

34: 1 A - 1.1

LEGISLATIVE HISTORY CHECKLIST

52:27H-1 to 52:27H-28; 34:1B-4; (Commerce and Economic Development,  
NJSA 13:1B-15.75 - 13:1E-15.86, 34:1A-1.1 Department of--creates)

LAWS 1981 CHAPTER 122

Bill No. S974

FOR ATTACHMENTS

Sponsor(s) Hamilton, Weiss and Herbert

SEE 52:27 H-1 to

Date Introduced Jan. 17, 1980

52:27 H-28

Committee: Assembly Labor

Senate State Govt., Federal & Interstate Relations & Veterans Affairs

Amended during passage Yes No Amendments during passage denoted by asterisks  
Date of Passage: Assembly Dec. 3, 1980 Substituted for A2076 (OCB,  
Senate Nov. 10, 1980 sponsors' statement, Assembly statement and minority statements attached)  
Date of approval April 16, 1981

Following statements are attached if available:

Sponsor statement Yes No Also attached: Senate amendments, adopted 1-20-81 (with statement)  
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

974.90 N.J. Legislature. Senate. State Govt., Federal &  
R424 Interstate Relations & Veterans Affairs.  
1979a Public hearing, held 6-21-79. Trenton, 1979.

974.90 N.J. Legislature. Senate. State Govt., Federal &  
R424 Interstate Relations & Veterans Affairs.  
1980 Public hearing, held 3-10-80. Trenton, 1980.

(over)

6/22/81

For background see:

- 974.901 NJ. Economic Policy Council.  
E18 Twelfth report. July, 1979. Trenton, 1979.  
#12 (pp.29-54)
- 974.90 NJ. Legislature. Joint Economic Policy Committee.  
E18 A program to improve the business climate of  
1980e New Jersey, May 1, 1980, Trenton, 1980.
- 974.90 NJ. Legislature. Joint Economic Policy Committee.  
E19 Public hearing on effects of the policies of  
1979a the state government on business and industry, held  
2-14-79. Trenton, 1979.

[THIRD OFFICIAL COPY REPRINT]

SENATE, No. 874

STATE OF NEW JERSEY

INTRODUCED JANUARY 17, 1980

By Senators HAMILTON, WEISS and HERBERT

Referred to Committee on State Government, Federal and  
Interstate Relations and Veterans Affairs

AN ACT establishing and concerning a Department of Commerce  
and Economic Development as a principal department in the  
Executive Branch of the State Government, \*\*\*amending P. L.  
1974, c. 80,\*\*\* repealing parts of the statutory law, and providing  
an appropriation therefor.

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 "Department  
2 of Commerce and Economic Development Act".

1 2. The Legislature finds and determines that the well-being of  
2 the people of New Jersey, and of their institutions, including  
3 government, is directly related to the well-being of New Jersey's  
4 business and industrial enterprises, including the housing industry  
4A and small business enterprise, which provide the economic base  
5 of employment and taxes upon which all other institutions of  
6 society depend.

7 The Legislature further finds and determines that New Jersey's  
8 economy has deteriorated in recent years from its one-time position  
9 of national prominence and leadership in many fields of business  
10 and industry, a trend particularly evident in the almost continuous  
11 decline of manufacturing employment over a span of a decade or  
12 more, a fact which has had significant and deleterious effects upon  
13 the economy of the State, impacting adversely upon a broad cross-  
14 section of New Jersey's citizenry.

15 \*\***[**The Legislature further finds and determines that **\***[there are  
16 insufficient]**\*** channels for communication between State govern-

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

17 ment and the business community *\*should be strengthened and*  
18 *improved,\** and that this *\*[inadequacy of exchange upon]\**  
19 *\*strengthened and improved communication on\** economic problems  
20 and concerns *\*[has led to many actions or inactions by the State*  
20A *itself which have contributed, directly or indirectly, to]\** *\*can lead*  
20B *to a reversal in the recent pattern of\** New Jersey's economic de-  
20C cline.

21 The Legislature further finds and determines that, to reverse  
22 New Jersey's downward economic trend, it has become necessary  
23 for the State to place greater emphasis upon its own economic  
24 development activities and functions which are undertaken in  
25 conjunction and cooperation with economic development interests  
26 and entities both in the business community and local governments.

27 The Legislature finds and determines also that New Jersey is  
28 now among a minority of states not having a cabinet-level admini-  
29 strative department devoted exclusively to monitoring the economy,  
30 maintaining continuous liaison with the business community and  
31 its leadership for formulating and directing economic policy so as  
32 to provide business and industry the optimum climate within which  
33 enterprises may grow and prosper to the benefit of society as a  
34 whole.

35 The Legislature, therefore declares it to be in the best interest  
36 of the citizens of this State to establish a principal department  
37 within the Executive Branch to serve as a focus for economic  
38 problems and concerns; as a center for gathering and disseminating  
39 appropriate data and information relative to the economy; to  
40 continually analyze such data and to help formulate economic  
41 policies of the State on the basis thereof; to serve as a major focal  
42 point for economic development activities in cooperation with  
43 other entities, public and private, active in this field; to serve as a  
44 voice for and advocate of the interests of the private sector economy,  
45 not only within the highest councils of the Executive Branch but  
46 also before the Legislature and the general public; to translate  
47 input it receives into programs and policies of the State itself  
48 to the end that New Jersey citizens shall enjoy optimum economic  
49 security and the highest possible standards of living; to coordinate  
50 authority, regulation and planning by the State in matters related  
51 to the economy.]\*\*\*

52 *\*\*The Legislature further finds and determines that the variety*  
53 *and magnitude of New Jersey's economic development programs*  
54 *have now reached a level that warrants their consolidation into a*  
55 *separate cabinet-level administrative department devoted exclu-*  
56 *sively to monitoring the interests and concerns of business and*

57 industry, maintaining continuous liaison with the business com-  
 58 munity and its leadership for the purpose of assisting in the  
 59 formulation and direction of economic policy so as to provide  
 60 business and industry the optimum climate within which enterprises  
 61 may grow and prosper to the benefit of society as a whole. The  
 62 Legislature also finds that the variety and complexity of programs  
 63 which serve to protect the occupational health and safety of workers  
 64 at the workplace, to provide skill development and training pro-  
 65 grams, to provide employability development and employment  
 66 placement programs, to administer the programs designed to  
 67 protect the income security of our workers, to assist in the develop-  
 68 ment and preservation of sound labor management relations and to  
 69 maintain continuing liaison with organized labor and its leadership  
 70 for the purpose of assisting in the formulation and direction of  
 71 policy so as to provide the optimum climate within which organized  
 72 labor can serve the needs of New Jersey's working men and  
 73 women, warrants a cabinet level department devoted exclusively  
 74 to this purpose which shall be known as the Department of Labor.

75 The Legislature, therefore, declares it to be in the best interest  
 76 of the citizens of this State to establish a principal department  
 77 within the Executive Branch to serve as a focus for business and  
 78 industrial problems and concerns; as a center for gathering and  
 79 disseminating appropriate data and information of significance to  
 80 the business community; to continually analyze such data and to  
 81 help formulate economic policies of the State on the basis thereof;  
 82 to serve as a major focal point for economic development activities  
 83 in cooperation with other entities, public and private, active in this  
 84 field; to serve as a voice for and advocate of the interests of the  
 85 business sector, not only within the highest councils of the Execu-  
 86 tive Branch but also before the Legislature and the general public;  
 87 to assist in translating input it receives into programs and policies  
 88 of the State itself to the end that New Jersey citizens shall enjoy  
 89 optimum economic security and the highest possible standards of  
 90 living; to assist in coordinating authority, regulation and planning  
 91 by the State in matters related to the economy.\*\*

1 3. As used in this act:

2 a. "Commissioner" means the Commissioner of the Department  
 3 of Commerce and Economic Development.

4 b. "Department" means the Department of Commerce and Eco-  
 5 nomic Development established by this act.

1 4. There is established in the Executive Branch of the State  
 2 Government a principal department which shall be known as the  
 3 Department of Commerce and Economic Development.

1 5. The administrator and chief executive officer of the depart-  
2 ment shall be a commissioner, who shall be known as the Commis-  
3 sioner of Commerce and Economic Development, and who shall  
4 be a person qualified by training and experience to perform the  
5 duties of his office. The commissioner shall be appointed by the  
6 Governor, with the advice and consent of the Senate, and shall  
7 serve at the pleasure of the Governor during the Governor's term  
8 of office and until the appointment and qualification of the com-  
9 missioner's successor. He shall devote his entire time to the duties  
10 of the office and shall receive such salary as shall be provided by  
11 law. Any vacancy occurring in the office of the commissioner shall  
12 be filled in the same manner as the original appointment.

1 6. The commissioner shall:

2 a. Administer the work of the department;

3 b. Appoint and remove officers and other personnel employed  
4 within the department, subject to the provisions of Title 11 of the  
5 Revised Statutes, and other applicable statutes, except as herein  
6 otherwise specifically provided;

7 c. Have authority to organize and maintain an administrative  
8 division and to assign to employment therein such secretarial,  
9 clerical and other assistants in the department as his office and  
10 the internal operations of the department may require in accord-  
11 ance with Title 11 of the Revised Statutes;

12 d. Perform, exercise and discharge the functions, powers and  
13 duties of the department through such divisions as may be estab-  
14 lished by this act or otherwise by law;

15 e. Organize the work of the department in such divisions, not  
16 inconsistent with the provisions of this act, and in such bureaus  
17 and other organizational units as he may determine to be necessary  
18 for efficient and effective operation;

19 f. Adopt, issue and promulgate, in the name of the department,  
20 pursuant to the "Administrative Procedure Act," P. L. 1968, c. 410  
21 (C. 52:14B-1 et seq.), such rules and regulations as may be au-  
22 thorized by law;

23 g. Formulate and adopt rules and regulations for the efficient  
24 conduct of the work and general administration of the department,  
25 its officers and employees;

26 h. Institute or cause to be instituted such legal proceedings or  
27 processes as may be necessary **\*\*\*[properly to]\*\*\*** **\*\*\*to prop-**  
28 **erly\*\*\*** enforce and give effect to any of his powers or duties;

29 i. Make an annual report to the Governor and to the Legislature  
30 of the department's operations, and render such other reports as  
31 the Governor shall from time to time request or as may be required  
32 by law;

33 j. Coordinate the activities of the department, and the several  
34 divisions and other agencies therein, in a manner designed to  
35 eliminate overlapping and duplicating functions;

