

ASSEMBLY, No. 1643

STATE OF NEW JERSEY

INTRODUCED MARCH 4, 1996

By Assemblymen CHARLES and ROBERTS

1 AN ACT authorizing the creation of a debt of the State of New Jersey
2 by the issuance of bonds of the State in the aggregate principal
3 amount of \$35,000,000 for the purpose of providing financing for
4 the demolition and disposal of unsafe buildings in urban and rural
5 centers; providing the ways and means to pay and discharge the
6 principal of and interest on the bonds; providing for the submission
7 of this act to the people at a general election; and making an
8 appropriation therefor.

9

10 **BE IT RESOLVED** *by the Senate and General Assembly of the State*
11 *of New Jersey:*

12

13 1. This act shall be known and may be cited as the "Urban and
14 Rural Centers Unsafe Buildings Demolition Bond Act."

15

16 2. The Legislature finds and declares that:

17 a. The State's older urban areas and rural centers have a long
18 history as important residential, commercial, and industrial locations.

19 b. These older areas because of their history have many buildings,
20 which due to age, lack of proper maintenance, or abandonment, have
21 significantly deteriorated.

22 c. Deteriorated buildings become unsafe for human occupancy or
23 continued business operations, and strain the financial resources of
24 those affected local governments which must handle the life
25 threatening problems associated with buildings that are untended and
26 become an inducement for illicit activities.

27 d. To help redress the problems exacerbated by deteriorated
28 buildings, the State should assist local governments with the costs of
29 demolishing and disposing of unsafe buildings, and the State should
30 directly redress the problems exacerbated by any deteriorated buildings
31 under direct State control in the older urban areas and rural centers.

32

33 3. As used in this act:

34 "Bonds" mean the bonds authorized to be issued, or issued, under
35 this act;

1 "Building demolition and disposal project" means any work relating
2 to the demolition and disposal of unsafe buildings in urban and rural
3 centers;

4 "Commission" means the New Jersey Commission on Capital
5 Budgeting and Planning;

6 "Commissioner" means the Commissioner of Community Affairs;

7 "Cost" means the expenses incurred in connection with: a building
8 demolition and disposal project; the execution of any agreements and
9 franchises deemed by the department to be necessary or useful and
10 convenient in connection with any building demolition or disposal
11 authorized by this act; the procurement of engineering, inspection,
12 planning, legal, financial, or other professional services, including the
13 services of a bond registrar or an authenticating agent; the issuance of
14 bonds, or any interest or discount thereon; the administrative,
15 organizational, operating, or other expenses incident to the financing
16 and completing of any project authorized by this act; the establishment
17 of a reserve fund or funds for working capital, operating, maintenance,
18 or replacement expenses and for the payment or security of principal
19 or 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 "Department" means the New Jersey Department of Community
26 Affairs or any agency or department successor to its power and
27 responsibilities;

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

37 "Urban and rural center" means any municipality eligible to receive
38 State aid under P.L.1977, c.260 (C.52:27D-162 et seq.) or P.L.1978,
39 c.14 (C.52:27D-178 et seq.).

40

41 4. The commissioner shall adopt, pursuant to the "Administrative
42 Procedure Act," P.L.1968 c.410 (C.52:14B-1 et seq.), rules and
43 regulations necessary to implement the provisions of this act. The
44 commissioner shall review and consider the findings and
45 recommendations of the commission in the administration of the
46 provisions of this act.

1 5. a. Bonds of the State of New Jersey are authorized to be issued
2 in the aggregate principal amount of \$35,000,000 for the purpose of
3 providing financing for the cost of the demolition and disposal of
4 unsafe buildings in urban and rural centers. Of this aggregate principal
5 amount, \$15,000,000 shall be used to provide grants to municipalities
6 and agencies and authorities thereof to assist building demolition and
7 disposal projects, \$15,000,000 shall be used to provide loans through
8 a revolving loan fund to municipalities and agencies and authorities
9 thereof to assist building demolition and disposal projects, and
10 \$5,000,000 shall be used by the State for building demolition and
11 disposal projects involving State-owned buildings or buildings owned
12 by a department or agency of the State.

13 b. Procedures for the review and approval of, and eligibility criteria
14 for, demolition and disposal of such buildings shall be established by
15 the commissioner. In addition to the eligibility criteria established by
16 the commissioner, a grant award shall require the applicant unit of
17 municipal government to provide an equal amount in matching funds
18 toward the cost of the building demolition and disposal project.

