

52:18A-78.1 to 52:18A-78.32

LEGISLATIVE HISTORY CHECKLIST

NJSA 52:18A-78.1 to 58:18A-78.32 ("Building Authority Act"--State office buildings--construction or improvement)

LAWS 1981 CHAPTER 120

Bill No. S1247

Sponsor(s) Merlino and Lipman

Date Introduced April 28, 1980

Committee: Assembly Revenue, Finance & Appropriations

Senate " " " " "

Amended during passage Yes ~~No~~

Amendments during passage denoted by asterisks. Substituted for A1777 (OCR & Assembly committee statement attached)

Date of Passage: Assembly Feb. 2, 1981

Senate June 12, 1980

Date of approval April 16, 1981

Following statements are attached if available:

Also attached: Assembly amendments, adopted 3-23-81 & 2-9-81 (with statements) 3-23-81 & 11-24-80

Sponsor statement Yes ~~No~~ (Below)

Committee Statement: Assembly Yes ~~No~~

Senate Yes ~~No~~

Fiscal Note Yes ~~No~~

Veto Message Yes ~~No~~

Message on signing Yes ~~No~~

Following were printed:

Reports Yes ~~No~~

Hearings Yes ~~No~~

Sponsor's statement:

This bill would establish the New Jersey Building Authority, a corporate governmental agency, which through the issuance of bonds and notes would obtain the capital resources necessary for it to acquire, construct, reconstruct, rehabilitate or improve State office buildings.

(over)

6/22/81

974.90 New Jersey. Legislature. Assembly. Revenue,  
S797 Finance and Appropriations Committee.  
1980 Public hearing, held 10-9-80. Trenton, 1980.

974.90 New Jersey. Treasury Department.  
S797 Proposed project reports, New Jersey  
1981 Building Authority. May 4, 1981.  
Trenton, 1981.

J711.966 American City Corporation.  
N559 An evaluation of the State office  
building program. June, 1981.  
Columbia, Maryland, 1981.

974.905 New Jersey Building Authority.  
B936 Board of directors meetings. May 4, 1981- .

Recommendation for legislation made in:

974.901 New Jersey. Governor. (Byrne, 1974-1982)  
G52 6th annual message to the Legislature.  
Jan. 8, 1980.

CHAPTER 120 LAWS OF N. J. 1981  
APPROVED 4-16-81

[SECOND OFFICIAL COPY REPRINT]

SENATE, No. 1247

# STATE OF NEW JERSEY

INTRODUCED APRIL 28, 1980

By Senators MERLINO and LIPMAN

Referred to Committee on Revenue, Finance and Appropriations

AN ACT creating the New Jersey Building Authority, defining the powers, duties and functions thereof, authorizing the issuance of bonds or notes of the authority and providing for the terms and security thereof, and providing an appropriation for the authority.

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 Building Authority Act."

1 2. As used in this act\*, *unless the context clearly indicates*  
1A *otherwise\*:*

2 a. "Authority" means the New Jersey Building Authority  
3 created under this act.

4 b. "Bonds" means bonds issued by the authority pursuant to  
5 this act.

6 c. "Local governmental agency" means any municipality, county,  
7 school district, or any agency, department or instrumentality of  
8 any of the foregoing, or any other public body having local or  
9 regional jurisdiction or powers and not constituting a State agency.

10 d. "Notes" means notes issued by the authority pursuant to  
11 this act.

12 e. "Project" means any building or buildings **\*\*\*primarily\*\*\***  
13 **\*\*for the [exclusive]\*\*** use of State agencies and\*\* suitable  
14 for office space **\*\*and related facilities necessary for the conduct of**  
14A **official business\*\***, for storage and warehouse facilities, for motor  
14B vehicle inspection stations, **\*for testing and research laboratories,\***  
15 and for public television operations, including related structures,  
16 parking facilities, improvements, real and personal property or any  
17 interest therein, including lands under water, space rights and air  
18 rights, and other appurtenances and facilities necessary or con-  
19 venient to the use or operation of the building or buildings,

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

20 acquired, owned, constructed, reconstructed, extended, \*\*[rehabili-  
20A stated]\*\* \*\*rehabilitated\*\* or improved by the authority.

21 f. "State agency" means the *\*\*Executive, Legislative or Judi-  
22 cial branch of the\*\** State *\*\*Government\*\** or any officer, depart-  
23 ment, board, commission, bureau, division, public authority or  
24 corporation, agency or instrumentality of the State.

1 3. The Legislature finds and declares the following:

2 a. That for many years the functions of the State Government  
3 have grown and that during this period of rapid expansion no  
4 definite program has been adopted for the housing and carrying  
5 out of the operations of the many State agencies.

6 b. That many State agencies have their offices in privately owned  
7 or inadequate State owned buildings and that these buildings are  
8 inadequate to meet the needs of these State agencies and the needs  
9 of the people of the State.

10 c. That it is to the economic benefit and general welfare of the  
11 citizens of the State to provide sufficient office space and related  
12 facilities for these State agencies and thus provide for a more  
13 efficient and economic operation of State Government.

14 d. That in order to provide for office space and related facilities  
15 at a cost that these State agencies can afford, it is necessary to  
16 create and establish a building authority for the purposes of con-  
17 structing and operating office buildings and related facilities to meet  
18 the needs of State agencies.

19 e. It is necessary and in the public interest that this building  
20 authority have the necessary funds to provide for predevelopment  
21 cost, temporary financing, land development expenses, construction  
22 and operation of office buildings and related facilities for the use  
23 of, and sale or rental to, State agencies.

24 f. For these purposes, there should be created a corporate  
25 governmental agency to be known as the "New Jersey Building  
26 Authority" which, through issuance of bonds and notes to the  
27 private, investing public may provide or obtain the capital  
28 resources necessary to acquire, construct, reconstruct, rehabilitate  
29 or improve these office buildings and related facilities necessary or  
30 convenient to the operation of any State agency.

31 g. That the acquisition, construction, reconstruction, rehabilita-  
32 tion or improvement of these office buildings and related facilities  
33 necessary or convenient to the operation of any State agency are  
34 public uses and public purposes for which public money may be  
35 loaned and private property may be acquired and tax exemptions  
36 granted, and that the powers and duties of the New Jersey Building

37 Authority as set forth in this act are necessary and proper for the  
38 purpose of achieving the ends here recited.

39 *\*\*h. That the construction, reconstruction, rehabilitation and*  
40 *improvement activities of the authority will provide a much needed*  
41 *stimulus for the construction industry, and related industries and*  
42 *professions, particularly in urban areas.\*\**

1 4. a. There is established in the Department of the Treasury a  
2 public body corporate and politic, with corporate succession, to be  
3 known as the "New Jersey Building Authority." The authority is  
4 constituted an instrumentality of the State exercising public and  
5 essential governmental functions, and the exercise by the authority  
6 thereof of the powers conferred by this act shall be deemed and held  
7 to be an essential governmental function of the State.

8 b. The membership of the authority shall consist of **\*[seven]\***  
9 **\*\*[nine]\*\*** **\*\*\*[12]\*\*** **\*\*\*\*[nine\*\*\*\*]** **\*\*\*\*\*12\*\*\*\*\***  
10 directors as follows: the State Treasurer, the Comptroller of the  
11 Treasury **\*\*[the Legislative Budget Officer\* and]\*\*** **\*\*\*,**  
12 **\*\*\*\*[the Legislative Budget Officer and\*\*\*\*]** **\*\*\*\*\*** the Chairman  
13 of the Commission on Capital Budgeting and Planning who shall be  
14 members ex officio **[,]** **\*\*\*[two members of the General**  
15 *Assembly and two members of the Senate, to be appointed by the*  
16 *presiding officers of their respective houses, no more than one of*  
17 *each group of two of whom shall be of the same political*  
18 *party\*\*]* **\*\*\*;** **\*\*\*\*two persons appointed by the Governor upon the**  
19 *recommendation of the President of the Senate and two persons*  
20 *appointed by the Governor upon the recommendation of the*  
21 *Speaker of the General Assembly, of whom no more than one of*  
22 *each group of two shall be of the same political party, and who shall*  
22A *serve during the 2-year legislative term in which they are appointed*  
22B *and until their successors shall have been appointed and*  
22C *qualified;\*\*\*\** and **\*[four]\*** **\*five\*** directors appointed by the  
22D Governor with the advice and consent of the Senate for terms of 4  
22E years *\*no more than three of whom shall be of the same political*  
22F *party\**. The directors of the authority **\*\*[,** other than the ex officio  
22G directors, **]** **\*\*** first appointed by the Governor shall serve for terms  
22H of 1 year, 2 years, 3 years and **\*\*\*\*two for\*\*\*\*** 4 years, respectively,  
22I and thereafter directors shall be appointed **\*\*by the Governor\*\***  
22J for terms of 4 years. Each **\*\*such\*\*** director shall hold office for the  
22K term of his appointment and until his successor shall have been  
22L appointed and qualified. A director shall be eligible for reappoint-  
22M ment. Any vacancy on the board of directors occurring other than  
22N by expiration of term shall be filled in the same manner as the  
22O original appointment but for the unexpired term only.

23 c. Each **[appointed]** director *appointed by the Gover-*  
 23A *nor* **\*\*\*\***, *except those appointed upon recommendation of the*  
 23B *President of the Senate and Speaker of the General Assembly,* **\*\*\*\***  
 24 may be removed from office by the Governor for cause, after a  
 25 public hearing, and may be suspended by the Governor pending  
 25A the completion of the hearing. **[Legislative members shall**  
 25B *serve at the pleasure of the respective presiding officers and only*  
 25C *while members of the respective houses from which they were ap-*  
 26 *pointed.* **]** **\*\*\*\*** Each director before entering upon his duties shall  
 27 take and subscribe an oath to perform the duties of his office faith-  
 28 fully, impartially and justly to the best of his ability. A record of  
 29 the oaths shall be filed in the office of the Secretary of State.

