

ASSEMBLY, No. 710

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblyman R. SMITH

1 AN ACT to authorizing the creation of a debt of the State of New
2 Jersey by the issuance of bonds of the State in the aggregate
3 principal amount of \$50,000,000.00 for the purpose of providing
4 financial aid for the construction of libraries; authorizing the
5 issuance of refunding bonds; providing the ways and means to pay
6 and discharge the principal of and interest on the bonds and
7 refunding bonds; providing for the submission of this act to the
8 people at a general election; and providing an appropriation
9 therefor.

10

11 **BE IT ENACTED** by the Senate and General Assembly of the State
12 of New Jersey:

13

14 1. This act shall be known and may be cited as the "New Jersey
15 Library Construction Bond Act of 1994."

16

17 2. The Legislature finds and declares that:

18 a. An adequate system of public libraries is critical for New Jersey
19 to achieve and maintain a desirable quality of life;

20 b. The average age of public library buildings in New Jersey is over
21 40 years and nearly one-third of these buildings is more than 50 years
22 old;

23 c. It is estimated that New Jersey needs to construct new library
24 space totaling 1,300,000 square feet to, take care of population
25 growth, building obsolescence, and increased library use;

26 d. Despite this great need, the State has provided less than
27 \$3,000,000.00 for public library construction since 1973.

28

29 3. As used in this act:

30 a. "Bonds" mean the bonds authorized to be issued, or issued,
31 under this act;

32 b. "Commissioner" means the Commissioner of the Department of
33 Education;

34 c. "Construct" and "construction" mean, in addition to the usual
35 meaning thereof, the designing, engineering, financing, extension,

1 repair, remodeling, rehabilitation or alteration, or any combination
2 thereof, of a library building or any part thereof;

3 d. "Cost" means the expenses incurred in connection with: the
4 acquisition by purchase, lease, or otherwise, and the construction of
5 a project authorized by this act; the acquisition by purchase, lease, or
6 otherwise, and the development of any real or personal property for
7 use in connection with a project authorized by this act, including any
8 rights or interest therein; the execution of any agreements and
9 franchises deemed by the department to be necessary or useful and
10 convenient in connection with any project authorized by this act; the
11 procurement of engineering, inspection, planning, legal, financial, or
12 other professional services, including the services of a bond registrar
13 or an authenticating agent; the issuance of bonds, or any interest or
14 discount thereon; the administrative, organizational, operating, or
15 other expenses incident to the financing, completing, and placing into
16 service of any project authorized by this act; the establishment of a
17 reserve fund or funds for working capital, operating, maintenance, or
18 replacement expenses and for the payment or security of principal or
19 interest on bonds, as the Director of the Division of Budget and
20 Accounting in the Department of the Treasury may determine; and
21 reimbursement to any fund of the State of moneys which may have
22 been transferred or advanced therefrom to any fund created by this act,
23 or of any moneys which may have been expended therefrom for, or in
24 connection with, any project authorized by this act;

25 e. "Department" means the Department of Education;

26 f. "Government securities" means any bonds or other obligations
27 which as to principal and interest constitute direct obligations of, or
28 are unconditionally guaranteed by, the United States of America,
29 including obligations of any federal agency, to the extent those
30 obligations are unconditionally guaranteed by the United States of
31 America, and any certificates or any other evidences of an ownership
32 interest in those obligations of, or unconditionally guaranteed by, the
33 United States of America or in specified portions which may consist
34 of the principal of, or the interest on, those obligations;

35 g. "State board" means the State Board of Education.

36

37 4. Bonds of the State of New Jersey are authorized to be issued in
38 the aggregate principal amount of \$50,000,000.00 for the purpose of
39 financing the cost of construction, renovation, repair or alteration of
40 public library buildings to be allocated pursuant to the "New Jersey
41 Library Construction Incentive Act," P.L.1973, c.381 (C.18A:74-14
42 et seq.).

