

34:1B-2 et al.

LEGISLATIVE HISTORY CHECKLIST

NJSA 34:1B-2, et al.

Laws of 1975 Chapter 253

Bill No. S 3357

Sponsor(s) Dwyer

Date Introduced Sept. 4. 1975

Committee: Assembly -----

Senate -----

Amended during passage  No

Date of passage: Assembly Sept. 29

Senate Sept. 4

Date of approval Nov. 25, 1975

Following statements are attached if available:

Sponsor statement Yes

Committee Statement: Assembly  No

Senate  No

Fiscal Note  No

Veto message  No

Message on signing Yes

Following were printed:

Reports  No

Hearings  No

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MAR 1977

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**STATE OF NEW JERSEY**  
—◆—

INTRODUCED SEPTEMBER 4, 1975

By Senator DWYER

(Without Reference)

AN ACT to amend and supplement "The New Jersey Economic Development Authority Act," approved August 7, 1974 (P. L. 1974, c. 80).

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

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

3 2. **It is hereby declared to be in the public interest and to be**  
4 **the policy of the State to foster and promote the economy of the**  
5 **State, increase opportunities for gainful employment and improve**  
6 **living conditions, assist in the economic development or redevelop-**  
7 **ment of political subdivisions within the State, eliminate and reduce**  
8 **environmental pollution derived from the operation of industry**  
9 **and commerce, and otherwise contribute to the prosperity, health**  
10 **and general welfare of the State and its inhabitants by inducing**  
11 **manufacturing, industrial, commercial and other employment pro-**  
12 **moting enterprises by making available financial assistance to**  
13 **locate, remain or expand within the State and by providing a**  
14 **means of financing to assist such enterprises to comply with State**  
15 **and Federal environmental control standards. It is the purpose**  
16 **and object of this act to further and implement such policy by**  
17 **creating a body corporate and politic having the powers, duties**  
18 **and functions as provided in this act.**

19 *The Legislature hereby finds and determines that:*

20 *a. Department of Labor and Industry statistics of recent years*  
21 *indicate a continuing decline in manufacturing employment within*  
22 *the State which is a contributing factor to the drastic unemployment*  
23 *existing within the State, which far exceeds the national average,*  
24 *thus adversely affecting the economy of the State and the pros-*

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

25 *perity, safety, health and general welfare of its inhabitants and*  
26 *their standard of living; that there is an urgent need to protect*  
27 *and enhance the quality of the natural environment and to reduce,*  
28 *abate and prevent environmental pollution derived from the opera-*  
29 *tion of industry, utilities and commerce within the State; and that*  
30 *the availability of financial assistance and suitable facilities are*  
31 *important inducements to new and varied employment promoting*  
32 *enterprises to locate in the State, to existing enterprises to remain*  
33 *and expand in the State, and to industry, utilities and commerce to*  
34 *reduce, abate and prevent environmental pollution.*

35 *b. The provision of buildings, structures and other facilities to*  
36 *increase opportunity for employment in manufacturing, industrial,*  
37 *commercial, recreational, retail and service enterprises in the State*  
38 *is in the public interest and it is a public purpose for the State*  
39 *to induce and to accelerate opportunity for employment in such*  
40 *enterprises.*

41 *c. In order to aid in supplying these needs and to assist in the*  
42 *immediate reduction of unemployment and to provide sufficient*  
43 *employment for the citizens of the State in the future, it is necessary*  
44 *and in the public interest to aid and encourage the immediate*  
45 *commencement of new construction projects of all types, to induce*  
46 *and facilitate the acquisition and installation at an accelerated rate*  
47 *of such devices, equipment and facilities as may be required to*  
48 *reduce, abate and prevent environmental pollution by industry,*  
49 *utilities and commerce.*

50 *d. The availability of financial assistance by the State will reduce*  
51 *present unemployment and improve future employment oppor-*  
52 *tunities by encouraging and inducing the undertaking of such*  
53 *construction projects, the location, retaining or expanding of*  
54 *employment promoting enterprises within the State, and the accel-*  
55 *erated acquisition and installation of pollution control devices,*  
56 *equipment and facilities.*

