

ASSEMBLY, No. 1134

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblywoman MURPHY and Assemblyman DeCROCE

1 AN ACT concerning joint insurance fund refunds, amending
2 N.J.S.40A:4-39 and supplementing P.L.1983, c.372 (C.40A:10-36
3 et seq.).
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5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

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8 1. N.J.S.40A:4-39 is amended to read as follows:
9 40A:4-39. a. In the budget of any local unit, dedicated revenues
10 anticipated during the fiscal year from any dog tax, dog license, solid
11 fuel license, sinking fund for term bonds, bequest, escheat, federal
12 grant, motor vehicle fine dedicated to road repairs, relocation costs
13 deposited into a revolving relocation assistance fund established
14 pursuant to section 2 of P.L.1987, c.98 (C.20:4-4.1a), refund
15 payments from a joint insurance fund deposited into a joint insurance
16 revolving fund established pursuant to section 2 of P.L. , c.
17 (C.)(pending before the Legislature as this bill) and, subject to the
18 prior written consent of the director, other items of like character
19 when the revenue is not subject to reasonably accurate estimate in
20 advance, may be included in said budget by annexing to said budget a
21 statement in substantially the following form:

22 "The dedicated revenues anticipated during the year from
23 (here insert one or more of the sources above, as the case may
24 be) are hereby anticipated as revenue and are hereby appropriated for
25 the purposes to which said revenue is dedicated by statute or other
26 legal requirement."

27 b. Dedicated revenues included in accordance with this section
28 shall be available for expenditure by the local unit as and when
29 received in cash during the fiscal year. The inclusion of such dedicated
30 revenues shall be subject to the approval of the director, who may
31 require such explanatory statements or data in connection therewith as

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 he deems advisable for the information and protection of the public.
2 (cf: P.L.1987, c.98, s.1)

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4 2. (New section) The governing body of any local unit that has
5 established a joint insurance fund may by resolution or ordinance, as
6 appropriate, establish a joint insurance revolving fund into which may
7 be deposited any refunds paid to the local unit by the joint insurance
8 fund to be dedicated for the payment of liabilities to the fund in future
9 years. In no event shall amounts deposited in a joint insurance
10 revolving fund exceed the annual amount contributed by the local unit
11 to the joint insurance fund during the prior year.

12 Moneys appropriated from the joint insurance revolving fund shall
13 be used by the local unit to cover losses attributable to claims being
14 paid by the joint insurance fund in future years which exceed
15 contributions paid into the joint insurance fund by the local unit.

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17 3. This act shall take effect immediately.

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STATEMENT

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22 This bill would authorize a local unit to establish a dedicated fund
23 into which may be deposited refunds from a joint insurance fund,
24 which amounts would be retained to protect against a future year when
25 claims payable by the joint insurance fund exceed contributions paid
26 into the joint insurance fund by the local unit. Maintenance of such a
27 revolving fund would allow a local unit to have assets readily available
28 to make additional contributions into the joint insurance fund when
29 they are needed without resorting to raising monies at that time.

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Authorizes establishment of joint insurance revolving fund.