43

44 5. The bonds authorized under this act shall be serial bonds, term
45 bonds, or a combination thereof, and shall be known as "New Jersey
46 Library Construction Bonds." These bonds shall be issued from time

1 to time as the issuing officials herein named shall determine, and may
2 be issued in coupon form, fully-registered form or book-entry form.
3 The bonds may be subject to redemption prior to maturity and shall
4 mature and be paid not later than 35 years from the respective dates
5 of their issuance.

6
7 6. The Governor, the State Treasurer and the Director of the
8 Division of Budget and Accounting in the Department of the Treasury,
9 or any two of these officials, herein referred to as "the issuing
10 officials," are authorized to carry out the provisions of this act relating
11 to the issuance of bonds, and shall determine all matters in connection
12 therewith, subject to the provisions of this act. If an issuing official is
13 absent from the State or incapable of acting for any reason, the powers
14 and duties of that issuing official shall be exercised and performed by
15 the person authorized by law to act in an official capacity in the place
16 of that issuing official.

17
18 7. Bonds issued in accordance with the provisions of this act shall
19 be a direct obligation of the State of New Jersey, and the faith and
20 credit of the State are pledged for the payment of the interest and
21 redemption premium thereon, if any, when due, and for the payment
22 of the principal thereof at maturity or earlier redemption date. The
23 principal of and interest on the bonds shall be exempt from taxation by
24 the State or by any county, municipality or other taxing district of the
25 State.

26
27 8. The bonds shall be signed in the name of the State by means of
28 the facsimile signature of the Governor under the Great Seal of the
29 State, which seal may be by facsimile or by way of any other form of
30 reproduction on the bonds, and attested by the manual or facsimile
31 signature of the Secretary of State, or an Assistant Secretary of State,
32 and shall be countersigned by the facsimile signature of the Director
33 of the Division of Budget and Accounting in the Department of the
34 Treasury and may be manually authenticated by an authenticating
35 agent or bond registrar, as the issuing officials shall determine.
36 Interest coupons, if any, attached to the bonds shall be signed by the
37 facsimile signature of the Director of the Division of Budget and
38 Accounting in the Department of the Treasury. The bonds may be
39 issued notwithstanding that an official signing them or whose manual
40 or facsimile signature appears on the bonds or coupons has ceased to
41 hold office at the time of issuance, or at the time of the delivery of the
42 bonds to the purchaser thereof.

43
44 9. a. The bonds shall recite that they are issued for the purposes
45 set forth in section 4 of this act, that they are issued pursuant to this
46 act, and that this act was submitted to the people of the State at the

1 general election held in the month of November, 1994 and that this act
2 was approved by a majority of the legally qualified voters of the State
3 voting thereon at the election. This recital shall be conclusive
4 evidence of the authority of the State to issue the bonds and their
5 validity. Any bonds containing this recital shall, in any suit, action or
6 proceeding involving their validity, be conclusively deemed to be fully
7 authorized by this act and to have been issued, sold, executed and
8 delivered in conformity herewith and with all other provisions of laws
9 applicable hereto, and shall be incontestable for any cause.

10 b. The bonds shall be issued in the denominations and in the form
11 or forms, whether coupon, fully-registered or book-entry, and with or
12 without provisions for the interchangeability thereof, as may be
13 determined by the issuing officials.

14

15 10. When the bonds are issued from time to time, the bonds of
16 each issue shall constitute a separate series to be designated by the
17 issuing officials. Each series of bonds shall bear such rate or rates of
18 interest as may be determined by the issuing officials, which interest
19 shall be payable semiannually; except that the first and last interest
20 periods may be longer or shorter, in order that intervening semiannual
21 payments may be at convenient dates.

