

10:5-5 et al

LEGISLATIVE HISTORY CHECKLIST

NJSA 10:5-5 et al. (Correction of various errors in statutes)  
 LAWS OF 1979 CHAPTER 86  
 Bill No. S999  
 Sponsor(s) Merlino and Foran  
 Date Introduced March 17, 1978  
 Committee: Assembly -----  
                   Senate State Gov't., Federal & Interstate Relations and Veterans Affairs  
 Amended during passage Yes Amendments during passage XX denoted by asterisks.  
 Date of Passage: Assembly May 18, 1978 Re-enacted 5/3/79  
                                   Senate May 4, 1978 Re-enacted 4/26/79  
 Date of approval May 15, 1979

Following statements are attached if available:

Sponsor statement	Yes	<del>XX</del>	
Committee Statement: Assembly	<del>XX</del>	No	
Senate	Yes	<del>XX</del>	See A578 (OCR) mentioned in Senate Committee Statement
Fiscal Note	<del>XX</del>	No	
Veto message	Yes	<del>XX</del>	
Message on signing	<del>XX</del>	No	
Following were printed:			
Reports	<del>XX</del>	No	
Hearings	<del>XX</del>	No	
A578 (OCR) mentioned in Senate Committee Statement. (attached)			

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SENATE, No. 999

STATE OF NEW JERSEY

INTRODUCED MARCH 17, 1978

By Senators MERLINO and FORAN

(Without Reference)

AN ACT to revise, correct and repeal certain statutes.

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

1 1. Section 5 of P. L. 1945, c. 169 (C. 10:5-5) is amended to read  
2 as follows:

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

5 a. "Person" includes one or more individuals, partnerships,  
6 associations, organizations, labor organizations, corporations, legal  
7 representatives, trustees, trustees in bankruptcy, receivers, and  
8 fiduciaries.

9 b. "Employment agency" includes any person undertaking to  
10 procure employees or opportunities for others to work.

11 c. "Labor organization" includes any organization which exists  
12 and is constituted for the purpose, in whole or in part, of collective  
13 bargaining, or of dealing with employers concerning grievances,  
14 terms or conditions of employment, or of other mutual aid or  
15 protection in connection with employment.

16 d. "Unlawful employment practice" and "unlawful discrimina-  
17 tion" includes only those unlawful practices and acts specified in  
18 section 11 of this act.

19 e. "Employer" **[does not include a club exclusively social or a**  
20 **fraternal, charitable, educational or religious association or corpo-**  
21 **ration, if such club, association or corporation is not organized and**  
22 **operated for private profit]** *includes all persons as defined in sub-*  
23 *section a. of this section unless otherwise specifically exempt under*  
24 *another section of this act, and includes the State, any political or*  
25 *civil subdivision thereof, and all public officers, agencies, boards or*  
26 *bodies.*

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

27 f. "Employee" does not include any individual employed by his  
28 parents, spouse or child, or in the domestic service of any person.

29 g. "Liability for service in the Armed Forces of the United  
30 States" means subject to being ordered as an individual or member  
31 of an organized unit into active service in the Armed Forces of the  
32 United States by reason of membership in the National Guard,  
33 naval militia or a reserve component of the Armed Forces of the  
34 United States, or subject to being inducted into such armed forces  
35 through a system of national selective service.

36 h. "Division" means the "Division on Civil Rights" created by  
37 this act.

38 i. "Attorney General" means the Attorney General of the State  
39 of New Jersey or his representative or designee.

40 j. "Commission" means the Commission on Civil Rights created  
41 by this act.

42 k. "Director" means the Director of the Division on Civil  
43 Rights.

44 l. "A place of public accommodation" shall include, but not be  
45 limited to: any tavern, roadhouse, hotel, motel, trailer camp, sum-  
46 mer camp, day camp, or resort camp, whether for entertainment  
47 of transient guests or accommodation of those seeking health, rec-  
48 reation or rest; any producer, manufacturer, wholesaler, distrib-  
49 utor, retail shop, store, establishment, or concession dealing with  
50 goods or services of any kind; any restaurant, eating house, or place  
51 where food is sold for consumption on the premises; any place  
52 maintained for the sale of ice cream, ice and fruit preparations or  
53 their derivatives, soda water or confections, or where any beverages  
54 of any kind are retailed for consumption on the premises; any  
55 garage, any public conveyance operated on land or water, or in the  
56 air, any stations and terminals thereof; any bathhouse, boardwalk,  
57 or seashore accommodation; any auditorium, meeting place, or hall;  
58 any theatre, motion-picture house, music hall, roof garden, skating  
59 rink, swimming pool, amusement and recreation park, fair, bowling  
60 alley, gymnasium, shooting gallery, billiard and pool parlor, or  
61 other place of amusement; any comfort station; any dispensary,  
62 clinic or hospital; any public library; any kindergarten, primary  
63 and secondary school, trade or business school, high school, acad-  
64 emy, college and university, or any educational institution under  
65 the supervision of the State Board of Education, or the Commis-  
66 sioner of Education of the State of New Jersey. Nothing herein  
67 contained shall be construed to include or to apply to any institu-  
68 tion, bona fide club, or place of accommodation, which is in its

69 nature distinctly private; nor shall anything herein contained apply  
70 to any educational facility operated or maintained by a bona fide  
71 religious or sectarian institution, and the right of a natural parent  
72 or one in loco parentis to direct the education and upbringing of a  
73 child under his control is hereby affirmed; nor shall anything herein  
74 contained be construed to bar any private secondary or post-  
75 secondary school from using in good faith criteria other than race,  
76 creed, color, national origin or ancestry, in the admission of  
77 students.

78 m. "A publicly assisted housing accommodation" shall include  
79 all housing built with public funds or public assistance pursuant to  
80 P. L. 1949, c. 300, P. L. 1941, c. 213, P. L. 1944, c. 169, P. L. 1949,  
81 c. 303, P. L. 1938, c. 19, P. L. 1938, c. 20, P. L. 1946, c. 52, and P. L.  
82 1949, c. 184, and all housing financed in whole or in part by a loan,  
83 whether or not secured by a mortgage, the repayment of which is  
84 guaranteed or insured by the Federal Government or any agency  
85 thereof.

86 n. The term "real property" includes real estate, lands, tene-  
87 ments and hereditaments, corporeal, and incorporeal, and lease-  
88 holds, provided however, that, except as to publicly assisted hous-  
89 ing accommodations, the provisions of this act shall not apply to  
90 the rental: (1) of a single apartment or flat in a two-family dwell-  
91 ing, the other occupancy unit of which is occupied by the owner as  
92 his residence or the household of his family at the time of such  
93 rental; or (2) of a room or rooms to another person or persons by  
94 the owner or occupant of a one-family dwelling occupied by him as  
95 his residence or the household of his family at the time of such  
96 rental. Nothing herein contained shall be construed to bar any  
97 religious or denominational institution or organization, or any  
98 organization operated for charitable or educational purposes,  
99 which is operated, supervised or controlled by or in connection with  
100 a religious organization, in the sale, lease or rental of real property,  
101 from limiting admission to or giving preference to persons of the  
102 same religion or denomination or from making such selection as is  
103 calculated by such organization to promote the religious principles  
104 for which it is established or maintained.

105 o. "Real estate broker" includes a person, firm or corporation  
106 who, for a fee, commission or other valuable consideration, or by  
107 reason of promise or reasonable expectation thereof, lists for sale,  
108 sells, exchanges, buys or rents, or offers or attempts to negotiate a  
109 sale, exchange, purchase, or rental of real estate or an interest  
110 therein, or collects or offers or attempts to collect rent for the use of

111 real estate, or solicits for prospective purchasers or assists or  
 112 directs in the procuring of prospects or the negotiation or closing  
 113 of any transaction which does or is contemplated to result in the  
 114 sale, exchange, leasing, renting or auctioning of any real estate, or  
 115 negotiates, or offers or attempts or agrees to negotiate a loan  
 116 secured or to be secured by mortgage or other encumbrance upon  
 117 or transfer of any real estate for others; or any person who, for  
 118 pecuniary gain or expectation of pecuniary gain conducts a public  
 119 or private competitive sale of lands or any interest in lands. In the  
 120 sale of lots, the term "real estate broker" shall also include any  
 121 person, partnership, association or corporation employed by or on  
 122 behalf of the owner or owners of lots or other parcels of real estate,  
 123 at a stated salary, or upon a commission, or upon a salary and com-  
 124 mission, or otherwise, to sell such real estate, or any parts thereof,  
 125 in lots or other parcels, and who shall sell or exchange, or offer or  
 126 attempt or agree to negotiate the sale or exchange, of any such lot  
 127 or parcel of real estate.

128 p. "Real estate salesman" includes any person who, for compen-  
 129 sation, valuable consideration or commission, or other thing of  
 130 value, or by reason of a promise or reasonable expectation thereof,  
 131 is employed by and operates under the supervision of a licensed real  
 132 estate broker to sell or offer to sell, buy or offer to buy or negotiate  
 133 the purchase, sale or exchange of real estate, or offers or attempts  
 134 to negotiate a loan secured or to be secured by a mortgage or other  
 135 encumbrance upon or transfer of real estate, or to lease or rent, or  
 136 offer to lease or rent any real estate for others, or to collect rents  
 137 for the use of real estate, or to solicit for prospective purchasers  
 138 or lessees of real estate, or who is employed by a licensed real  
 139 estate broker to sell or offer to sell lots or other parcels of real  
 140 estate, at a stated salary, or upon a commission, or upon a salary  
 141 and commission, or otherwise to sell real estate, or any parts  
 142 thereof, in lots or other parcels.

143 q. "[Physical handicap]" *Handicapped* means  
 144 *any* *suffering from* physical disability, infirmity, mal-  
 144A formation or disfigurement which is caused by bodily injury,  
 145 birth defect or illness including epilepsy, and which shall include,  
 146 but not be limited to, any degree of paralysis, amputation, lack of  
 147 physical coordination, blindness or visual impediment, deafness or  
 148 hearing impediment, muteness or speech impediment or physical  
 149 reliance on a seeing eye or guide dog, wheelchair, or other remedial  
 150 appliance or device, or from any mental psychological or de-  
 150A velopmental disability resulting from anatomical, psychological,

150B *physiological or neurological conditions which prevents the nor-*  
 150C *mal exercise of any bodily or mental functions or is demonstrable,*  
 150D *medically or psychologically, by accepted clinical or laboratory*  
 150E *diagnostic techniques\*\*.*

151 r. "Blind person" means any individual whose central visual  
 152 acuity does not exceed 20/200 in the better eye with correcting lens  
 153 or whose visual acuity is better than 20/200 if accompanied by a  
 154 limit to the field of vision in the better eye to such a degree that its  
 155 widest diameter subtends an angle of no greater than 20 degrees.

156 s. "Guide dog" means a dog which is fitted with a special harness  
 157 so as to be suitable as an aid to the mobility of a blind person, and  
 158 is used by a blind person who has satisfactorily completed a specific  
 159 course of training in the use of a dog as an aid to personal travel,  
 160 and has been trained by an organization generally recognized by  
 161 agencies involved in the rehabilitation of the blind as reputable and  
 162 competent to provide dogs with training of this type.

163 t. "Guide dog trainer" means any person who is employed by an  
 164 organization generally recognized by agencies involved in the  
 165 rehabilitation of the blind as reputable and competent to provide  
 166 dogs with training, and who is actually involved in the training  
 167 process.

168 u. "Housing accommodation" means any publicly assisted hous-  
 169 ing accommodation or any real property, or portion thereof, which  
 170 is used or occupied, or is intended, arranged, or designed to be used  
 171 or occupied, as the home, residence or sleeping place of one or more  
 172 persons, but shall not include any single family residence the  
 173 occupants of which rent, lease, or furnish for compensation not  
 174 more than one room therein.

175 v. "Public facility" means any place of public accommodation  
 176 and any street, highway, sidewalk, walkway, public building, and  
 177 any other place or structure to which the general public is regularly,  
 178 normally or customarily permitted or invited.

1 2. Section 11 of P. L. 1945, c. 169 (C. 10:5-12) is amended to  
 2 read as follows:

3 11. It shall be unlawful employment practice, or, as the case  
 4 may be, an unlawful discrimination:

5 a. For an employer, because of the race, creed, color, national  
 6 origin, ancestry, age, marital status or sex of any individual, or  
 7 because of the liability for service in the Armed Forces of the  
 8 United States[.], or the nationality of any individual, to refuse to  
 9 hire or employ or to bar or to discharge from employment such  
 10 individual or to discriminate against such individual in compensa-

11 tion or in terms, conditions or privileges of employment; provided,  
12 however, it shall not be an unlawful employment practice to refuse  
13 to accept for employment an applicant who has received a notice  
14 of induction or orders to report for active duty in the armed forces;  
15 provided further that nothing herein contained shall be construed  
16 to bar an employer from refusing to accept for employment any  
17 person on the basis of sex in those certain circumstances where sex is  
18-19 a bona fide occupational qualification, reasonably necessary to the  
20 normal operation of the particular business or enterprise; provided  
21 further that it shall not be an unlawful employment practice for a  
22 club exclusively social or fraternal to use club membership as a  
23 uniform qualification for employment, or for a religious association  
24 or organization to utilize religious affiliation as a uniform qualifica-  
25 tion in the employment of clergy, religious teachers or other em-  
26 ployees engaged in the religious activities of the association or  
27 organizations, or in following the tenets of its religion in establish-  
28 ing and utilizing criteria for employment of an employer; *and*  
29 *provided further than an employer may restrict employment to*  
30 *citizens of the United States where such restriction is required*  
31 *by Federal law or is otherwise necessary to protect the national*  
32 *interest.*

33 b. For a labor organization, because of the race, creed, color,  
34 national origin, ancestry, age, marital status or sex of any  
35 individual, or because of the liability for service in the Armed  
36 Forces of the United States[.] *or nationality* of any individual,  
37 to exclude or to expel from its membership such individual or to  
38 discriminate in any way against any of its members, against any  
39-40 applicant for, or individual included in, any apprentice or other  
41 training program or against any employer or any individual em-  
42 ployed by an employer; provided, however, that nothing herein  
43 contained shall be construed to bar a labor organization from  
44 excluding from its apprentice or other training programs any  
45 person on the basis of sex in those certain circumstances where  
46 sex is a bona fide occupational qualification reasonably necessary  
47 to the normal operation of the particular apprentice or other  
48 training program.

49 c. For any employer or employment agency to print or circulate  
50 or cause to be printed or circulated any statement, advertisement  
51 or publication, or to use any form of application for employment,  
52 or to make an inquiry in connection with prospective employment,  
53 which expresses, directly or indirectly, any limitation, specification  
54 or discrimination as to race, creed, color, national origin, ancestry,  
55 age, marital status or sex or liability of any applicant for employ-

56 ment for service in the Armed Forces of the United States, or  
57 any intent to make any such limitation, specification or discrim-  
58 ination, unless based upon a bona fide occupational qualification.

59 d. For any person to take reprisals against any person because  
60 he has opposed any practices or acts forbidden under this act or  
61 because he has filed a complaint, testified or assisted in any proceed-  
62 ing under this act.

62A e. For any person, whether an employer or an employee or not,  
62B to aid, abet, incite, compel or coerce the doing of any of the acts  
62C forbidden under this act, or to attempt to do so.

63 f. For any owner, lessee, proprietor, manager, superintendent,  
64 agent, or employee of any place of public accommodation directly  
65 or indirectly to refuse, withhold from or deny to any person any  
66 of the accommodations, advantages, facilities or privileges thereof,  
67 or to discriminate against any person in the furnishing thereof,  
68 or directly or indirectly to publish, circulate, issue, display, post or  
69 mail any written or printed communication, notice, or advertise-  
70 ment to the effect that any of the accommodations, advantages,  
71 facilities, or privileges of any such place will be refused, withheld  
72 from, or denied to any person on account of the race, creed, color,  
73 national origin, ancestry, marital status **[or]**, *sex or nationality*  
74 of such person, or that the patronage or custom thereof of any  
75 person of any particular race, creed, color, national origin, ancestry,  
76 marital status **[or]**, *sex or nationality* is unwelcome, objectionable  
77 or not acceptable, desired or solicited, and the production of any  
78 such written or printed communication, notice or advertisement,  
79 purporting to relate to any such place and to be made by any  
80 owner, lessee, proprietor, superintendent or manager thereof, shall  
81 be presumptive evidence in any action that the same was authorized  
82 by such person; provided, however, that nothing contained herein  
83 shall be construed to bar any place of public accommodation which  
84 is in its nature reasonably restricted exclusively to individuals  
85 of one sex, and which shall include but not be limited to any summer  
86 camp, day camp, or resort camp, bathhouse, dressing room, swim-  
87 ming pool, gymnasium, comfort station, dispensary, clinic or  
88 hospital, or school or educational institution which is restricted  
89 exclusively to individuals of one sex, from refusing, withholding  
90 from or denying to any individual of the opposite sex any of the  
91 accommodations, advantages, facilities or privileges thereof on the  
92 basis of sex; provided further, that the foregoing limitation shall  
93 not apply to any restaurant as defined in R. S. 33:1-1 or place  
94 where alcoholic beverages are served.



