

54:11D-1 et seq.

January 7, 1971

LEGISLATIVE HISTORY OF R.S. 54:11D-1 et seq.
(Distribution of certain tax revenues to municipalities)

Copy No. 2

L.1966 - Chap.135 - A855.

May 31 - Introduced by Tanzman and others.

Amended during passage (copies enclosed of original bill and amendment)

No statement on bill.

This law was part of a package of taxation laws passed in 1966. A copy is enclosed of a statement by the Governor on signing A855 of 1966 and the rest.

Amended by:

L.1967 - Chap.50 - A824.

April 3 - Introduced by Tanzman.

Amended during passage (copies enclosed of original bill and amendment).

No statement on bill.

L.1967 - Chap.261 - S525.

November 20 - Introduced by Waddington.

Not amended during passage.

No statement on bill.

L.1967 - Chap.286 - A956.

November 20 - Introduced by Hauser.

Amended during Passage.

Statement on bill. The section of the statement pertaining to chapter 11D of Title 54 reads:

Sections 21, to reinsert a paragraph omitted by error from the 1967 amendment (P.L.1967, C.50) of P.L.1966, Chapter 135, Section 4.

L.1968 - Chap.104 - S281

January 22 - Introduced by Dumont and others.

Amended during passage (copy enclosed of original bill with amendment).

No statement on bill.

Vetoed by Governor (copy enclosed of veto message)

Passed over Governor's veto

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January 7, 1971

(2)

Hearings and Reports:

974.90 New Jersey. Legislature. Senate.
T235 Committee on Taxation.
1968

Public hearing before Senate and Assembly
Committees on Taxation...
Held March 27, 1968. Trenton, N.J. 1968

This report discusses possible amendments to R.S.
54:11D-2 and S281 (L.1968, C.104) beginning at
page 88.

JH/EH
Enclosure

ASSEMBLY, No. 855

STATE OF NEW JERSEY

INTRODUCED MAY 31, 1966

Assemblymen TANZMAN, FEKETY, WILENTZ, DOREN, BRIGIANI,
BIBER and Assemblywoman KORDJA

Referred to Committee on Business Affairs

AN ACT concerning the distribution of certain tax revenues to the municipalities
of this State and supplementing Title 54 of the Revised Statutes.

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

1 1. The taxes received from the following:

2 (a) An act imposing an unincorporated business tax;

3 (b) An act imposing a State assessed tax on business personal prop-
4 erty;

5 (c) An act imposing a retail gross receipts tax; and

6 (d) An act amending the Corporation Business Tax Act (c. 162, L.
7 1945) but only with respect to the difference between that portion of the
8 tax on allocated net income at the rate of 1.75% and on allocated net in-
9 come at the rate of 3%,

10 shall be for the benefit of the municipalities of this State in replacement of
11 the revenues derived by such municipalities from the local taxation of per-
12 sonal property used in business.

1 2. The Director of the Division of Taxation shall determine the greatest
2 amount received by each municipality from the local levy upon personal
3 property used in business in 1964, 1965 or 1966, exclusive of the amount
4 raised from the personal property tax on the personal property of persons,

5 partnerships, associations or corporations subject to tax under chapter 4 of
6 the laws of 1940, and shall, on or before February 15, 1968, certify to the
7 State Treasurer the amounts so determined for each municipality and the
8 total amount for all municipalities.

1 3. The Director of the Division of Taxation shall, on or before May 15,
2 1968 and on or before May 15 annually thereafter, determine from the in-
3 formation then available the total amount of revenue (1) that will be raised
4 during the 12-months period ending on or before October 1 of that calendar
5 year from the taxes set forth in section 1 of this act and (2) that will be
6 available by way of appropriation for the purposes of this act, and shall
7 certify this amount to the State Treasurer.

8 The director shall, on or before October 15, 1968 and on or before
9 October 15 annually thereafter, certify to the State Treasurer any changes or
10 adjustments in the certification filed earlier in the year.

1 4. If the amount determined by the director in section 3 hereof shall
2 exceed the amount determined by the director in section 2 hereof, the direc-
3 tor shall allocate such excess amount among the municipalities of this State
4 in accordance with the following formula:

5 There shall be allocated to each municipality such amount as will be in
6 the same ratio to such excess amount, as the local property tax levied in the
7 municipality in the preceding calendar year upon commercial, industrial and
8 farm real estate (excluding railroad property) is to the total taxes levied
9 upon such property in all municipalities in the State in the same year.

10 The director shall total the amounts allocated to each municipality under
11 the provisions of this section and shall certify this amount to the State Treas-
12 urer on or before October 15, 1968 and on or before October 15 annually
13 thereafter.

1 5. The State Treasurer annually, on or before the date set forth in section
2 6 of this act, upon the certification of the Director of the Division of Taxation
3 and upon the warrant of the State Comptroller, shall pay and distribute to
4 each municipality the amount determined in accordance with the provisions of
5 sections 2 and 4 of this act:

6 (a) from the moneys collected from the taxes described in section 1 of
7 this act; and

8 (b) from such other funds as shall be appropriated by law for this
9 purpose.

1 6. The distribution required to be made by the State Treasurer under this
2 act shall be made as follows: The first installment shall be payable annually
3 on June 1, commencing on June 1, 1968 and shall consist of $\frac{1}{2}$ of the amount
4 certified under section 2 hereof; and the second installment shall be pay-
5 able on the succeeding November 1 of each year and shall consist of the
6 balance of the amount certified under section 2 hereof plus the municipality's
7 distributive share of the excess, if any, allocated under section 4 hereof.

1 7. No appeal or review may be taken by any person or any municipality
2 with respect to any of the provisions of this act except in the case of an
3 arithmetical or typographical error in the calculation of the distribution here-
4 under.

1 8. (a) The Director of the Division of Taxation is authorized to make
2 such rules and regulations, and to require such facts and information from
3 local tax assessors, county boards of taxation and agencies of the State
4 Government as he may deem necessary to carry out the provisions of this
5 act.

6 (b) The director may delegate to any officer or employee of his division
7 such of his powers as he may deem necessary to carry out efficiently the pro-
8 visions of this act, and the person or persons to whom such power has been
9 delegated shall possess and may exercise all of the powers and perform all
10 of the duties herein conferred and imposed upon the director.

1 9. This act shall take effect immediately.

ASSEMBLY COMMITTEE AMENDMENTS TO

ASSEMBLY, No. 855

STATE OF NEW JERSEY

ADOPTED JUNE 6, 1966

Amend page 3, section 6, line 7, after section 6 add the following new section:

"7. For the purpose of apportioning the amounts to be raised in the respective taxing districts of the county under Revised Statutes 54:4-49, the county board of taxation shall, for each taxing district, include in the equalization table for the county the assumed assessed value of the property represented by the money received by each taxing district pursuant to the provisions of this act.

"Commencing with the tax year 1969 and thereafter, the assumed assessed value of such property in each taxing district shall be determined by the county board of taxation in the following manner: (a) the amount of money received by each taxing district during the preceding tax year pursuant to the provisions of this act, shall be divided by the general tax rate of the taxing district for such preceding tax year to obtain an assumed assessed value of such property; (b) this assumed assessed value shall be divided by the fraction produced by dividing the aggregate assessed value by the aggregate true value of the real property, exclusive of Class II railroad property, in the taxing district; and (c) the resulting quotient shall be included in the net valuation of each taxing district on which county taxes are apportioned.

"For the tax year 1968, there shall be included in the equalization table for the county (a) 65% of the aggregate fair value of machinery, implements, and equipment and all other personal property used in business, other than inven-

tories, farm machinery, farm livestock, crops and produce and (b) 25% of the aggregate fair value of inventories (except inventories of raw materials, supplies and small tools) including 25% of the aggregate fair value of farm machinery, farm livestock, crops and produce, used in business, as determined for county apportionment purposes for the tax year 1967.”.

Amend page 3, section 7, line 1, delete “7.”, and insert in lieu thereof “8.”.

Amend page 3, section 8, line 1, delete “8.”, and insert in lieu thereof “9.”.

Amend page 3, section 9, line 1, delete “9.”, and insert in lieu thereof “10.”.

CHAPTER 135 LAWS OF N. J. 1966
APPROVED 6/12/66

[OFFICIAL COPY REPRINT]

ASSEMBLY, No. 855

STATE OF NEW JERSEY

INTRODUCED MAY 31, 1966

By Assemblymen TANZMAN, FEKETY, WILENTZ, DOREN, BRIGIANI,
BIBER and Assemblywoman KORDJA

Referred to Committee on Business Affairs

AN ACT concerning the distribution of certain tax revenues to the municipalities
of this State and supplementing Title 54 of the Revised Statutes.

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

1 1. The taxes received from the following:

2 (a) An act imposing an unincorporated business tax;

3 (b) An act imposing a State assessed tax on business personal prop-
4 erty;

5 (c) An act imposing a retail gross receipts tax; and

6 (d) An act amending the Corporation Business Tax Act (c. 162, L.
7 1945) but only with respect to the difference between that portion of the
8 tax on allocated net income at the rate of 1.75% and on allocated net in-
9 come at the rate of 3%,

10 shall be for the benefit of the municipalities of this State in replacement of
11 the revenues derived by such municipalities from the local taxation of per-
12 sonal property used in business.

1 2. The Director of the Division of Taxation shall determine the greatest
2 amount received by each municipality from the local levy upon personal
3 property used in business in 1964, 1965 or 1966, exclusive of the amount
4 raised from the personal property tax on the personal property of persons,

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

5 partnerships, associations or corporations subject to tax under chapter 4 of
6 the laws of 1940, and shall, on or before February 15, 1968, certify to the
7 State Treasurer the amounts so determined for each municipality and the
8 total amount for all municipalities.

1 3. The Director of the Division of Taxation shall, on or before May 15,
2 1968 and on or before May 15 annually thereafter, determine from the in-
3 formation then available the total amount of revenue (1) that will be raised
4 during the 12-months period ending on or before October 1 of that calendar
5 year from the taxes set forth in section 1 of this act and (2) that will be
6 available by way of appropriation for the purposes of this act, and shall
7 certify this amount to the State Treasurer.

8 The director shall, on or before October 15, 1968 and on or before
9 October 15 annually thereafter, certify to the State Treasurer any changes or
10 adjustments in the certification filed earlier in the year.

1 4. If the amount determined by the director in section 3 hereof shall
2 exceed the amount determined by the director in section 2 hereof, the direc-
3 tor shall allocate such excess amount among the municipalities of this State
4 in accordance with the following formula:

5 There shall be allocated to each municipality such amount as will be in
6 the same ratio to such excess amount, as the local property tax levied in the
7 municipality in the preceding calendar year upon commercial, industrial and
8 farm real estate (excluding railroad property) is to the total taxes levied
9 upon such property in all municipalities in the State in the same year.

10 The director shall total the amounts allocated to each municipality under
11 the provisions of this section and shall certify this amount to the State Treas-
12 urer on or before October 15, 1968 and on or before October 15 annually
13 thereafter.

1 5. The State Treasurer annually, on or before the date set forth in section
2 6 of this act, upon the certification of the Director of the Division of Taxation
3 and upon the warrant of the State Comptroller, shall pay and distribute to
4 each municipality the amount determined in accordance with the provisions of
5 sections 2 and 4 of this act:

6 (a) from the moneys collected from the taxes described in section 1 of
7 this act; and

8 (b) from such other funds as shall be appropriated by law for this
9 purpose.

1 6. The distribution required to be made by the State Treasurer under this
2 act shall be made as follows: The first installment shall be payable annually
3 on June 1, commencing on June 1, 1968 and shall consist of $\frac{1}{2}$ of the amount
4 certified under section 2 hereof; and the second installment shall be pay-
5 able on the succeeding November 1 of each year and shall consist of the
6 balance of the amount certified under section 2 hereof plus the municipality's
7 distributive share of the excess, if any, allocated under section 4 hereof.

1 **7. For the purpose of apportioning the amounts to be raised in the
2 respective taxing districts of the county under Revised Statutes 54:4-49, the
3 county board of taxation shall, for each taxing district, include in the equal-
4 ization table for the county the assumed assessed value of the property
5 represented by the money received by each taxing district pursuant to the
6 provisions of this act.*

7 *Commencing with the tax year 1969 and thereafter the assumed assessed
8 value of such property in each taxing district shall be determined by the
9 county board of taxation in the following manner: (a) the amount of money
10 received by each taxing district during the preceding tax year pursuant to
11 the provisions of this act, shall be divided by the general tax rate of the tax-
12 ing district for such preceding tax year to obtain an assumed assessed value
13 of such property; (b) this assumed assessed value shall be divided by the
14 fraction produced by dividing the aggregate assessed value by the aggregate
15 true value of the real property, exclusive of Class II railroad property, in
16 the taxing district; and (c) the resulting quotient shall be included in the net
17 valuation of each taxing district on which county taxes are apportioned.*

18 *For the tax year 1968, there shall be included in the equalization table
19 for the county (a) 65% of the aggregate fair value of machinery, imple-
20 ments, and equipment and all other personal property used in business, other*

21 *than inventories, farm machinery, farm livestock, crops and produce and (b)*
 22 *25% of the aggregate fair value of inventories (except inventories of raw*
 23 *materials, supplies and small tools) including 25% of the aggregate fair*
 24 *value of farm machinery, farm livestock, crops and produce, used in business,*
 25 *as determined for county apportionment purposes for the tax year 1967.**

1 ***[7.]*** *8.* No appeal or review may be taken by any person or any mu-
 2 nicipality with respect to any of the provisions of this act except in the case
 3 of an arithmetical or typographical error in the calculation of the distribution
 4 hereunder.

1 ***[8.]*** *9.* (a) The Director of the Division of Taxation is authorized to
 2 make such rules and regulations, and to require such facts and information
 3 from local tax assessors, county boards of taxation and agencies of the State
 4 Government as he may deem necessary to carry out the provisions of this
 5 act.

6 (b) The director may delegate to any officer or employee of his division
 7 such of his powers as he may deem necessary to carry out efficiently the pro-
 8 visions of this act, and the person or persons to whom such power has been
 9 delegated shall possess and may exercise all of the powers and perform all
 10 of the duties herein conferred and imposed upon the director.

1 ***[9.]*** *10.* This act shall take effect immediately.

FROM: OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE: FRIDAY
June 17, 1966

STATEMENT BY GOVERNOR RICHARD J. HUGHES
ON SIGNING OF BUSINESS TAX REFORM BILLS

The package of bills which I have approved today provides for the most sweeping reform of business taxes in the history of New Jersey. Together with the reform of State taxation, made possible through the earlier enactment of a broad-based tax, these measures -- most particularly the ones repealing and replacing the almost universally condemned Chapter 51 -- will enable New Jersey to offer, in addition to its other great attractions, an equitable tax structure to industries seeking a favorable location in which to grow and prosper. As an example, the benefits to manufacturing in this State will be enhanced by the elimination of sales allocation formulas which have burdened it for many years.

These reforms will bring tax stability without unduly burdening the business and industrial community and will resolve the perplexing problem of personal property taxation that has plagued this State during the past decade.

At this moment, I wish to express the extreme gratitude of the State to the members of the Governor's Committee on Local Property Taxation whose efforts have made this reform program possible and, most especially, to Assemblyman Tanzman whose leadership in the Legislature contributed substantially to the enactment of these measures.

A similar tribute must be extended to the Speaker of the General Assembly, Maurice Bandy, the prime sponsor of Assembly Bill No. 862 which implemented the Eleventh Report of the Tax Policy Commission by providing for the reform of the taxation of Class II railroad property. This measure maintains the financial stability of the communities in which railroad property is located at the same time that it provides a more equitable method for the taxation of this property. Together with the new Department of Transportation, which I intend to approve in the near future, this bill will permit New Jersey to deal realistically and effectively with our commuter crisis and the modern problems associated with mass transportation.

The 1966 session of the New Jersey Legislature has distinguished itself in almost every area of governmental activity. This is certainly true with regard to education, law enforcement, motor vehicle safety and labor reforms. I believe, however, that it may be in the area of tax reform and business relief and assistance that this Legislature will have made one of its most lasting and significant contributions. No society and certainly no government in this day and age can function meaningfully without a stable economic base. In recognition of this, the Legislature has provided a strong and durable economic foundation for the future of New Jersey businesses and government.

(more)

The other measures which have been approved are also of extreme importance and indicate the great breadth of attention that has been given to the problems of business, industry and the economy of New Jersey during the past legislative session. The State Economic Development Assistance Act, for example, will give New Jersey a tool to encourage the location of business in this State. The revision of the Area Redevelopment Act will help provide financial assistance to businesses seeking to establish and prosper in this State, and the provisions of Senate Bill No. 21 will encourage both new and old businesses to conduct their activities with a regard for their responsibilities to the public to prevent the pollution of our vital resources.

No one realizes better than I that even the great achievements which we celebrate today do not resolve all of our problems confronting business and industry. Unquestionably, further improvements are possible, and we will strive to achieve them. It seems most appropriate, therefore, that at this moment of accomplishment we undertake to commit ourselves to continue our efforts to improve the climate of New Jersey not only for business and industry but for all of our citizens.

Earlier today I asked representatives of organized labor to work with this administration to achieve a better New Jersey. I ask this same cooperation from business and industry so that all segments of our society can work together to bring about these greater goals.

(A complete list of measures approved by Governor Hughes today is attached hereto.)

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ASSEMBLY, No. 824

STATE OF NEW JERSEY

INTRODUCED APRIL 3, 1967

By Assemblymen TANZMAN

Referred to Committee on Business Affairs

AN ACT to amend "An act concerning the distribution of certain tax revenues to the municipalities of this State and supplementing Title 54 of the Revised Statutes," approved June 17, 1966 (P. L. 1966, c. 135).

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

3 1. Section 2 of the act of which this act is amendatory is amended
4 to read as follows:

5 2. The Director of the Division of Taxation shall determine the
6 greatest amount **received** *levied, as certified pursuant to Revised*
7 *Statutes 54:4-55*, by each municipality from the local levy upon
8 personal property used in business in 1964, 1965 or 1966, exclusive
9 of the amount raised from the personal property tax on the personal
10 property of persons, partnerships, associations or corporations
11 subject to tax under chapter 4 of the laws of 1940, and shall, on or
12 before February 15, 1968, certify to the State Treasurer the
13 amounts so determined for each municipality and the total amount
14 for all municipalities.

15 2. Section 4 of the act of which this act is amendatory is amended
16 to read as follows:

17 4. If the amount determined by the director in section 3 hereof
18 shall exceed the amount determined by the director in section 2
19 hereof, the director shall allocate such excess amount among the
20 municipalities of this State in accordance with the following
21 formula:

22 There shall be allocated to each municipality such amount as will
23 be in the same ratio to such excess amount, as the local property
24 tax levied, *as certified pursuant to Revised Statutes 54:4-55*, in the
25 municipality in the preceding calendar year upon commercial,
26 industrial and farm real estate (excluding railroad property) is
27 to the total taxes levied upon such property in all municipalities in

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

1 the State in the same year.

2 3. Section 7 of the act of which this act is amendatory is amended
3 to read as follows:

4 7. For the purpose of apportioning the amounts to be raised in
5 the respective taxing districts of the county under Revised Statutes
6 54:4-49, the county board of taxation shall, for each taxing district,
7 include in the equalization table for the county the assumed assessed
8 value of the property represented by the money received by each
9 taxing district pursuant to the provisions of this act.

10 Commencing with the tax year 1969 and thereafter the assumed
11 assessed value of such property in each taxing district shall be
12 determined by the county board of taxation in the following manner:

13 (a) the amount of money received by each taxing district during
14 the preceding tax year pursuant to the provisions of this act, shall
15 be divided by the general tax rate of the taxing district for such
16 preceding tax year to obtain an assumed assessed value of such
17 property; (b) this assumed assessed value shall be divided by the
18 fraction produced by dividing the aggregate assessed value by the
19 aggregate true value of the real property, *as determined by the*
20 *county board of taxation for equalization purposes in the current*
21 *tax year*, exclusive of Class II railroad property, in the taxing
22 district; and (c) the resulting quotient shall be included in the net
23 valuation of each taxing district on which county taxes are
24 apportioned.

25 For the tax year 1968, there shall be included in the equalization
26 table for the county (a) 65% of the aggregate fair value of ma-
27 chinery, implements, and equipment and all other personal property
28 used in business, other than inventories, farm machinery, farm
29 livestock, crops and produce and (b) 25% of the aggregate fair
30 value of inventories (except inventories of raw materials, supplies
31 and small tools) including 25% of the aggregate fair value of farm
32 machinery, farm livestock, crops and produce, used in business, as
33 determined for county apportionment purposes for the tax year
34 1967. *Provided, however, that in calculating the amounts to be*
35 *included under (a) of the foregoing sentence, there shall be ex-*
36 *cluded the 1967 valuations determined for the personal property of*
37 *telephone, telegraph and messenger systems companies, corpora-*
38 *tions or associations.*

39 4. This act shall take effect immediately.

SENATE COMMITTEE AMENDMENTS TO

ASSEMBLY, No. 824

STATE OF NEW JERSEY

ADOPTED MAY 1, 1967

Amend page 1, section 1, line 7, after the word "Statutes", delete "54:4-55," and insert "54:4-52,".

