

34:1B-36 to 34:1B-46

LEGISLATIVE HISTORY CHECKLIST

NJSA: 34:1B-36 to 34:1B-46 (Local Development Financing Fund)

LAWS OF: 1983 CHAPTER: 190

Bill No: S701

Sponsor(s): Stockman

Date Introduced: Jan. 12, 1982

Committee: Assembly: Municipal Government

Senate: County and Municipal Government

Amended during passage: Yes // Amendments during passage denoted by asterisks

Date of Passage: Assembly: March 3, 1983

Senate: Feb. 25, 1982

Date of Approval: May 23, 1983

Following statements are attached if available:

Sponsor statement: Yes // (Below)

Committee statement: Assembly Yes //

Senate Yes //

Fiscal Note: /// No

Veto Message: /// No

Message on Signing: Yes //

Following were printed:

Reports: /// No

Hearings: /// No

Sponsor's statement:

This bill establishes the Local Development Financing Fund.

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SENATE, No. 701

STATE OF NEW JERSEY

INTRODUCED JANUARY 12, 1982

By Senator STOCKMAN

Referred to Committee on County and Municipal Government

AN ACT to encourage the economic development of certain municipalities by establishing the New Jersey Local Development Financing Fund; providing for supplementary financial assistance by the fund to certain commercial and industrial projects undertaken ****[by]**** ****under the sponsorship of**** these municipalities and other sponsors; and supplementing Title 34 of the Revised Statutes.

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

1 1. This act shall be known and may be cited as the "New Jersey
2 Local Development Financing Fund Act."

1 2. The Legislature finds that there continue to exist in the State
2 areas of high unemployment, low levels of new capital investment,
3 depressed living and working conditions and a deteriorating tax
4 base; that vigorous action can halt the decline ***or threat of*
5 *decline*** in economic activity and the underemployment of econo-
6 mic resources in these areas, ***avert economic losses,*** reverse
6A the deterioration of the value of existing investment therein
7 and the level of public revenue collections on that investment, and
8 eliminate the disincentive to new investment; and that the improve-
9 ment of these areas is vital to the safety, health and welfare of the
10 residents thereof and of the State, and constitutes a major oppor-
11 tunity for enhancing the economic condition of the State, for
12 augmenting the fiscal resources of government and for assisting
13 private and public efforts on behalf of community development.

14 The Legislature determines that the development and redevelop-
15 ment of these areas require substantial private capital spending;

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

Matter printed in italics *thus* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

*—Assembly committee amendments adopted June 28, 1982.

**—Assembly committee amendments adopted February 14, 1983.

16 that the stimulation of that spending in turn requires the leadership
 17 of the State and of the citizens of the municipalities concerned as
 18 to financial commitment and as to public participation in the plan-
 19 ning of the course of economic renewal; that many municipalities,
 20 counties, local development corporations and other entities en-
 21 gaged in economic development in these areas of the State have
 22 shown a willingness to ***cooperate with the private sector, the*
 23 *dynamism and discipline of which are essential to reviving all*
 24 *aspects of a community, and to help the private sector*** make the
 25 necessary financial commitment ****[and have gained experience as**
 26 instruments of public access to and involvement with the develop-
 27 ment process; that many of these entities]**** **to undertake econo-**
 28 *mic enterprises in older communities; that many entrepreneurs,*
 29 *and the public entities for economic development which work with*
 30 *them,*** have experienced difficulty in raising ****[seed]**** ***start-*
 31 *up*** money for projects of ****[moderate]**** ***relative*** risk which
 32 are justified both on economic grounds and on grounds of their
 33 potential contribution to the welfare of the communities in which
 34 they are located; that expanded activity by ***entrepreneurs and***
 34A these entities is necessary to the commercial and industrial rede-
 34B velopment of these communities; and that the problems posed by
 34C the decline of these communities is beyond remedy solely through
 34D the exercise by government of its regulatory and police power and,
 34E ****[at the same time]**** ***because of the greater relative risk***,
 34F have not been effectively addressed by the operations of private
 34G enterprise.