19 The commissioner shall prepare a priority list of eligible municipal
20 projects based upon requests from municipal governing bodies or
21 agencies or authorities thereof, and upon need, as determined by the
22 commissioner. The commissioner shall prepare a priority list of
23 eligible State projects based upon requests from the State Treasurer.
24 The commissioner shall give priority to those projects that involve the
25 demolition and disposal of an unsafe building: (1) as a necessary
26 prerequisite to the erection of a new building by a governmental entity,
27 non-profit organization, or a private individual or commercial
28 enterprise pursuant to construction plans that have been approved by
29 the municipality; or (2) which has been shown to the satisfaction of the
30 commissioner to pose an imminent and extreme hazard to the health
31 and safety of the surrounding community.

32 Funds shall be appropriated by the Legislature only in accordance
33 with those priority lists.

34
35 6. The bonds authorized under this act shall be serial bonds, term
36 bonds, or a combination thereof, and shall be known as "Urban and
37 Rural Centers Unsafe Buildings Demolition Bonds." They shall be
38 issued from time to time as the issuing officials herein named shall
39 determine and may be issued in coupon form, fully-registered form or
40 book-entry form. The bonds may be subject to redemption prior to
41 maturity and shall mature and be paid not later than 35 years from the
42 respective dates of their issuance.

43
44 7. The Governor, the State Treasurer and the Director of the
45 Division of Budget and Accounting in the Department of the Treasury,
46 or any two of these officials, herein referred to as "the issuing

1 officials," are authorized to carry out the provisions of this act relating
2 to the issuance of bonds, and shall determine all matters in connection
3 therewith, subject to the provisions of this act. If an issuing official is
4 absent from the State or incapable of acting for any reason, the powers
5 and duties of that issuing official shall be exercised and performed by
6 the person authorized by law to act in an official capacity in the place
7 of that issuing official.

8
9 8. Bonds issued in accordance with the provisions of this act shall
10 be a direct obligation of the State of New Jersey, and the faith and
11 credit of the State are pledged for the payment of the interest and
12 redemption premium thereon, if any, when due, and for the payment
13 of the principal thereof at maturity or earlier redemption date. The
14 principal of and interest on the bonds shall be exempt from taxation by
15 the State or by any county, municipality or other taxing district of the
16 State.

17
18 9. The bonds shall be signed in the name of the State by means of
19 the manual or facsimile signature of the Governor under the Great Seal
20 of the State, which seal may be by facsimile or by way of any other
21 form of reproduction on the bonds, and attested by the manual or
22 facsimile signature of the Secretary of the State, or an Assistant
23 Secretary of State, and shall be countersigned by the facsimile
24 signature of the Director of the Division of Budget and Accounting in
25 the Department of the Treasury and may be manually authenticated by
26 an authenticating agent or bond registrar, as the issuing official shall
27 determine. Interest coupons, if any, attached to the bonds shall be
28 signed by the facsimile signature of the Director of the Division of
29 Budget and
30 Accounting in the Department of the Treasury. The bonds may be
31 issued notwithstanding that an official signing them or whose manual
32 or facsimile signature appears on the bonds or coupons has ceased to
33 hold office at the time of issuance, or at the time of the delivery of the
34 bonds to the purchaser thereof.

35
36 10. a. The bonds shall recite that they are issued for the purposes
37 set forth in section 5 of this act, that they are issued pursuant to this
38 act, that this act was submitted to the people of the State at the
39 general election held in the month of November, 1995, and that this
40 act was approved by a majority of the legally qualified voters of the
41 State voting thereon at the election. This recital shall be conclusive
42 evidence of the authority of the State to issue the bonds and their
43 validity. Any bonds containing this recital shall, in any suit, action or
44 proceeding involving their validity, be conclusively deemed to be fully
45 authorized by this act and to have been issued, sold, executed and
46 delivered in conformity herewith and with all other provisions of laws

1 applicable hereto, and shall be incontestable for any cause.

2 b. The bonds shall be issued in those denominations and in the form
3 or forms, whether coupon, fully-registered or book-entry, and with or
4 without provisions for interchangeability thereof, as may be
5 determined by the issuing officials.

6
7 11. When the bonds are issued from time to time, the bonds of
8 each issue shall constitute a separate series to be designated by the
9 issuing officials. Each series of bonds shall bear such rate or rates of
10 interest as may be determined by the issuing officials, which interest
11 shall be payable semiannually; except that the first and last interest
12 periods may be longer or shorter, in order that intervening semiannual
13 payments may be at convenient dates.