30 d. **\*\*\*\****The authority shall not be deemed to be constituted and*  
 31 *shall not take action or adopt motions or resolutions until all origi-*  
 32 *nal authorized members shall have been appointed and qualified in*  
 33 *the manner provided in this section.* **\*\*\*\*** A chairman shall be  
 34 appointed by the Governor *with the advice and consent of the*  
 35 *Senate* from the directors of the authority other than the ex  
 36 officio directors, and the directors of the authority shall  
 37 *annually* elect one of their number as vice chairman thereof.  
 38 The directors shall elect a secretary and a treasurer who need not  
 39 be directors, and the same person may be elected to serve both as  
 40 secretary and treasurer. The powers of the authority shall be  
 41 vested in the directors thereof in office from time to time and  
 42 **[four]** **[five]** **[seven]** **[five]**  
 43 **seven** directors of the authority shall constitute a quorum  
 44 at any meeting thereof. Action may be taken and motions and resolu-  
 44A tion adopted by the authority at any meeting thereof by the affirma-  
 44B tive vote of at least **[four]** **[five]** **[seven]**  
 44C **[five]** **seven** directors of the authority **[**  
 44D no less than two of whom shall be directors ex officio **]**. No vacancy  
 44E on the board of directors of the authority shall impair the right of  
 44F a quorum of the directors to exercise all the powers and perform all  
 44G the duties of the authority.

45 e. Each director and the treasurer of the authority shall execute  
 46 a bond to be conditioned upon the faithful performance of the duties  
 47 of the director or treasurer, as the case may be, in such form and  
 48 amount as may be prescribed by the Comptroller of the Treasury.  
 49 Bonds shall be filed in the office of the Secretary of State. At all  
 50 times thereafter, the directors and treasurer of the authority shall  
 51 maintain these bonds in full effect. All costs of the bonds shall be  
 52 borne by the authority.

53 f. The directors of the authority shall serve without compensa-  
54 tion, but the authority shall reimburse its directors for actual  
55 expenses necessarily incurred in the discharge of their duties.  
56 Notwithstanding the provisions of any other law, no officer or em-  
57 ployee of the State shall be deemed to have forfeited or shall for-  
58 feited his office or employment or any benefits or emoluments thereof  
59 by reason of his acceptance of the office of ex officio director of the  
60 authority or his services therein.

61 g. The State Treasurer and the Comptroller of the Treasury of  
62 the State, as ex officio directors of the authority, may *\*each\** desig-  
63 nate an officer or employee of *\*[their departments]\* \*the Depart-*  
64 *ment of the Treasury\** to represent *\*[them]\* \*him\** at meetings of  
64A the authority *\*\*[the Legislative Budget Officer, as ex officio di-*  
64B *rector of the authority, may designate an employee of his agency to*  
64C *represent him\*\*]*, and the Chairman of the Commission on Capital  
65 Budgeting and Planning, as ex officio director of the authority,  
66 may designate a member *\*or the executive director\** of the Com-  
67 mission on Capital Budgeting and Planning to represent him at  
68 meetings of the authority. Each designee may lawfully vote and  
69 otherwise act on behalf of the director for whom he constitutes  
70 the designee. The designation shall be in writing delivered to the  
71 authority and shall continue in effect until revoked or amended in  
72 writing delivered to the authority.

73 h. The authority may be dissolved by act of the Legislature on  
74 condition that the authority has no debts or obligations outstanding  
75 or that provision has been made for the payment or retirement of  
76 these debts or obligations. Upon any dissolution of the authority  
77 all property, funds and assets thereof shall be vested in the State.  
77A *\*\*In addition, any project shall be vested in the State upon the*  
77B *payment or retirement of all debts or obligations for the project*  
77C *or upon the assumption by the State of liability for any outstand-*  
77D *ing debts or obligations for the project.\*\**

78 i. A true copy of the minutes of every meeting of the authority  
79 shall be forthwith delivered by and under the certification of the  
80 secretary thereof to the Governor *\*and the presiding officers of*  
80A *both houses of the Legislature\**. No action taken at any meeting  
81 by the authority shall have effect until 15 days after a copy of the  
82 minutes has been so delivered unless during the 15-day period the  
83 Governor shall approve the same in which case the action shall  
84 become effective upon the approval. If, in the 15-day period, the  
85 Governor returns the copy of the minutes with veto of any action  
86 taken by the authority or any member thereof at that meeting, the

87 action shall be of no effect. The powers conferred in this sub-  
88 section upon the Governor shall be exercised with due regard for  
89 the rights of the holders of bonds and notes of the authority at any  
90 time outstanding; and nothing in, or done pursuant to, this subsec-  
91 tion shall in any way limit, restrict or alter the obligation or powers  
92 of the authority or any representative or officer of the authority to  
93 carry out and perform in every detail each and every covenant,  
94 agreement or contract at any time made or entered into by or on  
95 behalf of the authority with respect to its bonds or notes or for the  
96 benefit, protection or security of the holders thereof.

1 5. Except as otherwise limited by this act, the authority shall  
2 have power:

3 a. To make and alter bylaws for its organization and internal  
4 management and, subject to agreements with noteholders and  
5 bondholders, to make rules and regulations with respect to its  
6 projects, operations, properties and facilities.

7 b. To adopt an official seal and alter the same at pleasure.

8 c. To sue and be sued.

9 d. To make and enter into all contracts and agreements necessary  
10 or incidental to the performance of its duties and the exercise of  
11 its powers under this act.

12 e. To enter into agreements or other transactions with and accept  
13 grants and the cooperation of the United States or any agency  
14 thereof or any State agency in furtherance of the purposes of this  
15 act, including but not limited to the development, maintenance,  
16 operation and financing of any project and to do any and all things  
17 necessary in order to avail itself of this aid and cooperation.

18 f. To receive and accept aid or contributions from any source of  
19 money, property, labor or other things of value, to be held, used  
20 and applied to carry out the purposes of this act subject to such  
21 conditions upon which this aid and these contributions may be  
22 made, including but not limited to, gifts or grants from any depart-  
23 ment or agency of the United States or any State agency for any  
24 purpose consistent with this act.

25 g. To acquire, own, hold, sell, assign, exchange, lease, mortgage  
26 or otherwise dispose of real and personal property or any interest  
27 therein in the exercise of its powers and the performance of its  
28 duties under this act.

29 h. To appoint an executive director and such other officers,  
30 employees and agents as it may require for the performance of its  
31 duties, and to fix their compensation, promote and discharge them,  
32 all without regard to the provisions of Title 11 of the Revised  
33 Statutes.



34 i. To acquire, construct, reconstruct, rehabilitate, improve, alter  
35 or repair or provide for the construction, reconstruction, improve-  
36 ment, alteration or repair of any project and let, award and enter  
37 into construction contracts, purchase orders and other contracts  
38 with respect thereto in such manner as the authority shall  
39 determine.

40 j. To arrange or contract with a county or municipality for the  
41 planning, replanning, opening, grading or closing of streets, roads,  
42 roadways, alleys or other places, or for the furnishing of facilities  
43 or for the acquisition by a county or municipality of property or  
44 property rights or for the furnishing of property or services, in  
45 connection with a project.

46 k. To sell, lease, assign, transfer, convey, exchange, mortgage or  
47 otherwise dispose of or encumber any project or other property  
48 no longer needed to carry out the public purposes of the authority  
49 and, in the case of the sale of any project or property, to accept  
50 a purchase money mortgage in connection therewith; and to lease,  
51 repurchase or otherwise acquire and hold any project or property  
52 which the authority has theretofore sold, leased or otherwise con-  
53 veyed, transferred or disposed of.

54 l. To grant options to purchase any project or to renew any  
55 leases entered into by it in connection with any of its projects,  
56 on such terms and conditions as it deems advisable.

57 m. To acquire by purchase, lease or otherwise, on such terms  
58 and conditions and in such manner as it may deem proper, or by  
59 the exercise of the power of eminent domain, except with respect  
60 to lands owned by the State or any public lands reserved for  
61 recreation and conservation purposes, any land and other property,  
62 including railroad lands and land under water, which it may  
63 determine is reasonably necessary for any of its projects or for  
64 the relocation or reconstruction of any highway by the authority  
65 and any and all rights, title and interest in that land and other  
66 property, including public lands, highways or parkways, owned  
67 by or in which a State agency or local governmental agency has  
68 any right, title or interest, or parts thereof or rights therein and  
69 any fee simple absolute or any lesser interest in private property,  
70 and any fee simple absolute in, easements upon or the benefit of  
71 restrictions upon, abutting property to preserve and protect any  
72 project.

73 n. To prepare or cause to be prepared plans, specifications,  
74 designs and estimates of costs for the construction, reconstruction,  
75 rehabilitation, improvement, alteration or repair of any project,

76 and from time to time to modify these plans, specifications, designs  
77 or estimates.

78 o. To sell, lease, rent, sublease or otherwise dispose of any  
79 project or any space embraced in any project to any State agency  
80 and to establish and revise the purchase price, rents or other  
81 charges therefor; provided, however, that the incurrence of any  
82 liabilities by a State agency under any agreement entered into with  
83 the authority pursuant to the aforesaid authorization, including,  
84 without limitation, the payment of any and all rentals or other  
85 amounts required to be paid by the agency thereunder, shall be  
86 subject to and dependent upon appropriations being made from  
87 time to time by the Legislature for that purpose *\*and approval by*  
87A *the presiding officers\*\**, or such other officers as may be provided  
87B *by law,\*\* of both houses of any such lease\*\** [ as provided by  
87C *law\** ]\*\*.

88 \*\*[p. To sell, lease, rent, sublease or otherwise dispose of to any  
89 person, firm or corporation any surplus space in any project over  
90 and above that sold, leased, rented, subleased or otherwise disposed  
91 of to State agencies and to establish and revise the purchase price,  
92 rents or charges therefor.]\*\*

92A \*\*\*p. To sell, lease, rent, sublease or otherwise dispose of, to any  
92B \*\*\*\*[public agency,]\*\*\*\* person, firm or corporation, any surplus  
92C space in any project over and above that sold, leased, rented, sub-  
92D leased or otherwise disposed of to State agencies and to establish  
92E and revise the purchase price, rents or charges therefor.\*\*\*

93 \*\*[q.]\*\* \*\*\*[\*\*p.\*\*]\*\* \*\*\*q.\*\*\* To manage or operate any  
94 project or real or personal property related thereto whether owned  
95 or leased by the authority or any State agency, and to enter into  
96 agreements with any State agency, or any local governmental  
97 agency, or with any person, firm, association, partnership or corpo-  
98 ration, either public or private, for the purpose of causing any  
98A project or related property to be managed.

99 \*\*[r.]\*\* \*\*\*[\*\*q.\*\*]\*\* \*\*\*r.\*\*\* To provide advisory, consulta-  
100 tive, training and educational services, technical assistance and  
101 advice to any person, firm, association, partnership or corporation,  
102 either public or private, in order to carry out the purposes of this  
102A act.