95 g. For the owner, lessee, sublessee, assignee or managing agent  
96 of, or other person having the right of ownership or possession of  
97 or the right to sell, rent, lease, assign, or sublease any real property  
98 or part or portion thereof, or any agent or employee of any of these:

99 (1) To refuse to sell, rent, lease, assign, or sublease or otherwise  
100 to deny to or withhold from any person or group of persons any  
101 real property or part or portion thereof because of the race, creed,  
102 color, national origin, ancestry, marital status [or], sex or  
103 *nationality* of such person or group of persons;

104 (2) To discriminate against any person or group of persons be-  
105 cause of the race, creed, color, national origin, marital status  
106 or sex of such person or group of persons in the terms, conditions  
107 or privileges of the sale, rental or lease of any real property or part  
108 or portion thereof or in the furnishing of facilities or services in  
109 connection therewith; or

110 (3) To print, publish, circulate, issue, display, post or mail, or  
111 cause to be printed, published, circulated, issued, displayed, posted  
112 or mailed any statement, advertisement, publication or sign, or to  
113 use any form of application for the purchase, rental, lease, assign-  
114 ment or sublease of any real property or part or portion thereof,  
115 or to make any record or inquiry in connection with the prospective  
116 purchase, rental, lease, assignment, or sublease of any real prop-  
117 erty, or part or portion thereof which expresses, directly or in-  
118 directly, any limitation, specification or discrimination as to race,  
119 creed, color, national origin, ancestry, marital status [or], sex or  
120 *nationality* or any intent to make any such limitation, specification  
121 or discrimination, and the production of any such statement, ad-  
122 vertisement, publicity, sign, form of application, record, or inquiry  
123 purporting to be made by any such person shall be presumptive  
124 evidence in any action that the same was authorized by such person;  
125 provided, however, that nothing contained in this subsection shall  
126 be construed to bar any person from refusing to sell, rent, lease,  
127 assign or sublease or from advertising or recording a qualification  
128 as to sex for any room, apartment, flat in a dwelling or residential  
129 facility which is planned exclusively for and occupied by individuals  
130 of one sex to any individual of the exclusively opposite sex on the  
131 basis of sex.

132 h. For any real estate broker, real estate salesman or employee  
133 or agent thereof:

134 (1) To refuse to sell, rent, assign, lease or sublease, or offer for  
135 sale, rental, lease, assignment, or sublease any real property or part  
136 or portion thereof to any person or group of persons or to refuse  
137 to negotiate for the sale, rental, lease, assignment, or sublease of

138 any real property or part or portion thereof to any person or group  
139 of persons because of the race, creed, color, national origin, ances-  
140 try, marital status [or], sex *or nationality* of such person or group  
141 of persons, or to represent that any real property or portion thereof  
142 is not available for inspection, sale, rental, lease, assignment, or  
143 sublease when in fact it is so available, or otherwise to deny or with-  
144 hold any real property or any part or portion of facilities thereof  
145 to or from any person or group of persons because of the race,  
146 creed, color, national origin, ancestry, marital status [or], sex  
147 *or nationality* of such person or group of persons;

148 (2) To discriminate against any person because of his race, creed,  
149 color, national origin, ancestry, marital status or sex in the terms,  
150 conditions or privileges of the sale, rental, lease, assignment or  
151 sublease of any real property or part or portion thereof or in the  
152 furnishing of facilities or services in connection therewith; or

153 (3) To print, publish, circulate, issue, display, post, or mail, or  
154 cause to be printed, published, circulated, issued, displayed, posted  
155 or mailed any statement, advertisement, publication or sign, or  
156 to use any form of application for the purchase, rental, lease,  
157 assignment, or sublease of any real property or part or portion  
158 thereof or to make any record or inquiry in connection with the pro-  
159 spective purchase, rental, lease, assignment, or sublease of any real  
160 property or part or portion thereof which expresses, directly or  
161 indirectly, any limitation, specification or discrimination as to  
162 race, creed, color, national origin, ancestry, marital status [or],  
163 sex *or nationality* or any intent to make any such limitation, specifi-  
164 cation or discrimination, and the production of any such statement,  
165 advertisement, publicity, sign, form of application, record, or  
166 inquiry purporting to be made by any such person shall be pre-  
167 sumptive evidence in any action that the same was authorized by  
168 such person; provided, however, that nothing contained in this  
169 subsection h., shall be construed to bar any person from refusing  
170 to sell, rent, lease, assign or sublease or from advertising or  
171 recording a qualification as to sex for any room, apartment, flat  
172 in a dwelling or residential facility which is planned exclusively  
173 for and occupied exclusively by individuals of one sex to any in-  
174 dividual of the opposite sex on the basis of sex.

175 i. For any person, bank, banking organization, mortgage com-  
176 pany, insurance company or other financial institution, lender or  
177 credit institution to whom application is made for any loan or  
178 extension of credit including but not limited to an application for  
179 financial assistance for the purchase, acquisition, construction,  
180 rehabilitation, repair or maintenance of any real property or part  
181 or portion thereof or any agent or employee thereof:

182 (1) To discriminate against any person or group of persons  
183 because of the race, creed, color, national origin, ancestry, marital  
184 status [or], sex or nationality of such person or group of persons  
185 or of the prospective occupants or tenants of such real property  
186 or part or portion thereof, in the granting, withholding, extending,  
187 modifying or renewing, or in the fixing of the rates, terms, con-  
188 ditions or provisions of any such loan, extension of credit or  
189 financial assistance or in the extension of services in connection  
190 therewith; or

191 (2) To use any form of application for such loan, extension  
192 of credit or financial assistance or to make record or inquiry  
193 in connection with applications for any such loan, extension of  
194 credit or financial assistance which expresses, directly or indirectly,  
195 any limitation, specification or discrimination as to race, creed,  
196 color, national origin, ancestry, marital status [or], sex or nation-  
197 ality or any intent to make any such limitation, specification or  
198 discrimination; unless otherwise required by law or regulation to  
199 retain or use such information.

200 j. For any person whose activities are included within the scope  
201 of this act to refuse to post or display such notices concerning the  
202 rights or responsibilities of persons affected by this act as the  
203 Attorney General may by regulation require.

204 k. For any real estate broker, real estate salesman or em-  
205 ployee or agent thereof or any other individual, corporation, part-  
206 nership, or organization, for the purpose of inducing a transaction  
207 for the sale or rental of real property from which transaction such  
208 person or any of its members may benefit financially, to represent  
209 that a change has occurred or will or may occur in the composition  
210 with respect to race, creed, color, national origin, ancestry, marital  
211 status [or], sex or nationality of the owners or occupants in the  
212 block, neighborhood or area in which the real property is located,  
213 and to represent, directly or indirectly, that this change will or  
214 may result in undesirable consequences in the block, neighborhood  
215 or area in which the real property is located, including, but not  
216 limited to the lowering of property values, an increase in criminal  
217 or anti-social behavior, or a decline in the quality of schools or  
218 other facilities.

219 l. For any person to refuse to buy from, sell to, lease from or to,  
220 license, contract with, or trade with, provide goods, service or  
221 information to, or otherwise do business with any other person on  
222 the basis of the race, creed, color, national origin, ancestry, age,  
223 sex, marital status, liability for service in the Armed Forces of the

224 *United States, or nationality of such other person or of such other*  
225 *person's spouse, partners, members, stockholders, directors,*  
226 *officers, managers, superintendents, agents, employees, business*  
227 *associates, suppliers, or customers. This subsection shall not pro-*  
228 *hibit refusals or other actions (1) pertaining to employee-employer*  
229 *collective bargaining, labor disputes, or unfair labor practices, or*  
230 *(2) made or taken in connection with a protest of unlawful discrim-*  
231 *ination or unlawful employment practices.*

232 *m. For any person to:*

233 *(1) Grant or accept any letter of credit or other document which*  
234 *evidences the transfer of funds or credit, or enter into any con-*  
235 *tract for the exchange of goods or services, where the letter of*  
236 *credit, contract, or other document contains any provisions requir-*  
237 *ing any person to discriminate against or to certify that he, she or*  
238 *it has not dealt with any other person on the basis of the race, creed,*  
239 *color, national origin, ancestry, age, sex, marital status, liability for*  
240 *service in the Armed Forces of the United States, or nationality*  
241 *of such other person or of such other person's spouse, partners,*  
242 *members, stockholders, directors, officers, managers, superintend-*  
243 *ents, agents, employees, business associates, suppliers, or*  
244 *customers.*

245 *(2) Refuse to grant or accept any letter of credit or other docu-*  
246 *ment which evidences the transfer of funds or credit, or refuse to*  
247 *enter into any contract for the exchange of goods or services, on the*  
248 *ground that it does not contain such a discriminatory provision*  
249 *or certification.*

250 *The provision of this subsection shall not apply to any letter of*  
251 *credit, contract, or other document which contains any provision*  
252 *pertaining to employee-employer collective bargaining, a labor*  
253 *dispute or an unfair labor practice, or made in connection with the*  
254 *protest of unlawful discrimination or an unlawful employment*  
255 *practice, if the other provisions of such letter of credit, contract,*  
256 *or other document do not otherwise violate the provisions of this*  
257 *subsection.*

258 *n. For any person to aid, abet, incite, compel, coerce, or induce*  
259 *the doing of any act forbidden by subsections 11(l) and (m) of*  
260 *this act, or to attempt, or to conspire to do so. Such prohibited*  
261 *conduct shall include, but not be limited to:*

262 *(1) Buying from, selling to, leasing from or to, licensing, con-*  
263 *tracting with, trading with, providing goods, services, or informa-*  
264 *tion to, or otherwise doing business with any person because that*  
265 *person does, or agrees or attempts to do, any such act or any act*  
266 *prohibited by this subsection (n); or*

267 (2) *Boycotting, commercially blacklisting or refusing to buy*  
 268 *from, sell to, lease from or to, license, contract with, provide goods,*  
 269 *services or information to, or otherwise do business with any person*  
 270 *because that person has not done or refuses to do any such act or*  
 271 *any act prohibited by this subsection (n); provided, that, this sub-*  
 272 *section (n) shall not prohibit refusals or other actions either*  
 273 *pertaining to employee-employer collective bargaining, labor dis-*  
 274 *putes, or unfair labor practices, or made or taken in connection with*  
 275 *a protest of unlawful discrimination or unlawful employment*  
 276 *practices.*

1 3. Section 9 of P. L. 1973, c. 185 (C. 13:19-9) is amended to read  
 2 as follows:

3 9. a. The commissioner, or a member of the department desig-  
 4 nated by him, shall hold a hearing to afford interested parties  
 5 [standing and] the opportunity to present, orally or in writing,  
 6 [both] their position concerning the application and any data they  
 7 may have developed in reference to the environmental effects of  
 8 the proposed facility.

9 b. The commissioner, within 15 days after the hearing, may re-  
 10 quire an applicant to submit any additional information necessary  
 11 for the complete review of the application.

1 4. N. J. S. 14A:12-2 is amended to read as follows:

2 14A:12-2. (1) A corporation may be dissolved by action of its  
 3 incorporators when there has been no organization meeting of the  
 4 board, or by the board if there has been an organization meeting,  
 5 provided that the corporation

6 (a) Has not commenced business;

7 (b) Has not issued any shares;

8 (c) Has no debts or other liabilities; and

9 (d) Has received no payments on subscriptions for its shares,  
 10 or, if it has received such payments, has returned them to those  
 11 entitled thereto, less any part thereof disbursed for expenses.

12 (2) The dissolution of such a corporation shall be effected in  
 13 the following manner: the sole incorporator or director, if there  
 14 is only one, or both incorporators or directors, if there are only  
 15 two, or a majority of the incorporators or directors, if there are  
 16 more than two, shall execute and file in the office of the Secretary  
 17 of State a certificate of dissolution stating

18 (a) The name of the corporation;

19 (b) The name of the registered agent of the corporation;

20 (c) The location of the registered office of the corporation;

21 (d) The names of the incorporators and directors constituting  
 22 the first board;

23 (e) That the corporation has not commenced business and has  
24 issued no shares, and has no debts or other liabilities;

25 (f) That the corporation has received no payments or sub-  
26 scriptions to its shares, or, if it has received such payments, that  
27 it has returned them to those entitled thereto, less any part thereof  
28 disbursed for expenses; and

29 (g) That the sole incorporator or director, if there is only one,  
30 or both incorporators or directors, if there are only two, or a  
31 majority of the incorporators or directors, if there are more than  
32 two, has or have elected that the corporation be dissolved.

33 (3) Notwithstanding the provisions of sections 14A:2-2 and  
34 14A:15-2, and section 12 of the "Corporation Business Tax Act  
35 (1945)" (P. L. 1945, c. 162), as amended and supplemented, and  
36 c. 50 of Title 54 of the Revised Statutes, as amended and supple-  
37 mented, and section 3 of P. L. 1973, c. 367 (C. 54:50-14),

38 (a) The Secretary of State shall accept for filing a certificate of  
39 dissolution pursuant to the provisions of this section

40 (i) Without payment of any filing fee; and

41 (ii) Without the filing with him of the certificate of the Di-  
42 rector of the Division of Taxation evidencing the payment, or  
43 provision for the payment, by the corporation of taxes, fees,  
44 penalties, and interest; and

45 (b) The name of the corporation shall be available immediately  
46 for corporate use upon the filing of a certificate of dissolution  
47 pursuant to the provisions of this section.

1 5. N. J. S. 17B:26-2 is amended to read as follows:

2 17B:26-2. a. No such policy of insurance shall be delivered or  
3 issued for delivery to any person in this State unless:

4 (1) The entire money and other considerations therefor are  
5 expressed therein; and

6 (2) The time at which the insurance takes effect and terminates  
7 is expressed therein; and

8 (3) It purports to insure only one person, except that a policy  
9 may insure, originally or by subsequent amendment, upon the  
10 application of an adult member of a family who shall be deemed  
11 the policyholder, any two or more eligible members of that family,  
12 including husband, wife, dependent children or any children under  
13 a specified age which shall not exceed 19 years and any other person  
14 dependent upon the policyholder; and

15 (4) The style, arrangement and over-all appearance of the policy  
16 give no undue prominence to any portion of the text, and unless  
17 every printed portion of the text of the policy and of any endorse-

18 ments or attached papers is plainly printed in light-faced type of  
19 a style in general use, the size of which shall be uniform and not  
20 less than 10-point with a lower-case unspaced alphabet length not  
21 less than 120-point (the "text" shall include all printed matter  
22 except the name and address of the insurer, name or title of the  
23 policy, the brief description if any, and captions and subcaptions);  
24 and

25 (5) The exceptions and reductions of indemnity are set forth in  
26 the policy and, except those which are set forth in sections  
27 17B:26-3 to 17B:26-31 inclusive, are printed, at the insurer's  
28 option, either included with the benefit provision to which they  
29 apply, or under an appropriate caption such as "exceptions," or  
30 "exceptions and reductions," provided that if an exception or  
31 reduction specifically applies only to a particular benefit of the  
32 policy, a statement of such exception or reduction shall be included  
33 with the benefit provision to which it applies; and

34 (6) Each such form, including riders and endorsements, shall be  
35 identified by a form number in the lower left-hand corner of the  
36 first page thereof; and

37 (7) It contains no provision purporting to make any portion of  
38 the charter, rules, constitution, or bylaws of the insurer a part of  
39 the policy unless such portion is set forth in full in the policy, ex-  
40 cept in the case of the incorporation of, or reference to, a statement  
41 of rates or classification of risks, or short-rate table filed with the  
42 commissioner.

43 b. A policy under which coverage of a dependent of the policy-  
44 holder terminates at a specified age shall, with respect to an un-  
45 married child covered by the policy prior to the attainment of age  
46 19, who is incapable of self-sustaining employment by reason of  
47 mental retardation or physical handicap and who became so in-  
48 capable prior to attainment of age 19 and who is chiefly dependent  
49 upon such policyholder for support and maintenance, not so  
50 terminate while the policy remains in force and the dependent  
51 remains in such condition, if the policyholder has within 31 days  
52 of such dependent's attainment of the limiting age submitted proof  
53 of such dependent's incapacity as described herein. The foregoing  
54 provisions of this paragraph shall not require an insurer to insure  
55 a dependent who is a mentally retarded or physically handicapped  
56 child where the policy is underwritten on evidence of insurability  
57 based on health factors set forth in the application or where such  
58 dependent does not satisfy the conditions of the policy as to any  
59 requirement for evidence of insurability or other provisions of the

60 policy, satisfaction of which is required for coverage thereunder  
61 to take effect. In any such case the terms of the policy shall apply  
62 with regard to the coverage or exclusion from coverage of such  
63 dependent.

64 c. Notwithstanding any provision of a policy of health insur-  
65 ance, hereafter delivered or issued for delivery in this State,  
66 whenever such policy provides for reimbursement for any opto-  
67 metric service which is within the lawful scope of practice of a  
68 duly licensed optometrist, the insured under such policy shall be  
69 entitled to reimbursement for such service, whether the said service  
70 is performed by a physician or duly licensed optometrist.

71 d. If any policy is issued by an insurer domiciled in this State  
72 for delivery to a person residing in another state, and if the official  
73 having responsibility for the administration of the insurance laws  
74 of such other state shall have advised the commissioner that any  
75 such policy is not subject to approval or disapproval by such official,  
76 the commissioner may by ruling require that such policy meet the  
77 standards set forth in subsection a. of this section and in sections  
78 17B:26-3 to 17B:26-31 inclusive.

79 e. *Notwithstanding any provision of a policy of health insurance,*  
80 *hereafter delivered or issued for delivery in this State, whenever*  
81 *such policy provides for reimbursement for any psychological*  
82 *service which is within the lawful scope of practice of a duly li-*  
83 *icensed psychologist, the insured under such policy shall be entitled*  
84 *to reimbursement for such service, whether the said service is per-*  
85 *formed by a physician or duly licensed psychologist.*

86 [e.] f. Notwithstanding any provision of a policy of health insur-  
87 ance, hereafter delivered or issued for delivery in this State, when-  
88 ever such policy provides for reimbursement for any service which  
89 is within the lawful scope of practice of a duly licensed chiropractor,  
90 the insured under such policy or the chiropractor rendering such  
91 service shall be entitled to reimbursement for such service, when  
92 the said service is performed by a chiropractor. The foregoing pro-  
93 vision shall be liberally construed in favor of reimbursement of  
94 chiropractors.

