



**FOLLOWING WERE PRINTED:**

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext. 103 or [refdesk@njstatelib.org](mailto:refdesk@njstatelib.org)

**REPORTS:**

No

**HEARINGS:**

No

**NEWSPAPER ARTICLES:**

No

P.L. 1999, CHAPTER 293, *approved December 23, 1999*

Senate, No. 1808

1 AN ACT concerning certain leased motor vehicles and amending  
2 P.L.1994, c.190.

3

4 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
5 *of New Jersey:*

6

7 1. Section 2 of P.L.1994, c.190 (C.56:12-61) is amended to read  
8 as follows:

9 2. As used in sections 1 through 8 and sections 11 through 14 of  
10 this act:

11 "Adjusted capitalized cost" means the agreed upon amount which  
12 serves as the basis for determining the periodic lease payment and a  
13 portion of the lessee's early termination liability, computed by  
14 subtracting from the gross capitalized cost any capitalized cost  
15 reduction.

16 "Business day" means every day other than a Saturday, a Sunday,  
17 or a day on which State-chartered banks in New Jersey are required to  
18 be closed.

19 "Capitalized cost reduction" means any payment made by cash,  
20 check, rebates or similar means that are in the nature of down  
21 payments made by the lessee and any net trade-in allowance granted  
22 by the lessor at the inception of the lease for the purpose of reducing  
23 the gross capitalized cost but does not include any periodic lease  
24 payments due at the inception of the lease or all of the periodic lease  
25 payments if they are paid at the inception of the lease.

26 "Director" means the Director of the Division of Consumer Affairs  
27 in the Department of Law and Public Safety.

28 "Division" means the Division of Consumer Affairs in the  
29 Department of Law and Public Safety.

30 "Fair market value commercial lease" means a contract or other  
31 agreement between a lessor and a lessee in which the vehicle is to be  
32 used primarily for business or commercial purposes and which  
33 provides an option for the purchase of the vehicle by the lessee from  
34 the lessor at its fair market value at the end of the lease term.

35 "Fleet lease" means a contract or other agreement between a lessor  
36 and a lessee entered into after the effective date of this act and in  
37 which the vehicles are to be used primarily for business or commercial  
38 purposes that is either: a written agreement for the use of at least two  
39 vehicles that includes an agreement for an option to use at least one  
40 additional motor vehicle; or a written agreement for the lease of five  
41 or more vehicles.

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

**Matter underlined thus is new matter.**

1 "Gross capitalized cost" means the amount, which, when reduced  
2 by the amount of the capitalized cost reduction, equals the adjusted  
3 capitalized cost. The gross capitalized cost shall include, the cost of  
4 the vehicle and, without limitation, taxes, registration, license,  
5 acquisition, assignment and other fees and charges for insurance, for  
6 a waiver of the contractual obligation to pay certain liability in the  
7 event the motor vehicle is damaged, stolen or otherwise lost, for  
8 accessories and their installation, for delivering, serving, repairing or  
9 improving the motor vehicle and for other services and benefits  
10 incidental to the lease. It may also include, with respect to a vehicle  
11 or other property traded-in in connection with a lease, the unpaid  
12 balance of any amount financed under an outstanding vehicle loan  
13 agreement or vehicle retail installment contract or the unpaid portion  
14 of the early termination obligation under any other obligation of the  
15 lessee.

16 "Lease" means a contract or other agreement between a lessor and  
17 a lessee, other than a fleet lease, a fair market value commercial lease,  
18 or a TRAC lease, entered into after the effective date of this act for  
19 the use of a motor vehicle by the lessee for a period of time exceeding  
20 120 days, whether or not the lessee has the option to purchase or  
21 otherwise become the owner of the motor vehicle at the expiration of  
22 the lease. A lease shall not be deemed to be a retail installment  
23 contract, as defined in subsection (b) of section 1 of P.L.1960, c.40  
24 (C.17:16C-1), unless the lessee, for no or for a nominal consideration,  
25 becomes the owner, or has the option of becoming the owner, of the  
26 motor vehicle at the end of the term of the lease.