57 *The Legislature further determines that in order to aid in*  
58 *remedying the aforesaid conditions and to further and implement*  
59 *the purposes of this act, that there shall be created a body politic*  
60 *and corporate having the powers, duties and functions provided in*  
61 *this act and that the authority and powers conferred under this*  
62 *act and the expenditure of moneys pursuant thereto constitutes a*  
63 *servicing of a valid public purpose and that the enactment of the*  
64 *provisions hereinafter set forth is in the public interest and for the*  
65 *public benefit and good and is hereby so declared to be as a matter*  
66 *of express legislative determination.*

1 2. Section 3 of P. L. 1974, c. 80 (C. 34:1B-3) is amended to read  
2 as follows:

3 3. As used in this act, unless a different meaning clearly appears  
4 from the context:

5 a. "Authority" means the New Jersey Economic Development  
6 Authority, created by section 4 of this act.

7 b. "Bonds" means bonds or other obligations issued by the  
8 Authority pursuant to this act[;].

9 c. "Cost" means[, in addition to the usual connotations thereof,  
10 the cost of acquisition or construction of all or any part of any  
11 project, and shall include, but not be limited to, the cost or fair  
12 market value of construction, machinery and equipment, property,  
13 rights, easements, privileges, agreements, franchises, utility exten-  
14 sions, disposal facilities, or pollution control facilities, access roads  
15 and site development deemed by the authority to be necessary or  
16 useful and convenient therefor or in connection therewith, discount  
17 on bonds, costs of issuance of bonds, engineering and inspection  
18 costs and legal expenses, cost of financial, professional and other  
19 estimates and advice, organization, administrative, insurance,  
20 operating and other expenses of the authority or any person prior  
21 to and during any acquisition or construction, and all such other  
22 expenses as may be necessary or incident to the financing, acquisi-  
23 tion, construction and completion of such project or part thereof,  
24 and also such provision for reserves for payment or security of  
25 principal of or interest on bonds during or after such acquisition or  
26 construction as the authority may determine.

27 "Cost" may also consist exclusively of the cost of pollution  
28 control facilities, and all costs deemed by the authority to be  
29 necessary or useful and convenient therefor or in connection  
30 therewith, and shall include, but not be limited to, the cost or fair  
31 market value of construction, machinery and equipment, property,  
32 rights, easements, privileges, agreements, franchises, utility exten-  
33 sions, disposal facilities, access roads, and site development,  
34 discount on bonds, cost of issuance of bonds, engineering and in-  
35 spection costs and legal expenses, cost of financial, professional and  
36 other estimates and advice, organization, administrative, insurance,  
37 operating and other expenses of the authority or any person prior  
38 to and during any acquisition or construction, and all such other  
39 expenses as may be necessary or incident to the financing, acquisi-  
40 tion, construction and completion of such project or part thereof,  
41 and also such provision for reserves for payment or security of  
42 principal of or interest on bonds during or after such acquisition or  
43 construction as the authority may determine.】

44 The cost of the acquisition, construction, reconstruction,  
45 repair, alteration, improvement and extension of any building,  
46 structure, facility including water transmission facilities, or other  
47 improvement; the cost of machinery and equipment, the cost of  
48 acquisition, construction, reconstruction, repair, alteration,  
49 improvement and extension of pollution control devices, equipment  
50 or facilities; the cost of lands, rights-in-lands, easements, privileges,  
51 agreements, franchises, utility extensions, disposal facilities, access  
52 roads and site development deemed by the authority to be necessary  
53 or useful and convenient for any project or in connection therewith,  
54 discount on bonds, costs of issuance of bonds, engineering and  
55 inspection costs, cost of financial, legal, professional and other  
56 estimates and advice, organization, administrative, insurance,  
57 operating and other expenses of the authority or any person prior  
58 to and during any acquisition or construction, and all such expenses  
59 as may be necessary or incident to the financing, acquisition, con-  
60 struction or completion of any project or part thereof, and also  
61 such provision for reserves for payment or security of principal  
62 of or interest on bonds during or after such acquisition or construc-  
63 tion as the authority may determine.

