

[Passed Both Houses]

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SENATE, No. 865

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# STATE OF NEW JERSEY

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INTRODUCED FEBRUARY 26, 1996

By Senators RICE, Lipman, Bubba, Assemblymen Charles, Roberts, Assemblywoman Turner, Assemblyman Stanley and Assemblywoman Cruz-Perez

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 <sup>3</sup>[\$35,000,000] \$20,000,000 f<sup>3</sup>r the purpose of  
4 providing financing for the demolition and disposal of unsafe  
5 buildings in urban and rural centers; providing the ways and means  
6 to pay and discharge the principal of and interest on the bonds;  
7 providing for the submission of this act to the people at a general  
8 election; and making an 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

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.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup> Senate SUP committee amendments adopted May 9, 1996.

<sup>2</sup> Assembly floor amendments adopted October 21, 1996.

<sup>3</sup> Senate amendments adopted in accordance with Governor's recommendations May 22, 1997.

1 continued business operations, and strain the financial resources of  
2 those affected <sup>2</sup>[local governments] municipalities<sup>2</sup> which must handle  
3 the life threatening problems associated with buildings that are  
4 untended and become an inducement for illicit activities.

5 d. To help redress the problems exacerbated by deteriorated  
6 buildings, the State should assist <sup>2</sup>[local governments] municipalities<sup>2</sup>  
7 with the costs of demolishing and disposing of unsafe buildings<sup>3</sup>[, and  
8 the State should directly redress the problems exacerbated by any  
9 deteriorated buildings under direct State control]<sup>3</sup> in the older urban  
10 areas and rural centers.

11  
12 3. As used in this act:

13 "Bonds" mean the bonds authorized to be issued, or issued, under  
14 this act;

15 "Building demolition and disposal project" means any work relating  
16 to the demolition and disposal of unsafe buildings in urban and rural  
17 centers;

18 "Commission" means the New Jersey Commission on Capital  
19 Budgeting and Planning;

20 "Commissioner" means the Commissioner of Community Affairs;

21 "Cost" means the expenses incurred in connection with: a building  
22 demolition and disposal project; the execution of any agreements and  
23 franchises deemed by the department to be necessary or useful and  
24 convenient in connection with any building demolition or disposal  
25 authorized by this act; the procurement of engineering, inspection,  
26 planning, legal, financial, or other professional services, including the  
27 services of a bond registrar or an authenticating agent; the issuance of  
28 bonds, or any interest or discount thereon; the administrative,  
29 organizational, operating, or other expenses incident to the financing  
30 and completing, of any project authorized by this act; the  
31 establishment of a reserve fund or funds for working capital,  
32 operating, maintenance, or replacement expenses and for the payment  
33 or security of principal or interest on bonds, as the Director of the  
34 Division of Budget and Accounting in the Department of the Treasury  
35 may determine; and reimbursement to any fund of the State of moneys  
36 which may have been transferred or advanced therefrom to any fund  
37 created by this act, or of any moneys which may have been expended  
38 therefrom for, or in connection with, any project authorized by this  
39 act;

40 "Department" means the New Jersey Department of Community  
41 Affairs or any agency or department successor to its power and  
42 responsibilities;

43 "Government securities" means any bonds or other obligations  
44 which as to principal and interest constitute direct obligations of, or  
45 are unconditionally guaranteed by, the United States of America,  
46 including obligations of any federal agency, to the extent those

1 obligations are unconditionally guaranteed by the United States of  
2 America, and any certificates or any other evidences of an ownership  
3 interest in those obligations of, or unconditionally guaranteed by, the  
4 United States of America or in specified portions which may consist  
5 of the principal of, or the interest on, those obligations;

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

9  
10 4. The commissioner shall adopt, pursuant to the "Administrative  
11 Procedure Act," P.L.1968 c.410 (C.52:14B-1 et seq.), rules and  
12 regulations necessary to implement the provisions of this act. The  
13 commissioner shall review and consider the findings and  
14 recommendations of the commission in the administration of the  
15 provisions of this act.