27 "Leasing dealer" means a person who, in the ordinary course of  
28 business, offers or enters into motor vehicle leases or who in the  
29 course of any 12-month period offers or enters into more than three  
30 motor vehicle leases. The term "leasing dealer" shall not include a  
31 person to whom a lease is assigned by a leasing dealer.

32 "Lessee" means a person who leases a motor vehicle under a lease.

33 "Lessor" means a leasing dealer who holds title to a motor vehicle  
34 leased to a lessee under a lease or a leasing dealer who holds the  
35 lessor's rights under the lease or a person to whom a lease is assigned.

36 "Motor vehicle" or "vehicle" means a motor vehicle as defined in  
37 R.S.39:1-1, except the living facilities of motor homes.

38 "Purchase option price" means total cost to the lessee, excluding  
39 sales tax, to purchase the motor vehicle at the end of the lease term.

40 "Residual value" means the projected fair market value of the motor  
41 vehicle at the end of the lease term.

42 "TRAC lease" means a contract or other agreement between a  
43 lessor and a lessee which contains a "terminal rental adjustment  
44 clause," as that provision is defined in subsection (h) of 26 U.S.C.  
45 s.7701.

46 (cf: P.L.1994, c.190, s.2)

1       2. This act shall take effect on the 30th day following enactment.

2

3

STATEMENT

4

5       This bill amends New Jersey's "Consumer Leasing Protection Act"  
6 which provides certain consumer protections to lessees of motor  
7 vehicles. This bill provides for an exemption from that act for fair  
8 market value commercial leases and for leases with TRAC clauses.  
9 These are leases involving commercial vehicles and exempting these  
10 types of commercial leases from the act will increase leasing  
11 opportunities for New Jersey businesses, while continuing the  
12 coverage of the act to other motor vehicle leases. Fleet leases are  
13 currently exempt from the provisions of the act.

14

15

16

17

18       Exempts fair market value commercial leases and TRAC leases from  
19 the provisions of the "Consumer Protection Leasing Act."

**SENATE, No. 1808**

---

**STATE OF NEW JERSEY**  
**208th LEGISLATURE**

---

INTRODUCED MAY 6, 1999

**Sponsored by:**

**Senator GERALD CARDINALE**

**District 39 (Bergen)**

**Co-Sponsored by:**

**Assemblymen Moran and Impreveduto**

**SYNOPSIS**

Exempts fair market value commercial leases and TRAC leases from the provisions of the "Consumer Protection Leasing Act."

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 11/16/1999)**

S1808 CARDINALE

2

1 AN ACT concerning certain leased motor vehicles and amending  
2 P.L.1994, c.190.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. Section 2 of P.L.1994, c.190 (C.56:12-61) is amended to read  
8 as follows:

9 2. As used in sections 1 through 8 and sections 11 through 14 of  
10 this act:

11 "Adjusted capitalized cost" means the agreed upon amount which  
12 serves as the basis for determining the periodic lease payment and a  
13 portion of the lessee's early termination liability, computed by  
14 subtracting from the gross capitalized cost any capitalized cost  
15 reduction.

16 "Business day" means every day other than a Saturday, a Sunday,  
17 or a day on which State-chartered banks in New Jersey are required to  
18 be closed.

19 "Capitalized cost reduction" means any payment made by cash,  
20 check, rebates or similar means that are in the nature of down  
21 payments made by the lessee and any net trade-in allowance granted  
22 by the lessor at the inception of the lease for the purpose of reducing  
23 the gross capitalized cost but does not include any periodic lease  
24 payments due at the inception of the lease or all of the periodic lease  
25 payments if they are paid at the inception of the lease.

26 "Director" means the Director of the Division of Consumer Affairs  
27 in the Department of Law and Public Safety.

28 "Division" means the Division of Consumer Affairs in the  
29 Department of Law and Public Safety.

