

ASSEMBLY, No. 4855

STATE OF NEW JERSEY

218th LEGISLATURE

INTRODUCED JANUARY 15, 2019

Sponsored by:

Assemblywoman PATRICIA EGAN JONES

District 5 (Camden and Gloucester)

Assemblyman JAMES J. KENNEDY

District 22 (Middlesex, Somerset and Union)

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

Co-Sponsored by:

**Assemblyman Spearman, Assemblywoman Murphy, Assemblymen
Freiman and McKeon**

SYNOPSIS

Requires that one public member of EDA be a representative of State's small business community.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/19/2019)

1 AN ACT concerning membership of the New Jersey Economic
2 Development Authority and amending P.L.1974, c.80.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. Section 4 of P.L.1974, c.80 (C.34:1B-4) is amended to read
8 as follows

9 4. a. There is hereby established in, but not of, the Department
10 of the Treasury a public body corporate and politic, with corporate
11 succession, to be known as the "New Jersey Economic
12 Development Authority." The authority is hereby constituted as an
13 instrumentality of the State exercising public and essential
14 governmental functions, and the exercise by the authority of the
15 powers conferred by the provisions of P.L.1974, c.80 (C.34:1B-1 et
16 seq.) or section 6 of P.L.2001, c.401 (C.34:1B-4.1) shall be deemed
17 and held to be an essential governmental function of the State.

18 b. The authority shall consist of the Commissioner of Banking
19 and Insurance, the Commissioner of Labor and Workforce
20 Development, the Commissioner of Environmental Protection, an
21 officer or employee of the Executive Branch of State government
22 appointed by the Governor, and the State Treasurer, who shall be
23 members ex officio, and eight public members appointed by the
24 Governor as follows: two public members (who shall not be
25 legislators) shall be appointed by the Governor upon
26 recommendation of the Senate President; two public members (who
27 shall not be legislators) shall be appointed by the Governor upon
28 recommendation of the Speaker of the General Assembly; and four
29 public members shall be appointed by the Governor, one of whom
30 shall be a representative of the small business community in the
31 State, all for terms of three years. In addition, a public member of
32 the State Economic Recovery Board established pursuant to section
33 36 of P.L.2002, c.43 (C.52:27BBB-36) appointed by the board,
34 shall serve as a non-voting, ex officio member of the authority.
35 Each member shall hold office for the term of the member's
36 appointment and until the member's successor shall have been
37 appointed and qualified. A member shall be eligible for
38 reappointment. Any vacancy in the membership occurring other
39 than by expiration of term shall be filled in the same manner as the
40 original appointment but for the unexpired term only. In the event
41 the authority shall by resolution determine to accept the declaration
42 of an urban growth zone by any municipality, the mayor or other
43 chief executive officer of such municipality shall ex officio be a
44 member of the authority for the purpose of participating and voting
45 on all matters pertaining to such urban growth zone.

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.

1 The Governor shall appoint three alternate members of the
2 authority, of which one alternate member (who shall not be a
3 legislator) shall be appointed by the Governor upon the
4 recommendation of the Senate President, and one alternate member
5 (who shall not be a legislator) shall be appointed by the Governor
6 upon the recommendation of the Speaker of the General Assembly;
7 and one alternate member shall be appointed by the Governor, all
8 for terms of three years. The chairperson may authorize an
9 alternate member, in order of appointment, to exercise all of the
10 powers, duties and responsibilities of such member, including, but
11 not limited to, the right to vote on matters before the authority.

12 Each alternate member shall hold office for the term of the
13 member's appointment and until the member's successor shall have
14 been appointed and qualified. An alternate member shall be eligible
15 for reappointment. Any vacancy in the alternate membership
16 occurring other than by the expiration of a term shall be filled in the
17 same manner as the original appointment but for the unexpired term
18 only. Any reference to a member of the authority in this act shall
19 be deemed to include alternate members unless the context indicates
20 otherwise.

21 The terms of office of the members and alternate members of the
22 authority appointed by the Governor who are serving on July 18,
23 2000 shall expire upon the appointment by the Governor of eight
24 public members and three alternate members. The initial
25 appointments of the eight public members shall be as follows: the
26 two members appointed upon the recommendation of the President
27 of the Senate and the two members appointed upon the
28 recommendation of the Speaker of the General Assembly shall
29 serve terms of three years; two members shall serve terms of two
30 years; and two members shall serve terms of one year. The initial
31 appointments of the alternate members shall be as follows: the
32 alternate member appointed upon the recommendation of the
33 President of the Senate shall serve a term of three years; the
34 alternate member appointed upon the recommendation of the
35 Speaker of the General Assembly shall serve a term of two years;
36 and one alternate member shall serve a term of one year. No
37 member shall be appointed who is holding elective office.

38 c. Each member appointed by the Governor may be removed
39 from office by the Governor, for cause, after a public hearing, and
40 may be suspended by the Governor pending the completion of such
41 hearing. Each member before entering upon his duties shall take
42 and subscribe an oath to perform the duties of the office faithfully,
43 impartially and justly to the best of his ability. A record of such
44 oaths shall be filed in the office of the Secretary of State.

