

August 12, 1970

LEGISLATIVE NOTES ON R.S. 55:16-8
(Rights, powers and privileges of housing corporations)
(1969 Amendment)

COPY 1

Permission to raise interest rates above 6% was granted by
by L. 1968, Chapter 55.

L. 1969-C.199-A1110

Allows non profit housing corporations to borrow money at more than 6%
Introduced November 17 by Dickey, Woodson, Schluter
Not amended during passage
No statement.

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RSL/AS

199
APPROVED 12-2-69

ASSEMBLY, No. 1110

STATE OF NEW JERSEY

INTRODUCED NOVEMBER 17, 1969

By Assemblymen DICKY and WOODSON

(Without Reference)

AN ACT to amend "An act to provide for the incorporation and regulation of limited-dividend or nonprofit housing corporations and associations," approved May 21, 1949 (P. L. 1949, c. 184) as said title was amended by chapter 112 of the laws of 1967.

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

1 1. Section 8 of the act of which this act is amendatory is amended
2 to read as follows:

3 8. Every housing corporation organized under this act, subject
4 to the conditions and restrictions herein, and the regulations of
5 the authority approved by the council, shall have the following
6 rights, powers and privileges:

7 (1) To have succession by its corporate name for the period
8 limited in its certificate of incorporation or any amendment thereto.

9 (2) To sue and be sued in its corporate name.

10 (3) To have and use a common seal and to alter same at pleasure.

11 (4) To have a capital stock of such an amount and number of
12 shares as may be provided in the certificate of incorporation or
13 any amendment thereto and to increase or decrease its capital
14 stock.

15 (5) To acquire, own, use, convey, sell, contract, encumber, lease,
16 and otherwise dispose of and deal in real or personal property or
17 any interest therein.

18 (6) To borrow money at such rate of interest, not to exceed
19 **[6% per annum]** *the lawful rate set pursuant to chapter 55 of*
20 *the laws of 1968*, to mortgage or pledge its property, both real and
21 personal, and to secure the payment of its obligations.

22 (7) To pay dividends on its capital stock at a rate not to exceed
23 8% per annum and to pay or to provide for the payment of its
24 debts and other obligations.

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

Assembly Bill No. 1110 -- which authorizes limited-dividend housing corporations to enter into mortgages requiring interest payments of up to the maximum legal interest rate, currently at 7.5%.

Assembly Bill No. 1121 -- which makes technical amendments to the Higher Education Assistance Authority Fund for student loans in order to insure compliance with recent Federal legislation and facilitate the sale of bonds and notes by the Authority.

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