Amend page 1, section 1, line 7, after the word "municipality", delete the words "from the local levy".

Amend page 1, section 1, line 9, after the word "amount", insert the word "levied", and delete the words "raised from the personal property tax".

Amend page 1, section 1, line 14, after the word "municipalities", insert a new sentence as follows: "In calculating the amount levied for the year 1966, the director shall also include for each municipality the aggregate amount of increases, if any, in taxable valuations of business personal property (exclusive of the personal property of persons, partnerships associations or corporations subject to tax under chapter 4 of the laws of 1940), determined by the county board of taxation during said year upon appeals.".

Amend page 1, section 2, line 24, after the word "levied," insert "as reflected in the county table of aggregates certified pursuant to Revised Statutes 54:4-52," and delete "as certified pursuant to Revised Statutes 54:4-55,".

Amend page 2, section 3, line 37, delete lines 37 and 38, and insert "persons, partnerships, associations or corporations subject to tax under chapter 4 of the laws of 1940.".

UNOFFICIAL REPRINT OF LAWS OF N. J. 1967

APPROVED 5-22-67

[OFFICIAL COPY REPRINT]

ASSEMBLY, No. 824

STATE OF NEW JERSEY

INTRODUCED APRIL 3, 1967

By Assemblyman TANZMAN

Referred to Committee on Business Affairs

AN ACT to amend "An act concerning the distribution of certain tax revenues to the municipalities of this State and supplementing Title 54 of the Revised Statutes," approved June 17, 1966 (P. L. 1966, c. 135).

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

3 1. Section 2 of the act of which this act is amendatory is amended
4 to read as follows:

5 2. The Director of the Division of Taxation shall determine the
6 greatest amount [received] levied, as certified pursuant to Revised
7 Statutes *[54:4-55,]* *54:4-2* by each municipality *[from the
8 local levy]* upon personal property used in business in 1964, 1965
9 or 1966, exclusive of the amount *[raised from the personal prop-
10 erty tax]* *levied* on the personal property of persons, partner-
11 ships, associations or corporations subject to tax under chapter 4
12 of the laws of 1940, and shall, on or before February 15, 1968,
13 certify to the State Treasurer the amounts so determined for each
14 municipality and the total amount for all municipalities. **In cal-
15 culating the amount levied for the year 1966, the director shall also
16 include for each municipality the aggregate amount of increases;
17 if any, in taxable valuations of business personal property (exclu-
18 sive of the personal property of persons, partnerships, associations
19 or corporations subject to tax under chapter 4 of the laws of 1940),
20 determined by the county board of taxation during said year upon
21 appeals.**

22 2. Section 4 of the act of which this act is amendatory is amended
23 to read as follows:

24 4. If the amount determined by the director in section 3 hereof
25 shall exceed the amount determined by the director in section 2
26 hereof, the director shall allocate such excess amount among the
27 municipalities of this State in accordance with the following
28 formula:

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

1 There shall be allocated to each municipality such amount as will
 1A be in the same ratio to such excess amount, as the local property
 1B tax levied, ***[as certified pursuant to Revised Statutes 54:4-55,]***
 1C **as reflected in the county table of aggregates certified pursuant to*
 1D *Revised Statutes 54:4-52,** in the municipality in the preceding
 1E calendar year upon commercial, industrial and farm real estate
 1F (excluding railroad property) is to the total taxes levied upon such
 1G property in all municipalities in the State in the same year.

2 3. Section 7 of the act of which this act is amendatory is amended
 3 to read as follows:

4 7. For the purpose of apportioning the amounts to be raised in
 5 the respective taxing districts of the county under Revised Statutes
 6 54:4-49, the county board of taxation shall, for each taxing district,
 7 include in the equalization table for the county the assumed assessed
 8 value of the property represented by the money received by each
 9 taxing district pursuant to the provisions of this act.

10 Commencing with the tax year 1969 and thereafter the assumed
 11 assessed value of such property in each taxing district shall be
 12 determined by the county board of taxation in the following manner:
 13 (a) the amount of money received by each taxing district during
 14 the preceding tax year pursuant to the provisions of this act, shall
 15 be divided by the general tax rate of the taxing district for such
 16 preceding tax year to obtain an assumed assessed value of such
 17 property; (b) this assumed assessed value shall be divided by the
 18 fraction produced by dividing the aggregate assessed value by the
 19 aggregate true value of the real property, *as determined by the*
 20 *county board of taxation for equalization purposes in the current*
 21 *tax year*, exclusive of Class II railroad property, in the taxing
 22 district; and (c) the resulting quotient shall be included in the net
 23 valuation of each taxing district on which county taxes are
 24 apportioned.

25 For the tax year 1968, there shall be included in the equalization
 26 table for the county (a) 65% of the aggregate fair value of ma-
 27 chinery, implements, and equipment and all other personal property
 28 used in business, other than inventories, farm machinery, farm
 29 livestock, crops and produce and (b) 25% of the aggregate fair
 30 value of inventories (except inventories of raw materials, supplies
 31 and small tools) including 25% of the aggregate fair value of ~~farm~~
 32 machinery, farm livestock, crops and produce, used in business, as
 33 determined for county apportionment purposes for the tax year
 34 1967. *Provided, however, that in calculating the amounts to be*
 35 *included under (a) of the foregoing sentence, there shall be ex-*
 36 *cluded the 1967 valuations determined for the personal property of*

- 1 ***[telephone, telegraph and messenger systems companies, corpora-**
2 **tions or associations.]*** *persons, partnerships, associations or
3 corporations subject to tax under chapter 4 of the laws of 1940.*
4 4. This act shall take effect immediately.

ASSEMBLY, No. 956

STATE OF NEW JERSEY

INTRODUCED NOVEMBER 20, 1967

By Assemblymen HAUSER and BEADLESTON

(Without Reference)

AN ACT to revise and correct certain statutes.

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

1 1. The title of chapter 86 of the laws of 1964 is amended to read
2 as follows:

3 "AN ACT concerning crimes and supplementing chapter 127
4 of Title 2A of the New Jersey Statutes."

1 2. Section 2A:151-11 of the New Jersey Statutes is amended to
2 read as follows:

3 2A:151-11. Any person under the age of 18 years who purchases,
4 barter, borrows, acquires or exchanges any firearm, grenade,
5 bomb or other explosive, [except a firearm as provided in section
6 2A:151-33,] is guilty of a misdemeanor or an act of juvenile de-
7 linquency as may be provided otherwise in the statutes; except
8 that any such person may carry, fire or use any firearm in the
9 actual presence or under the direct supervision of his father,
10 mother, guardian or some other person who is himself a holder of
11 a permit to carry a pistol or revolver or a firearms purchaser's
12 identification card, or for the purpose of military drill under the
13 auspices of a legally recognized military organization and under
14 competent supervision, or for the purpose of competition or target
15 practice in and upon a firing range approved by the governing body
16 or the chief of police of the municipality in which such range is
17 located or the National Rifle Association and which is under com-
18 petent supervision at the time of such competition or target prac-
19 tice, and except further that a minor under the age of 18 years who
20 has successfully completed a hunter's safety course taught by a
21 qualified instructor or conservation officer and carries in his pos-
22 session a certificate indicating the successful completion of such a

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

23 course and has a valid hunting license in his own name, may carry
 24 and use a rifle or shotgun as otherwise provided in this chapter,
 25 for the purpose of hunting provided the regularly designated hunt-
 26 ing season.

1 3. Section 6 of chapter 104 of the laws of 1964 is amended to
 2 read as follows:

3 6. No hospital service corporation shall issue group contracts
 4 which are not experience rated pursuant to [sections 5 or 6] sec-
 5 tion 5 of this act, until it shall have filed with the commissioner a
 6 full schedule of the rates which are to apply to such contracts.
 7 The commissioner may disapprove such schedule at any time if he
 8 finds that such rates are excessive, inadequate or unfairly discrimi-
 9 natory. It shall be unlawful for any corporation to effect any such
 10 group contract according to such rates thereafter.

1 4. Section 5 of chapter 105 of the laws of 1964 is amended to
 2 read as follows:

3 5. No medical service corporation shall issue group contracts
 4 which are not experience rated pursuant to [sections 4 or 5] sec-
 5 tion 4 of this act, until it shall have filed with the commissioner a
 6 full schedule of the rates which are to apply to such contracts. The
 7 commissioner may disapprove such schedule at any time if he finds
 8 that such rates are excessive, inadequate or unfairly discrimi-
 9 natory. It shall be unlawful for any corporation to effect any such
 10 group contract according to such rates thereafter.

1 5. Section 3 of chapter 106 of the laws of 1967 is amended to read
 2 as follows:

3 3. (a) There is hereby created in the State Department of
 4 Health a Clean Air Council, which shall consist of 17 members, 3
 5 of whom shall be the Commissioner of Labor and Industry or a
 6 member of the Department of Labor and Industry designated by
 7 him, the Commissioner of Community Affairs or a member of the
 8 Department of Community Affairs designated by him, and the
 9 Secretary of Agriculture or a member of the Department of Agri-
 10 culture designated by him, who shall serve ex officio, 6 citizens of
 11 the State representing the general public at least one of whom
 12 shall be a medical doctor licensed to practice in this State and 8
 13 members to be appointed from persons to be nominated by the
 14 organizations hereinafter enumerated, by the Governor.

15 (b) Within 30 days following the effective date hereof and
 16 thereafter as required, at least 1 month prior to the expiration
 17 of the term of the member chosen from nominees of each organi-
 18 zation hereafter enumerated, each such organization shall submit

19 to the Governor a list of 3 recommended nominees for membership
20 on the council from which list the Governor shall appoint one.

21 If any organization does not submit a list of recommended
22 nominees at any time required by this act, the Governor may
23 appoint a member of his choice.

24 The organizations which shall be entitled to submit recommended
25 nominees are: New Jersey Health Officers Association, New Jersey
26 State Chamber of Commerce, New Jersey Society of Professional
27 Engineers, Inc., New Jersey Manufacturers Association, New
28 Jersey Section of the American Industrial Hygiene Association,
29 New Jersey State League of Municipalities, the New Jersey Free-
30 holders' Association and the New Jersey State AFL-CIO.

31 (c) Of the [12] 14 members first to be appointed, [3] 4 shall be
32 appointed for terms of 1 year, [3] 4 for terms of 2 years, 3 for
33 terms of 3 years and 3 for terms of 4 years. Thereafter, all appoint-
34 pointments shall be made for terms of 4 years. All appointed
35 members shall serve after the expiration of their terms until their
36 respective successors are appointed and shall qualify, and any
37 vacancy occurring in the appointed membership of the council by
38 expiration of term or otherwise, shall be filled in the same manner
39 as the original appointment for the unexpired term only, notwith-
40 standing that the previous incumbent may have held over and con-
41 tinued in office as aforesaid. The Governor may remove any ap-
42 pointed member of the council for cause after a public hearing.

43 (d) Members of the council shall serve without compensation
44 but shall be reimbursed for expenses actually incurred in attend-
45 ing meetings of the council and in the performance of their duties
46 as members thereof.

47 (e) The council shall elect annually a chairman and vice-chair-
48 man from its own membership.

1 6. Section 1 of chapter 109 of the laws of 1967 is amended to
2 read as follows:

3 1. (a) There is hereby created in the State Department of Health
4 a Clean Water Council, which shall consist of 18 members,
5 7 of whom shall be the Commissioner of Labor and Industry or a
6 member of the Department of Labor and Industry designated by
7 him, the Commissioner of Community Affairs or a member of the
8 Department of Community Affairs designated by him, the Presi-
9 dent of the Public Utilities Commission or a member of the Depart-
10 ment of Public Utilities designated by him, the Commissioner of
11 Conservation and Economic Development or a member of the
12 Department of Conservation and Economic Development desig-

13 nated by him, the Secretary of Agriculture or a member of the
14 Department of Agriculture designated by him, the Chairman of
15 the Water Policy and Supply Council in the Department of Con-
16 servation and Economic Development and the Executive Director
17 of the Delaware River Basin Commission, who shall serve ex
18 officio, 5 citizens of the State representing the general public and
19 6 members to be appointed from persons to be nominated by the
20 organizations hereinafter enumerated, by the Governor.

21 (b) Within 30 days following the effective date hereof and
22 thereafter as required, at least 1 month prior to the expiration of
23 the term of the member chosen from nominees of each organization
24 hereafter enumerated, each such organization shall submit to the
25 Governor a list of 3 recommended nominees for membership on the
26 council from which list the Governor shall appoint one.

27 If any organization does not submit a list of recommended
28 nominees at any time required by this act, the Governor may
29 appoint a member of his choice.

30 The organizations which shall be entitled to submit recommended
31 nominees are: New Jersey State Chamber of Commerce, New
32 Jersey Manufacturers Association, New Jersey State League of
33 Municipalities, the New Jersey Freeholders' Association, New
34 Jersey Society of Professional Engineers, Inc. and the New Jer-
35 sey AFL-CIO.

36 (c) Of the [10] 11 members first to be appointed, [3] 4 shall be
37 appointed for terms of 1 year, 3 for terms of 2 years, 2 for terms
38 of 3 years and 2 for terms of 4 years. Thereafter, all appointments
39 shall be made for terms of 4 years. All appointed members shall
40 serve after the expiration of their terms until their respective
41 successors are appointed and shall qualify, and any vacancy oc-
42 curring in the appointed membership of the council by expiration
43 of term or otherwise, shall be filled in the same manner as the
44 original appointment for the unexpired term only, notwithstanding
45 that the previous incumbent may have held over and continued in
46 office as aforesaid. The Governor may remove any appointed
47 member of the council for cause after a public hearing.

48 (d) Members of the council shall serve without compensation
49 but shall be reimbursed for expenses actually incurred in attending
50 meetings of the council and in the performance of their duties as
51 members thereof.

52 (e) The council shall elect annually a chairman and vice-chair-
53 man from its own membership.

1 7. Section 5 of Article II of chapter 149 of the laws of 1966 is
2 amended to read as follows:

3 5. Officers. The board shall elect a chairman, vice-chairman, a
4 secretary and a treasurer from among its membership and may
5 elect such other officers as it desires from among its membership.
6 The vice-chairman, and either the secretary or treasurer, shall not
7 reside in the same State as the chairman. The chairman or vice-
8 chairman shall be elected from among the State officials or ap-
9 pointees of each party State. The remaining **[officer]** *officers*
10 shall be selected from among the members representing the counties
11 and municipalities.

1 8. Section 39:2-2 of the Revised Statutes is amended to read
2 as follows:

3 39:2-2. The **[department]** *division* shall be administered by the
4 Director of the Division of Motor Vehicles.

5 The director shall be appointed by the Governor **[by and]** with
6 the advice and consent of the Senate **[for a term of 4 years but**
7 **he shall continue in office after the expiration of his term until**
8 **his successor shall be appointed and shall qualify]** *and shall serve*
9 *during the term of office of the Governor appointing him and until*
10 *the director's successor is appointed and has qualified.*

11 The director shall receive such salary as shall be provided by law.

12 The director shall give bond, conditioned for the faithful dis-
13 charge of his duties, in the sum of \$50,000.00, which bond shall
14 be approved by a justice of the Supreme Court or a judge of the
15 Superior Court, and shall be filed with the State Treasurer.

16 The director shall take an oath before one of the Supreme Court
17 justices or Superior Court judges, in form similar to that now
18 required by the State Treasurer, which oath shall be filed with the
19 Secretary of State.

20 **[Vacancies in the office of the director shall be filled by the**
21 **Governor by and with the advice and consent of the Senate for**
22 **the unexpired term only.]**

1 9. Section 3 of chapter 61 of the laws of 1967 is amended to read
2 as follows:

3 3. Standards and conditions for planned unit development.
4 Every ordinance adopted pursuant to the provisions of this act
5 shall set forth the standards and conditions by which a proposed
6 planned unit development shall be evaluated. The municipal
7 authority may prescribe, from time to time, rules and regulations
8 to supplement the standards and conditions set forth in the ordi-
9 nance provided (1) said rules and regulations are not inconsistent

10 with said standards and conditions, (2) said rules and regulations
11 are placed of public record, and (3) any amendment or change of
12 said rules and regulations shall not apply to any plan for which an
13 application for tentative approval has been made prior to the
14 placing of public record of said amendment or change. Said
15 standards and conditions and all supplementary rules and regula-
16 tions established for a particular planned development authorized
17 pursuant to such ordinance shall not be inconsistent with the
18 following provisions:

19 (a) Permitted uses. An ordinance adopted pursuant to this act
20 shall set forth the uses permitted in a planned unit development,
21 which uses may include and shall be limited to (1) dwelling units
22 in detached, semidetached, attached, groups of attached or clustered
23 or multistoried structures, or any combination thereof; and (2)
24 any nonresidential use, to the extent such nonresidential use is
25 designed and intended to serve the residents of the planned unit
26 development, and such other uses as exist or may reasonably be
27 expected to exist in the future, and (3) public and private educa-
28 tional facilities, and (4) industrial uses and buildings.

29 An ordinance may establish regulations setting forth the timing
30 of development among the various types of uses and subgroups
31 thereunder, and may specify whether some nonresidential uses are
32 to be built before, after or at the same time as the residential uses.

33 (b) Residential density.

34 (1) An ordinance adopted pursuant to this act shall establish
35 standards governing the density, or intensity of land use, in a
36 planned unit development.

37 (2) Said standards shall take into account that the density,
38 or intensity of land use, otherwise allowable on the site under
39 the provisions of a zoning ordinance previously enacted pur-
40 suant to Revised Statutes 40:55-30, et seq., may not be appro-
41 priate for a planned unit development. The standards may
42 vary the density, or intensity of land use, otherwise applicable
43 to the land within the planned unit development in considera-
44 tion of (a) the amount, location and proposed use of common
45 open space, (b) the location and physical characteristics of the
46 site of the proposed planned unit development, and (c) the
47 location, design and type of dwelling units and other uses.

48 (3) In the case of a planned unit development proposed to
49 be developed over a period of years, such standards may, to
50 encourage the flexibility of housing density, design and type
51 intended by this act, authorize a deviation in each section to be

52 developed from the density, or intensity of use, established for
53 the entire planned unit development. The ordinance may
54 authorize the municipal authority to allow for a greater con-
55 centration of density, or intensity of land use, within some sec-
56 tion or sections of development, whether it be earlier or later
57 in the development, than upon others. The ordinance may
58 require that the approval by the municipal authority of a
59 greater concentration of density or intensity of land use for
60 any section to be developed be offset by a smaller concentration
61 in any completed prior stage or by an appropriate reservation
62 of common open space on the remaining land by a grant of
63 easement or by covenant in favor of the municipality, provided
64 that such reservation shall, as far as practicable, defer the
65 precise location of such common open space until an applica-
66 tion for final approval is filed, so that flexibility of development
67 which is a prime objective of this act, can be maintained.

68 (c) Common open space. The standards for a planned unit
69 development established by an ordinance adopted pursuant to this
70 act shall require that any common open space resulting from the
71 application of standards for density, or intensity of land use, be set
72 aside for the use and benefit of the residents in such development
73 and shall include provisions by which the amount and location of
74 any common open space shall be determined and its improvement
75 and maintenance for common open space use be secured, subject,
76 however, to the following:

77 (1) The ordinance may provide that the municipality may,
78 at any time and from time to time, accept the dedication of
79 land or any interest therein for public use and maintenance,
80 but the ordinance shall not require, as a condition of the
81 approval of a planned unit development, that land proposed
82 to be set aside for common open space be dedicated or made
83 available to public use. The ordinance may require that the
84 landowner provide for and establish an organization for the
85 ownership and maintenance of any common open space, and
86 that such organization shall not be dissolved nor shall it dispose
87 of any common open space, by sale or otherwise (except to an
88 organization conceived and established to own and maintain
89 the common open space), without first offering to dedicate the
90 same to the municipality or any other government agency.

91 (2) In the event that the organization established to own and
92 maintain common open space, or any successor organization,
93 shall at any time after establishment of the planned unit

94 development fail to maintain the common open space in reason-
95 able order and condition in accordance with the plan, the mu-
96 nicipality may serve written notice upon such organization or
97 upon the residents and owners of the planned unit development
98 setting forth the manner in which the organization has failed
99 to maintain the common open space in reasonable condition,
100 and said notice shall include a demand that such deficiencies of
101 maintenance be cured within 30 days thereof, and shall state the
102 date and place of a hearing thereon which shall be held within
103 14 days of the notice. At such hearing the municipality may
104 modify the terms of the original notice as to the deficiencies
105 and may give an extension of time within which they shall be
106 cured. If the deficiencies set forth in the original notice or in the
107 modifications thereof shall *not* be cured within said 30 days or
108 any extension thereof, the municipality, in order to preserve
109 the taxable values of the properties within the planned unit
110 development and to prevent the common open space from be-
111 coming a public nuisance, may enter upon said common open
112 space and maintain the same for a period of 1 year. Said entry
113 and maintenance shall not vest in the public any rights to use
114 the common open space except when the same is voluntarily
115 dedicated to the public by the residents and owners. Before
116 the expiration of said year, the municipality shall, upon its
117 initiative or upon the request of the organization theretofore
118 responsible for the maintenance of the common open space, call
119 a public hearing upon notice to such organization, or to the
120 residents and owners of the planned unit development, to be
121 held by the municipal authority, at which hearing such organ-
122 ization or the residents and owners of the planned unit develop-
123 ment shall show cause why such maintenance by the municipi-
124 pality shall not, at the election of the municipality, continue for
125 a succeeding year. If the municipal authority shall determine
126 that such organization is ready and able to maintain said com-
127 mon open space in reasonable condition, the municipality shall
128 cease to maintain said common open space at the end of said
129 year. If the municipal authority shall determine such organiza-
130 tion is not ready and able to maintain said common open space
131 in a reasonable condition, the municipality may, in its discre-
132 tion, continue to maintain said common open space during the
133 next succeeding year and subject to a similar hearing and
134 determination, in each year thereafter. The decision of the
135 municipal authority in any such case shall constitute a final
136 administrative decision subject to judicial review.