36 k. Integrate within the department, so far as practicable, all  
37 staff services of the department and of the several divisions and  
38 other agencies therein;

39 *\*\*l. Have access to all relevant files and records of other State  
40 agencies and require any officer or employee therein to provide  
41 such information as he may deem necessary in the performance  
42 of the functions of the department;\**

43 *\*\*[l.]\*\* \*m.\*\* Maintain suitable headquarters for the depart-  
44 ment and such other quarters as he shall deem necessary to the  
45 proper functioning of the department; and*

46 *\*\*[m.]\*\* \*n.\*\* Perform such other functions as may be pre-  
47 scribed in this act or by any other law.*

1 7. The commissioner *\*\*[shall designate any officer or employee in  
2 the department to perform all of the powers, functions and duties  
3 of the commissioner during the absence or disability of the com-  
4 missioner. Such designation shall be subject to the approval of  
5 the Governor, and shall be in writing and filed with the Secretary  
6 of State.]\*\* \*shall appoint a deputy commissioner, who shall be  
7 designated to perform all of the powers, functions and duties of  
8 the commissioner during the absence or disability of the commis-  
9 sioner, and who shall perform such other duties as are assigned by  
10 the commissioner. Such appointment shall be subject to the  
11 approval of the Governor and shall be filed with the Secretary of  
12 State. The deputy commissioner shall be a person qualified by  
13 training and experience to perform the duties of the office.\*\**

1 8. *\*\*[The Department of Commerce and Economic Development,  
2 through the commissioner,]\*\* \*The department and the com-  
2A missioner, through the\*\* councils, divisions, offices and bureaus  
3 shall be responsible for the activities of the State Government in  
4 the support and development of business and industry through  
5 aid, promotion and advertising of resort facilities, convention  
6 bureaus, domestic and foreign commerce and business and in-  
7 dustrial growth and related programs. It shall also be responsible  
8 for research and statistics in the fields of commerce and industry  
9 and maintenance of a business information service.*

1 9. *\*\*[a. There is constituted within the department a Council  
2 of Commerce and Economic Development consisting of 11 citizens  
3 of the State. Each member of the council shall be appointed by  
4 the Governor with the advice and consent of the Senate to serve*

5 for a term of 4 years from the date of his appointment. Members  
 6 of the council shall serve without compensation but may be reim-  
 7 bursed for necessary expenses incurred in the performance of  
 8 their duties. Prior to appointment, each member of the Council  
 9 shall be qualified by substantial experience and responsibilities of  
 10 significance in commerce, industry, finance or in the field of eco-  
 11 nomic development. The Governor shall designate one of its  
 12 members to serve as the chairman, and the council shall organize  
 13 and adopt procedures for the conduct of its business. The com-  
 14 missioner or an employee of the department designated by him  
 15 shall serve as secretary of the council. The chairman of the council  
 16 shall be its presiding officer. Any vacancies in the membership  
 17 of said council occurring other than by expiration of term shall be  
 18 filled by the Governor, with the advice and consent of the Senate,  
 19 for the unexpired term only. Any member of the council may be  
 20 removed from office by the Governor, for cause, upon notice and  
 21 opportunity to be heard.

22 b. The chairman and other members of the Economic Develop-  
 23 ment Council created by P. L. 1965, c. 21 (C. 13:1B-15.75 et seq.),  
 24 in office on the effective date of this act shall continue in office  
 25 respectively as members of the Council on Commerce and Economic  
 26 Development for the duration of the terms for which they were  
 27 appointed.]\*\*

28 *\*\*The Economic Development Council created by P. L. 1965,*  
 29 *c. 21 (C. 13:1B-15.75 et seq.), shall be transferred to the \*\*\*[De-*  
 30 *partment of Commerce]\*\*\* \*\*\*department\*\*\*. The chairperson*  
 31 *and other members of the Economic Development Council in office*  
 32 *on the effective date of this act shall continue in office respectively*  
 33 *as members of the council for the duration of the terms for which*  
 34 *they were appointed. The council shall provide advice to the com-*  
 35 *missioner and assist the commissioner in the recommendation of*  
 36 *comprehensive policies for the implementation of the functions,*  
 37 *powers and duties assigned to the department for the promotion*  
 38 *of a healthy business and industrial climate in New Jersey. The*  
 39 *council shall consult with and advise the commissioner with respect*  
 40 *to the work of the department, hold hearings with respect thereto*  
 41 *and report to the commissioner annually, and at such other times*  
 42 *as it deems to be in the public interest, with respect to its findings,*  
 43 *conclusions and recommendations. The council may, in its discre-*  
 44 *tion, create advisory committees.\*\**

1 **\*\*[10. The council shall, subject to the approval of the commis-**  
 2 **sioner, \*[formulate]\* \*recommend\* comprehensive policies for the**  
 3 **implementation of the functions, powers and duties assigned to the**



4 department for the promotion of a healthy business and industrial  
 5 climate in New Jersey. The council shall consult with and advise  
 6 the commissioner with respect to the work of the department, hold  
 7 hearings with respect thereto and report to the Governor and the  
 8 Legislature annually, and at such other times as it deems in the  
 9 public interest, with respect to its findings, conclusions and rec-  
 10 ommendations. The council may create such advisory committees  
 11 as it shall determine.]\*\*

1 \*\*[11.]\*\* \*\*10.\*\* The Division of Economic Development in the  
 2 Department of Labor and Industry established pursuant to P. L.  
 3 1965, c. 21 (C. 13:1B-15.75 et seq.) is abolished and the employees  
 4 of this division *\*\*\*as it was originally constituted\*\*\** are trans-  
 5 ferred, pursuant to the "State Agency Transfer Act", P. L. 1971,  
 6 c. 375 (C. 52:14D-1 et seq.) to the new Division of Economic De-  
 7 velopment in the Department of Commerce and Economic Develop-  
 8 ment established pursuant to this act.

1 \*\*[12.]\*\* \*\*11. a.\*\* The Office of Economic Policy in the Depart-  
 2 ment of the Treasury, as heretofore established pursuant to P. L.  
 3 1966, c. 129 (C. 52:18A-125 et seq.), together with all of its func-  
 3A tions, powers, and duties, is transferred and constituted as the  
 4 Office of Economic Policy in the Department of Commerce and  
 5 Economic Development. The members of the Economic Policy  
 6 Council, the director of the office and all holders of office, position  
 7 or employment in the Office of Economic Policy and all appropria-  
 8 tions made to the office are transferred to the Department of  
 9 Commerce and Economic Development. The Commissioner of  
 10 Commerce and Economic Development shall succeed to all the  
 11 powers and duties of the State Treasurer in connection with the  
 12 Office of Economic Policy.

13 *\*\*b. The Economic Policy Council and the Office of Economic*  
 14 *Policy shall continue to meet periodically with the Governor and*  
 15 *Legislature and present to them their **\*\*\*[independently ar-***  
 16 *rived]\*\*\* **\*\*\*independent\*\*\*** evaluation of the State of New Jersey*  
 17 *economy and recommend policies to embrace the economy's con-*  
 18 *tinuing growth and improvement. To the extent possible, the Office*  
 19 *Economic Policy shall assist the **\*\*\*[Division]\*\*\* **\*\*\*Office\*\*\*** of***  
 20 *Economic Research in the performance of its duties and functions.\*\**

1 \*\*[13.]\*\* \*\*12.\*\* **\*\*\*[a.]\*\*\*** The New Jersey Economic De-  
 2 velopment Authority in the Department of Labor and Industry,  
 3 established pursuant to P. L. 1974, c. 80 (C. 34:1B-1 et seq.), to-  
 4 gether with all its functions, powers, and duties, is continued and  
 5 transferred to the Department of Commerce and Economic Develop-  
 6 ment. This shall not affect the terms of office of the present

7 members of the authority. \***[The members of the authority shall**  
 8 continue to be appointed as provided by existing law except that  
 9 the Commissioner of Commerce and Economic Development shall  
 10 serve as an exofficio member and as chairman of the authority.]\*

11 \*\*\***[\*b. The authority shall consist of the Commissioner of Labor**  
 12 *and Industry, the Commissioner of Environmental Protection, the*  
 13 *Commissioner of Community Affairs, the State Treasurer, and the*  
 14 *Commissioner of Commerce and Economic Development, who shall*  
 15 *be members ex officio, and four citizen members to be appointed*  
 16 *by the Governor with the advice and consent of the Senate for 3-*  
 17 *year terms. Of the three citizen members first appointed by the*  
 18 *Governor one shall serve for 1 year, one shall serve for 2 years*  
 19 *and one shall serve for 3 years. The fourth citizen member first*  
 20 *appointed shall serve for a 3-year term except that the fourth*  
 21 *citizen member shall be appointed so that the term of his member-*  
 22 *ship does not coincide with that of any other citizen member. The*  
 23 *Commissioner of Commerce and Economic Development shall*  
 24 *serve as chairman of the authority. The members of the authority*  
 25 *shall continue to be appointed as provided by existing law.]\*\*\*\**

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

3 4. a. There is hereby established in, but not of, the Department  
 4 of **[Labor and Industry]** *Commerce and Economic Development*  
 5 a public body corporate and politic, with corporate succession, to  
 6 be known as the "New Jersey Economic Development Authority."  
 7 The authority is hereby constituted as an instrumentality of the  
 8 State exercising public and essential governmental functions, and  
 9 the exercise by the authority of the powers conferred by this act  
 10 shall be deemed and held to be an essential governmental function  
 11 of the State.

12 b. The authority shall consist of *the Commissioner of Commerce*  
 13 *and Economic Development, the Commissioner of Labor and In-*  
 14 *dustry, the Commissioner of Environmental Protection, the Com-*  
 15 *missioner of Community Affairs, and the State Treasurer, who*  
 16 *shall be members ex officio, and **[three]** four members appointed by*  
 17 *the Governor with the advice and consent of the Senate for terms*  
 18 *of 3 years, provided that the members of the authority (other than*  
 19 *the ex officio members) first appointed by the Governor shall serve*  
 20 *for terms of 1 year, 2 years, and 3 years respectively. The fourth*  
 21 *citizen member first appointed shall serve for a 3-year term except*  
 22 *that the fourth member shall be appointed so that the term of his*  
 23 *membership does not coincide with that of any other citizen member.*  
 24 Each member shall hold office for the term of his appointment and

25 until his successor shall have been appointed and qualified. A mem-  
26 ber shall be eligible for reappointment. Any vacancy in the member-  
27 ship occurring other than by expiration of term shall be filled in the  
28 same manner as the original appointment but for the unexpired  
29 term only. In the event the authority shall by resolution determine  
30 to accept the declaration of an urban growth zone by any municipi-  
31 pality, the mayor or other chief executive officer of such municipi-  
32 pality shall ex officio be a member of the authority for the purpose  
33 of participating and voting on all matters pertaining to such urban  
34 growth zone.

