

CHAPTER 184

AN ACT establishing a public library project grant program, supplementing Title 18A of the New Jersey Statutes and amending N.J.S.18A:72A-3.

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

C.18A:74-24 Definitions relative to public library project grant program.

1. For the purposes of this act:

"Area" means all or part of one or more political subdivisions of the State of New Jersey;

"Authority" means the "New Jersey Educational Facilities Authority" established pursuant to N.J.S.18A:72A-1 et seq.;

"Board" means the Public Library Construction Advisory Board established pursuant to section 3 of P.L.1999, c.184 (C.18A:74-26);

"Eligible project costs" means costs incurred in a project approved by the board;

"Fund" means the "Public Library Project Fund" established pursuant to section 2 of P.L.1999, c.184 (C.18A:74-25);

"Project" means any construction, expansion, rehabilitation or acquisition project eligible for a grant under regulations promulgated under section 3 of P.L.1999, c.184 (C.18A:74-26);

"Public library" means a library that serves free of charge all residents of an area as established pursuant to chapter 33 or chapter 54 of Title 40 of the New Jersey Statutes;

"Secretary" means the Secretary of State of the State of New Jersey or the Secretary's designated representative.

C.18A:74-25 "Public Library Project Fund."

2. The "Public Library Project Fund" is established as a separate account in the New Jersey Educational Facilities Authority to carry out the purposes of P.L.1999, c.184 (C.18A:74-24 et al.). The fund shall be administered by the authority and shall be credited with:

a. moneys received from the issuance of bonds, notes or other obligations issued pursuant to section 5 of P.L.1999, c.184 (C.18A:74-28);

b. moneys appropriated by the State for the purposes of the fund; and

c. all interest and investment earnings received on moneys in the fund.

C.18A:74-26 Public Library Construction Advisory Board.

3. There is created a Public Library Construction Advisory Board to be comprised of seven members as follows: the Secretary of State or the secretary's designee who shall serve as the chair; the State Librarian or the librarian's designee; a member of the State Library Advisory Council established pursuant to section 13 of P.L.1969, c.158 (C.18A:73-28), or the council's designee, who shall be chosen by the council and shall serve at the pleasure of the council and until a successor is chosen; and four persons with library, construction, or finance experience who shall be appointed by the Governor with the advice and consent of the Senate and who shall serve at the pleasure of the Governor and until their successors are appointed and shall have qualified.

Moneys in the fund shall be distributed as grants to public libraries for part of eligible project costs as enumerated in section 4 of P.L.1999, c.184 (C.18A:74-27), based on criteria and a competitive selection process established by the board. The board shall promulgate regulations prescribing procedures for applying for a grant and the terms and conditions for receiving a grant. A grant application shall include a complete description of the project to be financed and an identification of additional sources of revenue to be used. An application shall be reviewed, and approved or denied by the board in accordance with uniform procedures by resolution of the board. When a grant is approved by the board, the board shall establish the recommended grant amount and shall submit to the Joint Budget Oversight Committee, or its successor, the board's approved amount of the grant and a brief description of the project for approval by the committee. Any grant not disapproved by the Joint Budget Oversight Committee within 30 days of such submission shall be deemed approved by the committee. After a grant application is approved by the committee, the board shall forward a copy of the application and certify the approved amount of the grant to the authority.

C.18A:74-27 Project costs eligible for grants.

