

40:37A-60 + 40:37A-61;
40:37A-83

LEGISLATIVE HISTORY CHECKLIST

NJSA 40:37A-60 and 40:37A-61; 40:37A-83
Laws of 1977 Chapter 80 (County Improvement
Authorities--Bond
Interest & In Lieu
Payments)
Bill No. S1723

Sponsor(s) Merlino

Date Introduced November 8, 1976

Committee: Assembly County Government
Senate County & Municipal Government

Amended during passage Yes No

Date of passage: Assembly March 21, 1977
Senate January 24, 1977

Date of approval May 2, 1977

Following statements are attached if available:

Sponsor statement Yes No

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

Checked card catalog under:

N.J.—Corporations, Government

N.J.—County Government

10/4/76

SENATE, No. 1723

STATE OF NEW JERSEY

INTRODUCED NOVEMBER 8, 1976

By Senator MERLINO

Referred to Committee on County and Municipal Government

AN ACT to amend the "county improvement authorities law,"
approved January 18, 1961 (P. L. 1960, c. 183).

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

1 1. Section 17 of P. L. 1960, c. 183 (C. 40:37A-60) is amended to
2 read as follows:

3 17. Upon adoption of a bond resolution, an authority shall have
4 power to issue its bonds for the purpose of financing the project
5 or of funding or refunding the bonds described therein. Such
6 bonds shall be authorized by the bond resolution and may be issued
7 in one or more series and shall bear such date or dates, mature
8 at such time or times not exceeding 40 years from the date thereof,
9 bear interest at **[a]** *such* rate or rates **[within such maximum rate**
10 **(not exceeding 6% per annum)]**, be in such denomination or
11 denominations, be in such form either coupon or registered, carry
12 such conversion or registration privileges, have such rank or
13 priority, be executed in such manner, be payable from such sources
14 in such medium of payment at such place or places within or with-
15 out the State, and be subject to such terms of redemption (with
16 or without premium) as the bond resolution may provide. The
17 authority may issue such types of bonds as it may determine,
18 including (without limiting the generality of the foregoing) bonds
19 on which the principal and interest are payable (a) exclusively
20 from the income and revenues of the project financed with the
21 proceeds of such bonds; (b) exclusively from the income and
22 revenues of certain designated projects whether or not they are
23 financed in whole or in part with the proceeds of such bonds; or
24 (c) from its revenues generally. Any such bonds may be addi-
25 tionally secured by a pledge of any grant or contributions from

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

26 any governmental unit or person or a pledge of any income or
27 revenues of the authority from any source whatsoever.

1 2. Section 18 of P. L. 1960, c. 183 (C. 40:37A-61) is amended to
2 read as follows:

3 18. Bonds of an authority may be sold at public or private sale
4 at such price or prices as the authority shall determine; provided,
5 however, that the interest cost to their average maturity of the
6 money received for any group of bonds sold in a single transaction
7 (computed according to standard tables of bond values) shall not
8 exceed 6% per annum.

1 3. Section 40 of P. L. 1960, c. 183 (C. 40:37A-83) is amended to
2 read as follows:

3 40. Every authority and every municipality in which any prop-
4 erty of the authority is located are hereby authorized and em-
5 powered to enter into agreements with respect to the payment by
6 the authority to such municipality of annual sums of money in
7 lieu of taxes on such property in such amounts as may be agreed
8 upon between the authority and the municipality, and each such
9 authority is empowered to make such payments and each such
10 municipality is empowered to accept such payments and to apply
11 them in the manner in which taxes may be applied in such munici-
12 pality; provided, however, that no such annual payment with
13 respect to any parcel of such property shall exceed the amount
14 [of taxes paid thereon] *to be derived by applying the current*
15 *general tax rate for the taxing district in which such property is*
16 *located to the assessed and taxable value of such property for the*
17 *taxable year immediately prior to the time of its acquisition by the*
18 *authority.*

1 4. This act shall take effect immediately.

STATEMENT

This bill authorizes a county improvement authority to market its revenue bonds at the ongoing market rate. In so doing, this bill permanently applies to county improvement authorities the provisions of P. L. 1969, c. 137 (C. 31:1-7), which temporarily waive, through June 30, 1978, the interest rates on the bonds or notes of certain public bodies.

This bill also provides for a new and higher ceiling for in lieu payments on property acquired by the county improvement authority. The new amount is to be arrived at by applying the current tax rate to the assessed value of the property in the taxable year immediately prior to its acquisition.

~~444701~~
~~66~~

FROM THE OFFICE OF THE GOVERNOR

MAY 3, 1977

FOR FURTHER INFORMATION

FOR IMMEDIATE RELEASE

ANNE BURNS

Governor Brendan Byrne has signed into law the following bills:

S-200 - sponsored by Senator Raymond J. Zane (D-Salem), which increases the fees charged for official certificates of search to a flat \$10.

Prior law required fees of between \$3 to \$5 depending upon the size and location of the property.

S-1662 - sponsored by Senator Joseph Hirkala (D-Passaic), which authorizes Passaic County to appoint a deputy chief of county detectives and three additional captains of county detectives.

The bill requires, however, that the maximum number of county detectives remain the same.

S-1723 - sponsored by Senator Joseph P. Merlino (D-Mercer), which amends the County Improvement Authorities Law.

The previous statute placed a six per cent maximum interest rate on bonds sold by municipal authorities. This bill removes the maximum interest rate and allows bonds to be sold at the ongoing market rate.

The bill also changes the formula for establishing a ceiling on in-lieu payments. The ceiling will now be established by applying the current tax rate to the taxable value of the property for the immediate preceding year.

PROPERTY OF
NEW JERSEY STATE LIBRARY
JAN 18 1978
185 W. State Street
Trenton, N. J.