14
15 12. The bonds shall be issued and sold at the price or prices and
16 under the terms, conditions and regulations as the issuing officials may
17 prescribe, after notice of the sale, published at least once in at least
18 three newspapers published in this State, and at least once in a
19 publication carrying municipal bond notices and devoted primarily to
20 financial news, published in this State or in the city of New York, the
21 first notice to appear at least five days prior to the day of bidding. The
22 notice of sale may contain a provision to the effect that any bid in
23 pursuance thereof may be rejected. In the event of rejection or failure
24 to receive any acceptable bid, the issuing officials, at any time within
25 60 days from the date of the advertised sale, may sell the bonds at a
26 private sale at such price or prices under the terms and conditions as
27 the issuing officials may prescribe. The issuing officials may sell all or
28 part of the bonds of any series as issued to any State fund or to the
29 federal government or any agency thereof, at a private sale, without
30 advertisement.

31
32 13. Until permanent bonds are prepared, the issuing officials may
33 issue temporary bonds in the form and with those privileges as to their
34 registration and exchange for permanent bonds as may be determined
35 by the issuing officials.

36
37 14. The proceeds from the sale of bonds used to provide grants to
38 municipalities and agencies and authorities thereof to assist building
39 demolition and disposal projects and for State building demolition and
40 disposal projects shall be paid to the State Treasurer and be held by
41 the State Treasurer in a separate fund, and be deposited in such
42 depositories as may be selected by the State Treasurer to the credit of
43 the fund, which fund shall be known as the "Urban and Rural Centers
44 Unsafe Buildings Demolition Fund."

1 15. a. The moneys in the "Urban and Rural Centers Unsafe
2 Buildings Demolition Fund" are specifically dedicated and shall be
3 applied to the cost of grants to municipalities and agencies and
4 authorities thereof to assist building demolition and disposal projects
5 and for State building demolition and disposal projects as set forth in
6 section 5 of this act. However, no moneys in the fund shall be
7 expended for those purposes, except as otherwise authorized by this
8 act, without the specific appropriation thereof by the Legislature, but
9 bonds may be issued as herein provided, notwithstanding that the
10 Legislature shall not have then adopted an act making a specific
11 appropriation of any of the moneys. Any act appropriating moneys
12 from the "Urban and Rural Centers Unsafe Buildings Demolition
13 Fund" shall identify the project to be funded by the moneys.

14 b. At any time prior to the issuance and sale of bonds under this
15 act, the State Treasurer is authorized to transfer from any available
16 moneys in any fund of the treasury of the State to the credit of the
17 "Urban and Rural Centers Unsafe Buildings Demolition Fund" those
18 sums as the State Treasurer may deem necessary. The sums so
19 transferred shall be returned to the same fund of the treasury of the
20 State by the State Treasurer from the proceeds of the sale of the first
21 issue of bonds.

22 c. Pending their application to the purposes provided in this act,
23 the moneys in the "Urban and Rural Centers Unsafe Buildings
24 Demolition Fund" may be invested and reinvested as are other trust
25 funds in the custody of the State Treasurer, in the manner provided by
26 law. Net earnings received from the investment or deposit of moneys
27 in the "Urban and Rural Centers Unsafe Buildings Demolition Fund"
28 shall be paid into the General Fund.

29

30 16. The proceeds from the sale of bonds used to provide loans to
31 municipalities and agencies and authorities thereof to assist building
32 demolition and disposal projects shall be paid to the State Treasurer
33 and be held by the State Treasurer in a separate fund, and be deposited
34 in such depositories as may be selected by the State Treasurer to the
35 credit of the fund, which fund shall be known as the "Urban and Rural
36 Centers Unsafe Buildings Demolition Revolving Loan Fund."
37

38 17. a. The moneys in the "Urban and Rural Centers Unsafe
39 Buildings Demolition Revolving Loan Fund" are specifically dedicated
40 and shall be applied to the cost of making low-interest loans to
41 municipalities and agencies and authorities thereof for building
42 demolition and disposal projects as set forth in section 5 of this act.
43 However, no moneys in the fund shall be expended for those purposes,
44 except as otherwise authorized by this act, without the specific
45 appropriation thereof by the Legislature, but bonds may be issued as
46 herein provided, notwithstanding that the Legislature shall not have

1 then adopted an act making a specific appropriation of any of the
2 moneys. Any act appropriating moneys from the "Urban and Rural
3 Centers Unsafe Buildings Demolition Revolving Loan Fund" shall
4 identify the project to be funded by the moneys.