103 \*\*[s.]\*\* \*\*\*[\*\*r.\*\*]\*\* \*\*\*s.\*\*\* Subject to the provisions of  
104 any contract with noteholders or bondholders to consent to any  
105 modification, amendment or revision of any kind of any contract,  
106 lease or agreement of any kind to which the authority is a party.

107 \*\*[t.]\*\* \*\*\*[\*\*s.\*\*]\*\* \*\*\*t.\*\*\* To determine\*, after holding a  
108 public hearing in the municipality in which the project is to be

109 *located,*\* the location, type and character of the project or any part  
 109A thereof and all other matters in connection with all or any part of  
 110 the project, notwithstanding any land use plan, zoning regulation,  
 111 building code or similar regulation heretofore or hereafter adopted  
 112 by any municipality, county, public body corporate and politic, or  
 112A any other political subdivision of the State.

113 \*\*[u.]\*\* \*\*[\*t.]\* \*\* \*u.\* To borrow money and to issue  
 114 its bonds and notes and to secure the same and provide for the  
 115 rights of the holders thereof as provided in this act.

116 \*\*[v.]\*\* \*\*[\*u.]\* \*\* \*v.\* Subject to any agreement with  
 117 bondholders or noteholders, to invest moneys of the authority not  
 118 required for immediate use, including proceeds from the sale of any  
 119 bonds or notes, in these obligations, securities and other invest-  
 120 ments as the authority shall deem prudent.

121 \*\*[w.]\*\* \*\*[\*v.]\* \*\* \*w.\* To procure insurance against  
 122 any loss in connection with its property and other assets and  
 123 operations in such amounts and from such insurers as it deems  
 123A desirable.

124 \*\*[x.]\*\* \*\*[\*w.]\* \*\* \*x.\* To engage the services of  
 125 architects, engineers, attorneys, accountants, building contrac-  
 126 tors\*\* , *urban planners, landscape architects*\*\* and financial experts  
 127 and such other advisors, consultants and agents as may be  
 128 necessary in its judgment and to fix their compensation.

129 \*\*[y.]\*\* \*\*[\*x.]\* \*\* \*y.\* To do any act necessary or  
 130 or convenient to the exercise of the foregoing powers or reasonably  
 131 implied therefrom.

1 \*\*[6. Notwithstanding any other provision of this act, the author-  
 2 ity may not undertake the acquisition, construction, reconstruction  
 3 rehabilitation or improvement of a project unless \*[the board  
 4 of]\* \* :\*

4A \*a. *The Commission on Capital Budgeting and Planning has*  
 4B *approved the State's utilization of space in the project, finding it*  
 4C *in furtherance of the public purposes of the State agency to which*  
 4D *it is to be leased or by which it is to be owned.*

4E *b. The presiding officers of both houses of the Legislature have*  
 4F *approved the lease agreement.*

4G *c. The board of*\* directors of the authority finds that:

5 \*[a.]\* \*(1)\* The project will be leased to or owned by a State  
 5A agency.

6 \*[b. The project will be in furtherance of the public purposes of  
 7 the State agency to which it is to be leased or by which it is to be  
 8 owned.]\*\*

9     \***[c.]**\* *\*(2)\* Adequate provision has been, or will be, made for*  
 10 *the payment of the cost of acquisition, construction, operation,*  
 11 *maintenance and upkeep of the project.*

12     \***[d.]**\* *\*(3)\* Plans and specifications assure or will assure*  
 13 *adequate light, air, sanitation and fire protection.*

14     \***[e.]**\* *\*(4)\* There is a feasible method for the relocation of*  
 15 *families and individuals displaced from the project area into decent,*  
 16 *safe and sanitary dwellings\***[***, which are or will be provided in the  
 17 *project area or in other areas not generally less desirable in regard*  
 18 *to public utilities and public and commercial facilities, at rents or*  
 19 *prices within financial means of these families or individuals,*  
 20 *and reasonably accessible to their places of employment.\***]*** *\*in*  
 20A *accordance with the provisions of the "Relocation Assistance Act*  
 20B *of 1967" (P. L. 1967, c. 79, C. 52:31B-1 et seq.) and the "Reloca-*  
 20C *tion Assistance Act" (P. L. 1971, c. 362, C. 20:4-1 et seq.), which-*  
 20D *ever is applicable.\**

21     \***[f.]**\* *\*(5)\* The plans and specifications for the project assure*  
 22 *that the project will comply with all applicable standards and*  
 23 *requirements prescribed by State or Federal law which promote*  
 24 *the public health or protect the environment.*

25     \**(6) The plans and specifications for the project assure that it*  
 26 *will comply with the requirements of the "State Uniform Con-*  
 27 *struction Code Act" (P. L. 1975, c. 217, C. 52:27D-119 et seq.).*

28     \**(7) The location of the project is consistent with the State's*  
 29 *urban policy of concentrating public investments in distressed*  
 30 *urban centers and assisting in the revitalization of the older cities,*  
 31 *except for a project intended to serve a region which contains no*  
 32 *such urban center.\***]**\*\**

1     \*\*6. *Prior to the acquisition or construction of any project, or*  
 2 *any reconstruction, rehabilitation, repair or improvement of a*  
 3 *project, the cost of which undertaking is estimated to exceed*  
 4 *\$100,000.00 the authority shall:*

5     a. *Prepare a project report which shall describe the nature and*  
 6 *scope of the project, including but not limited to its location, size,*  
 7 *cost, and purpose, a list of all entities entering lease agreements for*  
 8 *the use of the project and the amount of space each will occupy,*  
 9 *the anticipated annual State appropriation for lease agreements,*  
 10 *the total State appropriations necessary in each year until the*  
 11 *total indebtedness attributable to the project is paid or retired and*  
 12 *a statement of anticipated annual receipts and expenditures for*  
 13 *the project;*

14     b. *Submit the project report to the Commission on Capital*  
 15 *Budgeting and Planning for its review and its findings as to whether*

16 *the project is necessary and convenient to meet the needs of the*  
17 *State agencies which are to utilize the project, whether the project*  
18 *is consistent with the State Capital Improvement Plan, and whether*  
19 *it meets the criteria otherwise established by the Commission for*  
20 *its approval of State Capital projects;*

21 *c. Conduct a public hearing in the municipality in which the*  
22 *project is to be located as provided in section 7 of this act, and*  
23 *make all responses required by that section;*

24 *d. Submit to the Legislature the project report, the findings of*  
25 *the Commission on Capital Budgeting and Planning, the tran-*  
26 *script of the public hearing, and all responses required by section 7*  
27 *of this act;*

28 *e. Submit to the Legislature documentation that:*

29 *(1) Plans and specifications for the project assure, or will assure*  
30 *adequate light, air, sanitation, and fire protection;*

31 *(2) There is a feasible method for the relocation of families and*  
32 *individuals displaced from the project area into decent safe and*  
33 *sanitary dwellings in accordance with the provisions of the*  
34 *"Relocation Assistance Act of 1967," P. L. 1967, c. 79 (C. 52:31B-1*  
35 *et seq.) and the "Relocation Assistance Act," P. L. 1971, c. 362*  
36 *(C. 20:4-1 et seq.), whichever is applicable;*

37 *(3) Plans and specifications for the project assure that the*  
38 *project will comply with all applicable standards and requirements*  
39 *prescribed by State and Federal law which promote the public*  
40 *health, protect the environment or promote the conservation of*  
41 *energy, and that, where practicable and appropriate, consideration*  
42 *shall be given to the generation or cogeneration of electrical power*  
43 *on the project site or in conjunction with other facilities.*

44 *(4) Plans and specifications for the project assure that it will*  
45 *comply with the requirements of the "State Uniform Construction*  
46 *Code Act," P. L. 1975, c. 217 (C. 52:27D-119 et seq.).*

47 *(5) The location of the project is consistent with the State's urban*  
48 *policy of concentrating public investments in distressed urban*  
49 *centers and assisting in the revitalization of the older municipal-*  
50 *ities, except for a project intended to serve a region which contains*  
51 *no such urban center.*

52 *For the purposes of this section "cost" means, in addition to the*  
53 *usual connotations thereof, the cost of acquisition, construction,*  
54 *reconstruction, rehabilitation, repair, improvement and operation*  
55 *of all or any part of a project, and includes, but is not limited to,*  
56 *the cost or fair market value of construction, machinery and equip-*  
57 *ment, property rights, easements, privileges, agreements, fran-*  
58 *chises, utility extensions, disposal facilities, access roads and site*

59 development deemed by the authority to be necessary or useful and  
 60 convenient therewith, discount on bonds, cost of issuance of bonds,  
 61 engineering and inspection costs and legal expenses, cost of finan-  
 62 cial, professional and other estimates and advice, organization,  
 63 administrative, insurance, operating and other expenses of the  
 64 authority or any person prior to and during any acquisition or  
 65 construction, reconstruction, rehabilitation, repair or improvement,  
 66 and all other expenses as may be necessary or incident to the financ-  
 67 ing, acquisition, construction, rehabilitation, repair or improvement  
 68 and completion of the project or part thereof, and also provision for  
 69 reserves for payment or security of principal of, or interest on,  
 70 the bonds during any such undertaking.

1 7. a. The authority shall conduct a public hearing on each project  
 2 within the municipality in which the project is to be located. The  
 3 authority shall cause notice of the hearing to be published in at  
 4 least two newspapers of general circulation within the municipality  
 5 at least 15 days prior to the date of the hearing and shall also file  
 6 the notice at least 15 days prior to the date of the hearing with  
 7 the governing body of the county and municipality in which the  
 8 project is to be located\*\*\*[, and with the head of each agency  
 9 within the county and municipality charged by law with the duty of  
 10 protecting the environment or of planning land use]\*\*\*.

11 The notice shall summarize the project and specify where and  
 12 how additional information may be obtained.

13 b. All testimony presented at the hearing and all material sub-  
 14 mitted to the authority within 15 days following the hearing shall  
 15 be included in a hearing record to be prepared and made available  
 16 to the public by the authority.

17 c. The governing body of the county or municipality \*\*\*\*[or the  
 18 head of any agency]\*\*\*\* in receipt of the notice prescribed in this  
 19 section may file with the authority, within 15 days following the  
 20 hearing, a written objection to the project, stating in detail the  
 21 nature of the objection.

22 d. The authority shall respond in writing to any objection filed  
 23 pursuant to this section, including specific responses to the data,  
 24 views, and arguments contained in the objection.