95 g. *All individual health insurance policies which provide cover-*  
96 *age for a family member or dependent of the insured on an expense*  
97 *incurred basis shall also provide that the health insurance benefits*  
98 *applicable for children shall be payable with respect to a newly*  
99 *born child of that insured from the moment of birth.*

100 (1) *The coverage for newly born children shall consist of cover-*  
101 *age of injury or sickness including the necessary care and treat-*  
102 *ment of medically diagnosed congenital defects and birth abnormal-*  
103 *ities.*



104 (2) *If payment of a specific premium is required to provide*  
105 *coverage for a child, the policy may require that notification of birth*  
106 *of a newly born child and payment of the required premium must be*  
107 *furnished to the insurer within 31 days after the date of birth in*  
108 *order to have the coverage continue beyond such 31-day period.*

109 *h. All individual health insurance policies which provide cover-*  
110 *age on an expense incurred basis but do not provide coverage for*  
111 *a family member or dependent of the insured on an expense in-*  
112 *curring basis shall nevertheless provide for coverage of newborn*  
113 *children of the insured which shall commence with the moment of*  
114 *birth of each child and shall consist of coverage of injury or sick-*  
115 *ness including the necessary care and treatment of medically*  
116 *diagnosed congenital defects and birth abnormalities, provided*  
117 *application therefor and payment of the required premium are*  
118 *made to the insurer to include in said policy coverage the same or*  
119 *similar to that of the insured, described in \*[(f)]\* \*g.\* (1) above*  
120 *31 days from the date of a newborn child.*

1 6. Section 1 of P. L. 1940, c. 74 (C. 17:48A-1) is amended to  
2 read as follows:

3 1. As used in this act the following words and phrases shall have  
4 the following meanings:

5 A medical service corporation is any corporation organized,  
6 without capital stock, and not for profit, for the purpose of estab-  
7 lishing, maintaining and operating nonprofit medical service plans,  
8 or to provide or pay for medical services on the basis of premiums  
9 or other valuable consideration. A nonprofit medical service plan  
10 is any plan or arrangement operated by a medical service corpora-  
11 tion, under the provisions of this act, and whereby the expense of  
12 medical services to subscribers and other covered dependents is paid  
13 in whole or in part by the corporation to participating physicians  
14 of such plans or arrangements and to others as provided herein. A  
15 subscriber is a person to whom a subscription certificate is issued  
16 by the corporation and which sets forth the kinds and extent of the  
17 medical services for which the corporation is liable to make payment  
18 and which constitutes the contract between the subscriber and the  
19 corporation. A covered dependent is the spouse, an adult dependent  
20 or a child of the subscriber who is named in the subscription certifi-  
21 cate issued to the subscriber and with respect to whom appropriate  
22 premium is specified in the certificate. A participating physician is  
23 any physician licensed to practice medicine and surgery, or licensed  
24 to practice chiropractic in the State of New Jersey pursuant to  
25 chapter 9, Title 45, of the Revised Statutes, who agrees in writing

26 with the corporation to perform the medical services specified in  
27 the contracts issued by the corporation and at such rates of  
28 compensation as shall be determined by its board of trustees and  
29 who agrees to abide by the bylaws, rules and regulations of the  
30 corporation applicable to participating physicians. Medical service  
31 includes all general and special medical, *dental* and surgical services  
32 and chiropractic diagnostic X-ray services, ordinarily provided  
33 by such licensed physicians *and by others as provided herein* in  
34 accordance with accepted practices in the community at the time  
35 the service is rendered, and within the scope of their licenses. No  
36 subscriber or his covered dependents shall be liable for any payment  
37 to any participating physician for medical services specified in the  
38 subscriber's certificate to be paid to the participating physician  
39 by the corporation.

1 7. N. J. S. 18A:14-35 is amended to read as follows:

2 18A:14-35. Below the rule there shall be printed on each paper  
3 ballot to be voted for candidates the following directions instructing  
4 the voter how to indicate his choice for the person for whom he  
5 may desire to vote and stating the maximum number of candidates  
6 he may vote for: "To vote for any person whose name appears  
7 on this ballot make a cross (X) or plus (+) or check (V) mark  
8 with black ink or black pencil in the space or square at the left of  
9 the name of such person. To vote for any person whose name is  
10 not printed upon this ballot write *with black ink or black pencil*  
11 or paste the name in the blank space [with black ink or black  
12 pencil]. Do not vote for more candidates than are to be elected."  
13 Below these instructions shall be printed a heavy diagram rule  
14 below which shall be printed such directions to the voter as may  
15 be necessary as "Vote for one," or "Vote for two," or a greater  
16 number, as the case may be, immediately after which shall be  
17 printed the names of the candidates duly nominated by petition  
18 as they appear signed to the certificate of acceptance in the order  
19 prescribed by law, but no candidate who has failed to file a certifi-  
20 cate of acceptance shall have his name printed upon the ballot.  
21 The same size and style of type shall be used in printing the name  
22 of each candidate and between the name of each candidate shall be  
23 printed a heavy diagram rule and the space between each of the  
24 rules shall be exactly equal. Immediately after the space allotted  
25 to the names of candidates there shall be as many ruled blank  
26 spaces as there are members to be voted for. Immediately to the  
27 left and on the same line with the name of each candidate and  
28 blank space there shall be printed a square the same size of type

29 in which the name of the candidate is printed, which type shall, in  
30 no case, be larger than 24 point. In case a member is to be elected  
31 for a full term, and one is to be elected to fill an unexpired term,  
32 the ballots shall designate which of the persons to be voted for is  
33 to be elected for the full term and which for the unexpired term.

1 8. N. J. S. 18A:14-36 is amended to read as follows:

2 18A:14-36. The following is an illustration of the form of ballot:

3 No. ....

4 To be torn off by the Judge of Election.

5 .....

6 Fold to this line.

7 SCHOOL ELECTION BALLOT

8 Township of Webster

9 February 14, 1922

10 Polling District No. 1 John Henry Doc,

11 Main Street School. Secretary.

12 To vote for any person whose name appears on this ballot mark  
13 a cross (X) or plus (+) or check (V) mark with black ink or black  
14 pencil in the place or square at the left of the name of such person.

15 To vote for any person whose name is not printed upon this ballot  
16 write *with black ink or black pencil* or paste the name in the blank  
17 space [with black ink or black pencil]. Do not vote for more  
18 candidates than are to be elected.

19 For Membership to Board of Education,  
20 Full Term. Vote for three.

21  RUTHERFORD B. FALLON

22  WILLIAM F. SEIBEL

23  JAMES A. STEPHENS

24  THOMAS TEMPLETON

25

26

27

28 For Membership to Board of Education, Unexpired  
29 Two-Year Term. Vote for one.

30  HENRY JONES

31  JOHN SMITH

32

33 For Membership to Board of Education, Unexpired  
34 One-Year Term. Vote for one.

35  FRANCIS R. LORRI

36  ARTHUR H. PATTERSON

37

38 using as much of the said form as may be applicable to the current  
 39 school board election and extending the same to provide for cases  
 40 not herein specified.

1 9. Section 26 of P. L. 1970, c. 226 (C. 24:21-26) is amended to  
 2 read as follows:

3 26. Distribution to persons under age 18. a. Any person who is  
 4 at least 18 years of age who violates subsection 19a. (1) by distrib-  
 5 uting a substance listed in Schedules I or II which is a narcotic  
 6 drug to a person 17 years of age or younger who is at least 3 years  
 7 his junior is punishable by a term of imprisonment of up to twice  
 8 that authorized by subsection 19b. (1), **[(2) or (3)] (3) or (4)** or  
 9 by the fine authorized by subsection 19b. (1), or by both.

10 b. Any person who is at least 18 years of age who violates sub-  
 11 section 19a. (1) by distributing any other controlled dangerous sub-  
 12 stance listed in Schedules I, II, III, IV or V to a person 17 years  
 13 of age or younger who is at least 3 years his junior is punishable  
 14 by a term of imprisonment up to twice that authorized by sub-  
 15 sections 19b. **[(2) or (3)] (3) or (4)**, or by the fine authorized by  
 16 subsections 19b. **[(2) or (3)] (3) or (4)** or both.

1 10. Section 27 of P. L. 1970, c. 226 (C. 24:21-27) is amended to  
 2 read as follows:

3 27. Conditional discharge for certain first offenses; expunging  
 4 of records. a. Whenever any person who has not previously been  
 5 convicted of any offense under the provisions of this act or, sub-  
 6 sequent to the effective date of this act, under any law of the  
 7 United States, this State or of any other state, relating to narcotic  
 8 drugs, marihuana, or stimulant, depressant, or hallucinogenic  
 9 drugs, is charged with or convicted of any offense under **[sub-**  
 10 **sections 20a. (1), (2) and (3), and b.] section 20 (C. 24:21-20)**, the  
 11 court, upon notice to the prosecutor and subject to subsection c.  
 12 of section 20, may on motion of the defendant or the court:

13 (1) Suspend further proceedings and with the consent of such  
 14 person after reference to the Controlled Dangerous Substance  
 15 Registry, as established and defined in the Controlled Dangerous  
 16 Substances Registry Act of 1970, place him under supervisory  
 17 treatment upon such reasonable terms and conditions as it may  
 18 require; or

19 (2) After plea of guilt or finding of guilt, and without entering  
 20 a judgment of conviction, and with the consent of such person after  
 21 proper reference to the Controlled Dangerous Substances Registry  
 22 as established and defined in the Controlled Dangerous Substances  
 23 Registry Act of 1970, place him on supervisory treatment upon  
 24 such reasonable terms and conditions as it may require, or as other-  
 25 wise provided by law.

26 b. In no event shall the court require as a term or condition of  
 27 supervisory treatment under this section, referral to any residential  
 28 treatment facility for a period exceeding the maximum period of  
 29 confinement prescribed by law for the offense for which the in-  
 30 dividual has been charged or convicted, nor shall any term of  
 31 supervisory treatment imposed under this subsection exceed a  
 32 period of 3 years. Upon violation of a term or condition of super-  
 33 visory treatment the court may enter a judgment of conviction and  
 34 proceed as otherwise provided, or where there has been no plea of  
 35 guilt or finding of guilt, resume proceedings. Upon fulfillment of  
 36 the terms and conditions of supervisory treatment the court shall  
 37 terminate the supervisory treatment and dismiss the proceedings  
 38 against him. Termination of supervisory treatment and dismissal  
 39 under this section shall be without court adjudication of guilt and  
 40 shall not be deemed a conviction for purposes of disqualifications  
 41 or disabilities, if any, imposed by law upon conviction of a crime  
 42 or disorderly persons offense but shall be reported by the clerk of  
 43 the court pursuant to the Controlled Dangerous Substances Regis-  
 44 try Act. Termination of supervisory treatment and dismissal under  
 45 this section may occur only once with respect to any person. Im-  
 46 position of supervisory treatment under this section shall not be  
 47 deemed a conviction for the purposes of determining whether a  
 48 second or subsequent offense has occurred under section 29  
 49 (C. 24:21-29) of this act or any law of this State.

50 c. Proceedings under this section shall not be available to any  
 51 defendant unless the court in its discretion concludes that:

52 (1) The defendant's continued presence in the community, or in  
 53 a civil treatment center or program, will not pose a danger to the  
 54 community; or

55 (2) That the terms and conditions of supervisory treatment will  
 56 be adequate to protect the public and will benefit the defendant by  
 57 serving to correct any dependence on or use of controlled substances  
 58 which he may manifest.

1 11. The title of P. L. 1973, c. 126 is amended to read as follows:

2 An act authorizing the Commissioner of Transportation to  
 3 establish a program to provide *intrastate and interstate* motor bus  
 4 *and rail* transportation services to senior citizens *and handicapped*  
 5 *citizens* at reduced fares, and making an appropriation therefor.

1 12. Section 11 of P. L. 1971, c. 344 (C. 30:6AA-11) is amended to  
 2 read as follows:

3 There is hereby created within the Department of [Institutions  
 4 and Agencies] *Human Services* a Veterans' [Facilities] *Service*

5 Council which shall consist of 15 members, at least 10 of whom  
6 shall be veterans, appointed by the commissioner, with the approval  
7 of the Governor. The term of each council member, except for the  
8 initial members, shall be 3 years commencing on July 1 and  
9 ending on June 30 of the third year thereafter, and vacancies shall  
10 be filled for the unexpired term only.

11 The initial membership of the council shall include those persons  
12 serving on the effective date of this act as members of the boards  
13 of managers of the New Jersey Memorial Home for Disabled  
14 Soldiers at Menlo Park and the New Jersey Memorial Home for  
15 Disabled Soldiers, Sailors, Marines and Their Wives and Widows  
16 at Vineland, which boards are hereby abolished. Such members  
17 shall serve for the term to which they had been last appointed to  
18 the respective boards, but additional and subsequent appointments  
19 shall be made in such manner that the terms of one-third of the  
20 members of the council shall expire on June 30 of each year.

21 The members of the council shall receive no compensation for  
22 services but shall be reimbursed for actual expenditures incurred  
23 in the performance of duty. They shall be subject to removal by  
24 the Governor at any time for good and sufficient cause.

1 13. Section 5 of P. L. 1973, c. 289 (C. 40:8B-5) is amended to  
2 read as follows:

3 5. Applications for joint service program grants may be made  
4 covering any or all of the following areas of governmental service:

- 5 a. Joint assessment and collection of taxes;
- 6 b. Joint maintenance of municipal records and statistics and  
7 electronic data processing;
- 8 c. Joint building, housing and plumbing code inspection and  
9 enforcement;
- 10 d. Joint solid waste collection and disposal;
- 11 e. Joint air pollution control inspection and enforcement;
- 12 f. Joint welfare and social service programs;
- 13 g. Joint maintenance and administration of parks and recre-  
14 ational and cultural facilities;
- 15 h. Joint maintenance of roads, public works and beaches;
- 16 i. Joint fire departments (any intermunicipal volunteer depart-  
17 ment or company shall be eligible to apply pursuant to section 4  
18 of this act, except that any intermunicipal volunteer fire program  
19 shall provide for the consolidation of all companies within the  
20 municipalities served. Such consolidation shall in no way be  
21 deemed to affect municipal aid to fire companies under [R. S.  
22 40:47-27] *N. J. S. 40A:14-34*. For purposes of such aid, the con-  
23 solidated company shall be eligible for the full amount of aid which

24 its constituent companies might have received from any municipi-  
25 pality had they remained separate entities.);

26 j. Consolidation of municipal police forces or departments;

27 k. Joint municipal courts.

1 14. Section 49 of P. L. 1957, c. 183 (C. 40:14B-49) is amended  
2 to read as follows:

3 49. Any municipal authority for the carrying out and effectua-  
4 tion of its purposes, and (a) any of the local units (b) any other  
5 municipality whether within or without the district and (c) any  
6 other municipal authority, any sewerage authority or any other  
7 public body of the State empowered to treat or dispose of sewage  
8 or solid waste (all such local units, municipalities, other municipal  
9 authorities, sewerage authorities and other bodies being herein-  
10 after referred to individually as a "governmental unit") for  
11 fostering the relief of waters in, bordering or entering the terri-  
12 torial area of the governmental unit from pollution or threatened  
13 pollution or assisting the municipal authority in carrying out and  
14 effectuating its purposes, may enter into a contract or contracts  
15 providing for or relating to the collection, treatment and disposal  
16 of sewage or solid waste originating in the district or received by  
17 the municipal authority, or originating in the territorial area of  
18 or collected by the governmental unit, by means of the sewerage  
19 or solid waste system or any sewerage or solid waste facilities of  
20 the governmental unit or both, and the cost and expense of such  
21 collection, treatment and disposal. Any municipal authority for  
22 the carrying out and effectuation of its purposes, and (a) any of  
23 the local units (b) any other municipality whether within or with-  
24 out the district and (c) any other municipal authority, any sewer-  
25 age authority or any other public body of the State empowered  
26 to sell and supply water (all such local units, municipalities, other  
27 municipal authorities, sewerage authorities and other bodies being  
28 hereinafter referred to individually as a "governmental unit")  
29 for fostering the provision and distribution of an adequate supply  
30 of water within the territorial area of the governmental unit or  
31 assisting the municipal authority in carrying out and effectuating  
32 its purposes may enter into a contract or contracts providing for  
33 or relating to the sale or supplying of water to such municipal  
34 authority or to the governmental unit or to persons or properties  
35 within the district or the governmental unit, and the cost and ex-  
36 pense of such sale or supplying of water. Any such contract may  
37 provide for the payment to the municipal authority by the govern-  
38 mental unit annually or otherwise of such sum or sums of money,

39 computed at fixed amounts or by a formula based on any factors  
40 or other matters described in section 21 or section 22 of this act  
41 or in any other manner, as said contract or contracts may provide,  
42 and may provide that the sum or sums so payable to the municipal  
43 authority shall be in lieu of all or any part of the service charges  
44 which would otherwise be charged and collected by the municipal  
45 authority with regard to persons or real property within the terri-  
46 torial area of the governmental unit. Such contract or contracts  
47 may also contain provisions as to the financing and payment of  
48 expenses to be incurred by the municipal authority and determined  
49 by it to be necessary for its purposes prior to the placing in opera-  
50 tion of a sewerage, solid waste or water supply and distribution  
51 system and may provide for the payment by the governmental  
52 unit to the municipal authority for application to such expenses  
53 or indebtedness therefor such sum or sums of money, computed  
54 as said contract or contracts may provide and as the governing  
55 body (hereinafter described) of the governmental unit shall, by  
56 virtue of its authorization of and entry into said contract or con-  
57 tracts, determine to be necessary for the purposes of the [sewer-  
58 age] *municipal* authority. Every such contract shall be authorized  
59 and entered into under and pursuant to a resolution adopted by the  
60 authority in the case of a municipal or other authority, an ordinance  
61 of the governing body in the case of a municipality, a resolution or  
62 ordinance of the governing body in the case of a county, and, in the  
63 case of any other public body, a resolution of the commission,  
64 council, board or body by whatever name it may be known (in this  
65 section sometimes referred to as "governing body") having charge  
66 of the finances of such public body, but the terms or text of said  
67 contract need not be set forth in full or stated in any such resolution  
68 or ordinance if the form of said contract is on file in the office of the  
69 clerk or other recording officer of the governmental unit or its  
70 governing body and the place and fact of such filing is described in  
71 the resolution or ordinance. Any such contract may be made with  
72 or without consideration and for a specified or an unlimited time  
73 and on any terms and conditions which may be approved by or on  
74 behalf of the governmental unit and which may be agreed to by the  
75 municipal authority in conformity with its contracts with the  
76 holders of any bonds, and shall be valid whether or not an appro-  
77 priation with respect thereto is made by the governmental unit  
78 prior to authorization or execution thereof. Every such govern-  
79 mental unit is hereby authorized and directed to do and perform  
80 any and all acts or things necessary, convenient or desirable to



81 carry out and perform every such contract and to provide for the  
82 payment or discharge of any obligation thereunder in the same  
83 manner as other obligations of such governmental unit. Subject to  
84 any such contracts with the holders of bonds, the municipal  
85 authority is hereby authorized to do and perform any and all acts  
86 or things necessary, convenient or desirable to carry out and  
87 perform every such contract and, in accordance with any such  
88 contract, to waive, modify, suspend or reduce the service charges  
89 which would otherwise be charged and collected by the municipal  
90 authority with regard to persons or real property within the terri-  
91 torial area of the governmental unit, but nothing in this section or  
92 any such contract shall prevent the municipal authority from  
93 charging and collecting, as if such contract had not been made,  
94 service charges with regard to such persons and real property  
95 sufficient to meet any default or deficiency in any payments agreed  
96 in such contract to be made by such governmental unit.