137 (3) The cost of such maintenance by the municipality shall
138 be assessed ratably against the properties within the planned
139 unit development that have a right of enjoyment of the com-
140 mon open space, and shall become a tax lien on said properties.
141 The municipality, at the time of entering upon said common
142 open space for the purpose of maintenance, shall file a notice of
143 such lien in the office of the county clerk upon the properties
144 affected by such lien within the planned unit development.

145 (d) Minimum number of dwelling units. No ordinance adopted
146 pursuant to the provisions of this act shall authorize a planned unit
147 that contains less than 5 dwelling units, or less than 5 commercial
148 uses, or 3 industrial uses, singly or in combination.

149 (e) Public facilities. The authority granted a municipality by
150 P. L. 1953, chapter 433 (C. 40:55-1.1 et seq.) to establish standards
151 for the location, width, course and surfacing of public streets and
152 highways, alleys, ways for public service facilities, curbs, gutters,
153 sidewalks, street lights, parks, playgrounds, school grounds, storm
154 water drainage, water supply and distribution, sanitary sewers and
155 sewage collection and treatment, shall be vested in the municipal
156 authority for the purposes of this act. The standards applicable to
157 a planned unit development may be different than, or modifications
158 of, the standards and requirements otherwise required of sub-
159 divisions authorized under an ordinance adopted pursuant to P. L.
160 1953, chapter 433 (C. 40:55-1.1 et seq.) provided however, that an
161 ordinance adopted pursuant to this act shall set forth the limits
162 and extent of any modifications or changes in such standards and
163 requirements in order that a landowner shall be able to know the
164 limits and extent of permissible modifications from the standards
165 otherwise applicable to subdivisions. The limits of such modifica-
166 tion or change established in an ordinance adopted pursuant to this
167 act as well as the degree of modification or change within said
168 limits authorized in a particular case by the municipal authority
169 shall take into account that the standards and requirements estab-
170 lished in an ordinance adopted pursuant to P. L. 1953, chapter 433
171 (C. 40:55-1.1 et seq.), may not be appropriate or necessary for
172 land development of the type or design contemplated by this act
173 or for the planning and creation of a planned community.

174 (f) Other standards and conditions. An ordinance adopted pur-
175 suant to this act shall set forth the standards and criteria by which
176 the design, bulk and location of buildings shall be evaluated, and all
177 standards and criteria for any feature of a planned unit develop-
178 ment shall be set forth in such ordinance with sufficient certainty to

179 provide reasonable criteria by which specific proposals for a
 180 planned unit development can be evaluated. All standards in such
 181 ordinance shall not unreasonably restrict the ability of the land-
 182 owner to relate the plan to the particular site and to the particular
 183 demand for housing, commercial or industrial users existing at the
 184 time of development.

1 10. Section 1 of chapter 296 of the laws of 1966 is amended to
 2 read as follows:

3 1. In any municipality operating under the municipal manager
 4 form of government law which has established or shall establish
 5 jointly with one or more other municipalities a water commission
 6 pursuant to the provisions of section 40:62-129 of the Revised
 7 Statutes, the municipal **[counsel]** *council* shall appoint the member
 8 or members of the water commission to which the municipality is
 9 entitled.

1 11. The title of chapter 307 of the laws of 1966 is amended to
 2 read as follows:

3 AN ACT to amend sections 43:16-3 **[.]** and 43:16-4 **[and**
 4 43:16-17] of the Revised Statutes and section 12 of P. L. 1944, c.
 5 253, and repealing section 2 of P. L. 1960, chapter 108, and sections
 6 2 and 3 of P. L. 1962, chapter 40.

1 12. Section 3 of chapter 307 of the laws of 1966 and its amenda-
 2 tory clause are amended to read as follows:

3 3. Section **[43:16-17 of the Revised Statutes]** *12 of chapter 253*
 4 *of the laws of 1944* is amended to read as follows:

5 **[43:16-17]** 12. The following words and phrases as used in this
 6 act, unless a different meaning is plainly required by the context,
 7 shall have the following meaning:

8 (1) "Member" shall mean a person who on the effective date of
 9 the act of which this act is amendatory, that is on July 1, 1944, was
 10 a member of a municipal police department or paid or part-paid
 11 fire department or county police department or a paid or part-paid
 12 fire department of a fire district located in a township and who has
 13 contributed to the pension fund established under chapter 16 of
 14 Title 43 of the Revised Statutes and shall hereafter contribute to
 15 said fund.

16 (2) "Active member" shall mean any "member" who is a
 17 policeman, fireman, detective, lineman, driver of police van, fire
 18 alarm operator or inspector of combustibles and who is subject to
 19 call for active service or duty as such.

20 (3) "Employee member" shall mean any "member" who is not
 21 subject to call for active service or duty as a policeman, fireman,

22 detective, lineman, driver of police van, fire alarm operator or in-
23 spector of combustibles.

24 (4) "Commission" shall mean the board having control of the
25 fund and the administration of this act.

26 (5) "Physician or surgeon" shall mean the surgeon or surgeons,
27 physician or physicians who shall be called upon to determine the
28 disability of members as provided by this act.

29 (6) "Employer" shall mean the county, municipality or agency
30 thereof, by which a member is employed.

31 (7) "Service" shall mean service rendered while a member is
32 employed by a municipal police department, paid or part-paid fire
33 department, county police department or paid or part-paid fire
34 department of a fire district located in a township prior to the
35 effective date of this act for such service to such departments there-
36 after.

37 (8) "Pension" shall mean the amount payable to a member or
38 his beneficiary under the provisions of this act.

39 (9) "Average salary" shall mean the average annual salary
40 paid during the last 3 years of a member's service, or in the event
41 he has been employed for less than 3 years, the average pay he
42 received during the time he was employed.

43 (10) "Beneficiary" shall mean any person or persons, other
44 than a member, receiving or entitled to receive a pension or benefit
45 as provided by this act.

46 (11) "Dependent parent" shall mean the parent of a member
47 who was receiving at least $\frac{1}{2}$ of his support from the member in the
48 12-month period immediately preceding the member's death. The
49 dependency of such a parent will be considered terminated by
50 marriage of the parent subsequent to the death of the member.

51 (12) "County police" shall mean all police officers having super-
52 vision or regulation of traffic upon county roads.

53 (13) "Dependent widower" shall mean the man to whom a
54 member was married before the date of her retirement or at least
55 5 years before the date of her death and to whom she continued to
56 be married until the date of her death and who was receiving at
57 least $\frac{1}{2}$ of his support from the member in the 12-month period
58 immediately preceding the member's death. The dependency of
59 such a widower will be considered terminated by marriage of the
60 widower subsequent to the death of the member.

61 (14) "Widow" shall mean the woman to whom a member was
62 married before the date of his retirement or at least 5 years before
63 the date of his death and to whom he continued to be married until

64 the date of his death and who has not remarried subsequent to the
65 member's death.

66 (15) "Child" shall mean a deceased member's unmarried child
67 under the age of 18.

1 13. The title of chapter 30 of the laws of 1967 is amended to
2 read as follows:

3 AN ACT concerning unemployment compensation and temporary
4 disability benefits, and amending sections 43:21-3, 43:21-4,
5 43:21-5, 43:21-7, 43:21-8 and 43:21-19 of the Revised Statutes,
6 and sections 14, 15, and 16 of chapter 110 of the laws of 1948,
7 amending section 1 of chapter 81 of the laws of 1944, supplement-
8 ing Title 43 of the Revised Statutes and repealing [chapter 177 of
9 the laws of 1950] *chapter 469 of the laws of 1948*.

1 14. Section 43:21-7 of the Revised Statutes is amended to read
2 as follows:

3 43:21-7. (a) Payment.

4 (1) Contributions shall accrue and become payable by each em-
5 ployer for each calendar year in which he is subject to this chapter
6 (R. S. 43:21-1 et seq.), with respect to having individuals in his
7 employ during such calendar year at the rates and on the basis
8 hereinafter set forth. Such contributions shall become due and be
9 paid by each employer to the Division of Employment Security for
10 the fund in accordance with such regulations as may be prescribed,
11 and shall not be deducted, in whole or in part, from the remunera-
12 tion of individuals in his employ.

13 (2) In the payment of any contributions, a fractional part of a
14 cent shall be disregarded unless it amounts to $\frac{1}{2}$ cent or more, in
15 which case it shall be increased to \$0.01.

16 (b) Rate of contributions. Each employer shall pay the follow-
17 ing contributions:

18 (1) For the calendar year 1947, and each calendar year there-
19 after, $2\frac{7}{10}\%$ of wages paid by him during each such calendar year,
20 except as otherwise prescribed by subsection (c) of this section.

21 (2) The "wages" of any individual, with respect to any one
22 employer as the term is used in this subsection (b) and in subsec-
23 tions (c), (d) and (e) of this section 7, shall include the first
24 \$3,000.00 paid during each calendar year prior to January 1, 1968
25 and the first \$3,600.00 paid during each calendar year commencing
26 on or after January 1, 1968, for services performed either within
27 or without this State; provided, that no contribution shall be re-
28 quired by this State with respect to services performed in another
29 State if such other State imposes contribution liability with respect

30 thereto. If an employer (hereinafter referred to as successor em-
31 ployer) during any calendar year acquires substantially all the
32 property used in a trade or business of another employer (here-
33 inafter referred to as a predecessor), or used in a separate unit
34 of a trade or business of a predecessor, and immediately after the
35 acquisition employs in his trade or business an individual who
36 immediately prior to the acquisition was employed in the trade or
37 business of such predecessor, then, for the purpose of determining
38 whether the successor employer has paid wages with respect to
39 employment equal to \$3,000.00 to such individual during any
40 calendar year prior to January 1, 1968, or equal to \$3,600.00 during
41 any calendar year commencing on or after January 1, 1968, any
42 wages paid to such individual by such predecessor during such
43 calendar year and prior to such acquisition shall be considered
44 as having been paid by such successor employer.

45 (c) Future rates based on benefit experience:

46 (1) a separate account for each employer shall be maintained
47 and this shall be credited with all the contributions which he has
48 paid on his own behalf on or before January 31 of any calendar
49 year with respect to employment occurring in preceding calendar
50 years; provided, however, that if January 31 of any calendar year
51 falls on a Saturday or Sunday, an employer's account shall be
52 credited as of January 31 of such calendar year with all the con-
53 tributions which he has paid on or before the next succeeding day
54 which is not a Saturday or Sunday. But nothing in this chapter
55 (R. S. 43:21-1 et seq.) shall be construed to grant any employer or
56 individuals in his service prior claims or rights to the amounts
57 paid by him into the fund either on his own behalf or on behalf of
58 such individuals. Benefits paid with respect to benefit years com-
59 mencing on and after January 1, 1953, to any individual on or before
60 December 31 of any calendar year with respect to unemployment in
61 such calendar year and in preceding calendar years shall be charged
62 against the account or accounts of the employer or employers in
63 whose employment such individual established base weeks con-
64 stituting the basis of such benefits. Benefits paid under a given
65 benefit determination shall be charged against the account of the
66 employer to whom such determination relates. When each benefit
67 payment is made the division shall promptly send either a copy of
68 the benefit check or other form of notification to the employer
69 against whose account the benefits are to be charged. Such copy or
70 notification shall identify the employer against whose account the
71 amount of such payment is being charged, shall show at least the
72 name and social security account number of the claimant and shall

73 specify the period of unemployment to which said check applies.
 74 If the total amount of benefits paid to a claimant and charged to
 75 the account of the appropriate employer exceeds 50% of the total
 76 base-year base week wages paid to the claimant by that employer,
 77 then such employer may apply to the division to have canceled from
 78 his account such excess benefit charges as specified above. Any
 79 such application for the cancellation of excess charges shall be sub-
 80 mitted by the employer within 6 months from the date of the benefit
 81 check, payment of which creates such charges. In no event will the
 82 erasure of such charges affect a contribution rate already assigned
 83 to the employer with respect to any fiscal year commencing prior
 84 to the date the application is received by the division.

85 The division shall furnish to each employer an annual summary
 86 statement of benefits charged to his account.

87 (2) The Division of Employment Security may prescribe regu-
 88 lations for the establishment, maintenance, and dissolution of joint
 89 accounts by 2 or more employers, and shall, in accordance with such
 90 regulations and upon application by 2 or more employers to
 91 establish such an account, or to merge their several individual
 92 accounts in a joint account, maintain such joint account as if it con-
 93 stituted a single employer's account.

94 (3) Each employer's rate shall be $2\frac{8}{10}\%$, except as otherwise
 95 provided in the following provisions: No employer's rate shall be
 96 other than $2\frac{8}{10}\%$ unless and until there shall have been 3 calendar
 97 years throughout which any individual in his employ could have
 98 received benefits if eligible. No employer's rate shall be lower
 99 than $2\frac{7}{10}\%$ unless assignment of such lower rate is consistent with
 100 the conditions applicable to additional credit allowance for such
 101 year under section 3303 (a) (1) of the Internal Revenue Code
 102 (U. S. Code Title 26, section 3303 (a) (1)), any other provision
 103 of this section to the contrary notwithstanding.

104 (4) (A) Each employer's rate for the 12 months commencing
 105 July 1 of any calendar year shall be determined on the basis of his
 106 record up to the beginning of such calendar year. If, at the begin-
 107 ning of such calendar year, the total of all his contributions, paid
 108 on his own behalf, for all past years exceeds the total benefits
 109 charged to his account for all such years, his contribution rate
 110 shall be:

- 111 (1) $2\frac{5}{10}\%$, if such excess equals or exceeds 4%, but less
 112 than 5% of his average annual payroll (as defined in para-
 113 graph (2), subsection (a) of section 43:21-19 of this Title);
- 114 (2) $2\frac{2}{10}\%$, if such excess equals or exceeds 5%, but is less
 115 than 6%, of his average annual payroll;

116 (3) $1\frac{1}{10}\%$, if such excess equals or exceeds 6%, but is less
117 than 7%, of his average annual payroll;

118 (4) $1\frac{1}{10}\%$, if such excess equals or exceeds 7%, but is less
119 than 8%, of his average annual payroll;

120 (5) $1\frac{1}{10}\%$, if such excess equals or exceeds 8%, but is less
121 than 9%, of his average annual payroll;

122 (6) 1%, if such excess equals or exceeds 9%, but is less than
123 10%, of his average annual payroll;

124 (7) $\frac{7}{10}$ of 1%, if such excess equals or exceeds 10%, but is
125 less than 11%, of his average annual payroll;

126 (8) $\frac{4}{10}$ of 1%, if such excess equals or exceeds 11%, of his
127 average annual payroll.

128 (B) If the total of an employer's contributions, paid on his own
129 behalf, for all past periods for the purposes of this paragraph (4),
130 is less than the total benefits charged against his account during
131 the same period, his rate shall be $3\frac{6}{10}\%$; provided, however, if the
132 total of the contributions of such an employer for the past 120 con-
133 secutive calendar months is more than the total benefits charged
134 against his account during the same period, his rate shall be $2\frac{8}{10}\%$.

135 (C) The contribution rates prescribed by subparagraphs (A)
136 and (B) of this paragraph (4) shall be increased or decreased in
137 accordance with the provisions of paragraph (5) of this subsec-
138 tion (c).

139 (5) (A) If on March 31 of any calendar year the balance in the
140 Unemployment Trust Fund equals or exceeds 4% but is less than
141 7% of the total taxable wages reported to the division as of that
142 date in respect to employment during the preceding calendar year,
143 the contribution rate, effective July 1 following, of each employer
144 eligible for a contribution rate calculation based upon benefit
145 experience, shall be increased by $\frac{3}{10}$ of 1% over the contribution
146 rate otherwise established under the provisions of paragraphs (3)
147 or (4) of this subsection. If on March 31 of any calendar year the
148 balance of the Unemployment Trust Fund is less than 4% of the
149 total taxable wages reported to the Division of Employment
150 Security as of that date in respect to employment during the pre-
151 ceding calendar year, the contribution rate, effective July 1 follow-
152 ing, of each employer eligible for a contribution rate calculation
153 based upon benefit experience, shall be increased by $\frac{6}{10}$ of 1% over
154 the contribution rate otherwise established under the provisions of
155 paragraphs (3) or (4) of this subsection; provided, that if on such
156 March 31, such balance is less than $2\frac{1}{2}\%$ of such total taxable
157 wages, the contribution rate so effective, of any employer, shall be
158 not less than $2\frac{8}{10}\%$; provided further, that the contribution rate

159 of any employer increased pursuant to the provisions of this sub-
160 paragraph, when so increased, shall not exceed $4\frac{3}{10}\%$ $4\frac{2}{10}\%$.

161 (B) If on March 31 of any calendar year the balance in the Un-
162 employment Trust Fund equals or exceeds 10% but is less than
163 $12\frac{1}{2}\%$ of the total taxable wages reported to the Division of Em-
164 ployment Security as of that date in respect to employment during
165 the preceding calendar year, the contribution rate, effective July 1
166 following, of each employer eligible for a contribution rate calcula-
167 tion based upon benefit experience, shall be reduced by $\frac{3}{10}$ of 1%
168 under the contribution rate otherwise established under the pro-
169 visions of paragraphs (3) and (4) of this subsection; provided, that
170 in no event shall the contribution rate of any employer be reduced
171 to less than $\frac{4}{10}$ of 1%. If on March 31 of any calendar year the
172 balance in the Unemployment Trust Fund equals or exceeds $12\frac{1}{2}\%$
173 of the total taxable wages reported to the division as of that date in
174 respect to employment during the preceding calendar year, the
175 contribution rate, effective July 1 following, of each employer
176 eligible for a contribution rate calculation based upon benefit
177 experience, shall be reduced by $\frac{6}{10}$ of 1% if his account for all past
178 periods reflects an excess of contributions paid over total benefits
179 charged of 3% or more of his average annual payroll, otherwise by
180 $\frac{3}{10}$ of 1% under the contribution rate otherwise established under
181 the provisions of paragraphs (3) and (4) of this subsection; pro-
182 vided, that in no event shall the contribution rate of any employer
183 be reduced to less than $\frac{4}{10}$ of 1%.

184 (6) Additional contributions.

185 Notwithstanding any other provision of law, any employer who
186 has been assigned a contribution rate pursuant to subsection (c)
187 of this section for the year commencing July 1, 1948, and for any
188 year commencing July 1 thereafter, may voluntarily make payment
189 of additional contributions, and upon such payment shall receive
190 a recomputation of the experience rate applicable to such employer
191 including in the calculation the additional contribution so made.
192 Any such additional contribution shall be made during the 30-day
193 period following the date of the mailing to the employer of the
194 notice of his contribution rate as prescribed in this section, unless,
195 for good cause, the time for payment has been extended by the
196 director for not to exceed an additional 60 days; provided, that in
197 no event may such payments which are made later than 120 days
198 after the beginning of the year for which such rates are effective be
199 considered in determining the experience rate for the year in which
200 the payment is made. Any employer receiving any extended period

201 of time within which to make such additional payment and failing
202 to make such payment timely shall pay, in addition to the required
203 amount of additional payment, a penalty of 5% thereof or \$5.00,
204 whichever is greater, not to exceed \$50.00. Any adjustment under
205 this subsection shall be made only in the form of credits against
206 accrued or future contributions.

207 (7) Transfers.

208 (A) Upon the transfer of the organization, trade or business, or
209 substantially all the assets of an employer to a successor in interest,
210 whether by merger, consolidation, sale, transfer, descent or other-
211 wise, the Division of Employment Security shall transfer the em-
212 ployment experience of the predecessor employer to the successor
213 in interest, including credit for past years, contributions paid,
214 annual payrolls, benefit charges, et cetera, applicable to such
215 predecessor employer, pursuant to regulations adopted by the
216 division, if the division finds that the employment experience of the
217 predecessor employer with respect to the organization, trade, assets
218 or business, which has been transferred, may be considered in-
219 dicative of the future employment experience of the successor in
220 interest. Unless the predecessor employer was owned or controlled
221 (by legally enforceable means or otherwise), directly or indirectly,
222 by the successor in interest, or the predecessor employer and the
223 successor in interest were owned or controlled (by legally en-
224 forceable means or otherwise), directly or indirectly, by the same
225 interest or interests, the transfer of the employment experience
226 of the predecessor shall not be effective if such successor in interest,
227 within 4 months of the date of such transfer of the organization,
228 trade, assets or business, or thereafter upon good cause shown,
229 files a written notice with the division protesting the transfer of
230 the employment experience of the predecessor employer.