64 d. "County" means any county of any class.

65 [d.] e. "Person" means any person, including individuals, firms,  
66 partnerships, associations, societies, trusts, public or private cor-  
67 porations, or other legal entities, including public or governmental  
68 bodies as well as natural persons. "Person" shall include the  
69 plural as well as the singular.

70 f. "Pollution control project" means any device equipment,  
71 improvement, structure or facility or any land and any building,  
72 structure, facility or other improvement thereon, or any combina-  
73 tion thereof, whether or not in existence or under construction, or  
74 the refinancing thereof in order to facilitate improvements or  
75 additions thereto or upgrading thereof, and all real and personal  
76 property deemed necessary thereto, having to do with or the end  
77 purpose of which is the control, abatement or prevention of land,  
78 sewer, water, air, noise or general environmental pollution, includ-  
79 ing, but not limited to, any air pollution control facility, noise  
80 abatement facility, water management facility, thermal pollution  
81 control facility, radiation contamination control facility, waste  
82 water collection system, waste water treatment works, sewage  
83 treatment works system, sewage treatment system or solid waste  
84 disposal facility or site; provided that the authority shall have  
85 received from the Commissioner of the State Department of

86 *Environmental Protection or his duly authorized representative,*  
87 *a certificate stating the opinion that, based upon information, facts*  
88 *and circumstances available to the State Department of Environ-*  
89 *mental Protection and any other pertinent data, (1) said pollution*  
90 *control facilities do not conflict with, overlap or duplicate any other*  
91 *planned or existing pollution control facilities undertaken or*  
92 *planned by another public agency or authority within any political*  
93 *subdivision, and (2) that such facilities, as designed, will be a pol-*  
94 *lution control project as defined in this act and are in furtherance*  
95 *of the purpose of abating or controlling pollution.*

96 [e. "Project" means any building whether or not in existence  
97 or under construction, or other improvement, purchase of an exist-  
98 ing building, refinancing of an existing building in order to facilitate  
99 substantial improvements thereto, or real estate improvement,  
100 including remodeling and refurnishing of or adding to existing  
101 property or both, in New Jersey, and, the land upon which it is  
102 located, all real property deemed necessary to its use, and the  
103 extension or provision of utilities, access roads and other appurte-  
104 nant facilities, which is to be used or occupied by any person for  
105 the manufacturing, processing or assembling of materials or manu-  
106 factured products, or for research, office, industrial, commercial,  
107 recreational or hotel facilities, or warehousing, or for any com-  
108 bination thereof and pollution control facilities occupied or utilized  
109 by an industrial, research, office or commercial enterprise which  
110 the authority determines will tend to maintain or provide gainful  
111 employment within and for the people of the State, aid and assist  
112 in the economic development or redevelopment of any political  
113 subdivision of the State, maintain or increase the tax base of any  
114 political subdivision of the State and maintain or diversify and  
115 expand industry within the State, or abate or reduce or prevent  
116 violations of environmental quality standards, and also including  
117 reimbursement to any person for costs in connection with, or the  
118 refinancing of, any project or portion as above described, if deter-  
119 mined by the authority as necessary and in the public interest to  
120 facilitate substantial improvements thereto or the completion  
121 thereof. "Project" may also mean machinery and equipment but  
122 not raw materials, work in process or stock in trade.

123 "Project" may also consist exclusively of the construction, or  
124 other improvement, of pollution control facilities as defined by this  
125 act which the authority determines will tend to abate or reduce or  
126 prevent violations of environmental quality standards within the  
127 State. "Project" includes the reimbursement to any person for

128 costs in connection with, or the refinancing of, any project or  
 129 portion thereof as described in this paragraph, if determined by the  
 130 authority as necessary and in the public interest to facilitate sub-  
 131 stantial improvements thereto or the completion thereof.】

