

34: 1B-2 et al

LEGISLATIVE HISTORY CHECKLIST.

NJSA: 34:1B-2 et al

(Economic Development  
Authority - finance energy  
saving improvements in  
certain cases.)

LAWS OF: 1983

CHAPTER: 282

Bill No: A882

Sponsor(s): Bennett and others

Date Introduced: February 22, 1982

Committee: Assembly: Energy and Natural Resources

Senate: State Government, Federal & Interstate Relations

Amended during passage: Yes Amendments during passage denoted  
by asterisks

Date of Passage: Assembly: June 7, 1983

Senate: June 23, 1983

Date of Approval: July 29, 1983

Following statements are attached if available:

Sponsor statement: Yes

Committee statement: Assembly Yes

Senate Yes

Fiscal Note: Yes

Veto Message: No

Message on Signing: ~~No~~ Yes

Following were printed:

Reports: No

Hearings: No

APPROVED July 29, 1983

[OFFICIAL COPY REPRINT]

ASSEMBLY, No. 882

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 22, 1982

By Assemblymen BENNETT, VILLANE, KERN, PALAIA, Assemblywoman MUHLER, Assemblymen ZIMMER, WEIDEL, Assemblywomen OGDEN, COSTA, Assemblymen BOCCHINI and LESNIAK

Referred to Committee on Energy and Natural Resources

AN ACT to authorize the New Jersey Economic Development Authority to assist, through the issuance of bonds or the extension of loan guarantees, in financing the cost of purchasing and installing energy saving improvements in certain cases, amending "The New Jersey Economic Development Authority Act," approved August 7, 1974 (P. L. 1974, c. 80) \***[and making an appropriation]**\*.

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

1 1. Section 2 of P. L. 1974, c. 80 (C. 34:1B-2) is amended to  
2 read as follows:

3 2. The Legislature hereby finds and determines that:

4 a. Department of Labor and Industry statistics of recent years  
5 indicate a continuing decline in manufacturing employment within  
6 the State which is a contributing factor to the drastic unemployment  
7 existing within the State, which far exceeds the national average,  
8 thus adversely affecting the economy of the State and the prosper-  
9 ity, safety, health and general welfare of its inhabitants and  
10 their standard of living; that there is an urgent need to protect and  
11 enhance the quality of the natural environment and to reduce, abate  
12 and prevent environmental pollution derived from the operation of  
13 industry, utilities and commerce within the State; and that the  
14 availability of financial assistance and suitable facilities are im-  
15 portant inducements to new and varied employment promoting

**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 May 24, 1982.

16 enterprises to locate in the State, to existing enterprises to remain  
17 and expand in the State, and to industry, utilities and commerce  
18 to reduce, abate and prevent environmental pollution.

19 b. The provision of buildings, structures and other facilities to  
20 increase opportunity for employment in manufacturing, industrial,  
21 commercial, recreational, retail and service enterprises in the  
22 State is in the public interest and it is a public purpose for the  
23 State to induce and to accelerate opportunity for employment in  
24 such enterprises.

25 c. In order to aid in supplying these needs and to assist in the  
26 immediate reduction of unemployment and to provide sufficient  
27 employment for the citizens of the State in the future, it is neces-  
28 sary and in the public interest to aid and encourage the immediate  
29 commencement of new construction projects of all types, to induce  
30 and facilitate the acquisition and installation at an accelerated  
31 rate of such devices, equipment and facilities as may be required  
32 to reduce, abate and prevent environmental pollution by industry,  
33 utilities and commerce.

34 d. The availability of financial assistance by the State will reduce  
35 present unemployment and improve future employment opportuni-  
36 ties by encouraging and inducing the undertaking of such construc-  
37 tion projects, the location, retaining or expanding of employment  
38 promoting enterprises within the State, and the accelerated acquisi-  
39 tion and installation of *energy saving improvements and* pollution  
40 control devices, equipment and facilities.

41 e. In many municipalities in our State substantial and persistent  
42 unemployment exists; and, many existing residential, industrial,  
43 commercial and manufacturing facilities within such municipalities  
44 are either obsolete, inefficient, dilapidated or are located without  
45 regard to the master plans of such municipalities; and, the obso-  
46 lescence and abandonment of existing facilities will increase with  
47 further technological advances, the provision of modern, efficient  
48 facilities in other states and the difficulty which many municipalities  
49 have in attracting new facilities; and, that many existing and  
50 planned employment promoting facilities are far from or not easily  
51 accessible to the places of residence of substantial numbers of  
52 unemployed and underemployed persons.

53 f. By virtue of their architectural and cultural heritage, their  
54 positions as principal centers of communication and transportation  
55 and their concentration of productive and energy efficient facilities,  
56 many municipalities are capable of ameliorating the conditions of  
57 deterioration which impede sound community growth and develop-

58 ment; and, that building a proper balance of housing, industrial  
59 and commercial facilities and increasing the attractiveness of such  
60 municipalities to persons of all income levels is essential to restor-  
61 ing such municipalities as desirable places to live, work, shop and  
62 enjoy life's amenities; that the accomplishment of these objectives  
63 is beyond remedy solely by the regulatory process in the exercise  
64 of the police power and cannot be dealt with effectively by the  
65 ordinary operations of private enterprise without the powers pro-  
66 vided herein, and that the exercise of the powers herein provided is  
67 critical to continuing the process of revitalizing such municipalities  
68 and will serve an urgent public use and purpose.

69 The Legislature further determines that in order to aid in  
70 remedying the aforesaid conditions and to further and implement  
71 the purposes of this act, that there shall be created a body politic  
72 and corporate having the powers, duties and functions provided in  
73 this act and that the authority and powers conferred under this  
74 act and the expenditure of moneys pursuant thereto constitutes a  
75 serving of a valid public purpose and that the enactment of the  
76 provisions hereinafter set forth is in the public interest and for the  
77 public benefit and good and is hereby so declared to be as a matter  
78 of express legislative determination.

1 2. Section 3 of P. L. 1974, c. 80 (C. 34:1B-3) is amended to read  
2 as follows:

3 a. "Authority" means the New Jersey Economic Development  
4 Authority, created by section 4 of this act.

