and chief financial officer of each such
 21 authority shall each file a certification with the director stating that,
 22 with reference to the adopted budget of the authority, they have:

23 (a) examined the budget in the manner prescribed under this
 24 section and N.J.S.40A:5A-11, and determined that the budget
 25 complies with requirements set forth therein; and

26 (b) determined that the budget complies with all other provisions
 27 of law, including, but not limited to, the "Local Authorities Fiscal
 28 Control Law," P.L.1983, c.313 (C.40A:5A-1 et seq.), and the
 29 regulations of the Local Finance Board;

30 (4) all budget documents required by law or the regulations
 31 adopted by the Local Finance Board shall be filed with the director
 32 on a timely basis;

33 (5) other criteria and responsibilities as established by the
 34 regulations adopted by the Local Finance Board are met.

35 The director shall act to require immediate compliance with the
 36 "Local Authorities Fiscal Control Law," P.L.1983, c.313
 37 (C.40A:5A-1 et seq.), if the director finds that any such exemption
 38 impairs the fiscal integrity or solvency of any such authority. Any
 39 appeal of a governing body's action in adopting an annual budget
 40 shall be made to the director.

41 (cf: P.L.1987, c.319, s.5)

42

43 ¹[22.] ²[21.1] ³[20.2] ^{19.}³ Section 11 of P.L.1983, c.313
 44 (C.40A:5A-11) is amended to read as follows:

45 11. No authority budget subject to the provisions of subsection
 46 a. of section 10 of P.L.1983, c.313 (C.40A:5A-10) shall be finally
 47 adopted until the director shall have approved same. In granting the
 48 approval, the director shall consider whether or not:

- 1 a. All estimates of revenue are reasonable, accurate and
2 correctly stated;
- 3 b. Items of appropriation are properly set forth;
- 4 c. In itemization, form and content, the budget will permit the
5 exercise of the comptroller function within the authority;
- 6 d. The schedule of rates, fees and charges then in effect will
7 produce sufficient revenues, together with all other anticipated
8 revenues, to satisfy all obligations to the holders of bonds of the
9 authority, to meet operating expenses, capital outlays, debt service
10 requirements, and to provide for such reserves, all as may be
11 required by law, regulation or terms of contracts and agreements.

12 The director may require such documentation, records and other
13 information, and undertake any audit or investigation, as he may
14 deem necessary in connection with his review.

15 If the director finds that all requirements of law and the rules and
16 regulations of the Local Finance Board have been met, he shall,
17 within 45 days of his receipt of the budget, approve it; otherwise he
18 shall within that time refuse to approve it. The director, in refusing
19 to approve the budget, shall not substitute his discretion with
20 respect to the amount of an appropriation when that amount is not
21 made mandatory by law or regulation.

22 Any decision of the director in the course of budget review under
23 this section may be appealed to the Local Finance Board in the
24 manner generally provided by law.

25 (cf: P.L.1983, c.313, s.11)

26

27 ¹[23.] ²[22.1] ³[21.2] 20.³ Section 17 of P.L.1983, c.313
28 (C.40A:5A-17) is amended to read as follows:

29 17. The members of the governing body of each authority shall,
30 within 45 days of receipt of the annual audit, certify by resolution to
31 the Local Finance Board that each member thereof has personally
32 reviewed the annual audit report, and specifically the sections of the
33 audit report entitled Schedule of Findings and Questioned Costs and
34 General Comments and Recommendations, and has evidenced same
35 by group affidavit signed by a majority of the full membership of
36 the authority in the form prescribed by the Local Finance Board.
37 Failure to comply with this provision may subject the members of
38 the authority to the penalty provisions of section 52 of P.L.1947,
39 c.151 (C.52:27BB-52).

40 (cf: P.L.1987, c.319, s.8)

41

42 ¹[24.] ²[23.1] ³[22.2] 21.³ Section 3 of P.L.1991, c.29
43 (C.40A:9-22.3) is amended to read as follows:

44 3. As used in this act:

- 45 a. "Board" means the Local Finance Board in the Division of
46 Local Government Services in the Department of Community
47 Affairs;

1 b. "Business organization" means any corporation, partnership,
2 firm, enterprise, franchise, association, trust, sole proprietorship,
3 union or other legal entity;

4 c. "Governing body" means, in the case of a municipality, the
5 commission, council, board or body, by whatever name it may be
6 known, having charge of the finances of the municipality, and, in
7 the case of a county, the board of chosen freeholders, or, in the case
8 of a county having adopted the provisions of the "Optional County
9 Charter Law," P.L.1972, c.154 (C.40:41A-1 et seq.), as defined in
10 the form of government adopted by the county under that act;

11 d. "Interest" means the ownership or control of more than 10%
12 of the profits, assets or stock of a business organization but shall
13 not include the control of assets in a nonprofit entity or labor union;

14 e. "Local government agency" means any agency, board,
15 governing body, including the chief executive officer, bureau,
16 division, office, commission or other instrumentality within a
17 county or municipality, and any independent local authority,
18 including any entity created by more than one county or
19 municipality, which performs functions other than of a purely
20 advisory nature, but shall not include a school board;

21 f. "Local government employee" means any person, whether
22 compensated or not, whether part-time or full-time, employed by or
23 serving on a local government agency who is not a local
24 government officer, but shall not mean any employee of a school
25 district;

26 g. "Local government officer" means any person whether
27 compensated or not, whether part-time or full-time: (1) elected to
28 any office of a local government agency; (2) serving on a local
29 government agency which has the authority to enact ordinances,
30 approve development applications or grant zoning variances; (3)
31 who is a member of an independent municipal, county or regional
32 authority; or (4) who is a managerial executive **【or confidential】**
33 employee of a local government agency, as defined in **【section 3 of**
34 **the "New Jersey Employer-Employee Relations Act," P.L.1941,**
35 **c.100 (C.34:13A-3)】** rules and regulations adopted by the Director
36 of the Division of Local Government Services in the Department of
37 Community Affairs pursuant to the "Administrative Procedure Act,"
38 P.L.1968, c.410 (C.52:14B-1 et seq.), but shall not mean any
39 employee of a school district or member of a school board;

40 h. "Local government officer or employee" means a local
41 government officer or a local government employee;

42 i. "Member of immediate family" means the spouse or
43 dependent child of a local government officer or employee residing
44 in the same household.

45 (cf: P.L.1991, c.29, s.3)

46

47 ¹**【25.】** ²**【24.1】** ³**【23.2】** 22.³ Section 6 of P.L.1991, c.29
48 (C.40A:9-22.6) is amended to read as follows:

1 6. a. Local government officers shall annually file a financial
2 disclosure statement. All financial disclosure statements filed
3 pursuant to **[this act]** P.L.1991, c.29 shall include the following
4 information which shall specify, where applicable, the name and
5 address of each source and the local government officer's job title:

6 (1) Each source of income, earned or unearned, exceeding
7 \$2,000 received by the local government officer or a member of his
8 immediate family during the preceding calendar year. Individual
9 client fees, customer receipts or commissions on transactions
10 received through a business organization need not be separately
11 reported as sources of income. If a publicly traded security is the
12 source of income, the security need not be reported unless the local
13 government officer or member of his immediate family has an
14 interest in the business organization;

15 (2) Each source of fees and honorariums having an aggregate
16 amount exceeding \$250 from any single source for personal
17 appearances, speeches or writings received by the local government
18 officer or a member of his immediate family during the preceding
19 calendar year;

20 (3) Each source of gifts, reimbursements or prepaid expenses
21 having an aggregate value exceeding \$400 from any single source,
22 excluding relatives, received by the local government officer or a
23 member of his immediate family during the preceding calendar
24 year;

25 (4) The name and address of all business organizations in which
26 the local government officer or a member of his immediate family
27 had an interest during the preceding calendar year; and

28 (5) The address and brief description of all real property in the
29 State in which the local government officer or a member of his
30 immediate family held an interest during the preceding calendar
31 year.

32 b. The Local Finance Board shall prescribe a financial
33 disclosure statement form for filing purposes. For counties and
34 municipalities which have not established ethics boards, the board
35 shall transmit sufficient copies of the forms to the municipal clerk
36 in each municipality and the county clerk in each county for filing
37 in accordance with this act. The municipal clerk shall make the
38 forms available to the local government officers serving the
39 municipality. The county clerk shall make the forms available to
40 the local government officers serving the county.

41 For counties and municipalities which have established ethics
42 boards, the Local Finance Board shall transmit sufficient copies of
43 the forms to the ethics boards for filing in accordance with this act.
44 The ethics boards shall make the forms available to the local
45 government officers within their jurisdiction.

46 For local government officers serving the municipality, the
47 original statement shall be filed with the municipal clerk in the
48 municipality in which the local government officer serves. For

1 local government officers serving the county, the original statement
2 shall be filed with the county clerk in the county in which the local
3 government officer serves. A copy of the statement shall be filed
4 with the board. In counties or municipalities which have
5 established ethics boards a copy of the statement shall also be filed
6 with the ethics board having jurisdiction over the local government
7 officer. Local government officers shall file the initial financial
8 disclosure statement within 90 days following the effective date of
9 this act. Thereafter, statements shall be filed on or before April
10 30th each year, except that each local government officer shall file a
11 financial disclosure statement within 30 days of taking office.

12 c. All financial disclosure statements filed shall be public
13 records.

14 d. The Division of Local Government Services in the
15 Department of Community Affairs may establish an electronic
16 filing system for financial disclosure statements required to be filed
17 pursuant to this section.

18 (cf: P.L.2008, c.72, s.1)

19

20 ¹[26.] ²[25.1] ³[24.2] 23.³ Section 5 of P.L.1988, c.110
21 (C.40A:9-140.10) is amended to read as follows:

22 5. a. Notwithstanding the provisions of any law to the
23 contrary, in every municipality there shall be a chief financial
24 officer appointed by the governing body of the municipality. The
25 requirement that every municipality shall have a chief financial
26 officer may be fulfilled by the sharing of a chief financial officer
27 with another municipality or municipalities under a shared service
28 agreement entered into pursuant to the provisions of P.L.2007, c.63
29 (C.40A:65-1 et seq.). Any such shared service agreement shall be
30 subject to the provisions of section 4 of P.L.2007, c.63 (C.40A:65-
31 4) and, with respect to pilot municipalities, section 3 of P.L.2013,
32 c.166 (C.40A:65-4.2). The term of office shall be four years, which
33 shall run from January 1 in the year in which the chief financial
34 officer is appointed. The compensation for the chief financial
35 officer shall be separately set forth in a municipal salary ordinance.

36 If a governing body fails or refuses to comply with this section,
37 and has received an order from the director to do so, the members
38 of a governing body who willfully fail or refuse to comply shall
39 each be subject to a personal penalty of \$25 for each day after the
40 date fixed for final action that failure or refusal to comply
41 continues. The amount of the penalty may be recovered by the
42 director in the name of the State as a personal debt of the member
43 of the governing body, and shall be paid, upon receipt, into the
44 State Treasury.

45 In the case of a pilot municipality, a tenured chief financial
46 officer may be dismissed to effectuate the sharing of a service
47 entered into pursuant to the provisions of P.L.2007, c.63
48 (C.40A:65-1 et seq.) and such dismissal shall be deemed to be in

1 the interest of the economy or efficiency of the participants in the
 2 shared service agreement. The removal of a chief financial officer
 3 under this section shall not require the pilot municipality to fulfill
 4 the requirements of section 2 of P.L.1977, c.39 (C.40A:9-140.8).
 5 Instead, the pilot municipality shall provide the chief financial
 6 officer with a written copy of the shared service agreement entered
 7 into by the pilot municipality, and a letter stating that the position
 8 of chief financial officer in the pilot municipality is being
 9 eliminated for reasons of economy or efficiency as the result of the
 10 shared service agreement.