231 (B) An employer, who transfers part of his or its organization,
232 trade, assets or business to a successor in interest, whether by
233 merger, consolidation, sale, transfer, descent or otherwise, may
234 jointly make application with such successor in interest for trans-
235 fer of that portion of the employment experience of the predeces-
236 sor employer relating to the portion of the organization, trade,
237 assets, or business transferred to the successor in interest, includ-
238 ing credit for past years, contributions paid, annual payrolls,
239 benefit charges, et cetera, applicable to such predecessor employer.
240 The Division of Employment Security may allow such transfer of
241 employment experience pursuant to regulations adopted by the
242 division, only if it finds that the employment experience of the

243 predecessor employer with respect to the portion of the organiza-
244 tion, trade, assets or business which has been transferred may be
245 considered indicative of the future employment experience of the
246 successor in interest. Credit shall be given to the successor in
247 interest only for the years during which contributions were paid
248 by the predecessor employer with respect to that part of the or-
249 ganization, trade, assets or business transferred.

250 (C) A transfer of the employment experience in whole or in
251 part having become final, the predecessor employer thereafter
252 shall not be entitled to consideration for an adjusted rate based
253 upon his or its experience or the part thereof, as the case may be,
254 which has thus been transferred. A successor in interest to whom
255 employment experience or a part thereof is transferred pursuant
256 to this subsection shall, as of the date of the transfer of the organi-
257 zation, trade, assets or business, or part thereof, immediately
258 become an employer if not theretofore an employer subject to this
259 chapter (R. S. 43:21-1 et seq.).

260 (d) (1) Contribution of workers; transfers to temporary dis-
261 ability benefit fund.

262 Each worker shall contribute to the fund $\frac{3}{4}$ of 1% of his wages
263 paid by an employer with respect to his employment which occurs
264 on and after January 1, 1953, and after such employer has satisfied
265 the conditions set forth in subsection (h) of section 43:21-19 of this
266 Title with respect to becoming an employer; provided, however,
267 that such contribution shall be at the rate of $\frac{1}{4}$ of 1% of wages
268 paid with respect to employment while the worker is covered by an
269 approved private plan under the Temporary Disability Benefits
270 Law or while the worker is exempt from the provisions of the
271 Temporary Disability Benefits Law under section 7 of that law.
272 Each employer shall, notwithstanding any provisions of law in
273 this State to the contrary, withhold in trust the amount of his
274 workers' contributions from their wages at the time such wages
275 are paid, shall show such deduction on his payroll records, shall
276 furnish such evidence thereof to his workers as the division may
277 prescribe, and shall transmit all such contributions, in addition
278 to his own contributions, to the office of the Division of Employ-
279 ment Security in such manner and at such times as may be pre-
280 scribed. If any employer fails to deduct the contributions of any of
281 his workers at the time their wages are paid, or fails to make a de-
282 duction therefor at the time wages are paid for the next succeeding
283 payroll period, he alone shall thereafter be liable for such con-
284 tributions, and for the purpose of section 43:21-14 of this Title,

285 such contributions shall be treated as employer's contributions
286 required from him. As used in this chapter (R. S. 43:21-1 et seq.),
287 except when the context clearly requires otherwise, the term "con-
288 tributions" shall include the contributions of workers pursuant
289 to this section.

290 (2) (A) There shall be deposited in and credited to the State
291 Disability Benefits Fund, as established by law, $\frac{3}{4}$ of all worker
292 contributions, received by the Division of Employment Security
293 with respect to wages paid prior to January 1, 1953, and upon
294 which the rate of contributions is 1%.

295 (B) There shall be deposited in and credited to the State Dis-
296 ability Benefits Fund, as established by law, $\frac{2}{3}$ of all worker con-
297 tributions, received by the Division of Employment Security
298 pursuant to paragraph (1) above after December 31, 1952, with
299 respect to wages paid on and after January 1, 1953, and upon
300 which the rate of contributions is $\frac{3}{4}$ of 1%.

301 (3) If an employee receives wages from more than one employer
302 during any calendar year, and either the sum of his contributions
303 deposited in and credited to the State Disability Benefits Fund
304 (in accordance with subparagraph (B) of paragraph (2) of this
305 subsection) plus the amount of his contributions, if any, required
306 towards the cost of benefits under one or more approved private
307 plans under the provisions of section 9 of the Temporary Disability
308 Benefits Law and deducted from his wages, or the sum of such
309 latter contributions if the employee is covered during such calendar
310 year, only by 2 or more private plans, exceeds \$15.00 in any
311 calendar year prior to January 1, 1968, or \$18.00 in any calendar
312 year commencing on or after January 1, 1968, the employee shall
313 be entitled to a refund of the excess if he makes claim to the
314 Division of Employment Security within 2 years after the end of
315 the calendar year in which the wages are received with respect
316 to which the refund is claimed and establishes his right to such
317 refund. Such refund shall be made by the Division of Employment
318 Security from the State Disability Benefits Fund. No interest
319 shall be allowed or paid with respect to any such refund. The
320 division shall, in accordance with prescribed regulations, determine
321 the portion of the aggregate amount of such refunds made during
322 any calendar year which is applicable to private plans for which
323 deductions were made under section 9 of the "Temporary Dis-
324 ability Benefits Law," such determination to be based upon the
325 ratio of the amount of such wages exempt from contributions to
326 such fund as provided in subparagraph (B) of paragraph (1) of

327 this subsection with respect to coverage under private plans to
328 the total wages so exempt plus the amount of such wages subject
329 to contributions to the disability benefits fund as provided in sub-
330 paragraph (B) of paragraph (2) of this subsection. The division
331 shall, in accordance with prescribed regulations, prorate the
332 amount so determined among the applicable private plans in the
333 proportion that the wages covered by each plan bears to the total
334 private plan wages involved in such refunds, and shall assess
335 against and recover from the employer, or the insurer if the
336 insurer has indemnified the employer with respect thereto, the
337 amount so prorated. The provisions of Revised Statutes, section
338 43:21-14, with respect to collection of employer contributions shall
339 apply to such assessments. The amounts so recovered by the
340 division shall be paid into the State Disability Benefits Fund.

341 (4) If an individual does not receive any wages from the em-
342 ploying unit which for the purposes of this chapter (R. S. 43:21-1
343 et seq.) is treated as his employer, or receives his wages from
344 some other employing unit, such employer shall nevertheless be
345 liable for such individual's contributions in the first instance; and
346 after payment thereof such employer may deduct the amount of
347 such contributions from any sums payable by him to such employ-
348 ing unit, or may recover the amount of such contributions from
349 such employing unit, or, in the absence of such an employing unit,
350 from such individual, in a civil action; provided, proceedings
351 therefor are instituted within 3 months after the date on which
352 such contributions are payable. General rules shall be prescribed
353 whereby such an employing unit may recover the amount of such
354 contributions from such individuals in the same manner as if it
355 were the employer.

356 (5) Every employer who has elected to become an employer sub-
357 ject to this chapter (R. S. 43:21-1 et seq.), or to cease to be an
358 employer subject to this chapter (R. S. 43:21-1 et seq.), pursuant
359 to the provisions of section 43:21-8 of this Title, shall post and
360 maintain printed notices of such election on his premises, of such
361 design, in such numbers, and at such places as the directors may
362 determine to be necessary to give notice thereof to persons in his
363 service.

364 (6) Contributions by workers, payable to the Division of Employ-
365 ment Security as herein provided, shall be exempt from garnish-
366 ment, attachment, execution, or any other remedy for the collection
367 of debts.

368 (e) Contributions by employers to State Disability Benefits Fund.

369 (1) Except as hereinafter provided, each employer shall, in addi-
370 tion to the contributions required by subsections (a), (b), and (c)
371 of this section, contribute $\frac{1}{4}$ of 1% of the wages paid by such em-
372 ployer to workers with respect to employment after January 1,
373 1949. Such contributions shall become due and be paid by each
374 employer to the Division of Employment Security for the State
375 Disability Benefits Fund as established by law, in accordance with
376 such regulations as may be prescribed, and shall not be deducted,
377 in whole or in part, from the remuneration of individuals in his
378 employ. In the payment of any contributions, a fractional part of
379 a cent shall be disregarded unless it amounts to $\frac{1}{2}$ cent or more,
380 in which case it shall be increased to \$0.01.

381 (2) During the continuance of coverage of a worker by an ap-
382 proved private plan of disability benefits under the Temporary
383 Disability Benefits Law, the employer shall be exempt from the
384 contribution required by subparagraph (1) above with respect
385 to wages paid to such worker.

386 (3) (A) The rates of contribution as specified in subparagraph
387 (1) above shall be subject to modification as provided herein with
388 respect to employer contributions due on and after July 1, 1951.

389 (B) A separate disability benefits account shall be maintained
390 for each employer required to contribute to the State Disability
391 Benefits Fund and such account shall be credited with contribu-
392 tions deposited in and credited to such fund with respect to em-
393 ployment occurring on and after January 1, 1949. Each employer's
394 account shall be credited with all contributions paid on or before
395 January 31 of any calendar year on his own behalf and on behalf
396 of individuals in his service with respect to employment occurring
397 in preceding calendar years; provided, however, that if January
398 31, of any calendar year falls on a Saturday or Sunday an em-
399 ployer's account shall be credited as of January 31 of such calendar
400 year with all the contributions which he has paid on or before
401 the next succeeding day which is not a Saturday or Sunday. But
402 nothing in this act shall be construed to grant any employer or
403 individuals in his service prior claims or rights to the amounts
404 paid by him to the fund either on his own behalf or on behalf of
405 such individuals. Benefits paid to any covered individual in ac-
406 cordance with Article III of the Temporary Disability Benefits
407 Law on or before December 31 of any calendar year with respect
408 to disability in such calendar year and in preceding calendar
409 years shall be charged against the account of the employer by
410 whom such individual was employed at the commencement of such

411 disability or by whom he was last employed if out of employment.

412 (C) The division may prescribe regulations for the establish-
413 ment, maintenance, and dissolution of joint accounts by 2 or more
414 employers, and shall, in accordance with such regulations and upon
415 application by 2 or more employers to establish such an account,
416 or to merge their several individual accounts in a joint account,
417 maintain such joint account as if it constituted a single employer's
418 account.

419 (D) Prior to July 1 of each calendar year, the Division of Em-
420 ployment Security shall make a preliminary determination of the
421 rate of contribution for the 12 months commencing on such July
422 1 for each employer subject to the contribution requirements of
423 this subsection (e).

424 (1) Such preliminary rate shall be $\frac{1}{4}$ of 1% unless on the pre-
425 ceding January 31 of such year such employer shall have been a
426 covered employer who has paid contributions to the State Dis-
427 ability Benefits Fund with respect to employment in the 3 calendar
428 years immediately preceding such year.

429 (2) If the minimum requirements in (1) above have been ful-
430 filled and the credited contributions exceed the benefits charged
431 by more than \$500.00, such preliminary rate shall be as follows: .

432 (i) $\frac{3}{10}$ of 1% if such excess over \$500.00 exceeds 1% but
433 is less than $1\frac{1}{4}\%$ of his average annual payroll (as defined
434 in this chapter (R. S. 43:21-1 et seq.));

435 (ii) $\frac{15}{100}$ of 1% if such excess over \$500.00 equals or exceeds
436 $1\frac{1}{4}\%$ but is less than $1\frac{1}{2}\%$ of his average annual payroll;

437 (iii) $\frac{1}{10}$ of 1% of such excess over \$500.00 equals or exceeds
438 $1\frac{1}{2}\%$ of his average annual payroll.

439 (3) If the minimum requirements in (1) above have been fulfilled
440 and the contributions credited exceed the benefits charged but by
441 not more than \$500.00 plus 1% of his average annual payroll, or
442 if the benefits charged exceed the contributions credited but by
443 not more than \$500.00, the preliminary rate shall be $\frac{1}{4}$ of 1%.

444 (4) If the minimum requirements in (1) above have been fulfilled
445 and the benefits charged exceed the contributions credited by more
446 than \$500.00, such preliminary rate shall be as follows:

447 (i) $\frac{35}{100}$ of 1% if such excess over \$500.00 is less than $\frac{1}{4}$
448 of 1% of his average annual payroll;

449 (ii) $\frac{45}{100}$ of 1% if such excess over \$500.00 equals or exceeds
450 $\frac{1}{4}$ of 1% but is less than $\frac{1}{2}$ of 1% of his average annual
451 payroll;

452 (iii) $\frac{55}{100}$ of 1% if such excess over \$500.00 equals or exceeds

453 $\frac{1}{2}$ of 1% but is less than $\frac{3}{4}$ of 1% of his average annual
454 payroll;

455 (iv) $\frac{65}{100}$ of 1% if such excess over \$500.00 equals or exceeds
456 $\frac{3}{4}$ of 1% but is less than 1% of his average annual payroll;

457 (v) $\frac{75}{100}$ of 1% if such excess over \$500.00 equals or exceeds
458 1% of his average annual payroll.

459 (5) Determination of the preliminary rate as specified in (2),
460 (3) and (4) above shall be subject, however, to the condition that
461 it shall in no event be decreased by more than $\frac{1}{10}$ of 1% of wages
462 or increased by more than $\frac{2}{10}$ of 1% of wages from the preliminary
463 rate determined for the preceding year in accordance with (1),
464 (2), (3) or (4), whichever shall have been applicable.

465 (E) (1) Prior to July 1 of each calendar year the Division of
466 Employment Security shall determine the amount of the State
467 Disability Benefits Fund as of December 31 of the preceding
468 calendar year increased by the contributions paid thereto during
469 January of the current calendar year with respect to employment
470 occurring in preceding calendar years. If such amount exceeds
471 the total of the amounts withdrawn from the unemployment trust
472 fund pursuant to section 23 of the Temporary Disability Benefits
473 Law plus the amount at the end of such preceding calendar year
474 of the unemployment disability account (as defined in section 22
475 of said law), such excess shall be expressed as a percentage of the
476 wages on which contributions were paid to the State Disability
477 Benefits Fund on or before January 31 with respect to employ-
478 ment in the preceding calendar year.

479 (2) The Division of Employment Security shall then make a final
480 determination of the rates of contribution for the 12 months com-
481 mencing July 1 of such year for employers whose preliminary rates
482 are determined as provided in (D) hereof, as follows:

483 (i) If the percentage determined in accordance with para-
484 graph (1) of this subsection equals or exceeds $1\frac{1}{4}\%$ of the final
485 employer rates shall be the preliminary rates determined as
486 provided in (D) hereof, except that if the employer's pre-
487 liminary rate is determined as provided in (D) (2) or (D) (3)
488 hereof, the final employer rate shall be the preliminary em-
489 ployer rate decreased by such percentage of excess taken to
490 the nearest $\frac{5}{100}$ of 1%, but in no case shall such final rate be
491 less than $\frac{1}{10}$ of 1%.

492 (ii) If the percentage determined in accordance with para-
493 graph (1) of this subsection equals or exceeds $\frac{3}{4}$ of 1% and
494 is less than $1\frac{1}{4}$ of 1%, the final employer rates shall be the
495 preliminary employer rates.

496 (iii) If the percentage determined in accordance with para-
 497 graph (1) of this subsection is less than $\frac{3}{4}$ of 1%, the final
 498 employer rates shall be the preliminary employer rates deter-
 499 mined as provided in (D) hereof increased by the difference
 500 between $\frac{3}{4}$ of 1% and such percentage taken to the nearest
 501 $\frac{5}{100}$ of 1%; provided, however, that no such final rate shall
 502 be more than $\frac{1}{4}$ of 1% in the case of an employer whose pre-
 503 liminary rate is determined as provided in (D) (2) hereof,
 504 more than $\frac{1}{2}$ of 1% in the case of an employer whose pre-
 505 liminary rate is determined as provided in (D) (1) and (D) (3)
 506 hereof, nor more than $\frac{3}{4}$ of 1% in the case of an employer
 507 whose preliminary rate is determined as provided in (D) (4)
 508 hereof.

509 (iv) If the amount of the State Disability Benefits Fund
 510 determined as provided in paragraph (1) of this subsection
 511 is equal to or less than the total of the amounts withdrawn
 512 from the unemployment trust fund pursuant to section 23 of
 513 the Temporary Disability Benefits Law plus the amount at
 514 the end of the preceding calendar year of the unemployment
 515 disability account, then the final rate shall be $\frac{3}{4}$ of 1% for
 516 all employers.

1 15. Section 11 of chapter 30 of the laws of 1967 is amended to
 2 read as follows:

3 11. **[Chapter 177 of the laws of 1950]** *Chapter 469 of the laws*
 4 *of 1948* is hereby repealed.

1 16. Section 45:9-21 of the Revised Statutes is amended to read
 2 as follows:

3 45:9-21. The prohibitory provisions of this chapter shall not
 4 apply to the following:

5 a. A commissioned surgeon or physician of the regular United
 6 States Army, Navy, or Marine hospital service while so commis-
 7 sioned and actively engaged in the performance of his official duties.
 8 This exemption shall not apply to reserve officers of the United
 9 States Army, Navy or Marine Corps, or to any officer of the
 10 National Guard of any State or of the United States;

11 b. A lawfully qualified physician or surgeon of another State
 12 taking charge temporarily, on written permission of the board,
 13 of the practice of a lawfully qualified physician or surgeon of this
 14 State during his absence from the State, upon written request to
 15 the board for permission so to do. Before such permission is
 16 granted by the board and before any person may enter upon such
 17 practice he must submit proof that he can fulfill the requirements

18 demanded in the other sections of this article relating to applicants
19 for admission by examination or indorsement from another State.
20 Such permission may be granted for a period of not less than 2
21 weeks nor more than 4 months upon payment of a fee of \$25.00.
22 The board in its discretion may extend such permission for further
23 periods of 2 weeks to 4 months but not to exceed in the aggregate
24 1 year;

25 c. A physician or surgeon of another State of the United States
26 and duly authorized under the laws thereof to practice medicine
27 or surgery therein, if such practitioner does not open an office or
28 place for the practice of his profession in this State;

29 d. A person while actually serving as a member of the resident
30 medical staff of any legally incorporated charitable or municipal
31 hospital or asylum approved by the board. Hereafter such exemp-
32 tion of any such resident physician shall not apply with respect
33 to any individual after he shall have served as a resident physician
34 for a total period of [2] 5 years[, and such exemption of resident
35 physicians, except with respect to persons who shall have com-
36 menced service as resident physicians prior to July 1, 1939, shall
37 apply only to persons who have been issued certificates under pro-
38 visions contained in section 45:9-8 of this Title];

39 e. The practice of dentistry by any legally qualified and regis-
40 tered dentist;

41 f. The ministration to, or treatment of, the sick or suffering by
42 prayer or spiritual means, whether gratuitously or for compensa-
43 tion, and without the use of any drug or material remedy;

44 g. The practice of optometry by any legally qualified and regis-
45 tered optometrist;

46 h. The practice of [chiropody] *podiatry* by any legally licensed
47 [chiropodist] *podiatrist*;

48 i. The practice of pharmacy by a legally licensed and registered
49 pharmacist of this State, but this exception shall not be extended
50 to give to said licensed pharmacist the right and authority to carry
51 on the business of a dispensary, unless the dispensary shall be in
52 charge of a legally licensed and registered physician and surgeon
53 of this State;

54 j. A person claiming the right to practice medicine and surgery
55 in this State who has been practicing therein since before July 4,
56 1890, if said right or title was obtained upon a duly registered
57 diploma, of which the holder and applicant was the lawful pos-
58 sessor, issued by a legally chartered medical institution which, in
59 the opinion of the board, was in good standing at the time the
60 diploma was issued;

61 k. A **chiropodist** *podiatrist*, professsional nurse, or a regis-
 62 tered physical therapist, masseur, while operating in each particu-
 63 lar case under the specific direction of a regularly licensed physician
 64 or surgeon. This exemption shall not apply to such assistants of
 65 persons who are licensed as osteopaths, chiropractors, optometrists
 66 or other practitioners holding limited licenses;

67 l. A person while giving aid, assistance or relief in emergency
 68 or accident cases pending the arrival of a regularly licensed physi-
 69 cian, or surgeon or under the direction thereof; or

70 m. The operation of a bio-analytical laboratory by a licensed
 71 bio-analytical laboratory director, or any person working under
 72 the direct and constant supervision of a licensed bio-analytical
 73 laboratory director.

74 n. *Any employee of a State or county institution holding the*
 75 *degree of M.D. or D.O., regularly employed on a salary basis on*
 76 *its medical staff or as a member of the teaching or scientific staff*
 77 *of a State agency, may apply to the State Board of Medical Exam-*
 78 *iners of New Jersey and may, in the discretion of said board, be*
 79 *granted exemption from the provisions of this chapter; provided*
 80 *said employee continues as a member of the medical staff of a*
 81 *State agency or county institution or of the teaching or scientific*
 82 *staff of a State agency and does not conduct any type of private*
 83 *medical practice.*

84 *The provisions of this subsection (n) shall terminate on Decem-*
 85 *ber 31, 1969.*

1 17. Section 20 of chapter 109 of the laws of 1962 is amended to
 2 read as follows:

3 20. Notwithstanding the provisions of section **[3]** 4 of this act,
 4 the first 5 persons appointed as members of the board shall not
 5 be required, at the time of their first appointment to be licensed
 6 to practice professional planning. Each shall, however, be a mem-
 7 ber of the recognized organization representing professional plan-
 8 ners in the State, and each shall have all the other qualifications
 9 necessary for appointment specified in this act.