35 The Governor shall appoint with the advice and consent of the  
36 Senate, three alternate members of the authority for terms of 3  
37 years. At the time of appointment, the Governor shall designate  
38 a first alternate, second alternate and third alternate. In the event  
39 that a member of the authority, other than an ex officio member,  
40 is unable to attend all or any portion of a meeting of the authority,  
41 or is for any reason unable to perform the duties and responsi-  
42 bilities of a member of the authority for a temporary period, the  
43 chairman may authorize an alternate member, in order of desig-  
44 nation, to exercise all of the powers, duties and responsibilities  
45 of such member, including, but not limited to, the right to vote on  
46 matters before the authority.

47 Each alternate member shall hold office for the term of his  
48 appointment and until his successor shall have been appointed and  
49 qualified. An alternate member shall be eligible for reappointment.  
50 Any vacancy in the alternate membership occurring other than by  
51 expiration of term shall be filled in the same manner as the original  
52 appointment but for the unexpired term only. Any reference to  
53 a member of the authority in this act shall be deemed to include  
54 alternate members unless the context indicates otherwise.

55 c. Each appointed member may be removed from office by the  
56 Governor, for cause, after a public hearing, and may be suspended  
57 by the Governor pending the completion of such hearing. Each  
58 member before entering upon his duties shall take and subscribe  
59 an oath to perform the duties of his office faithfully, impartially  
60 and justly to the best of his ability. A record of such oaths shall  
61 be filed in the office of the Secretary of State.

62 d. The Commissioner of **【Labor and Industry】** *Commerce and*  
63 *Economic Development* shall be the chairman of the authority. The  
64 members of the authority shall elect from their remaining number  
65 a vice chairman and a treasurer thereof. The authority shall employ  
66 an executive director who shall be its secretary and chief executive  
67 officer. The powers of the authority shall be vested in the members

68 thereof in office from time to time and four members of the authority  
69 shall constitute a quorum at any meeting thereof. Action may be  
70 taken and motions and resolutions adopted by the authority at any  
71 meeting thereof by the affirmative vote of at least ~~four~~ *five*  
72 members of the authority. No vacancy in the membership of the  
73 authority shall impair the right of a quorum of the members to  
74 exercise all the powers and perform all the duties of the authority.

75 e. Each member of the authority shall execute a bond to be con-  
76 ditioned upon the faithful performance of the duties of such mem-  
77 ber in such form and amount as may be prescribed by the Comp-  
78 troller of the Treasury. Such bonds shall be filed in the office of  
79 the Secretary of State. At all times thereafter the members and  
80 treasurer of the authority shall maintain such bonds in full force  
81 and effect. All costs of such bonds shall be borne by the authority.

82 f. The members of the authority shall serve without compensa-  
83 tion, but the authority shall reimburse its members for actual  
84 expenses necessarily incurred in the discharge of their duties.  
85 Notwithstanding the provisions of any other law, no officer or  
86 employee of the State shall be deemed to have forfeited or shall  
87 forfeit his office or employment or any benefits or emoluments  
88 thereof by reason of his acceptance of the office of ex officio member  
89 of the authority or his services therein.

90 g. Each ex officio member of the authority may designate an  
91 officer or employee of his department to represent him at meetings  
92 of the authority, and each such designee may lawfully vote and  
93 otherwise act on behalf of the member for whom he constitutes  
94 the designee. Any such designation shall be in writing delivered  
95 to the authority and shall continue in effect until revoked or  
96 amended by writing delivered to the authority.

97 h. The authority may be dissolved by act of the Legislature on  
98 condition that the authority has no debts or obligations outstand-  
99 ing or that provision has been made for the payment or retirement  
100 of such debts or obligations. Upon any such dissolution of the  
101 authority, all property, funds and assets thereof shall be vested in  
102 the State.

103 i. A true copy of the minutes of every meeting of the authority  
104 shall be forthwith delivered by and under the certification of the  
105 secretary thereof to the Governor. No action taken at such meeting  
106 by the authority shall have force or effect until 10 days, Saturdays,  
107 Sundays, and public holidays excepted, after such copy of the  
108 minutes shall have been so delivered unless during such 10-day  
109 period the Governor shall approve the same in which case such  
110 action shall become effective upon such approval. If, in said 10-

111 day period, the Governor returns such copy of the minutes with  
112 veto of any action taken by the authority or any member thereof  
113 at such meeting, such action shall be null and void and of no effect.  
114 The powers conferred in this paragraph (i) upon the Governor  
115 shall be exercised with due regard for the rights of the holders of  
116 bonds and notes of the authority at any time outstanding, and  
117 nothing in, or done pursuant to, this paragraph (i) shall in any  
118 way limit, restrict or alter the obligation or powers of the authority  
119 or any representative or officer of the authority to carry out and  
120 perform in every detail each and every covenant, agreement or  
121 contract at any time made or entered into by or on behalf of the  
122 authority with respect to its bonds or notes or for the benefit, pro-  
123 tection or security of the holders thereof.

124 j. On or before March 31 in each year, the authority shall make  
125 an annual report of its activities for the preceding calendar year  
126 to the Governor and the Legislature. Each such report shall set  
127 forth a complete operating and financial statement covering the  
128 authority's operations during the year. The authority shall cause  
129 an audit of its books and accounts to be made at least once in each  
130 year by certified public accountants and cause a copy thereof to be  
131 filed with the Secretary of State and the Comptroller of the  
132 Treasury.

133 k. The Comptroller of the Treasury and his legally authorized  
134 representatives are hereby authorized and empowered from time  
135 to time to examine the accounts, books and records of the authority,  
136 including its receipts, disbursements, contracts, sinking funds, in-  
137 vestments and any other matters relating thereto and to its financial  
138 standing.

139 l. No member, officer, employee or agent of the authority shall  
140 be interested, either directly or indirectly, in any project or in  
141 any contract, sale, purchase, lease or transfer of real or personal  
142 property to which the authority is a party.\*\*\*

1 \***[14. The New Jersey Area Redevelopment Authority in**  
2 **the Department of Labor and Industry, established pursuant to**  
3 **P. L. 1962, c. 204 (C. 13:1B-15.13 et seq.), together with all its**  
4 **functions, powers and duties, is continued and transferred to the**  
5 **Department of Commerce and Economic Development. This act**  
6 **shall not affect the terms of office of the present members of the**  
7 **authority. The members of the authority shall continue to be**  
8 **appointed as provided by existing law, except that the Commis-**  
9 **sioner of Commerce and Economic Development shall also serve**  
10 **as an ex-officio member of the authority.]\***

1 \***[15.]**\* \*\***[14.]**\*\* \*\*\***[13.]**\*\*\* \*\***14.**\*\* The South Jersey  
 2 Port Corporation in the Department of Labor and Industry, estab-  
 3 lished pursuant to P. L. 1968, c. 60 (C. 12:11A-1 et seq.), together  
 4 with all its functions, powers and duties, is continued and trans-  
 5 ferred to the Department of Commerce and Economic Develop-  
 6 ment. This shall not affect the terms of office of the present members  
 7 of the corporation. The members of the corporation shall continue  
 8 to be appointed as provided by existing law.

1 \***[16.]**\* \*\***[15.]**\*\* \*\*\***[14.]**\*\*\* \*\***15.**\*\* The New Jersey  
 2 Motion Picture and Television Development Commission in the De-  
 3 partment of Labor and Industry, established pursuant to P. L. 1977,  
 4 c. 44 (C. 34:1B-22 et seq.), together with all its powers, functions  
 5 and duties, is continued and transferred to the Department of Com-  
 6 merce and Economic Development. This act shall not affect the  
 7 terms of office of the present members of the commission. The mem-  
 8 bers of the commission shall continue to be appointed as provided  
 9 by existing law, except that the Commissioner of Commerce and  
 10 Economic Development shall also serve as an ex-officio member of  
 11 the commission.

1 \***[17.]**\* \*\***[16.]**\*\* \*\*\***[15.]**\*\*\* \*\***16.**\*\* The Division of  
 2 Travel and Tourism in the Department of Labor and Industry,  
 3 established pursuant to P. L. 1977, c. 225 (C. 34:1A-45 et seq.),  
 4 together with all its powers, functions and duties, is continued and  
 5 transferred to the Department of Commerce and Economic Develop-  
 6 ment. This act shall not affect the terms of office of the present  
 7 members of the Tourism Advisory Council in the Division of Travel  
 8 and Tourism and the members of the commission shall continue to  
 9 be appointed as provided by existing law.

1 \*\* \*\*\***[16.]**\*\*\* \*\***17.**\*\* *The Office for Promoting Technical In-*  
 2 *novation in the Department of Labor and Industry, established pur-*  
 3 *suant to P. L. 1977, c. 429 (C. 34:1A-64 et seq.), together with all its*  
 4 *powers, functions and duties, is continued and transferred to the*  
 5 *Department of Commerce and Economic Development. This act*  
 6 *shall not affect the terms of office of the present members of the*  
 7 *Technical Advisory Board in the Office for Promoting Technical*  
 8 *Innovation and the members of the board shall continue to be ap-*  
 9 *pointed as provided by existing law.\*\**

1 \***[18.]**\* \*\*\***[17.]**\*\*\* \*\***18.**\*\* There is established in the de-  
 2 partment \*\***[a Division of Commerce and Industry]**\*\* \*\**an Office*  
 3 *of Economic Research*\*\*, a Division of Economic Development,  
 4 \*\**and a Division of International Trade*\*\* \*\***[and an Office of Busi-**  
 5 **ness Economics]**\*\*.