5 b. "Bonds" means bonds or other obligations issued by the  
6 Authority pursuant to this act.

7 c. "Cost" means the cost of the acquisition, construction, re-  
8 construction, repair, alteration, improvement and extension of any  
9 building, structure, facility including water transmission facilities,  
10 or other improvement; the cost of machinery and equipment, the  
11 cost of acquisition, construction, reconstruction, repair, alteration,  
12 improvement and extension of *energy saving improvements or*  
13 *pollution control devices, equipment or facilities*; the cost of lands,  
14 rights-in-lands, easements, privileges, agreements, franchises,  
15 utility extensions, disposal facilities, access roads and site develop-  
16 ment deemed by the authority to be necessary or useful and con-  
17 venient for any project or in connection therewith, discount on  
18 bonds, costs of issuance of bonds, engineering and inspection costs,  
19 costs of financial, legal, professional and other estimates and advice,  
20 organization, administrative, insurance, operating and other ex-  
21 penses of the authority or any person prior to and during any  
22 acquisition or construction, and all such expenses as may be neces-

23 sary or incident to the financing, acquisition, construction or com-  
24 pletion of any project or part thereof, and also such provision for  
25 reserves for payment or security of principal of or interest on  
26 bonds during or after such acquisition or construction as the  
27 authority may determine.

28 d. "County" means any county of any class.

29 e. "Development property" means any real or personal property  
30 interest therein, improvements thereon, appurtenances thereto and  
31 air or other rights in connection therewith, including land, build-  
32 ings, plants, structures, systems, works, machinery and equipment  
33 acquired or to be acquired by purchase, gift or otherwise by the  
34 authority within an urban growth zone.

35 f. "Person" means any person, including individuals, firms,  
36 partnerships, associations, societies, trusts, public or private  
37 corporations, or other legal entities, including public or govern-  
38 mental bodies as well as natural persons. "Person" shall include  
39 the plural as well as the singular.

40 g. "Pollution control project" means any device, equipment,  
41 improvement, structure or facility or any land and any building,  
42 structure, facility or other improvement thereon, or any combina-  
43 tion thereof, whether or not in existence or under construction, or  
44 the refinancing thereof in order to facilitate improvements or  
45 additions thereto or upgrading thereof, and all real and personal  
46 property deemed necessary thereto, having to do with or the end  
47 purpose of which is the control, abatement or prevention of land,  
48 sewer, water, air, noise or general environmental pollution, includ-  
49 ing, but not limited to, any air pollution control facility, noise  
50 abatement facility, water management facility, thermal pollution  
51 control facility, radiation contamination control facility, waste  
52 water collection system, waste water treatment works, sewage  
53 treatment works system, sewage treatment system or solid waste  
54 disposal facility or site; provided that the authority shall have  
55 received from the Commissioner of the State Department of  
56 Environmental Protection or his duly authorized representative,  
57 a certificate stating the opinion that, based upon information, facts  
58 and circumstances available to the State Department of Environ-  
59 mental Protection and any other pertinent data, (1) said pollution  
60 control facilities do not conflict with, overlap or duplicate any other  
61 planned or existing pollution control facilities undertaken or  
62 planned by another public agency or authority within any political  
63 subdivision, and (2) that such facilities, as designed, will be a pol-  
64 lution control project as defined in this act and are in furtherance  
65 of the purpose of abating or controlling pollution.

66 h. "Project" means (1) (a) acquisition, construction, reconstruc-  
67 tion, repair, alteration, [improvement] *improvement* and extension  
68 of any building, structure, facility including water transmission  
69 facilities or other improvement, whether or not in existence or  
70 under construction, (b) purchase and installation of equipment  
71 and machinery, (c) acquisition and improvement of real estate and  
72 the extension or provision of utilities, access roads and other ap-  
73 purtenant facilities, and (2) (a) the acquisition, financing, or re-  
74 financing of inventory, raw materials, supplies, work in process, or  
75 stock in trade, or (b) the financing, refinancing or consolidation of  
76 secured or unsecured debt, borrowings, or obligations, or (c) the  
77 provision of financing for any other expense incurred in the  
78 ordinary course of business; all of which are to be used or occupied  
79 by any person in any enterprise promoting employment, either  
80 for the manufacturing, processing or assembly of materials or  
81 products, or for research or office purposes, including, but not  
82 limited to, medical and other professional facilities, or for indus-  
83 trial, recreational, hotel or motel facilities, public utility and ware-  
84 housing, or for commercial and service purposes, including, but  
85 not limited to, retail outlets, retail shopping centers, restaurant  
86 and retail food outlets, and any and all other employment promot-  
87 ing enterprises including, but not limited to motion picture and  
88 television studios and facilities and commercial fishing facilities,  
89 commercial facilities for recreational fishermen, fishing vessels,  
90 aquaculture facilities and marketing facilities for fish and fish  
91 products and (d) acquisition of an equity interest in, including  
92 capital stock of, any corporation; or any combination of the above,  
93 which the authority determines will (i) tend to maintain or provide  
94 gainful employment opportunities within and for the people of  
95 the State, or (ii) aid, assist and encourage the economic develop-  
96 ment or redevelopment of any political subdivision of the State,  
97 or (iii) maintain or increase the tax base of the State or of any  
98 political subdivision of the State, or (iv) maintain or diversify  
99 and expand employment promoting enterprises within the State;  
100 and (3) the cost of acquisition, construction, reconstruction, repair,  
101 alteration, improvement and extension of [a] *an energy saving*  
102 *improvement or pollution control project which the authority de-*  
103 *termines will tend to reduce the consumption in a building devoted*  
104 *to industrial or commercial purposes, or in an office building, of*  
105 *nonrenewable sources of energy or to reduce, abate or prevent*  
106 *environmental pollution within the State. Project may also include*  
107 (i) reimbursement to any person for costs in connection with any  
108 project, or the refinancing of any project or portion thereof, if

109 determined by the authority as necessary and in the public interest  
 110 to maintain employment and the tax base of any political sub-  
 111 division and will facilitate improvements thereto or the completion  
 112 thereof, and (ii) development property and any construction, re-  
 113 construction, improvement, alteration, equipment or maintenance  
 114 or repair, or, planning and designing in connection therewith.