35 The Legislature, therefore, declares that in order to aid in
 36 remedying the aforesaid conditions of underemployment and under-
 37 investment as they obtain in certain urban municipalities of the
 38 State, and to further the purposes of this act, there shall be created
 39 a State fund, under the supervision of the ****[Commissioner of**
 40 **Labor]**** **Department of Commerce and Economic Development**,
 40A to provide direct State financing assistance to local commercial
 41 and industrial projects as provided in this act, that the author-
 42 ity and powers conferred hereunder and the expenditure of
 43 public moneys as provided herein are in service of a valid public
 44 purpose and that the enactment of the provisions hereinafter set
 45 forth is in the public interest and for the public benefit and good
 46 and is so declared as a matter of express legislative determination.

1 3. As used in this act:

2 a. "Fund" means the New Jersey Local Development Financing
 3 Fund established in section 4 of this act.

4 b. "Commissioner" means the Commissioner of the Department

5 of **[Labor]** *Commerce and Economic Development* or his
 5A designated representative, *which may be the New Jersey Eco-*
 5B *nomics Development Authority*.

6 **[c.]** "County" means any county having established a local
 7 development corporation pursuant to the "Local Development
 8 Corporation Assistance Act," P. L. , c. (C.) (now
 9 pending before the Legislature as Senate Bill No. 700 of 1982);
 10 **[d.]** *c.* "Sponsor" means the **[government]** *gov-*
 11 *erning body* of a municipality or, with the approval of the govern-
 12 ment of a municipality, a local development corporation, community
 13 development corporation, municipal port authority established
 14 pursuant to the provisions of P. L. 1960, c. 192 (C. 40:68A-29
 15 et seq.) *or governing body of a county,* or other *public*
 16 entity designated by the commissioner as a sponsor; and, in the
 17 case of a county, means the local development corporation of the
 18 county.

19 **[e.]** *d.* "Municipality" means a municipality **[autho-**
 20 **zized to establish a local development corporation pursuant to the**
 21 **"Local Development Corporation Assistance Act," P. L. ,**
 22 **c. (C.); (now pending before the Legislature as**
 23 **Senate Bill No. 700 of 1982)]** *qualifying for aid pursuant to*
 24 *P. L. 1978, c. 14 (C. 52:27D-178 et seq.) or which would qualify*
 25 *under that act except for the population criterion*.

26 **[f.]** *e.* "Project" means an industrial or commercial
 27 enterprise, sponsored by a sponsor, which will upon completion
 28 directly result in, facilitate or encourage a permanent increase in
 29 the value of ratable property or number of persons employed
 30 within a municipality *that would not be undertaken in its intended*
 31 *scope without the provision of financial assistance pursuant to this*
 32 *act and will be economically viable with the assistance*.

33 **[g.]** *f.* "Eligible project" means a project which has
 34 been approved by the commissioner to receive financial assistance
 35 from the New Jersey Local Development Financing Fund.

36 **[h.]** *g.* "Eligible project cost" means the cost of plan-
 37 ning, developing, executing, and making operative an industrial or
 38 commercial redevelopment project. Eligible project cost includes
 39 the cost:

40 (1) Of purchasing, leasing, condemning, or otherwise acquiring
 41 land or other property, or an interest therein, in the designated
 42 project area or as necessary for a right-of-way or other easement
 43 to or from the project area;

44 (2) Incurred for, or in connection with or incidental to, acquir-
 45 ing and managing the land, property or interest;

- 46 (3) Incurred for or in connection with the relocating and moving
 47 of persons displaced by the acquisition;
- 48 (4) Of development or redevelopment, including:
- 49 (a) The comprehensive renovation or rehabilitation of the land,
 50 property or interest;
- 51 (b) The cost of equipment and fixtures which are part of the
 52 real estate ****[but not personal property]**** ***and the cost of*
 53 *production machinery and equipment necessary for the operation*
 54 *of the project***;
- 55 (c) The cost of energy conservation improvements designed to
 56 encourage the efficient use of energy resources, including renewable
 57 and alternative energy resources and cogenerating facilities; and,
- 58 (d) The disposition of land or other property for these purposes;
- 59 (5) Of demolishing, removing, relocating, renovating, altering,
 60 constructing, reconstructing, installing or repairing any land or
 61 any building, street, highway, alley, utility, service or other struc-
 62 ture or improvement;
- 63 (6) Of acquisition, construction, reconstruction, rehabilitation
 64 or installation of public facilities and improvements ****[not other-**
 65 **wise eligible for assistance, except buildings and facilities for the**
 66 **general conduct of government and school]**** ***necessary to a*
 67 *project***; and,
- 68 (7) Incurred for or incidental to doing anything enumerated in
 69 this subsection, including the cost and expense of securing:
- 70 (a) Administrative, appraisal, economic and environmental
 71 analysis;
- 72 (b) Engineering service;
- 73 (c) Planning service;
- 74 (d) Design service;
- 75 (e) Architectural service;
- 76 (f) Surveying service; and
- 77 (g) Other professional service.