1 \*\*\*[8. The authority shall not undertake any project for which it  
 2 is required to make a submission to the Legislature pursuant to  
 3 section 6 of this act unless, following that submission, the Legisla-  
 4 ture shall approve the project by the adoption of a concurrent  
 5 resolution by majority vote of the authorized membership of both  
 6 houses. Following such approval, any proposed change in the  
 7 location of the project, or any proposed substantial change in the

8 nature and scope of the project, shall be subject to the procedures  
9 contained in section 6 of this act.]\*\*\*

10 \*\*\*\*[\*\*\*8. a. The project report for a proposed project shall be  
11 submitted by the authority to the Senate and General Assembly on a  
12 day during a regular or special session of the Legislature when  
13 either House is meeting, and the President of the Senate and the  
14 Speaker of the General Assembly shall immediately refer the  
15 project report to the appropriate standing reference committee on  
16 appropriations or on State government, as he shall determine, in  
17 his House.

18 b. The standing reference committee may report its approval or  
19 disapproval of the proposed project to the full membership of the  
20 House within 30 days of the date on which it is referred to the  
21 committee.

22 c. A project shall be deemed approved unless within 45 days of  
23 the submission of the project report thereon, the Senate and  
24 General Assembly adopt a concurrent resolution by a recorded vote  
25 disapproving the project. No action may be taken by the Legis-  
26 lature under this section until after 1 calendar day from the date  
27 of the standing reference committee's report.\*\*\*]\*\*\*\*

1 \*\*\*\*8. a. The authority shall make the submission to the Legisla-  
2 ture required by section 6 of this act to the President of the Senate  
3 and the Speaker of the General Assembly on a day when both houses  
4 are meeting. The President and the Speaker shall cause the date of  
5 submission to be entered upon the Senate Journal and the Minutes  
6 of the General Assembly, respectively.

7 b. Unless the project as described in the submission is approved  
8 by adoption of a concurrent resolution to this effect by the affirma-  
9 tive vote of a majority of the authorized membership of both houses  
10 within the time period prescribed in this subsection, the project  
11 shall be deemed disapproved and the authority shall not undertake  
12 the project. The President and the Speaker shall cause a concurrent  
13 resolution of approval of the project to be placed before the mem-  
14 bers of the respective houses for a recorded vote within the time  
15 period. The time period shall commence on the day of submission  
16 and expire on the forty-fifth day after submission or, for a house  
17 not meeting on the forty-fifth day, on the next meeting day of that  
18 house.\*\*\*\*

1 9. No lease agreement entered into for space in any project shall  
2 be executed without prior written approval of the presiding officers,  
3 or such other officers as may be provided by law, of both houses of  
4 the Legislature.\*\*

1     \*\*[7.]\*\* \*\*10.\*\* a. No municipality shall modify or change the  
2 drawings, plans or specifications for the construction, reconstru-  
3 tion, rehabilitation, alteration or improvement of any project of  
4 the authority, or the construction, plumbing, heating, lighting or  
5 other mechanical branch of work necessary to complete the work in  
6 question, nor to require that any person, firm or corporation  
7 employed on any such work shall perform the work in any  
8 other or different manner than that provided by the drawings,  
9 plans and specifications, nor to require that any person, firm  
10 or corporation obtain any other or additional authority, ap-  
11 proval permit or certificate from the municipality in relation  
11A to the work being done, and the doing of the work by any  
12 person, firm or corporation in accordance with the terms of the  
13 drawings, plans, specifications or contracts shall not subject the  
14 person, firm or corporation to any liability or penalty, civil or  
15 criminal, other than as may be stated in the contracts or incidental  
16 to the proper enforcement thereof; nor shall any municipality  
17 require the authority or any State agency which leases or purchases  
18 the project to obtain any other or additional authority, approval,  
19 permit, certificate or certificate of occupancy from the municipality  
20 as a condition of owning, using, maintaining, operating or occupying  
21 any project acquired, constructed, reconstructed, rehabilitated,  
22 altered or improved by the authority or by any subsidiary thereof.  
23 The foregoing provisions shall not preclude any municipality from  
24 exercising the right of inspection for the purpose of requiring  
25 compliance by any project with local requirements for operation and  
26 maintenance, affecting the health, safety and welfare of the  
28 \*occupants\* thereof, provided that the compliance  
29 does not require changes, modifications or additions to the original  
29A construction of the project.

30     b. Each municipality in which any project of the authority is  
31 located shall provide for the project, whether then owned by the  
32 authority, any subsidiary, or any State agency, police, fire, sani-  
33 tation, health protection and other municipal services of the same  
34 character and to the same extent as those provided for other resi-  
35 dents of the municipality.

36     c. In carrying out any project, the authority may enter into  
37 contractual agreements with local governmental agencies with re-  
38 spect to the furnishing of any community, municipal or public facili-  
39 ties or services necessary or desirable for the project, and any local  
40 governmental agency may enter into these contractual agreements  
41 with the authority and do all things necessary to carry out its  
42 obligations under the same.



1     \*\*[8.]\*\* \*\*11. a.\*\* The authority, in the exercise of its authority  
2 to make and enter into contracts and agreements necessary or inci-  
3 dental to the performance of its duties and the execution of its  
4 powers, shall adopt standing rules and procedures providing  
5 that no contract on behalf of the authority shall be entered into  
6 for the doing of any work, or for the hiring of equipment  
7 or vehicles, where the sum to be expended exceed the sum of  
8 \$7,500.00 unless the authority shall first publicly advertise for  
9 bids therefor, and shall award the contract to the lowest respon-  
10 sible bidder. Advertising shall not be required where the con-  
11 tract to be entered into is one for the furnishing or performing  
12 of services of a professional nature or for the supplying of  
13 any product or the rendering of any service by a public utility  
14 subject to the jurisdiction of the Board of Public Utilities  
14A and tariffs and schedules of the charges made, charged, or  
15 exacted by the public utility for any products to be supplied  
16 or services to be rendered are filed with the board. This section  
17 shall not prevent the authority from having any work done by its  
18 own employees, nor shall it apply to repairs, or to the furnishing  
19 of materials, supplies or labor, or the hiring of equipment or  
20 vehicles, when the safety or protection of its or other public property  
21 or the public convenience require, or the exigency of the accomplish-  
22 ment of the projects will not allow advertisement. In that case, the  
23 board of directors of the authority shall, by resolution, declare the  
24 exigency or emergency to exist, and set forth in the resolution the  
25 nature thereof and the approximate amount to be so expended.

26     \*\*b. In undertaking any project where the cost of construction,  
27 reconstruction, rehabilitation or improvement will exceed \$25,000.00,  
28 the authority shall be subject to the rules and regulations of the  
29 Division of Building and Construction concerning procedural re-  
30 quirements for the making, negotiating or awarding of purchases,  
31 contracts or agreements; and the authority, with the assistance of  
32 the division, shall prepare, or cause to be prepared, separate plans  
33 and specification for:

- 34     (1) The plumbing and gas fitting and all work and materials  
35 kindred thereto,  
36     (2) The steam and hot water heating and ventilating apparatus,  
37 steam power plants and all work and materials kindred thereto,  
38     (3) The electrical work,  
39     (4) Structural steel and ornamental iron work and materials and  
40     (5) All other work and materials required to complete the  
41 building; and the authority shall receive (a) separate bids for each

42 of these branches of the work and (b) bids for all the work and  
 43 materials required to complete the project to be included in a  
 44 single overall contract, in which case there shall be set forth in the  
 45 bid the name or names of all subcontractors to whom the bidder  
 46 will subcontract for the furnishing of any of the work and  
 47 materials specified in (a) above.

48 If the sum total of the amounts bid by the lowest responsible  
 49 bidder for each branch is less than the amount bid by the lowest  
 50 responsible bidder for all of the work and materials, the authority  
 51 shall award separate contracts for each of branches to the lowest  
 52 responsible bidder therefor, but if the sum total of the amount bid  
 53 by the lowest responsible bidder for each branch is not less than  
 54 the amount bid by the lowest responsible bidder for all the work  
 55 and materials, the authority shall award a single over-all contract  
 56 to the lowest responsible bidder for all of the work and materials.

57 Whenever a contract is awarded under (b) above, all payments  
 58 required to be made by the authority under the contract for work  
 59 and materials supplied by a subcontractor shall, upon the certifica-  
 60 tion of the contractor of the amount due to the subcontractor, be  
 61 paid directly to the subcontractor.

62 All construction, reconstruction, rehabilitation or improvement  
 63 undertaken by the authority pursuant to this act shall be subject  
 64 during such undertaking to the supervision of the Division of  
 65 Building and Construction to the same extent as any project  
 66 undertaken by the State.\*\*

1     \*\*[9.]\*\* \*\*12. a.\*\* If the authority shall find it necessary in con-  
 2 nection with the undertaking of any of its projects to change the lo-  
 3 cation of any portion of any public highway, or road, it may contract  
 4 with any government agency, or public or private corporation which  
 5 may have jurisdiction over the public highway or road to cause the  
 6 public highway or road to be constructed at such location as the  
 7 authority shall deem most favorable. The cost of the reconstruction  
 8 and any damage incurred in changing the location of the highway  
 9 shall be ascertained and paid by the authority as a part of the cost  
 10 of the project. Any public highway affected by the construction  
 11 of any project may be vacated or relocated by the authority in the  
 12 manner now provided by law for the vacation or relocation of public  
 13 roads, and any damages awarded on account thereof shall be paid  
 14 by the authority as a part of the cost of the project. In all under-  
 15 takings authorized by this subsection, the authority shall consult  
 16 and obtain the approval of the \*[Department]\* \*Commissioner\*  
 16A of Transportation.

17 b. In addition to the foregoing powers, the authority and its  
 18 authorized agents and employees may enter upon any lands, waters  
 19 and premises for the purpose of making surveys, soundings, drill-  
 20 ings and examinations as it may deem necessary or convenient for  
 21 the purposes of this act, all in accordance with due process of law,  
 22 and this entry shall not be deemed a trespass nor shall an entry  
 23 for this purpose be deemed an entry under any condemnation pro-  
 24 ceedings which may be then pending. The authority shall make re-  
 25 imbursement for any actual damages resulting to the lands, waters,  
 26 and premises as a result of these activities.