16  
17 5. a. Bonds of the State of New Jersey are authorized to be issued  
18 in the aggregate principal amount of <sup>3</sup>[\$35,000,000] \$20,000,000<sup>3</sup> for  
19 the purpose of providing financing for the cost of the demolition and  
20 disposal of unsafe buildings in urban and rural centers. Of this  
21 aggregate principal amount, <sup>3</sup>[\$15,000,000 shall be used to provide  
22 grants to municipalities and agencies and authorities thereof to assist  
23 building demolition and disposal projects, \$15,000,000] \$20,000,000<sup>3</sup>  
24 shall be used to provide loans through a revolving loan fund to  
25 municipalities and agencies and authorities thereof to assist building  
26 demolition and disposal projects<sup>3</sup>], and \$5,000,000 shall be used by the  
27 State for building demolition and disposal projects involving  
28 State-owned buildings or buildings owned by a department or agency  
29 of the State]<sup>3</sup>.

30 b. Procedures for the review and approval of, and eligibility criteria  
31 for, demolition and disposal of such buildings shall be established by  
32 the commissioner. <sup>3</sup>[In addition to the eligibility criteria established by  
33 the commissioner, a grant award shall require the applicant unit of  
34 municipal government to provide an equal amount in matching funds  
35 toward the cost of the building demolition and disposal project.]<sup>3</sup>

36 The commissioner shall prepare a priority list of eligible municipal  
37 projects based upon requests from municipal governing bodies or  
38 agencies or authorities thereof, and upon need, as determined by the  
39 commissioner <sup>1</sup>[. The commissioner shall prepare a priority list of  
40 eligible State projects based upon requests from the State Treasurer.  
41 The commissioner] and<sup>1</sup> shall give priority to those projects that  
42 involve the demolition and disposal of an unsafe building: (1) as a  
43 necessary prerequisite to the erection of a new building by a  
44 governmental entity, non-profit organization, or a private individual or  
45 commercial enterprise pursuant to construction plans that have been  
46 approved by the municipality; or (2) which has been shown to the

1 satisfaction of the commissioner to pose an imminent and extreme  
2 hazard to the health and safety of the surrounding community.

3 <sup>3</sup>[<sup>1</sup>The commissioner shall prepare a priority list of eligible State  
4 projects based upon requests from the State Treasurer.<sup>1</sup>]<sup>3</sup>

5 Funds shall be appropriated by the Legislature only in accordance  
6 with those priority lists.

7

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

16

17 7. The Governor, the State Treasurer and the Director of the  
18 Division of Budget and Accounting in the Department of the Treasury,  
19 or any two of these officials, herein referred to as "the issuing  
20 officials," are authorized to carry out the provisions of this act relating  
21 to the issuance of bonds, and shall determine all matters in connection  
22 therewith, subject to the provisions of this act. If an issuing official is  
23 absent from the State or incapable of acting for any reason, the powers  
24 and duties of that issuing official shall be exercised and performed by  
25 the person authorized by law to act in an official capacity in the place  
26 of that issuing official.

27

28 8. Bonds issued in accordance with the provisions of this act shall  
29 be a direct obligation of the State of New Jersey, and the faith and  
30 credit of the State are pledged for the payment of the interest and  
31 redemption premium thereon, if any, when due, and for the payment  
32 of the principal thereof at maturity or earlier redemption date. The  
33 principal of and interest on the bonds shall be exempt from taxation by  
34 the State or by any county, municipality or other taxing district of the  
35 State.

36

37 9. The bonds shall be signed in the name of the State by means of  
38 the manual or facsimile signature of the Governor under the Great Seal  
39 of the State, which seal may be by facsimile or by way of any other  
40 form of reproduction on the bonds, and attested by the manual or  
41 facsimile signature of the Secretary of the State, or an Assistant  
42 Secretary of State, and shall be countersigned by the facsimile  
43 signature of the Director of the Division of Budget and Accounting in  
44 the Department of the Treasury and may be manually authenticated by  
45 an authenticating agent or bond registrar, as the issuing <sup>2</sup>[official]  
46 officials<sup>2</sup> shall determine. Interest coupons, if any, attached to the

1 bonds shall be signed by the facsimile signature of the Director of the  
2 Division of Budget and Accounting in the Department of the Treasury.  
3 The bonds may be issued notwithstanding that an official signing them  
4 or whose manual or facsimile signature appears on the bonds or  
5 coupons has ceased to hold office at the time of issuance, or at the  
6 time of the delivery of the bonds to the purchaser thereof.