132 *g. "Project" means (1) (a) acquisition, construction, recon-*  
 133 *struction, repair, alteration, improvement and extension of any*  
 134 *building, structure, facility including water transmission facilities*  
 135 *or other improvement, whether or not in existence or under con-*  
 136 *struction, (b) purchase and installation of equipment and machin-*  
 137 *ery, and (c) improvement of real estate and the extension or*  
 138 *provision of utilities, access roads and other appurtenant facilities,*  
 139 *all of which are to be used or occupied by any person in any*  
 140 *enterprise promoting employment, either for the manufacturing,*  
 141 *processing or assembly of materials or products, or for research or*  
 142 *office purposes, including, but not limited to, medical and other*  
 143 *professional facilities, or for industrial, recreational, hotel or motel*  
 144 *facilities, public utility and warehousing, or for commercial and*  
 145 *service purposes, including, but not limited to, retail outlets, retail*  
 146 *shopping centers, restaurant and retail food outlets, and any and all*  
 147 *other employment promoting enterprises; or any combination of*  
 148 *the above, which the authority determines will (i) tend to maintain*  
 149 *or provide gainful employment opportunities within and for the*  
 150 *people of the State, or (ii) aid, assist and encourage the economic*  
 151 *development or redevelopment of any political subdivision of the*  
 152 *State, or (iii) maintain or increase the tax base of the State or of*  
 153 *any political subdivision of the State, or (iv) maintain or diversify*  
 154 *and expand employment promoting enterprises within the State;*  
 155 *and (2) the cost of acquisition, construction, reconstruction, repair,*  
 156 *alteration, improvement and extension of a pollution control project*  
 157 *which the Authority determines will tend to reduce, abate or prevent*  
 158 *environmental pollution within the State. Project may also include*  
 159 *reimbursement to any person for costs in connection with any*  
 160 *project, or the refinancing of any project or portion thereof, if*  
 161 *determined by the authority as necessary and in the public interest*  
 162 *to maintain employment and the tax base of any political sub-*  
 163 *division and will facilitate improvements thereto or the completion*  
 164 *thereof; but shall not include raw materials, work in progress or*  
 165 *stock in trade.*

166 **【f.】** *h. "Revenues" means receipts, fees, rentals or other pay-*  
 167 *ments to be received on account of lease, mortgage, conditional*  
 168 *sale, or sale and payments and any other income derived from the*  
 169 *lease, sale or other disposition of a project, moneys in such reserve*

170 and insurance funds or accounts or other funds and accounts and  
 171 income from the investment thereof, established in connection  
 172 with the issuance of bonds or notes for a project or projects, and  
 173 fees, charges or other moneys to be received by the authority in  
 174 respect of projects and contracts with persons【; and】.

175 【g.】 *i.* “Resolution” means any resolution adopted or trust  
 176 agreement executed by the authority pursuant to which bonds of  
 177 the authority are authorized to be issued.

178 【h. “Environmental quality standards” means the various  
 179 standards prescribed by this State or the Federal Government,  
 180 including but not limited to the rules and regulations administered  
 181 by the Department of Environmental Protection as established  
 182 by P. L. 1970, c. 33 【(C. 31:1D-1 et seq.)】 (C. 13:1D-1 et seq.), and  
 183 any amendments and supplements thereto, relating to any form of  
 184 environmental pollution deriving from the operation of industrial  
 185 manufacturing, warehousing, commercial, office or research facili-  
 186 ties, including but not limited to water pollution, air pollution,  
 187 pollution caused by solid waste disposal, thermal pollution, radia-  
 188 tion contamination, or noise pollution.】

189 【i. “Pollution control facilities” means any structures, facilities,  
 190 systems, fixtures, real or personal property, rights in lands,  
 191 improvements, appurtenances, machinery, equipment, or any com-  
 192 bination thereof which is to be used to abate or reduce or aid in  
 193 the prevention, control, disposal or monitoring of noise, air, water  
 194 or thermal pollution, solid waste or other pollutants without limita-  
 195 tion thereto and may include property or equipment which is to  
 196 be installed primarily to supplement or to replace existing property  
 197 or equipment not meeting acceptable pollution control standards or  
 198 which is to be supplemented or replaced to comply with an order  
 199 or citation to eliminate pollution issued by any Federal or State  
 200 authority having jurisdiction and provided that the State Depart-  
 201 ment of Environmental Protection certifies that any such facility  
 202 does not conflict with, overlap or duplicate any other planned or  
 203 existing pollution control facilities undertaken or planned by  
 204 another public agency or authority and provided further that the  
 205 State Department of Environmental Protection certifies that such  
 206 facilities represent an acceptable method of correcting the pollu-  
 207 tion problem under consideration.】