115 i. "Revenues" means receipts, fees, rentals or other payments  
 116 to be received on account of lease, mortgage, conditional sale, or  
 117 sale and payments and any other income derived from the lease,  
 118 sale or other disposition of a project, moneys in such reserve and  
 119 insurance funds or accounts or other funds and accounts and income  
 120 from the investment thereof, established in connection with the  
 121 issuance of bonds or notes for a project or projects, and fees,  
 122 charges or other moneys to be received by the authority in respect  
 123 of projects and contracts with persons.

124 j. "Resolution" means any resolution adopted or trust agree-  
 125 ment executed by the authority pursuant to which bonds of the  
 126 authority are authorized to be issued.

127 k. *"Energy saving improvement" means the construction, pur-*  
 128 *chase and installation in a building devoted to industrial or com-*  
 129 *mercial purposes of any of the following, designed to reduce the*  
 130 *amount of energy from nonrenewable sources needed for heating*  
 131 *and cooling that building: insulation, replacement burners, replace-*  
 132 *ment high efficiency heating and air conditioning units, including*  
 133 *modular boilers and furnaces, water heaters, central air condi-*  
 134 *tioners with or without heat recovery to make hot water for in-*  
 135 *dustrial or commercial purposes or in office buildings, and any*  
 136 *solar heating or cooling system improvement, including any system*  
 137 *which captures solar radiation to heat a fluid which passes over or*  
 138 *through the collector element of that system and then transfers*  
 139 *that fluid to a point within the system where the heat is withdrawn*  
 140 *from the fluid for direct usage or storage, These systems shall*  
 141 *include, but not necessarily be limited to, systems incorporating*  
 142 *flat plate, evacuated tube or focusing solar collectors.*

143 *The foregoing list shall not be construed to be exhaustive, and*  
 144 *shall not serve to exclude other improvements consistent with the*  
 145 *legislative intent of this amendatory act.*

146 [k.] l. "Urban growth zone" means any area within a munici-  
 147 pality receiving State aid pursuant to the provisions of P. L. 1971,  
 148 c. 64, or a municipality certified by the Commissioner of Community  
 149 Affairs to qualify under such law in every respect except popula-  
 150 tion, which area has been so designated pursuant to an ordinance  
 151 of the governing body of such municipality.

1 3. Section 5 of P. L. 1974, c. 80 (C. 34:1B-5) is amended to read  
2 as follows:

3 5. The authority shall have the following powers:

4 a. To adopt bylaws for the regulation of its affairs and the  
5 conduct of its business;

6 b. To adopt and have a seal and to alter the same at pleasure;

7 c. To sue and be sued;

8 d. To acquire in the name of the authority by purchase or other-  
9 wise, on such terms and conditions and such manner as it may  
10 deem proper, or by the exercise of the power of eminent domain  
11 in the manner provided by the Eminent Domain Act of 1971, P. L.  
12 1971, c. 361 (C. 20:3-1 et seq.), any lands or interests therein or  
13 other property which it may determine is reasonably necessary for  
14 any project; provided, however, that the authority shall not take  
15 by exercise of the power of eminent domain any real property  
16 except upon consent thereto given by resolution of the governing  
17 body of the municipality in which such real property is located;  
18 and provided further that the authority shall be limited in its  
19 exercise of the power of eminent domain to municipalities receiving  
20 State aid under the provisions of P. L. 1978, c. 14 (C. 52:27D-178  
21 et seq.), or to municipalities which had a population, according to  
21A the latest federal decennial census, in excess of 10,000;

22 e. To enter into contracts with a person upon such terms and  
23 conditions as the authority shall determine to be reasonable,  
24 including but not limited to reimbursement for the planning, de-  
25 signing, financing, construction, reconstruction, improvement,  
26 equipping, furnishing, operation and maintenance of the project  
27 and to pay or compromise any claims arising therefrom;

28 f. To establish and maintain reserve and insurance funds with  
29 respect to the financing of the project;

30 g. To sell, convey or lease to any person all or any portion of  
31 a project, for such consideration and upon such terms as the au-  
32 thority may determine to be reasonable;

33 h. To mortgage, pledge or assign or otherwise encumber all  
34 or any portion of a project or revenues whenever it shall find  
35 such action to be in furtherance of the purposes of this act;

36 i. To grant options to purchase or renew a lease for any of its  
37 projects on such terms as the authority may determine to be  
38 reasonable;

39 j. To contract for and to accept any gifts or grants or loans of  
40 funds or property or financial or other aid in any form from the  
41 United States of America or any agency or instrumentality thereof,  
42 or from the State or any agency, instrumentality or political sub-



43 division thereof, or from any other source and to comply, subject  
44 to the provisions of the act, with the terms and conditions thereof;

45 k. In connection with any application for assistance under this  
46 act or commitments therefor, to require and collect such fees and  
47 charges as the authority shall determine to be reasonable;

48 l. To adopt, amend and repeal regulations to carry out the pro-  
49 visions of this act;

50 m. To acquire, purchase, manage and operate, hold and dispose  
51 of real and personal property or interests therein, take assign-  
52 ments of rentals and leases and make and enter into all contracts,  
53 leases, agreements and arrangements necessary or incidental to  
54 the performance of its duties;

55 n. To purchase, acquire and take assignments of notes, mort-  
56 gages and other forms of security and evidences of indebtedness;

57 o. To purchase, acquire, attach, seize, accept or take title to  
58 any project by conveyance or, by foreclosure, and sell, lease, man-  
59 age or operate any project for a use specified in this act;

60 p. To borrow money and to issue bonds of the authority and to  
61 provide for the rights of the holders thereof as provided in this  
62 act;

63 q. To extend credit or make loans to any person for the plan-  
64 ning, designing, acquiring, constructing, reconstructing, improving,  
65 equipping and furnishing of a project which credits or loans may  
66 be secured by loan and security agreements, mortgages, leases,  
67 and any other instruments, upon such terms and conditions as the  
68 authority shall deem reasonable, including provision for the estab-  
69 lishment and maintenance of reserve and insurance funds, and to  
70 require the inclusion in any mortgage, lease, contract, loan and  
71 security agreement or other instrument, such provisions for the  
72 construction, use, operation and maintenance and financing of a  
73 project as the authority may deem necessary or desirable;

