



P.L. 2003, CHAPTER 289, *approved January 14, 2004*  
Assembly Committee Substitute (*First Reprint*) for  
Assembly, No. 2148

1 AN ACT concerning local government financing of animal shelter and  
2 care facilities operated by certain nonprofit organizations,  
3 supplementing Title 4 of the Revised Statutes.  
4

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

7  
8 1. Notwithstanding the provisions of any other law to the  
9 contrary, and in addition to any other law authorizing these  
10 expenditures, a municipality or county may appropriate funds as a  
11 capital improvement pursuant to the "Local Bond Law," N.J.S. 40A:2-  
12 1 et seq., for the construction, by an organization organized as a not-  
13 for-profit as described in section 501(c)(3) of the federal Internal  
14 Revenue Code of 1986, 26 U.S.C. s.501, and exempt from taxation  
15 under section 501(a) of the federal Internal Revenue Code of 1986, 26  
16 U.S.C. s.501, of a facility on publicly owned land to shelter and care  
17 for abandoned and stray animals <sup>1</sup>, provided that the facility is licensed  
18 as required pursuant to section 8 of P.L.1941, c.151 (C.4:19-15.8)<sup>1</sup>.  
19 Funds appropriated pursuant to this section shall be contributed or  
20 loaned to an organization described in this section only if there is a  
21 contract for services between the organization and the municipality or  
22 county; and provided further that any title or interest in the facility  
23 held by an organization shall revert to the municipality or county on  
24 whose publicly owned land the facility is constructed upon the  
25 termination of the contract.

26  
27 2. This act shall take effect immediately.  
28

29  
30 \_\_\_\_\_  
31  
32 Authorizes local governments to finance animal shelter and care  
33 facilities operated by nonprofit organizations.

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

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup> Senate SEG committee amendments adopted May 15, 2003.

# ASSEMBLY, No. 2148

## STATE OF NEW JERSEY 210th LEGISLATURE

INTRODUCED MARCH 26, 2002

**Sponsored by:**

**Assemblyman WILFREDO CARABALLO**

**District 29 (Essex and Union)**

**Assemblyman PAUL SARLO**

**District 36 (Bergen, Essex and Passaic)**

**Co-Sponsored by:**

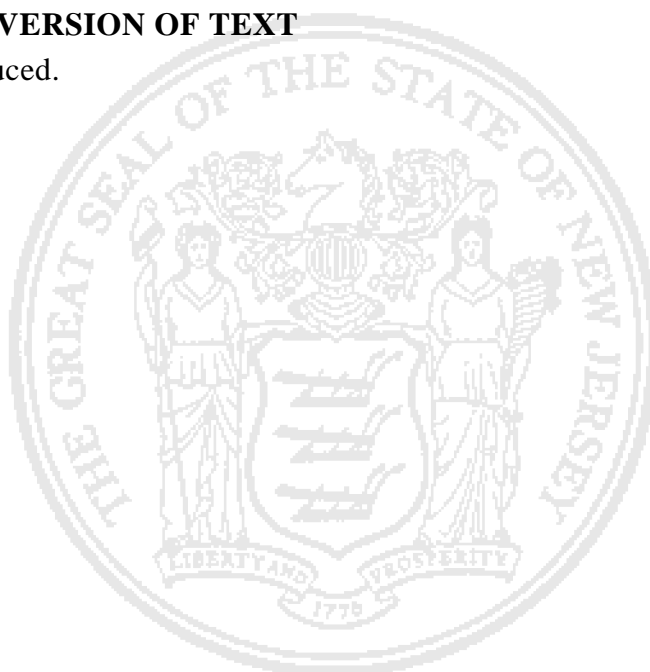
**Assemblyman Arnone**

**SYNOPSIS**

Authorizes municipalities to incur debt to finance shelter and care of animals by nonprofit organizations.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 5/7/2002)**

1 AN ACT concerning the issuance of municipal negotiable bonds for the  
2 purpose of funding nonprofit organizations that shelter animals,  
3 amending N.J.S.40A:2-3 and supplementing Title 4 of the Revised  
4 Statutes.

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

8  
9 1. N.J.S.40A:2-3 is amended to read as follows:

10 40A:2-3. Any local unit, by bond ordinance, may incur  
11 indebtedness, borrow money, authorize and issue negotiable  
12 obligations for financing:

13 a. any capital improvement or property which it may lawfully make  
14 or acquire;

15 b. any purpose for which it is authorized or required by law to  
16 make an appropriation, except current expenses and payment of  
17 obligations (other than those for temporary financing); [or]

18 c. the amount of any contribution by a local unit that is a sending  
19 municipality under a regional contribution agreement pursuant to  
20 section 12 of P.L.1985, c.222 (C.52:27D-312); or

21 d. the shelter and care of abandoned and stray animals within the  
22 jurisdiction of the municipality provided by any nonprofit organization,  
23 organized as a not-for-profit as described in section 501 (c)(3) of the  
24 Internal Revenue Code, 26 U.S.C. s.501 (c) (3) and exempt from  
25 taxation under section 501 (a) of the Internal Revenue Code of 1986  
26 (26 U.S.C. s.501 (a)), with which the municipality has entered into a  
27 contract for the provision of such shelter and care.

28 No local unit shall borrow money or issue its obligations for  
29 purposes authorized under this chapter except as provided in this  
30 chapter.

