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**REPORTS:**

No

**HEARINGS:**

No

**NEWSPAPER ARTICLES:**

No

P.L. 2002, CHAPTER 64, *approved August 14, 2002*  
Senate Bill No. 395 (*First Reprint*)

1 AN ACT concerning urban enterprise zones and amending P.L.1983,  
2 c.303 (C.52:27H-60 et seq.).

3

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

6

7 1. Section 29 of P.L.1983, c.303 (C.52:27H-88) is amended to  
8 read as follows:

9 29. a. There is created an enterprise zone assistance fund to be  
10 held by the State Treasurer, which shall be the repository for all  
11 moneys required to be deposited therein under section 21 of P.L.1983,  
12 c.303 (C.52:27H-80) or moneys appropriated annually to the fund. All  
13 moneys deposited in the fund shall be held and disbursed in the  
14 amounts necessary to fulfill the purposes of this section and subject to  
15 the requirements hereinafter prescribed. The State Treasurer may  
16 invest and reinvest any moneys in the fund, or any portion thereof, in  
17 legal obligations of the United States or of the State or of any political  
18 subdivision thereof. Any income from, interest on, or increment to  
19 moneys so invested or reinvested shall be included in the fund.

20 The State Treasurer shall maintain separate accounts for each  
21 enterprise zone designated under this act, and one in the authority's  
22 name for the administration of the Urban Enterprise Zone program.  
23 The State Treasurer shall credit to each account an amount of the  
24 moneys deposited in the fund equal to the amount of revenues  
25 collected from the taxation of retail sales made in the zone and  
26 appropriated to the enterprise zone assistance fund, or that amount of  
27 moneys appropriated to the fund and required to be credited to the  
28 enterprise zone account of the qualifying municipality pursuant to  
29 section 21 of P.L.1983, c.303 (C.52:27H-80).

30 The State Treasurer shall promulgate the rules and regulations  
31 necessary to govern the administration of the fund for the purposes of  
32 this section.

33 b. The enterprise zone assistance fund shall be used for the purpose  
34 of assisting qualifying municipalities in which enterprise zones are  
35 designated in undertaking public improvements, economic  
36 development projects and in upgrading eligible municipal services in  
37 designated enterprise zones.

38 c. The governing body of a qualifying municipality in which an  
39 enterprise zone is designated and the zone development corporation  
40 created or designated by the municipality for that enterprise zone may,

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

**Matter underlined thus is new matter.**

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

<sup>1</sup> Senate SEG committee amendments adopted February 21, 2002.

1 by resolution jointly adopted after public hearing, propose to  
2 undertake a project for the public improvement of the enterprise zone  
3 or to increase eligible municipal services in the enterprise zone, and to  
4 fund that project or increase in eligible municipal services from moneys  
5 deposited in the enterprise zone assistance fund and credited to the  
6 account maintained by the State Treasurer for the enterprise zone.

7 The proposal so adopted shall set forth a plan for the project or for  
8 the increase in eligible municipal services and shall include:

9 (1) A description of the proposed project or of the municipal  
10 services to be increased;

11 (2) An estimate of the total project costs, or of the total costs of  
12 increasing the municipal services, and an estimate of the amounts of  
13 funding necessary annually from the enterprise zone account;

14 (3) A statement of any other revenue sources to be used to finance  
15 the project or to fund the increase in eligible municipal services;

16 (4) A statement of the time necessary to complete the project, or  
17 of the time during which the increased municipal services are to be  
18 maintained;

19 (5) A statement of the manner in which the proposed project or  
20 increase in municipal services furthers the municipality's policy and  
21 intentions for addressing the economic and social conditions existing  
22 in the area of the enterprise zone as set forth in the zone development  
23 plan approved by the authority; and

24 (6) A description of the financial and programmatic controls and  
25 reporting mechanisms to be used to guarantee that the funds will be  
26 spent in accordance with the plan and that the project or increased  
27 municipal service will accomplish its purpose.