7  
8 10. a. The bonds shall recite that they are issued for the purposes  
9 set forth in section 5 of this act, that they are issued pursuant to this  
10 act, that this act was submitted to the people of the State at the  
11 general election held in the month of November, <sup>2</sup>[1996] 1997<sup>2</sup> and  
12 that this act was approved by a majority of the legally qualified voters  
13 of the State voting thereon at the election. This recital shall be  
14 conclusive evidence of the authority of the State to issue the bonds  
15 and their validity. Any bonds containing this recital shall, in any suit,  
16 action or proceeding involving their validity, be conclusively deemed  
17 to be fully authorized by this act and to have been issued, sold,  
18 executed and delivered in conformity herewith and with all other  
19 provisions of laws applicable hereto, and shall be incontestable for any  
20 cause.

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

25  
26 11. When the bonds are issued from time to time, the bonds of  
27 each issue shall constitute a separate series to be designated by the  
28 issuing officials. Each series of bonds shall bear such rate or rates of  
29 interest as may be determined by the issuing officials, which interest  
30 shall be payable semiannually; except that the first and last interest  
31 periods may be longer or shorter, in order that intervening semiannual  
32 payments may be at convenient dates.

33  
34 12. The bonds shall be issued and sold at the price or prices and  
35 under the terms, conditions and regulations as the issuing officials may  
36 prescribe, after notice of the sale, published at least once in at least  
37 three newspapers published in this State, and at least once in a  
38 publication carrying municipal bond notices and devoted primarily to  
39 financial news, published in this State or in the city of New York, the  
40 first notice to appear at least five days prior to the day of bidding. The  
41 notice of sale may contain a provision to the effect that any bid in  
42 pursuance thereof may be rejected. In the event of rejection or failure  
43 to receive any acceptable bid, the issuing officials, at any time within  
44 60 days from the date of the advertised sale, may sell the bonds at a  
45 private sale at such price or prices <sup>2</sup>and<sup>2</sup> under the terms and  
46 conditions as the issuing officials may prescribe. The issuing officials

1 may sell all or part of the bonds of any series as issued to any State  
2 fund or to the federal government or any agency thereof, at a private  
3 sale, without advertisement.

4  
5 13. Until permanent bonds are prepared, the issuing officials may  
6 issue temporary bonds in the form and with those privileges as to their  
7 registration and exchange for permanent bonds as may be determined  
8 by the issuing officials.

9  
10 <sup>3</sup>[14. The proceeds from the sale of bonds used to provide grants  
11 to municipalities and agencies and authorities thereof to assist building  
12 demolition and disposal projects and for State building demolition and  
13 disposal projects shall be paid to the State Treasurer and be held by  
14 the State Treasurer in a separate fund, and be deposited in such  
15 depositories as may be selected by the State Treasurer to the credit of  
16 the fund, which fund shall be known as the "Urban and Rural Centers  
17 Unsafe Buildings Demolition Fund."]<sup>3</sup>

18  
19 <sup>3</sup>[15. a. The moneys in the "Urban and Rural Centers Unsafe  
20 Buildings Demolition Fund" are specifically dedicated and shall be  
21 applied to the cost of grants to municipalities and agencies and  
22 authorities thereof to assist building demolition and disposal projects  
23 and for State building demolition and disposal projects as set forth in  
24 section 5 of this act. However, no moneys in the fund shall be  
25 expended for those purposes, except as otherwise authorized by this  
26 act, without the specific appropriation thereof by the Legislature, but  
27 bonds may be issued as herein provided, notwithstanding that the  
28 Legislature shall not have then adopted an act making a specific  
29 appropriation of any of the moneys. Any act appropriating moneys  
30 from the "Urban and Rural Centers Unsafe Buildings Demolition  
31 Fund" shall identify the project to be funded by the moneys. <sup>2</sup>The  
32 expenditure of funds appropriated for the cost of a building demolition  
33 and disposal project shall be conditioned upon the receipt of all  
34 approvals, consents, or permits required for the final demolition and  
35 disposal of the building.<sup>2</sup>