1     \*\*[19.]\*\* \*\*\*[18.]\*\*\* \*\*19.\*\* The \*\*[Division of Commerce  
 1A and Industry]\*\* \*\**Office of Economic Research*\*\* shall:

2     a. Study trends and developments in the industries of the State  
 3 and analyze the reasons underlying such trends; study costs and  
 4 other factors affecting successful operation of businesses within  
 5 the State; and make recommendations regarding circumstances  
 6 promoting or hampering business and industrial development;

7     b. Investigate and study conditions affecting New Jersey busi-  
 8 ness, industry, and commerce, and collect and disseminate informa-  
 9 tion, and engage in technical studies, \*\*\*[scientific investiga-  
 10 tions,]\*\*\* statistical research, and \*\*\*[education]\*\*\* \*\*\**educa-*  
 11 *tional*\*\*\* activities necessary or useful in promoting and develop-  
 12 ing New Jersey business, industry, and commerce, both within and  
 12A outside the State;

13     c. Develop an effective business information service both for  
 14 the direct assistance of industry of the State and for the encourage-  
 15 ment of industries outside the State to use business facilities  
 16 within the State;

17     d. Serve as a clearing house for business and industrial problems  
 18 of the State;

18A     e. Collect and disseminate information related to population,  
 18B housing trends and needs and serve as a clearinghouse for the  
 18C exchange of information on the condition and needs of the housing  
 18D industry of the State;

18E     f. Provide information to existing and proposed small business  
 18F ventures relative to organization, financing, regulation and com-  
 18G pliance with government regulations;

19     g. Develop and make available, periodically, \*\*\*[scientific]\*\*\*  
 20 indices and other information relating to current business condi-  
 20A tions;

21     h. Make recommendations to the \*\*[Council on Commerce and  
 22 Economic Development]\*\* \*\**the Economic Development Council*\*\*  
 23 from time to time, for the remedy or improvement of any condi-  
 24 tions, and for the elimination of any restrictions and burdens  
 25 imposed by law, or otherwise existing, which adversely affect or  
 26 retard the development and expansion of business and industry.

27     *i. The \*\*\*functions, duties, records, property and personnel of  
 28 the\*\*\* economic development research activity, now located in the  
 29 Office of Economic Research in the Division of Planning and Re-  
 30 search in the Department of Labor and Industry, \*\*\*[their func-  
 31 tions, duties, records, property and personnel]\*\*\* are transferred  
 32 to the Office of Economic Research in the Department of Commerce  
 33 and Economic Development.\*\**

1 \*~~[20.]~~\* \*\*\*~~[19.]~~\*\*\* \*\*20.\*\* The \*\*~~[Division of Commerce~~  
 2 and Industry]\*\* \*\**Office of Economic Research*\*\* shall be under  
 3 the immediate supervision of a director, who shall be a person quali-  
 4 fied by training and experience to direct the work of such division.  
 5 The director of such division shall be appointed by the \*~~[Governor,~~  
 5A with the advice and consent of the Senate and shall serve  
 6 during the term of office of the Governor appointing him and  
 7 until the director's successor is appointed and has qualified.]\*  
 7A \**commissioner and shall serve at the pleasure of the commissioner.*\*

8 The director shall administer the work of such division under  
 9 the direction and supervision of the commissioner, and shall per-  
 10 form such other functions of the department as the commissioner  
 11 may prescribe.

1 \*~~[21.]~~\* \*\*\*~~[20.]~~\*\*\* \*\*21.\*\* The Division of Economic De-  
 1A velopment shall:

2 a. Promote and encourage the location and development of new  
 3 business, industry, and commerce in the State as well as the main-  
 4 tenance and expansion of existing business, industry, and  
 5 commerce;

6 b. Promote and encourage the expansion and development of  
 7 markets for products and services of New Jersey businesses and  
 8 industries;

9 c. Conduct or encourage research designed to further new and  
 10 more extensive uses of the resources of the State, and designed  
 11 to develop new products and industrial processes;

12 d. Cooperate with business service organizations, utility com-  
 13 panies, railroads, financial institutions and similar groups and  
 14 agencies actively engaged in economic development within the  
 15 State and plan its program of work to supplement and support  
 16 the programs of such voluntary private organizations and agencies;

17 e. Advise and cooperate with municipal, county, regional and  
 18 other local agencies and officers within the State, to provide  
 19 guidance and assistance, when requested, in their efforts toward  
 20 economic development of their respective areas, and to assist them  
 21 to make an effective selection of economic promotional activities  
 22 best suited to their potentialities and needs;

23 f. Cooperate with other State and interstate agencies engaged  
 24 in formulating and promoting the adoption of interstate compacts  
 25 and agreements helpful to business, industry and commerce;

26 g. Investigate, study, and undertake ways and means of promot-  
 27 ing and encouraging the prosperous development and protection  
 28 of the legitimate interests and welfare of New Jersey business and  
 29 industry within and outside the State\*\*~~[;]~~\*\* \*\*.



30   **\*\*[h. Encourage and develop commerce with other states and**  
 31 **foreign countries.]\*\***

1   **\*[22.]\* \*\*\*[\*21.]\*\*\*\* \*\*\*22.\*\*\*** The Division of Economic De-  
 2 velopment shall be under the immediate supervision of a director,  
 3 who, prior to his appointment, shall be qualified by responsible work  
 4 in economic development activities or its equivalent in training and  
 5 experience. The director of such division shall be appointed by the  
 6 **\*[Governor, with the advice and consent of the Senate and shall**  
 7 **serve during the term of office of the Governor appointing him and**  
 8 **until the director's successor is appointed and has qualified.]\***

8A *\*commissioner and shall serve at the pleasure of the commissioner.\**

9   The director shall administer the work of such division under  
 10 the direction and supervision of the commissioner, and shall per-  
 11 form such other functions of the department as the commissioner  
 12 may prescribe.

1   **\*[23.]\* \*\*\*[\*22.]\*\*\*\* \*\*\*23.\*\*\*** **\*\*[a. The Office of Business**  
 2 **Economics shall be responsible for the preparation, compilation**  
 3 **and dissemination of research and statistical studies and informa-**  
 4 **tion of practical, commercial, industrial and developmental signifi-**  
 5 **cance in the interest of the economy of the State.**

6   **b. The Office of Business Economics and the economic develop-**  
 7 **ment research activity now located in the Division of Planning and**  
 8 **Research of the Department of Labor and Industry, their functions,**  
 9 **duties, records and property and such of the personnel assigned**  
 10 **thereto as shall be agreed upon by the commissioner and the Com-**  
 11 **missioner of Labor and Industry, with the approval of the State**  
 12 **Treasurer are transferred to and constituted the Office of Business**  
 13 **Economics in the Department of Commerce and Economic**  
 14 **Development.**

15   **c. The Office of Business Economics shall be under the immediate**  
 16 **supervision of a person qualified by extensive professional training**  
 17 **and experience in statistical and economic research and analysis.]\*\***

18   **\*\*There is established in the department a Division of Inter-**  
 19 **national Trade. The Division of International Trade shall:**

20   **a. Encourage and promote foreign investment in New Jersey**  
 21 **by establishing and maintaining contact with representatives of**  
 22 **foreign governments and businesses, and providing information on**  
 23 **the benefits of investing in New Jersey;**

24   **b. Encourage and promote the expansion and development of**  
 25 **foreign export markets for products and services of New Jersey**  
 26 **businesses and industries by providing information and assistance**  
 27 **to those New Jersey companies wishing to penetrate foreign**  
 28 **markets;**

29     *c. The Division of International Trade shall be under the imme-*  
 30 *diante supervision of a director, who prior to appointment shall be*  
 31 *qualified by responsible work in economic development and inter-*  
 32 *national trade activities or its equivalent in training and experi-*  
 33 *ence. The director of such division shall be appointed by the*  
 34 *commissioner and shall serve during the term of office of the*  
 35 *appointing commissioner and until such time a successor is*  
 36 *appointed.\*\**

1     \*~~[24.]~~\* \*\*\*~~[\*23.\*]~~\*\*\* \*\*\*24.\*\*\* The department shall, to the  
 2 maximum practicable extent, utilize consolidated statistical services  
 3 and data processing facilities so that unnecessary duplication will  
 4 be avoided. To that end, it is directed that the commissioner, the  
 5 Commissioner of Labor and Industry and the Director of the Di-  
 6 vision of Budget and Accounting shall, from time to time, coopera-  
 7 tively determine and agree upon the nature and extent of assistance  
 8 and services to be provided the department by the Division of  
 9 \**Planning and*\* Research and \*~~[Statistics and]~~\* the Division of  
 10 Systems and Communications in the Department of Labor and  
 11 Industry so as to meet the requirements of the department neces-  
 12 sary to the reasonable exercise of its powers and the fulfillment of  
 13 its functions and duties as set forth in this act.

1     \*~~[25.]~~\* \*\*\*~~[\*24.\*]~~\*\*\* \*\*\*25.\*\*\* Sections 1 through 8 and 12 of  
 2 P. L. 1965, c. 21 (C. 13:1B-15.75 to 13:1B-15.82 and 13:1B-15.83)  
 3 are repealed.

1     \*~~[26.]~~\* \*\*\*~~[\*25.\*]~~\*\*\* \*\*\*26.\*\*\* Within 6 months of the effective  
 2 date of this act, the commissioner, after consultation with \*~~[the~~  
 3 ~~Director of the Division of Commerce and Industry, the Director of~~  
 4 ~~the Division of Economic Development]~~\* \**all division directors*\*,  
 5 the State Treasurer and the commissioners of appropriate executive  
 6 departments, including but not necessarily limited to the Depart-  
 7 ments of Labor and Industry and Environmental Protection shall  
 8 prepare and submit a report to the Legislature and the Governor  
 9 identifying (1) Those functions and duties currently exercised by  
 10 other departments, divisions, agencies, commissions, councils,  
 11 boards or bureaus of State Government relating to commerce and  
 12 economic development that might be appropriately transferred to  
 13 the department; and (2) Those functions and duties transferred to  
 14 the department pursuant to the provisions of this act that might be  
 15 appropriately transferred to other departments. Such transfers  
 16 may be effectuated by executive order or law, as the case may be.

1     \*\* \*\*\*~~[26.]~~\*\*\* \*\*\*27.\*\*\* *a. Within 6 months following the effec-*  
 2 *tive date of this act, the commissioner of the department in consul-*

3 tation with the Commissioner of Labor and Industry shall jointly  
 4 review the operations, personnel and staff organization of those  
 5 agencies transferred from the Department of Labor and Industry  
 6 to the Department of Commerce and Economic Development and,  
 7 with the approval of the Department of Civil Service and the Di-  
 8 vision of Budget and Accounting, establish a plan, if such is needed,  
 9 for reorganization and transfer of personnel.