28 As used in this section, "project" means an activity funded by the  
29 zone assistance fund through the qualified municipality and  
30 implemented by the zone development corporation, including the  
31 purchasing, leasing, condemning, or otherwise acquiring of land or  
32 other property, or an interest therein, in the enterprise zone or as  
33 necessary for a right-of-way or other easement to or from the  
34 enterprise zone; the relocating and moving of persons or businesses  
35 displaced by the acquisition of land or property; the rehabilitation and  
36 redevelopment of land or property, including demolition, clearance,  
37 removal, relocation, renovation, alteration, construction,  
38 reconstruction, installation or repair of a land or a building, street,  
39 highway, alley, utility, service or other structure or improvement  
40 which will lead to increased economic activity within the zone; the  
41 acquisition, construction, reconstruction, rehabilitation, or installation  
42 of public facilities and improvements, except buildings and facilities for  
43 the general conduct of government and schools; the establishment of  
44 revolving loan or grant programs for qualified businesses in the zone  
45 to encourage private investment and job creation, matching grant  
46 programs for the establishment or operation of pedestrian malls,

1 special improvement districts and tax increment districts, or other  
2 appropriate entity; marketing, advertising and special event activities  
3 that will lead to increased economic activity or encourage private  
4 investment and job creation in the zone<sup>1</sup>, but not including the  
5 expenditures therefor which are required to be reported pursuant to  
6 "The New Jersey Campaign Contributions and Expenditures Reporting  
7 Act," P.L.1973, c.83 (C.19:44A-1 et seq.)<sup>1</sup>; and the costs associated  
8 therewith including the costs of an administrative appraisal, economic  
9 and environmental analyses, environmental remediation, engineering,  
10 planning, design, architectural, surveying or other professional or  
11 managerial services [necessary to effectuate the project.]

12 As used in this section, "eligible municipal services" means the  
13 hiring of additional policemen or firemen assigned duties in the  
14 enterprise zone, or the purchasing or leasing of additional police or  
15 fire vehicles, equipment or apparatus to be used for the provision of  
16 augmented or upgraded public safety services in the enterprise zone  
17 and its immediate vicinities.

18 d. Upon adoption by the governing body of the qualifying  
19 municipality and by the zone development corporation, the proposal  
20 shall be sent to the authority for its evaluation and approval. The  
21 authority shall approve the proposal if it shall find:

22 (1) In the case of a project, that the proposed project furthers the  
23 policy and intentions of the zone development plan approved by the  
24 authority, and that the estimated annual payments for the project from  
25 the enterprise zone account to which the proposal pertains are not  
26 likely to result in a deficit in that account;

27 (2) In the case of an increase in eligible municipal services, that the  
28 proposal furthers the policy and intentions of the zone development  
29 plan approved by the authority; that the qualifying municipality has  
30 furnished satisfactory assurances that the additional policemen or  
31 firemen to be hired, or the additional vehicles, equipment or apparatus  
32 to be purchased or leased, shall be used to augment or upgrade public  
33 safety in the enterprise zone, and shall not be used in other areas of the  
34 municipality; that the qualifying municipality shall annually appropriate  
35 for the increased eligible municipal services an amount equal to 20%  
36 of the amount of annual payments for the eligible municipal services  
37 from the enterprise zone account and shall not request for the  
38 increased eligible municipal services an amount equal to more than  
39 35% of the amount of annual payments into the enterprise zone  
40 account, unless the municipality and the authority have entered into an  
41 agreement or agreements to the contrary prior to July 1, 1992; and  
42 that the estimated annual payments for the eligible municipal services  
43 from the enterprise zone account to which the proposal pertains are  
44 not likely to result in a deficit in that account.

45 e. If the authority shall approve the proposal, it shall annually,  
46 upon its receipt of a written statement from the governing body of the

1 qualifying municipality and the zone development corporation, certify  
2 to the State Treasurer the amount to be paid in that year from the  
3 enterprise zone account in the enterprise zone assistance fund with  
4 respect to each project or increase in eligible municipal services  
5 approved. The authority may at any time revoke its approval of a  
6 project or an increase in eligible municipal services if it finds that the  
7 annual payments made from the enterprise zone assistance fund are not  
8 being used as required by this section.

9 f. Upon certification by the authority of the annual amount to be  
10 paid to a qualifying zone with respect to any project or increase in  
11 eligible municipal services, the State Treasurer shall pay in each year  
12 to the qualifying municipality from the amounts deposited in the  
13 enterprise zone assistance fund the amount so certified, within the  
14 limits of the amounts credited to the enterprise zone account of the  
15 qualifying municipality.