11 b. The requirement that every municipality shall have a chief
 12 financial officer may be temporarily fulfilled by the appointment of
 13 a private entity to perform the duties of a chief financial officer. ²A
 14 municipality shall not appoint a private entity to fulfill the duties of
 15 a chief financial officer for more than two consecutive one-year
 16 terms.² A municipality shall not make such appointment ²or
 17 reappointment² unless approved by the Director of the Division of
 18 Local Government Services in the Department of Community
 19 Affairs. Such approval shall only be granted if the municipality
 20 demonstrates that it has made a good faith effort to hire an
 21 individual who holds a municipal finance officer certificate issued
 22 pursuant to the provisions of P.L.1971, c.413 (C.40A:9-140.1 et
 23 seq.). The term of office of a private entity appointed pursuant to
 24 this subsection shall not exceed two ²consecutive² years. Any work
 25 performed by such private entity on behalf of the municipality shall
 26 be supervised by at least one employee who holds a municipal
 27 finance officer certificate issued pursuant to the provisions of
 28 P.L.1971, c.413 (C.40A:9-140.1 et seq.). Any documents requiring
 29 signature of the chief financial officer of the municipality shall be
 30 executed on behalf of the private entity by an employee holding a
 31 municipal finance officer certificate.

32 (cf: P.L.2013, c.166, s.11)

33

34 ¹[27.] ²[26.1] ³[25.2] 24.³ Section 8 of P.L.1988, c.110
 35 (C.40A:9-140.13) is amended to read as follows:

36 8. a. Commencing January 1, 1991, no person shall be
 37 appointed or reappointed as a chief financial officer unless he holds
 38 a municipal finance officer certificate issued pursuant to the
 39 provisions of P.L.1971, c.413 (C.40A:9-140.1 et seq.) or ²[this act]
 40 P.L.1988, c.110².

41 b. Any person who has, on or before the effective date of
 42 P.L.1988, c.110 been granted tenure pursuant to the provisions of
 43 section 2 of P.L.1977, c.39 (C.40A:9-140.8) or the provisions of
 44 N.J.S.40A:9-152, may continue to serve in his current position and
 45 shall not be removed from office or denied reappointment except
 46 for just cause and then only after a public hearing conducted

1 pursuant to sections 2 and 3 of P.L.1977, c.39 (C.40A:9-140.8 and
2 C.40A:9-140.9).

3 c. Any certified municipal finance officer who has been
4 appointed as the chief financial officer of a municipality pursuant to
5 section 5 of P.L.1988, c.110 (C.40A:9-140.10) subsequent to the
6 effective date of P.L.1988, c.110 and who thereafter filed with the
7 clerk of that municipality and with the Division of Local
8 Government Services in the Department of Community Affairs a
9 notification that he had complied with the requirements of section 2
10 of P.L.1977, c.39 (C.40A:9-140.8) shall be considered to have been
11 granted tenure and shall accordingly be entitled to the protections
12 set forth in subsection b. of section 2 of P.L.1977, c.39 (C.40A:9-
13 140.8).

14 d. Notwithstanding the provisions of any other law to the
15 contrary, any person who has served as a municipal finance officer
16 in the same municipality for a period of not less than five
17 consecutive years while holding a municipal finance officer
18 certificate issued in accordance with P.L.1971, c.413 (C.40A:9-
19 140.1 et seq.), and who thereafter is appointed as the chief financial
20 officer of that municipality, shall be granted tenure of office upon
21 the filing with the clerk of the municipality and the Director of the
22 Division of Local Government Services in the Department of
23 Community Affairs a notification evidencing his compliance with
24 this section.

25 e. A municipal finance officer who has held office
26 continuously for five consecutive years in the same municipality
27 may continue to serve in his current position and shall not be
28 removed from office or denied reappointment for failure to qualify
29 as a certified municipal finance officer pursuant to provisions of
30 P.L.1971, c.413 (C.40A:9-140.1 et seq.) or ²[this act] P.L.1988,
31 c.110². However, any such individual shall not be entitled to be
32 appointed as the chief financial officer of that municipality unless
33 he possesses a municipal finance officer certificate.

34 f. When a vacancy occurs in the office of chief financial
35 officer following the appointment of a certified municipal finance
36 officer to that office, the governing body or chief executive officer,
37 as appropriate, may appoint, for a period not to exceed one year and
38 commencing on the date of the vacancy, a person who does not hold
39 a municipal finance officer certificate to serve as a temporary chief
40 financial officer. Any person so appointed may, with the approval
41 of the director, be reappointed as chief financial officer following
42 the termination of the temporary appointment for ²[one] up to two²
43 additional ²[year] one-year terms². No local unit shall have a
44 temporary chief financial officer for more than ²[two] three²
45 consecutive years. Time served as a temporary chief financial
46 officer shall not count as time served as a chief financial officer for
47 the purpose of acquiring tenure pursuant to subsection a. of section
48 2 of P.L.1977, c.39 (C.40A:9-140.8) or subsection d. of this section.

1 g. Upon application by a municipal governing body to the
2 director, an individual without a municipal finance officer
3 certificate may, with the approval of the director, be appointed to
4 serve as the chief financial officer in a municipality in which he is
5 presently employed if that individual meets all of the requirements
6 established under subsection a. of section 2 of P.L.1971, c.413
7 (C.40A:9-140.2) and further has completed four of the seven
8 training courses identified in subsection b. of section 2 of P.L.1971,
9 c.413 (C.40A:9-140.2), at least two of which shall be accounting
10 courses. If any individual appointed as a chief financial officer
11 pursuant to this subsection fails to obtain a municipal finance
12 officer certificate prior to January 1, 1992, his appointment as chief
13 financial officer shall lapse and the municipal governing body shall
14 appoint a certified municipal finance officer as the municipality's
15 chief financial officer.

16 (cf: P.L.1991, c.175, s.11)

17

18 ¹[28.] ²[27.1] ³[26.2] ^{25.}³ Section 1 of P.L.1999, c.440
19 (C.40A:11-4.1) is amended to read as follows:

20 1. Notwithstanding the provisions of any law, rule or regulation
21 to the contrary, competitive contracting may be used by local
22 contracting units in lieu of public bidding for procurement of
23 specialized goods and services the price of which exceeds the bid
24 threshold, for the following purposes:

25 a. The purchase or licensing of proprietary computer software
26 designed for contracting unit purposes, which may include
27 hardware intended for use with the proprietary software. This
28 subsection shall not be utilized for the purpose of acquiring general
29 purpose computer hardware or software;

30 b. The hiring of a for-profit entity or a not-for-profit entity
31 incorporated under Title 15A of the New Jersey Statutes for the
32 purpose of:

33 (1) the operation and management of a wastewater treatment
34 system or a water supply or distribution facility of the type
35 described in subsection (37) of section 15 of P.L.1971, c.198
36 (C.40A:11-15), provided that competitive contracting shall not be
37 used as a means of awarding contracts pursuant to P.L.1985, c.37
38 (C.58:26-1 et al.) and P.L.1985, c.72 (C.58:27-1 et al.);

39 (2) the operation, management or administration of recreation or
40 social service facilities or programs, which shall not include the
41 administration of benefits under the Work First New Jersey
42 program established pursuant to P.L.1997, c.38 (C.44:10-55 et
43 seq.), or under General Assistance; or

44 (3) the operation, management or administration of data
45 processing services;

46 c. (Deleted by amendment, P.L.2009, c.4).

47 d. Homemaker--home health services;

48 e. Laboratory testing services;

- 1 f. Emergency medical services;
 2 g. Contracted food services;
 3 h. Performance of patient care services by contracted medical
 4 staff at county hospitals, correctional facilities and long-term care
 5 facilities;
 6 i. At the option of the governing body of the contracting unit,
 7 any good or service that is exempt from bidding pursuant to section
 8 5 of P.L.1971, c.198 (C.40A:11-5);
 9 j. Concessions;
 10 k. The operation, management or administration of other
 11 services, with the approval of the Director of the Division of Local
 12 Government Services ;
 13 l. Maintenance, custodial, and groundskeeping services;
 14 m. Consulting services;
 15 n. Emergency medical billing services;
 16 o. Property appraisal services;
 17 p. Reassessment or revaluation services;
 18 q. Grant writing services;
 19 r. Animal control services.

20 Any purpose included herein shall not be considered by a
 21 contracting unit as an extraordinary unspecifiable service pursuant
 22 to subparagraph (ii) of paragraph [(a)(ii)] (a) of subsection (1) of
 23 section 5 of P.L.1971, c.198 (C.40A:11-5).

24 (cf: P.L.2009, c.4, s.7)

25

26 ¹[29.] ²[28.1] ³[27.2] 26.³ Section 4 of P.L.2001, c.310
 27 (C.40A:12A-67) is amended to read as follows:

28 4. a. The municipality may issue bonds itself in the manner
 29 provided for herein or pursuant to the "Local Redevelopment and
 30 Housing Law," P.L.1992, c.79 (C.40A:12A-1 et seq.) or may apply
 31 to the authority to issue bonds, regardless of whether the
 32 redevelopment project is undertaken under municipal authority
 33 pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.) or by a State
 34 entity redeveloper pursuant to a State entity redevelopment
 35 agreement, which in any case may be secured by payments in lieu
 36 of taxes or special assessments or both or a portion thereof, by the
 37 adoption of a resolution or ordinance, as applicable, of the
 38 governing body of the municipality, authority or State entity to that
 39 effect.

40 b. A municipality that has designated a redevelopment area or
 41 in which a redevelopment project is undertaken by a State entity
 42 redeveloper pursuant to a State entity redevelopment agreement
 43 may, by resolution of its governing body, if it determines to issue
 44 bonds through the authority, enter into contracts with the authority
 45 relating to that redevelopment project, or to act as a redeveloper or
 46 to finance or refinance a redevelopment project undertaken by a
 47 State entity redeveloper pursuant to a State entity redevelopment
 48 agreement within a redevelopment area. A resolution so adopted

1 shall contain findings and determinations of the governing body: (1)
2 that all or a portion of the redevelopment project undertaken within
3 the municipality will result in the redevelopment of the
4 municipality; and, (2) that the contract with the authority or, to the
5 extent applicable, the financial agreement with the State entity
6 redeveloper, is a necessary or important inducement to the
7 undertaking of the project or the redevelopment project undertaken
8 by the State entity redeveloper in that it makes the financing thereof
9 feasible. The contract or contracts, or the terms of any bonds issued
10 directly by a municipality may provide for the assignment, for the
11 benefit of bondholders, of all or any portion of payments in lieu of
12 taxes, or special assessments, or both. A contract may be made and
13 entered into for a term beginning currently or at some future or
14 contingent date, and with or without consideration, and for a
15 specified or unlimited time, and on any terms and conditions which
16 may be requested by the municipality and, to the extent applicable,
17 the State entity redeveloper, and, if applicable, as may be agreed to
18 by the authority and, to the extent applicable, the State entity
19 redeveloper, in conformity with its contracts with the holders of
20 bonds, and shall be valid and binding on the municipality. The
21 municipality is hereby authorized and directed to do and perform
22 any contract so entered into by it and to provide for the discharge of
23 any obligation thereunder in the same manner as other obligations
24 of the municipality.

25 Any contract, and any instrument making or evidencing the
26 same, may be pledged or assigned by the authority, with the consent
27 of the municipality executing the contract, and, to the extent
28 applicable, the consent of the State entity redeveloper, to secure its
29 bonds and thereafter may not be modified except as provided by the
30 terms of the instrument or by the terms of the pledge or assignment.

31 The municipality may include in the terms of a bond or contract,
32 including a financial agreement, a provision that the payments in
33 lieu of taxes or special assessments shall constitute a municipal
34 charge for the purposes of R.S.54:4-66.

35 c. The payments in lieu of taxes or special assessments, or
36 both, may be assigned directly by the municipality or the authority
37 or the trustee for the bonds as payment or security for the bonds.
38 Notwithstanding any law to the contrary, the assignment shall be an
39 absolute assignment of all the municipality's right, title, and interest
40 in the payment in lieu of taxes or special assessments, or both, or
41 portion thereof, along with the rights and remedies provided to the
42 municipality under the agreement including, but not limited to, the
43 right of collection of payments due. Payments in lieu of taxes and
44 special assessments assigned as provided hereunder shall not be
45 included in the general funds of the municipality, nor shall they be
46 subject to any laws regarding the receipt, deposit, investment or
47 appropriation of public funds and shall retain such status
48 notwithstanding enforcement of the payment or assessment by the

1 municipality or assignee as provided herein. The municipality shall
2 be a "person" within the meaning of that term as defined in section
3 3 of P.L.1974, c.80 (C.34:1B-3); and the purpose described in this
4 section shall be a "project" within the meaning of that term as
5 defined in section 3 of P.L.1974, c.80 (C.34:1B-3).