27 c. The authority shall also have power to make reasonable regula-  
 28 tions for the installation, construction, maintenance, repair, renewal,  
 29 relocation and removal of tracks, pipes, mains, conduits, cables,  
 30 wires, towers, poles and other equipment and appliances, herein  
 31 called "public utility facilities", of any public utility as defined in  
 32 R. S. 48:2-13, in, on, along, over or under any project. When-  
 33 ever the authority shall determine that it is necessary that any  
 34 public utility facilities which now are, or hereafter may be, located  
 35 in, on, along, over or under any project shall be relocated in the  
 36 project, or should be removed from the project, the public utility  
 37 owning or operating the facilities shall relocate or remove the same  
 38 in accordance with the order of the authority. The cost and  
 39 expenses of the relocation or removal, including the cost of in-  
 40 stallng the facilities in a new location, or new locations, and the  
 41 cost of any lands, or any rights or interests in lands, and any  
 42 other rights, acquired to accomplish the relocation or removal,  
 43 shall be ascertained and paid by the authority as a part of the  
 44 cost of the project. In case of any relocation or removal of facilities,  
 45 as aforesaid, the public utility owning or operating the same, its  
 46 successors or assigns, may maintain and operate the facilities, with  
 47 the necessary appurtenance, in the new location or new locations,  
 48 for as long a period, and upon the same terms and conditions,  
 49 as it had the right to maintain and operate the facilities in their  
 50 former location or locations. In all undertakings authorized by this  
 51 subsection the authority shall consult and obtain the approval of  
 52 the Board of Public Utilities.

1 **\*\*[10.]\*\*** **\*\*13.\*\*** a. The authority may exercise the power of  
 2 eminent domain in the manner provided in the "Eminent Domain  
 3 Act of 1971," P. L. 1971, c. 361 (C. 20:3-1 et seq.).

4 b. The authority may take possession of any property with re-  
 5 spect to which it institutes an eminent domain action upon filing  
 6 of a declaration of taking and otherwise as provided by Article V  
 7 of the "Eminent Domain Act" (C. 20:3-15 et seq.).

1     \*\*[11.]\*\* \*\*14.\*\* a. The authority may from time to time issue its  
2 bonds or notes in such principal amounts as in the opinion of the  
3 authority shall be necessary to provide sufficient funds for any of its  
4 corporate purposes, including the payment, funding or refunding of  
5 the principal of, or interest or redemption premiums on, any bonds  
6 or notes issued by it whether the bonds or notes or interest to be  
7 funded or refunded have or have not become due, the establishment  
8 or increase of such reserves to secure or to pay the bonds or notes  
9 or interest thereon and all other costs or expenses of the authority  
10 incident to and necessary to carry out its corporate purposes and  
11 powers; provided, however, that the aggregate principal amount  
12 of bonds and notes of the authority outstanding at any time may  
13 not exceed \$250,000,000.00. In computing the principal amount of  
14 bonds and notes outstanding for purposes of the foregoing limita-  
15 tion there shall not be included any bonds or notes, the principal  
16 of and interest on which have been paid or the payment of which  
17 has been provided for by the issuance of refunding bonds or other-  
18 wise. In addition, if the authority has issued bonds or notes to  
19 finance the total cost of a project based on estimates prepared by  
20 an independent consultant and it shall later be determined by the  
21 consultant that the costs of the project *\*as initially approved\**  
22 have increased, the authority shall be authorized to issue the  
23 additional bonds or notes required to finance the increased costs,  
24 even if the aforementioned \$250,000,000.00 limitation is exceeded  
24A by the issuance.

25     b. Whether or not the bonds and notes are of such form and  
26 character as to be negotiable instruments under the terms of Title  
27 12A, Commercial Transactions, of the New Jersey Statutes, the  
28 bonds and notes are hereby made negotiable instruments within  
29 the meaning of and for all the purposes of Title 12A, subject only  
30 to the provisions of the bonds and notes for registration.

31     c. Bonds or notes of the authority shall be authorized by a reso-  
32 lution or resolutions of the authority and may be issued in one or  
33 more series and shall bear such date or dates, mature at such time  
34 or times, bear interest at such rate or rates of interest per annum,  
35 be in such denomination or denominations, be in such form, either  
36 coupon or registered, carry such conversion or registration priv-  
37 ileges, have such rank or priority, be executed in such manner, be  
38 payable from such sources in such medium of payment at such  
39 place or places within or without the State, and be subject to such  
40 terms of redemption, with or without premium, as such resolution  
41 or resolutions may provide.

42 d. Bonds or notes of the authority may be sold at public or pri-  
43 vate sale at such price or prices and in such manner as the authority  
44 shall determine. Every bond shall mature and be paid not later  
45 than \*\*[50]\*\* \*\*35\*\* years from the date thereof.

46 e. Bonds or notes may be issued under the provisions of this  
47 act without obtaining the consent of any department, division,  
48 commission, board, bureau or agency of the State, and without any  
49 other proceeding or the happening of any other conditions or other  
50 things than those proceedings, conditions or things which are spe-  
51 cifically required by this act.

52 f. Bonds or notes of the authority issued under the provisions  
53 of the act shall not be in any way a debt or liability of the State or  
54 of any political subdivision thereof other than the authority and  
55 shall not create or constitute any indebtedness, liability or obliga-  
56 tion of the State or of any political subdivision or be or constitute  
57 a pledge of the faith and credit of the State or of any political sub-  
58 division but all such bonds and notes, unless funded or refunded  
59 by bonds or notes of the authority, shall be payable solely from  
60 revenues or funds pledged or available for their payment as au-  
61 thorized in this act. Each bond and note shall contain on its face  
62 a statement to the effect that the authority is obligated to pay the  
63 principal thereof or the interest thereon only from its revenues,  
64 receipts or funds pledged or available for their payment as au-  
65 thorized in this act and that neither the State nor any political  
66 subdivision thereof is obligated to pay the principal or interest  
67 and that neither the faith and credit nor the taxing power of the  
68 State or any political subdivision thereof is pledged to the payment  
69 of the principal of or the interest on the bonds or notes.

70 g. Each issue of bonds or notes of the authority may, if it is  
71 determined by the authority, be general obligations thereof pay-  
72 able out of any revenues, receipts or funds of the authority subject  
73 only to any agreements with the holders of particular bonds or  
74 notes pledging any particular revenues or funds, and shall be  
75 secured by one or more of the following:

76 (1) Pledge of rentals, receipts and other revenues to be derived  
77 from leases, sales agreements, service contracts or similar con-  
78 tractual arrangements with one or more State agencies, whether  
79 or not the same relate to the project or part thereof financed with  
80 the bonds or notes, or a pledge or assignment of the leases, sales  
81 agreements, service contracts or instruments evidencing similar  
82 arrangements and the rights and interests of the authority pro-  
83 vided that such leases, sales agreements, service contracts or sim-

84 ilar contractual arrangements shall be in effect at the time of the  
85 issuance of the bonds or notes;

86 (2) Pledge of grants, subsidies, contributions or other payments  
87 to be received from the United States of America or any instru-  
88 mentality thereof or from the State or any State agency;

89 (3) A first mortgage on all or any part of the property, real or  
90 personal, of the authority then owned or thereafter to be acquired;  
91 provided that the property so mortgaged as improved and de-  
92-98 veloped by application of the proceeds of the bonds or notes shall  
99 be ~~\*[appraised]\*~~ *\*appraised\** as at least equal to the amount of  
99A the bonds or notes;

100 (4) Pledge of the revenues and receipts estimated to be there-  
101 after derived from the ownership or operation of the project or  
102 part thereof or from the lease or sale thereof, including any in-  
103 come from investment of the funds and moneys held in connection  
104 therewith and pledged to the payment of the bonds or notes and  
105 the interest thereon or a pledge of any lease, sales agreement,  
106 service contract or instrument evidencing similar arrangements  
107 to be entered into subsequent to the issuance of the bonds or notes;

108 (5) Pledge of all moneys, funds, accounts, securities and other  
109 funds, including the proceeds of the bonds or notes.

1 ~~\*\*[12.]\*\*~~ *\*\*15.\*\** In any resolution of the authority authorizing  
2 or relating to the issuance of any bonds or notes, the authority, in  
3 order to secure the payment of the bonds or notes and in addition  
4 to its other powers, shall have power by provisions therein which  
5 shall constitute covenants by the authority and contracts with the  
6 holders of the bonds or notes, to:

7 a. Secure the bonds or notes as provided in section ~~\*\*[11.]\*\*~~  
7A *\*\*14.\*\**

8 b. Covenant against pledging all or any part of its revenues or  
9 receipts or its leases, sales agreements, service contracts or  
10 other security instruments, or its mortgages or other agreements,  
11 or the revenues or receipts under any of the foregoing or the  
12 proceeds thereof, or against mortgaging or leasing all or any part  
13 of its real or personal property then owned or thereafter acquired,  
14 or against permitting or suffering any lien on any of the foregoing;

15 c. Covenant with respect to limitations on any right to sell,  
16 mortgage, lease or otherwise dispose of any project or any part  
17 thereof or any property of any kind;

18 d. Covenant as to any bonds and notes to be issued and the limi-  
19 tations thereon and the terms and conditions thereof and as to the  
20 custody, application, investment, and disposition of the proceeds  
21 thereof;

22 e. Covenant as to the issuance of additional bonds or notes or  
23 as to limitations on the issuance of additional bonds or notes and  
24 on the incurring of other debts by it;

25-28 f. Covenant as to the payment of the principal of or interest  
29 on the bonds or notes, or any other obligations, as to the sources  
30 and methods of the payment, as to the rank or priority of the  
31 bonds, notes or obligations with respect to any lien or security or  
32 as to the acceleration of the maturity of the bonds, notes or  
33 obligations;

34 g. Provide for the replacement of lost, stolen, destroyed or  
35 mutilated bonds or notes;

36 h. Covenant against extending the time for the payment of  
37 bonds or notes or interest thereon;

38 i. Covenant as to the redemption of bonds or notes and privileges  
39 of exchange thereof for other bonds or notes of the authority;

40 j. Covenant as to the fixing and collection of rents, fees, rates  
41 and other charges, the amount to be raised each year or other  
42 period of time by rents, fees, rates and other charges and as to the  
43 use and disposition to be made thereof;

44 k. Covenant to create or authorize the creation of special funds or  
45 moneys to be held in pledge or otherwise for construction, operating  
46 expenses, payment or redemption of bonds or notes; reserves or  
47 other purposes and as to the use, investment, and disposition of the  
48 moneys held in these funds;

49 l. Establish the procedure, if any, by which the terms of any  
50 contract or covenant with or for the benefit of the holders of bonds  
51 or notes may be amended or abrogated, the amount of bonds or  
52 notes the holders of which must consent thereto, and the manner  
53 in which the consent may be given;

54 m. Covenant as to the construction, improvement, operation or  
55 maintenance of any project and its other real and personal prop-  
56 erty, the replacement thereof, the insurance to be carried thereon,  
57 and the use and disposition of insurance moneys;