16 g. An amount not to exceed one-third of the amount deposited in  
17 the account created in the name of the authority in the enterprise zone  
18 assistance fund shall be used by the authority for the coordination and  
19 administration of the program throughout the State, including but not  
20 limited to costs for personnel, operating expenses and marketing. The  
21 balance of the remaining amount shall be distributed to qualifying  
22 municipalities in proportion to each municipality's contribution to the  
23 enterprise zone assistance fund for the coordination and administration  
24 of the program within the municipality, including but not limited to  
25 costs for personnel, operating expenses and marketing.

26 (cf: P.L.1993, c.367, s.9)

27  
28 2. This act shall take effect immediately.

29  
30  
31 \_\_\_\_\_  
32  
33 Allows UEZ municipalities to include certain marketing, advertising  
34 and special event activities and other managerial and professional  
35 services as projects eligible for UEZ funding assistance.

# SENATE, No. 395

## STATE OF NEW JERSEY 210th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2002 SESSION

**Sponsored by:**

**Senator NICHOLAS J. SACCO**

**District 32 (Bergen and Hudson)**

**Senator ROBERT W. SINGER**

**District 30 (Burlington, Mercer, Monmouth and Ocean)**

**Co-Sponsored by:**

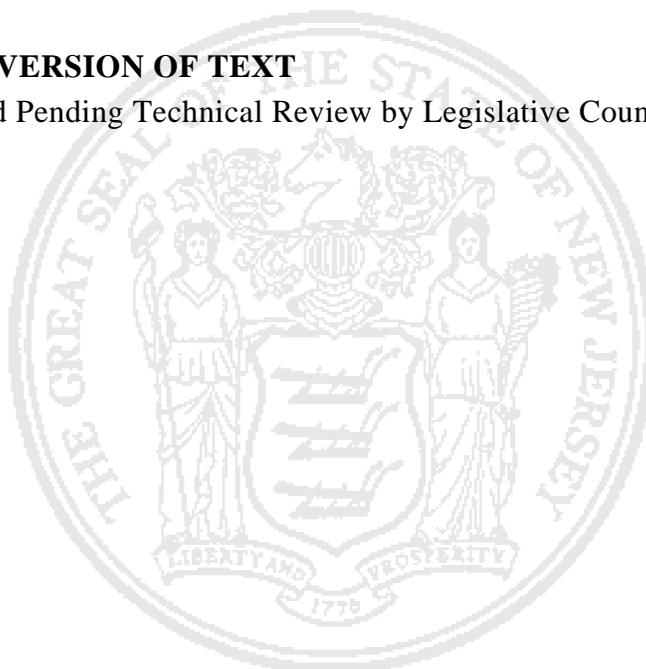
**Senator Gill**

**SYNOPSIS**

Allows UEZ municipalities to include marketing, advertising and special event activities and other managerial and professional services as projects eligible for UEZ funding assistance.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



**(Sponsorship Updated As Of: 2/22/2002)**

1 AN ACT concerning urban enterprise zones and amending P.L.1983,  
2 c.303 (C.52:27H-60 et seq.).

3  
4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

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12 c.303 (C.52:27H-80) or moneys appropriated annually to the fund. All  
13 moneys deposited in the fund shall be held and disbursed in the  
14 amounts necessary to fulfill the purposes of this section and subject to  
15 the requirements hereinafter prescribed. The State Treasurer may  
16 invest and reinvest any moneys in the fund, or any portion thereof, in  
17 legal obligations of the United States or of the State or of any political  
18 subdivision thereof. Any income from, interest on, or increment to  
19 moneys so invested or reinvested shall be included in the fund.

20 The State Treasurer shall maintain separate accounts for each  
21 enterprise zone designated under this act, and one in the authority's  
22 name for the administration of the Urban Enterprise Zone program.  
23 The State Treasurer shall credit to each account an amount of the  
24 moneys deposited in the fund equal to the amount of revenues  
25 collected from the taxation of retail sales made in the zone and  
26 appropriated to the enterprise zone assistance fund, or that amount of  
27 moneys appropriated to the fund and required to be credited to the  
28 enterprise zone account of the qualifying municipality pursuant to  
29 section 21 of P.L.1983, c.303 (C.52:27H-80).

30 The State Treasurer shall promulgate the rules and regulations  
31 necessary to govern the administration of the fund for the purposes of  
32 this section.