45 d. A chairperson shall be appointed by the Governor from the
46 public members. The members of the authority shall elect from their
47 remaining number a vice chairperson and a treasurer thereof. The
48 authority shall employ an executive director who shall be its

1 secretary and chief executive officer. The powers of the authority
2 shall be vested in the members thereof in office from time to time
3 and seven members of the authority shall constitute a quorum at any
4 meeting thereof; provided, however, that the public member
5 designated by the State Economic Recovery Board pursuant to the
6 "Municipal Rehabilitation and Economic Recovery Act," P.L.2002,
7 c.43 (C.52:27BBB-1 et al.) shall not count toward the quorum.
8 Action may be taken and motions and resolutions adopted by the
9 authority at any meeting thereof by the affirmative vote of at least
10 seven members of the authority. No vacancy in the membership of
11 the authority shall impair the right of a quorum of the members to
12 exercise all the powers and perform all the duties of the authority.

13 e. Each member of the authority shall execute a bond to be
14 conditioned upon the faithful performance of the duties of such
15 member in such form and amount as may be prescribed by the
16 Director of the Division of Budget and Accounting in the
17 Department of the Treasury. Such bonds shall be filed in the office
18 of the Secretary of State. At all times thereafter the members and
19 treasurer of the authority shall maintain such bonds in full force and
20 effect. All costs of such bonds shall be borne by the authority.

21 f. The members of the authority shall serve without
22 compensation, but the authority shall reimburse its members for
23 actual expenses necessarily incurred in the discharge of their duties.
24 Notwithstanding the provisions of any other law, no officer or
25 employee of the State shall be deemed to have forfeited or shall
26 forfeit any office or employment or any benefits or emoluments
27 thereof by reason of the acceptance of the office of ex officio
28 member of the authority or any services therein.

29 g. Each ex officio member of the authority may designate an
30 officer or employee of the member's department to represent the
31 member at meetings of the authority, and each such designee may
32 lawfully vote and otherwise act on behalf of the member for whom
33 the person constitutes the designee. Any such designation shall be
34 in writing delivered to the authority and shall continue in effect
35 until revoked or amended by writing delivered to the authority.

36 h. The authority may be dissolved by act of the Legislature on
37 condition that the authority has no debts or obligations outstanding
38 or that provision has been made for the payment or retirement of
39 such debts or obligations. Upon any such dissolution of the
40 authority, all property, funds and assets thereof shall be vested in
41 the State.

42 i. A true copy of the minutes of every meeting of the authority
43 shall be forthwith delivered by and under the certification of the
44 secretary thereof to the Governor. No action taken at such meeting
45 by the authority shall have force or effect until 10 days, Saturdays,
46 Sundays, and public holidays excepted, after the copy of the
47 minutes shall have been so delivered, unless during such 10-day
48 period the Governor shall approve the same in which case such

1 action shall become effective upon such approval. If, in that 10-day
2 period, the Governor returns such copy of the minutes with veto of
3 any action taken by the authority or any member thereof at such
4 meeting, such action shall be null and void and of no effect. The
5 powers conferred in this subsection i. upon the Governor shall be
6 exercised with due regard for the rights of the holders of bonds and
7 notes of the authority at any time outstanding, and nothing in, or
8 done pursuant to, this subsection i. shall in any way limit, restrict or
9 alter the obligation or powers of the authority or any representative
10 or officer of the authority to carry out and perform in every detail
11 each and every covenant, agreement or contract at any time made or
12 entered into by or on behalf of the authority with respect to its
13 bonds or notes or for the benefit, protection or security of the
14 holders thereof.

15 j. On or before March 31 in each year, the authority shall make
16 an annual report of its activities for the preceding calendar year to
17 the Governor and the Legislature. Each such report shall set forth a
18 complete operating and financial statement covering the authority's
19 operations during the year. The authority shall cause an audit of its
20 books and accounts to be made at least once in each year by
21 certified public accountants and cause a copy thereof to be filed
22 with the Secretary of State and the Director of the Division of
23 Budget and Accounting in the Department of the Treasury.

24 k. The Director of the Division of Budget and Accounting in
25 the Department of the Treasury and the director's legally authorized
26 representatives are hereby authorized and empowered from time to
27 time to examine the accounts, books and records of the authority
28 including its receipts, disbursements, contracts, sinking funds,
29 investments and any other matters relating thereto and to its
30 financial standing.

31 l. No member, officer, employee or agent of the authority shall
32 be interested, either directly or indirectly, in any project or school
33 facilities project, or in any contract, sale, purchase, lease or transfer
34 of real or personal property to which the authority is a party.

35 (cf: P.L.2008, c.27, s.27)

36

37 2. (New section) The public member of the New Jersey
38 Economic Development Authority, established pursuant to
39 P.L.1974, c.80 (C.34:1B-1 et seq.), who was appointed by the
40 Governor, not upon the recommendation of the Senate President or
41 the Speaker of the General Assembly, and whose term is first to
42 expire after the effective date of P.L. , c. (C.) (pending
43 before the Legislature as this bill), shall not be eligible for
44 reappointment. The Governor shall appoint a public member who is
45 a representative of the small business community in the State to the
46 New Jersey Economic Development Authority to fill the vacancy
47 created pursuant to this section.

1 3. This act shall take effect immediately.

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STATEMENT

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6 This bill requires that one public member of the New Jersey
7 Economic Development Authority (authority) be a representative of
8 the small business community in the State. The bill specifically
9 provides that for the public member of the authority, appointed by
10 the Governor, not upon the recommendation of the Senate President
11 or the Speaker of the General Assembly, and whose term is first to
12 expire after the effective date of the bill, is not eligible for
13 reappointment. The bill requires the Governor to appoint a public
14 member who is a representative of the small business community in
15 the State to fill the vacancy created by the bill.