74 r. *\*[Within the limits of funds appropriated or otherwise avail-  
75 able to the authority for this purpose, to]\* \*To\* guarantee up to  
76 90% of the amount of a loan to a person if the proceeds of the loan  
77 are to be applied to the purchase and installation, in a building  
78 devoted to industrial or commercial purposes, or in an office build-  
79 ing, of an energy improvement system;*

80 [r.] s. To employ consulting engineers, architects, attorneys,  
81 real estate counselors, appraisers, and such other consultants and  
82 employees as may be required in the judgment of the authority to  
83 carry out the purposes of the act, and to fix and pay their compen-  
84 sation from funds available to the authority therefor, all without  
85 regard to the provisions of Title 11, Civil Service, of the Revised  
86 Statutes;

87 **[s.] t.** To do and perform any acts and things authorized by this  
 88 act under, through or by means of its own officers, agents and  
 89 employees, or by contracts with any person;

90 **[t.] u.** To procure insurance against any losses in connection  
 91 with its property, operations or assets in such amounts and from  
 92 such insurers as it deems desirable;

93 **[u.] v.** To do any and all things necessary or convenient to carry  
 94 out its purposes and exercise the powers given and granted in the  
 95 act;

96 **[v.] w.** To construct, reconstruct, rehabilitate, improve, alter,  
 97 equip, maintain or repair or provide for the construction, recon-  
 98 struction, improvement, alteration, equipment or maintenance or  
 99 repair of any development property and lot, award and enter into  
 100 construction contracts, purchase orders and other contracts with  
 101 respect thereto upon such terms and conditions as the authority  
 102 shall determine to be reasonable, including but not limited to reim-  
 103 bursement for the planning, designing, financing, construction,  
 104 reconstruction, improvement, equipping, furnishing, operation and  
 105 maintenance of any such development property and the settlement  
 106 of any claims arising therefrom and the establishment and mainte-  
 107 nance of reserve funds with respect to the financing of such de-  
 108 velopment property; and

109 **[w.] x.** When authorized by the governing body of a municipality  
 110 exercising jurisdiction over an urban growth zone, to construct,  
 111 cause to be constructed or to provide financial assistance to projects  
 112 in an urban growth zone which shall be exempt from the terms and  
 113 requirements of the land use ordinances and regulations, including  
 114 but not limited to the master plan and zoning ordinances, of such  
 115 municipality.

1 4. Section 6 of P. L. 1974, c. 80 (C. 34:1B-6) is amended to read  
 2 as follows:

3 6. A copy of any application for assistance under this act re-  
 4 ceived by the authority shall be submitted to, and for the review  
 5 and advice of, the Director of the Division of Economic Develop-  
 6 ment. Prior to making any commitment for such assistance, the  
 7 authority, after consultation with the director of said division shall  
 8 by resolution duly adopted, find and determine, on the basis of  
 9 all information reasonably available to it, that such assistance  
 10 will tend to maintain or provide gainful employment for the in-  
 11 habitants of the State, *or will reduce the consumption, in a build-*  
 12 *ing devoted to industrial or commercial purposes, or in an office*  
 13 *building, of nonrenewable sources of energy,* or will eliminate and  
 14 reduce environmental pollution derived from the operation of

15 industry, utilities and commerce and improve living conditions,  
16 and shall serve a public purpose by contributing to the prosperity,  
17 health and general welfare of the inhabitants of the State and will  
18 tend to aid and assist in the economic growth, development or re-  
19 development of the political subdivision wherein it is to be located,  
20 and such finding and determination shall be conclusive for all pur-  
21 poses of this act.

22 The authority shall also find and determine, on the basis of all  
23 information reasonably available to it, that such assistance, or  
24 any part thereof, used to construct, improve or refinance any  
25 pollution control facility as defined by this act will not impair  
26 any obligation undertaken by any County Industrial Pollution  
27 Control Financing Authority created pursuant to P. L. 1973, c. 376  
28 (C. 40:37C-1 et seq.).

1 \***[5.** There is appropriated to the economic development fund  
2 of the New Jersey Economic Development Authority the sum  
3 of \$250,000.00, for the purpose of guaranteeing loans for the pur-  
4 chase and installation of any energy saving improvement in accord-  
5 ance with the provisions of this act.]\*

1 \***[6.]** \*5.\* This act shall take effect immediately.

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# ASSEMBLY, No. 882

## STATE OF NEW JERSEY

INTRODUCED FEBRUARY 22, 1982

By Assemblymen BENNETT, VILLANE, KERN, PALAIA, Assemblywoman MUHLER, Assemblymen ZIMMER, WEIDEL, Assemblywomen OGDEN, COSTA, Assemblymen BOCCHINI and LESNIAK

Referred to Committee on Energy and Natural Resources

AN ACT to authorize the New Jersey Economic Development Authority to assist, through the issuance of bonds or the extension of loan guarantees, in financing the cost of purchasing and installing energy saving improvements in certain cases, amending "The New Jersey Economic Development Authority Act," approved August 7, 1974 (P. L. 1974, c. 80) and making an appropriation.

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

1 1. Section 2 of P. L. 1974, c. 80 (C. 34:1B-2) is amended to  
2 read as follows:

3 2. The Legislature hereby finds and determines that:

4 a. Department of Labor and Industry statistics of recent years  
5 indicate a continuing decline in manufacturing employment within  
6 the State which is a contributing factor to the drastic unemployment  
7 existing within the State, which far exceeds the national average,  
8 thus adversely affecting the economy of the State and the pros-  
9 perity, safety, health and general welfare of its inhabitants and  
10 their standard of living; that there is an urgent need to protect and  
11 enhance the quality of the natural environment and to reduce, abate  
12 and prevent environmental pollution derived from the operation of  
13 industry, utilities and commerce within the State; and that the  
14 availability of financial assistance and suitable facilities are im-  
15 portant inducements to new and varied employment promoting

**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.**

16 enterprises to locate in the State, to existing enterprises to remain  
17 and expand in the State, and to industry, utilities and commerce  
18 to reduce, abate and prevent environmental pollution.