4. The following project costs shall be eligible for grants, at the discretion of the board:
 - a. Construction of new buildings to be used for public library purposes;
 - b. Expansion, rehabilitation or acquisition of existing buildings to be used for public library purposes;
 - c. Expenses, other than interest and the carrying charge on bonds, incurred after the effective date of P.L.1999, c.184 (C.18A:74-24 et al.), related to the acquisition of land on which there is to be construction of new buildings or expansion of existing buildings to be used for public library purposes, provided the expenses constitute an actual cost or a transfer of public funds in accordance with the usual procedures generally applicable to all State and local agencies and institutions;
 - d. Site grading and improvement of land on which buildings used for public library purposes are located or are to be located;
 - e. Architectural, engineering, consulting and inspection services related to the specific project for which application for financial assistance is made;
 - f. Expenses, other than interest and the carrying charges on bonds, related to the acquisition of existing buildings to be used for public library purposes, provided the expenses constitute an actual cost or a transfer of public funds in accordance with the usual procedures generally applicable to all State and local agencies and institutions; and
 - g. Expenses relating to the acquisition and installation of equipment to be located in public library facilities, including all necessary building fixtures and utilities, office furniture and public library equipment, such as library shelving and filing equipment, catalogs, cabinets, circulation desks, reading tables, study carrels, and information retrieval devices including video, voice, and data telecommunications equipment and linkages with a useful life of 10 years or more necessary for Internet access, but not including books or other library materials.

C.18A:74-28 Issuance of bonds, notes, other obligations; cap.

5. a. The authority shall from time to time issue bonds, notes or other obligations in an amount sufficient to finance the grants provided under P.L.1999, c.184 (C.18A:74-24 et al.) and to finance the administrative costs associated with the approval process and the issuance of the bonds, notes, or other obligations, provided however that the aggregate principal amount of the bonds, notes or other obligations shall not exceed \$45,000,000 and the term of any bond, note, or other obligation issued shall not exceed 30 years. In computing the foregoing limitation as to amount, there shall be excluded all bonds, notes or other obligations which have been retired or which shall be issued for refunding purposes, provided that the refunding is determined by the authority to result in a debt service savings. The authority shall issue the bonds, notes or other obligations in such manner as it shall determine in accordance with the provisions of P.L.1999, c.184 (C.18A:74-24 et al.) and the "New Jersey educational facilities authority law," N.J.S.18A:72A-1 et seq., provided that no bonds, notes or other obligations shall be issued pursuant to this section without the prior written consent of the State Treasurer.

b. The State Treasurer is hereby authorized to enter into a contract with the authority pursuant to which the State Treasurer, subject to available appropriations, shall pay the amount necessary to pay the principal and interest on bonds, notes and other obligations of the authority issued pursuant to P.L.1999, c.184 (C.18A:74-24 et al.) plus any amounts payable in connection with an agreement authorized under subsection f. of this section.

c. The authority shall enter into a contractual agreement with the appropriate local governing entity in the area served by the public library, and the agreement shall be approved by a resolution of the authority. Each agreement with an appropriate entity shall include provisions as may be necessary to ensure that the entity shall provide an amount equal to 300% of the grant amount.

The authority may enter into a loan agreement with the appropriate local governing entity in the area served by the public library to finance the entity's matching amounts for the project including, but not limited to, the payment of principal and interest on the bonds, notes and other obligations of the authority issued pursuant to this section or its share of any amount payable in connection with an agreement authorized pursuant to this section or the entity's share of any amount payable in connection with an agreement authorized under subsection f. of this section.

The loan may be secured by the entity's guarantee or the issuance of county or municipal bonds to the authority in a private sale.

d. Bonds, notes or other obligations issued pursuant to P.L.1999, c.184 (C.18A:74-24 et al.) shall not be in any way a debt or liability of the State or of any political subdivision thereof other than the authority and shall not create or constitute any indebtedness, liability or obligation of the State or of any political subdivision thereof, or be or constitute a pledge of the faith and credit of the State or of any political subdivision thereof, but all bonds, notes or other obligations, unless funded or refunded by the bonds, notes or other obligations of the authority, shall be payable solely from revenues of funds pledged or available for their payment as authorized by P.L.1999, c.184 (C.18A:74-24 et al.). Each bond, note or other obligation shall contain on its face a statement to the effect that the authority is obligated to pay the principal thereof, redemption premium, if any, or the interest thereon only from revenue or funds of the authority, and that neither the State nor any political subdivision thereof is obligated to pay the principal thereof, redemption premium, if any, or interest thereon, and that neither the faith and credit nor the taxing power of the State or of any political subdivision thereof is pledged to the payment of the principal of, redemption premium, if any, or the interest on the bonds, notes or other obligations.