6 d. Notwithstanding the provisions of subsection g. of section
7 37 of P.L.1992, c.79 (C.40A:12A-37), the bonds issued pursuant to
8 this section may be issued as non-recourse obligations, and unless
9 otherwise provided for by a separate action of the municipality to
10 guarantee such bonds or otherwise provide for a pledge of the
11 municipality's full faith and credit shall not, except for such action,
12 be considered to be direct and general obligations of the
13 municipality, and, absent such action, the municipality shall not be
14 obligated to levy and collect a tax sufficient in an amount to pay the
15 principal and interest on the bonds when the same become due and
16 payable. The provisions of the "Local Government Supervision Act
17 (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.) shall not apply to
18 any bonds issued or authorized pursuant to this section and those
19 bonds shall not be considered gross debt of the municipality on any
20 debt statement filed in accordance with the "Local Bond Law,"
21 N.J.S.40A:2-1 et seq., and the provisions of chapter 27 of Title 52
22 of the Revised Statutes shall not apply to such bonds.

23 e. The proceeds from the sale of bonds and any funds provided
24 by any department of the State, authority created by the State or bi-
25 state authority for the purposes described in the "Redevelopment
26 Area Bond Financing Law," sections 1 through 10 of P.L.2001,
27 c.310 (C.40A:12A-64 et seq.) or for the purpose of financing or
28 refinancing a redevelopment project pursuant to a State entity
29 redevelopment agreement, shall not require compliance with public
30 bidding laws, including the "Local Public Contracts Law,"
31 P.L.1971, c.198 (C.40A:11-1 et seq.), or any other statute where the
32 redeveloper or State entity redeveloper, as the case may be, shall
33 undertake the redevelopment project. The use of these funds shall
34 be subject to public accountability and oversight by the issuer of
35 those bonds, regardless of whether the municipality, agency or
36 authority provides the funds.

37 f. In order to provide additional security for any loan to a
38 redeveloper or a State entity redeveloper, as the case may be, or to
39 bonds issued to finance a redevelopment project, regardless of
40 whether that redevelopment project is undertaken under municipal
41 authority pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.) or by a
42 State entity redeveloper pursuant to a State entity redevelopment
43 agreement, the municipality may utilize powers otherwise provided
44 by law, including the "Local Redevelopment and Housing Law,"
45 P.L.1992, c.79 (C.40A:12A-1 et seq.), to provide for any extension
46 of the municipality's credit to any redeveloper or State entity
47 redeveloper, as the case may be, or its full faith and credit which
48 may include a full faith and credit lease as security for the bonds or

1 any loan to a redeveloper or State entity redeveloper, as the case
2 may be. To the extent that the municipality provides for a full faith
3 and credit guarantee of any loan to a redeveloper or State entity
4 redeveloper, as the case may be, or any bonds, but determines not to
5 authorize the issuance of bonds or notes to provide for the funding
6 source thereof, or otherwise determines to enter into a full faith and
7 credit lease, it may do so by **resolution approved by a majority of**
8 **the full governing body** an ordinance introduced, adopted, and
9 published in accordance with the provisions of N.J.S.40A:2-17 and
10 N.J.S.40A:2-19. Such ordinance shall take effect 20 days after the
11 first publication of the ordinance or of a summary thereof after final
12 adoption. To the extent that bonds or notes are authorized as
13 provided above, such bonds or notes shall be authorized pursuant to
14 the provisions of the "Local Bond Law," N.J.S.40A:2-1 et seq., and
15 shall be deductible from the gross debt of the municipality until
16 such time as such bonds or notes are actually issued, and only up to
17 the amount actually issued, to fund such guarantee.

18 g. A financial instrument, whether issued by a municipality or
19 an authority, that is secured in whole or in part by payments in lieu
20 of taxes or by special assessments, or both, as provided herein shall
21 be subject to the review and approval of the board. That review and
22 approval shall be made prior to approval of, in the case of a
23 municipality, an introduced ordinance or, in the case of an
24 authority, a resolution. The board shall be entitled to receive from
25 the applicant an amount sufficient to provide for all reasonable
26 professional and other fees and expenses incurred by it for the
27 review, analysis and determination with respect thereto. As part of
28 its review, the board shall specifically solicit comments from the
29 Office of State Planning and the New Jersey Economic
30 Development Authority in addition to comments from the public.
31 The Office of State Planning shall provide comments on whether
32 the redevelopment project or plan promotes congestion reduction,
33 enhanced mobility, further redevelopment, and otherwise improves
34 the quality of life of residents. As part of the board's review and
35 approval, it shall consider **where appropriate one or more of the**
36 **following: whether the redevelopment project or plan promotes**
37 **approaches and concepts to reduce congestion; enhance mobility;**
38 **assist in the redevelopment of our municipalities; and otherwise**
39 **improve the quality of life of our citizens** the comments submitted
40 and whether the issuance of the redevelopment area bond will
41 adversely impact the financial stability of the municipality or
42 service area of the authority.

43 h. A municipality that has assigned any portion of the
44 payments in lieu of taxes it receives pursuant to a financial
45 agreement, as payment or security for bonds, may also pledge a
46 portion of those payments in lieu of taxes as payment or security for
47 bonds in order to finance or refinance any cost or expense of the
48 municipality, State entity or authority.

1 i. In the case of a municipality which is otherwise subject to
2 tax or revenue sharing pursuant to law and which assigns a portion
3 of the payments in lieu of taxes or special assessments pursuant to a
4 financial agreement to secure bonds issued by the municipality or
5 the authority, the assigned portion of those payments in lieu of taxes
6 or special assessments shall not be considered part of the tax or
7 revenue sharing formula or calculation of municipal revenues for
8 the purpose of determining whether that municipality is obligated to
9 make payment to, or receive a credit from, any tax sharing or
10 revenue sharing pool.

11 (cf: P.L.2004, c.112, s.3)

12

13 ¹~~30.~~ ²~~29.1~~ ³~~28.2~~ 27.³ N.J.S.40A:14-34 is amended to read
14 as follows:

15 40A:14-34. The governing body of any municipality may raise
16 and appropriate funds to be granted to the boards of fire
17 commissioners of any fire district or volunteer fire companies
18 located therein, up to a total annual appropriation of ~~[\$90,000.00~~
19 annually] \$150,000, which shall be adjusted biennially for inflation
20 by the Director of the Division of Local Government Services in the
21 Department of Community Affairs in accordance with the cost-of-
22 living adjustment promulgated pursuant to section 4 of P.L.1983,
23 c.49 (C.40A:4-45.1a). In any municipality in which there are more
24 than three such boards or companies, or both, the governing body
25 may raise and appropriate an additional ~~[\$30,000.00]~~ \$50,000
26 annually for each such additional board or company. Any such
27 board or company shall use not less than 50% of the funds received
28 pursuant to this section for the purchase of fire equipment, materials
29 and supplies. All funds appropriated under this section shall be
30 accounted for to the governing body annually.

31 Any municipality may appropriate such additional sums as it
32 may deem necessary for the purchase of fire equipment, supplies
33 and materials for use by fire companies or boards, the title to which
34 shall remain with the municipality, provided that the funds shall be
35 controlled and disbursed by the municipality. In the case of a joint
36 purchase made by the governing bodies of two or more
37 municipalities pursuant to the provisions of the "Consolidated
38 Municipal Service Act," P.L.1952, c.72 (C.40:48B-1 et seq.), the
39 title to the purchase shall be held by the joint meeting formed by the
40 contracting governing bodies.

41 (cf: P.L.1989, c.41, s.1)

42

43 ¹~~31.~~ ²~~30.1~~ ³~~29.2~~ 28.³ Section 9 of P.L.1991, c.431
44 (C.40A:20-9) is amended to read as follows:

45 9. Every approved project shall be evidenced by a financial
46 agreement between the municipality and the urban renewal entity.
47 The agreement shall be prepared by the entity and submitted as a
48 separate part of its application for project approval. The agreement

1 shall not take effect until approved by ordinance of the
2 municipality. Any amendments or modifications of the agreement
3 made thereafter shall be by mutual consent of the municipality and
4 the urban renewal entity, and shall be subject to approval by
5 ordinance of the municipal governing body upon recommendation
6 of the mayor or other chief executive officer of the municipality
7 prior to taking effect.

8 The financial agreement shall be in the form of a contract
9 requiring full performance within 30 years from the date of
10 completion of the project, and shall include the following:

11 a. That the profits of or dividends payable by the urban
12 renewal entity shall be limited according to terms appropriate for
13 the type of entity in conformance with the provisions of P.L.1991,
14 c.431 (C.40A:20-1 et seq.).

15 b. That all improvements and land, to the extent authorized
16 pursuant to section 12 of P.L.1991, c.431 (C.40A:20-12), in the
17 project to be constructed or acquired by the urban renewal entity
18 shall be exempt from taxation as provided in P.L.1991, c.431
19 (C.40A:20-1 et seq.).

20 c. That the urban renewal entity shall make payments for
21 municipal services as provided in P.L.1991, c.431 (C.40A:20-1 et
22 seq.).

23 d. That the urban renewal entity shall submit annually, within
24 90 days after the close of its fiscal year, its auditor's reports to the
25 mayor and governing body of the municipality [and to the Director
26 of the Division of Local Government Services in the Department of
27 Community Affairs].

28 e. That the urban renewal entity shall, upon request, permit
29 inspection of property, equipment, buildings and other facilities of
30 the entity, and also permit examination and audit of its books,
31 contracts, records, documents and papers by authorized
32 representatives of the municipality or the State.

33 f. That in the event of any dispute between the parties matters
34 in controversy shall be resolved by arbitration in the manner
35 provided in the financial agreement.

36 g. That operation under the financial agreement shall be
37 terminable by the urban renewal entity in the manner provided by
38 P.L.1991, c.431 (C.40A:20-1 et seq.).

39 h. That the urban renewal entity shall at all times prior to the
40 expiration or other termination of the financial agreement remain
41 bound by the provisions of P.L.1991, c.431 (C.40A:20-1 et seq.).

42 The financial agreement shall contain detailed representations
43 and covenants by the urban renewal entity as to the manner in
44 which it proposes to use, manage or operate the project. The
45 financial agreement shall further set forth the method for computing
46 gross revenue for the urban renewal entity, the method of
47 determining insurance, operating and maintenance expenses paid by
48 a tenant which are ordinarily paid by a landlord, the plans for

1 financing the project, including the estimated total project cost, the
2 amortization rate on the total project cost, the source of funds, the
3 interest rates to be paid on the construction financing, the source
4 and amount of paid-in capital, the terms of mortgage amortization
5 or payment of principal on any mortgage, a good faith projection of
6 initial sales prices of any condominium units and expenses to be
7 incurred in promoting and consummating such sales, and the rental
8 schedules and lease terms to be used in the project. Any financial
9 agreement may allow the municipality to levy an annual
10 administrative fee, not to exceed two percent of the annual service
11 charge.

12 (cf: P.L.2003, c.125, s.9)

13

14 ¹**【32.】** ²**【31.1】** ³**【30.2】** 29.³ Section 12 of P.L.1991, c.431
15 (C.40A:20-12) is amended to read as follows:

16 12. The rehabilitation or improvements made in the development
17 or redevelopment of a redevelopment area or area appurtenant
18 thereto or for a redevelopment relocation housing project, pursuant
19 to P.L.1991, c.431 (C.40A:20-1 et seq.), shall be exempt from
20 taxation for a limited period as hereinafter provided. When housing
21 is to be constructed, acquired or rehabilitated by an urban renewal
22 entity, the land upon which that housing is situated shall be exempt
23 from taxation for a limited period as hereinafter provided. The
24 exemption shall be allowed when the clerk of the municipality
25 wherein the property is situated shall certify to the municipal tax
26 assessor that a financial agreement with an urban renewal entity for
27 the development or the redevelopment of the property, or the
28 provision of a redevelopment relocation housing project, or the
29 provision of a low and moderate income housing project has been
30 entered into and is in effect as required by P.L.1991, c.431
31 (C.40A:20-1 et seq.).