1 18. Section 9 of chapter 93 of the laws of 1967 is amended to
 2 read as follows:

3 9. (a) It shall be unlawful for any person to act as a broker-
 4 dealer, agent or investment advisor in this State unless he is regis-
 5 tered under this act;

6 (b) It shall be unlawful for any broker-dealer or issuer to em-
 7 ploy an agent in this State unless the agent is registered. The reg-
 8 istration of an agent is not effective during any period when he

9 is not associated with a particular broker-dealer registered under
 10 this act or a particular issuer. When an agent begins or terminates
 11 a connection with a broker-dealer or issuer, or begins or terminates
 12 those activities which make him an agent, the agent as well as the
 13 broker-dealer or issuer shall promptly notify the bureau;

14 (c) It shall be unlawful for any person to transact business in
 15 this State as an investment advisor unless (1) he is so registered
 16 under this act, (2) he is registered as a broker-dealer without the
 17 imposition of a condition under section 11, paragraph (b) **[(6)]**
 18 (5); or (3) his only clients in this State are investment companies
 19 as defined in the Investment Company Act of 1940 or insurance
 20 companies;

21 (d) Every registration shall expire 2 years from its effective
 22 date unless renewed, except that the bureau chief may by rule
 23 provide that registrations shall all expire on the same date.

1 19. Section 6 of chapter 293 of the laws of 1966 is amended to
 2 read as follows:

3 6. (a) There is hereby established in the Department of Com-
 4 munity Affairs an Advisory Council on Community Affairs, an
 5 Office of Community Services, a Division of Local Finance, a
 6 Division of Housing and Urban Renewal, a Division of State and
 7 Regional Planning, a Division on Aging, *a Division of Youth*,
 8 and an Office of Economic Opportunity.

9 The commissioner also shall have authority to organize and main-
 10 tain in his offices an administrative division and to assign to em-
 11 ployment therein such secretarial, clerical and other assistants in
 12 the department as his office and the internal operations of the
 13 department shall require.

14 (b) In addition, the commissioner shall have the authority to
 15 reorganize the department and the several divisions, offices, bureaus
 16 and agencies established therein, in any manner which he deems
 17 to be necessary and desirable.

1 20. Section 53:1-2 of the Revised Statutes is amended to read
 2 as follows:

3 53:1-2. The Superintendent of State Police, hereinafter referred
 4 to as the superintendent, shall be appointed by the Governor, **[by**
 5 **and]** with the advice and consent of the Senate, **[for a term of 5**
 6 **years,]** *shall serve during the term of office of the Governor ap-*
 7 *pointing him and until the superintendent's successor is appointed*
 8 *and has qualified* and shall be removable by the Governor after
 9 charges have been preferred and a hearing granted.

10 The superintendent shall receive such salary as shall be provided

11 by law, and shall, before entering upon the duties of his office, give
12 a bond to the State of New Jersey in the sum of \$20,000.00 for
13 the faithful performance of his duties.

1 21. Section 4 of chapter 135 of the laws of 1966 is amended to
2 read as follows:

3 4. If the amount determined by the director in section 3 hereof
4 shall exceed the amount determined by the director in section 2
5 hereof, the director shall allocate such excess amount among the
6 municipalities of this State in accordance with the following
7 formula:

8 There shall be allocated to each municipality such amount as will
9 be in the same ratio to such excess amount, as the local property
10 tax levied, as reflected in the county table of aggregates certified
11 pursuant to Revised Statutes 54:4-52, in the municipality in the
12 preceding calendar year upon commercial, industrial and farm real
13 estate (excluding railroad property) is to the total taxes levied
14 upon such property in all municipalities in the State in the same
15 year.

16 *The director shall total the amounts allocated to each municipal-*
17 *ity under the provisions of this section and shall certify this amount*
18 *to the State Treasurer on or before October 15, 1968 and on or*
19 *before October 15 annually thereafter.*

1 22. Section 26 of chapter 30 of the laws of 1966 is amended to
2 read as follows:

3 26. Penalties and interest. (a) Any person failing to file a
4 return or to pay or pay over any tax to the director within the
5 time required by this act shall be subject to a penalty of 5% of
6 the amount of tax due; plus interest at the rate of 1% of such
7 tax for each month of delay excepting the first month after such
8 return was required to be filed or such tax became due; but the
9 director if satisfied that the delay was excusable, may remit all
10 or any part of such penalty, but not interest at the rate of 6%
11 per year. Unpaid penalties and interest may be determined, as-
12 sessed, collected and enforced in the same manner as the tax im-
13 posed by this act.

14 (b) Any person failing to file a return required by this act,
15 or filing or causing to be filed, or making or causing to be made,
16 or giving or causing to be given any return, certificate, affidavit,
17 representation, information, testimony or statement required or
18 authorized by this act, which is willfully false, or willfully failing
19 to file a bond required by this act, or failing to file a registration
20 certificate and such data in connection therewith as the director

21 by regulation or otherwise may require, or to display or surrender
 22 a certificate of authority as required by this act, or assigning or
 23 transferring such certificate of authority, or willfully failing to
 24 charge separately the tax herein imposed or to state such tax
 25 separately on any bill, statement, memorandum or receipt issued
 26 or employed by him upon which the tax is required to be stated
 27 separately as provided in subsection (a) of section 12, or willfully
 28 failing to collect the tax from a customer, [who shall refer or
 29 cause] *or referring or causing* reference to be made to this tax in
 30 a form or manner other than that required by this act, or failing
 31 to keep any records required by this act, shall, in addition to any
 32 other penalties herein or elsewhere prescribed, be guilty of a mis-
 33 demeanor, punishment for which shall be a fine of not more than
 34 \$1,000.00 or imprisonment for not more than 1 year, or both such
 35 fine and imprisonment.

36 (c) The certificate of the director to the effect that a tax has
 37 not been paid, that a return, bond or registration certificate has
 38 not been filed, or that information has not been supplied pursuant
 39 to the provisions of this act shall be presumptive evidence thereof.

1 23. This act shall take effect immediately.

STATEMENT

This bill is designed to correct miscellaneous errors in the statu-
 tory law, as follows:

Section 1, to insert an omission in the title of P. L. 1964, chapter
 86.

Section 2, to correct an error in N. J. S. 2A:151-11, as amended
 by the 1966 gun control law, P. L. 1966, chapter 60.

Section 3, to correct an internal reference in P. L. 1964, chapter
 104, section 6.

Section 4, to correct an internal reference in P. L. 1964, chapter
 105, section 5.

Section 5, to correct certain members and terms of the Clean
 Air Council in P. L. 1967, chapter 106, section 3.

Section 6, to correct certain members and terms of the Clean
 Air Council in P. L. 1967, chapter 109, section 1.

Section 7, to change "officer" to "officers" in P. L. 1966, chapter
 149, section 5, Article II.

Section 8, to conform language for the title of Director of the
 Division of Motor Vehicles to the language contained in the "De-
 partment of Law and Public Safety Act of 1948" in Revised
 Statutes 39:2-2.

Section 9, to insert the word "not" omitted from P. L. 1967, chapter 61, section 3 (c) (2), the "Municipal Planned Unit Development Act (1967)".

Section 10, to correct a wrong word in P. L. 1966, chapter 296, section 1.

Section 11, to correct references in the title of P. L. 1966, chapter 307.

Section 12, to correct references in section 3 of P. L. 1966, chapter 307.

Section 13, to correct the title of P. L. 1967, chapter 30 to insert "and repealing chapter 469 of the laws of 1948" rather than "and repealing chapter 177 of the laws of 1950".

Section 14, to correct section 4 of P. L. 1967, chapter 30 to **[4 ⅓ %]** and reinsert 4 ⅓ %.

Section 15, to change section 11 to conform to the change in the title of P. L. 1967, chapter 30.

Section 16, Revised Statutes 45:9-21 was amended twice in 1963 by chapters 30 and 169. This amendment would re-enact the provisions of P. L. 1963, chapter 30 omitted from the later amendment to give effect to both of the 1963 amendments and change "chiroprody" and "chiroprodist" to "podiatry" and "podiatrist".

Section 17, to correct an erroneous internal reference in P. L. 1962, chapter 109, section 20 which was noted in an opinion of the Supreme Court reported in 48 N. J. 581, at 592.

Section 18, to correct an internal reference in P. L. 1967, chapter 93, section 9.

Section 19, to insert the Division of Youth as a component part of the Department of Community Affairs, omitted by oversight from P. L. 1966, chapter 293, section 6.

Section 20, to conform language for the title of Superintendent of State Police to the language contained in the "Department of Law and Public Safety Act of 1948."

Section 21, to reinsert a paragraph omitted by error from the 1967 amendment (P. L. 1967, c. 50) of P. L. 1966, chapter 135, section 4.

Section 22, to correct a grammatical error in the Sales and Use Tax Act, P. L. 1966, chapter 30, section 26.

SENATE AMENDMENTS TO
ASSEMBLY, No. 956

STATE OF NEW JERSEY

ADOPTED DECEMBER 11, 1967

Amend page 5, section 8, lines 1-22, omit in their entirety.

Amend pages 5-27, sections 9-19, renumber as sections "8" to "18".

Amend pages 27 and 28, section 20, lines 1-13, omit in their entirety.

Amend pages 28 and 29, sections 21-23, renumber as sections "19" to "21".

CHAPTER 226 LAWS OF N. J. 1967

APPROVED 1-13-67

[OFFICIAL COPY REPRINT]

ASSEMBLY, No. 956

STATE OF NEW JERSEY

INTRODUCED NOVEMBER 20, 1967

By Assemblymen HAUSER and BEADLESTON

(Without Reference)

AN ACT to revise and correct certain statutes.

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

1 1. The title of chapter 86 of the laws of 1964 is amended to read
2 as follows:

3 "AN ACT concerning crimes and supplementing chapter 127
4 *of Title 2A* of the New Jersey Statutes."

1 2. Section 2A:151-11 of the New Jersey Statutes is amended to
2 read as follows:

3 2A:151-11. Any person under the age of 18 years who purchases,
4 barter, borrows, acquires or exchanges any firearm, grenade,
5 bomb or other explosive, [except a firearm as provided in section
6 2A:151-33,] is guilty of a misdemeanor or an act of juvenile de-
7 linquency as may be provided otherwise in the statutes; except
8 that any such person may carry, fire or use any firearm in the
9 actual presence or under the direct supervision of his father,
10 mother, guardian or some other person who is himself a holder of
11 a permit to carry a pistol or revolver or a firearms purchaser
12 identification card, or for the purpose of military drill under the
13 auspices of a legally recognized military organization and under
14 competent supervision, or for the purpose of competition or target
15 practice in and upon a firing range approved by the governing body
16 or the chief of police of the municipality in which such range is
17 located or the National Rifle Association and which is under com-
18 petent supervision at the time of such competition or target prac-
19 tice, and except further that a minor under the age of 18 years who
20 has successfully completed a hunter's safety course taught by a
21 qualified instructor or conservation officer and carries in his pos-
22 session a certificate indicating the successful completion of such a

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

23 course and has a valid hunting license in his own name, may carry
 24 and use a rifle or shotgun as otherwise provided in this chapter,
 25 for the purpose of hunting provided the regularly designated hunt-
 26 ing season.

1 3. Section 6 of chapter 104 of the laws of 1964 is amended to
 2 read as follows:

3 6. No hospital service corporation shall issue group contracts
 4 which are not experience rated pursuant to [sections 5 or 6] sec-
 5 tion 5 of this act, until it shall have filed with the commissioner a
 6 full schedule of the rates which are to apply to such contracts.
 7 The commissioner may disapprove such schedule at any time if he
 8 finds that such rates are excessive, inadequate or unfairly discrimi-
 9 natory. It shall be unlawful for any corporation to effect any such
 10 group contract according to such rates thereafter.

1 4. Section 5 of chapter 105 of the laws of 1964 is amended to
 2 read as follows:

3 5. No medical service corporation shall issue group contracts
 4 which are not experience rated pursuant to [sections 4 or 5] sec-
 5 tion 4 of this act, until it shall have filed with the commissioner a
 6 full schedule of the rates which are to apply to such contracts. The
 7 commissioner may disapprove such schedule at any time if he finds
 8 that such rates are excessive, inadequate or unfairly discrimi-
 9 natory. It shall be unlawful for any corporation to effect any such
 10 group contract according to such rates thereafter.

1 5. Section 3 of chapter 106 of the laws of 1967 is amended to read
 2 as follows:

3 3. (a) There is hereby created in the State Department of
 4 Health a Clean Air Council, which shall consist of 17 members, 3
 5 of whom shall be the Commissioner of Labor and Industry or a
 6 member of the Department of Labor and Industry designated by
 7 him, the Commissioner of Community Affairs or a member of the
 8 Department of Community Affairs designated by him, and the
 9 Secretary of Agriculture or a member of the Department of Agri-
 10 culture designated by him, who shall serve ex officio, 6 citizens of
 11 the State representing the general public at least one of whom
 12 shall be a medical doctor licensed to practice in this State and 8
 13 members to be appointed from persons to be nominated by the
 14 organizations hereinafter enumerated, by the Governor.

15 (b) Within 30 days following the effective date hereof and
 16 thereafter as required, at least 1 month prior to the expiration
 17 of the term of the member chosen from nominees of each organi-
 18 zation hereafter enumerated, each such organization shall submit

19 to the Governor a list of 3 recommended nominees for membership
20 on the council from which list the Governor shall appoint one.

21 If any organization does not submit a list of recommended
22 nominees at any time required by this act, the Governor may
23 appoint a member of his choice.

24 The organizations which shall be entitled to submit recommended
25 nominees are: New Jersey Health Officers Association, New Jersey
26 State Chamber of Commerce, New Jersey Society of Professional
27 Engineers, Inc., New Jersey Manufacturers Association, New
28 Jersey Section of the American Industrial Hygiene Association,
29 New Jersey State League of Municipalities, the New Jersey Free-
30 holders' Association and the New Jersey State AFL-CIO.

31 (c) Of the [12] 14 members first to be appointed, [3] 4 shall be
32 appointed for terms of 1 year, [3] 4 for terms of 2 years, 3 for
33 terms of 3 years and 3 for terms of 4 years. Thereafter, all appoint-
34 pointments shall be made for terms of 4 years. All appointed
35 members shall serve after the expiration of their terms until their
36 respective successors are appointed and shall qualify, and any
37 vacancy occurring in the appointed membership of the council by
38 expiration of term or otherwise, shall be filled in the same manner
39 as the original appointment for the unexpired term only, notwith-
40 standing that the previous incumbent may have held over and con-
41 tinued in office as aforesaid. The Governor may remove any ap-
42 pointed member of the council for cause after a public hearing.

43 (d) Members of the council shall serve without compensation
44 but shall be reimbursed for expenses actually incurred in attend-
45 ing meetings of the council and in the performance of their duties
46 as members thereof.

47 (e) The council shall elect annually a chairman and vice-chair-
48 man from its own membership.

1 6. Section 1 of chapter 109 of the laws of 1967 is amended to
2 read as follows:

3 1. (a) There is hereby created in the State Department of Health
4 a Clean Water Council, which shall consist of 18 members,
5 7 of whom shall be the Commissioner of Labor and Industry or a
6 member of the Department of Labor and Industry designated by
7 him, the Commissioner of Community Affairs or a member of the
8 Department of Community Affairs designated by him, the Presi-
9 dent of the Public Utilities Commission or a member of the Depart-
10 ment of Public Utilities designated by him, the Commissioner of
11 Conservation and Economic Development or a member of the
12 Department of Conservation and Economic Development desig-

13 nated by him, the Secretary of Agriculture or a member of the
14 Department of Agriculture designated by him, the Chairman of
15 the Water Policy and Supply Council in the Department of Con-
16 servation and Economic Development and the Executive Director
17 of the Delaware River Basin Commission, who shall serve ex
18 officio, 5 citizens of the State representing the general public and
19 6 members to be appointed from persons to be nominated by the
20 organizations hereinafter enumerated, by the Governor.

21 (b) Within 30 days following the effective date hereof and
22 thereafter as required, at least 1 month prior to the expiration of
23 the term of the member chosen from nominees of each organization
24 hereafter enumerated, each such organization shall submit to the
25 Governor a list of 3 recommended nominees for membership on the
26 council from which list the Governor shall appoint one.

27 If any organization does not submit a list of recommended
28 nominees at any time required by this act, the Governor may
29 appoint a member of his choice.

30 The organizations which shall be entitled to submit recommended
31 nominees are: New Jersey State Chamber of Commerce, New
32 Jersey Manufacturers Association, New Jersey State League of
33 Municipalities, the New Jersey Freeholders' Association, New
34 Jersey Society of Professional Engineers, Inc. and the New Jer-
35 sey AFL-CIO.

36 (c) Of the **[10]** 11 members first to be appointed, **[3]** 4 shall be
37 appointed for terms of 1 year, 3 for terms of 2 years, 2 for terms
38 of 3 years and 2 for terms of 4 years. Thereafter, all appointments
39 shall be made for terms of 4 years. All appointed members shall
40 serve after the expiration of their terms until their respective
41 successors are appointed and shall qualify, and any vacancy oc-
42 ccurring in the appointed membership of the council by expiration
43 of term or otherwise, shall be filled in the same manner as the
44 original appointment for the unexpired term only, notwithstanding
45 that the previous incumbent may have held over and continued in
46 office as aforesaid. The Governor may remove any appointed
47 member of the council for cause after a public hearing.

48 (d) Members of the council shall serve without compensation
49 but shall be reimbursed for expenses actually incurred in attending
50 meetings of the council and in the performance of their duties as
51 members thereof.

52 (e) The council shall elect annually a chairman and vice-chair-
53 man from its own membership.

1 7. Section 5 of Article II of chapter 149 of the laws of 1966 is
2 amended to read as follows:

3 5. Officers. The board shall elect a chairman, vice-chairman, a
4 secretary and a treasurer from among its membership and may
5 elect such other officers as it desires from among its membership.
6 The vice-chairman, and either the secretary or treasurer, shall not
7 reside in the same State as the chairman. The chairman or vice-
8 chairman shall be elected from among the State officials or ap-
9 pointees of each party State. The remaining **[officer]** *officers*
10 shall be selected from among the members representing the counties
11 and municipalities.

1 ***[8.** Section 39:2-2 of the Revised Statutes is amended to read
2 as follows:

3 39:2-2. The **[department]** *division* shall be administered by the
4 Director of the Division of Motor Vehicles.

5 The director shall be appointed by the Governor **[by and]** with
6 the advice and consent of the Senate **[for a term of 4 years but**
7 **he shall continue in office after the expiration of his term until**
8 **his successor shall be appointed and shall qualify]** *and shall serve*
9 *during the term of office of the Governor appointing him and until*
10 *the director's successor is appointed and has qualified.*

11 The director shall receive such salary as shall be provided by law.

12 The director shall give bond, conditioned for the faithful dis-
13 charge of his duties, in the sum of \$50,000.00, which bond shall
14 be approved by a justice of the Supreme Court or a judge of the
15 Superior Court, and shall be filed with the State Treasurer.

16 The director shall take an oath before one of the Supreme Court
17 justices or Superior Court judges, in form similar to that now
18 required by the State Treasurer, which oath shall be filed with the
19 Secretary of State.

20 **[Vacancies in the office of the director shall be filled by the**
21 **Governor by and with the advice and consent of the Senate for**
22 **the unexpired term only.]]***

1 ***[9.]** *8.* Section 3 of chapter 61 of the laws of 1967 is amended
2 to read as follows:

3 3. Standards and conditions for planned unit development.
4 Every ordinance adopted pursuant to the provisions of this act
5 shall set forth the standards and conditions by which a proposed
6 planned unit development shall be evaluated. The municipal
7 authority may prescribe, from time to time, rules and regulations
8 to supplement the standards and conditions set forth in the ordi-
9 nance provided (1) said rules and regulations are not inconsistent

10 with said standards and conditions, (2) said rules and regulations
11 are placed of public record, and (3) any amendment or change of
12 said rules and regulations shall not apply to any plan for which an
13 application for tentative approval has been made prior to the
14 placing of public record of said amendment or change. Said
15 standards and conditions and all supplementary rules and regula-
16 tions established for a particular planned development authorized
17 pursuant to such ordinance shall not be inconsistent with the
18 following provisions:

19 (a) Permitted uses. An ordinance adopted pursuant to this act
20 shall set forth the uses permitted in a planned unit development,
21 which uses may include and shall be limited to (1) dwelling units
22 in detached, semidetached, attached, groups of attached or clustered
23 or multistoried structures, or any combination thereof; and (2)
24 any nonresidential use, to the extent such nonresidential use is
25 designed and intended to serve the residents of the planned unit
26 development, and such other uses as exist or may reasonably be
27 expected to exist in the future, and (3) public and private educa-
28 tional facilities, and (4) industrial uses and buildings.