33 b. The enterprise zone assistance fund shall be used for the purpose  
34 of assisting qualifying municipalities in which enterprise zones are  
35 designated in undertaking public improvements, economic  
36 development projects and in upgrading eligible municipal services in  
37 designated enterprise zones.

38 c. The governing body of a qualifying municipality in which an  
39 enterprise zone is designated and the zone development corporation  
40 created or designated by the municipality for that enterprise zone may,  
41 by resolution jointly adopted after public hearing, propose to  
42 undertake a project for the public improvement of the enterprise zone  
43 or to increase eligible municipal services in the enterprise zone, and to

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**Matter underlined thus is new matter.**

1 fund that project or increase in eligible municipal services from moneys  
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3 account maintained by the State Treasurer for the enterprise zone.

4 The proposal so adopted shall set forth a plan for the project or for  
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6 (1) A description of the proposed project or of the municipal  
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8 (2) An estimate of the total project costs, or of the total costs of  
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13 (4) A statement of the time necessary to complete the project, or  
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15 maintained;

16 (5) A statement of the manner in which the proposed project or  
17 increase in municipal services furthers the municipality's policy and  
18 intentions for addressing the economic and social conditions existing  
19 in the area of the enterprise zone as set forth in the zone development  
20 plan approved by the authority; and

21 (6) A description of the financial and programmatic controls and  
22 reporting mechanisms to be used to guarantee that the funds will be  
23 spent in accordance with the plan and that the project or increased  
24 municipal service will accomplish its purpose.

25 As used in this section, "project" means an activity funded by the  
26 zone assistance fund through the qualified municipality and  
27 implemented by the zone development corporation, including the  
28 purchasing, leasing, condemning, or otherwise acquiring of land or  
29 other property, or an interest therein, in the enterprise zone or as  
30 necessary for a right-of-way or other easement to or from the  
31 enterprise zone; the relocating and moving of persons or businesses  
32 displaced by the acquisition of land or property; the rehabilitation and  
33 redevelopment of land or property, including demolition, clearance,  
34 removal, relocation, renovation, alteration, construction,  
35 reconstruction, installation or repair of a land or a building, street,  
36 highway, alley, utility, service or other structure or improvement  
37 which will lead to increased economic activity within the zone; the  
38 acquisition, construction, reconstruction, rehabilitation, or installation  
39 of public facilities and improvements, except buildings and facilities for  
40 the general conduct of government and schools; the establishment of  
41 revolving loan or grant programs for qualified businesses in the zone  
42 to encourage private investment and job creation, matching grant  
43 programs for the establishment or operation of pedestrian malls,  
44 special improvement districts and tax increment districts, or other  
45 appropriate entity; marketing, advertising and special event activities  
46 that will lead to increased economic activity or encourage private

1 investment and job creation in the zone; and the costs associated  
2 therewith including the costs of an administrative appraisal, economic  
3 and environmental analyses, environmental remediation, engineering,  
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5 managerial services [necessary to effectuate the project].

6 As used in this section, "eligible municipal services" means the  
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11 and its immediate vicinities.

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18 authority, and that the estimated annual payments for the project from  
19 the enterprise zone account to which the proposal pertains are not  
20 likely to result in a deficit in that account;

21 (2) In the case of an increase in eligible municipal services, that the  
22 proposal furthers the policy and intentions of the zone development  
23 plan approved by the authority; that the qualifying municipality has  
24 furnished satisfactory assurances that the additional policemen or  
25 firemen to be hired, or the additional vehicles, equipment or apparatus  
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31 from the enterprise zone account and shall not request for the  
32 increased eligible municipal services an amount equal to more than  
33 35% of the amount of annual payments into the enterprise zone  
34 account, unless the municipality and the authority have entered into an  
35 agreement or agreements to the contrary prior to July 1, 1992; and  
36 that the estimated annual payments for the eligible municipal services  
37 from the enterprise zone account to which the proposal pertains are  
38 not likely to result in a deficit in that account.

39 e. If the authority shall approve the proposal, it shall annually,  
40 upon its receipt of a written statement from the governing body of the  
41 qualifying municipality and the zone development corporation, certify  
42 to the State Treasurer the amount to be paid in that year from the  
43 enterprise zone account in the enterprise zone assistance fund with  
44 respect to each project or increase in eligible municipal services  
45 approved. The authority may at any time revoke its approval of a  
46 project or an increase in eligible municipal services if it finds that the

1 annual payments made from the enterprise zone assistance fund are not  
2 being used as required by this section.