22

23 11. The bonds shall be issued and sold at the price or prices and
24 under the terms, conditions and regulations as the issuing officials may
25 prescribe, after notice of the sale, published at least once in at least
26 three newspapers published in this State, and at least once in a
27 publication carrying municipal bond notices and devoted primarily to
28 financial news, published in this State or in the city of New York, the
29 first notice to appear at least five days prior to the day of bidding. The
30 notice of sale may contain a provision to the effect that any bid in
31 pursuance thereof may be rejected. In the event of rejection or failure
32 to receive any acceptable bid, the issuing officials, at any time within
33 60 days from the date of the advertised sale, may sell the bonds at a
34 private sale at such price or prices and under the terms and conditions
35 as the issuing officials may prescribe. The issuing officials may sell all
36 or part of the bonds of any series as issued to any State fund or to the
37 federal government or any agency thereof, at a private sale, without
38 advertisement.

39

40 12. Until permanent bonds are prepared, the issuing officials may
41 issue temporary bonds in such form and with those privileges as to
42 their registration and exchange for permanent bonds as may be
43 determined by the issuing officials.

44

45 13. The proceeds from the sale of the bonds shall be paid to the
46 State Treasurer to be held by the State Treasurer in a separate fund,

1 which shall be known as the "New Jersey Library Construction Bond
2 Fund." The proceeds of this fund shall be deposited in those
3 depositories as may be selected by the State Treasurer to the credit of
4 the fund.

5
6 14. a. The moneys in the "New Jersey Library Construction Bond
7 Fund" are specifically dedicated and shall be applied to the costs of the
8 purposes set forth in section 4 of this act. However, no moneys in the
9 fund shall be expended for those purposes, except as otherwise
10 authorized by this act, without the specific appropriation thereof by
11 the Legislature, but bonds may be issued as herein provided,
12 notwithstanding that the Legislature shall not have then adopted an act
13 making a specific appropriation of any of the moneys. Any act
14 appropriating moneys from the "New Jersey Library Construction
15 Bond Fund" shall identify the project to be funded by the moneys.

16 b. At any time prior to the issuance and sale of bonds under this
17 act, the State Treasurer is authorized to transfer from any available
18 moneys in any fund of the treasury of the State to the credit of the
19 "New Jersey Library Construction Bond Fund" those sums as the State
20 Treasurer may deem necessary. The sums so transferred shall be
21 returned to the same fund of the treasury of the State by the State
22 Treasurer from the proceeds of the sale of the first issue of bonds.

23 c. Pending their application to the purposes provided in this act,
24 the moneys in the "New Jersey Library Construction Bond Fund" may
25 be invested and reinvested as are other trust funds in the custody of
26 the State Treasurer, in the manner provided by law. Net earnings
27 received from the investment or deposit of moneys in the "New Jersey
28 Library Construction Bond Fund" shall be paid into the "New Jersey
29 Library Construction Bond Fund."

30
31 15. If any coupon bond, or coupon or registered bond is lost,
32 mutilated or destroyed, a new bond or coupon shall be executed and
33 delivered of like tenor, in substitution for the lost, mutilated or
34 destroyed bond or coupon, upon the owner furnishing to the issuing
35 officials evidence satisfactory to them of the loss, mutilation or
36 destruction of the bond or coupon, the ownership thereof, and
37 security, indemnity and reimbursement for expenses connected
38 therewith, as the issuing officials may require.

39
40 16. The accrued interest, if any, received upon the sale of the
41 bonds shall be applied to the discharge of a like amount of interest
42 upon the bonds when due. Any expense incurred by the issuing
43 officials for advertising, engraving, printing, clerical, authenticating,
44 registering, legal or other services necessary to carry out the duties
45 imposed upon them by the provisions of this act shall be paid from the
46 proceeds of the sale of the bonds by the State Treasurer, upon the

1 warrant of the Director of the Division of Budget and Accounting in
2 the Department of the Treasury, in the same manner as other
3 obligations of the State are paid.

4
5 17. Bonds of each series issued hereunder shall mature, including
6 any sinking fund redemptions, not later than the 35th year from the
7 date of issue of the series, and in amounts as shall be determined by
8 the issuing officials. The issuing officials may reserve to the State by
9 appropriate provision in the bonds of any series the power to redeem
10 any of the bonds prior to maturity at the price or prices and upon the
11 terms and conditions as may be provided in the bonds.