1 4. There is established the New Jersey Local Development
 2 Financing Fund, a special depository fund into which shall be de-
 3 posited moneys for carrying out the purposes of this act. The fund
 4 shall be continuing and nonlapsing. The State Treasurer shall hold
 5 and account for the fund. The State Treasurer shall upon certifica-
 6 tion of the commissioner and warrant of the Director of the Division
 7 of Budget and Accounting pay from the fund to a sponsor the
 8 amount of moneys approved by the commissioner to be used for the
 9 support of projects as provided in this act. Moneys which may be
 10 deposited into the fund shall include, but are not limited to, the
 11 following:

12 (1) Proceeds from the sale of bonds which may be authorized
13 by the State;

14 (2) Appropriations made by the Legislature;

15 (3) Funds provided by the Federal Government;

16 (4) Loan repayments, dividends and interest received in connec-
17 tion with loans and investments made pursuant to the provisions of
18 this act; and,

19 (5) Other funds which may be made available for the purpose
20 of carrying out the provision of this act.

21 Moneys deposited in the fund may be used for any purpose of this
22 act, including, but not limited to, the payment, if approved by the
23 State Treasurer, of reasonable and necessary administrative ex-
24 penses incurred by the Department of ***[Labor]* *Commerce**
25 *and Economic Development* **but not to exceed in any fiscal year*
26 *1% of the amount authorized to the fund pursuant to the “Com-*
27 *munity Development Bond Act of 1982” (P. L. 1981, c. 486),*** and
28 not provided by line item appropriation, in carrying out the pro-
29 visions of this act, subject only to any agreements with the holders
30 of particular bonds or notes. Moneys deposited in the fund may be
30A invested in any direct obligations of, or obligations as to which the
30B principal and interest thereof is guaranteed by, the United States
30C of America or in such other obligations as the State Treasurer may
30D approve.

31 Moneys deposited in the fund shall be used to provide financial
32 assistance to sponsors for the implementation of projects. Financial
33 assistance provided by the fund shall be used to meet eligible
34 project costs ****[and to supplement and encourage the participation**
35 **of other sources in the financing of these costs]****. ****[Assistance**
36 **shall be devoted to stimulating *[innovative joint public-private]***
37 **projects which further local economic development strategies. Fund**
38 **assistance shall be provided to eligible projects which meet *[more**
39 **than one]* *several* of the following objectives :**

40 a. Increasing employment opportunities, especially among eco-
41 nomically disadvantaged segments of the local population;

42 b. Promoting economic and physical revitalization of industrial
43 and commercial areas;

44 c. Facilitating the investment of private resources in economic
45 redevelopment efforts;

46 d. Attracting federal resources for economic redevelopment;

47 e. Offering a reasonable likelihood of increasing local or State
48 revenues; and

49 f. Being accessible to or promoting use of public transportation
50 systems, including promoting commercial districts located near
51 public transportation terminals and centers. **]****

1 5. Financial assistance provided from the fund shall include, but
 2 not be limited to, loans, loan guarantees, grants, secondary mort-
 3 gages and equity participation. The form, amount and terms of
 4 financial assistance provided shall be determined by the commis-
 5 sioner, subject to the availability of funds and requirements of
 6 this act. No more than ***[10%]* *20%*** of the total financial assist-
 7 ance provided from the fund shall be in the form of grants or other
 8 nonlending assistance. Lending assistance from the fund shall be
 9 made on a revolving loan basis in order to assure the continued
 10 reutilization of the fund's resources. ***Any financial assistance*
 11 *provided from the fund to a participant through a sponsor shall be*
 12 *repaid to the fund by the participant on such terms as the commis-*
 13 *sioner shall determine.***

1 6. ****[**In considering the application of a sponsor for approval of
 2 a project as an eligible project and for financial assistance of the
 3 project pursuant to the provisions of this act, the commissioner
 4 shall evaluate the expected economic and social benefit of the
 5 project in view of the amount of proposed State financial involve-
 6 ment, and shall in connection with this evaluation establish general
 7 criteria of eligibility with respect to the pertinent factors, includ-
 8 ing but not limited to the following:

9 a. The extent of economic and related social distress, under-
 10 employment and unemployment in the municipality and adjacent
 11 area affected by the project, and the degree to which these will be
 12 relieved by the carrying out of the project;

13 b. The degree of revitalization, renovation, rehabilitation and
 14 physical improvement to be accomplished by the project;

15 c. The degree to which the project will advance Statewide or
 16 local economic development strategies and objectives;

17 d. The degree of participation, in the planning, administration
 18 and operation of the project, among members of those segments of
 19 the community which the project and the resultant new employment
 20 are intended to benefit;

21 e. The degree to which available sources of Federal financing
 22 support have been sought and will be utilized;

23 f. The degree to which local governmental sources of funding
 24 are committed to the project*, *recognizing the financial situation*
 24A *of the local government**;

25 g. The amount of private financial resources committed to the
 26 project, which amount shall not be less than 50% of the total
 27 project costs;

28 h. Community support for the project;

29 i. The likelihood of recoupment of project costs through sale or

30 lease of redeveloped property or an increase in revenues derived
31 from a growth in the valuation of real property, although this
32 factor does not preclude the use of write-downs or favorable prop-
33 erty tax treatment for the purpose of stimulating economic and
34 commercial activity;

35 j. The degree of assurance that the project will be completed on
36 time and within its budget;

37 k. The fiscal situation of the applicant sponsor;

38 l. The degree to which the project promotes the use of public
39 transportation systems; and,

40 m. The moral character of persons who would receive or disburse
41 financial assistance. ¶** ***The commissioner shall evaluate and rank*
42 *each application for financial assistance for a project in accordance*
43 *with the following criteria:*

44 a. *Primary criteria:*

45 (1) *The number of unemployed persons in the municipality in*
46 *which the project is to be located.*

47 b. *Secondary criteria:*

48 (1) *The number of permanent jobs to be created or maintained*
49 *directly by the project, excluding the period of construction or*
50 *development;*

51 (2) *The number of jobs preserved by the completion of the*
52 *project in the case of an existing enterprise;*

53 (3) *The increase in the valuation of real property in the munici-*
54 *pality as a result of the completion of the project;*

55 (4) *The percentage of the total eligible project cost to be financed*
56 *from private resources;*

57 (5) *The percentage of total eligible project cost to be financed by*
58 *federal aid; and*

59 (6) *Whether the project will result in the maintenance or provi-*
60 *sion of at least the same number of housing units at comparable*
61 *rates as exists prior to the undertaking of the project.*

62 c. *Other criteria:*

63 (1) *Whether the project will be located in an area targeted for*
64 *economic development and receiving federal, State or local develop-*
65 *ment incentives under other programs;*

66 (2) *The extent to which the project will contribute to an economic*
67 *revitalization of a municipality or region;*

68 (3) *The extent to which the project will promote the rehabilitation*
69 *of the physical environment of the immediate area in which it is to*
70 *be located;*

71 (4) *The degree to which the project will advance state or regional*
72 *planning and development strategies;*

73 (5) *The extent to which the location of the project is accessible to*
 74 *and promotes the use of public transportation; and*

75 (6) *The degree of community support for and participation in*
 76 *the planning of the project.***

1 7. ****** **[** *If an application for assistance under this act meets the*
 2 *general criteria established as provided in section 6 of this act*
 3 *and] ****** ****** *The commissioner shall annually establish a schedule of*
 4 *discrete application periods for the next year, provided that no*
 5 *period shall be less than one month nor more than six months. At*
 6 *the end of each application period, the commissioner shall rank and*
 7 *order all applications received during the period after evaluation*
 8 *of each application in accordance with the specific criteria provided*
 9 *in section 6 of this act and, if a project** is justified in relation to*
 10 *competing applications and the amount of funds available, the*
 11 *commissioner shall make a preliminary finding of feasibility and*
 12 *communicate to the applicant sponsor any recommended changes*
 13 *in the project plan and any conditions to the provision of assistance*
 14 *under this act, not inconsistent with this act or any other law. **An*
 15 *application which does not receive a preliminary finding of feasi-*
 16 *bility within an application period shall be considered rejected, and*
 17 *shall be eligible for consideration in any future evaluation of pro-*
 18 *jects only upon the submission of a new application.****