3 f. Upon certification by the authority of the annual amount to be  
4 paid to a qualifying zone with respect to any project or increase in  
5 eligible municipal services, the State Treasurer shall pay in each year  
6 to the qualifying municipality from the amounts deposited in the  
7 enterprise zone assistance fund the amount so certified, within the  
8 limits of the amounts credited to the enterprise zone account of the  
9 qualifying municipality.

10 g. An amount not to exceed one-third of the amount deposited in  
11 the account created in the name of the authority in the enterprise zone  
12 assistance fund shall be used by the authority for the coordination and  
13 administration of the program throughout the State, including but not  
14 limited to costs for personnel, operating expenses and marketing. The  
15 balance of the remaining amount shall be distributed to qualifying  
16 municipalities in proportion to each municipality's contribution to the  
17 enterprise zone assistance fund for the coordination and administration  
18 of the program within the municipality, including but not limited to  
19 costs for personnel, operating expenses and marketing.

20 (cf: P.L.1993, c.367, s.9)

21

22 2. This act shall take effect immediately.

23

24

25 STATEMENT

26

27 This bill clarifies existing law by allowing a municipality in which  
28 an urban enterprise zone is designated and the corresponding zone  
29 development corporation to include the costs of marketing, advertising  
30 and special event activities that will lead to increased economic  
31 activity or encourage private investment and job creation in the zone  
32 as projects eligible for funding assistance from the enterprise zone  
33 assistance fund, created pursuant to the "New Jersey Urban Enterprise  
34 Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.).

35 Inclusion of marketing, advertising and special events as eligible  
36 projects will give the zone a funding resource to better promote and  
37 market the zone and to attract new businesses, sustain and grow  
38 existing businesses and promote zone programs and projects. Such an  
39 extensive effort cannot be sustained through a zone's current limited  
40 administrative budget.

41 The bill also further clarifies existing law by allowing other costs  
42 currently recognized to be used without limitation to a specific project,  
43 in order to allow for greater flexibility in using the money and service  
44 time between projects.

SENATE ECONOMIC GROWTH, AGRICULTURE AND  
TOURISM COMMITTEE

STATEMENT TO

**SENATE, No. 395**

with committee amendments

**STATE OF NEW JERSEY**

DATED: FEBRUARY 21, 2002

The Senate Economic Growth, Agriculture and Tourism Committee reports favorably with committee amendments Senate Bill No. 395.

As amended, this bill clarifies existing law by allowing a municipality in which an urban enterprise zone is designated and the corresponding zone development corporation to include the costs of marketing, advertising and special event activities that will lead to increased economic activity or encourage private investment and job creation in the zone, but not including the expenditures therefor which are required to be reported pursuant to "The New Jersey Campaign Contributions and Expenditures Reporting Act," P.L.1973, c.83 (C.19:44A-1 et seq.), as projects eligible for funding assistance from the enterprise zone assistance fund, created pursuant to the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.).

Inclusion of marketing, advertising and special events as eligible projects will give the zone a funding resource to better promote and market the zone and to attract new businesses, sustain and grow existing businesses and promote zone programs and projects. Such an extensive effort cannot be sustained through a zone's current limited administrative budget.

The bill also further clarifies existing law by allowing other costs currently recognized to be used without limitation to a specific project, in order to allow for greater flexibility in using the money and service time between projects.

The committee amended the bill to clarify that those marketing, advertising and special event activities costs are not to include expenditures which are required to be reported pursuant to "The New Jersey Campaign Contributions and Expenditures Reporting Act," P.L.1973, c.83 (C.19:44A-1 et seq.) to be eligible for funding from the enterprise zone assistance fund.

This bill was prefiled for introduction in the 2002-2003 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.