12
13 18. The issuing officials may issue refunding bonds in an amount
14 not to exceed the amount necessary to effectuate the refinancing of
15 any bonds issued pursuant to this act, at any time and from time to
16 time, for the purpose of refinancing any bond or bonds issued pursuant
17 to this act, subject to the following provisions:

18 a. Refunding bonds may be issued at such time prior to the
19 maturity or redemption of the bonds to be refinanced thereby as the
20 issuing officials shall determine.

21 b. Each series of refunding bonds may be issued in a sufficient
22 amount to pay or to provide for the payment of the principal of the
23 bonds to be refinanced thereby, together with any redemption premium
24 thereon, any interest accrued or to accrue on the bonds to be
25 refinanced to the date of payment of such outstanding bonds, the
26 expense of issuing the refunding bonds and the expenses, if any, of
27 paying such bonds to be refinanced.

28 c. No refunding bonds shall be issued unless the issuing officials
29 shall first determine that the present value of the aggregate principal
30 amount of and interest on the refunding bonds is less than the present
31 value of the aggregate principal amount of and interest on the bonds
32 to be refinanced thereby; provided, for the purposes of this limitation,
33 present value shall be computed using a discount rate equal to the
34 yield of those refunding bonds, and yield shall be computed using an
35 actuarial method based upon a 360-day year with semiannual
36 compounding and upon the price or prices paid to the State by the
37 initial purchasers of those refunding bonds.

38 d. Any refinancing authorized hereunder may be effected by the
39 sale of the refunding bonds and the application of the proceeds thereof
40 to the immediate payment of the principal of the bonds to be
41 refinanced thereby, together with any redemption premium thereon,
42 any interest accrued or to accrue on those bonds to be refinanced to
43 the date of payment of those bonds, the expenses of issuing the
44 refunding bonds and the expenses, if any, of paying those bonds to be
45 refinanced, or, to the extent not required for that immediate payment,
46 shall be deposited, together with any other moneys legally available

1 therefor, in trust with one or more trustees or escrow agents, which
2 trustees or escrow agents shall be trust companies or national or state
3 banks having powers of a trust company, located either within or
4 without the State, to be applied solely to the payment when due of the
5 principal of, redemption premium, if any, and interest due and to
6 become due on the bonds to be refinanced on or prior to the
7 redemption date or maturity date thereof, as the case may be. The
8 proceeds or moneys so held by the trustees or escrow agents may be
9 invested in government securities, including government securities
10 issued or held in book-entry form on the books of the Department of
11 Treasury of the United States; provided, those government securities
12 shall not be subject to redemption prior to their maturity other than at
13 the option of the holder thereof. Except as otherwise provided in this
14 subsection, neither government securities nor moneys so deposited
15 with the trustees or escrow agents shall be withdrawn or used for any
16 purpose other than, and shall be held in trust for, the payment of the
17 principal of, redemption premium, if any, and interest on the bonds to
18 be refinanced thereby; provided that any cash received from the
19 principal or interest payments on those government securities
20 deposited with the trustees or escrow agents, to the extent the cash
21 will not be required at any time for that purpose, shall be paid over to
22 the trustees or escrow agents, and to the extent the cash will be
23 required for that purpose at a later date, shall, to the extent practicable
24 and legally permissible, be reinvested in government securities
25 maturing at times and in amounts sufficient to pay when due the
26 principal of, redemption premium, if any, and interest to become due
27 on the bonds to be refinanced, on and prior to the redemption date or
28 maturity date thereof, as the case may be, and interest earned from
29 those reinvestments, to the extent not required for the payment of
30 bonds, shall be paid over to the State, as received by the trustees or
31 escrow agents. Notwithstanding anything to the contrary contained
32 herein: (1) the trustees or escrow agents shall, if so directed by the
33 issuing officials, apply moneys on deposit with the trustees or escrow
34 agents pursuant to the provisions of this section, and redeem or sell
35 government securities so deposited with the trustees or escrow agents,
36 and apply the proceeds thereof to (a) the purchase of bonds which
37 were refinanced by the deposit with the trustees or escrow agents of
38 the moneys and government securities and immediately thereafter
39 cancel all outstanding bonds so purchased or (b) the purchase of
40 different government securities; provided, however, that the moneys
41 and government securities on deposit with the trustees or escrow
42 agents after the purchase and cancellation of the outstanding bonds or
43 the purchase of different government securities shall be sufficient to
44 pay when due the principal of, redemption premium, if any, and
45 interest on all other bonds in respect of which the moneys and
46 government securities were deposited with the trustees or escrow