10 b. Nothing in this section shall be construed to deprive employees  
 11 of any rights or protections provided by Civil Service (Title 11) or  
 12 the pension and retirement laws of this State.\*\*

1 \*~~[27.]~~\* \*\*~~[\*26.\*]~~\*\* \*\*\*~~[\*\*27.\*\*]~~\*\*\* \*\*28.\*\* The transfers  
 2 directed by this act, except as otherwise provided herein, shall be  
 3 made in accordance with the "State Agency Transfer Act", P. L.  
 4 1971, c. 375 (C. 52:14D-1 et seq.).

1 \*~~[28.]~~\* \*\*~~[\*27.\*]~~\*\* \*\*\*~~[\*\*28.\*\*]~~\*\*\* \*\*29.\*\* On the effective  
 2 date of this act the Department of Labor and Industry established  
 3 pursuant to P. L. 1948, c. 446 (C. 34:1A-1 et seq.) shall be entitled  
 4 and known as the Department of Labor and whenever in any law,  
 5 rule, regulation, order, contract, document, judicial or administra-  
 6 tive proceeding or otherwise, reference is made to the Department  
 7 of Labor and Industry, the same shall mean and refer to the De-  
 8 partment of Labor.

1 \*\*\*\*\*~~[\*\*\*30.~~ Any rule, except an imminent peril rule, adopted  
 2 and filed with the Office of Administrative Law by the department,  
 3 or any agency thereof, shall be inoperative for 60 days following  
 4 the filing. The department or agency shall at the time of filing  
 5 provide a notice of adoption to the President of the Senate and  
 6 the Speaker of the General Assembly. If prior to the expiration  
 7 of the 60 days the Legislature shall adopt a concurrent resolution  
 8 by majority vote of the authorized membership of both houses  
 9 disapproving the rule in whole or part, the rule or part thereof  
 10 shall be deemed permanently inoperative. The Legislature may,  
 11 prior to the expiration of the 60 days, adopt a concurrent resolution  
 12 by majority vote of the membership of both houses approving the  
 13 rule in whole or part, in which case the rule or part thereof shall  
 14 be operative upon adoption of the resolution. Any rule adopted  
 15 and filed to amend or supersede any rule or part thereof which has  
 16 been deemed permanently inoperative shall be subject to the pro-  
 17 visions of this section.\*\*\*\*\*

1 \*~~[29.]~~\* \*\*~~[\*28.\*]~~\*\* \*\*\*~~[\*\*29.\*\*]~~\*\*\* \*\*\*\*\*~~[\*\*\*30.\*\*]~~\*\*\*\*\*  
 2 \*\*\*\*\*~~[\*\*\*31.\*\*]~~\*\*\*\*\* \*\*30.\*\* In addition to the funds  
 3 transferred to the department by this act, there is appropriated

4 the sum of \$250,000.00, or so much thereof as may be necessary,  
5 from the Unemployment Compensation Auxiliary Fund established  
6 pursuant to R. S. 43:21-14 (g) to be allocated for the implementa-  
7 tion of this act, subject to the approval of the Director of the Divi-  
8 sion of Budget and Accounting in the Department of the Treasury.

1 \*~~[30.]~~\* \*\*~~[29.]~~\*\* \*\*\*~~[\*\*30.\*\*]~~\*\* \*\*~~[\*\*31.\*\*]~~\*\*  
2 \*\*\*\*\*~~[\*\*32.\*\*]~~\*\*\*\*\* \*\*~~[\*\*31.\*\*]~~\*\* All acts and parts of  
3 acts inconsistent with the provisions of this act are superseded.

1 \*~~[31.]~~\* \*\*~~[30.]~~\*\* \*\*\*~~[\*\*31.\*\*]~~\*\* \*\*~~[\*\*32.\*\*]~~\*\*  
2 \*\*\*\*\*~~[\*\*33.\*\*]~~\*\*\*\*\* \*\*~~[\*\*32.\*\*]~~\*\* This act shall take effect  
3 immediately.

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8 lature and the Governor identifying (1) Those functions and  
9 duties currently exercised by other departments, divisions, agencies,  
10 commissions, councils, boards or bureaus of State Government  
11 relating to commerce and economic development that might be  
12 appropriately transferred to the department; and (2) Those func-  
13 tions and duties transferred to the department pursuant to the  
14 provisions of this act that might be appropriately transferred to  
15 other departments. Such transfers may be effectuated by executive  
16 order or law, as the case may be.

1 27. The transfers directed by this act, except as otherwise  
2 provided herein, shall be made in accordance with the "State  
3 Agency Transfer Act", P. L. 1971, c. 375 (C. 52:14D-1 et seq.).

1 28. On the effective date of this act the Department of Labor  
2 and Industry established pursuant to P. L. 1948, c. 446 (C. 34:1a-1  
3 et seq.) shall be entitled and known as the Department of Labor and  
4 whenever in any law, rule, regulation, order, contract, document,  
5 judicial or administrative proceeding or otherwise, reference is  
6 made to the Department of Labor and Industry, the same shall  
7 mean and refer to the Department of Labor.

1 29. In addition to the funds transferred to the department by  
2 this act, there is appropriated the sum of \$250,000.00, or so much  
3 thereof as may be necessary, from the Unemployment Compensa-  
4 tion Auxiliary Fund established pursuant to R. S. 43:21-14 (g) to  
5 be allocated for the implementation of this act, subject to the  
6 approval of the Director of the Division of Budget and Accounting  
7 in the Department of the Treasury.

1 30. All acts and parts of acts inconsistent with the provisions of  
2 this act are superseded.

1 31. This act shall take effect immediately.

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#### STATEMENT

This bill creates a "principal department" within the Executive Branch entitled the "Department of Commerce and Economic Development." The department will be headed by a cabinet-rank commissioner appointed by the Governor with the advice and consent of the Senate. In addition, the 11-member Economic Policy Council presently in the Department of Labor and Industry is transferred, pursuant to the provisions of the bill, to the new department and its title is changed to the "Council of Commerce and Economic Development." As with the present council the members are to be appointed by the Governor with the advice and

consent of the Senate, however, the bill provides that the present membership of the Economic Development Council, including the chairman, are to be continued in office for the remainder of their present terms as members of the new Council of Commerce and Economic Development. Members of the council are subject to removal by the Governor for cause, after notice and hearing.

The purpose of this new department will be, among other things, to serve as "a center for gathering and disseminating appropriate data and information relative to the economy," to analyze and assist in the formulation of economic policies of the State, to be an organizing and support center for other public and private organizations, to serve as the "advocate" for private enterprise within State Government and before the public and "to coordinate authority regulation and planning by the State in matters pertaining to the economy."

The proposed department will contain nine component agencies and two councils. Eight of the agencies and the two councils are already existing entities and are being transferred by the provisions of the bill from other departments in the executive branch. One agency is newly created by the bill. The affected agencies are as follows:

TRANSFERRED FROM DEPARTMENT OF LABOR AND INDUSTRY

Division of Economic Development  
 New Jersey Economic Development Authority  
 New Jersey Area Redevelopment Authority  
 South Jersey Port Corporation  
 New Jersey Motion Picture and Television Development  
 Commission  
 Division of Travel and Tourism  
 Office of Business Economics  
 Economic Development Council (to be known in the new department as the Council of Commerce and Economic Development)

TRANSFERRED FROM DEPARTMENT OF TREASURY

Office of Economic Policy  
 Economic Policy Council

NEWLY CREATED

Division of Commerce and Industry

The new division, as is the case with the Division of Economic Development, is headed by a director who is appointed by the Governor with the advice and consent of the Senate. The new division is to serve as a clearing house for information on commerce and industry, to make studies of business conditions, to compile

data and to develop a coordinated, effective business information service. The division is to study restrictions on the growth of New Jersey business and make recommendations on ways to eliminate such restrictions where possible. The division is to engage in a program to promote and develop a healthy climate for New Jersey business both in and outside the State.

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ASSEMBLY LABOR COMMITTEE  
MINORITY STATEMENT TO  
**ASSEMBLY, No. 2076 & SENATE, No. 874**

[ASSEMBLY REPRINT]

[SECOND OFFICIAL COPY REPRINT]

**STATE OF NEW JERSEY**

DATED: NOVEMBER 24, 1980

BY ASSEMBLYMAN ZANGARI

The purposes for the proposed Department of Commerce and Economic Development are all admirable but they are all being performed rather well at present by other departments of State Government. It is a fallacy of modern day government that the only way you can solve a problem is to spend more taxpayer's money on it and put more bureaucrats to work studying and examining it. This is exactly what we are doing when we give support to the notion that our State Government needs a new Department of Commerce and Economic Development. The sponsors of Assembly Bill No. 2076 and Senate Bill No. 874 admit that the duties and responsibilities of this new department will largely involve taking agencies or divisions from two existing departments (Labor and Industry and Treasury) and transferring them into the new department. We are left dangling about the added costs this will entail. A new \$56,000.00 commissioner with a number of support staffers will be required. New facilities to house this department will have to be found. I am against this concept since I find no reason to believe the business community is not receiving fair and competent attention from New Jersey under the structure of government now existing.



ASSEMBLY COMMITTEE AMENDMENTS TO

**SENATE, No. 874**

[SECOND OFFICIAL COPY REPRINT]

**STATE OF NEW JERSEY**

ADOPTED NOVEMBER 24, 1980

Amend page 1, title, line 3, after "Government," insert "amending P. L. 1974, c. 80,".

Amend page 4, section 6, line 27, omit "properly to", insert "to properly".

Amend page 6, section 9, line 29, omit "Depart-".

Amend page 6, section 9, line 30, omit "ment of Commerce", insert "department".

Amend page 7, section 10, line 4, after "division", insert "as it was originally constituted".

Amend page 7, section 11, line 15, after "their", omit "independently arrived", insert "independent".

Amend page 7, section 11, line 19, omit "Division", insert "Office".

Amend page 7, section 12, line 1, omit "a.".

Amend page 8, section 12, lines 11-25, omit.