30 "Fair market value commercial lease" means a contract or other  
31 agreement between a lessor and a lessee in which the vehicle is to be  
32 used primarily for business or commercial purposes and which  
33 provides an option for the purchase of the vehicle by the lessee from  
34 the lessor at its fair market value at the end of the lease term.

35 "Fleet lease" means a contract or other agreement between a lessor  
36 and a lessee entered into after the effective date of this act and in  
37 which the vehicles are to be used primarily for business or commercial  
38 purposes that is either: a written agreement for the use of at least two  
39 vehicles that includes an agreement for an option to use at least one  
40 additional motor vehicle; or a written agreement for the lease of five  
41 or more vehicles.

42 "Gross capitalized cost" means the amount, which, when reduced  
43 by the amount of the capitalized cost reduction, equals the adjusted

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

**Matter underlined thus is new matter.**

1 capitalized cost. The gross capitalized cost shall include, the cost of  
2 the vehicle and, without limitation, taxes, registration, license,  
3 acquisition, assignment and other fees and charges for insurance, for  
4 a waiver of the contractual obligation to pay certain liability in the  
5 event the motor vehicle is damaged, stolen or otherwise lost, for  
6 accessories and their installation, for delivering, serving, repairing or  
7 improving the motor vehicle and for other services and benefits  
8 incidental to the lease. It may also include, with respect to a vehicle  
9 or other property traded-in in connection with a lease, the unpaid  
10 balance of any amount financed under an outstanding vehicle loan  
11 agreement or vehicle retail installment contract or the unpaid portion  
12 of the early termination obligation under any other obligation of the  
13 lessee.

14 "Lease" means a contract or other agreement between a lessor and  
15 a lessee, other than a fleet lease, a fair market value commercial lease,  
16 or a TRAC lease, entered into after the effective date of this act for  
17 the use of a motor vehicle by the lessee for a period of time exceeding  
18 120 days, whether or not the lessee has the option to purchase or  
19 otherwise become the owner of the motor vehicle at the expiration of  
20 the lease. A lease shall not be deemed to be a retail installment  
21 contract, as defined in subsection (b) of section 1 of P.L.1960, c.40  
22 (C.17:16C-1), unless the lessee, for no or for a nominal consideration,  
23 becomes the owner, or has the option of becoming the owner, of the  
24 motor vehicle at the end of the term of the lease.

25 "Leasing dealer" means a person who, in the ordinary course of  
26 business, offers or enters into motor vehicle leases or who in the  
27 course of any 12-month period offers or enters into more than three  
28 motor vehicle leases. The term "leasing dealer" shall not include a  
29 person to whom a lease is assigned by a leasing dealer.

30 "Lessee" means a person who leases a motor vehicle under a lease.

31 "Lessor" means a leasing dealer who holds title to a motor vehicle  
32 leased to a lessee under a lease or a leasing dealer who holds the  
33 lessor's rights under the lease or a person to whom a lease is assigned.

34 "Motor vehicle" or "vehicle" means a motor vehicle as defined in  
35 R.S.39:1-1, except the living facilities of motor homes.

36 "Purchase option price" means total cost to the lessee, excluding  
37 sales tax, to purchase the motor vehicle at the end of the lease term.

38 "Residual value" means the projected fair market value of the motor  
39 vehicle at the end of the lease term.

40 "TRAC lease" means a contract or other agreement between a  
41 lessor and a lessee which contains a "terminal rental adjustment  
42 clause," as that provision is defined in subsection (h) of 26 U.S.C.  
43 s.7701.

44 (cf: P.L.1994, c.190, s.2)

45

46 2. This act shall take effect on the 30th day following enactment.





SENATE COMMERCE COMMITTEE

STATEMENT TO

**SENATE, No. 1808**

**STATE OF NEW JERSEY**

DATED: MAY 6, 1999

The Senate Commerce Committee reports favorably Senate Bill No. 1808.