58 n. Provide for the release of property, leases or other agree-  
59 ments, or revenues and receipts from any pledge or mortgage and  
60 to reserve rights and powers in, or the right to dispose of, property  
61 which is subject to a pledge or mortgage;

62 o. Provide for the rights and liabilities, powers and duties arising  
63 upon the breach of any covenant, condition or obligation and pre-  
64 scribe the events of default and the terms and conditions upon  
65 which any or all of the bonds, notes or other obligations of the  
66 authority shall become or may be declared due and payable before

67 maturity and the terms and conditions upon which the declaration  
68 and its consequences may be waived;

69 p. Vest in a trustee or trustees within or without the State such  
70 property, rights, powers and duties in trust as the authority may  
71 determine, including the right to foreclose any mortgage, which  
72 may include any or all of the rights, powers and duties of any  
73 trustee appointed by the holders of any bonds or notes pursuant  
74 to section **\*\*[21]\*\* \*\*24\*\*** of this act and to limit or abrogate the  
75 right of the holders of any bonds or notes of the authority to ap-  
76 point a trustee under this act, and to limit the rights, duties and  
77 powers of the trustee;

78 q. Execute all mortgages, leases, sales agreements, service con-  
79 tracts, bills of sale, conveyances, deeds of trust and other instru-  
80 ments necessary or convenient in the exercise of its powers or in  
81 the performance of its covenants or duties;

82 r. Pay the costs or expenses incident to the enforcement of the  
83 bonds or notes or of the provisions of the resolution or of any  
84 covenant or agreement of the authority with the holders of its  
85 bonds or notes;

86 s. Limit the rights of the holders of any bonds or notes to enforce  
87 any pledge or covenant securing bonds or notes; and

88 t. Make covenants other than or in addition to the covenants  
89 authorized by this act of like or different character, and to make  
90 such covenants to do or refrain from doing such acts and things  
91 as may be necessary, or convenient and desirable, in order to better  
92 secure bonds or notes or which, in the absolute discretion of the  
93 authority will tend to make bonds or notes more marketable, not-  
94 withstanding that the covenants, acts or things may not be  
95 enumerated herein.

1 **\*\*[13.]\*\* \*\*16.\*\*** Any pledge of revenues, receipts, moneys, funds,  
2 levies, sales agreements, service contracts or other property or in-  
3 struments made by the authority shall be valid and binding from the  
4 time when the pledge is made. The revenues, receipts, moneys, funds  
5 or other property so pledged and thereafter received by the author-  
6 ity or a subsidiary shall immediately be subject to the lien of the  
7 pledge without any physical delivery thereof or further act, and  
8 the lien of any pledge shall be valid and binding as against all  
9 parties having claims of any kind in tort, contract or otherwise  
10 against the authority irrespective of whether the parties have  
11 notice thereof. Neither the resolution nor any other instrument by  
12 which a pledge under this section is created need be filed or  
13 recorded except in the records of the authority.



1     \*\*[14.]\*\* \*\*17.\*\* Neither the directors of the authority nor any  
2 person executing bonds or notes issued pursuant to this act shall be  
3 liable personally on the bonds or notes by reason of the issuance  
4 thereof.

1     \*\*[15.]\*\* \*\*18.\*\* The authority may establish such reserves,  
2 funds or accounts as may be in its discretion, necessary or desirable  
3 to further the accomplishment of the purposes of the authority or to  
4 comply with the provisions of any agreement made by or any reso-  
5 lution of the authority.

1     \*\*[16.]\*\* \*\*19.\*\* The State of New Jersey does hereby pledge to  
2 and covenant and agree with the holders of any bonds or notes is-  
3 sued pursuant to authorization of the act that the State will not limit  
4 or alter the rights or powers hereby vested in the authority to ac-  
5 quire, construct, maintain, improve, repair and operate any project  
6 in any way that would jeopardize the interest of the holders, or to  
7 perform and fulfill the terms of any agreement made with the hold-  
8 ers of the bonds or notes, or to fix, establish, charge and collect such  
9 rents, fees, rates, payments, or other charges as may be convenient  
10 or necessary to produce sufficient revenues to meet all expenses of  
11 the authority and to fulfill the terms of any agreement made with  
12 the holders of the bonds and notes, together with interest thereon,  
13 with interest on any unpaid installments of interest, and all costs  
14 and expenses in connection with any action or proceedings by or on  
15 behalf of the holders, until the bond and notes, together with  
16 interest thereon, are fully met and discharged or provided for.  
17 The State does hereby further pledge to and covenant and agree  
18 with the holders of any bonds or notes issued pursuant to autho-  
19 rization of this act that the State will not increase the maximum  
20 principal amount of bonds and notes permitted to be outstanding  
21 at any time pursuant to section \*\*[11]\*\* \*\*14\*\* of this act, until  
22 the bonds and notes, together with interest thereon, are fully met  
23 and discharged or provided for.

1     \*\*[17.]\*\* \*\*20.\*\* The State and all public officers, governmental  
2 units and agencies thereof, all banks, trust companies, savings banks  
3 and institutions, building and loan association, savings and loan  
4 associations, investment companies, and other persons carrying on a  
5 banking business, all insurance companies, insurance associations  
6 and other persons carrying on an insurance business, and all execu-  
7 tors, administrators, guardians, trustee and other fiduciaries, may  
8 legally invest any sinking funds, moneys or other funds belonging  
9 to them or within their control in any bonds or notes issued pur-  
10 suant to this act, and such bonds or notes shall be authorized  
11 security for any and all public deposits.

1     \*\*[18.]\*\* \*\*21.\*\* All State agencies and all local governmental  
2 agencies, notwithstanding any contrary provision of law, may lease,  
3 lend, grant or convey to the authority at its request upon such terms  
4 and conditions as the governing body or other proper authorities  
5 of the State agencies or local governmental agencies may deem  
6 reasonable and fair and without the necessity for any advertise-  
7 ment, order of court or other action or formality, other than the  
8 authorizing ordinance of the governing body of the municipality,  
9 the authorizing resolution or ordinance of the governing body  
10 of the county, or the regular and formal action of any public body  
11 concerned, any real property or interest therein which may be  
12 necessary or convenient to the effectuation of the purposes of the  
13 authority, including public highways and other real property  
14 already devoted to public use.

1     \*\*[19.]\*\* \*\*22.\*\* All State agencies may purchase, lease, rent,  
2 sublease or otherwise acquire any project or any space embraced in  
3 any project from the authority and pay to the authority such amount  
4 as may be agreed upon between the State agency and the authority  
5 as the purchase price, rent or other charge therefor. Any agreement  
6 entered into by any State agency with the authority pursuant to  
7 the aforesaid authorization, shall expressly provide that the incur-  
8 rence of any liabilities by the agency under the agreement, includ-  
9 ing, without limitation, the payment of any and all rentals or other  
10 amounts required to be paid by the agency thereunder, shall be  
11 subject to and dependent upon appropriations being made from  
12 time to time by the Legislature for that purpose *\*\*and upon the*  
13 *approval of the lease agreement by the presiding officers of both*  
14 *houses of the Legislature or by such other officers of both houses as*  
15 *may be provided by law\*\*.*

1     \*\*[20.]\*\* \*\*23.\*\* a. All projects and other property of the author-  
2 ity are declared to be public property devoted to an essential public  
3 and governmental function and purpose and shall be exempt from  
4 all taxes of the State or any political subdivision thereof; provided  
5 that when all or any part of a project is leased, subleased or  
6 licensed to, or otherwise used under an arrangement providing for  
7 the acquisition thereof by any person, firm, association, partner-  
8 ship or corporation, other than a State agency, a local govern-  
9 mental agency or other public body the interest created by the  
10 lease or other arrangement and the appurtenances thereto shall be  
11 listed as the property of the lessee or the user under the other  
12 arrangement, or their respective assignees, and be assessed and  
13 taxed as real estate, but this provision shall not be deemed to

14 modify or repeal in any respect any tax exemption or tax abate-  
 15 ment that the person, firm or corporation shall otherwise be en-  
 16 titled to with respect to the property of the project or part thereof.  
 17 All bonds or notes issued pursuant to this act are declared to be  
 18 issued by a body corporate and politic of the State and for an  
 19 essential public and governmental purpose and these bonds and  
 20 notes, and the interest thereon and the income therefrom and from  
 21 the sale, exchange or other transfer thereof, and all funds,  
 22 revenues, income and other moneys received or to be received by  
 23 the authority shall at all times be exempt from taxation, except for  
 24 transfer, inheritance and estate taxes.

25 b. Projects and property of the authority shall be deemed to be  
 26 "State property" under P. L. 1977, c. 272 (C. 54:4-2.2a et seq.)  
 27 and shall be assessed and subject to an in lieu tax payment pro-  
 28 vided in that act unless the interest created by a lease, sublease or  
 29 license or other arrangement is subject to tax as real estate under  
 30 this section.

1 **\*\*[21.]\*\* \*\*24.\*\*** a. If the authority shall default in the payment  
 2 of principal of, or interest on, any issue of notes or bonds after the  
 3 same shall become due, whether at maturity or upon call for redemp-  
 4 tion, and the default shall continue for a period of 30 days, or if the  
 5 authority shall fail or refuse to comply with the provisions of this  
 6 act, or shall default in any agreement made with the holders of  
 7 any issue of notes or bonds, the holders of 25% in aggregate  
 8 principal amount of the notes or bonds of the issue then outstand-  
 9 ing, by instrument or instruments filed in the office of the clerk of  
 10 any county in which the authority operates and has an office and  
 11 proved or acknowledged in the same manner as a deed to be  
 12 recorded, may appoint a trustee to represent the holders of the  
 13 notes or bonds for the purposes herein provided.

14 b. The trustee may, and upon written request of the holders of  
 15 25% in principal amount of the notes or bonds then outstanding  
 16 shall, in his or its own name:

17 (1) By suit, action or proceeding enforce all rights of the note-  
 18 holders or bondholders, to require the authority to carry out any  
 19 other agreements with the holders of the notes or bonds and to  
 20 perform its duties under this act;

21 (2) Bring suit upon the notes or bonds;

22 (3) By action or suit, require the authority to account as if it  
 23 were the trustee of an express trust for the holders of the notes  
 24 or bonds;

25 (4) By action or suit, enjoin any acts or things which may be  
 26 unlawful or in violation of the rights of the holders of the notes or  
 27 bonds;

28 (5) Declare all notes or bonds due and payable, and if all defaults  
29 shall be made good, then, with the consent of the holders of 25%  
30 of the principal amount of the notes or bonds then outstanding, to  
31 annul the declaration and its consequences.

