

ASSEMBLY, No. 936

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblyman KRAMER and Assemblywoman WRIGHT

1 **AN ACT** to validate certain proceedings for the issuance of bonds and
2 notes issued or to be issued pursuant to such proceedings.

3

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

6

7 1. All proceedings heretofore had or taken by any municipality or
8 county or by any officials thereof for or in connection with the
9 authorization or issuance of bonds or notes of the municipality or
10 county pursuant to the "Local Bond Law," N.J.S.40A:2 et seq., and
11 any ordinance with respect to such bonds or notes heretofore adopted
12 and any bonds or notes of the municipality or county issued or to be
13 issued in pursuance of such proceedings or ordinance, are hereby
14 ratified, validated and confirmed notwithstanding that a supplemental
15 debt statement was not prepared and filed as required by the
16 provisions of N.J.S.40A:2-10 and notwithstanding that the ordinance
17 was not posted or published following introduction in accordance with
18 the provisions of N.J.S.40A:2-17; provided, however, that a
19 supplemental debt statement heretofore has been prepared and filed in
20 the places required by N.J.S.40A:2-10; and provided further, however,
21 that no action, suit or other proceeding of any nature to contest the
22 validity of such proceedings has heretofore been instituted prior to the
23 date on which this act takes effect and within the time fixed therefor
24 by or pursuant to law or rule of court, or when such time has not
25 heretofore expired, is instituted within 30 days after the effective date
26 of this act.

27

28 2. This act shall take effect immediately.

29

30

STATEMENT

32

This bill is intended to validate proceedings of municipalities and counties with respect to the adoption of ordinances authorizing the issuance of bonds and notes. Issuers have in the past relied upon

1 validating acts to cure defects in the adoption process. Generally,
2 every two years, the Legislature has adopted a validating act to
3 remedy errors relating to supplemental debt statement filings. A
4 validating act covering this subject matter has not been adopted in
5 more than three years.

6 Specifically, this bill will validate all proceedings taken by a county
7 or municipality or the officials thereof in connection with the
8 authorization or issuance of bonds or notes, notwithstanding that a
9 supplemental debt statement was not filed in accordance with
10 N.J.S.40A:2-10 and notwithstanding that the ordinance was not posted
11 or published in accordance with N.J.S.40A:2-17, so long as certain
12 specified conditions are met.

13

14

15

16

17 Validates certain municipal and county proceedings regarding adoption
18 of ordinances authorizing bonds and notes.