29 An ordinance may establish regulations setting forth the timing
30 of development among the various types of uses and subgroups
31 thereunder, and may specify whether some nonresidential uses are
32 to be built before, after or at the same time as the residential uses.

33 (b) Residential density.

34 (1) An ordinance adopted pursuant to this act shall establish
35 standards governing the density, or intensity of land use, in a
36 planned unit development.

37 (2) Said standards shall take into account that the density,
38 or intensity of land use, otherwise allowable on the site under
39 the provisions of a zoning ordinance previously enacted pur-
40 suant to Revised Statutes 40:55-30, et seq., may not be appro-
41 priate for a planned unit development. The standards may
42 vary the density, or intensity of land use, otherwise applicable
43 to the land within the planned unit development in considera-
44 tion of (a) the amount, location and proposed use of common
45 open space, (b) the location and physical characteristics of the
46 site of the proposed planned unit development, and (c) the
47 location, design and type of dwelling units and other uses.

48 (3) In the case of a planned unit development proposed to
49 be developed over a period of years, such standards may, to
50 encourage the flexibility of housing density, design and type
51 intended by this act, authorize a deviation in each section to be

52 developed from the density, or intensity of use, established for
53 the entire planned unit development. The ordinance may
54 authorize the municipal authority to allow for a greater con-
55 centration of density, or intensity of land use, within some sec-
56 tion or sections of development, whether it be earlier or later
57 in the development, than upon others. The ordinance may
58 require that the approval by the municipal authority of a
59 greater concentration of density or intensity of land use for
60 any section to be developed be offset by a smaller concentration
61 in any completed prior stage or by an appropriate reservation
62 of common open space on the remaining land by a grant of
63 easement or by covenant in favor of the municipality, provided
64 that such reservation shall, as far as practicable, defer the
65 precise location of such common open space until an applica-
66 tion for final approval is filed, so that flexibility of development
67 which is a prime objective of this act, can be maintained.

68 (c) Common open space. The standards for a planned unit
69 development established by an ordinance adopted pursuant to this
70 act shall require that any common open space resulting from the
71 application of standards for density, or intensity of land use, be set
72 aside for the use and benefit of the residents in such development
73 and shall include provisions by which the amount and location of
74 any common open space shall be determined and its improvement
75 and maintenance for common open space use be secured, subject,
76 however, to the following:

77 (1) The ordinance may provide that the municipality may,
78 at any time and from time to time, accept the dedication of
79 land or any interest therein for public use and maintenance,
80 but the ordinance shall not require, as a condition of the
81 approval of a planned unit development, that land proposed
82 to be set aside for common open space be dedicated or made
83 available to public use. The ordinance may require that the
84 landowner provide for and establish an organization for the
85 ownership and maintenance of any common open space, and
86 that such organization shall not be dissolved nor shall it dispose
87 of any common open space, by sale or otherwise (except to an
88 organization conceived and established to own and maintain
89 the common open space), without first offering to dedicate the
90 same to the municipality or any other government agency.

91 (2) In the event that the organization established to own and
92 maintain common open space, or any successor organization,
93 shall at any time after establishment of the planned unit

94 development fail to maintain the common open space in reason-
95 able order and condition in accordance with the plan, the mu-
96 nicipality may serve written notice upon such organization or
97 upon the residents and owners of the planned unit development
98 setting forth the manner in which the organization has failed
99 to maintain the common open space in reasonable condition,
100 and said notice shall include a demand that such deficiencies of
101 maintenance be cured within 30 days thereof, and shall state the
102 date and place of a hearing thereon which shall be held within
103 14 days of the notice. At such hearing the municipality may
104 modify the terms of the original notice as to the deficiencies
105 and may give an extension of time within which they shall be
106 cured. If the deficiencies set forth in the original notice or in the
107 modifications thereof shall *not* be cured within said 30 days or
108 any extension thereof, the municipality, in order to preserve
109 the taxable values of the properties within the planned unit
110 development and to prevent the common open space from be-
111 coming a public nuisance, may enter upon said common open
112 space and maintain the same for a period of 1 year. Said entry
113 and maintenance shall not vest in the public any rights to use
114 the common open space except when the same is voluntarily
115 dedicated to the public by the residents and owners. Before
116 the expiration of said year, the municipality shall, upon its
117 initiative or upon the request of the organization theretofore
118 responsible for the maintenance of the common open space, call
119 a public hearing upon notice to such organization, or to the
120 residents and owners of the planned unit development, to be
121 held by the municipal authority, at which hearing such organ-
122 ization or the residents and owners of the planned unit develop-
123 ment shall show cause why such maintenance by the municipi-
124 pality shall not, at the election of the municipality, continue for
125 a succeeding year. If the municipal authority shall determine
126 that such organization is ready and able to maintain said com-
127 mon open space in reasonable condition, the municipality shall
128 cease to maintain said common open space at the end of said
129 year. If the municipal authority shall determine such organiza-
130 tion is not ready and able to maintain said common open space
131 in a reasonable condition, the municipality may, in its discre-
132 tion, continue to maintain said common open space during the
133 next succeeding year and subject to a similar hearing and
134 determination, in each year thereafter. The decision of the
135 municipal authority in any such case shall constitute a final
136 administrative decision subject to judicial review.

137 (3) The cost of such maintenance by the municipality shall
138 be assessed ratably against the properties within the planned
139 unit development that have a right of enjoyment of the com-
140 mon open space, and shall become a tax lien on said properties.
141 The municipality, at the time of entering upon said common
142 open space for the purpose of maintenance, shall file a notice of
143 such lien in the office of the county clerk upon the properties
144 affected by such lien within the planned unit development.

145 (d) Minimum number of dwelling units. No ordinance adopted
146 pursuant to the provisions of this act shall authorize a planned unit
147 that contains less than 5 dwelling units, or less than 5 commercial
148 uses, or 3 industrial uses, singly or in combination.

149 (e) Public facilities. The authority granted a municipality by
150 P. L. 1953, chapter 433 (C. 40:55-1.1 et seq.) to establish standards
151 for the location, width, course and surfacing of public streets and
152 highways, alleys, ways for public service facilities, curbs, gutters,
153 sidewalks, street lights, parks, playgrounds, school grounds, storm
154 water drainage, water supply and distribution, sanitary sewers and
155 sewage collection and treatment, shall be vested in the municipal
156 authority for the purposes of this act. The standards applicable to
157 a planned unit development may be different than, or modifications
158 of, the standards and requirements otherwise required of sub-
159 divisions authorized under an ordinance adopted pursuant to P. L.
160 1953, chapter 433 (C. 40:55-1.1 et seq.) provided however, that an
161 ordinance adopted pursuant to this act shall set forth the limits
162 and extent of any modifications or changes in such standards and
163 requirements in order that a landowner shall be able to know the
164 limits and extent of permissible modifications from the standards
165 otherwise applicable to subdivisions. The limits of such modifica-
166 tion or change established in an ordinance adopted pursuant to this
167 act as well as the degree of modification or change within said
168 limits authorized in a particular case by the municipal authority
169 shall take into account that the standards and requirements estab-
170 lished in an ordinance adopted pursuant to P. L. 1953, chapter 433
171 (C. 40:55-1.1 et seq.), may not be appropriate or necessary for
172 land development of the type or design contemplated by this act
173 or for the planning and creation of a planned community.

174 (f) Other standards and conditions. An ordinance adopted pur-
175 suant to this act shall set forth the standards and criteria by which
176 the design, bulk and location of buildings shall be evaluated, and all
177 standards and criteria for any feature of a planned unit develop-
178 ment shall be set forth in such ordinance with sufficient certainty to

179 provide reasonable criteria by which specific proposals for a
 180 planned unit development can be evaluated. All standards in such
 181 ordinance shall not unreasonably restrict the ability of the land-
 182 owner to relate the plan to the particular site and to the particular
 183 demand for housing, commercial or industrial users existing at the
 184 time of development.

1 ***[10.]*** *9.* Section 1 of chapter 296 of the laws of 1966 is
 2 amended to read as follows:

3 1. In any municipality operating under the municipal manager
 4 form of government law which has established or shall establish
 5 jointly with one or more other municipalities a water commission
 6 pursuant to the provisions of section 40:62-129 of the Revised
 7 Statutes, the municipal **[counsel]** *council* shall appoint the member
 8 or members of the water commission to which the municipality is
 9 entitled.

1 ***[11.]*** *10.* The title of chapter 307 of the laws of 1966 is
 2 amended to read as follows:

3 AN ACT to amend sections 43:16-3 **[.]** and 43:16-4 **[and**
 4 43:16-17] of the Revised Statutes and section 12 of P. L. 1944, c.
 5 253, and repealing section 2 of P. L. 1960, chapter 108, and sections
 6 2 and 3 of P. L. 1962, chapter 40.

1 ***[12.]*** *11.* Section 3 of chapter 307 of the laws of 1966 and
 2 its amendatory clause are amended to read as follows:

3 3. Section **[43:16-17 of the Revised Statutes]** *12 of chapter 253*
 4 *of the laws of 1944* is amended to read as follows:

5 **[43:16-17]** 12. The following words and phrases as used in this
 6 act, unless a different meaning is plainly required by the context,
 7 shall have the following meaning:

8 (1) "Member" shall mean a person who on the effective date of
 9 the act of which this act is amendatory, that is on July 1, 1944, was
 10 a member of a municipal police department or paid or part-paid
 11 fire department or county police department or a paid or part-paid
 12 fire department of a fire district located in a township and who has
 13 contributed to the pension fund established under chapter 16 of
 14 Title 43 of the Revised Statutes and shall hereafter contribute to
 15 said fund.

16 (2) "Active member" shall mean any "member" who is a
 17 policeman, fireman, detective, lineman, driver of police van, fire
 18 alarm operator or inspector of combustibles and who is subject to
 19 call for active service or duty as such.

20 (3) "Employee member" shall mean any "member" who is not
 21 subject to call for active service or duty as a policeman, fireman,

22 detective, lineman, driver of police van, fire alarm operator or in-
23 spector of combustibles.

24 (4) "Commission" shall mean the board having control of the
25 fund and the administration of this act.

26 (5) "Physician or surgeon" shall mean the surgeon or surgeons,
27 physician or physicians who shall be called upon to determine the
28 disability of members as provided by this act.

29 (6) "Employer" shall mean the county, municipality or agency
30 thereof, by which a member is employed.

31 (7) "Service" shall mean service rendered while a member is
32 employed by a municipal police department, paid or part-paid fire
33 department, county police department or paid or part-paid fire
34 department of a fire district located in a township prior to the
35 effective date of this act for such service to such departments there-
36 after.

37 (8) "Pension" shall mean the amount payable to a member or
38 his beneficiary under the provisions of this act.

39 (9) "Average salary" shall mean the average annual salary
40 paid during the last 3 years of a member's service, or in the event
41 he has been employed for less than 3 years, the average pay he
42 received during the time he was employed.

43 (10) "Beneficiary" shall mean any person or persons, other
44 than a member, receiving or entitled to receive a pension or benefit
45 as provided by this act.

46 (11) "Dependent parent" shall mean the parent of a member
47 who was receiving at least $\frac{1}{2}$ of his support from the member in the
48 12-month period immediately preceding the member's death. The
49 dependency of such a parent will be considered terminated by
50 marriage of the parent subsequent to the death of the member.

51 (12) "County police" shall mean all police officers having super-
52 vision or regulation of traffic upon county roads.

53 (13) "Dependent widower" shall mean the man to whom a
54 member was married before the date of her retirement or at least
55 5 years before the date of her death and to whom she continued to
56 be married until the date of her death and who was receiving at
57 least $\frac{1}{2}$ of his support from the member in the 12-month period
58 immediately preceding the member's death. The dependency of
59 such a widower will be considered terminated by marriage of the
60 widower subsequent to the death of the member.

61 (14) "Widow" shall mean the woman to whom a member was
62 married before the date of his retirement or at least 5 years before
63 the date of his death and to whom he continued to be married until

64 the date of his death and who has not remarried subsequent to the
65 member's death.

66 (15) "Child" shall mean a deceased member's unmarried child
67 under the age of 18.

1 ***[13.]** *12.* The title of chapter 30 of the laws of 1967 is
2 amended to read as follows:

3 AN ACT concerning unemployment compensation and temporary
4 disability benefits, and amending sections 43:21-3, 43:21-4,
5 43:21-5, 43:21-7, 43:21-8 and 43:21-19 of the Revised Statutes,
6 and sections 14, 15, and 16 of chapter 110 of the laws of 1948,
7 amending section 1 of chapter 81 of the laws of 1944, supplement-
8 ing Title 43 of the Revised Statutes and repealing **[chapter 177 of**
9 **the laws of 1950]** *chapter 469 of the laws of 1948.*

1 ***[14.]** *13.* Section 43:21-7 of the Revised Statutes is amended
2 to read as follows:

3 43:21-7. (a) Payment.

4 (1) Contributions shall accrue and become payable by each em-
5 ployer for each calendar year in which he is subject to this chapter
6 (R. S. 43:21-1 et seq.), with respect to having individuals in his
7 employ during such calendar year at the rates and on the basis
8 hereinafter set forth. Such contributions shall become due and be
9 paid by each employer to the Division of Employment Security for
10 the fund in accordance with such regulations as may be prescribed,
11 and shall not be deducted, in whole or in part, from the remunera-
12 tion of individuals in his employ.

13 (2) In the payment of any contributions, a fractional part of a
14 cent shall be disregarded unless it amounts to $\frac{1}{2}$ cent or more, in
15 which case it shall be increased to \$0.01.

16 (b) Rate of contributions. Each employer shall pay the follow-
17 ing contributions:

18 (1) For the calendar year 1947, and each calendar year there-
19 after, $2\frac{7}{10}\%$ of wages paid by him during each such calendar year,
20 except as otherwise prescribed by subsection (c) of this section.

21 (2) The "wages" of any individual, with respect to any one
22 employer as the term is used in this subsection (b) and in subsec-
23 tions (c), (d) and (e) of this section 7, shall include the first
24 \$3,000.00 paid during each calendar year prior to January 1, 1968
25 and the first \$3,600.00 paid during each calendar year commencing
26 on or after January 1, 1968, for services performed either within
27 or without this State; provided, that no contribution shall be re-
28 quired by this State with respect to services performed in another
29 State if such other State imposes contribution liability with respect

30 thereto. If an employer (hereinafter referred to as successor em-
31 ployer) during any calendar year acquires substantially all the
32 property used in a trade or business of another employer (here-
33 inafter referred to as a predecessor), or used in a separate unit
34 of a trade or business of a predecessor, and immediately after the
35 acquisition employs in his trade or business an individual who
36 immediately prior to the acquisition was employed in the trade or
37 business of such predecessor, then, for the purpose of determining
38 whether the successor employer has paid wages with respect to
39 employment equal to \$3,000.00 to such individual during any
40 calendar year prior to January 1, 1968, or equal to \$3,600.00 during
41 any calendar year commencing on or after January 1, 1968, any
42 wages paid to such individual by such predecessor during such
43 calendar year and prior to such acquisition shall be considered
44 as having been paid by such successor employer.

45 (c) Future rates based on benefit experience:

46 (1) a separate account for each employer shall be maintained
47 and this shall be credited with all the contributions which he has
48 paid on his own behalf on or before January 31 of any calendar
49 year with respect to employment occurring in preceding calendar
50 years; provided, however, that if January 31 of any calendar year
51 falls on a Saturday or Sunday, an employer's account shall be
52 credited as of January 31 of such calendar year with all the con-
53 tributions which he has paid on or before the next succeeding day
54 which is not a Saturday or Sunday. But nothing in this chapter
55 (R. S. 43:21-1 et seq.) shall be construed to grant any employer or
56 individuals in his service prior claims or rights to the amounts
57 paid by him into the fund either on his own behalf or on behalf of
58 such individuals. Benefits paid with respect to benefit years com-
59 mencing on and after January 1, 1953, to any individual on or before
60 December 31 of any calendar year with respect to unemployment in
61 such calendar year and in preceding calendar years shall be charged
62 against the account or accounts of the employer or employers in
63 whose employment such individual established base weeks con-
64 stituting the basis of such benefits. Benefits paid under a given
65 benefit determination shall be charged against the account of the
66 employer to whom such determination relates. When each benefit
67 payment is made the division shall promptly send either a copy of
68 the benefit check or other form of notification to the employer
69 against whose account the benefits are to be charged. Such copy or
70 notification shall identify the employer against whose account the
71 amount of such payment is being charged, shall show at least the
72 name and social security account number of the claimant and shall

73 specify the period of unemployment to which said check applies.
 74 If the total amount of benefits paid to a claimant and charged to
 75 the account of the appropriate employer exceeds 50% of the total
 76 base-year base week wages paid to the claimant by that employer,
 77 then such employer may apply to the division to have canceled from
 78 his account such excess benefit charges as specified above. Any
 79 such application for the cancellation of excess charges shall be sub-
 80 mitted by the employer within 6 months from the date of the benefit
 81 check, payment of which creates such charges. In no event will the
 82 erasure of such charges affect a contribution rate already assigned
 83 to the employer with respect to any fiscal year commencing prior
 84 to the date the application is received by the division.

85 The division shall furnish to each employer an annual summary
 86 statement of benefits charged to his account.

87 (2) The Division of Employment Security may prescribe regu-
 88 lations for the establishment, maintenance, and dissolution of joint
 89 accounts by 2 or more employers, and shall, in accordance with such
 90 regulations and upon application by 2 or more employers to
 91 establish such an account, or to merge their several individual
 92 accounts in a joint account, maintain such joint account as if it con-
 93 stituted a single employer's account.

94 (3) Each employer's rate shall be $2\frac{8}{10}\%$, except as otherwise
 95 provided in the following provisions: No employer's rate shall be
 96 other than $2\frac{8}{10}\%$ unless and until there shall have been 3 calendar
 97 years throughout which any individual in his employ could have
 98 received benefits if eligible. No employer's rate shall be lower
 99 than $2\frac{7}{10}\%$ unless assignment of such lower rate is consistent with
 100 the conditions applicable to additional credit allowance for such
 101 year under section 3303 (a) (1) of the Internal Revenue Code
 102 (U. S. Code Title 26, section 3303 (a) (1)), any other provision
 103 of this section to the contrary notwithstanding.

104 (4) (A) Each employer's rate for the 12 months commencing
 105 July 1 of any calendar year shall be determined on the basis of his
 106 record up to the beginning of such calendar year. If, at the begin-
 107 ning of such calendar year, the total of all his contributions, paid
 108 on his own behalf, for all past years exceeds the total benefits
 109 charged to his account for all such years, his contribution rate
 110 shall be:

- 111 (1) $2\frac{5}{10}\%$, if such excess equals or exceeds 4%, but less
 112 than 5% of his average annual payroll (as defined in para-
 113 graph (2), subsection (a) of section 43:21-19 of this Title);
- 114 (2) $2\frac{2}{10}\%$, if such excess equals or exceeds 5%, but is less
 115 than 6%, of his average annual payroll;

116 (3) $1\frac{1}{10}\%$, if such excess equals or exceeds 6%, but is less
 117 than 7%, of his average annual payroll;

118 (4) $1\frac{1}{10}\%$, if such excess equals or exceeds 7%, but is less
 119 than 8%, of his average annual payroll;

120 (5) $1\frac{3}{10}\%$, if such excess equals or exceeds 8%, but is less
 121 than 9%, of his average annual payroll;

122 (6) 1%, if such excess equals or exceeds 9%, but is less than
 123 10%, of his average annual payroll;

124 (7) $\frac{7}{10}$ of 1%, if such excess equals or exceeds 10%, but is
 125 less than 11%, of his average annual payroll;

126 (8) $\frac{4}{10}$ of 1%, if such excess equals or exceeds 11%, of his
 127 average annual payroll.

128 (B) If the total of an employer's contributions, paid on his own
 129 behalf, for all past periods for the purposes of this paragraph (4),
 130 is less than the total benefits charged against his account during
 131 the same period, his rate shall be $3\frac{1}{10}\%$; provided, however, if the
 132 total of the contributions of such an employer for the past 120 con-
 133 secutive calendar months is more than the total benefits charged
 134 against his account during the same period, his rate shall be $2\frac{8}{10}\%$.

135 (C) The contribution rates prescribed by subparagraphs (A)
 136 and (B) of this paragraph (4) shall be increased or decreased in
 137 accordance with the provisions of paragraph (5) of this subsec-
 138 tion (c).

139 (5) (A) If on March 31 of any calendar year the balance in the
 140 Unemployment Trust Fund equals or exceeds 4% but is less than
 141 7% of the total taxable wages reported to the division as of that
 142 date in respect to employment during the preceding calendar year,
 143 the contribution rate, effective July 1 following, of each employer
 144 eligible for a contribution rate calculation based upon benefit
 145 experience, shall be increased by $\frac{3}{10}$ of 1% over the contribution
 146 rate otherwise established under the provisions of paragraphs (3)
 147 or (4) of this subsection. If on March 31 of any calendar year the
 148 balance of the Unemployment Trust Fund is less than 4% of the
 149 total taxable wages reported to the Division of Employment
 150 Security as of that date in respect to employment during the pre-
 151 ceding calendar year, the contribution rate, effective July 1 follow-
 152 ing, of each employer eligible for a contribution rate calculation
 153 based upon benefit experience, shall be increased by $\frac{1}{10}$ of 1% over
 154 the contribution rate otherwise established under the provisions of
 155 paragraphs (3) or (4) of this subsection; provided, that if on such
 156 March 31, such balance is less than $2\frac{1}{2}\%$ of such total taxable
 157 wages, the contribution rate so effective, of any employer, shall be
 158 not less than $2\frac{8}{10}\%$; provided further, that the contribution rate

159 of any employer increased pursuant to the provisions of this sub-
 160 paragraph, when so increased, shall not exceed $4\frac{3}{10}\%$ $4\frac{2}{10}\%$.