This bill amends New Jersey's "Consumer Leasing Protection Act," which provides certain consumer protections to lessees of motor vehicles, to exempt fair market value commercial leases and leases with TRAC clauses from the act's provisions. These are leases involving commercial vehicles and exempting these types of commercial leases from the act will increase leasing opportunities for New Jersey businesses, while continuing the coverage of the act to other motor vehicle leases. Fleet leases are currently exempt from the provisions of the act.

# ASSEMBLY, No. 2958

## STATE OF NEW JERSEY 208th LEGISLATURE

INTRODUCED MARCH 15, 1999

**Sponsored by:**

**Assemblyman JEFFREY W. MORAN**

**District 9 (Atlantic, Burlington and Ocean)**

**Assemblyman ANTHONY IMPREVEDUTO**

**District 32 (Bergen and Hudson)**

**SYNOPSIS**

Exempts fair market value commercial leases and TRAC leases from the provisions of the "Consumer Protection Leasing Act."

**CURRENT VERSION OF TEXT**

As introduced.



A2958 MORAN, IMPREVEDUTO

2

1 AN ACT concerning certain leased motor vehicles and amending  
2 P.L.1994, c.190.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. Section 2 of P.L.1994, c.190 (C.56:12-61) is amended to read  
8 as follows:

9 2. As used in sections 1 through 8 and sections 11 through 14 of  
10 this act:

11 "Adjusted capitalized cost" means the agreed upon amount which  
12 serves as the basis for determining the periodic lease payment and a  
13 portion of the lessee's early termination liability, computed by  
14 subtracting from the gross capitalized cost any capitalized cost  
15 reduction.

16 "Business day" means every day other than a Saturday, a Sunday,  
17 or a day on which State-chartered banks in New Jersey are required to  
18 be closed.

19 "Capitalized cost reduction" means any payment made by cash,  
20 check, rebates or similar means that are in the nature of down  
21 payments made by the lessee and any net trade-in allowance granted  
22 by the lessor at the inception of the lease for the purpose of reducing  
23 the gross capitalized cost but does not include any periodic lease  
24 payments due at the inception of the lease or all of the periodic lease  
25 payments if they are paid at the inception of the lease.

26 "Director" means the Director of the Division of Consumer Affairs  
27 in the Department of Law and Public Safety.

28 "Division" means the Division of Consumer Affairs in the  
29 Department of Law and Public Safety.

30 "Fair market value commercial lease" means a contract or other  
31 agreement between a lessor and a lessee in which the vehicle is to be  
32 used primarily for business or commercial purposes and which  
33 provides an option for the purchase of the vehicle by the lessee from  
34 the lessor at its fair market value at the end of the lease term.

35 "Fleet lease" means a contract or other agreement between a lessor  
36 and a lessee entered into after the effective date of this act and in  
37 which the vehicles are to be used primarily for business or commercial  
38 purposes that is either: a written agreement for the use of at least two  
39 vehicles that includes an agreement for an option to use at least one  
40 additional motor vehicle; or a written agreement for the lease of five  
41 or more vehicles.

42 "Gross capitalized cost" means the amount, which, when reduced  
43 by the amount of the capitalized cost reduction, equals the adjusted

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

**Matter underlined thus is new matter.**

1 capitalized cost. The gross capitalized cost shall include, the cost of  
2 the vehicle and, without limitation, taxes, registration, license,  
3 acquisition, assignment and other fees and charges for insurance, for  
4 a waiver of the contractual obligation to pay certain liability in the  
5 event the motor vehicle is damaged, stolen or otherwise lost, for  
6 accessories and their installation, for delivering, serving, repairing or  
7 improving the motor vehicle and for other services and benefits  
8 incidental to the lease. It may also include, with respect to a vehicle  
9 or other property traded-in in connection with a lease, the unpaid  
10 balance of any amount financed under an outstanding vehicle loan  
11 agreement or vehicle retail installment contract or the unpaid portion  
12 of the early termination obligation under any other obligation of the  
13 lessee.