1 15. N. J. S. 40A:9-175 is amended to read as follows:

2 40A:9-175. Statutes repealed. The following sections, acts and  
3 parts of acts, together with all amendments and supplements  
4 thereto, are hereby repealed.

5 Revised Statutes sections:

6 40:46-1;

7 40:46-3, 40:46-4;

8 40:46-5 amended 1938, c. 149; 1948, c. 46; 1955, c. 131; 1967, c. 236:

9 40:46-6 amended 1953, c. 37;

10 40:46-6.1 amended 1945, c. 138;

11 40:46-7 to 40:46-12 both inclusive;

12 40:46-16;

13 40:46-17, 40:46-18;

14 40:46-23 amended 1947, c. 166; 1948, c. 282; 1958, c. 145; 1962,  
15 c. 144; 1965, c. 227;

16 40:46-25;

17 40:46-26 amended 1942, c. 53; 1944, c. 99; 1947, c. 33; 1947, c. 166;  
18 1948, c. 282; 1949, c. 271; 1952, c. 281; 1955, c. 175; 1962, c. 144;

19 40:46-27 amended 1941, c. 144; 1954, c. 271; 1955, c. 186; 1958,  
20 c. 145;

21 40:46-28;

22 40:46-29;

23 45:46-32;

24 40:46-33;

25 40:46-34 amended 1948, c. 163; 1948, c. 395;

26 40:46-35, 40:46-36;

- 27 40:72-20;
- 28 40:73-7;
- 29 40:87-61;
- 30 40:145-19 to 40:145-22 both inclusive;
- 31 40:171-19 amended 1970, c. 99;
- 32 40:171-20 to 40:171-24 both inclusive;
- 33 40:171-48, 40:171-49;
- 34 40:171-93, 40:171-94;
- 35 40:171-96; 40:171-97;
- 36 Pamphlet Laws:
- 37 Laws of 1938, c. 386 (C. 40:46-6.2, C. 40:46-6.3);
- 38 Laws of 1939, c. 286 (C. 40:46-34.1);
- 39 Laws of 1941, c. 133 (C. 40:46-37, C. 40:46-38);
- 40 Laws of 1944, c. 90 (C. 40:171-24.1);
- 41 Laws of 1947, c. 192 (C. 40:46-6.13);
- 42 Laws of 1947, c. 331 (C. 40:145-14.1 to C. 40:145-14.4 both in-
- 43 clusive);
- 44 Laws of 1947, c. 350 (C. 40:46-6.14 to C. 40:46-6.22 both in-
- 45 clusive);
- 46 Schedule of Amendments of Laws of 1947, c. 350;
- 47 Section 1 amended by P. L. 1951, c. 173;
- 48 Section 4 amended by P. L. 1953, c. 37;
- 49 Laws of 1947, c. 362 (C. 48:83-8, C. 40:83-9);
- 50 Laws of 1951, c. 339, c. 1 (C. 40:46-27.1 amended by P. L. 1962,
- 51 c. 151; 1967, c. 299);
- 52 Laws of 1952, c. 325 (C. 40:145-14.5, C. 40:145-14.6);
- 53 Laws of 1953, c. 322 (C. 40:46-2.1);
- 54 Laws of 1960, c. 81 (C. 40:46-6.23 to C. 40:46-6.25 both inclu-
- 55 sive);
- 56 Laws of 1964, c. 2 (C. 40:46-16.1 to C. 40:46-16.5 both inclu-
- 57 sive);
- 58 Laws of 1965, c. 243 (C. 40:46-6.22a);
- 59 Laws of 1968, c. 35 (C. 40:46-6.2a, C. 40:46-6.2b);
- 60 **[Laws of 1968, c. 205 (C. 40:46-6.2c);]**
- 61 Laws of 1968, c. 239 (C. 40:46-32.1);
- 62 Laws of 1968, c. 367 (C. 40:46-2.2 to C. 40:46-2.4 both inclusive);
- 63 Schedule of Amendment of Laws of 1968, c. 367;
- 64 Section 1 amended by P. L. 1970, c. 146;
- 65 Laws of 1969, c. 241 (C. 40:41-50 to C. 40:41-53 both inclusive);
- 66 Laws of 1969, c. 287 (C. 40:46-32.2).
- 1 16. N. J. S. **\*\*[40A:14-8 and]\*\*** 40A:14-69 **\*\*[are]\*\*** **\*\*is\*\***
- 2 repealed.
- 1 17. Section 1 of P. L. 1944, c. 255 (C. 43:16A-1) is amended to
- 2 read as follows:

3 1. As used in this act:

4 (1) "Retirement system" shall mean the Police and Firemen's  
 5 Retirement System of New Jersey as defined in section 2 of this act.  
 6 (2) "Policeman or fireman" shall mean any permanent and full-  
 7 time active uniformed employee, and any active permanent and  
 8 full-time employee who is a detective, lineman, fire alarm operator  
 9 or inspector of combustibles of any police or fire department. It  
 10 shall also mean any permanent, active, and full-time officer em-  
 11 ployee of the State of New Jersey, or any political subdivision  
 12 thereof, with police powers and holding one of the following titles:  
 13 motor vehicles officer, motor vehicles sergeant, motor vehicles lieu-  
 14 tenant, motor vehicles captain, assistant chief, bureau of enforce-  
 15 ment, and chief, bureau of enforcement in the Division of Motor  
 16 Vehicles, [inspectors, and investigators, in the Division of Alcoholic  
 17 Beverage Control,] *alcoholic beverage control investigators, alco-*  
 18 *holic beverage control inspectors, assistant deputy director, bureau*  
 19 *of enforcement, and deputy director, bureau of enforcement in the*  
 20 *Division of Alcoholic Beverage Control, conservation officer, assist-*  
 21 *ant district conservation officer, district conservation officer, and*  
 22 *chief conservation officer, in the Division of Fish, Game, and Shell*  
 23 *Fisheries, rangers, and chief ranger in the Bureau of Parks, marine*  
 24 *patrolman, senior marine patrolman, principal marine patrolman,*  
 25 *and chief, bureau of marine law enforcement, correction officer,*  
 26 *senior correction officer, correction officer sergeant, correction offi-*  
 27 *cer lieutenant, correction officer captain, and deputy keepers in the*  
 28 **[Division of Correction and Parole]** *Department of Corrections,*  
 29 *medical security officer, issistant supervising medical security*  
 30 *officer, and supervising medical security officer in the Department*  
 31 *of [Institutions and Agencies] Human Services, county detective,*  
 32 *lieutenant of county detectives, captain of county detectives, deputy*  
 33 *chief of county detectives, chief of county detectives, and county*  
 34 *investigator in the office of the county prosecutors, sheriff's officer,*  
 35 *sergeant sheriff's officer, lieutenant sheriff's officer, captain sher-*  
 36 *iff's officer, chief sheriff's officer, and sheriff's investigator in the*  
 37 *office of the county sheriffs, county correction officer, county cor-*  
 38 *rection sergeant, county correction lieutenant, county correction*  
 39 *captain, and county deputy warden in the several county jails,*  
 40 *industrial trade instructor and identification officer in a county of*  
 41 *the first class having a population of more than 925,000 inhabitants,*  
 42 *cottage officer, head cottage officer, interstate escort officer, juvenile*  
 43 *officer, head juvenile officer, assistant supervising juvenile officer,*  
 44 *supervising juvenile officer, patrolman capitol police, patrolman*

45 institutions, sergeant patrolman institutions, and supervising  
46 patrolman institutions and patrolman or other police officer of the  
47 Board of Commissioners of the Palisades Interstate Park appointed  
48 pursuant to R. S. 32:14-21.

49 (3) "Member" shall mean any policeman or fireman included  
50 in the membership of the retirement system as provided in section  
51 3 of this act.

52 (4) "Board of trustees" or "board" shall mean the board pro-  
53 vided for in section 13 of this act.

54 (5) "Medical board" shall mean the board of physicians pro-  
55 vided for in section 13 of this act.

56 (6) "Employer" shall mean the State of New Jersey, the county,  
57 municipality or political subdivision thereof which pays the par-  
58 ticular policeman or fireman.

59 (7) "Service" shall mean service as a policeman or fireman paid  
60 for by an employer.

61 (8) "Creditable service" shall mean service rendered for which  
62 credit is allowed as provided under section 4 of this act.

63 (9) "Regular interest" shall mean interest as determined  
64 annually by the State Treasurer after consultation with the  
65 Directors of the Divisions of Investment and Pensions and the  
66 actuary of the system. It shall bear a reasonable relationship to  
67 the percentage rate of earnings on investments but shall not exceed  
68 105% of such percentage rate.

69 (10) "Aggregate contributions" shall mean the sum of all the  
70 amounts, deducted from the compensation of a member or con-  
71 tributed by him or on his behalf, standing to the credit of his in-  
72 dividual account in the annuity savings fund.

73 (11) "Annuity" shall mean payments for life derived from the  
74 aggregate contributions of a member.

75 (12) "Pension" shall mean payments for life derived from  
76 contributions by the employer.

77 (13) "Retirement allowance" shall mean the pension plus the  
78 annuity.

79 (14) "Earnable compensation" shall mean the full rate of the  
80 salary that would be payable to an employee if he worked the full  
81 normal working time for his position. In cases where salary in-  
82 cludes maintenance, the retirement system shall fix the value of that  
83 part of the salary not paid in money which shall be considered  
84 under this act.

85 (15) "Average final compensation" shall mean the average  
86 annual salary upon which contributions are made for the 3 years

87 of creditable service immediately preceding his retirement or death,  
88 or it shall mean the average annual salary for which contributions  
89 are made during any 3 fiscal years of his or her membership pro-  
90 viding the largest possible benefit to the member or his beneficiary.

91 (16) "Retirement" shall mean the termination of the member's  
92 active service with a retirement allowance granted and paid under  
93 the provisions of this act.

94 (17) "Annuity reserve" shall mean the present value of all pay-  
95 ments to be made on account of any annuity or benefit in lieu of  
96 any annuity computed upon the basis of such mortality tables  
97 recommended by the actuary as shall be adopted by the board of  
98 trustees, and regular interest.

99 (18) "Pension reserve" shall mean the present value of all pay-  
100 ments to be made on account of any pension or benefit in lieu of  
101 any pension computed upon the basis of such mortality tables  
102 recommended by the actuary as shall be adopted by the board of  
103 trustees, and regular interest.

104 (19) "Actuarial equivalent" shall mean a benefit of equal value  
105 when computed upon the basis of such mortality tables recom-  
106 mended by the actuary as shall be adopted by the board of trustees,  
107 and regular interest.

108 (20) "Beneficiary" shall mean any person receiving a retire-  
109 ment allowance or other benefit as provided by this act.

110 (21) "Child" shall mean a deceased member's or retirant's  
111 unmarried child either (a) under the age of 18 or (b) of any age  
112 who, at the time of the member's or retirant's death, is disabled  
113 because of mental retardation or physical incapacity, is unable to  
114 do any substantial, gainful work because of the impairment and his  
115 impairment has lasted or can be expected to last for a continuous  
116 period of not less than 12 months, as affirmed by the medical board.

117 (22) "Parent" shall mean the parent of a member who was  
118 receiving at least one-half of his support from the member in the  
119 12-month period immediately preceding the member's death or the  
120 accident which was the direct cause of the member's death. The  
121 dependency of such a parent will be considered terminated by  
122 marriage of the parent subsequent to the death of the member.

123 (23) "Widower" shall mean the man to whom a member or  
124 retirant was married at least 5 years before the date of her death  
125 and to whom she continued to be married until the date of her  
126 death and who was receiving at least one-half of his support from  
127 the member or retirant in the 12-month period immediately preced-  
128 ing the member's or retirant's death or the accident which was the

129 direct cause of the member's death. The dependency of such a  
130 widower will be considered terminated by marriage of the widower  
131 subsequent to the death of the member or retirant. In the event of  
132 the payment of an accidental death benefit, the 5-year qualification  
133 shall be waived.

134 (24) "Widow" shall mean the woman to whom a member or  
135 retirant was married at least 5 years before the date of his death  
136 and to whom he continued to be married until the date of his death  
137 and who has not remarried. In the event of the payment of an  
138 accidental death benefit, the 5-year qualification shall be waived.

139 (25) "Fiscal year" shall mean any year commencing with July 1,  
140 and ending with June 30, next following.

141 (26) "Compensation" shall mean the base salary, for services  
142 as a member as defined in this act, which is in accordance with  
143 established salary policies of the member's employer for all em-  
144 ployees in the same position but shall not include individual salary  
145 adjustments which are granted primarily in anticipation of the  
146 member's retirement or additional remuneration for performing  
147 temporary duties beyond the regular work day.

148 (27) "Department" shall mean any police or fire department of  
149 a municipality or a fire department of a fire district located in a  
150 township or a county police or park police department or the  
151 appropriate department of the State or instrumentality thereof.

1 18. R. S. 43:21-4 is amended to read as follows:

2 43:21-4. Benefit eligibility conditions. An unemployed individual  
3 shall be eligible to receive benefits with respect to any week only if  
4 it appears that:

5 (a) He has registered for work at, and thereafter continued to  
6 report at, an employment office in accordance with such regulations  
7 as the division may prescribe, except that the division may, by  
8 regulation, waive or alter either or both of the requirements of this  
9 subsection as to individuals attached to regular jobs, and as to such  
10 other types of cases or situations with respect to which the division  
11 finds that compliance with such requirements would be oppressive,  
12 or would be inconsistent with the purpose of this act; provided,  
13 that no such regulation shall conflict with subsection (a) of R. S.  
14 43:21-3.

15 (b) He has made a claim for benefits in accordance with the pro-  
16 visions of subsection (a) of R. S. 43:21-6.

17 (c) He is able to work, and is available for work, and has demon-  
18 strated that he is actively seeking work, except as hereinafter pro-  
19 vided in this subsection or in subsection (f) of this section:

20 The director may, in his discretion, modify the requirement of  
21 actively seeking work if, in his judgment, such modification of this  
22 requirement is warranted by economic conditions.

23 No individual, who is otherwise eligible, shall be deemed in-  
24 eligible, or unavailable for work, because he is on vacation, without  
25 pay, during said week, if said vacation is not the result of his own  
26 action as distinguished from any collective action of a collective  
27 bargaining agent or other action beyond his individual control[;]  
28 nor subject]. *Subject* to such limitations and conditions as the  
29 division may prescribe, [shall any otherwise eligible] *an* individual,  
30 who is *otherwise eligible, shall not be deemed unavailable for work*  
31 *or ineligible because he is attending a training program [which has*  
32 *been] approved for him by the division to enhance his employment*  
33 *opportunities [be deemed unavailable for work or ineligible because*  
34 *he is attending such training program], or because he failed or*  
35 *refused to accept work while attending such program. An un-*  
36 *employed individual, who is otherwise eligible, shall not be deemed*  
37 *unavailable for work or ineligible solely by reason of his attend-*  
38 *ance before a court in response to a summons for service on a jury.*

39 (d) He has been totally or partially unemployed for a waiting  
40 period of 1 week in the benefit year which includes that week. When  
41 benefits become payable with respect to the third consecutive week  
42 next following the waiting period, he shall be eligible to receive  
43 benefits as appropriate with respect to the waiting period. No week  
44 shall be counted as a week of unemployment for the purposes of this  
45 subsection:

46 (1) If benefits have been paid, or are payable with respect  
47 thereto; provided, that the requirements of this paragraph shall be  
48 waived with respect to any benefits paid or payable for a waiting  
49 period as provided in this subsection;

50 (2) If it has constituted a waiting period week under temporary  
51 disability benefits law;

52 (3) Unless the individual fulfills the requirements of subsections  
53 (a) and (c) of this section;

54 (4) If with respect thereto, claimant was disqualified for benefits  
55 in accordance with the provisions of subsection (d) of R. S. 43:21-5.