32 Delivery by the municipal clerk to the municipal tax assessor of
33 a certified copy of the ordinance of the governing body approving
34 the tax exemption and financial agreement with the urban renewal
35 entity shall constitute the required certification. For each
36 exemption granted pursuant to P.L.2003, c.125 (C.40A:12A-4.1 et
37 al.), upon certification as required hereunder, the tax assessor shall
38 implement the exemption and continue to enforce that exemption
39 without further certification by the clerk until the expiration of the
40 entitlement to exemption by the terms of the financial agreement or
41 until the tax assessor has been duly notified by the clerk that the
42 exemption has been terminated.

43 **【Upon the adoption of a financial agreement pursuant to**
44 **P.L.1991, c.431 (C.40A:20-1 et seq.), a certified copy of the**
45 **ordinance of the governing body approving the tax exemption and**
46 **the financial agreement with the urban renewal entity shall**
47 **forthwith be transmitted to the Director of the Division of Local**
48 **Government Services.】**

1 Whenever an exemption status changes during a tax year, the
2 procedure for the apportionment of the taxes for the year shall be
3 the same as in the case of other changes in tax exemption status
4 during the tax year. Tax exemptions granted pursuant to P.L.2003,
5 c.125 (C.40A:12A-4.1 et al.) represent long term financial
6 agreements between the municipality and the urban renewal entity
7 and as such constitute a single continuing exemption from local
8 property taxation for the duration of the financial agreement. The
9 validity of a financial agreement or any exemption granted pursuant
10 thereto may be challenged only by filing an action in lieu of
11 prerogative writ within 20 days from the publication of a notice of
12 the adoption of an ordinance by the governing body granting the
13 exemption and approving the financial agreement. Such notice
14 shall be published in a newspaper of general circulation in the
15 municipality and in a newspaper of general circulation in the county
16 if different from the municipal newspaper.

17 a. The duration of the exemption for urban renewal entities
18 shall be as follows: for all projects, a term of not more than 30 years
19 from the completion of the entire project, or unit of the project if
20 the project is undertaken in units, or not more than 35 years from
21 the execution of the financial agreement between the municipality
22 and the urban renewal entity.

23 b. During the term of any exemption, in lieu of any taxes to be
24 paid on the buildings and improvements of the project and, to the
25 extent authorized pursuant to this section, on the land, the urban
26 renewal entity shall make payment to the municipality of an annual
27 service charge, which shall remit a portion of that revenue to the
28 county as provided hereinafter. In addition, the municipality may
29 assess an administrative fee, not to exceed two percent of the annual
30 service charge, for the processing of the application. The annual
31 service charge for municipal services supplied to the project to be
32 paid by the urban renewal entity for any period of exemption, shall
33 be determined as follows:

34 (1) An annual amount equal to a percentage determined
35 pursuant to this subsection and section 11 of P.L.1991, c.431
36 (C.40A:20-11), of the annual gross revenue from each unit of the
37 project, if the project is undertaken in units, or from the total
38 project, if the project is not undertaken in units. The percentage of
39 the annual gross revenue shall not be more than 15% in the case of
40 a low and moderate income housing project, nor less than 10% in
41 the case of all other projects.

42 At the option of the municipality, or where because of the nature
43 of the development, ownership, use or occupancy of the project or
44 any unit thereof, if the project is to be undertaken in units, the total
45 annual gross rental or gross shelter rent or annual gross revenue
46 cannot be reasonably ascertained, the governing body shall provide
47 in the financial agreement that the annual service charge shall be a
48 sum equal to a percentage determined pursuant to this subsection

1 and section 11 of P.L.1991, c.431 (C.40A:20-11), of the total
2 project cost or total project unit cost determined pursuant to
3 P.L.1991, c.431 (C.40A:20-1 et seq.) calculated from the first day
4 of the month following the substantial completion of the project or
5 any unit thereof, if the project is undertaken in units. The
6 percentage of the total project cost or total project unit cost shall not
7 be more than 2% in the case of a low and moderate income housing
8 project, and shall not be less than 2% in the case of all other
9 projects.

10 (2) In either case, the financial agreement shall establish a
11 schedule of annual service charges to be paid over the term of the
12 exemption period, which shall be in stages as follows:

13 (a) For the first stage of the exemption period, which shall
14 commence with the date of completion of the unit or of the project,
15 as the case may be, and continue for a time of not less than six years
16 nor more than 15 years, as specified in the financial agreement, the
17 urban renewal entity shall pay the municipality an annual service
18 charge for municipal services supplied to the project in an annual
19 amount equal to the amount determined pursuant to paragraph (1) of
20 this subsection and section 11 of P.L.1991, c.431 (C.40A:20-11).
21 For the remainder of the period of the exemption, if any, the annual
22 service charge shall be determined as follows:

23 (b) For the second stage of the exemption period, which shall
24 not be less than one year nor more than six years, as specified in the
25 financial agreement, an amount equal to either the amount
26 determined pursuant to paragraph (1) of this subsection and section
27 11 of P.L.1991, c.431 (C.40A:20-11), or 20% of the amount of
28 taxes otherwise due on the value of the land and improvements,
29 whichever shall be greater;

30 (c) For the third stage of the exemption period, which shall not
31 be less than one year nor more than six years, as specified in the
32 financial agreement, an amount equal to either the amount
33 determined pursuant to paragraph (1) of this subsection and section
34 11 of P.L.1991, c.431 (C.40A:20-11), or 40% of the amount of
35 taxes otherwise due on the value of the land and improvements,
36 whichever shall be greater;

37 (d) For the fourth stage of the exemption period, which shall not
38 be less than one year nor more than six years, as specified in the
39 financial agreement, an amount equal to either the amount
40 determined pursuant to paragraph (1) of this subsection and section
41 11 of P.L.1991, c.431 (C.40A:20-11), or 60% of the amount of
42 taxes otherwise due on the value of the land and improvements,
43 whichever shall be greater; and

44 (e) For the final stage of the exemption period, the duration of
45 which shall not be less than one year and shall be specified in the
46 financial agreement, an amount equal to either the amount
47 determined pursuant to paragraph (1) of this subsection and section
48 11 of P.L.1991, c.431 (C.40A:20-11), or 80% of the amount of

1 taxes otherwise due on the value of the land and improvements,
2 whichever shall be greater.

3 If the financial agreement provides for an exemption period of
4 less than 30 years from the completion of the entire project, or less
5 than 35 years from the execution of the financial agreement, the
6 financial agreement shall set forth a schedule of annual service
7 charges for the exemption period which shall be based upon the
8 minimum service charges and staged adjustments set forth in this
9 section.

10 The annual service charge shall be paid to the municipality on a
11 quarterly basis in a manner consistent with the municipality's tax
12 collection schedule.

13 Each municipality which enters into a financial agreement on or
14 after the effective date of P.L.2003, c.125 (C.40A:12A-4.1 et al.)
15 shall remit 5 percent of the annual service charge to the county
16 upon receipt of that charge in accordance with the provisions of this
17 section.

18 Against the annual service charge the urban renewal entity shall
19 be entitled to credit for the amount, without interest, of the real
20 estate taxes on land paid by it in the last four preceding quarterly
21 installments.

22 Notwithstanding the provisions of this section or of the financial
23 agreement, the minimum annual service charge shall be the amount
24 of the total taxes levied against all real property in the area covered
25 by the project in the last full tax year in which the area was subject
26 to taxation, and the minimum annual service charge shall be paid in
27 each year in which the annual service charge calculated pursuant to
28 this section or the financial agreement would be less than the
29 minimum annual service charge.

30 c. All exemptions granted pursuant to the provisions of
31 P.L.1991, c.431 (C.40A:20-1 et seq.) shall terminate at the time
32 prescribed in the financial agreement.

33 Upon the termination of the exemption granted pursuant to the
34 provisions of P.L.1991, c.431 (C.40A:20-1 et seq.), the project, all
35 affected parcels, land and all improvements made thereto shall be
36 assessed and subject to taxation as are other taxable properties in
37 the municipality. After the date of termination, all restrictions and
38 limitations upon the urban renewal entity shall terminate and be at
39 an end upon the entity's rendering its final accounting to and with
40 the municipality.

41 (cf: P.L.2003, c.125, s.11)

42

43 ³[~~1~~][~~33.~~] ²[~~32.~~¹] 31. Section 6 of P.L.1953, c.410 (C.47:3-20) is
44 amended to read as follows:

45 6. No such schedule shall be operative unless approved by the
46 State Records Committee which is hereby established in the State
47 Department of Education and which shall consist of the State
48 Treasurer, the Attorney-General, the State Auditor, a person,

1 appointed by the Director of the Division of Local Government
 2 Services in the Department of [the Treasury] Community Affairs,
 3 who holds a registered municipal clerk certificate issued pursuant to
 4 N.J.S.40A:9-133 et seq., and the head of the Bureau of Archives
 5 and History in the Department of Education. Each member of the
 6 committee may designate in writing a representative to act in his
 7 place on said committee.

8 The State Records Committee shall have the powers and duties
 9 prescribed for it herein and shall make and promulgate such
 10 regulations, not inconsistent with law, as may be necessary to
 11 adequately effectuate such powers and duties.

12 (cf: P.L.1953, c.410, s.6)]³

13

14 ¹[34.] ²[33.1] ³[32.2] 30.³ Section 14 of P.L.1947, c.151
 15 (C.52:27BB-14) is amended to read as follows:

16 14. The board shall adopt rules of procedure to govern hearings
 17 and other proceedings before the board. The board may hold
 18 hearings at the office of the director, or any other place convenient
 19 to the parties. The rules of procedure adopted by the board shall
 20 govern all hearings and a record of proceedings shall be taken,
 21 which at the request of a party to the hearing may be stenographic.
 22 Decision shall be made by a majority vote of the board ; provided,
 23 however, that the board shall not authorize fees charged for
 24 financings that are greater than 0.125 percent of the par value of the
 25 bonds to be issued unless the same is approved by at least a two-
 26 thirds majority of the board.

27 (cf: P.L.1947, c.151, s.14)

28

29 ¹[35.] ²[34.1] ³[33.2] 31.³ R.S.54:4-65 is amended to read as
 30 follows:

31 54:4-65. a. The Director of the Division of Local Government
 32 Services in the Department of Community Affairs shall approve the
 33 form and content of property tax bills.

34 b. (1) Each tax bill shall have printed thereon a brief tabulation
 35 showing the distribution of the amount raised by taxation in the
 36 taxing district, in such form as to disclose the rate per \$100.00 of
 37 assessed valuation or the number of cents in each dollar paid by the
 38 taxpayer which is to be used for the payment of State school taxes,
 39 other State taxes, county taxes, local school expenditures, free
 40 public library taxes, and other local expenditures. The last named
 41 item may be further subdivided so as to show the amount for each
 42 of the several departments of the municipal government. In lieu of
 43 printing such information on the tax bill, any municipality may
 44 furnish the tabulation required hereunder and any other pertinent
 45 information in a statement accompanying the mailing or delivery of
 46 the tax bill.

47 (2) When a parcel receives a homestead property tax credit
 48 pursuant to the provisions of P.L.2007, c.62 (C.18A:7F-37 et al.),

1 the amount of the credit shall be included with the tax calculation as
 2 a reduction in the total tax calculation for the year. One-half of the
 3 amount of the credit shall be deducted from taxes otherwise due for
 4 the third installment and the remaining one-half shall be deducted
 5 from taxes otherwise due for the fourth installment.

6 (3) There shall be included on or with the tax bill the delinquent
 7 interest rate or rates to be charged and any end of year penalty that
 8 is authorized and any other such information that the director may
 9 require from time to time.

10 c. The tax bill shall also include a **【calculation stating】**
 11 statement about the availability of, on the Internet website of the
 12 Department of Community Affairs, the amounts of State aid and
 13 assistance received by the municipality, school districts, special
 14 districts, free public libraries, **【and】** county governments that offset
 15 property taxes that are otherwise due on each parcel. The tax bill
 16 shall also include the link to the Internet website of the Department
 17 of Community Affairs containing this information. The director
 18 shall **【certify to each tax collector】** cause the amounts of said State
 19 aid and assistance that shall serve as the basis for the calculation for
 20 each parcel to be displayed on the Internet website of the
 21 Department of Community Affairs. The director shall set standards
 22 for the **【calculation and】** display of the statement on the tax bill.

