

18A:24-3

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Legislative Notes on R.S. 18A:24-3
(Boards of Education - time to issue bonds)

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No similar bills were introduced in previous years.

L. 1969, Chapter 20. - A816
Introduced April 2, 1969 by Azzolina & Moraites.
There was a statement made. (Copy enclosed)
Not amended during passage.

No recent hearings or reports were found on this subject.

This bill was listed as "approved" in :

974.905 New Jersey League of Municipalities Legislative
L51 Bulletin - No. 7, Date - April 23, 1969 - pg.

This bill was supported, with reasons, in:
State Federation District Boards of Education
Legislative Bulletin
Vol 17, No. 4, 4/25/69 (copy enclosed)

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ASSEMBLY, No. 816

STATE OF NEW JERSEY

INTRODUCED APRIL 2, 1969

By Assemblymen AZZOLINA and MORAITES

(Without Reference)

AN ACT concerning education, and amending section 18A:24-3 of the New Jersey Statutes.

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

1 1. Section 18A:24-3 of the New Jersey Statutes is amended to
2 read as follows:

3 18A:24-3. Whenever an issue of bonds has been authorized pur-
4 suant to this chapter, the governing body of a municipality com-
5 prising a Type I school district, or the board of education of a
6 Type II school district, may, in anticipation of the issuance of
7 permanent bonds, by resolution, authorize the issuance of tem-
8 porary notes or loan bonds of the municipality or district, as the
9 case may be, as money is required by the board of education of
10 the district for the projects for which the permanent bonds are
11 authorized, in such principal sums (not exceeding in the aggregate
12 the total principal amount of the permanent bonds), at such rates
13 of interest and having such maturities (not exceeding 1 year and
14 renewable, for not more than 1 year periods each, from time to time
15 for not exceeding 3 years from the date **[of]** *when* **[the]** original
16 temporary notes or loan bonds *have been issued in an amount equal*
17 *to 10% of the total principal amount of the permanent bonds au-*
18 *thorized*) and upon such other terms and conditions as shall be
19 fixed in the respective resolutions authorizing the issuance of such
20 temporary notes or loan bonds, in which resolutions may be set
21 forth any other matters relating to the issuance thereof which may
22 be requisite.

1 2. The local finance board shall adopt, in the manner prescribed
2 by law, such rules and regulations as are necessary for the im-
3 plementation and execution of this act.

1 3. 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 permit boards of education under certain limited conditions additional time before issuing bonds when faced with an unfavorable bond market or other circumstances making the issuance of bonds within 3 years disadvantageous.

A-816 Azzolina, Moraites—April 2—Permits boards of education additional time before issuing bonds.

April 2—Passed Assembly under emergency resolution.
April 14—Passed in Senate.

The purpose of this bill is to permit boards of education, under certain limited conditions, additional time before issuing bonds when faced with an unfavorable bond market or other circumstances making the issuance of bonds within three years disadvantageous.

A-302 was entered in the 1968 Legislature at the request of the Federation and was vetoed by the Governor. It would have permitted boards of education to engage in temporary financing for five instead of three years. A-743 was entered in the 1969 Legislature and was identical to A-302 (1968). A-743 was also vetoed by the Governor.

It appears that we will have to support A-816 as an interim step.

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