LEGISLATIVE HISTORY CHECKLIST Compiled by the NJ State Law Library

(School bond proceedings--eliminate requirement of approval by Attorney General)

NJSA:

18A:24-18

LAWS OF:

1993

CHAPTER: 146

BILL NO:

S1103

SPONSOR (S)

Brown

DATE INTRODUCED:

August 3, 1992

COMMITTEE:

ASSEMBLY:

SENATE:

Education

AMENDED DURING PASSAGE:

No

Senate Committee substitute

enacted

DATE OF PASSAGE:

ASSEMBLY:

June 17, 1993

SENATE:

June 10, 1993

DATE OF APPROVAL:

June 22, 1993

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT:

Yes

COMMITTEE STATEMENT:

ASSEMBLY:

No

SENATE:

Yes

FISCAL NOTE:

No

VETO MESSAGE:

No

MESSAGE ON SIGNING:

No

FOLLOWING WERE PRINTED:

REPORTS:

No

HEARINGS:

No

KBG:pp

SENATE, No. 1103

STATE OF NEW JERSEY

ADOPTED MAY 6, 1993

Sponsored by Senator BROWN

AN ACT concerning school bond authorization proceedings and
 amending various sections of the New Jersey Statutes.

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

1. N.J.S.18A:24-18 is amended to read as follows:

18A:24-18. Every such supplemental debt statement shall be conclusively presumed to be accurate and correct and to be timely filed as the basis for the issuance of any bond or other obligation, authorized, within the principal amount of bonds to which effect is given therein, by an ordinance or resolution adopted [within 60 days after the filing thereof] in connection therewith, and shall not be rebutted, and the correctness [and], sufficiency and timeliness of such debt statements shall not be contested or questioned in any action or proceeding relating to any such bond or other obligation or the levy or collection of taxes for the payment of the same.

18 (cf: P.L.1978, c.71, s.3)

2. N. J.S. 18A:24-30 is amended to read as follows:

18A:24-30. Whenever bonds are authorized to be issued by a type II school district under this chapter, the secretary of the board of education of the district shall transmit [certified copies of the record of the proceedings authorizing such issuance to the attorney general for his approval of the legality of the proceedings and shall file with the commissioner duplicate copies of the record so approved] to the commissioner a certified copy of the bond proposal adopted by resolution of the board of education and approved by a majority of the legally qualified voters of the district voting on the proposal at an annual or special school election.

(cf: N.J.S.18A:24-30)

3. N.J.S.18A:24-55 is amended to read as follows:

18A:24-55. After school bonds have been authorized in accordance with this chapter [and, in the case of a type II district, the attorney general has approved the legality of the proceedings authorizing the issuance thereof], the board of education may, within the amount and for the purposes of such authorization, make contracts notwithstanding that the moneys to be raised therefor by the issuance of such bonds, or notes or temporary loan bonds in anticipation thereof, are not in hand.

41 (cf: N.J.S.18A:24-55)

4. N.J.S.18A:24-65 is amended to read as follows:

18A:24-65. No action to contest the validity of any proceeding

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

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or election authorizing the issuance of any bonds, held in connection with any such authorization, or the application of the proceeds of any such issue to a purpose other than those for which the bonds were issued, shall be commenced after the expiration of [15] 20 days from the date of the institution of such proceedings or the holding of such election or the action in connection therewith forming the subject matter of such contest. Thereafter, the proceedings shall be conclusively presumed to be due authorization for the issuance of the bonds.

(cf: N.J.S.18A:24-65)

5. This act shall take effect immediately.

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16 Revises procedure for authorization of school bonds.

SENATE, No. 1103

STATE OF NEW JERSEY

INTRODUCED AUGUST 3, 1992

By Senator BROWN

AN ACT concerning school bond authorization proceedings and
 amending N.J.S.18A:24-30 and N.J.S.18A:24-55.

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

1. N.J.S.18A:24-30 is amended to read as follows:

18A:24-30. Whenever bonds are authorized to be issued by a type II school district under this chapter, the secretary of the board of education of the district shall transmit a certified [copies] copy of the record of the proceedings authorizing such issuance [to the attorney general for his approval of the legality of the proceedings and shall file withl, reviewed by an Attorney at Law of the State of New Jersey as to compliance with the laws governing school bond authorization proceedings, to the commissioner [duplicate copies of the record so approved] for filing. If any exceptions to compliance are noted and the attorney provides an opinion that such exceptions are not so substantial as to deprive the voters of the opportunity to act knowingly in approving the bond proposal, then the commissioner may accept the record of the proceedings for filing. The filing of the record of the proceedings shall be deemed conclusive evidence that the bonds authorized by the proceedings have been duly authorized in accordance with law and no action, suit or proceeding may be instituted thereafter to challenge the proceeding.

(cf: N.J.S.18A:24-30)

2. N.J.S.18A:24-55 is amended to read as follows:

18A:24-55. After school bonds have been authorized in accordance with this chapter [and, in the case of a type II district, the attorney general has approved the legality of the proceedings authorizing the issuance thereof], the board of education may, within the amount and for the purposes of such authorization, make contracts notwithstanding that the moneys to be raised therefor by the issuance of such bonds, or notes or temporary loan bonds in anticipation thereof, are not in hand.

(cf: N. J.S. 18A: 24-55)

3. This act shall take effect immediately.

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STATEMENT

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This bill would remove the requirement for the approval of school district bond authorization proceedings by the Attorney General. The bill provides that the commissioner may accept the

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

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record of the bond proceeding for filing provided an attorney at law has reviewed the bond proceedings for legality and renders an opinion that any irregularity will not frustrate the will of the voters. The filing of the record will then be deemed conclusive evidence that the bonds have been duly authorized in accordance with law and no action, suit or proceeding may be instituted thereafter to challenge the proceeding.

Over the past years the Attorney General has refused to approve the record of these proceedings if there has been any irregularity, even an insubstantial one which would not invalidate the election under case law. In this situation a Validating Act would be required for the bond proceeding to be effective.

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17 Eliminates requirement for Attorney General to approve the 18 legality of school bond authorization proceedings.

SENATE EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 1103

STATE OF NEW JERSEY

DATED: MAY 6, 1993

The Senate Education Committee favorably reports this Senate Committee Substitute for Senate, No. 1103.

This committee substitute revises the procedure which takes effect following the approval of a school bond proposal by the voters at a school election in order to conform the requirements for the authorization of school bonds to the requirements for the authorization of municipal and county bonds under the "Local Bond Law" (N.J.S.40A:2-1 et seq.). The bill requires the secretary of a board of education to transmit to the commissioner a certified copy of the bond proposal adopted by resolution of the board of education and approved by the voters at the election. It also changes the period of time to contest the validity of school bond authorization proceedings from 15 days to 20 days and eliminates the requirement for the approval of the proceedings by the attorney general.