19 b. The provision of buildings, structures and other facilities to  
20 increase opportunity for employment in manufacturing, industrial,  
21 commercial, recreational, retail and service enterprises in the  
22 State is in the public interest and it is a public purpose for the  
23 State to induce and to accelerate opportunity for employment in  
24 such enterprises.

25 c. In order to aid in supplying these needs and to assist in the  
26 immediate reduction of unemployment and to provide sufficient  
27 employment for the citizens of the State in the future, it is neces-  
28 sary and in the public interest to aid and encourage the immediate  
29 commencement of new construction projects of all types, to induce  
30 and facilitate the acquisition and installation at an accelerated  
31 rate of such devices, equipment and facilities as may be required  
32 to reduce, abate and prevent environmental pollution by industry,  
33 utilities and commerce.

34 d. The availability of financial assistance by the State will reduce  
35 present unemployment and improve future employment opportuni-  
36 ties by encouraging and inducing the undertaking of such construc-  
37 tion projects, the location, retaining or expanding of employment  
38 promoting enterprises within the State, and the accelerated acquisi-  
39 tion and installation of *energy saving improvements and* pollution  
40 control devices, equipment and facilities.

41 e. In many municipalities in our State substantial and persistent  
42 unemployment exists; and, many existing residential, industrial,  
43 commercial and manufacturing facilities within such municipalities  
44 are either obsolete, inefficient, dilapidated or are located without  
45 regard to the master plans of such municipalities; and, the obso-  
46 lescence and abandonment of existing facilities will increase with  
47 further technological advances, the provision of modern, efficient  
48 facilities in other states and the difficulty which many municipalities  
49 have in attracting new facilities; and, that many existing and  
50 planned employment promoting facilities are far from or not easily  
51 accessible to the places of residence of substantial numbers of  
52 unemployed and underemployed persons.

53 f. By virtue of their architectural and cultural heritage, their  
54 positions as principal centers of communication and transportation  
55 and their concentration of productive and energy efficient facilities,  
56 many municipalities are capable of ameliorating the conditions of  
57 deterioration which impede sound community growth and develop-

58 ment; and, that building a proper balance of housing, industrial  
 59 and commercial facilities and increasing the attractiveness of such  
 60 municipalities to persons of all income levels is essential to restor-  
 61 ing such municipalities as desirable places to live, work, shop and  
 62 enjoy life's amenities; that the accomplishment of these objectives  
 63 is beyond remedy solely by the regulatory process in the exercise  
 64 of the police power and cannot be dealt with effectively by the  
 65 ordinary operations of private enterprise without the powers pro-  
 66 vided herein, and that the exercise of the powers herein provided is  
 67 critical to continuing the process of revitalizing such municipalities  
 68 and will serve an urgent public use and purpose.

69 The Legislature further determines that in order to aid in  
 70 remedying the aforesaid conditions and to further and implement  
 71 the purposes of this act, that there shall be created a body politic  
 72 and corporate having the powers, duties and functions provided in  
 73 this act and that the authority and powers conferred under this  
 74 act and the expenditure of moneys pursuant thereto constitutes a  
 75 serving of a valid public purpose and that the enactment of the  
 76 provisions hereinafter set forth is in the public interest and for the  
 77 public benefit and good and is hereby so declared to be as a matter  
 78 of express legislative determination.

1 2. Section 3 of P. L. 1974, c. 80 (C. 34:1B-3) is amended to read  
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7 c. "Cost" means the cost of the acquisition, construction, re-  
 8 construction, repair, alteration, improvement and extension of any  
 9 building, structure, facility including water transmission facilities,  
 10 or other improvement; the cost of machinery and equipment, the  
 11 cost of acquisition, construction, reconstruction, repair, alteration,  
 12 improvement and extension of *energy saving improvements or*  
 13 *pollution control devices, equipment or facilities*; the cost of lands,  
 14 rights-in-lands, easements, privileges, agreements, franchises,  
 15 utility extensions, disposal facilities, access roads and site develop-  
 16 ment deemed by the authority to be necessary or useful and con-  
 17 venient for any project or in connection therewith, discount on  
 18 bonds, costs of issuance of bonds, engineering and inspection costs,  
 19 costs of financial, legal, professional and other estimates and advice,  
 20 organization, administrative, insurance, operating and other ex-  
 21 penses of the authority or any person prior to and during any  
 22 acquisition or construction, and all such expenses as may be neces-

23 sary or incident to the financing, acquisition, construction or com-  
24 pletion of any project or part thereof, and also such provision for  
25 reserves for payment or security of principal of or interest on  
26 bonds during or after such acquisition or construction as the  
27 authority may determine.

28 d. "County" means any county of any class.

29 e. "Development property" means any real or personal property  
30 interest therein, improvements thereon, appurtenances thereto and  
31 air or other rights in connection therewith, including land, build-  
32 ings, plants, structures, systems, works, machinery and equipment  
33 acquired or to be acquired by purchase, gift or otherwise by the  
34 authority within an urban growth zone.

35 f. "Person" means any person, including individuals, firms,  
36 partnerships, associations, societies, trusts, public or private  
37 corporations, or other legal entities, including public or govern-  
38 mental bodies as well as natural persons. "Person" shall include  
39 the plural as well as the singular.

40 g. "Pollution control project" means any device, equipment,  
41 improvement, structure or facility or any land and any building,  
42 structure, facility or other improvement thereon, or any combina-  
43 tion thereof, whether or not in existence or under construction, or  
44 the refinancing thereof in order to facilitate improvements or  
45 additions thereto or upgrading thereof, and all real and personal  
46 property deemed necessary thereto, having to do with or the end  
47 purpose of which is the control, abatement or prevention of land,  
48 sewer, water, air, noise or general environmental pollution, includ-  
49 ing, but not limited to, any air pollution control facility, noise  
50 abatement facility, water management facility, thermal pollution  
51 control facility, radiation contamination control facility, waste  
52 water collection system, waste water treatment works, sewage  
53 treatment works system, sewage treatment system or solid waste  
54 disposal facility or site; provided that the authority shall have  
55 received from the Commissioner of the State Department of  
56 Environmental Protection or his duly authorized representative,  
57 a certificate stating the opinion that, based upon information, facts  
58 and circumstances available to the State Department of Environ-  
59 mental Protection and any other pertinent data, (1) said pollution  
60 control facilities do not conflict with, overlap or duplicate any other  
61 planned or existing pollution control facilities undertaken or  
62 planned by another public agency or authority within any political  
63 subdivision, and (2) that such facilities, as designed, will be a pol-  
64 lution control project as defined in this act and are in furtherance  
65 of the purpose of abating or controlling pollution.

