

40:176-13

LEGISLATIVE HISTORY CHECKLIST

(Cities - 2d and 3rd class - dedicated lands--allow sale)

NJSA 40:176-13

LAWS 1981

CHAPTER 251

Bill No. A2222

Sponsor(s) Otlowski

Date Introduced Nov. 24, 1980

Committee: Assembly Municipal Government

Senate County and Municipal Government

Amended during passage Yes ~~No~~ Amendments during passage denoted by asterisks

Date of Passage: Assembly May 14, 1981

Senate June 25, 1981

Date of approval Aug. 6, 1981

Following statements are attached if available:

Sponsor statement	<u>Yes</u>	No
Committee Statement: <u>Assembly</u>	<u>Yes</u>	No
<u>Senate</u>	<u>Yes</u>	No
Fiscal Note	<u>Yes</u>	No
Veto Message	<u>Yes</u>	No
Message on signing	<u>Yes</u>	No

Following were printed:

Reports	<u>Yes</u>	No
Hearings	<u>Yes</u>	No

Case, referred to in press release, involved:

Roesslers' Gym, High & Lewis Street, Perth Amboy (Block 2, Lot 1A)-- case was settled out of court. Information given by Eugene Goceljack, Perth Amboy City Attorney, (201) 826-0110.

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8-6-81

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ASSEMBLY, No. 2222

STATE OF NEW JERSEY

INTRODUCED NOVEMBER 24, 1980

By Assemblyman OTLOWSKI

Referred to Committee on Municipal Government

AN ACT authorizing the governing body of any city of the second class to sell lands which have been dedicated or granted to such city for the use of such city or of the inhabitants thereof, and amending R. S. 40:176-13.

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

1 1. R. S. 40:176-13 is amended to read as follows:

2 40:176-13. Where lands have been dedicated or granted to any
 3 ***[city of this State which is now a city of the third class, or which**
 4 *on the effective date of this amendatory act is a city of the second*
 5 *class]* **city of the second or third class** or the inhabitants thereof,
 6 for the use of such city or the inhabitants thereof, whether in
 7 trust or otherwise, save and except lands dedicated to street pur-
 8 poses, and the governing body of such city **[of the third class]**
 9 deem it impracticable or inadvisable to use the same for any
 10 public or municipal purposes, and to the advantage of such
 11 city and to its inhabitants to sell the said lands, and shall
 11A make representation thereof to the **[chancellor of this State]**
 12 *Superior Court, Chancery Division* and apply for an order to sell
 13 the same, the **[chancellor]** court may, upon such public notice as
 14 **[he]** it may direct, in a summary manner, **[by reference to a**
 15 *master or otherwise,]* inquire into the merits of such application,
 16 and if it shall appear to the **[chancellor]** court that it would be to
 17 the advantage of such city and the inhabitants thereof to sell said
 18 lands, and would not impair the rights of adjoining land owners, the
 19 **[chancellor]** court may order and decree that said lands be sold
 20 by such governing body free and discharged from any and all uses
 21 and trust, in favor of the inhabitants thereof, to such purchaser
 22 or purchasers as they may be able to obtain, either in parcels or as a
 23 whole, either at private or public sale, as such governing body may
 24 deem for the best interest of the inhabitants thereof.*

1 2. This act shall take effect immediately.

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

STATEMENT

The purpose of this bill is to enable cities of the second class to sell lands dedicated to the city which are not needed for any public or municipal purpose. The bill establishes the same procedure for the sale of such lands in cities of the second class as R. S. 40:176-13 authorizes for cities of the third class.

The other changes are purely technical and serve only to make the language of R. S. 40:176-13 consistent with New Jersey's current court structure.

42222 (1981)

ASSEMBLY MUNICIPAL GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2222

STATE OF NEW JERSEY

DATED: MAY 4, 1981

This bill would amend R. S. 40:176-3 to allow cities of the second class to sell municipal lands which are not needed for any public or municipal purpose. The law currently applies only to cities of the third class. The other amendments are purely technical and serve only to make the language of the law conform with New Jersey's current court system. The committee, at the request of the sponsor, amended the bill to clarify its intent.

The bill requires agents to submit surplus lines insurance agreements to the Department of Insurance for scrutiny regarding the type, duration of time, and cost of insurance.

In addition, inconsistencies in insurance methods are addressed. For example, currently surplus lines insurance law requires the issuance of a policy, but Lloyds, for one, issues only "certificates" of insurance in many cases. Under the bill, certificates of insurance would often be treated as permanent evidence of insurance.

A-2222, sponsored by Assemblyman George J. Otlowksi (D-Middlesex), which permits a city of the "second class" --- a population of 12,000 to 150,000 --- to sell land granted, dedicated or entrusted to the city when that land is of no practical use to the city.

The bill was introduced in response to a case involving the city of Perth Amboy, years ago granted property from the estate of a wealthy chemical manufacturer, but which now is unused, providing no tax revenue, and dilapidated due to lack of maintenance. Under the bill, cities in similar circumstances could apply to the courts to sell the land, placing it back on the tax rolls. Cities with populations under 12,000 --- of the third class --- already have this right.