5 b. Loans issued from the "Urban and Rural Centers Unsafe
6 Buildings Demolition Revolving Loan Fund" shall be for a term as
7 determined by the commissioner not to exceed 20 years and at an
8 interest rate determined by the commissioner not to exceed 4 per cent
9 per year. The terms of any loan agreement shall be approved by the
10 State Treasurer. Any loan made from the "Urban and Rural Centers
11 Unsafe Buildings Demolition Revolving Loan Fund" shall be awarded
12 based upon the criteria and procedures established pursuant to section
13 5 of this act, except that no specific proportion of matching funds shall
14 be required of loan applicants. The commissioner shall, however,
15 consider the extent of matching funds in reviewing loan applications.

16 c. 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 "Urban and Rural Centers Unsafe Buildings Demolition Revolving
20 Loan Fund" those sums as the State Treasurer may deem necessary.
21 The sums so transferred shall be returned to the same fund of the
22 treasury of the State by the State Treasurer from the proceeds of the
23 sale of the first issue of bonds.

24 d. Pending their application to the purposes provided in this act,
25 the moneys in the "Urban and Rural Centers Unsafe Buildings
26 Demolition Revolving Loan Fund" may be invested and reinvested as
27 are other trust funds in the custody of the State Treasurer, in the
28 manner provided by law. All repayments of loans made pursuant to
29 this act, and interest thereon, shall be deposited in the "Urban and
30 Rural Centers Unsafe Buildings Demolition Revolving Loan Fund."
31 Earnings received from monies in the fund shall be credited to the
32 fund.

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

42
43 19. The accrued interest, if any, received upon the sale of the
44 bonds shall be applied to the discharge of a like amount of interest
45 upon the bonds when due. Any expense incurred by the issuing
46 officials for advertising, engraving, printing, clerical, authenticating,

1 registering, legal or other services necessary to carry out the duties
2 imposed upon them by the provisions of this act shall be paid from the
3 proceeds of the sale of the bonds by the State Treasurer, upon the
4 warrant of the Director of the Division of Budget and Accounting in
5 the Department of the Treasury, in the same manner as other
6 obligations of the State are paid.

7

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

15

16 21. Any bond or bonds issued hereunder which are subject to
17 refinancing pursuant to the "Refunding Bond Act of 1985," P.L.1985,
18 c.74 as amended by P.L.1992, c.182 (C.49:2B-1 et seq.), shall no
19 longer be deemed to be outstanding, shall no longer constitute a direct
20 obligation of the State of New Jersey, and the faith and credit of the
21 State shall no longer be pledged to the payment of the principal of,
22 redemption premium, if any, and interest on the bonds, and the bonds
23 shall be secured solely by and payable solely from moneys and
24 government securities deposited in trust with one or more trustees or
25 escrow agents, which trustees and escrow agents shall be trust
26 companies or national or state banks having powers of a trust
27 company, located either within or without the State, as provided
28 herein, whenever there shall be deposited in trust with the trustees or
29 escrow agents, as provided herein, either moneys or government
30 securities, including government securities issued or held in book-entry
31 form on the books of the Department of Treasury of the United States,
32 the principal of and interest on which when due will provide money
33 which, together with the moneys, if any, deposited with the trustees or
34 escrow agents at the same time, shall be sufficient to pay when due the
35 principal of, redemption premium, if any, and interest due and to
36 become due on the bonds on or prior to the redemption date or
37 maturity date thereof, as the case may be; provided the government
38 securities shall not be subject to redemption prior to their maturity
39 other than at the option of the holder thereof. The State of New
40 Jersey hereby covenants with the holders of any bonds for which
41 government securities or moneys shall have been deposited in trust
42 with the trustees or escrow agents as provided in this section that,
43 except as otherwise provided in this section, neither the government
44 securities nor moneys so deposited with the trustees or escrow agents
45 shall be withdrawn or used by the State for any purpose other than,
46 and shall be held in trust for, the payment of the principal of,