23 d. The tax bill or form mailed with the tax bill shall include
 24 thereon the date upon which each installment is due.

25 e. If a property tax bill includes in its calculation a homestead
 26 property tax credit, the bill shall, in addition to the calculation
 27 showing taxes due, either display a notice concerning the credit on
 28 the face of the property tax bill or with a separate notice, with the
 29 content and wording as the director provides.

30 (cf: P.L.2011, c.38, s.5)

31

32 ¹**【36.】** ²**【35.1】** ³**【34.2】** 32.³ Section 9 of P.L.1985, c.334
 33 (C.58:11B-9) is amended to read as follows:

34 9. a. (1) The trust may make and contract to make loans to
 35 local government units, or to a local government unit on behalf of
 36 another local government unit, in accordance with and subject to the
 37 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
 38 c.224 (C.58:11B-10.1 et al.) to finance the cost of any wastewater
 39 treatment system project or water supply project, which the local
 40 government unit may lawfully undertake or acquire and for which
 41 the local government unit is authorized by law to borrow money.

42 (2) The trust may make and contract to make loans to public
 43 water utilities, or to any other person or local government unit on
 44 behalf of a public water utility, in accordance with and subject to
 45 the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
 46 c.224 (C.58:11B-10.1 et al.) to finance the cost of any water supply
 47 project, which the public water utility may lawfully undertake or
 48 acquire.

1 (3) The trust may make and contract to make loans to private
2 persons other than local government units, or to any other person or
3 local government unit on behalf of a private person, in accordance
4 with and subject to the provisions of P.L.1985, c.334 (C.58:11B-1
5 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to finance the cost
6 of stormwater management systems.

7 The loans may be made subject to those terms and conditions as
8 the trust shall determine to be consistent with the purposes thereof.
9 Each loan by the trust and the terms and conditions thereof shall be
10 subject to approval by the State Treasurer, and the trust shall make
11 available to the State Treasurer all information, statistical data and
12 reports of independent consultants or experts as the State Treasurer
13 shall deem necessary in order to evaluate the loan. Each loan to a
14 local government unit, public water utility or any other person shall
15 be evidenced by notes, bonds or other obligations thereof issued to
16 the trust. In the case of each local government unit, notes and
17 bonds to be issued to the trust ²and, if applicable, the State, acting
18 by and through the Department of Environmental Protection,² by
19 the local government unit (1) shall be authorized and issued as
20 provided by law for the issuance of notes and bonds by the local
21 government unit, (2) ²notwithstanding any provisions of the "Local
22 Authorities Fiscal Control Law," P.L.1983, c.313 (C.40A:5A-1 et
23 seq.) to the contrary,² shall be approved by [the Local Finance
24 Board in] the ²Director of the² Division of Local Government
25 Services in the Department of Community Affairs, and (3) ²,
26 notwithstanding the provisions of N.J.S.40A:2-27, N.J.S.40A:2-28
27 and N.J.S.40A:2-29 or any other provisions of law to the contrary,
28 may be sold at private sale to the trust ²or the State, as the case may
29 be,² at any price, whether or not less than par value, and shall be
30 subject to redemption prior to maturity at any times and at any
31 prices as the trust ²or the State, as the case may be,² and local
32 government units may agree. Each loan to a local government unit,
33 public water utility or any other person and the notes, bonds or
34 other obligations thereby issued shall bear interest at a rate or rates
35 per annum as the trust ²or the State, as the case may be,² and the
36 local government unit, public water utility or any other person, as
37 the case may be, may agree.

38 b. The trust is authorized to guarantee or contract to guarantee
39 the payment of all or any portion of the principal and interest on
40 bonds, notes or other obligations issued by a local government unit
41 to finance the cost of any wastewater treatment system project or
42 water supply project, which the local government unit may lawfully
43 undertake or acquire and for which the local government unit is
44 authorized by law to borrow money, and the guarantee shall
45 constitute an obligation of the trust for the purposes of P.L.1985,
46 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et
47 al.). Each guarantee by the trust and the terms and conditions

1 thereof shall be subject to approval by the State Treasurer, and the
2 trust shall make available to the State Treasurer all information,
3 statistical data and reports of independent consultants or experts as
4 the State Treasurer shall deem necessary in order to evaluate the
5 guarantee.

6 c. The trust shall not make or contract to make any loans or
7 guarantees to local government units, public water utilities or any
8 other person, or otherwise incur any additional indebtedness, on or
9 after June 30, 2033.

10 d. Notwithstanding any provision of P.L.1985, c.334
11 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
12 the contrary, the trust may receive funds from any source or issue
13 its bonds, notes or other obligations in any principal amounts as in
14 the judgment of the trust shall be necessary to provide sufficient
15 funds to finance or refinance short-term or temporary loans to local
16 government units, public water utilities or private persons for any
17 wastewater treatment system projects included on the project
18 priority list and eligible for approval pursuant to section 20 of
19 P.L.1985, c.334 (C.58:11B-20) or water supply projects included on
20 the project priority list and eligible for approval pursuant to section
21 24 of P.L.1997, c.224 (C.58:11B-20.1), as applicable, without
22 regard to any other provisions of P.L.1985, c.334 or P.L.1997,
23 c.224, including, without limitation, any administrative or
24 legislative approvals.

25 The trust shall create and establish a special fund (hereinafter
26 referred to as the "Interim Financing Program Fund") for the short-
27 term or temporary loan financing or refinancing program
28 (hereinafter referred to as the "Interim Financing Program").

29 Any short-term or temporary loans made by the trust pursuant to
30 this subsection may only be made in advance of the anticipated
31 loans the trust may make and contract to make under the provisions
32 of subsection a. of this section from any source of funds anticipated
33 to be received by the trust. Any such short-term or temporary loan
34 made pursuant to the Interim Financing Program shall mature no
35 later than the last day of the third succeeding fiscal year following
36 the closing date on which the short-term or temporary loan was
37 made by the trust to the project sponsor. The trust may make short-
38 term or temporary loans pursuant to the Interim Financing Program
39 to any one or more of the project sponsors, for the respective
40 projects thereof, identified in the interim financing project priority
41 list (hereinafter referred to as the "Interim Financing Program
42 Eligibility List") in the form provided to the Legislature by the
43 Commissioner of Environmental Protection.

44 Incremental revisions or supplements to the Interim Financing
45 Program Eligibility List may be submitted to the Legislature at any
46 time between January 15th and May 15th of each year.

47 The Interim Financing Program Eligibility List, including any
48 revision thereof or supplement thereto, shall be submitted to the

1 Legislature on or before June 30 of each year on a day when both
 2 Houses are meeting. The President of the Senate and the Speaker of
 3 the General Assembly shall cause the date of submission to be
 4 entered upon the Senate Journal and the Minutes of the General
 5 Assembly, respectively. Any environmental infrastructure project
 6 or the project sponsor thereof not identified in the Interim Financing
 7 Program Eligibility List shall not be eligible for a short-term or
 8 temporary loan from the Interim Financing Program Fund.

9 (cf: P.L.2013, c.93, s.3)

10

11 ³~~235.~~ 33.³ N.J.S.40A:2-11 is amended to read as follows:

12 40A:2-11. a. No bond ordinance shall be finally adopted unless
 13 it appropriates to the purpose, or ratably to the respective purposes
 14 to be financed, in addition to the obligations thereby authorized, a
 15 sum as a down payment which is not less than 5% of the amount of
 16 the obligations authorized.

17 b. Said sum so appropriated as a down payment must have been
 18 made available prior to final adoption of the bond ordinance from
 19 any one or more of the following:

20 1. by provision in a previously adopted budget or budgets of
 21 the local unit for down payment or for capital improvement
 22 purposes;

23 2. from moneys then actually held by the local unit and
 24 previously contributed for such purpose other than by the local unit;
 25 or

26 3. by emergency appropriation.

27 c. The provisions of this section shall not apply to a bond
 28 ordinance which authorizes obligations solely for any purpose
 29 referred to in paragraphs a, b, c, d, e and h of section 40A:2-7 or for
 30 those bond ordinances which involve projects funded by State
 31 grants such as Green Acres, **【Environmental Trust Fund,】**
 32 **Transportation Trust Fund, and other similar programs , or for those**
 33 **bond ordinances which involve environmental infrastructure**
 34 **projects, as defined in section 3 of P.L.1985, c.334 (C.58:11B-3),**
 35 **funded by loans from the "New Jersey Environmental Infrastructure**
 36 **Trust," created pursuant to section 4 of P.L.1985, c.334 (C.58:11B-**
 37 **4), or the State, acting by and through the Department of**
 38 **Environmental Protection.**²

39 (cf: P.L.2003, c.15, s.2)

40

41 ³~~236.~~ 34.³ N.J.S.40A:2-32 is amended to read as follows:

42 40A:2-32. a. (1) All bidders shall be required to deposit cash
 43 delivered by wire or otherwise or a certified or cashier's or
 44 treasurer's check, drawn upon a bank or trust company, equal to not
 45 less than 2% of the bonds to secure the local unit in part from any
 46 loss resulting from the failure of the bidder to comply with the
 47 terms of his bid, or as liquidated damages for such failure.

1 (2) The local finance board may adopt rules to permit local units
2 to accept a financial surety bond in lieu of a certified, cashier's or
3 treasurer's check as required in paragraph (1) of this subsection.

4 b. All sealed bids for bonds shall be publicly opened and
5 announced, and all bids received electronically shall be received
6 and announced, at the advertised time and place of sale, except
7 upon a postponement and recommencement of the public sale made
8 in accordance with the provisions of subsection b. of N.J.S.40A:2-
9 30 in which case such bids or proposals shall be publicly opened,
10 received and announced, as appropriate, at the postponed and
11 recommenced date. Such bids as comply with the terms of the
12 notice of sale shall be considered, and any bid not complying with
13 the terms of such notice may be rejected. All bids received may be
14 rejected.

15 c. Bonds of two or more issues may be sold on the basis of
16 combined maturities, or the maturities of each issue offered for sale.

17 d. Bonds may be offered for sale at a single rate of interest, or
18 bidders may be requested to name a single rate of interest, but no
19 proposal shall be considered which offers to pay less than the
20 principal amount of bonds offered for sale or which names a rate of
21 interest higher than the lowest rate of interest stated in any legally
22 acceptable proposal. As between proposals naming the same lowest
23 rate of interest, the proposal offering to accept the least amount of
24 bonds shall be accepted, the bonds to be accepted shall be those
25 first maturing, and as between such proposals, the proposal offering
26 to pay the greatest premium shall be accepted. The amount of
27 premium bid for the bonds shall in no event exceed \$1,000.00 for
28 the principal amount of bonds offered for sale. In order to effect
29 the foregoing, a sufficient number of the last maturing bonds shall
30 be of the denomination of \$1,000.00 or less.

31 e. (1) Bonds may be offered for sale at different rates of interest
32 for the same issue or different rates of interest for different issues,
33 or parts thereof, or bidders may be requested to name any such rates
34 of interest. No proposal shall be considered under which the total
35 loan is made at an interest cost higher than the lowest net interest
36 cost or the true interest cost to the local unit under any legally
37 acceptable proposal. The governing body shall specify in its notice
38 of public sale advertised pursuant to N.J.S.40A:2-30 whether the
39 award shall be based on net interest cost or true interest cost.

40 (2) The net interest cost shall be computed by adding to the total
41 principal amount of bonds bid for, the total interest cost to maturity
42 in accordance with such bid and by deduction therefrom of the
43 amount of premium, if any, bid or the addition thereto of the
44 amount of discount, if any, bid.

45 (3) The true interest cost shall be computed in each instance by
46 determining the interest rate, compounded semi-annually, necessary
47 to discount the debt service payments to the date of the bonds and
48 to the price bid, excluding interest accrued to the delivery date.

1 f. The governing body may establish additional terms or
2 conditions of sale.