66 h. "Project" means (1) (a) acquisition, construction, reconstruc-  
67 tion, repair, alteration, [improvement] *improvement* and extension  
68 of any building, structure, facility including water transmission  
69 facilities or other improvement, whether or not in existence or  
70 under construction, (b) purchase and installation of equipment  
71 and machinery, (c) acquisition and improvement of real estate and  
72 the extension or provision of utilities, access roads and other ap-  
73 purtenant facilities, and (2) (a) the acquisition, financing, or re-  
74 financing of inventory, raw materials, supplies, work in process, or  
75 stock in trade, or (b) the financing, refinancing or consolidation of  
76 secured or unsecured debt, borrowings, or obligations, or (c) the  
77 provision of financing for any other expense incurred in the  
78 ordinary course of business; all of which are to be used or occupied  
79 by any person in any enterprise promoting employment, either  
80 for the manufacturing, processing or assembly of materials or  
81 products, or for research or office purposes, including, but not  
82 limited to, medical and other professional facilities, or for indus-  
83 trial, recreational, hotel or motel facilities, public utility and ware-  
84 housing, or for commercial and service purposes, including, but  
85 not limited to, retail outlets, retail shopping centers, restaurant  
86 and retail food outlets, and any and all other employment promot-  
87 ing enterprises including, but not limited to motion picture and  
88 television studios and facilities and commercial fishing facilities,  
89 commercial facilities for recreational fishermen, fishing vessels,  
90 aquaculture facilities and marketing facilities for fish and fish  
91 products and (d) acquisition of an equity interest in, including  
92 capital stock of, any corporation; or any combination of the above,  
93 which the authority determines will (i) tend to maintain or provide  
94 gainful employment opportunities within and for the people of  
95 the State, or (ii) aid, assist and encourage the economic develop-  
96 ment or redevelopment of any political subdivision of the State,  
97 or (iii) maintain or increase the tax base of the State or of any  
98 political subdivision of the State, or (iv) maintain or diversify  
99 and expand employment promoting enterprises within the State;  
100 and (3) the cost of acquisition, construction, reconstruction, repair,  
101 alteration, improvement and extension of [a] *an energy saving*  
102 *improvement or pollution control project which the authority de-*  
103 *termines will tend to reduce the consumption in a building devoted*  
104 *to industrial or commercial purposes, or in an office building, of*  
105 *nonrenewable sources of energy or to reduce, abate or prevent*  
106 *environmental pollution within the State. Project may also include*  
107 (i) reimbursement to any person for costs in connection with any  
108 project, or the refinancing of any project or portion thereof, if



109 determined by the authority as necessary and in the public interest  
 110 to maintain employment and the tax base of any political sub-  
 111 division and will facilitate improvements thereto or the completion  
 112 thereof, and (ii) development property and any construction, re-  
 113 construction, improvement, alteration, equipment or maintenance  
 114 or repair, or, planning and designing in connection therewith.

115 i. "Revenues" means receipts, fees, rentals or other payments  
 116 to be received on account of lease, mortgage, conditional sale, or  
 117 sale and payments and any other income derived from the lease,  
 118 sale or other disposition of a project, moneys in such reserve and  
 119 insurance funds or accounts or other funds and accounts and income  
 120 from the investment thereof, established in connection with the  
 121 issuance of bonds or notes for a project or projects, and fees,  
 122 charges or other moneys to be received by the authority in respect  
 123 of projects and contracts with persons.

124 j. "Resolution" means any resolution adopted or trust agree-  
 125 ment executed by the authority pursuant to which bonds of the  
 126 authority are authorized to be issued.

127 k. *"Energy saving improvement" means the construction, pur-  
 128 chase and installation in a building devoted to industrial or com-  
 129 mercial purposes of any of the following, designed to reduce the  
 130 amount of energy from nonrenewable sources needed for heating  
 131 and cooling that building: insulation, replacement burners, replace-  
 132 ment high efficiency heating and air conditioning units, including  
 133 modular boilers and furnaces, water heaters, central air condi-  
 134 tioners with or without heat recovery to make hot water for in-  
 135 dustrial or commercial purposes or in office buildings, and any  
 136 solar heating or cooling system improvement, including any system  
 137 which captures solar radiation to heat a fluid which passes over or  
 138 through the collector element of that system and then transfers  
 139 that fluid to a point within the system where the heat is withdrawn  
 140 from the fluid for direct usage or storage, These systems shall  
 141 include, but not necessarily be limited to, systems incorporating  
 142 flat plate, evacuated tube or focusing solar collectors.*

143 *The foregoing list shall not be construed to be exhaustive, and  
 144 shall not serve to exclude other improvements consistent with the  
 145 legislative intent of this amendatory act.*

146 **[k.]** l. "Urban growth zone" means any area within a munici-  
 147 pality receiving State aid pursuant to the provisions of P. L. 1971,  
 148 c. 64, or a municipality certified by the Commissioner of Community  
 149 Affairs to qualify under such law in every respect except popula-  
 150 tion, which area has been so designated pursuant to an ordinance  
 151 of the governing body of such municipality.

