

LEGISLATIVE HISTORY CHECKLIST

NJSA: 18A:24-11.1 (School bonds -- validating act)

LAWS OF: 1983 CHAPTER: 218

Bill No: A3663

Sponsor(s): W. Brown

Date Introduced: June 20, 1983

Committee: Assembly: _____

Senate: _____

Amended during passage: /// No

Date of Passage: Assembly: June 20, 1983

Senate: June 20, 1983

Date of Approval: June 22, 1983

Following statements are attached if available:

Sponsor statement: Yes //

Committee statement: Assembly /// No

Senate /// No

Fiscal Note: /// No

Veto Message: /// No

Message on Signing: /// No

Following were printed:

Reports: /// No

Hearings: /// No

ASSEMBLY, No. 3663

STATE OF NEW JERSEY

INTRODUCED JUNE 20, 1983

By Assemblyman BROWN

AN ACT to amend and supplement "An act concerning the authorization of school bonds and supplementing Title 18A of the New Jersey Statutes," approved January 13, 1983 (P. L. 1983, c. 1).

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

1 1. Section 1 of P. L. 1983, c. 1 (C. 18A:24-11.1) is amended to
2 read as follows:

3 1. In cities of the first class with a population in excess of 300,000
4 according to the 1980 Federal Census, that change the local school
5 district governmental structure from a Type I to a Type II dis-
6 trict, any bond authorization process begun, under the provisions
7 of N. J. S. 18A:22-18, prior to the referendum authorizing the
8 change from a Type I to a Type II district shall be subject to the
9 laws, rules and regulations governing the authorization, *issuance*
10 *and sale* of bonds in Type I school districts *and such bonds may be*
11 *issued and sold and the proceeds disposed of in the manner pro-*
12 *vided by law at the time said proceedings were begun as if the city*
13 *had remained under the Type I school district structure.*

1 2. (New section) All proceedings for the authorization, issuance
2 or sale of bonds described in section 1 of this act, heretofore had
3 or taken by any municipality or by any officials thereof including
4 procedures for qualification of such school bonds for or in con-
5 nection with the sale, execution and delivery of qualified school
6 bonds for the school district of the municipality pursuant to chapter
7 24 of Title 18A of the New Jersey Statutes and "The School Quali-
8 fied Bond Act," P. L. 1976, c. 39 (C. 18A:24-85 et seq.) are ratified,
9 validated and confirmed, notwithstanding any other law.

1 3. This act shall take effect immediately.

Matter printed in italics *thus is new matter.*

STATEMENT

Recently, the city of Newark, New Jersey changed from a Type I to a Type II district. Several months prior to the referendum, while still a Type I district, the city initiated a capital improvement program but failed to complete the bond authorization process for the program before the voters approved the change to a Type II district

On January 13, 1983, the Governor signed into law P. L. 1983, c. 1, which was intended to allow the city to complete, under the Type I procedure, those projects which had been initiated prior to the conversion to the Type II district. With respect to the capital programs approved by the particular board resolution, the intent was to exempt them from the Type II bond authorization processes and to allow the city of Newark, as a Type I district, to complete the capital programs it had begun. The statute as drafted, however, may have left some ambiguity as to the appropriate issuing body. This bill would clarify any potential ambiguity by allowing the city to complete the issuance of the bonds and disburse the proceeds, while limiting it strictly to the projects previously authorized.

This bill also validates school bonds sold by the city of Newark rather than by the Type II Board of Education of the city.

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