3 g. The governing body may, by resolution, allow or otherwise
4 delegate to a finance officer the authority to permit bidders to
5 aggregate consecutive principal maturities for which such bidder
6 bid the same interest rate into term bonds, provided that mandatory
7 sinking funds for which redemptions in lieu of the principal
8 maturities are provided. For the purposes of this subsection "term
9 bond" means a bond that is due in a certain year but has mandatory
10 retirement provisions for portions of the term bond on specified
11 dates prior to the maturity date of the term bond itself.²

12 (cf: P.L.2003, c.15, s.8)

13

14 ³**[²37.] 35.**³ Section 1 of P.L.1976, c.38 (C.40A:3-2) is amended
15 to read as follows:

16 1. The Legislature finds and declares that:

17 a. Maintenance of strong financial credit in New Jersey
18 municipalities is essential in providing necessary capital
19 improvement or property at minimum cost, for the citizens of this
20 State;

21 b. While the credit status of New Jersey's municipalities is
22 sound, it can be strengthened by a pledge of and statutory lien on
23 State Urban Aid, Gross Receipts Tax, State Revenue Sharing,
24 Municipal Purposes Tax Assistance Fund distributions, Business
25 Personal Property Tax Replacement Revenues and any other funds
26 appropriated as State aid and not otherwise dedicated to specific
27 municipal programs to guarantee debt service payments on qualified
28 bonds;

29 c. Such a pledge and statutory lien should expand the market
30 for and lower the interest costs on qualified bonds issued pursuant
31 to the terms of **[this act] P.L.1976, c.38**, thus reducing the
32 borrowing costs of participating municipalities.²

33 (cf: P.L.1991, c.180, s.1)

34

35 ³**[²38.] 36.**³ Section 2 of P.L.1976, c.38 (C.40A:3-3) is
36 amended to read as follows:

37 2. For the purposes of **[this act] P.L.1976, c.38**, unless the
38 context clearly requires a different meaning:

39 a. "Business Personal Property Tax Replacement Revenues"
40 means the funds distributed to municipalities pursuant to P.L.1966,
41 c.135 (C.54:11D-1 et seq.) or pursuant to any other law hereafter
42 enacted providing for funds to municipalities in lieu of or in
43 substitution for or supplementing the funds presently provided
44 pursuant to P.L.1966, c.135 (C.54:11D-1 et seq.);

45 b. "Debt service" means and includes payments of principal
46 and interest upon qualified bonds issued pursuant to the terms of
47 **[this act] P.L.1976, c.38** or amounts required in order to satisfy

1 sinking fund payment requirements and any other amounts,
2 including fees and charges due under the applicable documents,
3 with respect to such bonds;

4 c. "Director" means Director of the Division of Local
5 Government Services in the Department of Community Affairs,
6 established pursuant to P.L.1974, c.35 (C.52:27D-18.1);

7 d. "Local Finance Board" means the Local Finance Board in
8 the Division of Local Government Services in the Department of
9 Community Affairs, established pursuant to P.L.1974, c.35
10 (C.52:27D-18.1);

11 e. "Paying agent" means any bank, trust company or national
12 banking association having the power to accept and administer
13 trusts, named or designated in any qualified bond of a municipality
14 as the agent for the payment of the principal of and interest thereon
15 and shall include the holder of any sinking fund established for the
16 payment of such bonds;

17 f. "Qualified bonds" means those bonds of a municipality
18 authorized and issued in conformity with the provisions of **[this**
19 **act]** P.L.1976, c.38;

20 g. "State urban aid" means the funds made available to
21 municipalities pursuant to P.L.1971, c.64 and all acts
22 supplementing that act or pursuant to any other law hereafter
23 enacted providing for funds to municipalities in lieu of or in
24 substitution for the funds presently provided pursuant to acts
25 supplementing P.L.1971, c.64;

26 h. "State revenue sharing" means the funds made available to
27 municipalities pursuant to P.L.1976, c.73 (C.54A:10-1 et seq.) or
28 pursuant to any other law hereafter enacted providing for funds to
29 municipalities in lieu of or in substitution for the funds presently
30 provided pursuant to P.L.1976, c.73;

31 i. "Gross receipts tax revenues" means funds collected pursuant
32 to P.L.1940, c.4 (C.54:30A-16 et seq.) and P.L.1940, c.5
33 (C.54:30A-49 et seq.), and apportioned and paid to municipalities
34 pursuant to those acts; and

35 j. "Municipal Purposes Tax Assistance Fund distributions"
36 means the moneys distributed to municipalities from the "Municipal
37 Purposes Tax Assistance Fund" pursuant to the "Municipal
38 Purposes Tax Assistance Act of 1980," P.L.1980, c.12 (C.54:1-46 et
39 seq.), or pursuant to any other law hereafter enacted for the
40 distribution of moneys to municipalities in lieu of or in substitution
41 for the monies distributed pursuant to the "Municipal Purposes Tax
42 Assistance Act of 1980," P.L.1980, c.12 (C.54:1-46 et seq.).²
43 (cf: P.L.1991, c.180, s.2)

44

45 ³**[²39.]** 37.³ Section 4 of P.L.1976, c.38 (C.40A:3-5) is
46 amended to read as follows:

47 4. a. All qualified bonds when issued shall contain a recital to
48 the effect that they are issued pursuant to Title 40 of the Revised

1 Statutes or Title 40A of the New Jersey Statutes and are entitled to
2 the benefits of the provisions of **【this act】** P.L.1976, c.38. Except
3 as otherwise provided in **【this act】** P.L.1976, c.38, all qualified
4 bonds shall be authorized and issued in the manner provided for in
5 Title 40 or Title 40A. Qualified bonds shall mature not later than
6 30 years from their date of issuance without regard to any
7 limitations as to maturities or amounts of annual installments for
8 bonds as provided in Title 40 or Title 40A.

9 b. The proceedings of the municipality authorizing the issuance
10 of qualified bonds **【may】** shall contain such covenants and
11 provisions for protecting and enforcing the rights and remedies of
12 the bondholders as set forth in P.L.1976, c.38 or as may be
13 reasonable and proper and not in violation of law, including
14 covenants restricting the issuance of additional qualified bonds.²
15 (cf: P.L.1976, c.38, s.4)

16

17 ³**【²40.】** 38.³ Section 6 of P.L.1976, c.38 (C.40A:3-7) is
18 amended to read as follows:

19 6. a. Each municipality which issues qualified bonds shall
20 certify to the State Treasurer the name and address of the paying
21 agent, the maturity schedule, interest rate and dates of payment of
22 debt service on such qualified bonds within 10 days after the date of
23 issuance of such qualified bonds. After receipt of such certificate
24 the State Treasurer shall withhold from the amount of business
25 personal property tax replacement revenues, gross receipts tax
26 revenues, municipal purposes tax assistance fund distributions,
27 State urban aid, State revenue sharing and any other funds
28 appropriated as State aid and not otherwise dedicated to specific
29 municipal programs payable to such municipality an amount of such
30 business personal property tax replacement revenues, gross receipts
31 tax revenues, municipal purposes tax assistance fund distributions,
32 State urban aid, State revenue sharing and any other funds
33 appropriated as State aid and not otherwise dedicated to specific
34 municipal programs which will be sufficient to pay the debt service
35 on such qualified bonds as the same shall mature and become due.
36 The State Treasurer shall, on or before each principal and interest
37 payment date, forward such withheld amounts to the paying agent
38 for such qualified bonds for deposit to the account established with
39 such paying agent for the purpose of paying the debt service on
40 such qualified bonds. **【From the time withheld by the State**
41 **Treasurer all such】** Notwithstanding any other provision of law to
42 the contrary, a statutory lien and trust is automatically and without
43 further act or filing created and impressed upon the business
44 personal property tax replacement **【revenue】** revenues, gross
45 receipts tax revenues, municipal purposes tax assistance fund
46 distributions, State urban aid, State revenue sharing , and any other
47 funds appropriated as State aid and not otherwise dedicated to

1 specific municipal programs so payable to such municipality that
2 are withheld [and paid] or are required to be [paid to and held by
3 the paying agent] withheld by the State Treasurer under P.L.1976,
4 c.38 (C.40A:3-1 et seq.), which statutory lien and trust shall be
5 paramount and superior to all other liens and interests of any kind in
6 favor of the holders of qualified bonds, for the sole purpose of
7 paying debt service on the qualified bonds issued pursuant to
8 P.L.1976, c.38 (C.40A:3-1 et seq.). The lien created under this
9 subsection for the benefit of bondholders is perfected without
10 delivery, recording, or notice. All such business personal property
11 tax replacement revenues, gross receipts tax revenues, municipal
12 purposes tax assistance fund distributions, State urban aid, State
13 revenue sharing, and any other funds appropriated as State aid and
14 not otherwise dedicated to specific municipal programs that are
15 withheld or are required to be withheld by the State Treasurer under
16 P.L.1976, c.38 (C.40A:3-1 et seq.) shall be exempt from being
17 levied upon, taken, sequestered , or applied toward paying the debts
18 of the municipality other than for payment of debt service on such
19 qualified bonds. [From the time withheld by the State Treasurer
20 the] All such business personal property tax replacement [revenue]
21 revenues, gross receipts tax revenues, municipal purposes tax
22 assistance fund distributions, State urban aid, State revenue
23 sharing , and any other funds appropriated as State aid and not
24 otherwise dedicated to specific municipal programs [so] that are
25 withheld [and paid] or are required to be [paid to the paying
26 agent] withheld by the State Treasurer under P.L.1976, c.38
27 (C.40A:3-1 et seq.) shall be deemed to be held in trust for the sole
28 purpose of paying the debt service on such qualified bonds.

29 b. The State of New Jersey hereby covenants with the
30 purchasers, holders and owners, from time to time, of qualified
31 bonds that it will not repeal, revoke, rescind, modify or amend the
32 provisions of subsection a. of this section so as to create any lien or
33 charge on or pledge, assignment, diversion, withholding payment or
34 other use of or deduction from any business personal property tax
35 replacement revenues, gross receipts tax revenues, municipal
36 purposes tax assistance fund distributions, State urban aid, State
37 revenue sharing or any other funds appropriated as State aid and not
38 otherwise dedicated to specific municipal programs to be
39 apportioned and paid to any paying agent of qualified bonds which
40 is prior in time or superior in right to the payment required by
41 subsection a. of this section; provided, however, that nothing herein
42 contained shall be deemed or construed to require the State of New
43 Jersey to continue to make payments of business personal property
44 tax replacement revenues, gross receipts tax revenues, municipal
45 purposes tax assistance fund distributions, State urban aid, State
46 revenue sharing or any other funds appropriated as State aid and not
47 otherwise dedicated to specific municipal programs or to limit or

1 prohibit the State from repealing or amending any law heretofore or
 2 hereafter enacted for the payment or apportionment of said revenues
 3 or aid or the manner, time, or amount thereof.

4 c. **【**The certification to the State Treasurer as to amount payable
 5 in any year for debt service on such qualified bonds shall be fully
 6 conclusive as to such qualified bonds from and after the time of
 7 issuance of such qualified bonds notwithstanding any irregularity,
 8 omission or failure as to compliance with any of the provisions of
 9 this act with respect to such qualified bonds provided that such
 10 qualified bonds contain a recital to the effect that they are entitled
 11 to the benefits of the provisions of this act**】** It being the original
 12 and continuing intent of the State that all such business personal
 13 property tax replacement revenues, gross receipts tax revenues,
 14 municipal purposes tax assistance fund distributions, State urban
 15 aid, State revenue sharing, and any other funds appropriated as
 16 State aid and not otherwise dedicated to specific municipal
 17 programs that are withheld or are required to be withheld by the
 18 State Treasurer under P.L.1976, c.38 (C.40A:3-1 et seq.) shall be
 19 subject to a statutory lien and trust, the provisions of P.L. _____,
 20 c. (pending before the Legislature as this bill) shall apply to all
 21 qualified bonds whether issued prior to or following enactment of
 22 that act. All persons shall be forever estopped from denying that
 23 **【such】** qualified bonds , whenever issued pursuant to subsection a.
 24 above, are entitled to the benefits of the provisions of 【this act】
 25 P.L.1976, c.38 (C.40A:3-1 et seq.), including but not limited to the
 26 statutory lien and trust created pursuant to subsection a. of this
 27 section.²

28 (cf: P.L.1991, c.180, s.4)

29

30 ³**【**^{241.}**】** ^{39.}³ N.J.S.40A:4-53 is amended to read as follows:

31 40A:4-53. A local unit may adopt an ordinance authorizing
 32 special emergency appropriations for the carrying out of any of the
 33 following purposes:

34 a. Preparation of an approved tax map.