56 (e) With respect to a base year as defined in subsection (g) of  
57 R. S. 43:21-19 he has established at least 20 base weeks as defined  
58 in subsection (t) of R. S. 43:21-19, or, in the alternative, has earned  
59 \$2,200.00 or more in his base year, except that with respect to bene-  
60 fit years commencing on or after January 1, 1978, an individual's  
61 base week wages in his base year shall include wages paid for

62: previously uncovered services. For the purposes of this subsection,  
63: the term "previously uncovered services" means services—

64: (1) Which were not employment as defined in R. S. 43:21-19  
65: (i)(1) and were not services covered pursuant to R. S. 43:21-8 at  
66: any time during the 1-year period ending December 31, 1975; and

67: (2) Which—

68: (A) are agricultural labor (as defined in R. S. 43:21-19  
69: (i)(1)(I)) or domestic service (as defined in R. S. 43:21-19  
70: (i)(1)(J)), or

71: (B) are services performed by an employee of a governmental  
72: unit or instrumentality in employment as defined in R. S. 43:21-19  
73: (i)(1)(B)(ii), or by an employee of a nonprofit educational institu-  
74: tion which is not an institution of higher education, as provided in  
75: R. S. 43:21-19 (i)(1)(D)(iii):

76: except to the extent that assistance under Title II of the Emergency  
77: Jobs and Unemployment Assistance Act of 1974 was paid on the  
78: basis of such services. To the extent that the unemployment com-  
79: pensation fund is reimbursed pursuant to Section 121 of the  
80: Federal Unemployment Compensation Amendments of 1976  
81: (Public Law 94-566), an employer's account shall not be charged for  
82: that portion of benefits paid to any individual attributable to base  
83: year wages for previously uncovered services, nor shall any non-  
84: profit organization or governmental unit or instrumentality which  
85: elects to make payments in lieu of contributions into the unemploy-  
86: ment fund be liable to make payments with respect to that portion  
87: of benefits paid to any individual attributable to base year wages  
88: for previously uncovered services as defined herein.

89: (f) (1) He has suffered any accident or sickness not compensable  
90: under the Workers' Compensation Law (Title 34 of the Revised  
91: Statutes) and resulting in his total disability to perform any work  
92: for remuneration, and would be eligible to receive benefits under  
93: this chapter (R. S. 43:21-1 et seq.) (without regard to the maximum  
94: amount of benefits payable during any benefit year) except for his  
95: inability to work and has furnished notice and proof of claim to the  
96: division, in accordance with its rules and regulations, and payment  
97: is not precluded by the provisions of R. S. 43:21-3 (d); provided,  
98: however, that benefits paid under this subsection (f) shall be com-  
99: puted on the basis of only those base year wages earned by the  
100: claimant as a "covered individual" as defined in R. S. 43:21-27 (b);  
101: provided further, that no benefits shall be payable under this sub-  
102: section to any individual:

103: (A) For any period during which such individual is not under  
104: the care of a legally licensed physician, dentist or podiatrist;



105 (B) For any period of disability due to pregnancy or resulting  
106 childbirth, miscarriage, or abortion, except for disability existing  
107 during the 4 weeks immediately before the expected birth of child,  
108 and the 4 weeks following the termination of the pregnancy;

109 (C) For any period of disability due to willfully or intention-  
110 ally self-inflicted injury, or to injuries sustained in the perpetration  
111 by the individual of a high misdemeanor;

112 (D) For any week with respect to which or a part of which he  
113 has received or is seeking benefits under any unemployment com-  
114 pensation or disability benefit law of any other state or of the  
115 United States; provided, that if the appropriate agency of such  
116 other state or of the United States finally determines that he is not  
117 entitled to such benefits, his disqualification shall not apply;

118 (E) For any week with respect to which or part of which he has  
119 received or is seeking disability benefits under the temporary dis-  
120 ability benefits law;

121 (F) For any period of disability commencing while such in-  
122 dividual is a "covered individual" as defined in subsection 3 (b)  
123 of the temporary disability benefits law (P. L. 1948, c. 110).

124 (2) Benefit payments under this subsection shall be charged to  
125 and paid from the State disability benefits fund established by the  
126 temporary disability benefits law, and shall not be charged to any  
127 employer account in computing any employer's experience rate for  
128 contributions payable under this chapter.

129 (g) Benefits based on service in employment defined in sub-  
130 paragraphs (B) and (C) of R. S. 43:21-19 (i) (1) shall be payable  
131 in the same amount and on the terms and subject to the same con-  
132 ditions as benefits payable on the basis of other service subject  
133 to the Unemployment Compensation Law; except that notwith-  
134 standing any other provisions of the Unemployment Compensa-  
135 tion Law:

136 (1) With respect to service performed after December 31, 1977,  
137 in an instructional, research, or principal administrative capacity  
138 for an educational institution, benefits shall not be paid based on  
139 such services for any week of unemployment commencing during  
140 the period between two successive academic years, or during a  
141 similar period between two regular terms, whether or not succes-  
142 sive, or during a period of paid sabbatical leave provided for in the  
143 individual's contract, to any individual if such individual performs  
144 such services in the first of such academic years (or terms) and if  
145 there is a contract or a reasonable assurance that such individual  
146 will perform services in any such capacity for any educational in-  
147 stitution in the second of such academic years or terms;

148 (2) With respect to service performed after December 31, 1977,  
149 in any other capacity for an educational institution (other than an  
150 institution of higher education as defined in R. S. 43:21-19 (y)(2))  
151 benefits shall not be paid on the basis of such services to any in-  
152 dividual for any week which commences during a period between  
153 two successive academic years or terms if such individual performs  
154 such services in the first of such academic years or terms and there  
155 is a reasonable assurance that such individual will perform such  
156 services in the second of such academic years or terms;

157 (3) With respect to those services described in paragraphs (1)  
158 and (2) above, benefits shall not be paid on the basis of such services  
159 to any individual for any week which commences during an estab-  
160 lished and customary vacation period or holiday recess if such in-  
161 dividual performs such services in the period immediately before  
162 such vacation period or holiday recess, and there is a reasonable  
163 assurance that such individual will perform such services in the  
164 period immediately following such period or holiday recess.

165 (h) Benefits shall not be paid to any individual on the basis of  
166 any services, substantially all of which consist of participating in  
167 sports or athletic events or training or preparing to so participate,  
168 for any week which commences during the period between two  
169 successive sport seasons (or similar periods) if such individual per-  
170 formed such services in the first of such seasons (or similar  
171 periods) and there is a reasonable assurance that such individual  
172 will perform such services in the later of such seasons (or similar  
173 periods).

174 (i) (1) Benefits shall not be paid on the basis of services per-  
175 formed by an alien unless such alien is an individual who has been  
176 lawfully admitted for permanent residence or otherwise is per-  
177 manently residing in the United States under color of law (includ-  
178 ing an alien who is lawfully present in the United States as a result  
179 of the application of the provisions of section 203 (a)(7) or section  
180 212 (d)(5) of the Immigration and Nationality Act); provided,  
181 that any modifications of the provisions of section 3304 (a)(14)  
182 of the Federal Unemployment Tax Act as provided by Public Law  
183 94-566 which specify other conditions or other effective dates than  
184 stated herein for the denial of benefits based on services performed  
185 by aliens and which modifications are required to be implemented  
186 under State law as a condition for full tax credit against the tax  
187 imposed by the Federal Unemployment Tax Act, shall be deemed  
188 applicable under the provisions of this section.

189 (2) Any data or information required of individuals applying for  
190 benefits to determine whether benefits are not payable to them be-  
191 cause of their alien status shall be uniformly required from all  
192 applicants for benefits.

193 (3) In the case of an individual whose application for benefits  
194 would otherwise be approved, no determination that benefits to  
195 such individual are not payable because of his alien status shall be  
196 made except upon a preponderance of the evidence.

197 (j) Notwithstanding any other provision of this chapter, the  
198 director may, to the extent that he deems efficient and economical  
199 provide for consolidated administration by one or more repre-  
200 sentatives or deputies of claims made pursuant to subsection (f)  
201 of this section with those made pursuant to Article III (State plan)  
202 of the Temporary Disability Benefits Law.

1 19. Section 3 of P. L. 1968, c. 54 (C. 46:10B-3) is amended to  
2 read as follows:

3 3. A mortgagor shall have the right, during any 12-month period  
4 beginning with the date of the mortgage loan, to pay, without  
5 charge or penalty, an additional sum of \$50.00, or multiples thereof,  
6 on account of the principal amount owing on a mortgage loan,  
7 provided that the additional sums so paid and the principal pay-  
8 ments required to be made by the terms of such mortgage loan  
9 during such year do not together exceed in any such year **[20%]**  
10 *33 1/3%* of the face amount of such mortgage loan. The right to  
11 make additional payments as provided by this section shall not be  
12 cumulative, and to the extent that it is not exercised during any  
13 year, shall lapse.

1 20. R. S. 48:2-23 is amended to read as follows:

2 48:2-23. The board may, after hearing, upon notice, by order in  
3 writing, require any public utility to furnish safe, adequate and  
4 proper service, including furnishing and performance of service in  
5 a manner that tends to conserve and preserve the quality of the  
6 environment and prevent the pollution of the waters, land and air  
7 of this State, and to maintain its property and equipment in such  
8 condition as to enable it to do so.

9 *The board may, pending any such proceeding, require any public*  
10 *utility to continue to furnish service and to maintain its property*  
11 *and equipment in such condition as to enable it to do so.*

1 21. Section 13 of P. L. 1969, c. 202 (C. 52:27D-84) is amended  
2 to read as follows:

3 13. Subject to such rules and regulations as the authority may  
4 prescribe, any incentive loan made under and pursuant to the pro-  
5 visions of this act for a period of less than 10 years may be extended

6 or refinanced in the discretion of the bank without affecting the  
7 obligation of the authority hereunder; provided, provision is made  
8 for complete discharge of the obligation, and interest thereon, not  
9 later than 10 years from the date of the original loan. Except as  
10 the authority may prescribe in the terms of any instrument creating  
11 a lien required under the provisions of this act, installments may  
12 not be accelerated on any incentive loan unless *the loan is more*  
13 *than 3 months in arrears. A loan may be reduced* at any time in  
14 the option of the borrower.

1 22. Section 4 of P. L. 1945, c. 162 (C. 54:10A-4) is amended to  
2 read as follows:

3 4. For the purposes of this act, unless the context requires a  
4 different meaning:

5 (a) "Commissioner" shall mean the Director of the Division  
6 of Taxation of the State Department of the Treasury.

7 (b) "Allocation factor" shall mean the proportionate part of  
8 a taxpayer's net worth or entire net income used to determine a  
9 measure of its tax under this act.

10 (c) "Corporation" shall mean any corporation, joint-stock com-  
11 pany or association and any business conducted by a trustee or  
12 trustees wherein interest or ownership is evidenced by a certificate  
13 of interest or ownership or similar written instrument.

14 (d) "Net worth" shall mean the aggregate of the values dis-  
15 closed by the books of the corporation for (1) issued and outstand-  
16 ing capital stock, (2) paid-in or capital surplus, (3) earned surplus  
17 and undivided profits, (4) surplus reserves which can reasonably  
18 be expected to accrue to holders or owners of equitable shares, not  
19 including reasonable valuation reserves, such as reserves for de-  
20 preciation or obsolescence or depletion, and (5) the amount of all  
21 indebtedness owing directly or indirectly to holders of 10% or more  
22 of the aggregate outstanding shares of the taxpayer's capital stock  
23 of all classes, as of the close of a calendar or fiscal year. The fore-  
24 going aggregate of values shall be reduced by 50% of the amount  
25 disclosed by the books of the corporation for investment in the  
26 capital stock of one or more subsidiaries, which investment is de-  
27 fined as ownership (1) of at least 80% of the total combined voting  
28 power of all classes of stock of the subsidiary entitled to vote and  
29 (2) of at least 80% of the total number of shares of all other  
30 classes of stock except nonvoting stock which is limited and pre-  
31 ferred as to dividends. In the case of investment in an entity orga-  
32 nized under the laws of a foreign country, the foregoing requisite  
33 degree of ownership shall effect a like reduction of such investment  
34 from net worth of the taxpayer, if the foreign entity is considered a

35 corporation for any purpose under the United States Federal  
36 income tax laws, such as (but not by way of sole examples) for the  
37 purpose of supplying deemed-paid foreign tax credits or for the  
38 purpose of status as a controlled foreign corporation. In calculating  
39 the net worth of a taxpayer entitled to reduction for investment in  
40 subsidiaries, the amount of liabilities of the taxpayer shall be  
41 reduced by such proportion of the liabilities as corresponds to the  
42 ratio which the excluded portion of the subsidiary values bears to  
43 the total assets of the taxpayer.

44 If in the opinion of the commissioner, the corporation's books  
45 do not disclose fair valuations the commissioner may make a rea-  
46 sonable determination of the net worth which, in his opinion, would  
47 reflect the fair value of the assets, exclusive of subsidiary invest-  
48 ments as defined aforesaid, carried on the books of the corporation,  
49 in accordance with sound accounting principles, and such determi-  
50 nation shall be used as net worth for the purpose of this act.

51 (e) "Indebtedness owing directly or indirectly" shall include,  
52 without limitation thereto, all indebtedness owing to any stock-  
53 holder of shareholder and to members of his immediate family  
54 where a stockholder and members of his immediate family to-  
55 gether or in the aggregate own 10% or more of the aggregate  
56 outstanding shares of the taxpayer's capital stock of all classes.

57 (f) "Investment company" shall mean any corporation whose  
58 business during the period covered by its report consisted, to the  
59 extent of at least 90% thereof of holding, investing and reinvesting  
60 in stocks, bonds, notes, mortgages, debentures, patents, patent  
61 rights and other securities for its own account, but this shall not  
62 include any corporation which: (1) is a merchant or a dealer of  
63 stocks, bonds and other securities, regularly engaged in buying the  
64 same and selling the same to customers; or (2) had less than 90%  
65 of its average gross assets in New Jersey, at cost, invested in  
66 stocks, bonds, debentures, mortgages, notes, patents, patent rights  
67 or other securities or consisting of cash on deposit during the period  
68 covered by its report or (3) is a banking corporation or a financial  
69 business corporation as defined in the Corporation Business Tax  
70 Act.

71 (g) "Regulated investment company" shall mean any corpora-  
72 tion which for a period covered by its report, is registered and  
73 regulated under the Investment Company Act of 1940 (54 Stat.  
74 789), as amended.

75 (h) "Taxpayer" shall mean any corporation required to report  
76 or to pay taxes, interest or penalties under this act.

77 (i) "Fiscal year" shall mean an accounting period ending on  
78 any day other than the last day of December on the basis of which  
79 the taxpayer is required to report for Federal income tax purposes.

80 (j) Except as herein provided, "privilege period" shall mean  
81 the calendar or fiscal accounting period for which a tax is payable  
82 under this act.

83 (k) "Entire net income" shall mean total net income from all  
84 sources, whether within or without the United States, and shall  
85 include the gain derived from the employment of capital or labor,  
86 or from both combined, as well as profit gained through a sale or  
87 conversion of capital assets. For the purpose of this act, the  
88 amount of a taxpayer's entire net income shall be deemed prima  
89 facie to be equal in amount to the taxable income, before net oper-  
90 ating loss deduction and special deductions, which the taxpayer  
91 is required to report to the United States Treasury Department  
92 for the purpose of computing its Federal income tax; provided,  
93 however, that in the determination of such entire net income,

94 (1) Entire net income shall exclude 100% of dividends which  
95 were included in computing such taxable income for Federal income  
96 tax purposes, paid to the taxpayer by one or more subsidiaries  
97 owned by the taxpayer to the extent of the 80% or more owner-  
98 ship of investment described in subsection (d) of this section. With  
99 respect to other dividends, entire net income shall not [exclude]  
100 include 50% of the total included in computing such taxable income  
101 for Federal income tax purposes;

102 (2) Entire net income shall be determined without the exclusion,  
103 deduction or credit of:

104-105 (A) The amount of any specific exemption or credit allowed in  
106 any law of the United States imposing any tax on or measured  
107 by the income of corporations;

108 (B) Any part of any income from dividends or interest on any  
109 kind of stock, securities or indebtedness, except as provided in  
110 subsection (k) (1) of this section;

111 (C) Taxes paid or accrued to the United States on or measured  
112 by profits or income, or the tax imposed by this act, or any tax  
113 paid or accrued with respect to subsidiary dividends excluded from  
114 entire net income as provided in subsection (k) (1) of this section;

115 (D) Net operating losses sustained during any year or period  
116 other than that covered by the report;

117 (E) 90% of interest on indebtedness owing directly or indirectly  
118 to holders of 10% or more of the aggregate outstanding shares of  
119 the taxpayer's capital stock of all classes; except that such interest  
120 may, in any event, be deducted

121 (i) Up to an amount not exceeding \$1,000.00;

122 (ii) In full to the extent that it relates to bonds or other  
123 evidences of indebtedness issued, with stock, pursuant to a  
124 bona fide plan of reorganization, to persons, who, prior to  
125 such reorganization, were bona fide creditors of the corpora-  
126 tion or its predecessors, but were not stockholders or share-  
127 holders thereof;

128 (3) The commissioner may, whenever necessary to properly  
129 reflect the entire net income of any taxpayer, determine the year or  
130 period in which any item of income or deduction shall be included,  
131 without being limited to the method of accounting employed by  
132 the taxpayer.

133 (1) "Real estate investment trust" shall mean any unincorpo-  
134 rated trust or unincorporated association qualifying and electing  
135 to be taxed as a real estate investment trust under Federal law.