161 (B) If on March 31 of any calendar year the balance in the Un-
 162 employment Trust Fund equals or exceeds 10% but is less than
 163 $12\frac{1}{2}\%$ of the total taxable wages reported to the Division of Em-
 164 ployment Security as of that date in respect to employment during
 165 the preceding calendar year, the contribution rate, effective July 1
 166 following, of each employer eligible for a contribution rate calcula-
 167 tion based upon benefit experience, shall be reduced by $\frac{3}{10}$ of 1%
 168 under the contribution rate otherwise established under the pro-
 169 visions of paragraphs (3) and (4) of this subsection; provided, that
 170 in no event shall the contribution rate of any employer be reduced
 171 to less than $\frac{4}{10}$ of 1%. If on March 31 of any calendar year the
 172 balance in the Unemployment Trust Fund equals or exceeds $12\frac{1}{2}\%$
 173 of the total taxable wages reported to the division as of that date in
 174 respect to employment during the preceding calendar year, the
 175 contribution rate, effective July 1 following, of each employer
 176 eligible for a contribution rate calculation based upon benefit
 177 experience, shall be reduced by $\frac{4}{10}$ of 1% if his account for all past
 178 periods reflects an excess of contributions paid over total benefits
 179 charged of 3% or more of his average annual payroll, otherwise by
 180 $\frac{3}{10}$ of 1% under the contribution rate otherwise established under
 181 the provisions of paragraphs (3) and (4) of this subsection; pro-
 182 vided, that in no event shall the contribution rate of any employer
 183 be reduced to less than $\frac{4}{10}$ of 1%.

184 (6) Additional contributions.

185 Notwithstanding any other provision of law, any employer who
 186 has been assigned a contribution rate pursuant to subsection (c)
 187 of this section for the year commencing July 1, 1948, and for any
 188 year commencing July 1 thereafter, may voluntarily make payment
 189 of additional contributions, and upon such payment shall receive
 190 a recomputation of the experience rate applicable to such employer
 191 including in the calculation the additional contribution so made.
 192 Any such additional contribution shall be made during the 30-day
 193 period following the date of the mailing to the employer of the
 194 notice of his contribution rate as prescribed in this section, unless,
 195 for good cause, the time for payment has been extended by the
 196 director for not to exceed an additional 60 days; provided, that in
 197 no event may such payments which are made later than 120 days
 198 after the beginning of the year for which such rates are effective be
 199 considered in determining the experience rate for the year in which
 200 the payment is made. Any employer receiving any extended period

201 of time within which to make such additional payment and failing
202 to make such payment timely shall pay, in addition to the required
203 amount of additional payment, a penalty of 5% thereof or \$5.00,
204 whichever is greater, not to exceed \$50.00. Any adjustment under
205 this subsection shall be made only in the form of credits against
206 accrued or future contributions.

207 (7) Transfers.

208 (A) Upon the transfer of the organization, trade or business, or
209 substantially all the assets of an employer to a successor in interest,
210 whether by merger, consolidation, sale, transfer, descent or other-
211 wise, the Division of Employment Security shall transfer the em-
212 ployment experience of the predecessor employer to the successor
213 in interest, including credit for past years, contributions paid,
214 annual payrolls, benefit charges, et cetera, applicable to such
215 predecessor employer, pursuant to regulations adopted by the
216 division, if the division finds that the employment experience of the
217 predecessor employer with respect to the organization, trade, assets
218 or business, which has been transferred, may be considered in-
219 dicative of the future employment experience of the successor in
220 interest. Unless the predecessor employer was owned or controlled
221 (by legally enforceable means or otherwise), directly or indirectly,
222 by the successor in interest, or the predecessor employer and the
223 successor in interest were owned or controlled (by legally en-
224 forcible means or otherwise), directly or indirectly, by the same
225 interest or interests, the transfer of the employment experience
226 of the predecessor shall not be effective if such successor in interest,
227 within 4 months of the date of such transfer of the organization,
228 trade, assets or business, or thereafter upon good cause shown,
229 files a written notice with the division protesting the transfer of
230 the employment experience of the predecessor employer.

231 (B) An employer, who transfers part of his or its organization,
232 trade, assets or business to a successor in interest, whether by
233 merger, consolidation, sale, transfer, descent or otherwise, may
234 jointly make application with such successor in interest for trans-
235 fer of that portion of the employment experience of the predeces-
236 sor employer relating to the portion of the organization, trade,
237 assets, or business transferred to the successor in interest, includ-
238 ing credit for past years, contributions paid, annual payrolls,
239 benefit charges, et cetera, applicable to such predecessor employer.
240 The Division of Employment Security may allow such transfer of
241 employment experience pursuant to regulations adopted by the
242 division, only if it finds that the employment experience of the

243 predecessor employer with respect to the portion of the organiza-
244 tion, trade, assets or business which has been transferred may be
245 considered indicative of the future employment experience of the
246 successor in interest. Credit shall be given to the successor in
247 interest only for the years during which contributions were paid
248 by the predecessor employer with respect to that part of the or-
249 ganization, trade, assets or business transferred.

250 (C) A transfer of the employment experience in whole or in
251 part having become final, the predecessor employer thereafter
252 shall not be entitled to consideration for an adjusted rate based
253 upon his or its experience or the part thereof, as the case may be,
254 which has thus been transferred. A successor in interest to whom
255 employment experience or a part thereof is transferred pursuant
256 to this subsection shall, as of the date of the transfer of the organi-
257 zation, trade, assets or business, or part thereof, immediately
258 become an employer if not theretofore an employer subject to this
259 chapter (R. S. 43:21-1 et seq.).

260 (d) (1) Contribution of workers; transfers to temporary dis-
261 ability benefit fund.

262 Each worker shall contribute to the fund $\frac{3}{4}$ of 1% of his wages
263 paid by an employer with respect to his employment which occurs
264 on and after January 1, 1953, and after such employer has satisfied
265 the conditions set forth in subsection (h) of section 43:21-19 of this
266 Title with respect to becoming an employer; provided, however,
267 that such contribution shall be at the rate of $\frac{1}{4}$ of 1% of wages
268 paid with respect to employment while the worker is covered by an
269 approved private plan under the Temporary Disability Benefits
270 Law or while the worker is exempt from the provisions of the
271 Temporary Disability Benefits Law under section 7 of that law.
272 Each employer shall, notwithstanding any provisions of law in
273 this State to the contrary, withhold in trust the amount of his
274 workers' contributions from their wages at the time such wages
275 are paid, shall show such deduction on his payroll records, shall
276 furnish such evidence thereof to his workers as the division may
277 prescribe, and shall transmit all such contributions, in addition
278 to his own contributions, to the office of the Division of Employ-
279 ment Security in such manner and at such times as may be pre-
280 scribed. If any employer fails to deduct the contributions of any of
281 his workers at the time their wages are paid, or fails to make a de-
282 duction therefor at the time wages are paid for the next succeeding
283 payroll period, he alone shall thereafter be liable for such con-
284 tributions, and for the purpose of section 43:21-14 of this Title,

285 such contributions shall be treated as employer's contributions
286 required from him. As used in this chapter (R. S. 43:21-1 et seq.),
287 except when the context clearly requires otherwise, the term "con-
288 tributions" shall include the contributions of workers pursuant
289 to this section.

290 (2) (A) There shall be deposited in and credited to the State
291 Disability Benefits Fund, as established by law, $\frac{3}{4}$ of all worker
292 contributions, received by the Division of Employment Security
293 with respect to wages paid prior to January 1, 1953, and upon
294 which the rate of contributions is 1%.

295 (B) There shall be deposited in and credited to the State Dis-
296 ability Benefits Fund, as established by law, $\frac{2}{3}$ of all worker con-
297 tributions, received by the Division of Employment Security
298 pursuant to paragraph (1) above after December 31, 1952, with
299 respect to wages paid on and after January 1, 1953, and upon
300 which the rate of contributions is $\frac{3}{4}$ of 1%.

301 (3) If an employee receives wages from more than one employer
302 during any calendar year, and either the sum of his contributions
303 deposited in and credited to the State Disability Benefits Fund
304 (in accordance with subparagraph (B) of paragraph (2) of this
305 subsection) plus the amount of his contributions, if any, required
306 towards the cost of benefits under one or more approved private
307 plans under the provisions of section 9 of the Temporary Disability
308 Benefits Law and deducted from his wages, or the sum of such
309 latter contributions if the employee is covered during such calendar
310 year, only by 2 or more private plans, exceeds \$15.00 in any
311 calendar year prior to January 1, 1968, or \$18.00 in any calendar
312 year commencing on or after January 1, 1968, the employee shall
313 be entitled to a refund of the excess if he makes claim to the
314 Division of Employment Security within 2 years after the end of
315 the calendar year in which the wages are received with respect
316 to which the refund is claimed and establishes his right to such
317 refund. Such refund shall be made by the Division of Employment
318 Security from the State Disability Benefits Fund. No interest
319 shall be allowed or paid with respect to any such refund. The
320 division shall, in accordance with prescribed regulations, determine
321 the portion of the aggregate amount of such refunds made during
322 any calendar year which is applicable to private plans for which
323 deductions were made under section 9 of the "Temporary Dis-
324 ability Benefits Law," such determination to be based upon the
325 ratio of the amount of such wages exempt from contributions to
326 such fund as provided in subparagraph (B) of paragraph (1) of

327 this subsection with respect to coverage under private plans to
328 the total wages so exempt plus the amount of such wages subject
329 to contributions to the disability benefits fund as provided in sub-
330 paragraph (B) of paragraph (2) of this subsection. The division
331 shall, in accordance with prescribed regulations, prorate the
332 amount so determined among the applicable private plans in the
333 proportion that the wages covered by each plan bears to the total
334 private plan wages involved in such refunds, and shall assess
335 against and recover from the employer, or the insurer if the
336 insurer has indemnified the employer with respect thereto, the
337 amount so prorated. The provisions of Revised Statutes, section
338 43:21-14, with respect to collection of employer contributions shall
339 apply to such assessments. The amounts so recovered by the
340 division shall be paid into the State Disability Benefits Fund.

341 (4) If an individual does not receive any wages from the em-
342 ploying unit which for the purposes of this chapter (R. S. 43:21-1
343 et seq.) is treated as his employer, or receives his wages from
344 some other employing unit, such employer shall nevertheless be
345 liable for such individual's contributions in the first instance; and
346 after payment thereof such employer may deduct the amount of
347 such contributions from any sums payable by him to such employ-
348 ing unit, or may recover the amount of such contributions from
349 such employing unit, or, in the absence of such an employing unit,
350 from such individual, in a civil action; provided, proceedings
351 therefor are instituted within 3 months after the date on which
352 such contributions are payable. General rules shall be prescribed
353 whereby such an employing unit may recover the amount of such
354 contributions from such individuals in the same manner as if it
355 were the employer.

356 (5) Every employer who has elected to become an employer sub-
357 ject to this chapter (R. S. 43:21-1 et seq.), or to cease to be an
358 employer subject to this chapter (R. S. 43:21-1 et seq.), pursuant
359 to the provisions of section 43:21-8 of this Title, shall post and
360 maintain printed notices of such election on his premises, of such
361 design, in such numbers, and at such places as the directors may
362 determine to be necessary to give notice thereof to persons in his
363 service.

364 (6) Contributions by workers, payable to the Division of Employ-
365 ment Security as herein provided, shall be exempt from garnish-
366 ment, attachment, execution, or any other remedy for the collection
367 of debts.

368 (e) Contributions by employers to State Disability Benefits Fund.

369 (1) Except as hereinafter provided, each employer shall, in addi-
370 tion to the contributions required by subsections (a), (b), and (c)
371 of this section, contribute $\frac{1}{4}$ of 1% of the wages paid by such em-
372 ployer to workers with respect to employment after January 1,
373 1949. Such contributions shall become due and be paid by each
374 employer to the Division of Employment Security for the State
375 Disability Benefits Fund as established by law, in accordance with
376 such regulations as may be prescribed, and shall not be deducted,
377 in whole or in part, from the remuneration of individuals in his
378 employ. In the payment of any contributions, a fractional part of
379 a cent shall be disregarded unless it amounts to $\frac{1}{2}$ cent or more,
380 in which case it shall be increased to \$0.01.

381 (2) During the continuance of coverage of a worker by an ap-
382 proved private plan of disability benefits under the Temporary
383 Disability Benefits Law, the employer shall be exempt from the
384 contribution required by subparagraph (1) above with respect
385 to wages paid to such worker.

386 (3) (A) The rates of contribution as specified in subparagraph
387 (1) above shall be subject to modification as provided herein with
388 respect to employer contributions due on and after July 1, 1951.

389 (B) A separate disability benefits account shall be maintained
390 for each employer required to contribute to the State Disability
391 Benefits Fund and such account shall be credited with contribu-
392 tions deposited in and credited to such fund with respect to em-
393 ployment occurring on and after January 1, 1949. Each employer's
394 account shall be credited with all contributions paid on or before
395 January 31 of any calendar year on his own behalf and on behalf
396 of individuals in his service with respect to employment occurring
397 in preceding calendar years; provided, however, that if January
398 31, of any calendar year falls on a Saturday or Sunday an em-
399 ployer's account shall be credited as of January 31 of such calendar
400 year with all the contributions which he has paid on or before
401 the next succeeding day which is not a Saturday or Sunday. But
402 nothing in this act shall be construed to grant any employer or
403 individuals in his service prior claims or rights to the amounts
404 paid by him to the fund either on his own behalf or on behalf of
405 such individuals. Benefits paid to any covered individual in ac-
406 cordance with Article III of the Temporary Disability Benefits
407 Law on or before December 31 of any calendar year with respect
408 to disability in such calendar year and in preceding calendar
409 years shall be charged against the account of the employer by
410 whom such individual was employed at the commencement of such

411 disability or by whom he was last employed if out of employment.

412 (C) The division may prescribe regulations for the establish-
413 ment, maintenance, and dissolution of joint accounts by 2 or more
414 employers, and shall, in accordance with such regulations and upon
415 application by 2 or more employers to establish such an account,
416 or to merge their several individual accounts in a joint account,
417 maintain such joint account as if it constituted a single employer's
418 account.

419 (D) Prior to July 1 of each calendar year, the Division of Em-
420 ployment Security shall make a preliminary determination of the
421 rate of contribution for the 12 months commencing on such July
422 1 for each employer subject to the contribution requirements of
423 this subsection (e).

424 (1) Such preliminary rate shall be $\frac{1}{4}$ of 1% unless on the pre-
425 ceding January 31 of such year such employer shall have been a
426 covered employer who has paid contributions to the State Dis-
427 ability Benefits Fund with respect to employment in the 3 calendar
428 years immediately preceding such year.

429 (2) If the minimum requirements in (1) above have been ful-
430 filled and the credited contributions exceed the benefits charged
431 by more than \$500.00, such preliminary rate shall be as follows:

432 (i) $\frac{2}{10}$ of 1% if such excess over \$500.00 exceeds 1% but
433 is less than $1\frac{1}{4}$ % of his average annual payroll (as defined
434 in this chapter (R. S. 43:21-1 et seq.));

435 (ii) $\frac{15}{100}$ of 1% if such excess over \$500.00 equals or exceeds
436 $1\frac{1}{4}$ % but is less than $1\frac{1}{2}$ % of his average annual payroll;

437 (iii) $\frac{1}{10}$ of 1% of such excess over \$500.00 equals or exceeds
438 $1\frac{1}{2}$ % of his average annual payroll.

439 (3) If the minimum requirements in (1) above have been fulfilled
440 and the contributions credited exceed the benefits charged but by
441 not more than \$500.00 plus 1% of his average annual payroll, or
442 if the benefits charged exceed the contributions credited but by
443 not more than \$500.00, the preliminary rate shall be $\frac{1}{4}$ of 1%.

444 (4) If the minimum requirements in (1) above have been fulfilled
445 and the benefits charged exceed the contributions credited by more
446 than \$500.00, such preliminary rate shall be as follows:

447 (i) $\frac{35}{100}$ of 1% if such excess over \$500.00 is less than $\frac{1}{4}$
448 of 1% of his average annual payroll;

449 (ii) $\frac{45}{100}$ of 1% if such excess over \$500.00 equals or exceeds
450 $\frac{1}{4}$ of 1% but is less than $\frac{1}{2}$ of 1% of his average annual
451 payroll;

452 (iii) $\frac{55}{100}$ of 1% if such excess over \$500.00 equals or exceeds

453 $\frac{1}{2}$ of 1% but is less than $\frac{3}{4}$ of 1% of his average annual
454 payroll;

455 (iv) $\frac{65}{100}$ of 1% if such excess over \$500.00 equals or exceeds
456 $\frac{3}{4}$ of 1% but is less than 1% of his average annual payroll;

457 (v) $\frac{75}{100}$ of 1% if such excess over \$500.00 equals or exceeds
458 1% of his average annual payroll.

459 (5) Determination of the preliminary rate as specified in (2),
460 (3) and (4) above shall be subject, however, to the condition that
461 it shall in no event be decreased by more than $\frac{1}{10}$ of 1% of wages
462 or increased by more than $\frac{2}{10}$ of 1% of wages from the preliminary
463 rate determined for the preceding year in accordance with (1),
464 (2), (3) or (4), whichever shall have been applicable.

465 (E) (1) Prior to July 1 of each calendar year the Division of
466 Employment Security shall determine the amount of the State
467 Disability Benefits Fund as of December 31 of the preceding
468 calendar year increased by the contributions paid thereto during
469 January of the current calendar year with respect to employment
470 occurring in preceding calendar years. If such amount exceeds
471 the total of the amounts withdrawn from the unemployment trust
472 fund pursuant to section 23 of the Temporary Disability Benefits
473 Law plus the amount at the end of such preceding calendar year
474 of the unemployment disability account (as defined in section 22
475 of said law), such excess shall be expressed as a percentage of the
476 wages on which contributions were paid to the State Disability
477 Benefits Fund on or before January 31 with respect to employ-
478 ment in the preceding calendar year.

479 (2) The Division of Employment Security shall then make a final
480 determination of the rates of contribution for the 12 months com-
481 mencing July 1 of such year for employers whose preliminary rates
482 are determined as provided in (D) hereof, as follows:

483 (i) If the percentage determined in accordance with para-
484 graph (1) of this subsection equals or exceeds $1\frac{1}{4}\%$ of the final
485 employer rates shall be the preliminary rates determined as
486 provided in (D) hereof, except that if the employer's pre-
487 liminary rate is determined as provided in (D) (2) or (D) (3)
488 hereof, the final employer rate shall be the preliminary em-
489 ployer rate decreased by such percentage of excess taken to
490 the nearest $\frac{5}{100}$ of 1%, but in no case shall such final rate be
491 less than $\frac{1}{10}$ of 1%.

492 (ii) If the percentage determined in accordance with para-
493 graph (1) of this subsection equals or exceeds $\frac{3}{4}$ of 1% and
494 is less than $1\frac{1}{4}$ of 1%, the final employer rates shall be the
495 preliminary employer rates.

496 (iii) If the percentage determined in accordance with para-
 497 graph (1) of this subsection is less than $\frac{3}{4}$ of 1%, the final
 498 employer rates shall be the preliminary employer rates deter-
 499 mined as provided in (D) hereof increased by the difference
 500 between $\frac{3}{4}$ of 1% and such percentage taken to the nearest
 501 $\frac{1}{100}$ of 1%; provided, however, that no such final rate shall
 502 be more than $\frac{1}{4}$ of 1% in the case of an employer whose pre-
 503 liminary rate is determined as provided in (D) (2) hereof,
 504 more than $\frac{1}{2}$ of 1% in the case of an employer whose pre-
 505 liminary rate is determined as provided in (D) (1) and (D) (3)
 506 hereof, nor more than $\frac{3}{4}$ of 1% in the case of an employer
 507 whose preliminary rate is determined as provided in (D) (4)
 508 hereof.

509 (iv) If the amount of the State Disability Benefits Fund
 510 determined as provided in paragraph (1) of this subsection
 511 is equal to or less than the total of the amounts withdrawn
 512 from the unemployment trust fund pursuant to section 23 of
 513 the Temporary Disability Benefits Law plus the amount at
 514 the end of the preceding calendar year of the unemployment
 515 disability account, then the final rate shall be $\frac{3}{4}$ of 1% for
 516 all employers.

1 ***[15.]*** *14.* Section 11 of chapter 30 of the laws of 1967 is
 2 amended to read as follows:

3 11. **[Chapter 177 of the laws of 1950]** *Chapter 469 of the laws*
 4 *of 1948* is hereby repealed.

