

SENATE, No. 865

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 26, 1996

By Senators RICE and Lipman

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 ENACTED** *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;

36 "Building demolition and disposal project" means any work relating
37 to the demolition and disposal of unsafe buildings in urban and rural

1 centers;

2 "Commission" means the New Jersey Commission on Capital
3 Budgeting and Planning;

4 "Commissioner" means the Commissioner of Community Affairs;

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

24 "Department" means the New Jersey Department of Community
25 Affairs or any agency or department successor to its power and
26 responsibilities;

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

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

39

40 4. The commissioner shall adopt, pursuant to the "Administrative
41 Procedure Act," P.L.1968 c.410 (C.52:14B-1 et seq.), rules and
42 regulations necessary to implement the provisions of this act. The
43 commissioner shall review and consider the findings and
44 recommendations of the commission in the administration of the
45 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 Accounting in the Department of the Treasury. The bonds
30 may be issued notwithstanding that an official signing them or whose
31 manual or facsimile signature appears on the bonds or coupons has
32 ceased to hold office at the time of issuance, or at the time of the
33 delivery of the bonds to the purchaser thereof.

34
35 10. a. The bonds shall recite that they are issued for the purposes
36 set forth in section 5 of this act, that they are issued pursuant to this
37 act, that this act was submitted to the people of the State at the
38 general election held in the month of November, 1996, and that this
39 act was approved by a majority of the legally qualified voters of the
40 State voting thereon at the election. This recital shall be conclusive
41 evidence of the authority of the State to issue the bonds and their
42 validity. Any bonds containing this recital shall, in any suit, action or
43 proceeding involving their validity, be conclusively deemed to be fully
44 authorized by this act and to have been issued, sold, executed and
45 delivered in conformity herewith and with all other provisions of laws
46 applicable hereto, and shall be incontestable for any cause.

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

5
6 11. When the bonds are issued from time to time, the bonds of
7 each issue shall constitute a separate series to be designated by the
8 issuing officials. Each series of bonds shall bear such rate or rates of
9 interest as may be determined by the issuing officials, which interest
10 shall be payable semiannually; except that the first and last interest
11 periods may be longer or shorter, in order that intervening semiannual
12 payments may be at convenient dates.

13
14 12. The bonds shall be issued and sold at the price or prices and
15 under the terms, conditions and regulations as the issuing officials may
16 prescribe, after notice of the sale, published at least once in at least
17 three newspapers published in this State, and at least once in a
18 publication carrying municipal bond notices and devoted primarily to
19 financial news, published in this State or in the city of New York, the
20 first notice to appear at least five days prior to the day of bidding. The
21 notice of sale may contain a provision to the effect that any bid in
22 pursuance thereof may be rejected. In the event of rejection or failure
23 to receive any acceptable bid, the issuing officials, at any time within
24 60 days from the date of the advertised sale, may sell the bonds at a
25 private sale at such price or prices under the terms and conditions as
26 the issuing officials may prescribe. The issuing officials may sell all or
27 part of the bonds of any series as issued to any State fund or to the
28 federal government or any agency thereof, at a private sale, without
29 advertisement.

30
31 13. Until permanent bonds are prepared, the issuing officials may
32 issue temporary bonds in the form and with those privileges as to their
33 registration and exchange for permanent bonds as may be determined
34 by the issuing officials.

35
36 14. The proceeds from the sale of bonds used to provide grants to
37 municipalities and agencies and authorities thereof to assist building
38 demolition and disposal projects and for State building demolition and
39 disposal projects shall be paid to the State Treasurer and be held by
40 the State Treasurer in a separate fund, and be deposited in such
41 depositories as may be selected by the State Treasurer to the credit of
42 the fund, which fund shall be known as the "Urban and Rural Centers
43 Unsafe Buildings Demolition Fund."

44
45 15. a. The moneys in the "Urban and Rural Centers Unsafe
46 Buildings Demolition Fund" are specifically dedicated and shall be

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

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

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

27

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

35

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

1 Centers Unsafe Buildings Demolition Revolving Loan Fund" shall
2 identify the project to be funded by the moneys.

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

14 c. 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 Revolving
18 Loan Fund" those sums as the State Treasurer may deem necessary.
19 The sums so transferred shall be returned to the same fund of the
20 treasury of the State by the State Treasurer from the proceeds of the
21 sale of the first issue of bonds.