1 8. a. Prior to final approval of financial assistance under this act,
 2 the project sponsor shall file with the commissioner a project plan
 3 which shall provide such information as the commissioner deems
 4 necessary, and which shall include:

5 (1) A marketability and proposed land-use study supported by
 6 appropriate appraisal reports;

7 (2) A plan for the utilization of minority contractors and assur-
 8 ance of equal opportunity for employment in connection with the
 9 project;

10 (3) A statement of the impact of the project on the natural,
 11 historic and social environment;

12 (4) Where applicable, a plan for relocating project area resi-
 13 dents;

14 (5) Any additional information, drawings, plans, reports, or
 15 estimates which the commissioner may require;

16 (6) A statement of the impact of the project on the State trans-
 17 portation system, including provisions concerning access to public
 18 transportation and impact on highway capacity and traffic flow;

19 ****** **[and,]** ******

20 (7) A statement of the impact of the project on energy consump-

21 tion and of measures included to promote energy conserva-
 22 tion****[.]**** **,**

23 (8) *Evidence of the fiscal stability of the participants in the*
 24 *project, other than the sponsor, including the posting of a bond by*
 25 *the participants, and such other evidence as the commissioner shall*
 26 *require; and*

27 (9) *A resolution in support of the project by the governing body*
 28 *of the municipality in which the project is to be located.***

29 b. Prior to the issuance of final approval of financial assistance
 30 under this act, the commissioner shall determine: (1) that the
 31 commitment of private resources to the project is guaranteed as to
 32 the amount of these resources and as to the schedule of their
 33 availability for meeting project costs ***and that these private*
 34 *resources will provide at least 50% of the total eligible project*
 35 *cost***; (2) that the project has met or is reasonably assured of
 36 meeting the requirements of any pertinent law, ordinance and
 37 administrative regulation, including but not limited to environ-
 38 mental protection and affirmative action requirements; (3) that the
 39 project would not be undertaken but for the provision of that
 40 financial assistance ***and that the project would not be undertaken*
 41 *in its intended scope without the provision of financial assistance*
 42 *pursuant to this act and will be economically viable with this assis-*
 43 *tance***; ****[and,]** (4) that there exists adequate assurance of
 44 repayment of financial assistance where repayment is required**;
 45 *and, (5) that the participants in the project are of a good moral*
 46 *character***. **At the same time he shall furnish his findings to the*
 47 *presiding officers of both houses of the Legislature and to the*
 48 *Director of the Division of Budget and Program Review in the*
 49 *Office of Legislative Services.**

1 9. Upon receipt of any revised project plan prepared as a result
 2 of any recommendations made pursuant to the provisions of
 3 section 7 of this act, and of any information required pursuant
 4 to the provisions of section 8 of this act, the commissioner shall
 5 approve or disapprove any application by a sponsor for desig-
 6 nation of a project as an eligible project and for assistance
 7 to that project under this act. The commissioner shall within 10
 8 days of his approval or disapproval: (1) transmit notice thereof to
 9 the sponsor*, *to the presiding officers of both houses of the Legis-*
 10 *lature and to the Director of the Division of Budget and Program*
 11 *Review in the Office of Legislative Services**; and, (2) in the case
 12 of the approval of a project as an eligible project, transmit to the
 13 State Treasurer a copy of the notice of his approval, together with
 14 a statement of his determination, pursuant to section 5 of this act,
 15 of the terms of financial assistance.

1 10. Upon receipt of a copy of the notice of approval of a project
2 as an eligible project and accompanying statement of the terms of
3 financial assistance, the State Treasurer shall arrange with the
4 sponsor of the eligible project the provision of financial assistance
5 for which the project has been approved. ***The terms of financial*
6 *assistance shall require that any assistance from the fund provided*
7 *by the sponsor to a participant shall be repaid to the fund by the*
8 *participant.***

1 11. The commissioner shall require each sponsor of an eligible
2 project receiving assistance from the New Jersey Local Develop-
3 ment Financing Fund pursuant to the provisions of this act annu-
4 ally to submit a report of the sponsor's activities undertaken in
5 furtherance of the purpose of this act.

1 12. This act shall take effect immediately.