1 ***[16.]*** *15.* Section 45:9-21 of the Revised Statutes is amended
 2 to read as follows:

3 45:9-21. The prohibitory provisions of this chapter shall not
 4 apply to the following:

5 a. A commissioned surgeon or physician of the regular United
 6 States Army, Navy, or Marine hospital service while so commis-
 7 sioned and actively engaged in the performance of his official duties.
 8 This exemption shall not apply to reserve officers of the United
 9 States Army, Navy or Marine Corps, or to any officer of the
 10 National Guard of any State or of the United States;

11 b. A lawfully qualified physician or surgeon of another State
 12 taking charge temporarily, on written permission of the board,
 13 of the practice of a lawfully qualified physician or surgeon of this
 14 State during his absence from the State, upon written request to
 15 the board for permission so to do. Before such permission is
 16 granted by the board and before any person may enter upon such
 17 practice he must submit proof that he can fulfill the requirements

18 demanded in the other sections of this article relating to applicants
 19 for admission by examination or indorsement from another State.
 20 Such permission may be granted for a period of not less than 2
 21 weeks nor more than 4 months upon payment of a fee of \$25.00.
 22 The board in its discretion may extend such permission for further
 23 periods of 2 weeks to 4 months but not to exceed in the aggregate
 24 1 year;

25 c. A physician or surgeon of another State of the United States
 26 and duly authorized under the laws thereof to practice medicine
 27 or surgery therein, if such practitioner does not open an office or
 28 place for the practice of his profession in this State;

29 d. A person while actually serving as a member of the resident
 30 medical staff of any legally incorporated charitable or municipal
 31 hospital or asylum approved by the board. Hereafter such exemp-
 32 tion of any such resident physician shall not apply with respect
 33 to any individual after he shall have served as a resident physician
 34 for a total period of [2] 5 years[, and such exemption of resident
 35 physicians, except with respect to persons who shall have com-
 36 menced service as resident physicians prior to July 1, 1939, shall
 37 apply only to persons who have been issued certificates under pro-
 38 visions contained in section 45:9-8 of this Title];

39 e. The practice of dentistry by any legally qualified and regis-
 40 tered dentist;

41 f. The ministration to, or treatment of, the sick or suffering by
 42 prayer or spiritual means, whether gratuitously or for compensa-
 43 tion, and without the use of any drug or material remedy;

44 g. The practice of optometry by any legally qualified and regis-
 45 tered optometrist;

46 h. The practice of [chiropody] *podiatry* by any legally licensed
 47 [chiropodist] *podiatrist*;

48 i. The practice of pharmacy by a legally licensed and registered
 49 pharmacist of this State, but this exception shall not be extended
 50 to give to said licensed pharmacist the right and authority to carry
 51 on the business of a dispensary, unless the dispensary shall be in
 52 charge of a legally licensed and registered physician and surgeon
 53 of this State;

54 j. A person claiming the right to practice medicine and surgery
 55 in this State who has been practicing therein since before July 4,
 56 1890, if said right or title was obtained upon a duly registered
 57 diploma, of which the holder and applicant was the lawful pos-
 58 sessor, issued by a legally chartered medical institution which, in
 59 the opinion of the board, was in good standing at the time the
 60 diploma was issued;

61 k. A **[chiroprapist]** *podiatrist*, professsional nurse, or a regis-
 62 tered physical therapist, masseur, while operating in each particu-
 63 lar case under the specific direction of a regularly licensed physician
 64 or surgeon. This exemption shall not apply to such assistants of
 65 persons who are licensed as osteopaths, chiropractors, optometrists
 66 or other practitioners holding limited licenses;

67 l. A person while giving aid, assistance or relief in emergency
 68 or accident cases pending the arrival of a regularly licensed physi-
 69 cian, or surgeon or under the direction thereof; or

70 m. The operation of a bio-analytical laboratory by a licensed
 71 bio-analytical laboratory director, or any person working under
 72 the direct and constant supervision of a licensed bio-analytical
 73 laboratory director.

74 n. *Any employee of a State or county institution holding the*
 75 *degree of M.D. or D.O., regularly employed on a salary basis on*
 76 *its medical staff or as a member of the teaching or scientific staff*
 77 *of a State agency, may apply to the State Board of Medical Exam-*
 78 *iners of New Jersey and may, in the discretion of said board, be*
 79 *granted exemption from the provisions of this chapter; provided*
 80 *said employee continues as a member of the medical staff of a*
 81 *State agency or county institution or of the teaching or scientific*
 82 *staff of a State agency and does not conduct any type of private*
 83 *medical practice.*

84 *The provisions of this subsection (n) shall terminate on Decem-*
 85 *ber 31, 1969.*

1 ***[17.]*** *16.* Section 20 of chapter 109 of the laws of 1962 is
 2 amended to read as follows:

3 20. Notwithstanding the provisions of section **[3]** 4 of this act,
 4 the first 5 persons appointed as members of the board shall not
 5 be required, at the time of their first appointment to be licensed
 6 to practice professional planning. Each shall, however, be a mem-
 7 ber of the recognized organization representing professional plan-
 8 ners in the State, and each shall have all the other qualifications
 9 necessary for appointment specified in this act.

1 ***[18.]*** *17.* Section 9 of chapter 93 of the laws of 1967 is
 2 amended to read as follows:

3 9. (a) It shall be unlawful for any person to act as a broker-
 4 dealer, agent or investment advisor in this State unless he is regis-
 5 tered under this act;

6 (b) It shall be unlawful for any broker-dealer or issuer to em-
 7 ploy an agent in this State unless the agent is registered. The reg-
 8 istration of an agent is not effective during any period when he

9 is not associated with a particular broker-dealer registered under
 10 this act or a particular issuer. When an agent begins or terminates
 11 a connection with a broker-dealer or issuer, or begins or terminates
 12 those activities which make him an agent, the agent as well as the
 13 broker-dealer or issuer shall promptly notify the bureau;

14 (c) It shall be unlawful for any person to transact business in
 15 this State as an investment advisor unless (1) he is so registered
 16 under this act, (2) he is registered as a broker-dealer without the
 17 imposition of a condition under section 11, paragraph (b) ~~[(6)]~~
 18 (5); or (3) his only clients in this State are investment companies
 19 as defined in the Investment Company Act of 1940 or insurance
 20 companies;

21 (d) Every registration shall expire 2 years from its effective
 22 date unless renewed, except that the bureau chief may by rule
 23 provide that registrations shall all expire on the same date.

1 *~~19.~~* *18.* Section 6 of chapter 293 of the laws of 1966 is
 2 amended to read as follows:

3 6. (a) There is hereby established in the Department of Com-
 4 munity Affairs an Advisory Council on Community Affairs, an
 5 Office of Community Services, a Division of Local Finance, a
 6 Division of Housing and Urban Renewal, a Division of State and
 7 Regional Planning, a Division on Aging, *a Division of Youth*,
 8 and an Office of Economic Opportunity.

9 The commissioner also shall have authority to organize and main-
 10 tain in his offices an administrative division and to assign to em-
 11 ployment therein such secretarial, clerical and other assistants in
 12 the department as his office and the internal operations of the
 13 department shall require.

14 (b) In addition, the commissioner shall have the authority to
 15 reorganize the department and the several divisions, offices, bureaus
 16 and agencies established therein, in any manner which he deems
 17 to be necessary and desirable.

1 *~~20.~~ Section 53:1-2 of the Revised Statutes is amended to read
 2 as follows:

3 53:1-2. The Superintendent of State Police, hereinafter referred
 4 to as the superintendent, shall be appointed by the Governor, ~~[by~~
 5 ~~and]~~ with the advice and consent of the Senate, ~~[for a term of 5~~
 6 ~~years,]~~ *shall serve during the term of office of the Governor ap-*
 7 *pointing him and until the superintendent's successor is appointed*
 8 *and has qualified* and shall be removable by the Governor after
 9 charges have been preferred and a hearing granted.

10 The superintendent shall receive such salary as shall be provided

11 by law, and shall, before entering upon the duties of his office, give
 12 a bond to the State of New Jersey in the sum of \$20,000.00 for
 13 the faithful performance of his duties.]*

1 ***[21.]*** *19.* Section 4 of chapter 135 of the laws of 1966 is
 2 amended to read as follows:

3 4. If the amount determined by the director in section 3 hereof
 4 shall exceed the amount determined by the director in section 2
 5 hereof, the director shall allocate such excess amount among the
 6 municipalities of this State in accordance with the following
 7 formula:

8 There shall be allocated to each municipality such amount as will
 9 be in the same ratio to such excess amount, as the local property
 10 tax levied, as reflected in the county table of aggregates certified
 11 pursuant to Revised Statutes 54:4-52, in the municipality in the
 12 preceding calendar year upon commercial, industrial and farm real
 13 estate (excluding railroad property) is to the total taxes levied
 14 upon such property in all municipalities in the State in the same
 15 year.

16 *The director shall total the amounts allocated to each municipal-*
 17 *ity under the provisions of this section and shall certify this amount*
 18 *to the State Treasurer on or before October 15, 1968 and on or*
 19 *before October 15 annually thereafter.*

1 ***[22.]*** *20.* Section 26 of chapter 30 of the laws of 1966 is
 2 amended to read as follows:

3 26. Penalties and interest. (a) Any person failing to file a
 4 return or to pay or pay over any tax to the director within the
 5 time required by this act shall be subject to a penalty of 5% of
 6 the amount of tax due; plus interest at the rate of 1% of such
 7 tax for each month of delay excepting the first month after such
 8 return was required to be filed or such tax became due; but the
 9 director if satisfied that the delay was excusable, may remit all
 10 or any part of such penalty, but not interest at the rate of 6%
 11 per year. Unpaid penalties and interest may be determined, as-
 12 sessed, collected and enforced in the same manner as the tax im-
 13 posed by this act.

14 (b) Any person failing to file a return required by this act,
 15 or filing or causing to be filed, or making or causing to be made,
 16 or giving or causing to be given any return, certificate, affidavit,
 17 representation, information, testimony or statement required or
 18 authorized by this act, which is willfully false, or willfully failing
 19 to file a bond required by this act, or failing to file a registration
 20 certificate and such data in connection therewith as the director

21 by regulation or otherwise may require, or to display or surrender
22 a certificate of authority as required by this act, or assigning or
23 transferring such certificate of authority, or willfully failing to
24 charge separately the tax herein imposed or to state such tax
25 separately on any bill, statement, memorandum or receipt issued
26 or employed by him upon which the tax is required to be stated
27 separately as provided in subsection (a) of section 12, or willfully
28 failing to collect the tax from a customer, [who shall refer or
29 cause] *or referring or causing* reference to be made to this tax in
30 a form or manner other than that required by this act, or failing
31 to keep any records required by this act, shall, in addition to any
32 other penalties herein or elsewhere prescribed, be guilty of a mis-
33 demeanor, punishment for which shall be a fine of not more than
34 \$1,000.00 or imprisonment for not more than 1 year, or both such
35 fine and imprisonment.

36 (c) The certificate of the director to the effect that a tax has
37 not been paid, that a return, bond or registration certificate has
38 not been filed, or that information has not been supplied pursuant
39 to the provisions of this act shall be presumptive evidence thereof.

1 ***[23.]*** *21.* This act shall take effect immediately.

SENATE, No. 281

STATE OF NEW JERSEY

INTRODUCED JANUARY 22, 1968

By Senator DUMONT

Referred to Committee on Taxation

AN ACT to amend "An act concerning the distribution of certain tax revenues to the municipalities of this State and supplementing Title 54 of the Revised Statutes," approved June 17, 1966 (P. L. 1966, c. 135).

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

1 1. Section 2 of the act of which this act is amendatory is amended
2 to read as follows:

3 2. The Director of the Division of Taxation shall determine the
4 greatest amount levied, as certified pursuant to Revised Statutes
5 54:4-52, by each municipality upon personal property used in busi-
6 ness in 1964, 1965 **[or]**, 1966 *or 1967*, exclusive of the amount lev-
7 ied on the personal property of persons, partnerships, associations
8 or corporations subject to tax under chapter 4 of the laws of 1940,
9 and shall, on or before February 15, 1968, certify to the State Treas-
10 urer the amounts so determined for each municipality and the total
11 amount for all municipalities. In calculating the amount levied for
12 the **[year]** *years* 1966**[,]** *and 1967* the director shall also include
13 for each municipality the aggregate amount of increases, if any, in
14 taxable valuations of business personal property (exclusive of the
15 personal property of persons, partnerships, associations or corpo-
16 rations subject to tax under chapter 4 of the laws of 1940), deter-
17 mined by the county board of taxation during said **[year]** *years*
18 upon appeals.

1 2. This act shall take effect immediately.

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

SENATE COMMITTEE AMENDMENTS TO
SENATE, No. 281

—•—
STATE OF NEW JERSEY
—•—

ADOPTED FEBRUARY 8, 1968

Amend page 1, section 1, line 12, omit “years”, insert “year”; omit “and 1967”, insert a “,”.

Amend page 1, section 1, line 17, omit “years”, insert “year”.

Amend page 1, section 1, line 18, after line 18, insert a new paragraph as follows:

“The director shall, on or before June 15, 1968, certify to the State Treasurer any changes or adjustments in the certification filed on or before February 15, 1968.”.

VETOED 6/3/68
[OFFICIAL COPY REPRINT]

SENATE, No. 281

STATE OF NEW JERSEY

INTRODUCED JANUARY 22, 1968

By Senator DUMONT

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8 or corporations subject to tax under chapter 4 of the laws of 1940,
9 and shall, on or before February 15, 1968, certify to the State Treas-
10 urer the amounts so determined for each municipality and the total
11 amount for all municipalities. In calculating the amount levied for
12 the **[year]** ***[years]** ***year*** 1966**[,]** ***[and 1967]** ****,*** the director
13 shall also include for each municipality the aggregate amount of
14 increases, if any, in taxable valuations of business personal prop-
15 erty (exclusive of the personal property of persons, partnerships,
16 associations or corporations subject to tax under chapter 4 of the
17 laws of 1940), determined by the county board of taxation during
18 said **[year]** ***[years]** ***year*** upon appeals.

19 **The director shall, on or before June 15, 1968, certify to the*
20 *State Treasurer any changes or adjustments in the certification*
21 *filed on or before February 15, 1968.**

1 2. This act shall take effect immediately.

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

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

June 3, 1968

SENATE BILL NO. 281

To the Senate:

I herewith return Senate Bill No. 281, without my approval, for the reasons set forth below.

Senate Bill No. 281 would amend chapter 135, Laws of 1966, as it relates to the distribution to municipalities of revenue derived from the so-called "Chapter 51 Replacement Tax Package" of 1966. By this amendment the State Legislature would extend the save harmless provision of the 1966 law which was designed to protect municipalities from revenue loss occasioned by the coincident repeal of the locally imposed business personalty tax. Section 2 of the 1966 Act provided that under no circumstances would the fund returned to each municipality be less than the greatest amount of revenue levied by it in any one of three base years; the years 1964, 1965 and 1966. By Senate Bill No. 281, the Legislature would add the year 1967 as an alternative base year and thereby increase the cost to the State by some \$5.4 million.

The "Replacement Tax Package", substituted in 1966 for the business personal property tax, consisted of a combination of four taxes to be uniformly administered at the State level. These were the State business personal property tax, the unincorporated business tax, the retail gross receipts tax and an increase in the corporation net income tax rate. These new "replacement" taxes were not designed to extract additional revenue from the business community, but rather to establish a stable tax program by eliminating the threat of "tax lightning" which chapter 51 formerly posed, while at the same time giving to the municipalities the same amount of revenue as previously derived from local tax on tangible personal property. In enacting chapter 135, the Legislature added the year 1966 to render the new tax most current with existing circumstances.

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

Senate Bill No. 281

- 2 -

At the time of its enactment, the "Chapter 51 Replacement Tax Package" was hailed for the predictability and uniformity which it brought to the property tax in New Jersey. It is those very virtues which are now severely undermined by Senate Bill No. 281. I am informed that if the year 1967 were to be included in the save harmless provisions, 262 of this State's 567 municipalities would benefit. Obviously, the remainder would not. I am told that the year 1967 ought to be included in this formula because these 262 municipalities should not be penalized because the State has introduced a uniform tax. When taxpayers in municipalities that do not benefit are asked to pay the cost of benefits to other municipalities, there can be no true uniformity consistent with the acknowledged purpose of chapter 135 of the Laws of 1966.

Obviously, Senate Bill No. 281 was introduced when it became clear early this year that the revenues from the business personalty tax element of the 1966 package would exceed original estimates by approximately \$10 million. Hence, the argument that the State could afford to include the year 1967 in the save harmless formula. This argument loses sight, however, of the fact that there were four elements in the 1966 package and that the present estimates of revenue to be derived from all four elements indicate that the net return from all four sources would fall approximately \$4 million short. The inclusion of the year 1967 therefore would mean that \$5.4 million will have to be paid out of sources unrelated to the chapter 51 replacement taxes. It is this fact which occasions my concern.

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

Senate Bill No. 251

- 3 -

While I do not deny the necessity of relieving the tax burden upon our municipalities, I cannot view Senate Bill No. 281 as the most effective measure to accomplish that result. There is pending before this Legislature a proposal for the assumption by the State of 75 per cent of the non-federal cost of welfare which, if adopted, would relieve taxpayers in those municipalities where the burdens are greatest and the needs most exigent. At a time of crisis such as exists in the State of New Jersey today, our limited State resources should not be expended in any way which does not fully come to grips with the needs of our society. Among those municipalities listed as beneficiaries under Senate Bill No. 281 are some of the most affluent municipalities in this State. The measure then has little relation to the needs of the day and I consequently must withhold my approval of it.

Respectfully,

/S/ RICHARD J. HUGHES

GOVERNOR

[Seal]

Attest:

/S/ LAWRENCE BILDER

Secretary to the Governor

CHAPTER 164 LAWS OF N. J. 19 68

[OFFICIAL COPY REPRINT] Filed with Sec. of State 6/24/68

SENATE, No. 281 Passed 6/13/68
Governor's Objections Notwithstanding

STATE OF NEW JERSEY

INTRODUCED JANUARY 22, 1968

By Senator DUMONT

Referred to Committee on Taxation

AN ACT to amend "An act concerning the distribution of certain tax revenues to the municipalities of this State and supplementing Title 54 of the Revised Statutes," approved June 17, 1966 (P. L. 1966, c. 135).

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

1 1. Section 2 of the act of which this act is amendatory is amended
2 to read as follows:

3 2. The Director of the Division of Taxation shall determine the
4 greatest amount levied, as certified pursuant to Revised Statutes
5 54:4-52, by each municipality upon personal property used in busi-
6 ness in 1964, 1965 **[or]**, 1966 *or* 1967, exclusive of the amount lev-
7 ied on the personal property of persons, partnerships, associations
8 or corporations subject to tax under chapter 4 of the laws of 1940,
9 and shall, on or before February 15, 1968, certify to the State Treas-
10 urer the amounts so determined for each municipality and the total
11 amount for all municipalities. In calculating the amount levied for
12 the **[year]** ***[years]*** *year* 1966**[,]** ***[and 1967]*** *,* the director
13 shall also include for each municipality the aggregate amount of
14 increases, if any, in taxable valuations of business personal prop-
15 erty (exclusive of the personal property of persons, partnerships,
16 associations or corporations subject to tax under chapter 4 of the
17 laws of 1940), determined by the county board of taxation during
18 said **[year]** ***[years]*** *year* upon appeals.

19 *The director shall, on or before June 15, 1968, certify to the
20 State Treasurer any changes or adjustments in the certification
21 filed on or before February 15, 1968.*

1 2. This act shall take effect immediately.

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

SENATE, No. 282

FROM: OFFICE OF THE GOVERNOR

S-281

FOR IMMEDIATE RELEASE:
JUNE 13, 1968

STATEMENT BY GOVERNOR RICHARD J. HUGHES

The Assembly has shown a careless disregard for fiscal responsibility and sound priorities by voting today to reenact Senate Bill No. 281 over my veto.

I have warned repeatedly that we must husband our limited financial resources and use them effectively, not wastefully, on unnecessary scattershot and non-priority items. Nevertheless the Assembly has chosen to gobble up \$10.2 million -- the sum by which payments required under this bill will exceed collections under the tax replacement package -- that could otherwise have gone to essential education, employment, and other programs that I have recommended.

I assume that Assemblymen from Union County, when they voted to reenact S281, were aware that they were providing the struggling community of Summit with \$31,338 while they were providing Elizabeth with \$21,284. I assume also that they were aware that the net loss to Elizabeth under the majority's urban aid program, as compared with my own, is \$14.7 million and that the net loss to Plainfield is \$4.9 million.

I trust that the Assemblymen from Camden County when they voted to override my veto, were aware that they were handing over \$113,514 to one township, Pennsauken, of a total of \$190,764 to the entire County of Camden, while they were depriving the City of Camden of a single cent. I trust also that they were aware that the City of Camden's net loss under their urban aid program, as compared with my own, is \$23.5 million. I trust finally that they were aware of the fact that the substantial state funds that must now be expended under S281 could better be used for port development in Camden, in which they profess much interest.

For a legislative body that has claimed to be responsible, fiscally sound, and concerned about priorities, this is a careless act indeed. By its action today the Assembly has done a great disservice to New Jersey.