1 redemption premium, if any, and interest to become due on the bonds;
2 provided that any cash received from the principal or interest payments
3 on the government securities deposited with the trustees or escrow
4 agents, to the extent the cash will not be required at any time for that
5 purpose, shall be paid over to the State, as received by the trustees or
6 escrow agents, free and clear of any trust, lien, pledge or assignment
7 securing the bonds; and to the extent the cash will be required for that
8 purpose at a later date, shall, to the extent practicable and legally
9 permissible, be reinvested in government securities maturing at times
10 and in amounts sufficient to pay when due the principal of,
11 redemption premium, if any, and interest to become due on the bonds
12 on and prior to the redemption date or maturity date thereof, as the
13 case may be, and interest earned from the reinvestments shall be paid
14 over to the State, as received by the trustees or escrow agents, free
15 and clear of any trust, lien or pledge securing the bonds.
16 Notwithstanding anything to the contrary contained herein: a. the
17 trustees or escrow agents shall, if so directed by the issuing officials,
18 apply moneys on deposit with the trustees or escrow agents pursuant
19 to the provisions of this section, and redeem or sell government
20 securities so deposited with the trustees or escrow agents, and apply
21 the proceeds thereof to (1) the purchase of the bonds which were
22 refinanced by the deposit with the trustees or escrow agents of the
23 moneys and government securities and immediately thereafter cancel
24 all bonds so purchased, or (2) the purchase of different government
25 securities; provided however, that the moneys and government
26 securities on deposit with the trustees or escrow agents after the
27 purchase and cancellation of the bonds or the purchase of different
28 government securities shall be sufficient to pay when due the principal
29 of, redemption premium, if any, and interest on all other bonds in
30 respect of which the moneys and government securities were deposited
31 with the trustees or escrow agents on or prior to the redemption date
32 or maturity date thereof, as the case may be; and b. in the event that
33 on any date, as a result of any purchases and cancellations of bonds or
34 any purchases of different government securities, as provided in this
35 sentence, the total amount of moneys and government securities
36 remaining on deposit with the trustees or escrow agents is in excess of
37 the total amount which would have been required to be deposited with
38 the trustees or escrow agents on that date in respect of the remaining
39 bonds for which the deposit was made in order to pay when due the
40 principal of, redemption premium, if any, and interest on the remaining
41 bonds, the trustees or escrow agents shall, if so directed by the issuing
42 officials, pay the amount of the excess to the State, free and clear of
43 any trust, lien, pledge or assignment securing the refunding bonds.

44

45 22. Refunding bonds issued pursuant to P.L.1985, c.74 as amended
46 by P.L.1992, c.182 (C.49:2B-1 et seq.) may be consolidated with

1 bonds issued pursuant to section 6 of this act or with bonds issued
2 pursuant to any other act for purposes of sale.

3

4 23. To provide funds to meet the interest and principal payment
5 requirements for the bonds and refunding bonds issued under this act
6 and outstanding, there is appropriated in the order following:

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

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

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

42

43 24. Should the State Treasurer, by December 31 of any year, deem
44 it necessary, because of the insufficiency of funds collected from the
45 sources of revenues as provided in this act, to meet the interest and
46 principal payments for the year after the ensuing year, then the State

1 Treasurer shall certify to the Director of the Division of Budget and
2 Accounting in the Department of the Treasury the amount necessary
3 to be raised by taxation for those purposes, the same to be assessed,
4 levied and collected for and in the ensuing calendar year. The
5 director shall, on or before March 1 following, calculate the amount
6 in dollars to be assessed, levied and collected in each county as herein
7 set forth. This calculation shall be based upon the corrected assessed
8 valuation of each county for the year preceding the year in which the
9 tax is to be assessed, but the tax shall be assessed, levied and collected
10 upon the assessed valuation of the year in which the tax is assessed
11 and levied. The director shall certify the amount to the county board
12 of taxation and the treasurer of each county. The county board of
13 taxation shall include the proper amount in the current tax levy of the
14 several taxing districts of the county in proportion to the ratables as
15 ascertained for the current year.