Amend page 8, section 12, after line 25, insert new section "13." as follows:

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

4. a. There is hereby established in, but not of, the Department of **[Labor and Industry]** *Commerce and Economic Development* a public body corporate and politic, with corporate succession, to be known as the "New Jersey Economic Development Authority." The authority is hereby constituted as an instrumentality of the State exercising public and essential governmental functions, and the exercise by the authority of the powers conferred by this act shall be deemed and held to be an essential governmental function of the State.

b. The authority shall consist of *the Commissioner of Commerce and Economic Development*, the Commissioner of Labor and Industry, the Commissioner of Environmental Protection, the Commissioner of Community Affairs, and the State Treasurer, who shall be members ex officio, and **[three]** *four* members appointed by the Governor with the advice and consent of the Senate for terms of 3 years, provided that the members of the authority (other than the ex officio members) first appointed by the Governor shall serve for terms of 1 year, 2 years, and

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

3 years respectively. *The fourth citizen member first appointed shall serve for a 3-year term except that the fourth member shall be appointed so that the term of his membership does not coincide with that of any other citizen member.* Each member shall hold office for the term of his appointment and until his successor shall have been appointed and qualified. A member shall be eligible for reappointment. Any vacancy in the membership occurring other than by expiration of term shall be filled in the same manner as the original appointment but for the unexpired term only. In the event the authority shall by resolution determine to accept the declaration of an urban growth zone by any municipality, the mayor or other chief executive officer of such municipality shall ex officio be a member of the authority for the purpose of participating and voting on all matters pertaining to such urban growth zone.

The Governor shall appoint with the advice and consent of the Senate, three alternate members of the authority for terms of 3 years. At the time of appointment, the Governor shall designate a first alternate, second alternate and third alternate. In the event that a member of the authority, other than an ex officio member, is unable to attend all or any portion of a meeting of the authority, or is for any reason unable to perform the duties and responsibilities of a member of the authority for a temporary period, the chairman may authorize an alternate member, in order of designation, to exercise all of the powers, duties and responsibilities of such member, including, but not limited to, the right to vote on matters before the authority.

Each alternate member shall hold office for the term of his appointment and until his successor shall have been appointed and qualified. An alternate member shall be eligible for reappointment. Any vacancy in the alternate membership occurring other than by expiration of term shall be filled in the same manner as the original appointment but for the unexpired term only. Any reference to a member of the authority in this act shall be deemed to include alternate members unless the context indicates otherwise.

c. Each appointed member may be removed from office by the Governor, for cause, after a public hearing, and may be suspended by the Governor pending the completion of such hearing. Each member before entering upon his duties shall take and subscribe an oath to perform the duties of his office faithfully, impartially and justly to the best of his ability. A record of such oaths shall be filed in the office of the Secretary of State.

d. The Commissioner of **[Labor and Industry]** *Commerce and Economic Development* shall be the chairman of the authority. The members of the authority shall elect from their remaining number a

vice chairman and a treasurer thereof. The authority shall employ an executive director who shall be its secretary and chief executive officer. The powers of the authority shall be vested in the members thereof in office from time to time and four members of the authority shall constitute a quorum at any meeting thereof. Action may be taken and motions and resolutions adopted by the authority at any meeting thereof by the affirmative vote of at least ~~four~~ *five* members of the authority. No vacancy in the membership of the authority shall impair the right of a quorum of the members to exercise all the powers and perform all the duties of the authority.

e. Each member of the authority shall execute a bond to be conditioned upon the faithful performance of the duties of such member in such form and amount as may be prescribed by the Comptroller of the Treasury. Such bonds shall be filed in the office of the Secretary of State. At all times thereafter the members and treasurer of the authority shall maintain such bonds in full force and effect. All costs of such bonds shall be borne by the authority.

f. The members of the authority shall serve without compensation, but the authority shall reimburse its members for actual expenses necessarily incurred in the discharge of their duties. Notwithstanding the provisions of any other law, no officer or employee of the State shall be deemed to have forfeited or shall forfeit his office or employment or any benefits or emoluments thereof by reason of his acceptance of the office of ex officio member of the authority or his services therein.

g. Each ex officio member of the authority may designate an officer or employee of his department to represent him at meetings of the authority, and each such designee may lawfully vote and otherwise act on behalf of the member for whom he constitutes the designee. Any such designation shall be in writing delivered to the authority and shall continue in effect until revoked or amended by writing delivered to the authority.

h. The authority may be dissolved by act of the Legislature on condition that the authority has no debts or obligations outstanding or that provision has been made for the payment or retirement of such debts or obligations. Upon any such dissolution of the authority, all property, funds and assets thereof shall be vested in the State.

i. A true copy of the minutes of every meeting of the authority shall be forthwith delivered by and under the certification of the secretary thereof to the Governor. No action taken at such meeting by the authority shall have force or effect until 10 days, Saturdays, Sundays, and public holidays excepted, after such copy of the minutes shall have been so delivered unless during such 10-day period the Governor shall approve the same in which case such action shall become effective upon

such approval. If, in said 10-day period, the Governor returns such copy of the minutes with veto of any action taken by the authority or any member thereof at such meeting, such action shall be null and void and of no effect. The powers conferred in this paragraph (i) upon the Governor shall be exercised with due regard for the rights of the holders of bonds and notes of the authority at any time outstanding, and nothing in, or done pursuant to, this paragraph (i) shall in any way limit, restrict or alter the obligation or powers of the authority or any representative or officer of the authority to carry out and perform in every detail each and every covenant, agreement or contract at any time made or entered into by or on behalf of the authority with respect to its bonds or notes or for the benefit, protection or security of the holders thereof.

j. On or before March 31 in each year, the authority shall make an annual report of its activities for the preceding calendar year to the Governor and the Legislature. Each such report shall set forth a complete operating and financial statement covering the authority's operations during the year. The authority shall cause an audit of its books and accounts to be made at least once in each year by certified public accountants and cause a copy thereof to be filed with the Secretary of State and the Comptroller of the Treasury.

k. The Comptroller of the Treasury and his legally authorized representatives are hereby authorized and empowered from time to time to examine the accounts, books and records of the authority, including its receipts, disbursements, contracts, sinking funds, investments and any other matters relating thereto and to its financial standing.

l. No member, officer, employee or agent of the authority shall be interested, either directly or indirectly, in any project or in any contract, sale, purchase, lease or transfer of real or personal property to which the authority is a party."

Amend pages 8-14, sections 13-31, renumber as sections "14." through "32."

Amend page 9, section 18, line 9, omit "scientific investigations,".

Amend page 9, section 18, line 10, omit "education", insert "educational".

Amend page 10, section 18, line 19, omit "scientific".

Amend page 10, section 18, line 27, after "The", insert "functions, duties, records, property and personnel of the".

Amend page 10, section 18, line 29, omit "their functions,".

Amend page 10, section 18, line 30, omit "duties, records, property and personnel".

ASSEMBLY AMENDMENTS TO  
**SENATE, No. 874**  
[ASSEMBLY REPRINT]  
[SECOND OFFICIAL COPY REPRINT]

**STATE OF NEW JERSEY**

ADOPTED DECEMBER 8, 1980

Amend page 17, section 29, after line 8, insert new section 30,

“30. Any rule, except an imminent peril rule, adopted and filed with the Office of Administrative Law by the department, or any agency thereof, shall be inoperative for 60 days following the filing. The department or agency shall at the time of filing provide a notice of adoption to the President of the Senate and the Speaker of the General Assembly. If prior to the expiration of the 60 days the Legislature shall adopt a concurrent resolution by majority vote of the authorized membership of both houses disapproving the rule in whole or part, the rule or part thereof shall be deemed permanently inoperative. The Legislature may, prior to the expiration of the 60 days, adopt a concurrent resolution by majority vote of the membership of both houses approving the rule in whole or part, in which case the rule or part thereof shall be operative upon adoption of the resolution. Any rule adopted and filed to amend or supersede any rule or part thereof which has been deemed permanently inoperative shall be subject to the provisions of this section.”

Amend page 17, renumber sections 30-32 as 31-33.

ASSEMBLY COMMITTEE AMENDMENTS TO

**SENATE, No. 874**

[SECOND OFFICIAL COPY REPRINT]

**STATE OF NEW JERSEY**

ADOPTED NOVEMBER 24, 1980

Amend page 1, title, line 3, after "Government," insert "amending P. L. 1974, c. 80,".

Amend page 4, section 6, line 27, omit "properly to", insert "to properly".

Amend page 6, section 9, line 29, omit "Depart-".

Amend page 6, section 9, line 30, omit "ment of Commerce", insert "department".

Amend page 7, section 10, line 4, after "division", insert "as it was originally constituted".

Amend page 7, section 11, line 15, after "their", omit "independently arrived", insert "independent".

Amend page 7, section 11, line 19, omit "Division", insert "Office".

Amend page 7, section 12, line 1, omit "a.".

Amend page 8, section 12, lines 11-25, omit.

Amend page 8, section 12, after line 25, insert new section "13." as follows:

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

4. a. There is hereby established in, but not of, the Department of **[Labor and Industry]** *Commerce and Economic Development* a public body corporate and politic, with corporate succession, to be known as the "New Jersey Economic Development Authority." The authority is hereby constituted as an instrumentality of the State exercising public and essential governmental functions, and the exercise by the authority of the powers conferred by this act shall be deemed and held to be an essential governmental function of the State.

b. The authority shall consist of *the Commissioner of Commerce and Economic Development*, the Commissioner of Labor and Industry, the Commissioner of Environmental Protection, the Commissioner of Community Affairs, and the State Treasurer, who shall be members ex officio, and **[three]** *four* members appointed by the Governor with the advice and consent of the Senate for terms of 3 years, provided that the members of the authority (other than the ex officio members) first appointed by the Governor shall serve for terms of 1 year, 2 years, and

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

3 years respectively. *The fourth citizen member first appointed shall serve for a 3-year term except that the fourth member shall be appointed so that the term of his membership does not coincide with that of any other citizen member.* Each member shall hold office for the term of his appointment and until his successor shall have been appointed and qualified. A member shall be eligible for reappointment. Any vacancy in the membership occurring other than by expiration of term shall be filled in the same manner as the original appointment but for the unexpired term only. In the event the authority shall by resolution determine to accept the declaration of an urban growth zone by any municipality, the mayor or other chief executive officer of such municipality shall ex officio be a member of the authority for the purpose of participating and voting on all matters pertaining to such urban growth zone.

The Governor shall appoint with the advice and consent of the Senate, three alternate members of the authority for terms of 3 years. At the time of appointment, the Governor shall designate a first alternate, second alternate and third alternate. In the event that a member of the authority, other than an ex officio member, is unable to attend all or any portion of a meeting of the authority, or is for any reason unable to perform the duties and responsibilities of a member of the authority for a temporary period, the chairman may authorize an alternate member, in order of designation, to exercise all of the powers, duties and responsibilities of such member, including, but not limited to, the right to vote on matters before the authority.