1 agents on or prior to the redemption date or maturity date thereof, as
2 the case may be; and (2) in the event that on any date, as a result of
3 any purchases and cancellations of such bonds or any purchases of
4 different government securities as provided in this subsection, the total
5 amount of moneys and government securities remaining on deposit
6 with the trustees or escrow agents is in excess of the total amount
7 which would have been required to be deposited with the trustees or
8 escrow agents on that date in respect of the remaining bonds for which
9 the deposit was made in order to pay when due the principal of,
10 redemption premium, if any, and interest on those remaining bonds,
11 the trustees or escrow agents shall, if so directed by the issuing
12 officials, pay the amount of that excess to the State. Any amounts
13 held by the State Treasurer in a separate fund or funds for the payment
14 of the principal of, redemption premium, if any, and interest on bonds
15 to be refinanced, as provided herein, shall, if so directed by the issuing
16 officials, be transferred by the State Treasurer for deposit with one or
17 more trustees or escrow agents, as provided herein, to be applied to
18 the payment when due of the principal of, redemption premium, if any,
19 and interest to become due on those bonds to be refinanced, as
20 provided in this section, or be applied by the State Treasurer to the
21 payment when due of the principal of, redemption premium, if any, and
22 interest on refunding bonds issued hereunder to refinance those bonds.
23 The State Treasurer is authorized to enter into contracts with one or
24 more trust companies or national or state banks, as provided herein,
25 to act as trustees or escrow agents, as provided herein, subject to the
26 approval of the issuing officials.

27 e. Notwithstanding the provisions of section 11 this act, any series
28 of refunding bonds issued pursuant to this section shall mature at any
29 time or times not later than five years following the latest scheduled
30 final maturity date, determined without regard to any redemptions
31 prior thereto, of any of the bonds to be refunded thereby, and in no
32 event later than 35 years following the date of issuance of that series
33 of refunding bonds, and those refunding bonds may be sold at public
34 or private sale at prices and under terms, conditions and regulations as
35 the issuing officials may prescribe. Refunding bonds shall be entitled
36 to all the benefits of this act and subject to all its limitations except as
37 to sale provisions and to the extent therein otherwise expressly
38 provided.

39 f. Upon the decision by the issuing officials to issue refunding
40 bonds pursuant to this section, and prior to the sale of those bonds, the
41 issuing officials shall transmit to the Joint Budget Oversight
42 Committee, or its successor, a report that a decision has been made,
43 reciting the basis on which the decision was made, including an
44 estimate of the debt service savings to be achieved and the calculations
45 upon which the issuing officials relied when making the decision to
46 issue refunding bonds. The report also shall disclose the intent of the

1 issuing officials to issue and sell the refunding bonds at public or
2 private sale and the reasons therefor.

3 g. The Joint Budget Oversight Committee, or its successor, shall
4 have authority to approve or disapprove the sale of refunding bonds
5 as included in each report submitted in accordance with subsection f.
6 of this section. The committee shall notify the issuing officials in
7 writing of the approval or disapproval as expeditiously as possible.

8 h. No refunding bonds shall be issued unless the report has been
9 submitted to and approved by the Joint Budget Oversight Committee,
10 or its successor, as set forth in subsection g. of this section.