# ASSEMBLY, No. 2588

## STATE OF NEW JERSEY 210th LEGISLATURE

INTRODUCED JUNE 20, 2002

**Sponsored by:**

**Assemblyman ALBIO SIRES**

**District 33 (Hudson)**

**Assemblyman JEFF VAN DREW**

**District 1 (Cape May, Atlantic and Cumberland)**

**Assemblyman NEIL M. COHEN**

**District 20 (Union)**

**Co-Sponsored by:**

**Assemblyman Edwards and Assemblywoman Pou**

**SYNOPSIS**

Allows UEZ municipalities to include certain marketing, advertising and special event activities and other managerial and professional services as projects eligible for UEZ funding assistance.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/25/2002)**

1 AN ACT concerning urban enterprise zones and amending P.L.1983,  
2 c.303 (C.52:27H-60 et seq.).

3  
4 **BE IT ENACTED** by the Senate and General Assembly of the State  
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13 moneys deposited in the fund shall be held and disbursed in the  
14 amounts necessary to fulfill the purposes of this section and subject to  
15 the requirements hereinafter prescribed. The State Treasurer may  
16 invest and reinvest any moneys in the fund, or any portion thereof, in  
17 legal obligations of the United States or of the State or of any political  
18 subdivision thereof. Any income from, interest on, or increment to  
19 moneys so invested or reinvested shall be included in the fund.

20 The State Treasurer shall maintain separate accounts for each  
21 enterprise zone designated under this act, and one in the authority's  
22 name for the administration of the Urban Enterprise Zone program.  
23 The State Treasurer shall credit to each account an amount of the  
24 moneys deposited in the fund equal to the amount of revenues  
25 collected from the taxation of retail sales made in the zone and  
26 appropriated to the enterprise zone assistance fund, or that amount of  
27 moneys appropriated to the fund and required to be credited to the  
28 enterprise zone account of the qualifying municipality pursuant to  
29 section 21 of P.L.1983, c.303 (C.52:27H-80).

30 The State Treasurer shall promulgate the rules and regulations  
31 necessary to govern the administration of the fund for the purposes of  
32 this section.

33 b. The enterprise zone assistance fund shall be used for the purpose  
34 of assisting qualifying municipalities in which enterprise zones are  
35 designated in undertaking public improvements, economic  
36 development projects and in upgrading eligible municipal services in  
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38 c. The governing body of a qualifying municipality in which an  
39 enterprise zone is designated and the zone development corporation  
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41 by resolution jointly adopted after public hearing, propose to  
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43 or to increase eligible municipal services in the enterprise zone, and to

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**Matter underlined thus is new matter.**

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4 The proposal so adopted shall set forth a plan for the project or for  
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11 (3) A statement of any other revenue sources to be used to finance  
12 the project or to fund the increase in eligible municipal services;

13 (4) A statement of the time necessary to complete the project, or  
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16 (5) A statement of the manner in which the proposed project or  
17 increase in municipal services furthers the municipality's policy and  
18 intentions for addressing the economic and social conditions existing  
19 in the area of the enterprise zone as set forth in the zone development  
20 plan approved by the authority; and

21 (6) A description of the financial and programmatic controls and  
22 reporting mechanisms to be used to guarantee that the funds will be  
23 spent in accordance with the plan and that the project or increased  
24 municipal service will accomplish its purpose.

25 As used in this section, "project" means an activity funded by the  
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27 implemented by the zone development corporation, including the  
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32 displaced by the acquisition of land or property; the rehabilitation and  
33 redevelopment of land or property, including demolition, clearance,  
34 removal, relocation, renovation, alteration, construction,  
35 reconstruction, installation or repair of a land or a building, street,  
36 highway, alley, utility, service or other structure or improvement  
37 which will lead to increased economic activity within the zone; the  
38 acquisition, construction, reconstruction, rehabilitation, or installation  
39 of public facilities and improvements, except buildings and facilities for  
40 the general conduct of government and schools; the establishment of  
41 revolving loan or grant programs for qualified businesses in the zone  
42 to encourage private investment and job creation, matching grant  
43 programs for the establishment or operation of pedestrian malls,  
44 special improvement districts and tax increment districts, or other  
45 appropriate entity; marketing, advertising and special event activities  
46 that will lead to increased economic activity or encourage private

1 investment and job creation in the zone, but not including the  
2 expenditures therefor which are required to be reported pursuant to  
3 "The New Jersey Campaign Contributions and Expenditures Reporting  
4 Act," P.L.1973, c.83 (C.19:44A-1 et seq.); and the costs associated  
5 therewith including the costs of an administrative appraisal, economic  
6 and environmental analyses, environmental remediation, engineering,  
7 planning, design, architectural, surveying or other professional or  
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9 As used in this section, "eligible municipal services" means the  
10 hiring of additional policemen or firemen assigned duties in the  
11 enterprise zone, or the purchasing or leasing of additional police or  
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17 shall be sent to the authority for its evaluation and approval. The  
18 authority shall approve the proposal if it shall find:

19 (1) In the case of a project, that the proposed project furthers the  
20 policy and intentions of the zone development plan approved by the  
21 authority, and that the estimated annual payments for the project from  
22 the enterprise zone account to which the proposal pertains are not  
23 likely to result in a deficit in that account;

24 (2) In the case of an increase in eligible municipal services, that the  
25 proposal furthers the policy and intentions of the zone development  
26 plan approved by the authority; that the qualifying municipality has  
27 furnished satisfactory assurances that the additional policemen or  
28 firemen to be hired, or the additional vehicles, equipment or apparatus  
29 to be purchased or leased, shall be used to augment or upgrade public  
30 safety in the enterprise zone, and shall not be used in other areas of the  
31 municipality; that the qualifying municipality shall annually appropriate  
32 for the increased eligible municipal services an amount equal to 20%  
33 of the amount of annual payments for the eligible municipal services  
34 from the enterprise zone account and shall not request for the  
35 increased eligible municipal services an amount equal to more than  
36 35% of the amount of annual payments into the enterprise zone  
37 account, unless the municipality and the authority have entered into an  
38 agreement or agreements to the contrary prior to July 1, 1992; and  
39 that the estimated annual payments for the eligible municipal services  
40 from the enterprise zone account to which the proposal pertains are  
41 not likely to result in a deficit in that account.

42 e. If the authority shall approve the proposal, it shall annually,  
43 upon its receipt of a written statement from the governing body of the  
44 qualifying municipality and the zone development corporation, certify  
45 to the State Treasurer the amount to be paid in that year from the  
46 enterprise zone account in the enterprise zone assistance fund with

1 respect to each project or increase in eligible municipal services  
2 approved. The authority may at any time revoke its approval of a  
3 project or an increase in eligible municipal services if it finds that the  
4 annual payments made from the enterprise zone assistance fund are not  
5 being used as required by this section.

6 f. Upon certification by the authority of the annual amount to be  
7 paid to a qualifying zone with respect to any project or increase in  
8 eligible municipal services, the State Treasurer shall pay in each year  
9 to the qualifying municipality from the amounts deposited in the  
10 enterprise zone assistance fund the amount so certified, within the  
11 limits of the amounts credited to the enterprise zone account of the  
12 qualifying municipality.

13 g. An amount not to exceed one-third of the amount deposited in  
14 the account created in the name of the authority in the enterprise zone  
15 assistance fund shall be used by the authority for the coordination and  
16 administration of the program throughout the State, including but not  
17 limited to costs for personnel, operating expenses and marketing. The  
18 balance of the remaining amount shall be distributed to qualifying  
19 municipalities in proportion to each municipality's contribution to the  
20 enterprise zone assistance fund for the coordination and administration  
21 of the program within the municipality, including but not limited to  
22 costs for personnel, operating expenses and marketing.

23 (cf: P.L.1993, c.367, s.9)

24

25 2. This act shall take effect immediately.

26

27

28

#### STATEMENT

29

30 This bill clarifies existing law by allowing a municipality in which  
31 an urban enterprise zone is designated and the corresponding zone  
32 development corporation to include the costs of marketing, advertising  
33 and special event activities that will lead to increased economic  
34 activity or encourage private investment and job creation in the zone,  
35 but not including the expenditures therefor which are required to be  
36 reported pursuant to "The New Jersey Campaign Contributions and  
37 Expenditures Reporting Act," P.L.1973, c.83 (C.19:44A-1 et seq.), as  
38 projects eligible for funding assistance from the enterprise zone  
39 assistance fund, created pursuant to the "New Jersey Urban Enterprise  
40 Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.).

41 Inclusion of marketing, advertising and special events as eligible  
42 projects will give the zone a funding resource to better promote and  
43 market the zone and to attract new businesses, sustain and grow  
44 existing businesses and promote zone programs and projects. Such an  
45 extensive effort cannot be sustained through a zone's current limited  
46 administrative budget.

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1       The bill also further clarifies existing law by allowing other costs  
2 currently recognized to be used without limitation to a specific project,  
3 in order to allow for greater flexibility in using the money and service  
4 time between projects.