35 b. Preparation and execution of a complete program of
 36 revaluation of real property for the use of the local assessor, or of
 37 any program to update and make current any previous revaluation
 38 program when such is ordered by the county board of taxation.

39 c. Preparation of a revision and codification of its ordinances.

40 d. Engagement of special consultants for the preparation, and
 41 the preparation of a master plan or plans, when required to conform
 42 to the planning laws of the State.

43 e. Preparation of drainage maps for flood control purposes.

44 f. Preliminary engineering studies and planning necessary for
 45 the installation and construction of a sanitary sewer system.

46 g. Authorized expenses of a consolidation commission
 47 established pursuant to the "Municipal Consolidation Act,"

1 P.L.1977, c.435 (C.40:43-66.35 et seq.) or the "Uniform Shared
2 Services and Consolidation Act," sections 1 through 35 of P.L.2007,
3 c.63 (C.40A:65-1 through C.40A:65-35).

4 h. Contractually required severance liabilities resulting from
5 the layoff or retirement of employees. Such liabilities shall be paid
6 without interest and, at the sole discretion of the local unit, may be
7 paid in equal annual installments over a period not to exceed five
8 years.

9 i. Preparation of a sanitary or storm system map.

10 j. Liabilities incurred to the Department of Labor and
11 Workforce Development for the reimbursement of unemployment
12 benefits paid to former employees.

13 A copy of all ordinances or resolutions as adopted relating to
14 special emergency appropriations shall be filed with the director.²
15 (cf: P.L.2010, c.46, s.1)

16

17 ³[^{242.}] 40.³ Section 3 of P.L.1993, c.87 (C.40A:9-28.3) is
18 amended to read as follows:

19 3. a. Commencing July 1, 1995, all county finance officer
20 certificates shall be renewed upon application, payment of the
21 required fee of \$50 and verification that the applicant has met
22 continuing education requirements, all as set forth in this section.
23 Each renewal shall be for a period of two years. The renewal date
24 shall be 30 days prior to the expiration date.

25 b. Each applicant for renewal of a county finance officer
26 certificate, on a form prescribed by the director, shall furnish proof
27 of having earned at least 3.0 continuing education units in subject
28 areas and minimum contact hours as prescribed by the director. For
29 the purposes of this section, 1.0 continuing education unit equals 10
30 contact hours. Upon verification of this requirement and upon
31 payment of a fee of \$50 to the order of the Treasurer of the State of
32 New Jersey, the director shall renew the county finance officer
33 certificate.

34 c. When the holder of a county finance officer certificate has
35 allowed the certificate to lapse by failing to renew the certificate, a
36 new application and certificate shall be required. If application is
37 made within six months of the expiration of the certificate, then
38 application may be made in the same manner as a renewal;
39 provided, however, that such application may be made in the same
40 manner as a renewal within 12 months of the expiration of the
41 certificate if the director determines that either of the following
42 circumstances prevents a certificate holder from earning the
43 required continuing education units within six months of the
44 expiration of the certificate:

45 (1) a flood, hurricane, superstorm, tornado, or other natural
46 disaster, and a state of emergency has been declared as a result
47 thereof by the Governor; or

1 (2) a medical event or condition.²

2 (cf: P.L.1993, c.87, s.3.)

3

4 ³[²43.] 41.³ Section 8 of P.L.1997, c.279 (C.40A:9-133.10) is
5 amended to read as follows:

6 8. a. Commencing October 1, 1998 all registered municipal
7 clerk certificates issued pursuant to section 3 or section 4 of
8 P.L.1985, c.174 (C.40A:9-133.3 or C.40A:9-133.4), or section 7 of
9 P.L.1997, c.279 (C.40A:9-133.9) shall be renewed upon
10 application, payment of the required fee, and verification that the
11 applicant has met the requirements as set forth in this section. Each
12 renewal shall be for a period of two years. The renewal date shall
13 be 30 days prior to the expiration date.

14 b. All registered municipal clerk certificates subject to renewal
15 pursuant to this section issued prior to October 1, 1998 shall have
16 an expiration date of September 30, 2000. All registered municipal
17 clerk certificates issued on or after October 1, 1998 shall expire two
18 years from the date on which the certificate was originally issued.

19 c. Each applicant for renewal of a registered municipal clerk
20 certificate shall, on a form prescribed by the director, furnish proof
21 of having earned at least 2.0 continuing education units in subject
22 areas related to the statutory duties of the municipal clerk and
23 minimum contact hours as prescribed by the director. For the
24 purposes of this section, 1.0 continuing education unit equals 10
25 contact hours. Upon verification of this requirement, and upon
26 payment of a fee of \$50 to the order of the Treasurer of the State of
27 New Jersey, the director shall renew the registered municipal clerk
28 certificate.

29 d. Where the holder of a registered municipal clerk certificate
30 has allowed the certificate to lapse by failing to renew the
31 certificate, a new application and certificate shall be required. If
32 application is made within six months of the expiration of the
33 certificate, then application may be made in the same manner as
34 renewal but the application shall be accompanied by the fee for a
35 new application; provided, however, that such application may be
36 made in the same manner as a renewal within 12 months of the
37 expiration of the certificate if the director determines that either of
38 the following circumstances prevents a certificate holder from
39 earning the required continuing education units within six months
40 of the expiration of the certificate:

41 (1) a flood, hurricane, superstorm, tornado, or other natural
42 disaster, and a state of emergency has been declared as a result
43 thereof by the Governor; or

44 (2) a medical event or condition.²

45 (cf: P.L.1998, c.27, s.2)

1 ³[²44.] 42.³ Section 10 of P.L.1988, c.110 (C.40A:9-140.15) is
2 amended to read as follows:

3 10. a. Commencing January 1, 1991, all municipal finance
4 officer certificates, except those issued pursuant to section 4 of
5 P.L.1971, c.413 (C.40A:9-140.4) or pursuant to section 6 of
6 P.L.1988, c.110 (C.40A:9-140.11), shall be renewed upon
7 application, payment of the required fee of \$50, and verification
8 that the applicant has met continuing education requirements, all as
9 set forth in this section. Each renewal shall be for a period of two
10 years. The renewal date shall be 30 days prior to the expiration date.

11 b. Each municipal finance officer certificate subject to renewal
12 pursuant to this section issued prior to January 1, 1992 shall expire
13 on January 1, 1994. Each municipal finance officer certificate
14 issued on or after January 1, 1992 shall expire two years from the
15 date on which the certificate was originally issued.

16 c. Each applicant for renewal of a municipal finance officer
17 certificate shall, on a form prescribed by the director, furnish proof
18 of having earned at least 3.0 continuing education units. For the
19 purposes of this section, 1.0 continuing education unit equals 10
20 contact hours. Upon verification of this requirement, and upon
21 payment of a fee of \$50 to the order of the Treasurer of the State of
22 New Jersey, the director shall renew the municipal finance officer
23 certificate.

24 d. Where the holder of a municipal finance officer certificate
25 has allowed the certificate to lapse by failing to renew the
26 certificate, a new application and certificate shall be required. If
27 application is made within six months of the expiration of the
28 certificate, then application may be made in the same manner as a
29 renewal; provided, however, that such application may be made in
30 the same manner as a renewal within 12 months of the expiration of
31 the certificate if the director determines that either of the following
32 circumstances prevents a certificate holder from earning the
33 required continuing education units within six months of the
34 expiration of the certificate:

35 (1) a flood, hurricane, superstorm, tornado, or other natural
36 disaster, and a state of emergency has been declared as a result
37 thereof by the Governor; or

38 (2) a medical event or condition.²

39 (cf: P.L.1991, c.175, s.13)

40

41 ³[²45.] 43.³ Section 7 of P.L.1993, c.25 (C.40A:9-145.3b) is
42 amended to read as follows:

43 7. Commencing on the effective date of P.L.1993, c.25
44 (C.40A:9-145.3a et al.) all outstanding tax collector certificates
45 shall expire and be renewed in accordance with the following
46 procedure:

47 a. All tax collector certificates shall be renewed upon
48 application, payment of the required fee, and verification that the

1 applicant has met continuing education requirements, as set forth in
2 subsection c. of this section. Each renewal shall be for a period of
3 two years. The renewal date shall be 30 days prior to the expiration
4 date.

5 b. All tax collector certificates subject to renewal pursuant to
6 this section issued prior to January 1, 1993 shall have an expiration
7 date of December 31, 1994. All tax collector certificates issued on
8 or after January 1, 1993 shall have an expiration date of either June
9 30 or December 31, whichever is sooner, of the second year
10 following the year in which the certificates were originally issued,
11 provided that no certificate shall expire sooner than two years from
12 the date of original issue.

13 c. Prior to the renewal date of a tax collector certificate, every
14 tax collector shall, on a form prescribed by the director, furnish
15 proof of having earned at least 1.5 continuing education units. For
16 the purpose of this section, 1.5 continuing education units equals 15
17 contact hours with a minimum number of hours, as determined by
18 the director.

19 Under verification of this requirement, and upon payment of a
20 fee of \$50 to the order of the Treasurer of the State of New Jersey,
21 the director shall renew the tax collector certificate.

22 d. When the holder of a tax collector certificate has allowed the
23 certificate to lapse by failing to renew the certificate, a new
24 application and certificate shall be required. If application is made
25 within six months of the expiration of the certificate, then
26 application may be made in the same manner as a renewal, but the
27 application shall be accompanied by the fee required for a new
28 application; provided, however, that such application may be made
29 in the same manner as a renewal within 12 months of the expiration
30 of the certificate if the director determines that either of the
31 following circumstances prevents a certificate holder from earning
32 the required continuing education units within six months of the
33 expiration of the certificate:

34 (1) a flood, hurricane, superstorm, tornado, or other natural
35 disaster, and a state of emergency has been declared as a result
36 thereof by the Governor; or

37 (2) a medical event or condition.²

38 (cf: P.L.1999, c.300, s.2)

39

40 ³**[²46.] 44.³** Section 8 of P.L.1991, c.258 (C.40A:9-154.6h) is
41 amended to read as follows:

42 8. a. Commencing January 1, 1997, all public works manager
43 certificates shall be renewed upon application, payment of the
44 required fee, and verification that the applicant has met continuing
45 education requirements, all as set forth in this section. Each
46 renewal shall be for a period of three years. The renewal date shall
47 be 30 days prior to the expiration date.

1 b. All public works manager certificates subject to renewal
2 pursuant to this section that were issued prior to January 1, 1995
3 shall have an expiration date of December 31, 1998. All public
4 works manager certificates issued on or after January 1, 1995 shall
5 have an expiration date of either June 30 or December 31,
6 whichever is sooner, of the third year following the year in which
7 the certificates were originally issued, provided that no certificate
8 shall expire sooner than December 31, 1998.

9 c. Each applicant for renewal of a public works manager
10 certificate shall, on a form prescribed by the director, furnish proof
11 of having earned at least two continuing education units in fields of
12 study related to public works activity. For the purposes of this
13 section, one continuing education unit equals 10 contact hours.
14 Upon verification of this requirement, and upon payment of a fee,
15 the director shall renew the public works manager certificate.