136 (m) "Financial business corporation" shall mean any corporate  
137 enterprise which is (1) in substantial competition with the business  
138 of national banks and which (2) employs moneyed capital with the  
139 object of making profit by its use as money, through discounting  
140 and negotiating promissory notes, drafts, bills of exchange and  
141 other evidences of debt; buying and selling exchange; making of or  
142 dealing in secured or unsecured loans and discounts; dealing in  
143 securities and shares of corporate stock by purchasing and selling  
144 such securities and stock without recourse, solely upon the order  
145 and for the account of customers; or investing and reinvesting in  
146 marketable obligations evidencing indebtedness of any person,  
147 copartnership, association or corporation in the form of bonds,  
148 notes or debentures commonly known as investment securities; or  
149 dealing in or underwriting obligations of the United States, any  
150 state or any political subdivision thereof, or of a corporate instru-  
151 mentality of any of them. This shall include, without limitation of  
152 the foregoing business commonly known as industrial banks, dealers  
153 in commercial paper and acceptances, sales finance, personal  
154 finance, small loan and mortgage financing businesses, as well as any  
155 other enterprise employing moneyed capital coming into competi-  
156 tion with the business of national banks; provided, that the holding  
157 of bonds, notes, or other evidences of indebtedness by individual  
158 persons not employed or engaged in the banking or investment  
159 business and representing merely personal investments not made in  
160 competition with the business of national banks, shall not be deemed  
161 financial business. Nor shall "financial business" include national  
162 banks, production credit associations organized under the Farm

163 Credit Act of 1933, stock and mutual insurance companies duly  
164 authorized to transact business in this State, security brokers or  
165 dealers or investment companies or bankers not employing moneyed  
166 capital coming into competition with the business of national banks,  
167 real estate investment trusts, or any of the following entities orga-  
168 nized under the laws of this State: credit unions, savings banks,  
169 savings and loan and building and loan associations, pawnbrokers,  
170 and State banks and trust companies.

1 23. Section 3 of P. L. 1966, c. 30 (C. 54:32B-3) is amended to  
2 read as follows:

3 3. Imposition of sales tax. On and after July 1, 1966 and con-  
4 tinuing through February 28, 1970 there is hereby imposed and  
5 there shall be paid a tax of 3%, and on and after March 1, 1970  
6 there is hereby imposed and there shall be paid a tax of 5% upon:

7 (a) The receipts from every retail sale of tangible personal  
8 property, except as otherwise provided in this act.

9 (b) The receipts from every sale, except for resale, of the fol-  
10 lowing services:

11 (1) Producing, fabricating, processing, printing or imprinting  
12 tangible personal property, performed for a person who directly  
13 or indirectly furnishes the tangible personal property, not pur-  
14 chased by him for resale, upon which such services are performed.

15 (2) Installing tangible personal property, or maintaining, ser-  
16 vicing, repairing tangible personal property not held for sale in  
17 the regular course of business, whether or not the services are  
18 performed directly or by means of coin-operated equipment or by  
19 any other means, and whether or not any tangible personal prop-  
20 erty is transferred in conjunction therewith, except (i) such ser-  
21 vices rendered by an individual who is engaged directly by a private  
22 homeowner or lessee in or about his residence and who is not in  
23 a regular trade or business offering his services to the public, (ii)  
24 such services rendered with respect to personal property exempt  
25 from taxation hereunder pursuant to subsection (a) of section 8,  
26 (iii) services rendered with respect to trucks, tractors, trailers or  
27 semitrailers by a person who is not engaged, directly or indirectly  
28 through subsidiaries, parents, affiliates or otherwise, in a regular  
29 trade or business offering such services to the public, (iv) any  
30 receipts from laundering, dry cleaning, tailoring, weaving, press-  
31 ing, shoe repairing and shoeshining, and (v) services rendered  
32 in installing property which, when installed, will constitute an  
33 addition or capital improvement to real property, property or land.

34 (3) Storing all tangible personal property not held for sale in



35 the regular course of business and the rental of safe deposit boxes  
36 or similar space.

37 (4) Maintaining, servicing or repairing real property, other  
38 than a residential heating system unit serving not more than three  
39 families living independently of each other and doing their cooking  
40 on the premises, whether the services are performed in or outside  
41 of a building, as distinguished from adding to or improving such  
42 real property, by a capital improvement, but excluding services  
43 rendered by an individual who is not in a regular trade or business  
44 offering his services to the public, and excluding interior cleaning  
45 and maintenance services, garbage removal and sewer services  
46 performed on a regular contractual basis for a term of not less  
47 than 30 days, other than window cleaning, and rodent and pest  
48 control.

49 (5) Advertising services except advertising services for use  
50 directly and primarily for publication in newspapers and maga-  
51 zines.

52 Wages, salaries and other compensation paid by an employer  
53 to an employee for performing as an employee the services de-  
54 scribed in this subsection are not receipts subject to the taxes  
55 imposed under this subsection (b).

56 *Services otherwise taxable under paragraph (1) or (2) of this*  
57 *subsection (b) are not subject to the taxes imposed under this*  
58 *subsection where the tangible personal property upon which the*  
59 *services were performed is delivered to the purchaser outside this*  
60 *State for use outside this State.*

61 (c) Receipts from the sale of food and drink except alcoholic  
62 beverages as defined in the Alcoholic Beverage Tax Law, in or by  
63 restaurants, taverns or other establishments in this State, or by  
64 caterers, including in the amount of such receipts any cover, mini-  
65 mum, entertainment or other charge made to patrons or customers:

66 (1) In all instances where the sale is for consumption on the  
67 premises where sold;

68 (2) In those instances where the vendor or any person whose  
69 services are arranged for by the vendor, after the delivery of the  
70 food or drink by or on behalf of the vendor for consumption off  
71 the premises of the vendor, serves or assists in serving, cooks,  
72 heats or provides other services with respect to the food or drink,  
73 except for meals especially prepared for and delivered to home-  
74 bound elderly, age 60 or older, and to disabled persons, or meals  
75 prepared and served at a group-sitting at a location outside of the  
76 home to otherwise homebound elderly persons, age 60 or older,

77 and otherwise homebound disabled persons, as all or part of any  
78 food service project funded in whole or in part by government or  
79 as part of a private nonprofit food service project available to all  
80 such elderly or disabled persons residing within an area of service  
81 designated by the private nonprofit organization; and

82 (3) In those instances where the sale is for consumption off the  
83 premises of the vendor, and consists of a meal, or food prepared  
84 and ready to be eaten, of a kind obtainable in restaurants as the  
85 main course of a meal, including a sandwich, except where food  
86 other than sandwiches is sold in an unheated state and is of a type  
87 commonly sold in the same form and condition in food stores other  
88 than those which are principally engaged in selling prepared foods.

89 The tax imposed by this subsection (c) shall not apply to food or  
90 drink which is sold to an air line for consumption while in flight.

91 (d) The rent for every occupancy of a room or rooms in a hotel  
92 in this State, except that the tax shall not be imposed upon (1) a  
93 permanent resident, or (2) where the rent is not more than at the  
94 rate of \$2.00 per day.

95 (e) (1) Any admission charge where such admission charge is  
96 in excess of \$0.75 to or for the use of any place of amusement in  
97 the State, including charges for admission to race tracks, baseball,  
98 football, basketball or exhibitions, dramatic or musical arts per-  
99 formances, motion picture theatres, except charges to a patron for  
100 admission to, or use of, facilities for sporting activities in which  
101 such patron is to be a participant, such as bowling alleys and swim-  
102 ming pools. For any person having the permanent use or posses-  
103 sion of a box or seat or a lease or a license, other than a season  
104 ticket, for the use of a box or seat at place of amusement, the tax  
105 shall be upon the amount for which a similar box or seat is sold for  
106 each performance or exhibition at which the box or seat is used  
107 or reserved by the holder, licensee or lessee, and shall be paid by  
108 the holder, licensee or lessee.

109 (2) The amount paid as charge of a roof garden, cabaret or  
110 other similar place in this State, to the extent that a tax upon such  
111 charges has not been paid pursuant to subsection (c) hereof.

112 **\*\*[(f) Sales of food and beverage sold through coin-operated**  
113 **vending machines, at the wholesale price of such sale, which shall be**  
114 **defined as 60% of the retail vending machine selling price, except**  
115 **sales of milk which shall not be taxed. Nothing herein contained**  
116 **shall affect other sales through coin-operated vending machines**  
117 **taxable pursuant to subsection (a) above or the exemption thereto**  
118 **provided by subsection (i) of section 8.\*\*]**

1 24. Section 8 of P. L. 1966, c. 30 (C. 54:32B-8) is amended to  
2 read as follows:

3 8. Exempt sales. Receipts from the following shall be exempt  
4 from the tax on retail sales imposed under subsection (a) of section  
5 3 and the use tax imposed under section 6:

6 (a) Sales of medicines and drugs sold pursuant to a doctor's  
7 prescription for human use; crutches, artificial limbs, artificial  
8 eyes, artificial hearing devices, corrective eyeglasses, prosthetic  
9 aids, artificial teeth or dentures, braces, tampons or like products,  
10 orthopedic appliances and artificial devices designed to correct or  
11 alleviate physical incapacity, medical oxygen, human blood and its  
12 derivative when sold for human use, wheelchairs, and replacement  
13 parts for any of the foregoing;

14 (b) Sales of food, food products, beverages except alcoholic  
15 beverages, excluding draft beer sold by the barrel, as defined in the  
16 Alcoholic Beverage Tax Law, dietary foods and health supple-  
17 ments, sold for human consumption off the premises where sold  
18 but not including (i) candy and confectionery, and (ii) carbonated  
19 soft drinks and beverages all of which shall be subject to the retail  
20 sales and compensating use taxes, whether or not the item is sold  
21 in liquid form. Nothing herein shall be construed as exempting  
22 food or drink from the tax imposed under subsection (c) of  
23 section 3;

24 (c) Sales of food sold in an elementary or secondary school  
25 cafeteria, sales of food sold in an institution of higher education  
26 or in a fraternity, sorority or eating club operated in connection  
27 therewith, to students of such an institution;

28 (d) Sales of articles of clothing and footwear for human use  
29 except articles made of fur on the hide or pelt of an animal or  
30 animals where such fur is the component material of chief value of  
31 the article. "Clothing" as used herein, shall also mean and include  
32 sales to noncommercial purchasers of common wearing apparel  
33 materials intended to be incorporated into wearing apparel as a  
34 constituent part thereof, such as fabrics, thread, knitting yarn,  
35 buttons and zippers. The director shall prescribe regulations to  
36 carry out the provisions of this subsection;

37 (e) Sales of newspapers, magazines and periodicals;

38 (f) Casual sales except as to sales of motor vehicles, whether  
39 for use on the highways or otherwise, and except as to sales of boats  
40 or vessels registered or subject to registration under the New  
41 Jersey Boat Act of 1962 (P. L. 1962, c. 73, and all amendments  
42 thereto);

43 (g) Sales of gas, water, steam, fuel, electricity, telephone or  
44 telegraph services delivered to consumers through mains, lines,  
45 pipe, or in containers or bulk;

46 (h) Sales of motor fuels as motor fuels are defined for purposes  
47 of the New Jersey Motor Fuel Tax Law; and sale of fuel to an  
48 airline for use in its airplanes or to a railroad for use in its  
49 locomotives;

50 (i) Tangible personal property sold through coin-operated vend-  
51 ing machines at \$0.10 or less, provided the retailer is primarily  
52 engaged in making such sales and maintains records satisfactory  
53 to the director;

54 (j) Sales not within the taxing power of this State under the  
55 Constitution of the United States;

56 (k) The transportation of persons or property;

57 (l) Sales, repairs, alterations or conversion of commercial ships,  
58 barges and other vessels of 50-ton burden or over, primarily en-  
59 gaged in interstate or foreign commerce, and of governmentally-  
60 owned ships, barges, and other vessels and property used by or pur-  
61 chased for the use of such vessels for fuel, provisions, supplies,  
62 maintenance and repairs (other than articles purchased for the  
63 original equipping of a new ship);

64 (m) (1) *Sales of machinery, apparatus or equipment for use or*  
65 *consumption directly and primarily in the production of tangible*  
66 *personal property by manufacturing, processing, assembling or*  
67 *refining;*

68 (2) Sales of machinery, apparatus or equipment for use or  
69 consumption directly and primarily in the production, generation,  
70 transmission or distribution of gas, electricity, refrigeration, steam  
71 or water for sale or in the operation of sewerage systems;

72 (3) Sales of telephone lines, cables, central office equipment or  
73 station apparatus, or other machinery, equipment or apparatus,  
74 or comparable telegraph equipment, for use directly and primarily  
75 in receiving at destination or initiating, transmitting and switching  
76 telephone or telegraph communication;

77 (4) The exemptions granted under this subsection shall not be  
78 construed to apply to sales, otherwise taxable, of machinery, equip-  
79 ment or apparatus whose use is incidental to the activities described  
80 in paragraphs (1), (2) and (4) of this subsection;

81 (5) The exemptions granted in this subsection (m) shall not  
82 apply to motor vehicles or to parts with a useful life of 1 year or  
83 less or tools or supplies used in connection with the machinery,  
84 equipment or apparatus described in this subsection;

85 (n) Sales of tangible personal property purchased for use or  
86 consumption directly and exclusively in research and development  
87 in the experimental or laboratory sense. Such research and de-  
88 velopment shall not be deemed to include the ordinary testing or  
89 inspection of materials or products for quality control, efficiency  
90 surveys, management studies, consumer surveys, advertising, pro-  
91 motions or research in connection with literary, historical or similar  
92 projects;

93 (o) Sales or use of wrapping paper, wrapping twine, bags, car-  
94 tons, tape, rope, labels, nonreturnable containers, reusable milk  
95 containers and all other wrapping supplies when such use is in-  
96 cidental to the delivery of any personal property;

97 (p) Sales of tangible personal property (except automobiles,  
98 [trucks, trailers, and truck-trailer combinations,] and except prop-  
99 erty incorporated in a building or structure) for use and consump-  
100 tion directly and exclusively in the production for sale of tangible  
101 personal property on farms, including stock, dairy, poultry, fruit,  
102 fur-bearing animals, and truck farms, ranches, nurseries, green-  
103 houses or other similar structures used primarily for the raising  
104 of agricultural or horticultural commodities, and orchards;

105 (q) Sales of tangible personal property sold by a mortician,  
106 undertaker or funeral director. However, all tangible personal  
107 property sold to a mortician, undertaker or funeral director for  
108 use in the conducting of funerals shall not be deemed a sale for  
109 resale and shall not be exempt from the tax imposed by this act;

110 (r) Sales of films, records, tapes or any type of visual or sound  
111 transcriptions to, or produced for exhibition in or use through the  
112 medium of, theatres and radio and television broadcasting stations  
113 or networks, and not used for advertising purposes;

114 (s) Sales of tangible personal property and services taxable  
115 under any municipal ordinance heretofore adopted pursuant to  
116 P. L. 1947, c. 71, which is in effect on April 27, 1966, but only to  
117 the extent such sales are taxable under said ordinance;

118 (t) Sales of materials, such as chemicals and catalysts, used to  
119 induce or cause a refining or chemical process, where such materials  
120 are an integral or essential part of the processing operation, but  
121 do not become a component part of the finished product;

122 (u) Sales of school textbooks for use by students in a school,  
123 college, university or other educational institution, approved as  
124 such by the Department of Education or by the Department of  
125 Higher Education, when the educational institution, upon forms  
126 and pursuant to regulations prescribed by the director, has declared  
127 the books are required for school purposes and the purchaser has  
128 supplied the vendor with the form at the time of the sale;

- 129 (v) (Deleted by amendment.) P. L. 1970, c. 7, s. 5.
- 130 (w) Sales made to contractors, subcontractors or repairmen of  
131 materials, supplies or services for exclusive use in erecting struc-  
132 tures, or building on, or otherwise improving, altering or repairing  
133 real property of organizations described in subsections (a) and  
134 (b) of section 9 of this act, provided any person seeking to qualify  
135 for this exemption shall do so pursuant to such rules and regula-  
136 tions and upon such forms as shall be prescribed by the director;
- 137 (x) The renting, leasing, licensing or interchanging of trucks,  
138 tractors, trailers or semitrailers by persons not engaged in a reg-  
139 ular trade or business offering such renting, leasing, licensing or  
140 interchanging to the public, provided, that such renting, leasing,  
141 licensing or interchanging is carried on with persons engaged in  
142 a regular trade or business involving carriage of freight by such  
143 vehicles, and further provided, that in the case of any such motor  
144 vehicle acquired by the owner or first used by the owner in this  
145 State on or after July 1, 1966, any tax presumptively imposed by  
146 this act on such acquisition or use shall have been paid at the time  
147 of such acquisition or use without claim for exemption;
- 148 (y) Sales of cigarettes subject to tax under the Cigarette Tax  
149 Act;
- 150 (z) Sales of the Bible or similar sacred scripture of a bona fide  
151 church or religious denomination;
- 152 (aa) Sales of the flag of the United States of America and of  
153 the flag of the State of New Jersey;
- 154 (bb) Sales of locomotives, railroad cars and other railroad roll-  
155 ing stock, including repair and replacement parts therefor, *track*  
156 *materials, and communication, signal and power transmission*  
157 *equipment*, to a railroad whose rates are regulated by the Inter-  
158 state Commerce Commission or by the Board of Public [Utility  
159 Commissioners of New Jersey] *Utilities*;
- 160 (cc) Sales of buses for public passenger transportation, includ-  
161 ing repair and replacement parts therefor, to bus companies whose  
162 rates are regulated by the Interstate Commerce Commission or the  
163 Board of Public [Utility Commissioners of New Jersey] *Utilities*  
164 or to an affiliate of said bus companies or to common or contract  
165 carriers for their use in the transportation of children to and from  
166 school. For the purposes of this subsection "affiliate" shall mean  
167 a corporation whose stock is wholly owned by the regulated bus  
168 company or whose stock is wholly owned by the same persons who  
169 own all of the stock of the regulated bus company.
- 170 (dd) *Sales of newspaper production machinery, apparatus*  
171 *and equipment for use and consumption directly and primarily in*  
172 *the publication of newspapers in the production departments of*

173 a newspaper plant, including, but not limited to: engraving, enlarg-  
 174 ing and development equipment, internal process cameras and  
 175 news transmission equipment, composing and pressroom apparatus  
 176 and equipment, type fonts, lead, mats, ink, plates, conveyors,  
 177 stackers, sorting, bundling, stuffing, labeling and wrapping equip-  
 178 ment and supplies for any of the foregoing except that sales of  
 179 motor vehicles, typewriters, and other equipment and supplies  
 180 otherwise taxable under this act are not exempt.