11 i. Within 30 days after the sale of the refunding bonds, the issuing
12 officials shall notify the Joint Budget Oversight Committee, or its
13 successor, of the result of that sale, including the prices and terms,
14 conditions and regulations concerning the refunding bonds, the actual
15 amount of debt service savings to be realized as a result of the sale of
16 refunding bonds, and the intended use of the proceeds from the sale of
17 those bonds.

18 j. The Joint Budget Oversight Committee, or its successor, shall,
19 however, review all information and reports submitted in accordance
20 with this section and may, on its own initiative, make observations and
21 recommendations to the issuing officials, or to the Legislature, or
22 both, as it deems appropriate.

23

24 19. Any bond or bonds issued hereunder shall no longer be deemed
25 to be outstanding, shall no longer constitute a direct obligation of the
26 State of New Jersey, and the faith and credit of the State shall no
27 longer be pledged to the payment of the principal of, redemption
28 premium, if any, and interest on the bonds, and the bonds shall be
29 secured solely by and payable solely from moneys and government
30 securities deposited in trust with one or more trustees or escrow
31 agents, which trustees and escrow agents shall be trust companies or
32 national or state banks having powers of a trust company, located
33 either within or without the State, as provided herein, whenever there
34 shall be deposited in trust with the trustees or escrow agents, as
35 provided herein, either moneys or government securities, including
36 government securities issued or held in book-entry form on the books
37 of the Department of Treasury of the United States, the principal of
38 and interest on which when due will provide money which, together
39 with the moneys, if any, deposited with the trustees or escrow agents
40 at the same time, shall be sufficient to pay when due the principal of,
41 redemption premium, if any, and interest due and to become due on
42 the bonds on or prior to the redemption date or maturity date thereof,
43 as the case may be; provided, the government securities shall not be
44 subject to redemption prior to their maturity other than at the option
45 of the holder thereof. The State of New Jersey hereby covenants with
46 the holders of any bonds for which government securities or moneys

1 shall have been deposited in trust with the trustees or escrow agents
2 as provided in this section that, except as otherwise provided in this
3 section, neither the government securities nor moneys so deposited
4 with the trustees or escrow agents shall be withdrawn or used by the
5 State for any purpose other than, and shall be held in trust for, the
6 payment of the principal of, redemption premium, if any, and interest
7 to become due on the bonds; provided that any cash received from the
8 principal or interest payments on the government securities deposited
9 with the trustees or escrow agents, to the extent the cash will not be
10 required at any time for that purpose, shall be paid over to the State,
11 as received by the trustees or escrow agents, free and clear of any
12 trust, lien, pledge or assignment securing the bonds; and to the extent
13 the cash will be required for that purpose at a later date, shall, to the
14 extent practicable and legally permissible, be reinvested in government
15 securities maturing at times and in amounts sufficient to pay when due
16 the principal of, redemption premium, if any, and interest to become
17 due on the bonds on and prior to the redemption date or maturity date
18 thereof, as the case may be, and interest earned received by the
19 trustees or escrow agents, free and clear of any trust, lien or pledge
20 securing the bonds. Notwithstanding anything to the contrary
21 contained herein: a. the trustees or escrow agents shall, if so directed
22 by the issuing officials, apply moneys on deposit with the trustees or
23 escrow agents pursuant to the provisions of this section, and redeem
24 or sell government securities so deposited with the trustees or escrow
25 agents, and apply the proceeds thereof to (1) the purchase of the
26 bonds which were refinanced by the deposit with the trustees or
27 escrow agents of the moneys and government securities and
28 immediately thereafter cancel all bonds so purchased, or (2) the
29 purchase of different government securities; provided however, that
30 the moneys and government securities on deposit with the trustees or
31 escrow agents after the purchase and cancellation of the bonds or the
32 purchase of different government securities shall be sufficient to pay
33 when due the principal of, redemption premium, if any, and interest on
34 all other bonds in respect of which the moneys and government
35 securities were deposited with the trustees or escrow agents on or
36 prior to the redemption date or maturity date thereof, as the case may
37 be; and b. in the event that on any date, as a result of any purchases
38 and cancellations of bonds or any purchases of different government
39 securities, as provided in this sentence, the total amount of moneys
40 and government securities remaining on deposit with the trustees or
41 escrow agents is in excess of the total amount which would have been
42 required to be deposited with the trustees or escrow agents on that
43 date in respect of the remaining bonds for which the deposit was made
44 in order to pay when due the principal of, redemption premium, if any,
45 and interest on the remaining bonds, the trustees or escrow agents
46 shall, if so directed by the issuing officials, pay the amount of the