36 b. At any time prior to the issuance and sale of bonds under this  
37 act, the State Treasurer is authorized to transfer from any available  
38 moneys in any fund of the treasury of the State to the credit of the  
39 "Urban and Rural Centers Unsafe Buildings Demolition Fund" those  
40 sums as the State Treasurer may deem necessary. The sums so  
41 transferred shall be returned to the same fund of the treasury of the  
42 State by the State Treasurer from the proceeds of the sale of the first  
43 issue of bonds.

44 c. Pending their application to the purposes provided in this act,  
45 the moneys in the "Urban and Rural Centers Unsafe Buildings  
46 Demolition Fund" may be invested and reinvested as are other trust

1 funds in the custody of the State Treasurer, in the manner provided by  
2 law. Net earnings received from the investment or deposit of moneys  
3 in the "Urban and Rural Centers Unsafe Buildings Demolition Fund"  
4 shall be paid into the General Fund.]<sup>3</sup>

5  
6 <sup>3</sup>[16.] 14.<sup>3</sup> The proceeds from the sale of bonds used to provide  
7 loans to municipalities and agencies and authorities thereof to assist  
8 building demolition and disposal projects shall be paid to the State  
9 Treasurer and be held by the State Treasurer in a separate fund, and  
10 be deposited in such depositories as may be selected by the State  
11 Treasurer to the credit of the fund, which fund shall be known as the  
12 "Urban and Rural Centers Unsafe Buildings Demolition Revolving  
13 Loan Fund."

14  
15 <sup>3</sup>[17.] 15.<sup>3</sup> a. The moneys in the "Urban and Rural Centers Unsafe  
16 Buildings Demolition Revolving Loan Fund" are specifically dedicated  
17 and shall be applied to the cost of making low-interest loans to  
18 municipalities and agencies and authorities thereof for building  
19 demolition and disposal projects as set forth in section 5 of this act.  
20 However, no moneys in the fund shall be expended for those purposes,  
21 except as otherwise authorized by this act, without the specific  
22 appropriation thereof by the Legislature, but bonds may be issued as  
23 herein provided, notwithstanding that the Legislature shall not have  
24 then adopted an act making a specific appropriation of any of the  
25 moneys. Any act appropriating moneys from the "Urban and Rural  
26 Centers Unsafe Buildings Demolition Revolving Loan Fund" shall  
27 identify the project to be funded by the moneys. <sup>2</sup>The expenditure of  
28 funds appropriated for the cost of a building demolition and disposal  
29 project shall be conditioned on the receipt of all approvals, consents,  
30 or permits required for the final demolition and disposal of the  
31 building.<sup>2</sup>

32 b. Loans issued from the "Urban and Rural Centers Unsafe  
33 Buildings Demolition Revolving Loan Fund" shall be for a term as  
34 determined by the commissioner not to exceed 20 years and at an  
35 interest rate determined by the commissioner not to exceed 4 per cent  
36 per year. The terms of any loan agreement shall be approved by the  
37 State Treasurer. Any loan made from the "Urban and Rural Centers  
38 Unsafe Buildings Demolition Revolving Loan Fund" shall be awarded  
39 based upon the criteria and procedures established pursuant to section  
40 5 of this act <sup>3</sup>[, except that no specific proportion of matching funds  
41 shall be required of loan applicants]<sup>3</sup>. The commissioner shall,  
42 however, consider the extent of matching funds in reviewing loan  
43 applications.

44 c. At any time prior to the issuance and sale of bonds under this  
45 act, the State Treasurer is authorized to transfer from any available  
46 moneys in any fund of the treasury of the State to the credit of the

1 "Urban and Rural Centers Unsafe Buildings Demolition Revolving  
2 Loan Fund" those sums as the State Treasurer may deem necessary.  
3 The sums so transferred shall be returned to the same fund of the  
4 treasury of the State by the State Treasurer from the proceeds of the  
5 sale of the first issue of bonds.