1 3. Section 6 of P. L. 1974, c. 80 (C. 34:1B-6) is amended to read  
 2 as follows:

3 6. A copy of any application for assistance under this act  
 4 received by the authority shall be submitted to, and for the review



5 and advice of, the Director of the Division of Economic Develop-  
 6 ment. Prior to making any commitment for such assistance, the  
 7 authority, after consultation with the director of said division shall  
 8 by resolution duly adopted, find and determine, on the basis of  
 9 all information reasonably available to it, that such assistance  
 10 will tend to maintain or provide gainful employment for the in-  
 11 habitants of the State or will eliminate and reduce environmental  
 12 pollution derived from the operation of industry, utilities and  
 13 commerce and improve living conditions, and shall serve a public  
 14 purpose by contributing to the prosperity, health and general  
 15 welfare of the inhabitants of the State and will tend to aid and  
 16 assist in the economic growth, development or redevelopment of  
 17 the political subdivision wherein it is to be located, and such finding  
 18 and determination shall be conclusive for all purposes of this act.

19 The authority shall also find and determine, on the basis of all  
 20 information reasonably available to it, that such assistance, or  
 21 any part thereof, used to construct, improve or refinance any  
 22 pollution control facility as defined by this act will not impair  
 23 any obligation undertaken by any County Industrial Pollution  
 24 Control Financing Authority created pursuant to P. L. 1973, c. 376  
 25 (C. 40:37C-1 et seq.).

1 4. Section 12 of P. L. 1974, c. 80 (C. 34:1B-12) is amended to  
 2 read as follows:

3 12. In order to secure the payment of such bonds and in addition  
 4 to its other powers, the authority shall have power by resolution  
 5 to covenant and agree with the several holders of such bonds, as to:

6 a. The custody, security, use, expenditure or application of the  
 7 proceeds of the bonds;

8 b. The use, regulation, operation, maintenance, insurance or  
 9 disposition of all or any part of any project or projects;

10 c. Payment of the principal of or interest on the bonds, or any  
 11 other obligations, and the sources and methods thereof, the rank  
 12 or priority of any such bonds or obligations as to any lien or  
 13 security, or the acceleration of the maturity of any such bonds or  
 14 obligations;

15 d. The use and disposition of any moneys of the authority, in-  
 16 cluding all revenues or other moneys derived or to be derived  
 17 from any project or projects;

18 e. Pledging, setting aside, depositing or trusteeing all or any  
 19 part of the revenues or other moneys of the authority to secure  
 20 the payment of the principal of or interest on the bonds or any  
 21 other obligations and the powers and duties of any trustee with  
 22 regard thereto;

23 f. The setting aside out of the revenues or other moneys of the  
24 authority of reserves and sinking funds, and the source, custody,  
25 security, regulation, application and disposition thereof;

26 g. The rents, fees or other charges for the use of any project  
27 or projects, including any parts thereof theretofore constructed  
28 or acquired and any parts, replacements or improvements thereof  
29 thereafter constructed or acquired, and the fixing, establishment,  
30 collection and enforcement of the same;

31 h. Limitation on the issuance of additional bonds or any other  
32 obligations or on the incurrence of indebtedness of the authority;

33 i. Vesting in a trustee or trustees, *fiscal or escrow agent or*  
34 *agents* within or without the State such property, **[ights]** *rights,*  
35 powers and duties in trust as the authority may determine and  
36 limiting the rights, duties and powers of such trustee *or agent*;

37 j. Payment of costs or expenses incident to the enforcement of  
38 the bonds or of the provisions of the resolution or of any covenant  
39 or contract with the holders of the bonds;

40 k. The procedure, if any, by which the terms of any covenant  
41 or contract with, or duty to, the holders of bonds may be amended  
42 or abrogated, the amount of bonds the holders of which must  
43 consent thereto, and the manner in which such consent may be  
44 given or evidenced; or

45 l. Any other matter or course of conduct which, by recital in  
46 the resolution, is declared to further secure the payment of the  
47 principal of or interest on the bonds.

