

ASSEMBLY STATE GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 934

STATE OF NEW JERSEY

DATED: MARCH 11, 1996

The Assembly State Government Committee reports favorably Assembly Bill No. 934.

This legislation permits any board of education which has adopted the early retirement incentive program authorized by P.L.1993, c.163, and the governing body of any county or municipality which has adopted the early retirement incentive program authorized by P.L.1993, c.99, P.L.1993, c.138, or P.L.1993, c.181, to authorize, by resolution or ordinance as appropriate, a special emergency appropriation to finance the cost of the program. Upon authorization of the appropriation, the board or the county or municipal governing body is to adopt, by two-thirds vote, a resolution or ordinance, as appropriate, setting forth (1) the amount appropriated, and (2) provisions for borrowing to fund the appropriation and the issuance of "Special Emergency Notes", which are to be renewable from time to time. At least 10% of these notes and renewals thereof are to mature and be paid each year, so that the entire issuance of notes and renewals shall have been paid by the end of the tenth year following the date of the resolution providing for issuance of the notes.

Any "Special Emergency Notes" under this legislation which are issued by a board of education are to be subject to the provisions of chapter 24 of Title 18A of the New Jersey Statutes, which governs loans and bonds and other obligations of boards of education. Any "Special Emergency Notes" under this legislation which are issued by a county or municipality are to be subject to those provisions of the "Local Budget Law" (chapter 4 of Title 40A of the New Jersey Statutes) relating to tax anticipation notes.

This bill was prefiled for introduction in the 1996 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.