6 d. Pending their application to the purposes provided in this act,  
7 the moneys in the "Urban and Rural Centers Unsafe Buildings  
8 Demolition Revolving Loan Fund" may be invested and reinvested as  
9 are other trust funds in the custody of the State Treasurer, in the  
10 manner provided by law. All repayments of loans made pursuant to  
11 this act, and interest thereon, shall be deposited in the "Urban and  
12 Rural Centers Unsafe Buildings Demolition Revolving Loan Fund."  
13 Earnings received from monies in the fund shall be credited to the  
14 fund.

15

16 <sup>3</sup>[18.] 16.<sup>3</sup> If any coupon bond, coupon or registered bond is lost,  
17 mutilated or destroyed, a new bond or coupon shall be executed and  
18 delivered of like tenor, in substitution for the lost, mutilated or  
19 destroyed bond or coupon, upon the owner furnishing to the issuing  
20 officials evidence satisfactory to them of the loss, mutilation or  
21 destruction of the bond or coupon, the ownership thereof, and  
22 security, indemnity and reimbursement for expenses connected  
23 therewith, as the issuing officials may require.

24

25 <sup>3</sup>[19.] 17.<sup>3</sup> The accrued interest, if any, received upon the sale of  
26 the bonds shall be applied to the discharge of a like amount of interest  
27 upon the bonds when due. Any expense incurred by the issuing  
28 officials for advertising, engraving, printing, clerical, authenticating,  
29 registering, legal or other services necessary to carry out the duties  
30 imposed upon them by the provisions of this act shall be paid from the  
31 proceeds of the sale of the bonds by the State Treasurer, upon the  
32 warrant of the Director of the Division of Budget and Accounting in  
33 the Department of the Treasury, in the same manner as other  
34 obligations of the State are paid.

35

36 <sup>3</sup>[20.] 18.<sup>3</sup> Bonds of each series issued hereunder shall mature,  
37 including any sinking fund redemptions, not later than the 35th year  
38 from the date of issue of that series, and in amounts as shall be  
39 determined by the issuing officials. The issuing officials may reserve  
40 to the State by appropriate provision in the bonds of any series the  
41 power to redeem any of the bonds prior to maturity at the price or  
42 prices and upon the terms and conditions as may be provided in the  
43 bonds.

44

45 <sup>3</sup>[21.] 19.<sup>3</sup> Any bond or bonds issued hereunder which are subject  
46 to refinancing pursuant to the "Refunding Bond Act of 1985,"

1 P.L.1985, c.74 as amended by P.L.1992, c.182 (C.49:2B-1 et seq.),  
2 shall no longer be deemed to be outstanding, shall no longer constitute  
3 a direct obligation of the State of New Jersey, and the faith and credit  
4 of the State shall no longer be pledged to the payment of the principal  
5 of, redemption premium, if any, and interest on the bonds, and the  
6 bonds shall be secured solely by and payable solely from moneys and  
7 government securities deposited in trust with one or more trustees or  
8 escrow agents, which trustees and escrow agents shall be trust  
9 companies or national or state banks having powers of a trust  
10 company, located either within or without the State, as provided  
11 herein, whenever there shall be deposited in trust with the trustees or  
12 escrow agents, as provided herein, either moneys or government  
13 securities, including government securities issued or held in book-entry  
14 form on the books of the Department of Treasury of the United States,  
15 the principal of and interest on which when due will provide money  
16 which, together with the moneys, if any, deposited with the trustees or  
17 escrow agents at the same time, shall be sufficient to pay when due the  
18 principal of, redemption premium, if any, and interest due and to  
19 become due on the bonds on or prior to the redemption date or  
20 maturity date thereof, as the case may be; provided the government  
21 securities shall not be subject to redemption prior to their maturity  
22 other than at the option of the holder thereof. The State of New  
23 Jersey hereby covenants with the holders of any bonds for which  
24 government securities or moneys shall have been deposited in trust  
25 with the trustees or escrow agents as provided in this section that,  
26 except as otherwise provided in this section, neither the government  
27 securities nor moneys so deposited with the trustees or escrow agents  
28 shall be withdrawn or used by the State for any purpose other than,  
29 and shall be held in trust for, the payment of the principal of,  
30 redemption premium, if any, and interest to become due on the bonds;  
31 provided that any cash received from the principal or interest payments  
32 on the government securities deposited with the trustees or escrow  
33 agents, to the extent the cash will not be required at any time for that  
34 purpose, shall be paid over to the State, as received by the trustees or  
35 escrow agents, free and clear of any trust, lien, pledge or assignment  
36 securing the bonds; and to the extent the cash will be required for that  
37 purpose at a later date, shall, to the extent practicable and legally  
38 permissible, be reinvested in government securities maturing at times  
39 and in amounts sufficient to pay when due the principal of, redemption  
40 premium, if any, and interest to become due on the bonds on and prior  
41 to the redemption date or maturity date thereof, as the case may be,  
42 and interest earned from the reinvestments shall be paid over to the  
43 State, as received by the trustees or escrow agents, free and clear of  
44 any trust, lien or pledge securing the bonds. Notwithstanding anything  
45 to the contrary contained herein: a. the trustees or escrow agents  
46 shall, if so directed by the issuing officials, apply moneys on deposit