48 All such provisions of the resolution and all such covenants  
49 and agreements shall constitute valid and legally-binding contracts  
50 between the authority and the several holders of the bonds, regard-  
51 less of the time of issuance of such bonds, and shall be enforceable  
52 by any such holder or holders by appropriate action, suit or pro-  
53 ceeding in any court of competent jurisdiction, or by proceeding  
54 in lieu of prerogative writ.

1 5. (New section.) a. Any county, by resolution of its governing  
2 body, shall have power to enter into contracts with the authority  
3 relating to any project or projects situated within the county;  
4 provided, however, that any such resolution shall be introduced in  
5 writing at a meeting of the governing body and shall be passed  
6 upon first reading which may be by title, and thereafter, the resolu-  
7 tion shall be published with notice of the introduction thereof and  
8 of the date, time and place of further consideration for final  
9 passage, and on the date and at the time and place so advertised,  
10 all persons interested shall be given the opportunity to be heard

11 and after such hearing, the governing body may proceed to reject  
12 or finally adopt the resolution by the recorded affirmative votes  
13 of at least two-thirds of the full membership of the governing body;  
14 and provided, further, that such resolution shall contain findings  
15 and determinations of the governing body (1) that the project will  
16 maintain employment opportunities in such county or provide  
17 new employment opportunities in such county and (2) that the  
18 contract with the authority is a necessary inducement to the under-  
19 taking of such project in that it makes the financing thereof feasible.  
20 Such contract or contracts may provide for the payment to the  
21 authority by such county annually or otherwise of such sum or  
22 sums of money, computed at fixed amounts or by any formula, or  
23 in any other manner as may be fixed in or pursuant thereto. Any  
24 such contract may be made and entered into for a term beginning  
25 currently or at some future or contingent date and with or without  
26 consideration and for a specified or unlimited time and on any  
27 terms and conditions which may be approved by such county and  
28 which may be agreed to by the authority in conformity with its  
29 contracts with the holders of any bonds, and shall be valid and  
30 binding on such county whether or not an appropriation is made  
31 thereby prior to authorization or execution of such contract. Every  
32 such county is hereby authorized and directed to do and perform  
33 any and all acts and things necessary, convenient or desirable  
34 to carry out and perform any such contract entered into by it and  
35 to provide for the payment or discharge of any obligation there-  
36 under in the same manner as other obligations of such county.

37 b. For the purpose of aiding the authority and cooperating in  
38 the planning, designing, acquiring, constructing, reconstructing,  
39 improving, equipping and furnishing of any project situate in any  
40 county, any such county, by ordinance of its governing body, shall  
41 have power from time to time and for such period and upon such  
42 terms, with or without consideration, as may be provided by such  
43 ordinance and accepted by the authority (1) to appropriate moneys  
44 for the purposes of the authority with respect to such project,  
45 and to loan or donate such money to the authority in such install-  
46 ments and upon such terms as may be agreed upon with the  
47 authority, (2) upon authorization by it in accordance with law  
48 of the performance of any act or thing which it is empowered by  
49 law to authorize or perform and after appropriation of the moneys,  
50 if any, necessary for such performance, to covenant and agree  
51 with the authority to do and perform such act or thing and as to  
52 the time, manner and other details of its doing and performance,

53 and (3) to appropriate money for all or any part of the cost of  
54 the acquisition or construction of such project, and, in accordance  
55 with the limitations and exceptions thereto and in the manner or  
56 mode of procedure prescribed by the local bond law to incur  
57 indebtedness, borrow money and issue its negotiable bonds for  
58 the purpose of such project and appropriation, and to pay the  
59 proceeds of such bonds to the authority.