16 d. If the holder of a public works manager certificate has
17 allowed the certificate to lapse by failing to renew the certificate, a
18 new application and certificate shall be required. If application is
19 made within six months of the expiration of the lapsed certificate,
20 then application may be made in the same manner as a renewal, but
21 the application shall be accompanied by the fee for a new
22 application; provided, however, that such application may be made
23 in the same manner as a renewal within 12 months of the expiration
24 of the certificate if the director determines that either of the
25 following circumstances prevents a certificate holder from earning
26 the required continuing education units within six months of the
27 expiration of the certificate:

28 (1) a flood, hurricane, superstorm, tornado, or other natural
29 disaster, and a state of emergency has been declared as a result
30 thereof by the Governor; or

31 (2) a medical event or condition.²

32 (cf: P.L.1995, c.46, s.7)

33
34 ³~~[247.]~~ 45.³ Section 9 of P.L.1971, c.198 (C.40A:11-9) is
35 amended to read as follows:

36 9. a. The governing body of any contracting unit may by
37 ordinance, in the case of a municipality, by ordinance or resolution,
38 as the case may be, in the case of a county, or by resolution in all
39 other cases, designate an individual to serve as the contracting unit's
40 purchasing agent. The individual designated as the purchasing
41 agent pursuant to this subsection shall be assigned the authority,
42 responsibility, and accountability for the purchasing activity for the
43 contracting unit, to prepare public advertising for bids and to
44 receive bids for the provision or performance of goods or services
45 on behalf of the contracting unit and to award contracts permitted
46 pursuant to subsection a. of section 3 of P.L.1971, c.198 (C.40A:11-
47 3) in the name of the contracting unit, and conduct any activities as
48 may be necessary or appropriate to the purchasing function of the

1 contracting unit as its contracting agent. The individual designated
2 to serve as the purchasing agent of a contracting unit pursuant to
3 this subsection shall possess a qualified purchasing agent certificate
4 pursuant to this section. The individual designated as the
5 purchasing agent pursuant to this subsection may be a part-time or
6 full-time employee of the contracting unit, an independent
7 contractor, or an individual employed by another contracting unit
8 through a shared services agreement.

9 b. The Director of the Division of Local Government Services,
10 after consultation with the Commissioner of Education, shall
11 establish criteria to qualify individuals who have completed
12 appropriate training and possess such purchasing experience as
13 deemed necessary to serve as a purchasing agent, and, when
14 determined to be necessary by the director, have passed an
15 examination administered by the director pursuant to this section.
16 The criteria established by the director shall include, but are not
17 limited to, the following:

18 (1) is a citizen of the United States;

19 (2) is of good moral character;

20 (3) is a high school graduate or equivalent;

21 (4) has at least two years of higher education, and two years of
22 full time governmental experience performing duties relative to
23 those of public procurement provided, however, that additional
24 years of experience may be substituted for years of higher
25 education, on a one to one basis;

26 (5) has successfully received certificates indicating satisfactory
27 completion of a series of training courses in public procurement as
28 determined by the director and provided by either the Division of
29 Local Government Services, or, with the approval of the director,
30 by a county college or Rutgers, The State University of New Jersey,
31 all under the supervision of instructors who meet criteria
32 established by the director;

33 (6) has submitted completed application forms, including proof
34 of education and experience, as set forth in this subsection,
35 accompanied by a fee in the amount of \$150 payable to the State
36 Treasurer, to the Director of the Division of Local Government
37 Services at least 30 days prior to the administration of a State
38 examination;

39 (7) has successfully passed a State examination for a qualified
40 purchasing agent certificate. The director shall hold examinations
41 semi-annually or at such times as the director may deem
42 appropriate. An individual shall be eligible to take the State
43 examination for a qualified purchasing agent certificate without
44 having taken the courses required pursuant to paragraph (5) of this
45 subsection if the individual has been certified by the division as a
46 certified municipal finance officer, a certified county finance
47 officer, or a certified county purchasing officer.

1 The director shall issue a qualified purchasing agent certificate to
2 an individual who passes the examination upon payment to the
3 director of a fee of \$25 which shall be payable to the State
4 Treasurer.

5 c. The criteria established by the director to authorize
6 purchasing agents, pursuant to subsection b. of this section, shall
7 include, but are not limited to, completion of a course in green
8 product purchasing, as established by the director pursuant to
9 regulation. Any person qualified pursuant to subsection b. of this
10 section prior to the establishment of the course in green product
11 purchasing, shall in order to continue to be qualified, take and
12 successfully complete the course within four years from the date the
13 course is established. For the purposes of this subsection and
14 section 2 of P.L.2007, c.332 (C.40A:11-9.1), "green product" means
15 any commodity or service that has a lesser or reduced negative
16 effect on human health and the environment when compared with
17 competing commodities or services. Items considered in this
18 comparison may include, but are not limited to: raw materials
19 acquisition, production, manufacturing, packaging, distribution,
20 reuse, operation, maintenance, disposal, energy efficiency, recycled
21 content resource use, transportation, and durability.

22 d. (1) Renewal of the qualified purchasing agent certification
23 shall be required every three years, subject to the applicant's
24 fulfillment of continuing education requirements, the submission of
25 an application for renewal, and the payment of a renewal fee, all as
26 determined by the director.

27 (2) In the event that an individual holding a qualified purchasing
28 agent certificate allows the certificate to lapse by failing to renew
29 the certificate, the individual shall be required to apply to take the
30 qualifying examination required pursuant to subsection b. of this
31 section and pay a fee as determined by the director, except that
32 when an individual applies within six months of the expiration of
33 the certificate, the application may be made in the same manner as
34 renewal and except that such application may be made in the same
35 manner as a renewal within 12 months of the expiration of the
36 certificate if the director determines that either of the following
37 circumstances prevents a certificate holder from earning the
38 required continuing education units within six months of the
39 expiration of the certificate:

40 (1) a flood, hurricane, superstorm, tornado, or other natural
41 disaster, and a state of emergency has been declared as a result
42 thereof by the Governor; or

43 (2) a medical event or condition.

44 e. (1) An individual who obtained a qualified purchasing agent
45 certificate prior to enactment of P.L.2009, c.166 (C.40A:11-9a et
46 al.) shall be exempt from taking the State qualifying examination,
47 but shall adhere to all requirements for renewal pursuant to
48 subsection d. of this section. If such a qualified purchasing agent

1 certificate expires due to the failure of the holder to renew the
2 certificate as prescribed in subsection d. of this section, that
3 individual shall be required to pass the qualifying examination as
4 provided pursuant to subsection b. of this section in order to be
5 issued a new qualified purchasing agent certificate.

6 (2) An individual who has been certified by the Department of
7 Education as a school business administrator and has performed
8 duties relative to public procurement for at least three years shall be
9 exempt from taking the courses required pursuant to paragraph (5)
10 of subsection b. of this section and the state qualifying examination,
11 and upon application to the director and the payment of the fee
12 imposed pursuant to subsection b. of this section, shall be issued a
13 qualified purchasing agent certificate.

14 f. Those persons who have been performing the duties of a
15 purchasing agent for a contracting unit pursuant to P.L.1971, c.198
16 (C.40A:11-1 et seq.), or school board pursuant to N.J.S.18A:18A-1
17 et seq. for at least three continuous years, prior to the first day of
18 the sixth month following the promulgation of rules and regulations
19 to effectuate the purposes of P.L.2009, c.166 (C.40A:11-9a et al.),
20 and did not possess a qualified purchasing agent certificate at that
21 time, may take the State qualifying examination, if not otherwise
22 exempt under subsection e. of this section, without the courses
23 required in subsection b. of this section.

24 g. Following the appointment of a purchasing agent for a
25 contracting unit pursuant to subsection a. of this section, if the
26 person appointed no longer performs such duties, the governing
27 body or chief executive officer, as appropriate to the form of
28 government, may appoint, for a period not to exceed one year
29 commencing from the date of the vacancy, a person who does not
30 possess a qualified purchasing agent certificate to serve as a
31 temporary purchasing agent. Any person so appointed may, with
32 the approval of the director, be reappointed as a temporary
33 purchasing agent for a maximum of one additional year following
34 the end of the first temporary appointment. No contracting unit
35 shall employ a temporary purchasing agent for more than two
36 consecutive years.

37 h. The director may revoke or suspend a qualified purchasing
38 agent certificate for dishonest practices or willful or intentional
39 failure, neglect, or refusal to comply with the laws relating to
40 procurement, or for other good cause. The governing body,
41 together with the chief executive officer of any contracting unit, or
42 a board of education, may request the director to review the
43 behavior or practices of a person holding a qualified purchasing
44 agent certificate. Prior to taking any adverse action against a
45 person, the director or the director's designee shall convene a
46 hearing, upon due notice, affording the person an opportunity to be
47 heard. If the qualified purchasing agent certificate held by a person
48 serving as a purchasing agent is revoked, the director shall order

1 that person to no longer perform the duties of purchasing agent, and
2 the person shall not be eligible to serve as a purchasing agent or to
3 make application for recertification for a period of five years from
4 the date of revocation.

5 i. The director may adopt and promulgate rules and regulations
6 to effectuate the purposes of **【this act】** P.L.1971, c.198.
7 Notwithstanding any provision of P.L.1968, c.410 (C.52:14B-1 et
8 seq.) to the contrary, any such regulations shall be effective
9 immediately upon filing with the Office of Administrative Law and
10 shall be effective for a period not to exceed 365 days and may
11 thereafter be amended, adopted or readopted by the director in
12 accordance with the requirements of P.L.1968, c.410. In order to
13 better manage the workload of implementing the provisions of **【this**
14 **act】** P.L.1971, c.198, the director may establish a transition process
15 for administering an examination for individuals serving as
16 purchasing agents on the effective date of **【this act】** P.L.1971,
17 c.198, issuing and renewing qualified purchasing agent certificates
18 to eligible individuals, prescribing a schedule by which such
19 certificates will be issued and renewed, and such other matters as
20 the director determines to be necessary to the implementation of
21 **【this act】** P.L.1971, c.198.²

22 (cf: P.L.2009, c.166, s.3)

23
24 ³**【²48.】** 46.³ Section 2 of P.L.1987, c.38 (C.52:14-15f) is
25 amended to read as follows:

26 2. a. Upon the adoption of an ordinance or resolution, as
27 appropriate, the governing body of a county or municipality may
28 provide for the deposit of the net pay of any employee of the county
29 or municipality, or of a board, commission, bureau, department, or
30 other public agency thereof, in a specific banking institution in a
31 designated checking account, savings account, or share account.
32 When the employee shall indicate in writing to the proper
33 disbursing officer his or her desire to have his or her net pay
34 deposited, the disbursing officer shall make the deposit in the
35 respective banking institution on behalf of the employee. As used
36 in P.L.1981, c.385 (C.52:14-15a et seq.), "employee" shall also
37 mean any person holding public office, position, or employment
38 whose compensation is paid by a county or municipality or any
39 board, commission, bureau, department, or other public agency
40 thereof.

41 b. On or after July 1, 2014, the governing body of a county
42 **【or】** , municipality , or local authority or other entity subject to the
43 "Local Authorities Fiscal Control Law," P.L.1983, c.313
44 (C.40A:5A-1 et seq.), may determine by the adoption of an
45 ordinance or resolution, as appropriate, to provide for the
46 mandatory direct deposit of net pay for all employees of the county
47 **【or】** , municipality, or local authority or other entity subject to the

1 "Local Authorities Fiscal Control Law," P.L.1983, c.313
 2 (C.40A:5A-1 et seq.), or of a board, commission, bureau,
 3 department, or other public agency thereof, in a specific banking
 4 institution based on information provided by the employee. If the
 5 governing body provides for such direct deposit, compliance by an
 6 employee shall be mandatory. No ordinance or resolution shall be
 7 adopted under subsection a. of this section on or after July 1, 2014.
 8 The governing body is authorized to grant an exemption from the
 9 requirements adopted pursuant to this subsection on such terms and
 10 conditions as the governing body may deem necessary. The
 11 governing body is authorized to grant an exemption for seasonal
 12 and temporary employees as the governing body may deem
 13 necessary.

14 c. The governing body may make available for such employees
 15 who have net pay directly deposited as described in subsection a. of
 16 this section, and shall make available for such employees who have
 17 net pay directly deposited as described in subsection b. of this
 18 section, any information concerning net pay, any accompanying
 19 information approved for distribution with net pay, and W-2 forms
 20 in accordance with applicable federal law, only on the Internet with
 21 restricted access and policies and procedures to protect the integrity
 22 and confidentiality of the information.²

23 (cf: P.L.2013, c.28, s.3)

24
 25 ¹~~[37.]~~ ²~~[36.1]~~ ³~~[49.2]~~ ~~47.~~³ The following sections are repealed:
 26 Section 15 of P.L.1941, c.151 (C.4:19-15.15);
 27 Section 4 of P.L.1985, c.174 (C.40A:9-133.4); and
 28 Section 7 of P.L.1997, c.279 (C.40A:9-133.9).

29
 30 ¹~~[38.]~~ ²~~[37.1]~~ ³~~[50.2]~~ ~~48.~~³ This act shall take effect
 31 immediately.