Each alternate member shall hold office for the term of his appointment and until his successor shall have been appointed and qualified. An alternate member shall be eligible for reappointment. Any vacancy in the alternate membership occurring other than by expiration of term shall be filled in the same manner as the original appointment but for the unexpired term only. Any reference to a member of the authority in this act shall be deemed to include alternate members unless the context indicates otherwise.

c. Each appointed member may be removed from office by the Governor, for cause, after a public hearing, and may be suspended by the Governor pending the completion of such hearing. Each member before entering upon his duties shall take and subscribe an oath to perform the duties of his office faithfully, impartially and justly to the best of his ability. A record of such oaths shall be filed in the office of the Secretary of State.

d. The Commissioner of **[Labor and Industry]** *Commerce and Economic Development* shall be the chairman of the authority. The members of the authority shall elect from their remaining number a

vice chairman and a treasurer thereof. The authority shall employ an executive director who shall be its secretary and chief executive officer. The powers of the authority shall be vested in the members thereof in office from time to time and four members of the authority shall constitute a quorum at any meeting thereof. Action may be taken and motions and resolutions adopted by the authority at any meeting thereof by the affirmative vote of at least ~~four~~ *five* members of the authority. No vacancy in the membership of the authority shall impair the right of a quorum of the members to exercise all the powers and perform all the duties of the authority.

e. Each member of the authority shall execute a bond to be conditioned upon the faithful performance of the duties of such member in such form and amount as may be prescribed by the Comptroller of the Treasury. Such bonds shall be filed in the office of the Secretary of State. At all times thereafter the members and treasurer of the authority shall maintain such bonds in full force and effect. All costs of such bonds shall be borne by the authority.

f. The members of the authority shall serve without compensation, but the authority shall reimburse its members for actual expenses necessarily incurred in the discharge of their duties. Notwithstanding the provisions of any other law, no officer or employee of the State shall be deemed to have forfeited or shall forfeit his office or employment or any benefits or emoluments thereof by reason of his acceptance of the office of ex officio member of the authority or his services therein.

g. Each ex officio member of the authority may designate an officer or employee of his department to represent him at meetings of the authority, and each such designee may lawfully vote and otherwise act on behalf of the member for whom he constitutes the designee. Any such designation shall be in writing delivered to the authority and shall continue in effect until revoked or amended by writing delivered to the authority.

h. The authority may be dissolved by act of the Legislature on condition that the authority has no debts or obligations outstanding or that provision has been made for the payment or retirement of such debts or obligations. Upon any such dissolution of the authority, all property, funds and assets thereof shall be vested in the State.

i. A true copy of the minutes of every meeting of the authority shall be forthwith delivered by and under the certification of the secretary thereof to the Governor. No action taken at such meeting by the authority shall have force or effect until 10 days, Saturdays, Sundays, and public holidays excepted, after such copy of the minutes shall have been so delivered unless during such 10-day period the Governor shall approve the same in which case such action shall become effective upon



such approval. If, in said 10-day period, the Governor returns such copy of the minutes with veto of any action taken by the authority or any member thereof at such meeting, such action shall be null and void and of no effect. The powers conferred in this paragraph (i) upon the Governor shall be exercised with due regard for the rights of the holders of bonds and notes of the authority at any time outstanding, and nothing in, or done pursuant to, this paragraph (i) shall in any way limit, restrict or alter the obligation or powers of the authority or any representative or officer of the authority to carry out and perform in every detail each and every covenant, agreement or contract at any time made or entered into by or on behalf of the authority with respect to its bonds or notes or for the benefit, protection or security of the holders thereof.

j. On or before March 31 in each year, the authority shall make an annual report of its activities for the preceding calendar year to the Governor and the Legislature. Each such report shall set forth a complete operating and financial statement covering the authority's operations during the year. The authority shall cause an audit of its books and accounts to be made at least once in each year by certified public accountants and cause a copy thereof to be filed with the Secretary of State and the Comptroller of the Treasury.

k. The Comptroller of the Treasury and his legally authorized representatives are hereby authorized and empowered from time to time to examine the accounts, books and records of the authority, including its receipts, disbursements, contracts, sinking funds, investments and any other matters relating thereto and to its financial standing.

l. No member, officer, employee or agent of the authority shall be interested, either directly or indirectly, in any project or in any contract, sale, purchase, lease or transfer of real or personal property to which the authority is a party."

Amend pages 8-14, sections 13-31, renumber as sections "14." through "32."

Amend page 9, section 18, line 9, omit "scientific investigations,".

Amend page 9, section 18, line 10, omit "education", insert "educational".

Amend page 10, section 18, line 19, omit "scientific".

Amend page 10, section 18, line 27, after "The", insert "functions, duties, records, property and personnel of the".

Amend page 10, section 18, line 29, omit "their functions,".

Amend page 10, section 18, line 30, omit "duties, records, property and personnel".

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SENATE AMENDMENTS TO  
**SENATE, No. 874**  
[SECOND ASSEMBLY REPRINT]  
[SECOND OFFICIAL COPY REPRINT]

**STATE OF NEW JERSEY**

ADOPTED JANUARY 29, 1981

Amend page 17, section 30, lines 1-17, omit.

Amend pages 17-18, sections 31-33, line 1, renumber sections "31." through "33.", as sections "30." through "32."

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STATEMENT

This amendment to the bill eliminates an amendment made by the General Assembly creating a procedure for legislative oversight on rules and regulations promulgated by the department created by this bill. It is the position of the sponsor of the bill, and of this amendment, that legislative oversight should be accomplished through general legislation which has passed both Houses of the Legislature and which is now pending in the Senate for override consideration.

SENATE COMMITTEE AMENDMENTS TO  
SENATE, No. 874

STATE OF NEW JERSEY

ADOPTED APRIL 14, 1980

Amend page 1, section 2, line 15, after "that", omit "there are".

Amend page 1, section 2, line 16, omit "insufficient".

Amend page 1, section 2, line 17, after "community", insert "should be strengthened and improved,"; after "this", omit "inadequacy of exchange".

Amend page 1, section 2, line 18, omit "upon", insert "strengthened and improved communication on"; after "concerns", omit "has led to many actions or".

Amend page 1, section 2, line 19, omit in its entirety.

Amend page 1, section 2, line 20, omit "indirectly, to", insert "can lead to a reversal in the recent pattern of".

Amend page 5, section 10, line 2, omit "formulate" and insert "recommend".

Amend page 5, section 13, line 1, after "13.", insert "a."

Amend page 6, section 13, lines 7-10, omit in their entirety and insert a new subsection as follows:

"b. The authority shall consist of the Commissioner of Labor and Industry, the Commissioner of Environmental Protection, the Commissioner of Community Affairs, the State Treasurer, and the Commissioner of Commerce and Economic Development, who shall be members ex officio, and four citizen members to be appointed by the Governor with the advice and consent of the Senate for 3-year terms. Of the three citizen members first appointed by the Governor one shall serve for 1 year, one shall serve for 2 years and one shall serve for 3 years. The fourth citizen member first appointed shall serve for a 3-year term except that the fourth citizen member shall be appointed so that the term of his membership does not coincide with that of any other citizen member. The Commissioner of Commerce and Economic Development shall serve as chairman of the authority. The members of the authority shall continue to be appointed as provided by existing law."

Amend page 6, section 14, lines 1-10, omit in its entirety.

Amend pages 6-10, sections 15-31, renumber as "14." through "30."

Amend page 7, section 20, lines 5-7, omit in their entirety and insert "commissioner and shall serve at the pleasure of the commissioner."

Amend page 8, section 22, line 5, omit "Governor".

Amend page 8, section 22, lines 6-8, omit in their entirety, insert "commissioner and shall serve at the pleasure of the commissioner."

Amend page 9, section 24, line 8, after "of", insert "Planning and".

Amend page 9, section 24, line 9, omit "Statistics and".

Amend page 9, section 26, line 2, omit "the Director of the Division".

Amend page 9, section 26, line 3, omit in its entirety.

Amend page 9, section 26, line 4, omit "Development", insert "all division directors".

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ASSEMBLY LABOR COMMITTEE

STATEMENT TO

**SENATE, No. 874**

[SECOND OFFICIAL COPY REPRINT]

with Assembly committee amendments

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**STATE OF NEW JERSEY**

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DATED: NOVEMBER 24, 1980

The Assembly Labor Committee favorably reports this bill to create a "Department of Commerce and Economic Development" as a cabinet-level department within the Executive Branch. A public hearing on it was held by the Senate State Government, Federal and Interstate Relations and Veterans Affairs Committee on March 10, 1980.

The department will be headed by a cabinet-rank commissioner appointed by the Governor with the advice and consent of the Senate. In addition, the 11-member Economic Development Council presently in the Department of Labor and Industry is transferred, pursuant to the provisions of the bill, to the new department. The members will continue to be appointed by the Governor with the advice and consent of the Senate. The bill provides that the present membership of the Economic Development Council, including the chairman, are to be continued in office for the remainder of their present terms. Members of the council are subject to removal by the Governor for cause, after notice and hearing.

The purpose of this new department will be, among other things, to serve as "a center for gathering and disseminating appropriate data and information relative to the economy," to analyze and assist in the formulation of economic policies of the State, to be an organizing and support center for other public and private organizations, to serve as the "advocate" for private enterprise within State Government and before the public and to coordinate regulation and planning by the State in matters pertaining to the economy.

The affected agencies are as follows:

FROM THE DEPARTMENT OF LABOR AND INDUSTRY

Division of Economic Development

Office of Economic Research

New Jersey Economic Development Authority

South Jersey Port Corporation

New Jersey Motion Picture and Television Development

Commission

Division of Travel and Tourism

Economic Development Council

Office for Promoting Technical Innovation

FROM DEPARTMENT OF TREASURY  
Office of Economic Policy  
Economic Policy Council

UPGRADED TO DIVISION STATUS FROM DEPARTMENT OF LABOR AND INDUSTRY  
Division of International Trade

The Office of Economic Research is to serve as a clearing house for information on commerce and industry, to make studies of business conditions, to compile data and to develop a coordinated business information service. The office is to engage in a program aimed at promoting a healthy climate for New Jersey business, within the State and outside the State.

The new Division of International Trade has been upgraded from office status to reflect the expanded role desired for this important element in the State's efforts to promote economic development.

The bill provides for an appropriation of up to \$250,000.00 from the Unemployment Compensation Auxiliary Fund. The present law permits the use of this fund for "necessary expenditures in connection with programs designed to stimulate employment", pursuant to R. S. 43:21-14 (g).

Amendments adopted by the committee were largely technical. One, however, was designed to make certain that the Division of Economic Development, "as it was originally constituted" to include the Business Advocacy and Customized Training functions (which have since been relocated administratively) will be transferred intact to the new department.