e. The State of New Jersey does hereby pledge to and covenant and agree with the holders of any bonds, notes or other obligations issued pursuant to the authorization of P.L.1999, c.184 (C.18A:74-24 et al.) that the State shall not limit or alter the rights or powers hereby vested in the authority to perform and fulfill the terms of any agreement made with the holders of the bonds, notes or other obligations, or to fix, establish, charge and collect such rents, fees, rates, payments, or other charges as may be convenient or necessary to produce sufficient revenues to meet all expenses of the authority and to fulfill the terms of any agreement made with the holders of the bonds, notes and other obligations together with interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceedings by or on behalf of the holders, until the bonds, notes and other obligations, together with interest thereon, are fully met and discharged or provided for.

f. In connection with any bonds or refunding of bonds issued pursuant to this section, the authority may also enter into any revolving credit agreement; agreement establishing a line of credit or letter of credit; reimbursement agreement; interest rate exchange agreement; currency exchange agreement; interest rate floor cap, option, put or call to hedge payment, currency, rate, spread or similar exposure, or similar agreement; float agreement; forward agreement; insurance contract; surety bond; commitment to purchase or sell bonds; purchase or sale agreement; or commitment or other contract or agreement or other security agreement approved by the authority.

6. N.J.S.18A:72A-3 is amended to read as follows:

Definitions.

18A:72A-3. As used in this act, the following words and terms shall have the following meanings, unless the context indicates or requires another or different meaning or intent:

"Authority" means the New Jersey Educational Facilities Authority created by this chapter or any board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the authority by this chapter shall be given by law;

"Bond" means bonds or notes of the authority issued pursuant to this chapter;

"County college capital project" means any capital project of a county college certified pursuant to section 2 of P.L.1971, c.12 (C.18A:64A-22.2) and approved by the State Treasurer for funding pursuant to the "County College Capital Projects Fund Act," P.L.1997, c.360 (C.18A:72A-12.2 et seq.);

"Dormitory" means a housing unit with necessary and usual attendant and related facilities and equipment;

"Educational facility" means a structure suitable for use as a dormitory, dining hall, student union, administration building, academic building, library, laboratory, research facility,

classroom, athletic facility, health care facility, teaching hospital, and parking maintenance storage or utility facility and other structures or facilities related thereto or required or useful for the instruction of students or the conducting of research or the operation of an institution for higher education, and public libraries, and the necessary and usual attendant and related facilities and equipment, but shall not include any facility used or to be used for sectarian instruction or as a place for religious worship;

"Emerging needs program" means a program at one or more public or private institutions of higher education directed to meeting new and advanced technology needs or to supporting new academic programs in science and technology;

"Higher education equipment" means any property consisting of, or relating to, scientific, engineering, technical, computer, communications or instructional equipment;

"Participating college" means a public institution of higher education or private college which, pursuant to the provisions of this chapter, participates with the authority in undertaking the financing and construction or acquisition of a project;

"Project" means a dormitory or an educational facility or any combination thereof, or a county college capital project;

"Private college" means an institution for higher education other than a public college, situated within the State and which, by virtue of law or charter, is a nonprofit educational institution empowered to provide a program of education beyond the high school level;

"Private institution of higher education" means independent colleges or universities incorporated and located in New Jersey, which by virtue of law or character or license, are nonprofit educational institutions authorized to grant academic degrees and which provide a level of education which is equivalent to the education provided by the State's public institutions of higher education as attested by the receipt of and continuation of regional accreditation by the Middle States Association of Colleges and Schools, and which are eligible to receive State aid;

"Public institution of higher education" means Rutgers, The State University, the State colleges, the New Jersey Institute of Technology, the University of Medicine and Dentistry of New Jersey, the county colleges and any other public university or college now or hereafter established or authorized by law;

"University" means Rutgers, The State University.

7. This act shall take effect immediately.

Approved August 18, 1999.