ASSEMBLY MUNICIPAL GOVERNMENT COMMITTEE
STATEMENT TO

SENATE, No. 701

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: JUNE 28, 1982

Senate Bill No. 701, the "New Jersey Local Development Financing Fund Act," would provide financial assistance to municipal governments, local development corporations, and other organizations sponsoring local commercial and industrial projects which encourage the economic development of "Urban Aid" municipalities (i.e. municipalities which are eligible to receive State aid pursuant to the provisions of P. L. 1978, c. 14).

Capital for the fund, in an amount of \$45,000,000.00, is to be provided from the proceeds of the bonds issued pursuant to the "Community Development Bond Act of 1981," P. L. 1981, c. 486.

To qualify for financial assistance, a project must be approved by the commissioner of the State department administering the program. In making his determination, the commissioner must evaluate the project in terms of its ability to increase the value of assessed property or the number of employees within the municipality. In addition, 50% of the total project cost must be provided by private sources.

Financial assistance may be in the form of loans, loan guarantees, grants, secondary mortgages and equity participation. The bill, as received by the committee, placed a limit of 10% on the amount of financial assistance which may be provided as grants or other non-lending forms of assistance. The committee amended the bill to increase that amount to 20%. By placing this cap on the amount of financial assistance which may be provided as grants, the bill assures that the fund will develop as a revolving loan fund and, therefore, that the funds will be reutilized.

The bill also directs that access to and promotion of public transportation systems, and the promotion of energy conservation, shall be considered in reviewing projects for financial assistance.

The committee amended the bill to provide that the State Department of Commerce and Economic Development administer the program. As received by the committee, the bill directed that the State Department of Labor administer the program.

The committee further amended the bill to require that the commissioner notify the presiding officers of both houses of the Legislature and the Director of the Division of Budget and Program Review in the Office of Legislative Services of his findings pursuant to subsection b. of section 8 of the bill and of his final determination on any application for assistance.

SENATE COUNTY AND MUNICIPAL
GOVERNMENT COMMITTEE

STATEMENT TO

SENATE, No. 701

STATE OF NEW JERSEY

DATED: FEBRUARY 8, 1982

Senate Bill No. 701, the "New Jersey Local Development Financing Fund Act," would provide financial assistance to municipal government, local development corporations, and other organizations sponsoring local commercial and industrial projects which encourage economic development of "urban aid municipalities." It is proposed that the fund established by the act be capitalized by \$45,000,000.00 in proceeds from Community Development Bonds issued pursuant to P. L. 1981, c. 486, but this is an independent and separate act which by its terms could be funded by legislative appropriations or other sources. The Department of Labor is to administer the financial assistance application procedure and determine the form, amount and terms of financial assistance which applicants are to receive.

Eligible projects would be approved by the Commissioner of the Department of Labor, and shall increase the value of assessed property or the number of persons employed in the municipality. One-half (50%) of the total project costs are required to come from private sources. Financial assistance for remaining project costs may be in the form of loans, loan guarantees, grants, secondary mortgages and equity participation.

The bill places a limit of 10% on the amount of financial assistance which could be provided in the form of grants or other non-lending assistance, and directs that lending assistance shall be made on a revolving loan basis to assure continued reutilization of the fund's resource. The bill directs that access to and promotion of public transportation systems, and the promotion of energy conservation, shall be considered in reviewing projects for assistance. The moral character of persons to receive or disburse the assistance is also to be considered.

This bill, as Senate Bill No. 1548, was reported favorably by this committee in the 1980-1981 session, and passed the Senate by a vote of 33-1. It did not receive a vote in the General Assembly. The committee amendments made in the last session are incorporated in Senate Bill No. 701.

OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

CONTACT: PAUL WOLCOTT

MONDAY, MAY 23, 1983

Governor Thomas H. Kean has signed the following bills:

S-1406, sponsored by Senator Edward T. O'Connor Jr., (D-Hudson), which permits municipalities, counties or agencies thereof to contract for group legal insurance for their employees.

S-1234, also sponsored by Senator O'Connor, which permits boards of directors of domestic mutual or stock insurance companies to delegate the establishment of compensation for employees below the rank of senior officials.

S-701, sponsored by Senator Gerald R. Stockman, (D-Mercer), which provides a mechanism for administering \$45 million of anticipated bond revenues dedicated to industrial and commercial uses. The bill requires that the money be used in municipalities which qualify for urban aid, or which would, but for the population criteria. It establishes a Local Development Financing Fund administered by the Department of Commerce and Economic Development.

#