1 excess to the State, free and clear of any trust, lien, pledge or
2 assignment securing the refunding bonds.

3

4 20. Refunding bonds issued pursuant to section 18 of this act may
5 be consolidated with bonds issued pursuant to section 5 of this act or
6 with bonds issued pursuant to any other act for purposes of sale.

7

8 21. To provide funds to meet the interest and principal payment
9 requirements for the bonds and refunding bonds issued under this act
10 and outstanding, there is appropriated in the order following:

11 a. Revenue derived from the collection of taxes under the "Sales
12 and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.), or so much
13 thereof as may be required; and

14 b. If, at any time, funds necessary to meet the interest, redemption
15 premium, if any, and principal payments on outstanding bonds issued
16 under this act are insufficient or not available, there shall be assessed,
17 levied and collected annually in each of the municipalities of the
18 counties of this State, a tax on the real and personal property upon
19 which municipal taxes are or shall be assessed, levied and collected,
20 sufficient to meet the interest on all outstanding bonds issued
21 hereunder and on the bonds proposed to be issued under this act in the
22 calendar year in which the tax is to be raised and for the payment of
23 bonds falling due in the year following the year for which the tax is
24 levied. The tax shall be assessed, levied and collected in the same
25 manner and at the same time as are other taxes upon real and personal
26 property. The governing body of each municipality shall cause to be
27 paid to the county treasurer of the county in which the municipality is
28 located, on or before December 15 in each year, the amount of tax
29 herein directed to be assessed and levied, and the county treasurer
30 shall pay the amount of the tax to the State Treasurer on or before
31 December 20 in each year.

32 If on or before December 31 in any year, the issuing officials, by
33 resolution, determine that there are moneys in the General Fund
34 beyond the needs of the State, sufficient to meet the principal of bonds
35 falling due and all interest and redemption premium, if any, payable in
36 the ensuing calendar year, the issuing officials shall file the resolution
37 in the office of the State Treasurer, whereupon the State Treasurer
38 shall transfer the moneys to a separate fund to be designated by the
39 State Treasurer, and shall pay the principal, redemption premium, if
40 any, and interest out of that fund as the same shall become due and
41 payable, and the other sources of payment of the principal, redemption
42 premium, if any, and interest provided for in this section shall not then
43 be available, and the receipts for the year from the tax specified in
44 subsection a. of this section shall be considered and treated as part of
45 the General Fund, available for general purposes.

1 22. Should the State Treasurer, by December 31 of any year, deem
2 it necessary, because of the insufficiency of funds collected from the
3 sources of revenues as provided in this act, to meet the interest and
4 principal payments for the year after the ensuing year, then the State
5 Treasurer shall certify to the Director of the Division of Budget and
6 Accounting in the Department of the Treasury the amount necessary
7 to be raised by taxation for those purposes, the same to be assessed,
8 levied and collected for and in the ensuing calendar year. The director
9 shall, on or before March 1 following, calculate the amount in dollars
10 to be assessed, levied and collected in each county as herein set forth.
11 This calculation shall be based upon the corrected assessed valuation
12 of each county for the year preceding the year in which the tax is to be
13 assessed, but the tax shall be assessed, levied and collected upon the
14 assessed valuation of the year in which the tax is assessed and levied.
15 The director shall certify the amount to the county board of taxation
16 and the treasurer of each county. The county board of taxation shall
17 include the proper amount in the current tax levy of the several taxing
18 districts of the county in proportion to the ratables ascertained for the
19 current year.