1 3. Section 5 of P. L. 1974, c. 80 (C. 34:1B-5) is amended to read  
2 as follows:

3 5. The authority shall have the following powers:

4 a. To adopt bylaws for the regulation of its affairs and the  
5 conduct of its business;

6 b. To adopt and have a seal and to alter the same at pleasure;

7 c. To sue and be sued;

8 d. To acquire in the name of the authority by purchase or other-  
9 wise, on such terms and conditions and such manner as it may  
10 deem proper, or by the exercise of the power of eminent domain  
11 in the manner provided by the Eminent Domain Act of 1971, P. L.  
12 1971, c. 361 (C. 20:3-1 et seq.), any lands or interests therein or  
13 other property which it may determine is reasonably necessary for  
14 any project; provided, however, that the authority shall not take  
15 by exercise of the power of eminent domain any real property  
16 except upon consent thereto given by resolution of the governing  
17 body of the municipality in which such real property is located;  
18 and provided further that the authority shall be limited in its  
19 exercise of the power of eminent domain to municipalities receiving  
20 State aid under the provisions of P. L. 1978, c. 14 (C. 52:27D-178  
21 et seq.), or to municipalities which had a population, according to  
21a the latest federal decennial census, in excess of 10,000;

22 e. To enter into contracts with a person upon such terms and  
23 conditions as the authority shall determine to be reasonable,  
24 including but not limited to reimbursement for the planning, de-  
25 signing, financing, construction, reconstruction, improvement,  
26 equipping, furnishing, operation and maintenance of the project  
27 and to pay or compromise any claims arising therefrom;

28 f. To establish and maintain reserve and insurance funds with  
29 respect to the financing of the project;

30 g. To sell, convey or lease to any person all or any portion of  
31 a project, for such consideration and upon such terms as the au-  
32 thority may determine to be reasonable;

33 h. To mortgage, pledge or assign or otherwise encumber all  
34 or any portion of a project or revenues whenever it shall find  
35 such action to be in furtherance of the purposes of this act;

36 i. To grant options to purchase or renew a lease for any of its  
37 projects on such terms as the authority may determine to be  
38 reasonable;

39 j. To contract for and to accept any gifts or grants or loans of  
40 funds or property or financial or other aid in any form from the  
41 United States of America or any agency or instrumentality thereof,

42 or from the State or any agency, instrumentality or political sub-  
43 division thereof, or from any other source and to comply, subject  
44 to the provisions of the act, with the terms and conditions thereof;

45 k. In connection with any application for assistance under this  
46 act or commitments therefor, to require and collect such fees and  
47 charges as the authority shall determine to be reasonable;

48 l. To adopt, amend and repeal regulations to carry out the pro-  
49 visions of this act;

50 m. To acquire, purchase, manage and operate, hold and dispose  
51 of real and personal property or interests therein, take assign-  
52 ments of rentals and leases and make and enter into all contracts,  
53 leases, agreements and arrangements necessary or incidental to  
54 the performance of its duties;

55 n. To purchase, acquire and take assignments of notes, mort-  
56 gages and other forms of security and evidences of indebtedness;

57 o. To purchase, acquire, attach, seize, accept or take title to  
58 any project by conveyance or, by foreclosure, and sell, lease, man-  
59 age or operate any project for a use specified in this act;

60 p. To borrow money and to issue bonds of the authority and to  
61 provide for the rights of the holders thereof as provided in this  
62 act;

63 q. To extend credit or make loans to any person for the plan-  
64 ning, designing, acquiring, constructing, reconstructing, improving,  
65 equipping and furnishing of a project which credits or loans may  
66 be secured by loan and security agreements, mortgages, leases,  
67 and any other instruments, upon such terms and conditions as the  
68 authority shall deem reasonable, including provision for the estab-  
69 lishment and maintenance of reserve and insurance funds, and to  
70 require the inclusion in any mortgage, lease, contract, loan and  
71 security agreement or other instrument, such provisions for the  
72 construction, use, operation and maintenance and financing of a  
73 project as the authority may deem necessary or desirable;

74 *r. Within the limits of funds appropriated or otherwise avail-*  
75 *able to the authority for this purpose, to guarantee up to 90% of*  
76 *the amount of a loan to a person if the proceeds of the loan are*  
77 *to be applied to the purchase and installation, in a building devoted*  
78 *to industrial or commercial purposes, or in an office building, of*  
79 *an energy improvement system;*

80 [r.] s. To employ consulting engineers, architects, attorneys,  
81 real estate counselors, appraisers, and such other consultants and  
82 employees as may be required in the judgment of the authority to  
83 carry out the purposes of the act, and to fix and pay their compen-

84 sation from funds available to the authority therefor, all without  
85 regard to the provisions of Title 11, Civil Service, of the Revised  
86 Statutes;

87 **[s.] t.** To do and perform any acts and things authorized by this  
88 act under, through or by means of its own officers, agents and  
89 employees, or by contracts with any person;

90 **[t.] u.** To procure insurance against any losses in connection  
91 with its property, operations or assets in such amounts and from  
92 such insurers as it deems desirable;

93 **[u.] v.** To do any and all things necessary or convenient to carry  
94 out its purposes and exercise the powers given and granted in the  
95 act;

96 **[v.] w.** To construct, reconstruct, rehabilitate, improve, alter,  
97 equip, maintain or repair or provide for the construction, recon-  
98 struction, improvement, alteration, equipment or maintenance or  
99 repair of any development property and lot, award and enter into  
100 construction contracts, purchase orders and other contracts with  
101 respect thereto upon such terms and conditions as the authority  
102 shall determine to be reasonable, including but not limited to reim-  
103 bursement for the planning, designing, financing, construction,  
104 reconstruction, improvement, equipping, furnishing, operation and  
105 maintenance of any such development property and the settlement  
106 of any claims arising therefrom and the establishment and mainte-  
107 nance of reserve funds with respect to the financing of such de-  
108 velopment property; and

109 **[w.] x.** When authorized by the governing body of a municipality  
110 exercising jurisdiction over an urban growth zone, to construct,  
111 cause to be constructed or to provide financial assistance to projects  
112 in an urban growth zone which shall be exempt from the terms and  
113 requirements of the land use ordinances and regulations, including  
114 but not limited to the master plan and zoning ordinances, of such  
115 municipality.