The committee felt that the creation of this new department would provide a needed "shot-in-the-arm" to the State's economy. It will centralize, simplify and help to better coordinate New Jersey's efforts to improve its relationships with business.

The committee believes that the business community, both here and nationwide, needs to be sent a "signal" that the State is serious about generating a climate conducive to business expansion. Passage of this bill, if properly publicized and implemented, could be that signal. New Jersey, it was felt, should no longer be in the minority of Northeastern industrial states without such a department or independent agency to stimulate business.

The Assembly Labor Committee is sympathetic to the need for an exclusive advocate for business concerns at the highest level of State Government where business and industry will be given more systematic, full-time attention. Where business and labor have differences of opinion on governmental policy, each point of view can now be articulated through a Cabinet-level officer who has direct access to the Governor and the Legislature.

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

STATEMENT TO

**SENATE, No. 874**

with Senate committee amendments

**STATE OF NEW JERSEY**

DATED: APRIL 14, 1980

This bill, which was reported from committee with amendments, creates a "Department of Commerce and Economic Development" as a cabinet-level department within the Executive Branch. A public hearing on the bill was held by the committee on March 10, 1980.

The department will be headed by a cabinet-rank commissioner appointed by the Governor with the advice and consent of the Senate. In addition, the 11-member Economic Development Council presently in the Department of Labor and Industry is transferred, pursuant to the provisions of the bill, to the new department and its title is changed to the "Council of Commerce and Economic Development." As with the present council the members are to be appointed by the Governor with the advice and consent of the Senate, however, the bill provides that the present membership of the Economic Development Council, including the chairman, are to be continued in office for the remainder of their present terms as members of the new Council of Commerce and Economic Development. Members of the council are subject to removal by the Governor for cause, after notice and hearing.

The purpose of this new department will be, among other things, to serve as "a center for gathering and disseminating appropriate data and information relative to the economy," to analyze and assist in the formulation of economic policies of the State, to be an organizing and support center for other public and private organizations, to serve as the "advocate" for private enterprise within State Government and before the public and to coordinate regulation and planning by the State in matters pertaining to the economy.

As amended, the bill provides that the department will contain eight component agencies and two councils. Seven of the agencies and the two councils are already existing entities and are being transferred by the provisions of the bill from other departments in the executive branch. One agency is newly created by the bill. The affected agencies are as follows:

## TRANSFERRED FROM DEPARTMENT OF LABOR AND INDUSTRY

Division of Economic Development  
 New Jersey Economic Development Authority  
 South Jersey Port Corporation  
 New Jersey Motion Picture and Television Development  
 Commission  
 Division of Travel and Tourism  
 Office of Business Economics  
 Economic Development Council (to be known in the new department as the Council of Commerce and Economic Development)

## TRANSFERRED FROM DEPARTMENT OF TREASURY

Office of Economic Policy  
 Economic Policy Council

## NEWLY CREATED

Division of Commerce and Industry

The new division is to serve as a clearing house for information on commerce and industry, to make studies of business conditions, to compile data and to develop a coordinated business information service. The division is to engage in a program aimed at promoting a healthy climate for New Jersey business, within the State and outside the State.

## COMMITTEE AMENDMENTS

At the sponsor's request, the committee made several amendments to the bill. It modified the language in section 2 which presents the "legislative findings." The committee also amended section 10 so that the Council on Commerce and Economic Development is empowered to "recommend," rather than "formulate," policies for the Department of Commerce and Economic Development.

An amendment to section 13 makes it clear that the Commissioner of Labor is to remain an ex officio member of the Economic Development Authority and, also, adds one citizen member to be appointed by the Governor with the advice and consent of the Senate. The authority thus becomes a nine-member body, rather than a seven-member body. The Commissioner of Commerce and Economic Development is designated chairman of the authority.

Section 14, transferring the New Jersey Area Redevelopment Authority to the new department, is deleted in its entirety since this agency is no longer active.

As originally drafted, the bill provided that the director of the Division of Commerce and Industry and the director of the Division of Economic Development were each to be appointed by the Governor with the advice and consent of the Senate. At the suggestion of the



sponsor, the committee amended the bill to provide for the appointment of these two officials by the Commissioner of Commerce and Economic Development. These directors are to serve at the pleasure of the commissioner.

Another amendment broadens the range of consultation required for the commissioner of the department prior to making recommendations for the transfer of agencies from one department to another.

The committee also made an amendment to correct the title of an agency cited in the bill.

The bill has received support from small businessmen, minority businessmen and women business owners, as well as the New Jersey State Chamber of Commerce, the Chemical Industry Council and the New Jersey Petroleum Council. In addition, staff of the Governor's Office has conveyed the support of the Governor for the concept of the "establishment of a separate Department of Commerce and Economic Development."

#### APPROPRIATION

The bill provides for an appropriation of up to \$250,000.00 from the "Unemployment Compensation Auxiliary Fund," established pursuant to R. S. 43:21-14 (g). The present law permits the use of this fund for "necessary expenditures in connection with programs designed to stimulate employment."

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APRIL 16, 1981

PATRICK SWEENEY

Governor Brendan Byrne today, in a public ceremony, signed S-874, sponsored by Senator William J. Hamilton, Jr. (D-Middlesex), which establishes a Department of Commerce and Economic Development by combining certain agencies now in the Department of Labor and Industry. At the same time, the Governor announced the formation of a Commission of citizens to review and recommend to his successor the proper staffing for the new Department of Commerce.

"This new Department will provide business with a clear voice to advocate their distinct views," according to the Governor.

The Department of Commerce will not be staffed or become operative until the next Administration.

The nine member Commission on Commerce, according to an order issued by the Governor, "will be charged with a thorough and comprehensive review of the budget submissions of the Department of Labor and Industry, and shall analyze and compare those with the statutory charge given to the new Department of Commerce."

The Governor named the following individuals to the Commission: Edward J. Lenihan, Vice President of Public Relations for Public Service Electric and Gas Company, ~~a Chairman of the Commission~~; David Steiner, Vice President of Sudler Construction Company; Raymond S. Page, Jr., Vice President of Corporate Relations for Campbell Soup Company; Dr. E. Belvin Williams, Senior Vice President of Educational Testing Service; Marie Garibaldi, an attorney from Newark; Edward Barr, Communication Worker's of America; George H. Becker, Jr., Chairman of the Board of DIVA, Inc.; Frank Markoe, retired Senior Vice President of Warner Lambert; and Donald H. Scott, President of the New Jersey State Chamber of Commerce.

Governor Byrne directed the Department of Labor and Industry and the Department of Treasury to work closely with the Commission "in establishing thorough and comprehensive recommendations for staffing this new department promptly upon the commencement of the next governor's term."

Pending the next Administration, the Governor announced he was assigning to John J. Horn, Commissioner of the Department of Labor and Industry, the authority to continue the operations of the divisions of government assigned to the Department of Commerce under this legislation.

According to the legislation, the new department will be responsible for the support and development of business and industry and for maintaining adequate business research and statistics. It will consist of the following bodies and agencies transferred from the Department of Labor and Industry:

- Economic Development Council, an advisory body appointed by the Governor;
- Division of Economic Development, which shall be transferred with existing personnel;
- New Jersey Economic Development Authority, which shall be expanded to include as chairman the Commissioner of the new department, while continuing to include the head of Labor and Industry, and shall include four instead of three citizen members;
- South Jersey Port Corporation;
- New Jersey Motion Picture and Television Development Commission, which shall be expanded to include as an ex-officio member the Commissioner of Commerce and Economic Development;

- Division of Travel and Tourism;
- Office for Promoting Technical Innovation; and
- Office of Economic Research.

The Office of Economic Policy in the Department of Treasury shall be transferred to the new department. Also, there shall be established a Division of International Trade.

Subject to the approval of the Director of Budget and Accounting the bill appropriates up to \$250,000 from the Unemployment Compensation Auxiliary Fund for implementation of the act.

Attached is the Governor's order announcing the formation of the Commission on Commerce.

# # # # #



BILL FILE S874

STATE OF NEW JERSEY  
OFFICE OF THE GOVERNOR  
TRENTON  
08625

BRENDAN T. BYRNE  
GOVERNOR

April 16, 1981

Re: S-874

I announce the formation of a Commission of citizens to review and recommend to my successor the proper staffing for the new Department of Commerce created under S-874 which I signed today.

The 9 member Commission on Commerce as I will call it will be charged with a thorough and comprehensive review of the budget submissions of the Department of Labor and Industry and shall analyze and compare those with the statutory charge given to the new Department of Commerce.

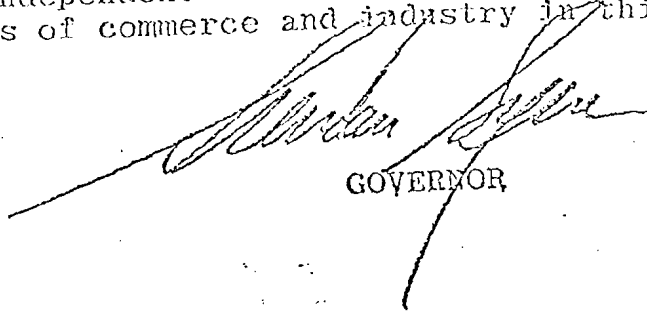
In signing this legislation, I do not delete the appropriation of \$250,000 which is contained in the bill, although I direct that such sums not be expended during the balance of my term.

I, therefore, shall not appoint a new Commissioner to head the Department of Commerce but rather under the powers granted to me under Art. V, Sec. IV, par. 2 of the Constitution, I shall retain supervision of this Department as a principal department of government in my individual name for the balance of my term.

In such capacity, I do hereby delegate and assign to John J. Horn, Commissioner of the Department of Labor and Industry, the authority to continue the operations of the divisions of government assigned to the Department of Commerce under this legislation, such activity to be under my direct supervision.

I direct that my Departments of Labor and Industry, Treasury, and particularly the Budget division, work closely with the Commission in establishing thorough and comprehensive recommendation for staffing this new department promptly upon the commencement of the next governor's term.

I compliment Senator Hamilton on his diligent efforts in bringing this legislation to fruition. I believe that it will fulfill my commitment to demonstrate to the commercial community of the State of New Jersey as well as to the representatives of labor my intention to recognize the need for an independent advocate to pursue in the councils of government the needs of commerce and industry in this State.

A handwritten signature in cursive script, appearing to read "Robert B. Meyner", is written over the printed name "GOVERNOR".

GOVERNOR