14 "Lease" means a contract or other agreement between a lessor and  
15 a lessee, other than a fleet lease, a fair market value commercial lease,  
16 or a TRAC lease, entered into after the effective date of this act for  
17 the use of a motor vehicle by the lessee for a period of time exceeding  
18 120 days, whether or not the lessee has the option to purchase or  
19 otherwise become the owner of the motor vehicle at the expiration of  
20 the lease. A lease shall not be deemed to be a retail installment  
21 contract, as defined in subsection (b) of section 1 of P.L.1960, c.40  
22 (C.17:16C-1), unless the lessee, for no or for a nominal consideration,  
23 becomes the owner, or has the option of becoming the owner, of the  
24 motor vehicle at the end of the term of the lease.

25 "Leasing dealer" means a person who, in the ordinary course of  
26 business, offers or enters into motor vehicle leases or who in the  
27 course of any 12-month period offers or enters into more than three  
28 motor vehicle leases. The term "leasing dealer" shall not include a  
29 person to whom a lease is assigned by a leasing dealer.

30 "Lessee" means a person who leases a motor vehicle under a lease.

31 "Lessor" means a leasing dealer who holds title to a motor vehicle  
32 leased to a lessee under a lease or a leasing dealer who holds the  
33 lessor's rights under the lease or a person to whom a lease is assigned.

34 "Motor vehicle" or "vehicle" means a motor vehicle as defined in  
35 R.S.39:1-1, except the living facilities of motor homes.

36 "Purchase option price" means total cost to the lessee, excluding  
37 sales tax, to purchase the motor vehicle at the end of the lease term.

38 "Residual value" means the projected fair market value of the motor  
39 vehicle at the end of the lease term.

40 "TRAC lease" means a contract or other agreement between a  
41 lessor and a lessee which contains a "terminal rental adjustment  
42 clause," as that provision is defined in subsection (h) of 26 U.S.C.  
43 s.7701.

44 (cf: P.L.1994, c.190, s.2)

45

46 2. This act shall take effect on the 30th following enactment.

1 STATEMENT

2

3 This bill amends New Jersey's "Consumer Leasing Protection Act"  
4 which provides certain consumer protections to lessees of motor  
5 vehicles. This bill provides for an exemption from that act for fair  
6 market value commercial leases and for leases with TRAC clauses.  
7 These are leases involving commercial vehicles and exempting these  
8 types of commercial leases from the act will increase leasing  
9 opportunities for New Jersey businesses, while continuing the  
10 coverage of the act to other motor vehicle leases. Fleet leases are  
11 currently exempt from the provisions of the act.

ASSEMBLY CONSUMER AFFAIRS AND REGULATED  
PROFESSIONS COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 2958**

**STATE OF NEW JERSEY**

DATED: MARCH 25, 1999

The Assembly Consumer Affairs and Regulated Professions Committee reports favorably Assembly Bill No. 2958.

This bill amends New Jersey's "Consumer Leasing Protection Act" which provides certain consumer protections to lessees of motor vehicles. This bill provides for an exemption from that act for fair market value commercial leases and for leases with TRAC clauses. These are leases involving commercial vehicles and exempting these types of commercial leases from the act will increase leasing opportunities for New Jersey businesses, while continuing the coverage of the act to other motor vehicle leases. Fleet leases are currently exempt from the provisions of the act.

PO BOX 004  
TRENTON, NJ 08625

*Office of the Governor*  
**NEWS RELEASE**

CONTACT: Jayne O'Connor  
Laura Otterbourg  
609-777-2600

RELEASE: December 23, 1999

## **Governor Signs Bill Protecting Senior Citizens from Fraud And Murder Victims' Rights, Among Other Legislation**

Governor Christie Whitman today signed "Nielsa's Law" which amends the murder statute in New Jersey to permit the display of a photograph of a murder victim at the sentencing portion of the murder trial. The Governor also signed the Senior Citizens Fraudulent Claims Act that seeks to amend the New Jersey Consumer Fraud Act to impose heightened penalties against individuals who defraud senior citizens.