181 (ee) The sale of advertising to be published in a newspaper.

182 (ff) Sales, renting or leasing of: commercial motor vehicles,  
 183 and vehicles used in combination therewith, as defined in R. S.  
 184 39:1-1 and registered in New Jersey for more than 18,000 pounds;  
 185 or which are operated pursuant to a certificate or permit issued by  
 186 the Interstate Commerce Commission; and repair and replacement  
 187 parts therefor.

188 [(ff)] (gg) The sale of gold or silver and storage thereof, in the  
 189 form traded on any contract market or other board of trade or ex-  
 190 change licensed by the Federal Commodity Futures Trading Com-  
 191 mission as defined in the Commodity Exchange Act, as amended;  
 192 provided that the sale shall have been in fulfillment of the obliga-  
 193 tions of a contract for future delivery of gold or silver, or an option  
 194 to purchase or sell such commodity, entered into on and in accord-  
 195 ance with the rules of such licensed contract or options market; pro-  
 196 vided, further that this exemption shall not apply with respect to  
 197 any gold or silver subsequently converted to use by a purchaser  
 198 and in such event such purchaser shall be liable for the sales and  
 199 use tax imposed hereunder.

200 [(ff)] (hh) Sales of solar energy devices or systems designed  
 201 to provide heating or cooling, or electrical or mechanical power  
 202 by collecting and transferring solar-generated energy and including  
 203 mechanical or chemical devices for storing solar-generated energy.  
 204 The Director of the Division of Energy Planning and Conservation  
 205 in the Department of Energy shall establish standards with respect  
 206 to the technical sufficiency of solar energy systems for purposes of  
 207 qualification for exemption.

1 25. The title of P. L. 1968, c. 323 is amended to read as follows:

2 An act to amend the "Unsatisfied Claim and Judgment Fund  
 3 Law," approved May 10, 1952 (P. L. 1952, c. 174), and amending  
 4 sections [39:3-4,] 39:3-37 and 39:3-40, and supplementing Title 39,  
 5 of the Revised Statutes.

1 26. Section 19 of P. L. 1969, c. 127, is amended to read as follows:

2 19. To provide funds to meet the interest and principal payment  
 3 requirements for the bonds issued under this act and outstanding,  
 4 there is hereby appropriated in the order following:

5 (a) Net revenues, if any, with respect to water supply facilities  
6 funded in whole or in part by the bonds;

7 (b) Revenue derived from the collection of taxes as provided by  
8 the "Sales and Use Tax Act" (P. L. 1966, c. 30) as amended and  
9 supplemented, or so much thereof as may be required; and

10 (c) If in any year or at any time funds, as hereinabove appro-  
11 priated, necessary to meet interest and principal payments upon  
12 outstanding bonds issued under this act, be insufficient or not  
13 available, then and in that case there shall be assessed, levied and  
14 collected annually in each of the municipalities of the counties of  
15 this State a tax on real and personal property upon which municipal  
16 taxes are or shall be assessed, levied and collected, sufficient to  
17 meet the interest on all outstanding bonds issued hereunder and  
18 on such bonds as it is proposed to issue under this act in the  
19 calendar year in which such tax is to be raised and for the payment  
20 of bonds falling due in the year following the year for which the  
21 tax is levied. The tax thus imposed shall be assessed, levied and  
22 collected in the same manner and at the same time as other taxes  
23 upon real and personal property are assessed, levied and collected.  
24 The governing body of each municipality shall cause to be paid to  
25 the county treasurer of the county in which such municipality is  
26 located, on or before December 15 in each year, the amount of tax  
27 herein directed to be assessed and levied, and the county treasurer  
28 shall pay the amount of said tax to the State Treasurer on or  
29 before December 20 in each year.

30 If on or before December 31 in any year the issuing official shall  
31 determine that there are moneys in the General State Fund beyond  
32 the needs of the State, sufficient to meet the principal of bonds  
33 falling due and all interest payable in the ensuing calendar year,  
34 then and in the event such issuing officials shall by resolution so  
35 find and shall file the same in the office of the State Treasurer,  
36 whereupon the State Treasurer shall transfer such moneys to a  
37 separate fund to be designated by him, and shall pay the principal  
38 and interest out of said fund as the same shall become due and  
39 payable, and the other sources of payment of said principal and  
40 interest provided for in this section shall not then be available,  
41 and the receipts for said year from the tax specified in subsection  
42 **[(a)]** (b) of this section shall thereupon be considered and treated  
43 as part of the General State Fund, available for general purposes.

1 27. This act shall take effect immediately, but the exemption  
2 contained in new subsection (hh) of section 8 of P. L. 1966, c. 30  
3 (C. 54:32B-8) shall be operative July 1, 1978.

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## STATEMENT

This is an omnibus bill prepared by the Division of Bill Drafting and Legal Services of the Legislative Service Agency to correct errors in the law. A section by section explanation is as follows:

1. Amends C. 10:5-5 to restore amendments enacted by P. L. 1977, c. 122, but inadvertently omitted in P. L. 1977, c. 456.

2. Amends C. 10:5-12 to restore amendments enacted by P. L. 1977, c. 96, but inadvertently omitted in P. L. 1977, c. 122.

3. Amends C. 13:19-9 of the Coastal Area Facility Review Act to delete meaningless language.

4. Deletes from N. J. S. 14A:12-2 reference to P. L. 1945, c. 162, s. 12 which was repealed by P. L. 1973, c. 367; substitutes reference to section 3 of the 1973 act for "chapter 50 of Title 54 of the Revised Statutes."

5. Amends N. J. S. 17B:26-2 to add subsections e., g. and h. New subsection e. was added by P. L. 1973, c. 342. New subsections g. and h. were added by P. L. 1975, c. 111. All were inadvertently omitted when P. L. 1975, c. 119 (which added new subsection f.) was enacted into law.

6. Amends C. 17:48A-1 to restore amendments enacted by P. L. 1977, c. 95, but inadvertently omitted in P. L. 1977, c. 297.

7., 8. Amends N. J. S. 18A:14-35 and N. J. S. 18A:14-36 to transpose the words "with black ink or black pencil" in their proper place within the sentence.

9., 10. Sections 26 (C. 24:21-26) and 27 (C. 24:21-27) of the New Jersey Controlled Dangerous Substances Act (P. L. 1970, c. 226) contain internal references to subsections of sections 19 (C. 24:21-19) and 20 (C. 24:21-20) of said act. In 1975, sections 19 and 20 were amended by P. L. 1975, c. 31 by adding a new subsection to each of the sections and changing the numbers of certain other subsections of said sections. These amendments to sections 19 and 20 necessitated like amendments to sections 26 and 27, which, however, were not made. Sections 8 and 9 of this bill make the changes in the internal references appearing in sections 26 and 27 so that they will properly correspond with the changes made in sections 19 and 20 by P. L. 1975, c. 31.

11. Amends title of P. L. 1973, c. 126 (C. 27:1A-64 et seq.) to reflect a change in the body of said act as amended by P. L. 1975, c. 271. The amendment of title was omitted in P. L. 1975, c. 271.

12. Amends C. 30:6AA-11 to correct name of the Veterans Service Council.

13. Amends C. 40:8B-5 to insert reference to N. J. S. 40A:14-34 which replaced R. S. 40:47-27, repealed.

14. Amends C. 40:14B-49 to correct typographical error.
  15. Deletes P. L. 1968, c. 205 from list of acts repealed; this act was specifically saved from repeal by N. J. S. 40A:9-157.
  16. Repeals two sections containing material now covered by the Local Lands and Buildings Law (N. J. S. 40A:12-1 et seq.).
  17. Amends C. 43:16A-1 to include language excluded from P. L. 1977, c. 207, but contained in P. L. 1976, c. 111 and P. L. 1976, c. 139.
  18. Amends R. S. 43:21-4 to restore amendments enacted by P. L. 1974, c. 85, but inadvertently omitted in P. L. 1977, c. 307.
  19. P. L. 1973, c. 297 amended C. 46:10B-2 to reduce from 5 to 3 years the maximum time within which a fee or penalty could be imposed for prepayment of a mortgage. A corresponding change in C. 46:10B-3 from 20% to 33 $\frac{1}{3}$ % is dictated.
  20. Amends R. S. 48:2-23 to reenact the second paragraph inadvertently omitted from an amendment to the section enacted by P. L. 1970, c. 273.
  21. Amends C. 52:27D-84 to reinsert language inadvertently omitted from an amendment to this section enacted by P. L. 1970, c. 65, s. 9.
  22. Corrects typographical error in subsection (K) (1) of C. 54:10A-4.
  - 23., 24. Amends C. 54:32B-3 to restore amendments contained in P. L. 1977, c. 54, but inadvertently omitted in P. L. 1977, c. 252; amends C. 54:32B-8 to delete certain provisions originally deleted by P. L. 1977, c. 217, but inadvertently restored by P. L. 1977, c. 305, and to restore amendments providing exemptions added by P. L. 1977, c. 18, P. L. 1977, c. 217 and P. L. 1977, c. 305, all inadvertently omitted by P. L. 1977, c. 465.
  25. Deletes from the title of P. L. 1968, c. 323 reference to R. S. 39:3-4 which was not amended by that act.
  26. Corrects typographical error in the 1969 Water Conservation Bond Act.
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SENATE AMENDMENTS TO  
**SENATE, No. 999**  
[OFFICIAL COPY REPRINT]

**STATE OF NEW JERSEY**

ADOPTED APRIL 5, 1979

Amend page 4, section 1, line 143, omit "Physical handicap", insert "Handicapped"; omit "any", insert "suffering from".

Amend page 4, section 1, line 150, after device", insert ", or from any mental psychological or developmental disability resulting from anatomical, psychological, physiological or neurological conditions which prevents the normal exercise of any bodily or mental functions or is demonstrable, medically or psychologically, by accepted clinical or laboratory diagnostic techniques".

Amend page 25, section 16, line 1, omit "40A:14-8 and"; omit "are", and insert "is".

Amend page 41, section 23, lines 112-119, omit.

SENATE STATE GOVERNMENT, FEDERAL AND  
INTERSTATE RELATIONS AND VETERANS AFFAIRS  
COMMITTEE

STATEMENT TO

**SENATE, No. 999**

with Senate committee amendments

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**STATE OF NEW JERSEY**

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DATED: APRIL 24, 1978

The sponsor's statement printed with and appended to the bill satisfactorily explains its provisions. The committee amended the bill to correct the language contained in Assembly Bill No. 578, Sea (Van Wagner) in anticipation of its final passage by the Legislature and approval as law by the Governor.

SENATE COMMITTEE AMENDMENTS TO  
**SENATE, No. 999**

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**STATE OF NEW JERSEY**

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ADOPTED APRIL 24, 1978

Amend page 16, section 5, line 119, omit "(f)", insert "g."

Amend page 41, section 23, after line 111, insert a new subsection as follows:

"(f) Sales of food and beverage sold through coin-operated vending machines, at the wholesale price of such sale, which shall be defined as 60% of the retail vending machine selling price, except sales of milk which shall not be taxed. Nothing herein contained shall affect other sales through coin-operated vending machines taxable pursuant to subsection (a) above or the exemption thereto provided by subsection (i) of section 8."

April 5, 1979

SENATE BILL NO. 999 (OCR)

To the Senate:

Pursuant to Article V, Section I, Paragraph 14(b) of the Constitution, I herewith return Senate Bill No. 999 (OCR), without my approval, for reconsideration.

This bill was drafted by Legislative Services to revise and correct errors in the laws of the State. It is my intention to approve those portions of the bill which accomplish that purpose. However, I return it to you today with several recommendations made necessary because of my intention to veto A-578, the provisions of which were included by amendment and by the enactment of other laws subsequent to the passage of Senate Bill No. 999 (OCR).

Accordingly, I herewith return Senate Bill No. 999 (OCR) for reconsideration and recommend that it be amended as follows:

Page 4, Section 1, Line 143: Omit "Physical handicap" insert "Handicapped"

Page 4, Section 1, Line 143: Omit "any" insert "suffering from"

Page 4, Section 1, Line 150: After "device" insert ", or from any mental psychological or developmental disability resulting from anatomical, psychological, physiological or neurological conditions which prevents the normal exercise of any bodily or mental functions or is demonstrable, medically or psychologically, by accepted clinical or laboratory diagnostic techniques"

Page 25, Section 16, Line 1: Omit "40A:14-8 and"

Page 25, Section 16, Line 1: Omit "are" and insert "is"

Page 41, Section 23, Lines 112-118: Omit.

Respectfully,

/s/ Brendan Byrne

GOVERNOR

[seal]

Attest:

1979

FOR FURTHER INFORMATION

IMMEDIATE RELEASE

KATHRYN FORSYTH

Governor Brendan Byrne today signed into law the following bills:

A-867, sponsored by Assemblyman Walter M. D. Kern, Jr. (R-Bergen) which requires a creditor to inform a consumer of his credit balance at the end of the billing cycle in which the balance was posted, and, thereafter, at least once in every three billing cycles.

Under the bill, the creditor must refund the full amount of the credit balance within 30 days of receiving a request for refund from the consumer.

In cases in which there is a credit balance and there has been no activity for six consecutive billing cycles, the creditor must refund the amount of credit balance within 30 days.

A-868, also sponsored by Assemblyman Kern, which provides that consumer credit balances which remain unclaimed for five years will escheat to the state.

A-1657, also sponsored by Assemblyman Kern, which would validate any deed which has been recorded for five or more years, which is otherwise valid, despite the absence of a signature or seal in the acknowledgement or proof of such deed.

The bill would not apply to any deed which is the subject of a court proceeding which is in progress or which is instituted within 30 days after the bill's signing.

A-1752, sponsored by Assemblyman Robert P. Hollenbeck (D-Bergen) which would include employees of the New Jersey Institute of Technology within the state employees health benefits program.

This is a Byrne Administration-proposed measure.

NJIT provides educational services to the State of New Jersey under a contract with the Board of Higher Education. Since the health benefits for NJIT's approximately 1,000 employees are not budgeted for in the state's central health benefits account, NJIT currently uses a portion of the funds derived from the contract to provide the health benefits.

By including NJIT employees with all other state employees, the health benefits will be purchased at a lower group rate and the state will consequently realize a savings in its annual contract with NJIT. ( )

S-999, the "Omnibus Corrections Bill", sponsored by Senator Joseph P. Merlino (D-Mercer) which amends various statutes to correct technical errors, inadvertently made, in prior enactments.

Governor Byrne conditionally vetoed the bill on April 5 because of a change in the sales tax law relating to the sale of food and beverages through coin-operated vending machines. The Legislature concurred in the conditional

[OFFICIAL COPY REPRINT]  
ASSEMBLY, No. 578

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 9, 1978

By Assemblyman VAN WAGNER

Referred to Committee on Taxation

AN ACT to amend the "Sales and Use Tax Act," approved April 27, 1966 (P. L. 1966, c. 30).

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

1 1. Section 3 of P. L. 1966, c. 30 (C. 54:32B-3) is amended to  
2 read as follows:

3 3. Imposition of sales tax. On and after July 1, 1966 and con-  
4 tinuing through February 28, 1970 there is hereby imposed and  
5 there shall be paid a tax of 3%, and on and after March 1, 1970  
6 there is hereby imposed and there shall be paid a tax of 5% upon:

7 (a) The receipts from every retail sale of tangible personal  
8 property, except as otherwise provided in this act.

9 (b) The receipts from every sale, except for resale, of the fol-  
10 lowing services:

11 (1) Producing, fabricating, processing, printing or imprinting  
12 tangible personal property, performed for a person who directly  
13 or indirectly furnishes the tangible personal property, not pur-  
14 chased by him for resale, upon which such services are performed.

15 (2) Installing tangible personal property, or maintaining, ser-  
16 vicing, repairing tangible personal property not held for sale in  
17 the regular course of business, whether or not the services are  
18 performed directly or by means of coin-operated equipment or by  
19 any other means, and whether or not any tangible personal prop-  
20 erty is transferred in conjunction therewith, except (i) such ser-  
21 vices rendered by an individual who is engaged directly by a private  
22 homeowner or lessee in or about his residence and who is not in  
23 a regular trade or business offering his services to the public, (ii)  
24 such services rendered with respect to personal property exempt  
25 from taxation hereunder pursuant to subsection (a) of section 8,

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



26 (iii) services rendered with respect to trucks, tractors, trailers or  
27 semitrailers by a person who is not engaged, directly or indirectly  
28 through subsidiaries, parents, affiliates or otherwise, in a regular  
29 trade or business offering such services to the public, (iv) any  
30 receipts from laundering, dry cleaning, tailoring, weaving, press-  
31 ing, shoe repairing and shoe shining, and (v) services rendered  
32 in installing property which, when installed, will constitute an  
33 addition or capital improvement to real property, property or land.

34 (3) Storing all tangible personal property not held for sale in  
35 the regular course of business and the rental of safe deposit boxes  
36 or similar space.