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

31

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

40

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

1 proceeds of the sale of the bonds by the State Treasurer, upon the
2 warrant of the Director of the Division of Budget and Accounting in
3 the Department of the Treasury, in the same manner as other
4 obligations of the State are paid.

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

13
14 21. Any bond or bonds issued hereunder which are subject to
15 refinancing pursuant to the "Refunding Bond Act of 1985," P.L.1985,
16 c.74 as amended by P.L.1992, c.182 (C.49:2B-1 et seq.), shall no
17 longer be deemed to be outstanding, shall no longer constitute a direct
18 obligation of the State of New Jersey, and the faith and credit of the
19 State shall no longer be pledged to the payment of the principal of,
20 redemption premium, if any, and interest on the bonds, and the bonds
21 shall be secured solely by and payable solely from moneys and
22 government securities deposited in trust with one or more trustees or
23 escrow agents, which trustees and escrow agents shall be trust
24 companies or national or state banks having powers of a trust
25 company, located either within or without the State, as provided
26 herein, whenever there shall be deposited in trust with the trustees or
27 escrow agents, as provided herein, either moneys or government
28 securities, including government securities issued or held in book-entry
29 form on the books of the Department of Treasury of the United States,
30 the principal of and interest on which when due will provide money
31 which, together with the moneys, if any, deposited with the trustees or
32 escrow agents at the same time, shall be sufficient to pay when due the
33 principal of, redemption premium, if any, and interest due and to
34 become due on the bonds on or prior to the redemption date or
35 maturity date thereof, as the case may be; provided the government
36 securities shall not be subject to redemption prior to their maturity
37 other than at the option of the holder thereof. The State of New
38 Jersey hereby covenants with the holders of any bonds for which
39 government securities or moneys shall have been deposited in trust
40 with the trustees or escrow agents as provided in this section that,
41 except as otherwise provided in this section, neither the government
42 securities nor moneys so deposited with the trustees or escrow agents
43 shall be withdrawn or used by the State for any purpose other than,
44 and shall be held in trust for, the payment of the principal of,
45 redemption premium, if any, and interest to become due on the bonds;
46 provided that any cash received from the principal or interest payments

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

42
43 22. Refunding bonds issued pursuant to P.L.1985, c.74 as amended
44 by P.L.1992, c.182 (C.49:2B-1 et seq.) may be consolidated with
45 bonds issued pursuant to section 6 of this act or with bonds issued
46 pursuant to any other act for purposes of sale.

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

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

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

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

39
40 24. Should the State Treasurer, by December 31 of any year, deem
41 it necessary, because of the insufficiency of funds collected from the
42 sources of revenues as provided in this act, to meet the interest and
43 principal payments for the year after the ensuing year, then the State
44 Treasurer shall certify to the Director of the Division of Budget and
45 Accounting in the Department of the Treasury the amount necessary
46 to be raised by taxation for those purposes, the same to be assessed,

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

13

14 25. For the purpose of complying with the provisions of the State
15 Constitution, this act shall be submitted to the people at the general
16 election to be held in the month of November, 1996. To inform the
17 people of the contents of this act, it shall be the duty of the Secretary
18 of State, after this section takes effect, and at least 60 days prior to the
19 election, to cause this act to be published at least once in one or more
20 newspapers of each county, if any newspapers be published therein and
21 to notify the clerk of each county of this State of the passage of this
22 act; and the clerks respectively, in accordance with the instructions of
23 the Secretary of State, shall have printed on each of the ballots the
24 following:

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

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

29 If voting machines are used, a vote of "Yes" or "No" shall be
30 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
10		rural centers and providing the ways and
11		means to pay the interest on the debt and also
12		to pay 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.

44

45 27. The commissioner shall submit to the State Treasurer and the

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

13

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

22

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

27

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

34

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

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39

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STATEMENT

41

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

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

5

6

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8

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