

LEGISLATIVE HISTORY CHECKLIST

NJSA 40:37A-83 (County improvement authority property--provide for higher ceiling)

Laws of 1977 Chapter 109

Bill No. A2325

Sponsor(s) Szabo and others

Date Introduced November 22, 1976

Committee: Assembly County Government

Senate -----

Amended during passage Yes No Amendments during passage denoted by asterisks

Date of passage: Assembly May 16, 1977

Senate May 23, 1977

Date of approval June 1, 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

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ASSEMBLY, No. 2325

STATE OF NEW JERSEY

INTRODUCED NOVEMBER 22, 1976

By Assemblywoman SZABO, Assemblymen McMANIMON, FORAN
 and WEIDEL

Referred to Committee on County 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 without
 15 the State, and be subject to such terms of redemption (with or
 16 without premium) as the bond resolution may provide. The
 17 authority may issue such types of bonds as it may determine, includ-
 18 ing (without limiting the generality of the foregoing) bonds on
 19 which the principal and interest are payable (a) exclusively from
 20 the income and revenues of the project financed with the proceeds
 21 of such bonds; (b) exclusively from the income and revenues of
 22 certain designated projects whether or not they are financed in
 23 whole or in part with the proceeds of such bonds; or (c) from its
 24 revenues generally. Any such bonds may be additionally secured
 25 by a pledge of any grant or contributions from any governmental

**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 unit or person or a pledge of any income or revenues of the
27 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.

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ASSEMBLY COUNTY GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2325

—◆—
STATE OF NEW JERSEY
—◆—

DATED: APRIL 28, 1977

This bill would authorize a county improvement authority to enter into an agreement with a municipality for payments in lieu of taxes where a new facility is constructed and owned by the authority. The existing law provides for payments by a county improvement authority on a building acquired by the authority but is silent with regard to any buildings that the authority may construct. The amendments provide the legislative authorization and gradually phase in payments so that full payments would not be made until the 17th year of the building's existence.