16

17 25. For the purpose of complying with the provisions of the State
18 Constitution, this act shall be submitted to the people at the general
19 election to be held in the month of November, 1995. To inform the
20 people of the contents of this act, it shall be the duty of the Secretary
21 of State, after this section takes effect, and at least 60 days prior to
22 the election, to cause this act to be published at least once in one or
23 more newspapers of each county, if any newspapers be published
24 therein and to notify the clerk of each county of this State of the
25 passage of this act; and the clerks respectively, in accordance with the
26 instructions of the Secretary of State, shall have printed on each of the
27 ballots the following:

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

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

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

1		URBAN AND RURAL CENTERS
2		UNSAFE BUILDINGS DEMOLITION
3		BOND ACT
4	YES	Shall the "Urban and Rural Centers Unsafe
5		Buildings Demolition Bond Act," which
6		authorizes the State to issue bonds in the
7		amount of \$35,000,000 for the purpose of
8		providing financing for the demolition and
9		disposal of unsafe buildings in urban and rural
10		centers and providing the ways and means to
11		pay the interest on the debt and also to pay
12		and discharge the principal thereof, be
13		approved?
14		INTERPRETIVE STATEMENT
15	NO	Approval of this act would authorize the sale
16		of \$35,000,000 in State general obligation
17		bonds to be used for the purpose of providing
18		\$15,000,000 in grants and \$15,000,000 in
19		low-interest loans to municipalities for the
20		demolition and disposal of unsafe buildings in
21		urban and rural centers, and \$5,000,000 to
22		finance the demolition and disposal of unsafe
23		State-owned buildings in urban and rural
24		centers.

25

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

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

40

41 26. There is appropriated the sum of \$5,000 to the Department of
 42 State for expenses in connection with the publication of notice
 43 pursuant to section 25 of this act.

1 27. The commissioner shall submit to the State Treasurer and the
2 commission with the department's annual budget request a plan for the
3 expenditure of funds from the "Urban and Rural Centers Unsafe
4 Buildings Demolition Fund" and the "Urban and Rural Centers Unsafe
5 Buildings Demolition Revolving Loan Fund" for the upcoming fiscal
6 year. This plan shall include the following information: a performance
7 evaluation of the expenditures made from the funds to date; a
8 description of programs planned during the upcoming fiscal year; a
9 copy of the regulations in force governing the operation of programs
10 that are financed, in part or in whole, by funds from the "Urban and
11 Rural Centers Unsafe Buildings Demolition Fund" and the "Urban and
12 Rural Centers Unsafe Buildings Demolition Revolving Loan Fund;"
13 and an estimate of expenditures for the upcoming fiscal year.

14
15 28. Immediately following the submission to the Legislature of the
16 Governor's annual budget message, the commissioner shall submit to
17 the Community Affairs Committee of the Senate and the Local
18 Government Committee of the General Assembly, or their designated
19 successors, and to the Joint Budget Oversight Committee, or its
20 successor, a copy of the plan called for under section 27 of this act,
21 together with such changes therein as may have been required by the
22 Governor's budget message.

23
24 29. Not less than 30 days prior to entering into any contract, lease,
25 obligation, or agreement to effectuate the purposes of this act, the
26 commissioner shall report to and consult with the Joint Budget
27 Oversight Committee, or its successor.

28
29 30. All appropriations from the "Urban and Rural Centers Unsafe
30 Buildings Demolition Fund" and the "Urban and Rural Centers Unsafe
31 Buildings Demolition Revolving Loan Fund" shall be by specific
32 project allocation, on a municipal area-by-area basis, and any transfer
33 of any funds so appropriated shall require the approval of the Joint
34 Budget Oversight Committee, or its successor.

35
36 31. This section and sections 25 and 26 of this act shall take effect
37 immediately and the remainder of this act shall take effect as and when
38 provided in section 25.

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STATEMENT

42

43 This bill authorizes the issuance of \$35 million in State general
44 obligation bonds to provide \$15 million for grants and \$15 million for
45 loans to municipalities, and \$5 million for the State, for the cost of
46 demolishing and disposing unsafe buildings in urban and rural areas.

1 The Commissioner of Community Affairs will review and approve
2 eligible projects submitted by units of municipal government and by
3 the State Treasurer and prepare priority lists of such projects. The
4 Legislature will appropriate bond funds only in accordance with those
5 lists.

6 The bill requires the commissioner to give priority to those projects
7 that involve the demolition and disposal of a building (1) as a
8 necessary prerequisite to the erection of a new building by a
9 governmental entity, non-profit organization, or a private individual or
10 commercial enterprise pursuant to construction plans that have been
11 approved by the municipality; or (2) which has been shown to the
12 satisfaction of the commissioner to pose an imminent and extreme
13 hazard to the health and safety of the surrounding community.

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17

18 "Urban and Rural Centers Unsafe Buildings Demolition Bond Act,"
19 authorizes bonds for \$35 million and appropriates \$5,000.