32 c. The trustee shall in addition to the foregoing have and possess  
33 all of the powers necessary or appropriate for the exercise of any  
34 functions specifically set forth herein or incident to the general  
35 representation of bondholders or noteholders in the enforcement  
36 and protection of their rights.

37 d. The Superior Court shall have jurisdiction of any suit, action  
38 or proceeding by the trustee on behalf of the noteholders or bond-  
39 holders. The venue of any suit, action or proceeding shall be laid  
40 in the county in which the principal office of the authority is located.

41 e. Before declaring the principal of notes or bonds due and pay-  
42 able, the trustee shall first give 30 days' notice in writing to the  
43 authority.

1 \*\*[22.]\*\* \*\*25.\*\* All sums of money received pursuant to the au-  
2 thority of this act, whether as proceeds from the sale of bonds or  
3 notes or as revenues or receipts, shall be deemed to be trust funds to  
4 be held and applied solely as provided in the proceedings under  
5 which the bonds or notes are authorized. Any officer with whom or  
6 any bank or trust company with which such sums of money shall be  
7 deposited as trustee thereof shall hold and apply the same for the  
8 purposes thereof, subject to such provisions as this act and the  
9 proceedings authorizing the bonds or notes of any issue or the trust  
10 agreement securing the bonds or notes may provide.

1 \*\*[23.]\*\* \*\*26.\*\* On or before March 31 in each year the author-  
2 ity shall make an annual report of its activities for the preceding  
3 calendar year to the Governor and to the Legislature. The report  
4 shall set forth a complete operating and financial statement cover-  
5 ing its operations during the year. The authority shall cause an  
6 audit of its books and accounts to be made at least once in each year  
7 by certified public accountants and the cost thereof shall be con-  
8 sidered an expense of the authority and a copy thereof shall be filed  
9 with the State Treasurer and the Comptroller of the Treasury.

1 \*\*[24.]\*\* \*\*27.\*\* All officers, departments, boards, agencies, divi-  
2 sions and commissions of the State are authorized to render any and  
3 all of such services to the authority as may be within the area of  
4 their respective governmental functions as fixed or established by  
5 law, and as may be requested by the authority. The cost and expense  
6 of any such services shall be met and provided for by the authority.

1     \***[25.]**\* **\*\*28.\*\*** *a. The authority shall adopt rules and regu-*  
 2 *lations to establish an affirmative action program for the hiring of*  
 3 *minority workers employed in the performance of construction con-*  
 4 *tracts undertaken in connection with any of its projects, and to*  
 5 *expand the business opportunities of socially and economically dis-*  
 6 *advantaged contractors and vendors seeking to provide materials*  
 7 *and services for those contracts, consistent with the provisions of*  
 8 *the "Law Against Discrimination," P. L. 1945, c. 169 (C. 10:5-1 et*  
 9 *seq.). The authority shall provide for the proper enforcement and*  
 10 *administration of these rules and regulations.\**

11     **\*\*b.** *Within 180 days of the effective date of this act, but before*  
 12 *adoption of its rules and regulations concerning its affirmative*  
 13 *action program, the authority shall submit the proposed rules and*  
 14 *regulations to the presiding officers and the standing committees*  
 15 *on state government of both houses of the Legislature for their*  
 16 *review.*

1     **29.** *The authority shall adopt rules and regulations requiring*  
 2 *that not less than the prevailing wage rate be paid to workers*  
 3 *employed in the performance of construction contracts undertaken*  
 4 *in connection with any of its projects. The prevailing wage rate*  
 5 *shall be the rate determined by the Commissioner of Labor and*  
 6 *Industry pursuant to the provisions of P. L. 1963, c. 150 (C.*  
 7 *34:11-56.25 et seq.).\*\**

1     \***[25.]**\* **\*\*[26.]**\* **\*\*30.\*\*** *It is the intent of the Legislature that*  
 2 *in the event of any conflict of inconsistency in the provisions of*  
 3 *\*\*[the]\*\* **\*\*this\*\*** act and any other acts pertaining to matters*  
 4 *herein established or provided for or in any rules and regulations*  
 5 *adopted under **\*\*[the]\*\* **\*\*this\*\*** act or other acts, to the extent***  
 6 *of the conflict or inconsistency, the provisions of **\*\*[the]\*\* **\*\*this\*\******  
 7 *act and the rules and regulation adopted **\*\*[thereunder]\*\* **\*\*here-*****  
 8 *under\*\* shall be enforced and the provisions of the other acts and*  
 9 *rules and regulations adopted thereunder shall be of no effect.*

1     \***[26.]**\* **\*\*[27.]**\* **\*\*31\*\*** *If any clause, sentence, paragraph,*  
 2 *section or part of **\*\*[the]\*\* **\*\*this\*\*** act shall be adjudged by any***  
 3 *court of competent jurisdiction to be invalid, the judgment shall*  
 4 *not affect, impair or invalidate the remainder thereof, but shall be*  
 5 *confined in its operation to the clause, sentence, paragraph, section*  
 6 *or part thereof directly involved in the controversy in which the*  
 7 *judgment shall have been rendered.*

1     \***[27.]**\* **\*\*[28.]**\* **\*\*32.\*\*** *This act shall be construed liberally*  
 2 *to effectuate the legislative intent and the purposes of this act as*  
 3 *complete and independent authority for the performance of each*

4 and every act and thing herein authorized and all powers herein  
5 granted shall be broadly interpreted to effectuate such intent and  
6 purposes and not as a limitation of powers.

1 \***[28.]**\* \*\***[\*29.\*]**\*\* \*\*33.\*\* There is appropriated to the author-  
2 ity from the General State Fund the sum of \$100,000.00 or so much  
3 thereof as may be necessary, for the purposes of carrying out its  
4 function and duties pursuant to this act. The appropriation shall be  
5 repaid to the General State Fund as soon as practicable\*, *at an an-*  
6 *nual interest rate of 8%,\** out of excess revenues or other funds of  
7 the authority not required to pay the principal of or interest on any  
8 bonds or notes of the authority or retire such bonds or notes or to  
9 meet reserve requirements with respect thereto and not required  
10 for any other purposes of the authority.

1 \***[29.]**\* \*\***[\*30.\*]**\*\* \*\*34.\*\* This act shall take effect imme-  
2 diately.

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ASSEMBLY REVENUE, FINANCE AND APPROPRIATIONS  
COMMITTEE

STATEMENT TO  
**SENATE, No. 1247**

[OFFICIAL COPY REPRINT]  
with committee amendments

**STATE OF NEW JERSEY**

DATED: NOVEMBER 24, 1980

(After committee amendments this bill and Assembly Bill No. 1777 are exactly alike, and are both released to facilitate joint Senate and Assembly sponsorship.)

This legislation, as amended, creates a New Jersey Building Authority, authorized to do lease-backed financing for essential State office and administrative facilities. The type of facilities to be financed by the Authority are explicitly restricted to office space and related facilities necessary for the conduct of official State business, storage and warehouse facilities, motor vehicle inspection stations, testing and research laboratories, and facilities for public television operations. This restriction will preclude authority involvement in financing projects such as prisons, hospitals, and higher education facilities.

The authority is constituted as a public body, corporate and politic, established within the Department of the Treasury. It is to be governed by a board of 12 directors including the State Treasurer, the Comptroller of the Treasury, the Chairman of the Commission on Capital Budgeting and Planning, four members of the Legislature, and five members to be appointed by the Governor with the advice and consent of the Senate. The State officials will be members ex officio. The legislative members will be two from each House appointed by the presiding officers of each House with not more than one of each group of two to be of the same political party. The chairman of the commission is to be appointed by the Governor with advice and consent of the Senate. Seven directors will constitute a quorum and affirmative votes of seven directors are required for any action. The minutes of the Authority are to be delivered to the Governor, Speaker of the House and the President of the Senate. The Governor may veto any action.

While the authority would be empowered to do all things necessary and appropriate to provide office and administrative facilities for the use of State government, its activities would be restricted in several ways. The principal amount of bonds outstanding at any one time cannot be in excess of \$250,000,000.00. Further, any proposal to finance a facility may be vetoed by the Governor, be subject to a public hearing

(with the authority to respond in writing to any objections or questions), and be reviewed by the Commission on Capital Budgeting and Planning. Additionally, any lease must be approved by the Speaker and President. The Legislature will then receive a full record of all the preceding activity together with cost and related information, and must approve any proposed project by concurrent resolution before the authority may proceed. After approval, the project will be subject to statutory requirements which apply to bidding on State projects, and construction will be under the supervisory jurisdiction of the Division of Building and Construction.

It is anticipated that the first projects the authority will propose will include:

- A new building to house the Department of Environmental Protection;
- Smaller buildings to relieve overcrowding in the present facilities used by the Departments of Community Affairs, Higher Education, Insurance, and Human Services;
- A laboratory facility for the Department of Agriculture;
- Regional facilities to consolidate the operation of the several State agencies.

#### COMMITTEE AMENDMENTS:

Committee amendments were those based upon testimony and questions raised at the public hearing and after discussion of issues by the committee. The committee amendments accomplish the following:

1. Expand the authority to include four legislative members. Two Senators and two Assemblymen would serve on the Authority and be appointed by the presiding officers of each House. Both parties would have a representative from the Assembly and Senate. The Legislative Budget Officer would not serve on the authority as was proposed in the Senate passed version. It would, therefore, have a membership of 12, seven of whom would be necessary to constitute a quorum and take official action.
2. Require the Governor's designation of the chairman of the authority to be subject to the advice and consent of the Senate. The vice-chairman would be selected annually by the members of the authority.
3. Establish a new procedure for review and approval of Authority projects which cost more than \$100,000.00. After a decision by the authority to undertake a project, the Governor would continue to have the power to review the action, and veto it if he disapproved. If he approved, the authority would prepare a project report which would contain all essential information on the nature, scope, and cost of the project and which would be submitted to the Capital Planning Commission for its review.



There would also be a public hearing in the locality which was to be the site of the project, with adequate notice to the public and an opportunity for local officials to make objections and receive written responses from the authority.

Finally, the project report, the findings of the Capital Planning Commission, the transcript of the hearing, the local objections, and the authority's responses would be submitted to the Legislature, which would have to approve the project by concurrent resolution for it to proceed.