1 4. Section 6 of P. L. 1974, c. 80 (C. 34:1B-6) is amended to read  
2 as follows:

3 6. A copy of any application for assistance under this act re-  
4 ceived by the authority shall be submitted to, and for the review  
5 and advice of, the Director of the Division of Economic Develop-  
6 ment. Prior to making any commitment for such assistance, the  
7 authority, after consultation with the director of said division shall  
8 by resolution duly adopted, find and determine, on the basis of  
9 all information reasonably available to it, that such assistance  
10 will tend to maintain or provide gainful employment for the in-

11 habitants of the State, or will reduce the consumption, in a build-  
 12 ing devoted to industrial or commercial purposes, or in an office  
 13 building, of nonrenewable sources of energy, or will eliminate and  
 14 reduce environmental pollution derived from the operation of  
 15 industry, utilities and commerce and improve living conditions,  
 16 and shall serve a public purpose by contributing to the prosperity,  
 17 health and general welfare of the inhabitants of the State and will  
 18 tend to aid and assist in the economic growth, development or re-  
 19 development of the political subdivision wherein it is to be located,  
 20 and such finding and determination shall be conclusive for all pur-  
 21 poses of this act.

22 The authority shall also find and determine, on the basis of all  
 23 information reasonably available to it, that such assistance, or  
 24 any part thereof, used to construct, improve or refinance any  
 25 pollution control facility as defined by this act will not impair  
 26 any obligation undertaken by any County Industrial Pollution  
 27 Control Financing Authority created pursuant to P. L. 1973, c. 376  
 28 (C. 40:37C-1 et seq.).

1 5. There is appropriated to the economic development fund  
 2 of the New Jersey Economic Development Authority the sum  
 3 of \$250,000.00, for the purpose of guaranteeing loans for the pur-  
 4 chase and installation of any energy saving improvement in accord-  
 5 ance with the provisions of this act.

1 6. This act shall take effect immediately.

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#### STATEMENT

The purpose of this bill is to permit the New Jersey Economic Development Authority to assist in financing all or part of the cost of purchasing and installing any energy saving improvement in a building devoted to industrial or commercial purposes, or in an office building, through: (1) the issuance of tax exempt bonds and loan of the proceeds to enterprises in the same manner in which the authority assists the financing of economic development and pollution control projects; and (2) the extension of guarantees of up to 90% of the amount of any loan made for the purchase or installation of such an improvement in such a building.

A 882 (1982)

ASSEMBLY ENERGY AND NATURAL RESOURCES  
COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 882**

with Assembly committee amendments

**STATE OF NEW JERSEY**

DATED: MAY 24, 1982

As amended by the committee, this legislation would permit the New Jersey Economic Development Authority to assist in financing all or part of the cost of purchasing and installing energy saving improvements in office buildings and buildings devoted to industrial or commercial purposes through: (1) the issuance of tax exempt bonds and loans of the proceeds to enterprises in the same manner in which the authority assists the financing of economic development and pollution control projects; and (2) the extension of loan guarantees of up to 90% of the amount of any loan made for the purchase and installation of any energy saving improvement.

The bill defines an energy saving improvement as any improvement designed to reduce the amount of energy from nonrenewable sources needed for heating and cooling a building devoted to industrial or commercial purposes, including office buildings. These improvements would include: insulation, replacement burners, replacement high efficiency heating and air conditioning systems, and any solar heating or cooling systems improvements.

Committee amendments deleted the \$250,000.00 appropriation from the bill.

SENATE STATE GOVERNMENT, FEDERAL AND  
INTERSTATE RELATIONS AND VETERANS AFFAIRS  
COMMITTEE

STATEMENT TO  
**ASSEMBLY, No. 882**

[OFFICIAL COPY REPRINT]

**STATE OF NEW JERSEY**

DATED: JULY 22, 1982

This bill authorizes the New Jersey Economic Development Authority to assist, through the issuing of bonds or the extension of loan guarantees, in financing the cost of purchasing and installing energy savings improvements. Energy saving improvements mean the construction, purchase or installation in a commercial or industrial building of improvements designed to reduce the amount of energy from nonrenewable resources used for heating or cooling. Improvements include such items as insulation, water heaters or solar collectors.

The bill was amended in the Assembly to eliminate a \$250,000.00 appropriation.

FISCAL ESTIMATE TO  
**ASSEMBLY, No. 882**  
[OFFICIAL COPY REPRINT]

**STATE OF NEW JERSEY**

DATED: OCTOBER 28, 1982

Assembly Bill No. 882 OCR, of 1982, would permit the New Jersey Economic Development Authority to assist in financing all or part of the cost of purchasing and installing any energy saving improvement in a building devoted to industrial or commercial purposes, or in an office building, through (1) the issuance of tax exempt bonds and loan of the proceeds to enterprises in the same manner in which the authority assists in financing of economic development and pollution control projects, and (2) the extension of guarantees of up to 90% of the amount of any loan made for the purchase or installment of such an improvement in such a building.

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

No cost to the State would be incurred through the use of tax exempt EDA bonds to finance energy-saving improvements to commercial and industrial buildings as would be provided by this bill.

A cost would be incurred if the EDA extended guarantees for energy-saving loans, as would also be provided by this bill. A loan guarantee fund would have to be established by the EDA. However, the amount required cannot be determined because such data are unavailable to permit an estimate of the potential demand for such loans.

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In compliance with written request received, there is hereby submitted a fiscal estimate for the above bill, pursuant to P. L. 1980, c. 67.



BILLS-A-3548, A-3074, A-888, A-1899, A-1834, A-882, S-3243, S-1734, S-1730

PAGE TWO

JULY 29, 1983

A-882, sponsored by Assemblyman John Bennett, R-Monmouth, to permit the New Jersey Economic Development Authority to assist in financing all or part of the cost of purchasing and installing energy saving improvements in industrial or commercial buildings.

S-3243, sponsored by Senator Wayne Dumont, R-Warren, to authorize local boards of education to contract with private driver education schools to conduct behind the wheel driver education courses in public schools.

S-1734, sponsored by Senator James Hurley, R-Cumberland, to require that residents of Cumberland County or Cape May County be hired to staff Leesburg State Prison and that preference in hiring be given to residents of Maurice River Township where the prison is located.

S-1730, sponsored by Senator James Bornheimer, D-Middlesex, to permit domestic insurers to maintain certain securities outside New Jersey.

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