37 (4) Maintaining, servicing or repairing real property, other  
38 than a residential heating system unit serving not more than three  
39 families living independently of each other and doing their cooking  
40 on the premises, whether the services are performed in or outside  
41 of a building, as distinguished from adding to or improving such  
42 real property, by a capital improvement, but excluding services  
43 rendered by an individual who is not in a regular trade or business  
44 offering his services to the public, and excluding interior cleaning  
45 and maintenance services, garbage removal and sewer services  
46 performed on a regular contractual basis for a term of not less  
47 than 30 days, other than window cleaning, and rodent and pest  
48 control.

49 (5) Advertising services except advertising services for use  
50 directly and primarily for publication in newspapers and maga-  
51 zines.

52 Wages, salaries and other compensation paid by an employer  
53 to an employee for performing as an employee the services de-  
54 scribed in this subsection are not receipts subject to the taxes  
55 imposed under this subsection (b).

56 *Services otherwise taxable under paragraph (1) or (2) of this*  
57 *subsection (b) are not subject to the taxes imposed under this*  
58 *subsection where the tangible personal property upon which the*  
59 *services were performed is delivered to the purchaser outside this*  
60 *State for use outside this State.*

61 (c) Receipts from the sale of food and drink except alcoholic  
62 beverages as defined in the Alcoholic Beverage Tax Law, in or by  
63 restaurants, taverns or other establishments in this State, or by  
64 caterers, including in the amount of such receipts any cover, mini-  
65 mum, entertainment or other charge made to patrons or customers:

66 (1) In all instances where the sale is for consumption on the  
67 premises where sold;

68 (2) In those instances where the vendor or any person whose  
69 services are arranged for by the vendor, after the delivery of the  
70 food or drink by or on behalf of the vendor for consumption off  
71 the premises of the vendor, serves or assists in serving, cooks,  
72 heats or provides other services with respect to the food or drink,  
73 except for meals especially prepared for and delivered to home-  
74 bound elderly, age 60 or older, and to disabled persons, or meals  
75 prepared and served at a group-sitting at a location outside of the  
76 home to otherwise homebound elderly persons, age 60 or older,  
77 and otherwise homebound disabled persons, as all or part of any  
78 food service project funded in whole or in part by government or  
79 as part of a private nonprofit food service project available to all  
80 such elderly or disabled persons residing within an area of service  
81 designated by the private nonprofit organization; and

82 (3) In those instances where the sale is for consumption off the  
83 premises of the vendor, and consists of a meal, or food prepared  
84 and ready to be eaten, of a kind obtainable in restaurants as the  
85 main course of a meal, including a sandwich, except where food  
86 other than sandwiches is sold in an unheated state and is of a type  
87 commonly sold in the same form and condition in food stores other  
88 than those which are principally engaged in selling prepared foods.

89 The tax imposed by this subsection (c) shall not apply to food or  
90 drink which is sold to an air line for consumption while in flight.

91 (d) The rent for every occupancy of a room or rooms in a hotel  
92 in this State, except that the tax shall not be imposed upon (1) a  
93 permanent resident, or (2) where the rent is not more than at the  
94 rate of \$2.00 per day.

95 (e) (1) Any admission charge where such admission charge is  
96 in excess of \$0.75 to or for the use of any place of amusement in  
97 the State, including charges for admission to race tracks, baseball,  
98 football, basketball or exhibitions, dramatic or musical arts per-  
99 formances, motion picture theatres, except charges to a patron for  
100 admission to, or use of, facilities for sporting activities in which  
101 such patron is to be a participant, such as bowling alleys and swim-  
102 ming pools. For any person having the permanent use or posses-  
103 sion of a box or seat or a lease or a license, other than a season  
104 ticket, for the use of a box or seat at place of amusement, the tax  
105 shall be upon the amount for which a similar box or seat is sold for  
106 each performance or exhibition at which the box or seat is used  
107 or reserved by the holder, licensee or lessee, and shall be paid by  
108 the holder, licensee or lessee.

109 (2) The amount paid as charge of a roof garden, cabaret or  
110 other similar place in this State, to the extent that a tax upon such  
111 charges has not been paid pursuant to subsection (c) hereof.

112 (f) *Sales of food and beverage sold through coin-operated*  
113 *vending machines, at the wholesale price of such sale, which shall be*  
114 *defined as 60% of the retail vending machine selling price, except*  
115 *sales of milk which shall not be taxed. Nothing herein contained*  
116 *shall effect other sales through coin-operated vending machines*  
117 *taxable pursuant to subsection (a) above or the exemption thereto*  
118 *provided by subsection (i) of section 8.*

1 2. Section 8 of P. L. 1966, c. 30 (C. 54:32B-8) is amended to  
2 read as follows:

3 8. Exempt sales. Receipts from the following shall be exempt  
4 from the tax on retail sales imposed under subsection (a) of section  
5 3 and the use tax imposed under section 6:

6 (a) Sales of medicines and drugs sold pursuant to a doctor's  
7 prescription for human use; crutches, artificial limbs, artificial  
8 eyes, artificial hearing devices, corrective eyeglasses, prosthetic  
9 aids, artificial teeth or dentures, braces, tampons or like products,  
10 orthopedic appliances and artificial devices designed to correct or  
11 alleviate physical incapacity, medical oxygen, human blood and its  
12 derivative when sold for human use, wheel chairs, and replacement  
13 parts for any of the foregoing;

14 (b) Sales of food, food products, beverages except alcoholic  
15 beverages, excluding draft beer sold by the barrel, as defined in the  
16 Alcoholic Beverage Tax Law, dietary foods and health supple-  
17 ments, sold for human consumption off the premises where sold  
18 but not including (i) candy and confectionery, and (ii) carbonated  
19 soft drinks and beverages all of which shall be subject to the retail  
20 sales and compensating use taxes, whether or not the item is sold  
21 in liquid form. Nothing herein shall be construed as exempting  
22 food or drink from the tax imposed under subsection (c) *or (f)* of  
23 section 3;

24 (c) Sales of food sold in an elementary or secondary school  
25 cafeteria, sales of food sold in an institution of higher education  
26 or in a fraternity, sorority or eating club operated in connection  
27 therewith, to students of such an institution;

28 (d) Sales of articles of clothing and footwear for human use  
29 except articles made of fur on the hide or pelt of an animal or  
30 animals where such fur is the component material of chief value of  
31 the article. "Clothing" as used herein, shall also mean and include  
32 sales to noncommercial purchasers of common wearing apparel

33 materials intended to be incorporated into wearing apparel as a  
34 constituent part thereof, such as fabrics, thread, knitting yarn,  
35 buttons and zippers. The director shall prescribe regulations to  
36 carry out the provisions of this subsection;

37 (e) Sales of newspapers, magazines and periodicals;

38 (f) Casual sales except as to sales of motor vehicles, whether  
39 for use on the highways or otherwise, and except as to sales of boats  
40 or vessels registered or subject to registration under the New  
41 Jersey Boat Act of 1962 (P. L. 1962, c. 73, and all amendments  
42 thereto);

43 (g) Sales of gas, water, steam, fuel, electricity, telephone or  
44 telegraph services delivered to consumers through mains, lines,  
45 pipe, or in containers or bulk;

46 (h) Sales of motor fuels as motor fuels are defined for purposes  
47 of the New Jersey Motor Fuel Tax Law; and sale of fuel to an  
48 airline for use in its airplanes or to a railroad for use in its  
49 locomotives;

50 (i) Tangible personal property sold through coin-operated vend-  
51 ing machines at \$0.10 or less, provided the retailer is primarily  
52 engaged in making such sales and maintains records satisfactory  
53 to the director;

54 (j) Sales not within the taxing power of this State under the  
55 Constitution of the United States;

56 (k) The transportation of persons or property;

57 (l) Sales, repairs, alterations or conversion of commercial ships,  
58 barges and other vessels of 50-ton burden or over, primarily  
59 engaged in interstate or foreign commerce, and of governmentally-  
60 owned ships, barges and other vessels and property used by or pur-  
61 chased for the use of such vessels for fuel, provisions, supplies,  
62 maintenance and repairs (other than articles purchased for the  
63 original equipping of a new ship);

64 (m) (1) Sales of machinery, apparatus or equipment for use or  
65 consumption directly and primarily in the production of tangible  
66 personal property by manufacturing, processing, assembling or  
67 refining;

68 (2) Sales of machinery, apparatus or equipment for use or  
69 consumption directly and primarily in the production, generation,  
70 transmission or distribution of gas, electricity, refrigeration, steam  
71 or water for sale or in the operation of sewerage systems;

72 (3) Sales of telephone lines, cables, central office equipment or  
73 station apparatus, or other machinery, equipment or apparatus,  
74 or comparable telegraph equipment, for use directly and primarily

75 in receiving at destination or initiating, transmitting and switching  
76 telephone or telegraph communication;

77 (4) The exemptions granted under this subsection shall not be  
78 construed to apply to sales, otherwise taxable, of machinery, equip-  
79 ment or apparatus whose use is incidental to the activities described  
80 in paragraphs (1), (2) and (3) of this subsection;

81 (5) The exemptions granted in this subsection (m) shall not  
82 apply to motor vehicles or to parts with a useful life of 1 year or  
83 less or tools or supplies used in connection with the machinery,  
85 equipment or apparatus described in this subsection;

85 (n) Sales of tangible personal property purchased for use or  
86 consumption directly and exclusively in research and development  
87 in the experimental or laboratory sense. Such research and de-  
88 velopment shall not be deemed to include the ordinary testing or  
89 inspection of materials or products for quality control, efficiency  
90 surveys, management studies, consumer surveys, advertising, pro-  
91 motions or research in connection with literary, historical or similar  
92 projects;

93 (o) Sales or use of wrapping paper, wrapping twine, bags, car-  
94 tons, tape, rope, labels, nonreturnable containers, reusable milk  
95 containers and all other wrapping supplies when such use is in-  
96 cidental to the delivery of any personal property;

97 (p) Sales of tangible personal property (except automobiles,  
98 [trucks, trailers, and truck-trailer combinations,] and except prop-  
99 erty incorporated in a building or structure) for use and consump-  
100 tion directly and exclusively in the production for sale of tangible  
101 personal property on farms, including stock, dairy, poultry, fruit,  
102 fur-bearing animals, and truck farms, ranches, nurseries, green-  
103 houses or other similar structures used primarily for the raising  
104 of agricultural or horticultural commodities, and orchards;

105 (q) Sales of tangible personal property sold by a mortician,  
106 undertaker or funeral director. However, all tangible personal  
107 property sold to a mortician, undertaker or funeral director for  
108 use in the conducting of funerals shall not be deemed a sale for  
109 resale and shall not be exempt from the tax imposed by this act;

110 (r) Sales of films, records, tapes or any type of visual or sound  
111 transcriptions to, or produced for exhibition in or use through the  
112 medium of, theatres and radio and television broadcasting stations  
113 or networks, and not used for advertising purposes;

114 (s) Sales of tangible personal property and services taxable  
115 under any municipal ordinance heretofore adopted pursuant to  
116 P. L. 1947, c. 71, which is in effect on April 27, 1966, but only to  
117 the extent such sales are taxable under said ordinance;

118 (t) Sales of materials, such as chemicals and catalysts, used to  
119 induce or cause a refining or chemical process, where such materials  
120 are an integral or essential part of the processing operation, but  
121 do not become a component part of the finished product;

122 (u) Sales of school textbooks for use by students in a school,  
123 college, university or other educational institution, approved as  
124 such by the Department of Education or by the Department of  
125 Higher Education, when the educational institution, upon forms  
126 and pursuant to regulations prescribed by the director, has declared  
127 the books are required for school purposes and the purchaser has  
128 supplied the vendor with the form at the time of the sale;

129 (v) (Deleted by amendment.) P. L. 1970, c. 7, s. 5.

130 (w) Sales made to contractors, subcontractors or repairmen of  
131 materials, supplies or service for exclusive use in erecting struc-  
132 tures, or building on, or otherwise improving, altering or repairing  
133 real property of organizations described in subsections (a) and  
134 (b) of section 9 of this act, provided any person seeking to qualify  
135 for this exemption shall do so pursuant to such rules and regula-  
136 tions and upon such forms as shall be prescribed by the director;

137 (x) The renting, leasing, licensing or interchanging of trucks,  
138 tractors, trailers or semitrailers by persons not engaged in a reg-  
139 ular trade or business offering such renting, leasing, licensing or  
140 interchanging to the public, provided, that such renting, leasing,  
141 licensing or interchanging is carried on with persons engaged in  
142 a regular trade or business involving carriage of freight by such  
143 vehicles, and further provided, that in the case of any such motor  
144 vehicle acquired by the owner or first used by the owner in this  
145 State on or after July 1, 1966, any tax presumptively imposed by  
146 this act on such acquisition or use shall have been paid at the time  
147 of such acquisition or use without claim for exemption];

148 (y) Sales of cigarettes subject to tax under the Cigarette Tax  
149 Act;

150 (z) Sales of the Bible or similar sacred scripture of a bona fide  
151 church or religious denomination;

152 (aa) Sales of the flag of the United States of America and of  
153 the flag of the State of New Jersey;

154 (bb) Sales of locomotives, railroad cars and other railroad roll-  
155 ing stock, including repair and replacement parts therefor, track  
156 materials, and communication, signal and power transmission  
157 equipment, to a railroad whose rates are regulated by the Inter-  
158 state Commerce Commission or by the Board of Public Utility  
159 Commissioners of New Jersey;

160 (cc) Sales of buses for public passenger transportation, includ-  
161 ing repair and replacement parts therefor, to bus companies whose  
162 rates are regulated by the Interstate Commerce Commission or the  
163 Board of Public Utility Commissioners of New Jersey or to an  
164 affiliate of said bus companies or to common or contract carriers for  
165 their use in the transportation of children to and from school. For  
166 the purposes of this subsection "affiliate" shall mean a corporation  
167 whose stock is wholly owned by the regulated bus company or whose  
168 stock is wholly owned by the same persons who own all of the stock  
169 of the regulated bus company.

170 (dd) Sales of newspaper production machinery, apparatus and  
171 equipment for use and consumption directly and primarily in  
172 the publication of newspapers in the production departments of  
173 a newspaper plant, including, but not limited to: engraving, enlarg-  
174 ing and development equipment, internal process cameras and  
175 news transmission equipment, composing and pressroom apparatus  
176 and equipment, type fonts, lead, mats, ink, plates, conveyors,  
177 stackers, sorting, bundling, stuffing, labeling and wrapping equip-  
178 ment and supplies for any of the foregoing except that sales of  
179 motor vehicles, typewriters, and other equipment and supplies  
180 otherwise taxable under this act are not exempt.

181 (ee) The sale of advertising to be published in a newspaper.

182 (ff) Sales, renting or leasing of: commercial motor vehicles,  
183 and vehicles used in combination therewith, as defined in R. S.  
184 39:1-1 and registered in New Jersey for more than 18,000 pounds;  
185 or which are operated pursuant to a certificate or permit issued by  
186 the Interstate Commerce Commission; and repair and replacement  
187 parts therefor.

188 (gg) The sale of gold or silver and storage thereof, in the form  
189 traded on any contract market or other board of trade or exchange  
190 licensed by the Federal Commodity Futures Trading Commission  
191 as defined in the Commodity Exchange Act, as amended; provided  
192 that the sale shall have been in fulfillment of the obligations of a  
193 contract for future delivery of gold or silver, or an option to  
194 purchase or sell such commodity, entered into on and in accordance  
195 with the rules of such licensed contract or options market; pro-  
196 vided, further that this exemption shall not apply with respect to  
197 any gold or silver subsequently converted to use by a purchaser  
198 and in such event such purchaser shall be liable for the sales and  
199 use tax imposed hereunder.

200 (hh) Sales of solar energy devices or systems designed to provide  
201 heating or cooling, or electrical or mechanical \***[powers]**\* \*power\*

202 *by collecting and transferring solar-generated energy and including*  
203 *mechanical or chemical devices for storing solar-generated energy.*  
204 *The Director of the Division of Energy Planning and Conservation*  
205 *in the Department of Energy shall establish standards with respect*  
206 *to the technical sufficiency of solar energy systems for purposes of*  
207 *qualification for exemption.*

1     3. This act shall take effect immediately except for \***[such sec-**  
2     **tion]**\* *subsection* (hh) of (C. 54:32B-8) P. L. 1966, c. 30, sec. 8  
3     \***[(hh)]**\* which will take effect July 1 following enactment.



STATE OF NEW JERSEY  
EXECUTIVE DEPARTMENT

April 12, 1979

ASSEMBLY BILL NO. 578 (OCR)

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14(a) of the Constitution, I herewith return Assembly Bill No. 578 (OCR), without my approval.

This bill would amend the Sales and Use Tax Act of 1966 to tax the sales of food and beverages sold through coin operated vending machines at the wholesale price of such sale, which is defined as 60 percent of the retail vending machine selling price. It would thereby establish a lower rate of taxation for one category of sales.

Our tax is a retail sales tax based upon the full sales price to the ultimate consumer. If this bill were enacted, it would depart from the general taxing scheme of our existing statute. I see no reason to approve such a departure at this time.

In addition, the issue of taxability of food sold through vending machines is the subject of a case pending consideration by the New Jersey Supreme Court. The Division of Taxation has taken the position that the items in question are taxable by the State at the full retail sales price. Under all the circumstances, I believe it is more appropriate to await the outcome of the judicial proceedings on the taxability of food sold through vending machines.

There is, therefore, no need for further consideration of Assembly Bill No. 578 (OCR).

Respectfully,

/s/ Brendan Byrne

GOVERNOR

[seal]

ATTEST:

Robert E. Mulcahy, III

Chief of Staff, Secretary