1 with the trustees or escrow agents pursuant to the provisions of this  
2 section, and redeem or sell government securities so deposited with  
3 the trustees or escrow agents, and apply the proceeds thereof to (1)  
4 the purchase of the bonds which were refinanced by the deposit with  
5 the trustees or escrow agents of the moneys and government securities  
6 and immediately thereafter cancel all bonds so purchased, or (2) the  
7 purchase of different government securities; provided however, that  
8 the moneys and government securities on deposit with the trustees or  
9 escrow agents after the purchase and cancellation of the bonds or the  
10 purchase of different government securities shall be sufficient to pay  
11 when due the principal of, redemption premium, if any, and interest on  
12 all other bonds in respect of which the moneys and government  
13 securities were deposited with the trustees or escrow agents on or  
14 prior to the redemption date or maturity date thereof, as the case may  
15 be; and b. in the event that on any date, as a result of any purchases  
16 and cancellations of bonds or any purchases of different government  
17 securities, as provided in this sentence, the total amount of moneys  
18 and government securities remaining on deposit with the trustees or  
19 escrow agents is in excess of the total amount which would have been  
20 required to be deposited with the trustees or escrow agents on that  
21 date in respect of the remaining bonds for which the deposit was made  
22 in order to pay when due the principal of, redemption premium, if any,  
23 and interest on the remaining bonds, the trustees or escrow agents  
24 shall, if so directed by the issuing officials, pay the amount of the  
25 excess to the State, free and clear of any trust, lien, pledge or  
26 assignment securing the refunding bonds.

27

28 <sup>2</sup>[22.] 20.<sup>3</sup> Refunding bonds issued pursuant to P.L.1985, c.74 as  
29 amended by P.L.1992, c.182 (C.49:2B-1 et seq.) may be consolidated  
30 with bonds issued pursuant to section 6 of this act or with bonds  
31 issued pursuant to any other act for purposes of sale.

32

33 <sup>3</sup>[23.] 21.<sup>3</sup> To provide funds to meet the interest and principal  
34 payment requirements for the bonds and refunding bonds issued under  
35 this act and outstanding, there is appropriated in the order following:

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

39 b. If, at any time, funds necessary to meet the interest, redemption  
40 premium, if any, and principal payments on outstanding bonds issued  
41 under this act are insufficient or not available, there shall be assessed,  
42 levied and collected annually in each of the municipalities of the  
43 counties of this State, a tax on the real and personal property upon  
44 which municipal taxes are or shall be assessed, levied and collected,  
45 sufficient to meet the interest on all outstanding bonds issued  
46 hereunder and on the bonds proposed to be issued under this act in the

1 calendar year in which the tax is to be raised and for the payment of  
2 bonds falling due in the year following the year for which the tax is  
3 levied. The tax shall be assessed, levied and collected in the same  
4 manner and at the same time as are other taxes upon real and personal  
5 property. The governing body of each municipality shall cause to be  
6 paid to the county treasurer of the county in which the municipality is  
7 located, on or before December 15 in each year, the amount of tax  
8 herein directed to be assessed and levied, and the county treasurer  
9 shall pay the amount of the tax to the State Treasurer on or before  
10 December 20 in each year.