4. Permit the authority to construct offices and other facilities for the Legislature and the Judiciary, as well as the Executive, and insure that space in building authority projects be used only for functions necessary or convenient to these State agencies.
  5. Apply to the authority the Constitutional limitation which requires bonds to be paid off within 35 years, and provide for the buildings to vest in the State when the debt is paid off. The original provision established a 50 year maximum maturity, and had no provision for ultimate State ownership.
  6. Extend to the authority the statutory requirements on bidding by contractors and subcontractors, and extend the supervisory jurisdiction of the Division of Building and Construction to building authority projects.
  7. Require the authority to pay the prevailing wage on its projects and to issue affirmative action rules which would be submitted to the Legislature for review.
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ASSEMBLY REVENUE, FINANCE AND APPROPRIATIONS  
COMMITTEE

STATEMENT TO

**SENATE, No. 1247**

Senate Reprint to Assembly Reprint of Official Copy Reprint  
with committee amendments

**STATE OF NEW JERSEY**

DATED: MARCH 23, 1981

The Assembly Revenue, Finance and Appropriations Committee's task was to review the Senate amendments to this bill. The committee recommends concurrence in the Senate amendments by amendment.

The committee amendments would do the following:

1. Provide for four additional appointments by the Governor to the building authority; two would be made upon the recommendation of the Speaker and two upon recommendation of the Senate President. None would be legislators; no more than two of the four would be from the same political party. Their appointment would bring the membership of the authority to 12, and the requirement for a quorum to seven. The most recent Senate amendments, which placed the legislative budget officer on the authority and removed four legislators, would be deleted. This new method of appointment would ensure a much more substantial legislative role in determining the makeup of the authority without raising significant legal issues concerning the separation of legislative and executive power.

2. Require an affirmative vote by a majority in both the Senate and General Assembly for a proposed building authority project to be approved and undertaken. Each House would be required to vote on the project within 45 days of receiving the essential background information from the authority. The most recent Senate amendments, which permitted the Legislature 60 days to vote its disapproval of a project, but which did not require the two Houses to ever take such a vote, would be deleted.

3. Make technical changes to ensure the internal consistency of the bill.

SENATE AMENDMENTS TO  
[ASSEMBLY REPRINT]  
**SENATE, No. 1247**  
[OFFICIAL COPY REPRINT]

**STATE OF NEW JERSEY**

ADOPTED FEBRUARY 9, 1981

Amend page 1, section 2, line 12, after "buildings", insert "primarily"; omit "exclusive".

Amend page 3, section 4, line 9, omit "12", insert "9".

Amend page 3, section 4, line 11, after ",", insert "the Legislative Budget Officer and".

Amend page 3, section 4, line 12, omit "two".

Amend page 3, section 4, lines 13-15, omit.

Amend page 3, section 4, line 16, omit "same political party".

Amend page 3, section 4, line 25A, after "." omit remainder of line.

Amend page 3, section 4, lines 25B-25C, omit.

Amend page 3, section 4, line 26, omit "ed.".

Amend page 4, section 4, line 37, omit "seven", insert "five".

Amend page 4, section 4, line 41, omit "seven", insert "five".

Amend page 8, section 5, after line 92, insert the following subsection:

"p. To sell, lease, rent, sublease or otherwise dispose of, to any public agency, person, firm or corporation, any surplus space in any project over and above that sold, leased, rented, subleased or otherwise disposed of to State agencies and to establish and revise the purchase price, rents or charges therefor."

Amend pages 8-9, section 5, reletter subsections p. through x., as q. through y.

Amend page 12, section 7, line 8, after "located", insert "." omit "and with the head of each agency within".

Amend page 12, section 7, lines 9-10, omit.

Amend page 12, section 8, lines 1-9, omit and after line 9 insert new section 8 as follows:

"8. a. The project report for a proposed project shall be submitted by the authority to the Senate and General Assembly on a day during a regular or special session of the Legislature when either House is meeting, and the President of the Senate and the Speaker of the General Assembly shall immediately refer the project report to the appropriate standing reference committee on appropriations or on State government, as he shall determine, in his House."

b. The standing reference committee may report its approval or disapproval of the proposed project to the full membership of the House within 30 days of the date on which it is referred to the committee.

c. A project shall be deemed approved unless within 45 days of the submission of the project report thereon, the Senate and General Assembly adopt a concurrent resolution by a recorded vote disapproving the project. No action may be taken by the Legislature under this section until after 1 calendar day from the date of the standing reference committee's report.''.  

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### STATEMENT

These amendments revise several of the Assembly amendments to do the following:

1. Adopt the legislative oversight language of the Administrative Procedures Act of 1981 (Senate Bill No. 1560, the Governor veto of which the Senate has already overridden). This would allow the Legislature to disapprove a project proposed by the Authority within 45 days of the submission of the project report required by the Assembly amendments.

2. Omit the requirement that, in conducting a public hearing the Authority notify every local person "charged by law with the duty of protecting the environment or planning land use". Local environmental and land use officials will be called upon by their county and municipal governing bodies, for whom formal Authority notice would be required.

3. Restore the Legislative Budget Officer to the Authority in place of four legislators. The Legislative Budget Officer is a full-time civil servant who represents the interest of the Legislature and will consult closely with legislative leaders of both parties. His membership would thus provide the optimal legislative oversight of Authority activities without raising the serious constitutional issue of including members of the Legislature on an executive agency which is responsible for construction and administration of major projects.

4. Restore to the Authority the power to lease surplus space in buildings, which are obviously "primarily for the use of State agencies," to non-State public agencies and to other lessees. As written, the Assembly language would ban even a cafeteria concession; it is consistent with modern urban planning that some provision be made for a mix of uses in office buildings, and I.R.S. requirements for exempt bonds sharply limit the amount of such non-State space.  

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ASSEMBLY AMENDMENTS TO

**SENATE, No. 1247**

[OFFICIAL COPY REPRINT]

SENATE REPRINT TO

ASSEMBLY REPRINT

**STATE OF NEW JERSEY**

ADOPTED MARCH 23, 1981

Amend page 3, section 4, line 9, omit "nine", insert "12".

Amend page 3, section 4, lines 11-12, omit "the Legislative Budget Officer and".

Amend page 3, section 4, line 16, after ":", insert "two persons appointed by the Governor upon the recommendation of the President of the Senate and two persons appointed by the Governor upon the recommendation of the Speaker of the General Assembly, of whom no more than one of each group of two shall be of the same political party, and who shall serve during the 2-year legislative term in which they are appointed and until their successors shall have been appointed and qualified;".

Amend page 3, section 4, line 21, after "3 years and", insert "two for".

Amend page 3, section 4, line 23, after "Governor", insert ", except those appointed upon recommendation of the President of the Senate and Speaker of the General Assembly,".

Amend page 4, section 4, line 30, after "d.", insert "The authority shall not be deemed to be constituted and shall not take action or adopt motions or resolutions until all original authorized members shall have been appointed and qualified in the manner provided in this section.".

Amend page 4, section 4, line 37, omit "five", insert "seven".

Amend page 4, section 4, line 41, omit "five", insert "seven".

Amend page 8, section 5, line 92B, omit "public agency,".

Amend page 12, section 7, lines 17 and 18, omit "or the head of any agency".

Amend pages 12 and 13, section 8, lines 10-27, omit in their entirety and insert:

"8. a. The authority shall make the submission to the Legislature required by section 6 of this act to the President of the Senate and the Speaker of the General Assembly on a day when both houses are meeting. The President and the Speaker shall cause the date of submission to be entered upon the Senate Journal and the Minutes of the General Assembly, respectively.

b. Unless the project as described in the submission is approved by adoption of a concurrent resolution to this effect by the affirmative vote of a majority of the authorized membership of both houses within the time period prescribed in this subsection, the project shall be deemed disapproved and the authority shall not undertake the project. The President and the Speaker shall cause a concurrent resolution of approval of the project to be placed before the members of the respective houses for a recorded vote within the time period. The time period shall commence on the day of submission and expire on the forty-fifth day after submission or, for a house not meeting on the forty-fifth day, on the next meeting day of that house.”

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#### STATEMENT

These amendments would do the following:

1. Provide for four additional appointments by the Governor to the Building Authority; two would be made upon the recommendation of the Speaker and two upon the recommendation of the Senate President. None would be legislators; no more than two of the four would be from the same political party. Their appointment would bring the membership of the Authority to twelve, and the requirement for a quorum to seven. The most recent Senate amendments, which placed the legislative budget officer on the Authority and removed four legislators, would be deleted. This new method of appointment would ensure a much more substantial legislative role in determining the makeup of the Authority without raising significant legal issues concerning the separation of legislative and executive power.

2. Require an affirmative vote by a majority in both the Senate and General Assembly for a proposed Building Authority project to be approved and undertaken. Each house would be required to vote on the project within 45 days of receiving the essential background information from the Authority. The most recent Senate amendments, which permitted the Legislature 60 days to vote its disapproval of a project, but which did not require the two houses to ever take such a vote, would be deleted.

3. Make technical changes to ensure the internal consistency of the bill.

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FROM THE OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

APRIL 16, 1981

FOR FURTHER INFORMATION

PATRICK SWEENEY

Governor Brendan Byrne today, in a public ceremony, signed S-1247, sponsored by Senator Joseph P. Merlino, which creates the "New Jersey Building Authority" within the Department of Treasury.

The purpose of the Authority will be to construct buildings to house various operations of State Government. It is limited to \$250 million in total outstanding bonds, thus placing restrictions on its building program.

The Authority will negotiate leases with a State agency, subject to normal approval procedures by the presiding officers of the Legislature. With lease in hand, it will then go into the bond market to raise the necessary revenue to construct a building. It will then use the rent receipts from the State agency to retire the bonds it has sold. While every building built by the Authority will have to house State agencies, non-State tenants can also be accepted.

The Authority will be comprised of twelve members; including five public members appointed by the Governor with the advice and consent of the Senate. In addition, two members will be recommended by the Speaker of the General Assembly and two by the Senate President. The remaining four ex-officio members will be: the State Treasurer, the Comptroller of the Treasury, and the Chairman of the Commission on Capital Budgeting and Planning, or their designees.

- more -

Before any project can be built, it will require the approval of the Governor (who can veto the minutes,) the presiding officers (who would sign the leases consistent with current practice,) and the Capital Budgeting and Planning Commission. A public hearing must be held in the municipality in which the project is to be built.

Immediate construction plans include three new buildings for Higher Education, Community Affairs and other agencies, and Environmental Protection, all in Trenton, a new office building to replace 1100 Raymond Boulevard in Newark, and nine regional facilities elsewhere in the State.

# # # # #