60 c. Any contract, and any instrument making or evidencing the  
61 same, may be pledged or assigned by the authority, with the consent  
62 of the county executing such contract, to secure its bonds and  
63 thereafter may not be modified except as provided by the terms  
64 of such instrument or by the terms of such pledge or assignment.

1 6. (New section) All property of an authority shall be exempt  
2 from levy and sale by virtue of an execution and no execution or  
3 other judicial process shall issue against the same nor shall any  
4 judgment against an authority be a charge or lien upon its prop-  
5 erty; provided, that nothing herein contained shall apply to or  
6 limit the rights of the holder of any bonds to pursue any remedy  
7 for the enforcement of any pledge or lien given by the authority on  
8 or with respect to any project or any revenues or other moneys.

1 7. This act shall take effect immediately.

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#### STATEMENT

This bill broadens the definition of projects which the New Jersey Economic Development Authority is permitted to finance with tax-exempt bonds to include retail and commercial facilities, other service industry facilities, and facilities for the transmission of water. The criteria for project approval is also broadened to give priority not only to projects which create permanent employment, but also to projects which create immediate construction employment. The amendments would permit the authority to provide financial assistance to a number of projects which have heretofore been rejected because of the narrow definition of project, but which would have created substantial construction and permanent employment opportunities. The broadened definition of project would give New Jersey one of the most comprehensive economic development agency statutes in the nation, and will be particularly helpful in stimulating new construction projects for commercial purposes.

The bill further expands the authority's financing capabilities by enabling county governments to enter into contracts with the authority to guarantee payment on all or portions of bond issues of the authority for eligible projects. This provision would permit

the counties to participate with the authority in economic development projects within each county jurisdiction. Such county participation would induce substantial new private investment into industrial and commercial projects by providing greater security to bondholders. County participation in any projects would be at the option of the county, depending upon the soundness and desirability of a particular project.

Finally, the bill provides a more flexible definition of "pollution control project" to take into account the rapidly-changing environmental protection standards of State and Federal agencies. The new definition of "pollution control project" has been developed in consultation with the New Jersey Department of Environmental Protection, and is expected to permit greater participation in the authority's loan assistance program for industrial pollution control projects.

661  
NOVEMBER 25, 1975

FOR FURTHER INFORMATION

FOR IMMEDIATE RELEASE

DICK CAMPBELL

Governor Brendan Byrne signed into law today a bill designed to stimulate up to \$50 million in new business construction in the state.

The measure, S-3357, sponsored by Senator Bernard J. Dwyer, D-Middlesex, amends the law creating the New Jersey Economic Development Authority to enable the authority to provide its low-interest financing for retail and commercial projects. Previously, the authority was limited to financing industrial and manufacturing facilities.

Byrne said the administration bill was developed to help promote the construction of new business facilities and to create jobs in a time of high unemployment.

"This measure will permit the Authority to provide assistance to dozens of retail and commercial projects which previously were not eligible for such aid," he said. "This bill should create thousands of new jobs and provide the means for millions of dollars in new investment by the private sector."

Joseph A. Hoffman, state Commissioner of Labor and Industry and the Authority Chairman, said the authority already has a pending file of more than a dozen applications for projects that now will be eligible for assistance.

"As soon as the bill cleared the Legislature, we began encouraging applications in order to eliminate any delays in funding projects," said Hoffman.

He said the Authority may act on some applications later this week.

He said the applications are for projects such as shopping centers, supermarkets and restaurants.

The measure also permits the Authority to provide financing for water transmission facilities, and clarifies the Authority's power to provide financing for pollution control.

In addition, the measure enables county governments to provide guarantees for Authority bonds which otherwise might not be marketed. This could be of special benefit to resort areas such as Atlantic County.

The Economic Development Authority provides low-interest financial assistance to eligible projects through sale of its tax-exempt bonds. (cont'd)

Since its creation in August of 1974, the Authority has approved a total of \$166 million in assistance to eligible firms for projects that will create 6,200 permanent jobs and an additional 7,800 construction jobs.

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