11 If on or before December 31 in any year, the issuing officials, by  
12 resolution, determine that there are moneys in the General Fund  
13 beyond the needs of the State, sufficient to meet the principal of  
14 bonds falling due and all interest and redemption premium, if any,  
15 payable in the ensuing calendar year, the issuing officials shall file the  
16 resolution in the office of the State Treasurer, whereupon the State  
17 Treasurer shall transfer the moneys to a separate fund to be designated  
18 by the State Treasurer, and shall pay the principal, redemption  
19 premium, if any, and interest out of that fund as the same shall become  
20 due and payable, and the other sources of payment of the principal,  
21 redemption premium, if any, and interest provided for in this section  
22 shall not then be available, and the receipts for the year from the tax  
23 specified in subsection a. of this section shall be considered and treated  
24 as part of the General Fund, available for general purposes.

25  
26 <sup>3</sup>[24.] 22.<sup>3</sup> Should the State Treasurer, by December 31 of any  
27 year, deem it necessary, because of the insufficiency of funds collected  
28 from the sources of revenues as provided in this act, to meet the  
29 interest and principal payments for the year after the ensuing year, then  
30 the State Treasurer shall certify to the Director of the Division of  
31 Budget and Accounting in the Department of the Treasury the amount  
32 necessary to be raised by taxation for those purposes, the same to be  
33 assessed, levied and collected for and in the ensuing calendar year.  
34 The director shall, on or before March 1 following, calculate the  
35 amount in dollars to be assessed, levied and collected in each county  
36 as herein set forth. This calculation shall be based upon the corrected  
37 assessed valuation of each county for the year preceding the year in  
38 which the tax is to be assessed, but the tax shall be assessed, levied  
39 and collected upon the assessed valuation of the year in which the tax  
40 is assessed and levied. The director shall certify the amount to the  
41 county board of taxation and the treasurer of each county. The county  
42 board of taxation shall include the proper amount in the current tax  
43 levy of the several taxing districts of the county in proportion to the  
44 ratables as ascertained for the current year.

1       <sup>3</sup> [25.] 23.<sup>3</sup> For the purpose of complying with the provisions of  
 2 the State Constitution, this act shall be submitted to the people at the  
 3 general election to be held in the month of November, <sup>2</sup>[ 1996] 1997<sup>2</sup>.  
 4 To inform the people of the contents of this act, it shall be the duty of  
 5 the Secretary of State, after this section takes effect, and at least 60  
 6 days prior to the election, to cause this act to be published at least  
 7 once in one or more newspapers of each county, if any newspapers be  
 8 published therein and to notify the clerk of each county of this State  
 9 of the passage of this act; and the clerks respectively, in accordance  
 10 with the instructions of the Secretary of State, shall have printed on  
 11 each of the ballots the following:

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

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

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

18

19 20 21 22 23 24 25 26 27 28 29 30 31	YES	<p style="text-align: center;">URBAN AND RURAL CENTERS UNSAFE BUILDINGS DEMOLITION BOND ACT</p> <p>Shall the "Urban and Rural Centers Unsafe Buildings Demolition Bond Act," which authorizes the State to issue bonds in the amount of <sup>3</sup>[\$35,000,000] <u>\$20,000,000</u><sup>3</sup> for the purpose of providing financing for the demolition and disposal of unsafe buildings in urban and rural centers and providing the ways and means to pay the interest on the debt and also to pay and discharge the principal thereof, be approved?</p>
32 33 34 35 36 37 38 39 40 41 42 43	NO	<p style="text-align: center;">INTERPRETIVE STATEMENT</p> <p>Approval of this act would authorize the sale of <sup>3</sup>[\$35,000,000] <u>\$20,000,000</u><sup>3</sup> in State general obligation bonds to be used for the purpose of providing <sup>3</sup>[\$15,000,000 in grants and \$15,000,000] <u>\$20,000,000</u><sup>3</sup> in low-interest loans to municipalities for the demolition and disposal of unsafe buildings in urban and rural centers <sup>3</sup>[, and \$5,000,000 to finance the demolition and disposal of unsafe State-owned buildings in urban and rural centers]<sup>3</sup>.</p>

44

45       The fact and date of the approval or passage of this act, as the case

1 may be, may be inserted in the appropriate place after the title in the  
2 ballot. No other requirements of law of any kind or character as to  
3 notice or procedure, except as herein provided, need be adhered to.