20

21 23. For the purpose of complying with the provisions of the State
22 Constitution, this act shall be submitted to the people at the general
23 election to be held in the month of November, 1994. To inform the
24 people of the contents of this act, it shall be the duty of the Secretary
25 of State, after this section takes effect, and at least 15 days prior to the
26 election, to cause this act to be published in at least 10 newspapers
27 published in the State and to notify the clerk of each county of this
28 State of the passage of this act; and the clerks respectively, in
29 accordance with the instructions of the Secretary of State, shall have
30 printed on each of the ballots the following:

31 If you approve of the act entitled below, make a cross (x), plus (+),
32 or check (O) mark in the square opposite the word "Yes."

33 If you disapprove of the act entitled below, make a cross (x), plus
34 (+), or check (O) mark in the square opposite the word "No."

35 If voting machines are used, a vote of "Yes" or "No" shall be
36 equivalent to these markings respectively.

1		PUBLIC LIBRARY CONSTRUCTION
2		BOND ISSUE
3		Shall the "New Jersey Library Construction
4		Bond Act of 1994," which authorizes the
5		State to issue bonds in the amount of
6		\$50,000,000.00 for the purpose of providing
7		matching grants for the construction of public
8	YES	libraries; and in a principal amount sufficient
9		to refinance any of the bonds if the same will
10		result in a present value savings; and
11		providing the ways and means to pay the
12		interest on the debt and also to pay and
13		discharge the principal thereof, be approved?
14		INTERPRETIVE STATEMENT
15		Approval of this act would authorize the sale
16		of \$50,000,000.00 in bonds to be used for a
17		matching grant program for the construction,
18		renovation, alteration or repair of public
19	NO	library buildings. The act also authorizes the
20		issuance of bonds in a sufficient amount to
21		refinance all or any of these bonds if the same
22		will result in a present value savings.
23		

24 The fact and date of the approval or passage of this act, as the case
 25 may be, may be inserted in the appropriate place after the title in the
 26 ballot. No other requirements of law of any kind or character as to
 27 notice or procedure, except as herein provided, need be adhered to.

28 The votes cast for and against the approval of this act, by ballot or
 29 voting machine, shall be counted and the result thereof returned by the
 30 election officer, and a canvass of the election had in the same manner
 31 as is provided for by law in the case of the election of a Governor, and
 32 the approval or disapproval of this act so determined shall be declared
 33 in the same manner as the result of an election for a Governor, and if
 34 there is a majority of all votes cast for and against it at the election in
 35 favor of the approval of this act, then all the provisions of this act not
 36 made effective theretofore shall take effect forthwith.

37

38 24. There is appropriated the sum of \$5,000.00 to the Department
 39 of State for expenses in connection with the publication of notice
 40 pursuant to section 23 of this act.

41

42 25. This section and sections 23 and 24 of this act shall take effect

1 immediately and the remainder of the act shall take effect as provided
2 in section 23.

3

4

5

STATEMENT

6

7 This bill creates the "New Jersey Library Construction Bond Act of
8 1994." It authorizes the issuance of general obligation bonds of this
9 State, after submission to and approval by the voters in the amount of
10 \$50,000,000.00 for the purpose of providing matching grants for the
11 construction, rehabilitation, expansion or repair of public library
12 buildings.

13 The grants shall be allocated pursuant to the provisions of the "New
14 Jersey Library Construction Incentive Act," P.L.1973, c.381
15 (C.18A:74-14 et seq.). To be eligible for a grant under that act, a
16 library must serve free of charge all residents of an area and receive
17 financial support from public funds. Under the regulations adopted by
18 the State Board of Education (N.J.A.C.6:68-4.1 et seq.), each grant
19 shall equal at least 20% of the total cost of the library project.

20

21

22

23

24 Authorizes issuance of \$50,000,000 in general obligation bonds to
25 help finance library construction and renovation and appropriates
26 \$5,000.