### **Neilsa's Law**

"The passage of Nielsa's Law doesn't bring back Nielsa Mason or ease the tremendous pain and suffering of the Mason family, but I believe the bill will ensure that murder victims, who obviously can't be present at trial, are represented in a dignified matter," said Gov. Whitman. "It's something the Mason family wanted at the trial on their murdered daughter's behalf - and we listened to their pleas to make the system more accommodating for survivors."

This bill amends the murder statute to permit the display of a photograph of a murder victim at the sentencing portion of the murder trial, in capital and non-capital murders. It would authorize such a photograph to be shown to a jury during the death penalty phase of a capital case, as well as to a judge during the sentencing portion of a non-capital case.

It also amends the law that permits crime victims to make "victim impact" statements to the sentencing court - authorizing victims to display photographs as part of their victim impact statements to the court in homicide cases.

Under previous law, victims could make victim impact statements to the sentencing court and to the penalty phase jury in a death penalty case. The law was silent as to whether photographs could be displayed and, as a result, some courts permitted such displays while others prohibited them in the absence of statutory guidance on this subject. Nielsa's Law authorizes the Supreme Court to issue court rules governing these displays to ensure uniformity regarding the photo's size, the permissible duration of the display and where in the courtroom the display may take place.

Nielsa's Law, **A-17**, was sponsored by Assembly Members Jack Collins (R-Salem/Cumberland/Gloucester) and Melvin Cottrell (R-Burlington/Monmouth/Ocean) and Senators Diane B. Allen (R-Burlington/Camden), Dr. Gerald Cardinale (R-Bergen) and Raymond J. Zane (D-Salem/Cumberland/Gloucester).

### **Senior Citizens Fraudulent Claims Act**



Referring to her passage of the Senior Citizens Fraudulent Claims Act, Gov. Whitman said "We need to protect the many faces in our New Jersey family - and that includes our elderly family members. Our state has one of the largest senior citizen populations in the nation - and it's growing. That's why I applaud this Act and its goal of protecting our seniors from fraud."

Introduced following a Feb.1997 report by the Division of Consumer Affairs' Elder Fraud Task Force, the Senior Citizens Fraudulent Claims Act applies to seniors over 60 years old and aims to amend the New Jersey Consumer Fraud Act through enhanced penalties for fraud.

If the Attorney General's Office were to successfully bring an action to enforce the Consumer Fraud Act on behalf of a senior citizen, the courts will now have to order restitution at twice the amount wrongfully acquired from the senior citizen. Also, any person who fails to make such a court-ordered restitution is subject to punishment for criminal contempt. The bill amends the Consumer Fraud Act to clarify that any penalties imposed under the Act are to be exclusive of (and in addition to) any monies or property that are ordered to be paid or restored.

The Senior Citizens Fraudulent Claims Act legislation, **A- 1512**, was sponsored by Assembly Members Joseph R. Malone (R-Burlington/Monmouth/Ocean) and Melvin Cottrell (R-Burlington/Monmouth/Ocean) and Senator Norman M. Robertson (R- Essex/Passaic).

In addition, Gov. Whitman signed today these pieces of legislation:

**S-1235**, sponsored by Senators Dr. Gerald Cardinale (R-Bergen) and Leonard T. Connors (R-Atlantic/Burlington/Ocean) and Assemblyman John V. Kelly (R-Bergen/Essex/Passaic), clarifies the 30-year rent control exemption for certain rental multiple dwelling units constructed without initial mortgage financing. The bill's purpose is to increase the availability of newly constructed rental housing for New Jersey residents and clarify the original intent of the Legislature in providing this exemption when it was enacted in 1987.

**S-1808**, sponsored by Senator Dr. Gerald Cardinale (R-Bergen) and Assembly Members Jeffrey W. Moran (R-Atlantic/Burlington/Ocean) and Anthony Impreveduto (D-Bergen/Hudson), exempts fair market value commercial leases and terminal rental adjustment clause (TRAC) leases from the provisions of the "Consumer Protection Leasing Act." The initiative is designed to increase leasing opportunities for State businesses as it recognizes that the consumer protections in the Act are not needed for businesses that establish "bargained-for" contracts. Most other states, including New York and California, exempt commercial leases from their leasing statutes.