31 (cf: P.L.1996, c.113, s.9)

32

33 2. (New section) Any municipality may contract with a nonprofit  
34 organization, organized as a not-for-profit as described in section 501  
35 (c)(3) of the Internal Revenue Code, 26 U.S.C. s.501 (c) (3) and  
36 exempt from taxation under section 501 (a) of the Internal Revenue  
37 Code of 1986 (26 U.S.C. s.501 (a)), to provide for the shelter and care  
38 of abandoned and stray animals within the jurisdiction of the  
39 municipality. If a municipality enters into such a contract, the  
40 municipality may incur indebtedness, borrow money, and authorize and  
41 issue negotiable obligations, in accordance with the limitations and any  
42 exceptions thereto and in the manner or mode of procedure prescribed  
43 by the "Local Bond Law," N.J.S.40A:2-1 et seq., for the purpose of

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

**Matter underlined thus is new matter.**

1 financing the shelter and care of abandoned and stray animals provided  
2 by the nonprofit organization, regardless of whether such shelter and  
3 care is provided at a kennel, shelter, pound or other type of facility by  
4 the nonprofit organization.

5

6 3. This act shall take effect immediately.

7

8

9

STATEMENT

10

11 This bill authorizes a municipality to contract with a nonprofit  
12 organization to provide shelter and care of abandoned and stray  
13 animals within the municipality, and if such a contract is entered into,  
14 the municipality may incur indebtedness, borrow money, authorize and  
15 issue negotiable obligations for financing the shelter and care provided  
16 by the nonprofit organization, regardless of whether such shelter and  
17 care is provided at a kennel, shelter, pound or other type of facility by  
18 the nonprofit organization.

ASSEMBLY AGRICULTURE AND NATURAL RESOURCES  
COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 2148**

with committee amendments

**STATE OF NEW JERSEY**

DATED: MAY 13, 2002

The Assembly Agriculture and Natural Resources Committee reports favorably and with committee amendments Assembly Bill No. 2148.

This bill authorizes a municipality to contract with a nonprofit organization to provide shelter and care of abandoned and stray animals within the municipality, and if such a contract is entered into, the municipality may incur indebtedness, borrow money, authorize and issue negotiable obligations for financing the shelter and care provided by the nonprofit organization, regardless of whether such shelter and care is provided at a kennel, shelter, pound or other type of facility by the nonprofit organization.

The committee amended the bill to (1) clarify that the bill pertains only to capital improvements or property to be used for the shelter and care of animals by a nonprofit organization, (2) provide that title or ownership of the capital improvement or property used by the nonprofit organization reverts to the municipality, and (3) clarify that the animal shelter and care facilities must be licensed.

COMMITTEE AMENDMENTS

Committee amendments to the bill:

(1) Clarify that the bill pertains only to capital improvements or property to be used for the shelter and care of animals by a nonprofit organization;

(2) Provide that title or ownership of the capital improvement or property used by the nonprofit organization reverts to the municipality; and

(3) Clarify that the animal shelter and care facilities must be licensed.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR  
**ASSEMBLY, No. 2148**

**STATE OF NEW JERSEY**

DATED: DECEMBER 9, 2002

The Assembly Appropriations Committee reports favorably an Assembly Committee Substitute for Assembly Bill No. 2148.

This Assembly Committee Substitute for Assembly Bill No. 2148 (1R) authorizes a municipality or county to appropriate funds as a capital improvement under the "Local Bond Law," N.J.S.40A:2-1 et seq., to a tax-exempt charitable organization for the construction of a facility to shelter and care for abandoned and stray animals.

The substitute requires that the facility be constructed on publicly owned land, that the facility be constructed by a tax-exempt organization that has a contract for services with the municipality or county, and that on termination of the service contract ownership of the facility constructed shall revert to the municipality or county on whose land the facility is constructed.

FISCAL IMPACT:

The substitute has no impact on State revenues or expenditures. The substitute has a minimal "cash management" impact on local expenditures: by allowing the use of bonded indebtedness for an expenditure that is currently allowed as a budgeted revenue expenditure, it allows municipalities and counties the option of spreading the cost of the capital expenditure over multiple tax and budget cycles.

COMPARISON OF SUBSTITUTE:

The provisions of the substitute differ from those of the legislation as originally introduced and amended by clarifying that the use of funds is limited to capital expenditures for facilities located on public property and specifying that the reversion of the capital facility to the local government that owns the land on which the facility is located occurs at the termination of the service contract.

SENATE ECONOMIC GROWTH, AGRICULTURE AND  
TOURISM COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR  
**ASSEMBLY, No. 2148**

with committee amendments

**STATE OF NEW JERSEY**

DATED: MAY 15, 2003

The Senate Economic Growth, Agriculture and Tourism Committee reports favorably and with committee amendments Assembly Bill No. 2148 (ACS).

This bill, as amended by the committee, authorizes a municipality or county to appropriate funds as a capital improvement under the "Local Bond Law," N.J.S.40A:2-1 et seq., to a tax-exempt charitable organization for the construction of a licensed facility to shelter and care for abandoned and stray animals.

The bill requires that the facility be constructed on publicly owned land, that the facility be constructed by a tax-exempt organization that has a contract for services with the municipality or county, and that, on termination of the service contract, ownership of the constructed facility revert to the municipality or county on whose land the facility is constructed.

The committee amended the bill to clarify that the facility must be properly licensed pursuant to law.