4 The votes so cast for and against the approval of this act, by ballot  
5 or voting machine, shall be counted and the result thereof returned by  
6 the election officer, and a canvass of the election had in the same  
7 manner as is provided for by law in the case of the election of a  
8 Governor, and the approval or disapproval of this act so determined  
9 shall be declared in the same manner as the result of an election for a  
10 Governor, and if there is a majority of all the votes cast for and against  
11 it at the election in favor of the approval of this act, then all the  
12 provisions of this act not made effective theretofore shall take effect  
13 forthwith.

14  
15 <sup>3</sup>[26.] 24.<sup>3</sup> There is appropriated the sum of \$5,000 to the  
16 Department of State for expenses in connection with the publication  
17 of notice pursuant to section <sup>3</sup>[25] 23<sup>3</sup> of this act.

18  
19 <sup>3</sup>[27.] 25.<sup>3</sup> The commissioner shall submit to the State Treasurer  
20 and the commission with the department's annual budget request a plan  
21 for the expenditure of funds from <sup>3</sup>[the "Urban and Rural Centers  
22 Unsafe Buildings Demolition Fund" and]<sup>3</sup> the "Urban and Rural  
23 Centers Unsafe Buildings Demolition Revolving Loan Fund" for the  
24 upcoming fiscal year. This plan shall include the following  
25 information: a performance evaluation of the expenditures made from  
26 the funds to date; a description of programs planned during the  
27 upcoming fiscal year; a copy of the regulations in force governing the  
28 operation of programs that are financed, in part or in whole, by funds  
29 from <sup>3</sup>[the "Urban and Rural Centers Unsafe Buildings Demolition  
30 Fund" and]<sup>3</sup> the "Urban and Rural Centers Unsafe Buildings  
31 Demolition Revolving Loan Fund;" and an estimate of expenditures for  
32 the upcoming fiscal year.

33  
34 <sup>3</sup>[28.] 26.<sup>3</sup> Immediately following the submission to the Legislature  
35 of the Governor's annual budget message, the commissioner shall  
36 submit to the Community Affairs Committee of the Senate and the  
37 Local Government Committee of the General Assembly, or their  
38 designated successors, and to the Joint Budget Oversight Committee,  
39 or its successor, a copy of the plan called for under section <sup>3</sup>[27] 25<sup>3</sup>  
40 of this act, together with such changes therein as may have been  
41 required by the Governor's budget message.

42  
43 <sup>3</sup>[29.] 27.<sup>3</sup> Not less than 30 days prior to entering into any  
44 contract, lease, obligation, or agreement to effectuate the purposes of  
45 this act, the commissioner shall report to and consult with the Joint  
46 Budget Oversight Committee, or its successor.

1       <sup>3</sup>[30. ] 28.<sup>3</sup> All appropriations from <sup>3</sup>[the "Urban and Rural  
2 Centers Unsafe Buildings Demolition Fund" and]<sup>3</sup> the "Urban and  
3 Rural Centers Unsafe Buildings Demolition Revolving Loan Fund"  
4 shall be by specific project allocation, on a municipal area-by-area  
5 basis, and any transfer of any funds so appropriated shall require the  
6 approval of the Joint Budget Oversight Committee, or its successor.  
7

8       <sup>3</sup>[31.] 29.<sup>3</sup> This section and sections <sup>3</sup>[ 25 and 26] 23 and 24<sup>3</sup> of  
9 this act shall take effect immediately and the remainder of this act shall  
10 take effect as and when provided in section <sup>3</sup>[25] 23<sup>3</sup>.  
11

11

12

13

14

15       "Urban and Rural Centers Unsafe Buildings Demolition Bond Act,"  
16 authorizes bonds for \$20 million and appropriates \$5,000.