**ACS, A-1352 and A-200**, sponsored by Assembly Members Carol J. Murphy (R-Essex/Morris/Passaic), Alan M. Augustine (R-Middlesex/Morris/Somerset/Union), George F. Geist (R-Camden/Gloucester), Nicholas Asselta (R-Cape May/Atlantic/Cumberland) and Charles K. Zisa (D-Bergen) and Senator John J. Matheussen (R-Camden/Gloucester), clarifies the crime of hindering a prosecution. Hindering is a crime of the third or fourth degree, or a disorderly persons offense, depending on the underlying circumstances. The bill amends the statute to say that hindering: 1) is when a person provides false information to a police officer regardless of whether the information is volunteered or is in response to an inquiry; (2) applies when false information is provided to hinder

detention or investigation of a criminal defense; and (3) includes false information given to a police officer connected with a violation of the motor vehicle laws and a civil State investigator in connection with the violation of the Fraud Prevention Act.

**SCS, A-1793**, sponsored by Assemblyman Paul DiGaetano (R-Bergen/Essex/Passaic), authorizes the creation of a non-lapsing recreation trust fund by counties and municipalities that have not established a board of recreation commissioners. The fund is to be used to offset the costs of operating county or municipal recreational programs. Currently, only counties or municipalities with an established board of recreation commissioners can create a dedicated fund for recreational purposes. The bill gives flexibility to those who do not wish to establish a full board of commissioners.

**A-1172**, sponsored by Assemblywoman Connie Myers (R-Warren/Hunterdon/Mercer) and Senators Diane B. Allen (R-Burlington/Camden) and William E. Schluter (R-Warren/Hunterdon/Mercer), creates procedures for the takeover of certain small sewer companies. The bill allows the Department of Environmental Protection and the Board of Public Utilities to order the takeover of a small sewer company where there is a record of significant, unresolved environmental violations. Currently, the BPU can order the takeover of a small water company by another public or private entity, if it determines that the former can't adequately serve its customers.

This legislation authorizes the DEP and BPU to order the acquisition of both a small water company and a small sewer company if either company has a record of significant, unresolved violations, provided both companies serve a common residential development, were established by a developer to service that development and are under common control and ownership.

Entities taking over a small water sewer company will not be held liable for prior environmental liabilities, including penalties or levies against the previous owner. Public entities will be given expedited access to capital financing provided by the Environmental Infrastructure Trust for upgrades necessary for the proper operation of the small sewer of water company.

**A-2395**, sponsored by Assembly Members David C. Russo (R-Bergen/Passaic) and John S. Wisniewski (D-Middlesex) and Senator Joseph A. Palaia (R-Monmouth), provides certain protections for dismissed non-tenured, certified school employees whose names are required to be maintained on a list. The list, maintained by the State Board of Examiners, contains the names and Social Security numbers of these employees, and the reason for dismissal.

The bill clarifies existing law by providing that a name will only be placed on the list if the employee is dismissed prior to the end of the year for just cause as a result of misconduct in office. If a disciplinary grievance arbitration is conducted, an employee's name can only be placed on the list if just cause due to misconduct is found by the arbitrator.

Also, an employee must be notified if his or her name is placed on the list and must be told when a chief school administrator seeks such information. The bill limits those who can obtain information from this list and says that a person may petition their name being included on the list to the Commissioner of Education. Finally, upon application a person's name will be removed if it has been on the list for at least three years.

Governor Whitman conditionally vetoed this legislation in June of this year. The Governor's recommendations were met and the legislation now clarifies the role of the Commissioner of Education. Specifically, the Commissioner can rule on whether a name is properly on a list, however it does not expand his jurisdiction in determining misconduct.